

KPHD

Kennewick Public Hospital District
Board of Commissioners
Packet

Thursday, Nov. 19, 2020
Meeting via Zoom

5:00 p.m.

Kennewick Public Hospital District
Kennewick, Benton County, Washington

Consent Agenda
Nov. 19, 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 Oct. 29, 2020

2. Approval of Warrant Register/Revenue Fund

3. Acceptance of Financial Report:

- a. Approval of P&L Statements Oct. 2020

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

Thursday, November 19, 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. October financial statements
 - b. Treasurer’s Report: Status of Audits
 - c. Finance committee
- 2. Planning Committee – Len Dreisbach and Lee Kerr
- 3. Adult Day Services – General Update Rick Reil or Steve Blodgett
- 4. Governance Committee Updates – Gary Long
 - a. Commission vacancy discussion*
 - b. 2021 Officers
 - c. 2021 Committees
- 5. Public Records Requests and Updates – Heidi Ellerd and Salem Thompson
 - a. Update on email migration plan and SharePoint

III. COMMISSIONER COMMENTS

- A. Upcoming items –**

IV. BOARD MEETINGS/EVENTS/EDUCATION:

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

ADJOURNMENT

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

Minutes

Kennewick Public Hospital District

5:00 PM

Public Hearing: Property Tax Levy

Public Hearing: Budget

Regular October Board meeting

Thursday, October 29, 2020 | Remote Meeting Via Zoom

I. DISTRICT BUSINESS:

A. PUBLIC HEARINGS

1. Property Tax Levy

Hearing was called to order at 5:02 pm. Gary Long called the meeting to order. He explained the agenda for the evening. He turned the meeting over to Lee Kerr, Superintendent to explain the tax levy process and opportunity. Gary Long asked for public comment. There was none.

At 5:06pm the tax levy hearing was concluded.

2. Budget

At 5:07 pm the budget hearing was called to order. There was discussion on the budget and changes to the proposed budget. Gary Long asked for public comment and there was none.

At 5:23pm the hearing was closed.

A. At 5:23pm the resolution was read by Rick Reil:

Resolution 2020-4 Adopting District Budget for 2021 and Approving Limit Factor

Moved and seconded. Discussion to adopt changes discussed at the public hearing as part of the proposed budget: All in favor motion carried.

B. Resolution 2020-5 Certifying the Increase in Regular Tax Levy

Lee Kerr read the resolution. Certifying the increase in the regular tax levy. Moved. Seconded. No Discussion. All in favor. Motion carried.

II. Regular Board Meeting Business

Called to order at 5:27 pm

Commissioners Present: Gary Long, Wanda Briggs, Mike McWhorter, Rick Reil, Leonard Dreisbach, Steve Blodgett, Marv Kinney

Commissioners Absent: None

Contractors Present: Nathan Burt, Heidi Ellerd, Salem Thompson

Kennewick Public Hospital District

5:00 PM

Public Hearing: Property Tax Levy

Public Hearing: Budget

Regular October Board meeting

Thursday, October 29, 2020 | Remote Meeting Via Zoom

A. Approval of Consent Agenda*

B. Public Comment related to the regular board agenda – there was none

Motion to approve consent agenda, seconded, All in favor, motion carried.

III. NEW BUSINESS:

A. Executive Report – Lee Kerr

1. Acceptance of feasibility studies*

Gary Long opened a discussion on the feasibility studies presented to the commission in the board packet.

Each commissioner was offered time to provide comment.

Mike McWhorter: In support of the study. His letter of resignation was read by Gary Long indicated his resignation as of October 31, 2020. Mike will be missed, and he was thanked for his contributions.

Wanda Briggs: In support of the study.

Marv Kinney: In support of the center. Lee provided insight on the funding sources of the center in answer to Marv's questions around the self-sustaining nature of the facility.

Steve Blodgett. In support of the study. Stated he is aware of the broad community support needed to make such an endeavor successful.

Rick Reil: In support of the study.

Len Dreisbach: In support of the study.

2. General update

Reminds the commission that additional fundraising will be required to make a facility successful. Steps are being taken in that direction.

A prelim P&S agreement for the Auburn campus has been received. Lee and Heidi are looking at this agreement.

A service provider to run the facility is the final piece.

Relocation of district office to the Spaulding bldg. A proposed lease has been received.

Ayers property has been conveyed. A few final items remain with the creditor's trust and all things are moving forward positively.

a. Authorization for Superintendent to sign donation agreement from Lourdes – moved to Governance.

B. Committee Reports/Recommendations

1. Finance & Audit – Steve Blodgett, Finance Chair / Nathan Burt

a. September financial statements

General discussion on the statements.

b. Treasurer's Report: Status of Audits –

The final report has not been received on the financial audit.

c. Finance committee – No other comments or reports.

2. Planning Committee – Len Dreisbach and Lee Kerr – No other comments or reports.

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

Kennewick Public Hospital District

5:00 PM

Public Hearing: Property Tax Levy

Public Hearing: Budget

Regular October Board meeting

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4. Governance Committee Updates – Gary Long
 - a. Authorization for Superintendent to sign donation agreement from Lourdes – Motion to authorize Lee Kerr to sign donation agreement on behalf of the District. Seconded. All in favor. No discussion. Motion carried.
 - b. Authorization for Lee Kerr to sign Office Lease with RCCH
Motion to authorize Lee Kerr to sign the Office Lease with RCCH on behalf of the District. Seconded. All in favor. Motion carried.
 - c. Vacancy on the commission. Discussion on how Mike’s remaining term would be handled. Gary asks the commissioners to please provide any contact information of proposed candidates to Salem for dissemination. The commission has 90 days to appoint, or the county could appoint a person. Any appointee would need to run for election in 2021.
 - d. Resolution 2020-6 A Resolution Appointing the Agent to Receive Claims Against the District – Heidi Ellerd’s office has been identified to be the new claims agent.
Resolution is read by Rick Reil.
Motion to approve resolution. Seconded. No discussion. Motion carried.
 - e. Officer recommendations for 2021 – Gary asks again for officer recommendations to be provided this month for the 2021 year.
5. Public Records Requests and Updates – Heidi Ellerd and Salem Thompson
 - a. Update on email migration plan and SharePoint – All is going on schedule and within budget.

IV. COMMISSIONER COMMENTS

Each commissioner expressed appreciation in turn to Mike McWhorter. Mike at the end stated his gratitude for the years he has spent in the community and on the board.

A. Upcoming items – None.

V. BOARD MEETINGS/EVENTS/EDUCATION:

Next Regularly Scheduled Board Meeting – Thursday November 19, 2020 @ 5:00p.m.

ADJOURNMENT – 6:26 pm

Financials

Kennewick Public Hospital District
Statement of Cash Flows
October 2020

	<u>Oct 20</u>
OPERATING ACTIVITIES	
Net Income	69,016.39
Adjustments to reconcile Net Income to net cash provided by operations:	
2020 · Accounts Payable	324,644.43
2023 · US Bank Corp Payment Systems	16.28
2030 · Funds held in trust	<u>-156,463.63</u>
Net cash provided by Operating Activities	237,213.47
FINANCING ACTIVITIES	
2100 · Loan from ADS	<u>-6,514.08</u>
Net cash provided by Financing Activities	-6,514.08
Net cash increase for period	230,699.39
Cash at beginning of period	<u>604,218.96</u>
Cash at end of period	<u>834,918.35</u> ¹

Kennewick Public Hospital District
Statement of Cash Flows
October 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.

Kennewick Public Hospital District
Statement of Financial Activity
October 2020

	Oct 20	Jan - Oct 20
Ordinary Income/Expense		
Income		
100 · Property Tax Revenue	456,998.57	1,319,355.90
Total Income	456,998.57	1,319,355.90
Cost of Goods Sold		
200 · Community Care Agreement	365,598.86	987,635.33
Total COGS	365,598.86	987,635.33
Gross Profit	91,399.71	331,720.57
Expense		
VOID	0.00	0.00
301 · Health Initiative Contributions	0.00	33,160.00
305 · Bank Fees	72.15	2,258.41
315 · Commissioner Mtg Stipend	5,248.00	23,936.00
320 · Facilities Expense		
321 · Building Association Dues	434.00	2,170.00
323 · Utilities	0.00	2,602.23
Total 320 · Facilities Expense	434.00	4,772.23
326 · Insurance	183.80	12,847.20
330 · Legal and Professional		
331 · Attorney Fees	5,449.00	94,395.42
332 · Accounting	1,300.00	13,000.00
333 · Audit Expense	0.00	18,347.70
335 · Administrative Support	2,200.00	22,000.00
336 · Other Professional Fees	2,014.49	3,879.49
Total 330 · Legal and Professional	10,963.49	151,622.61
339 · Licenses and Taxes	0.00	318.25
340 · Office Expenses	42.63	1,133.45
345 · Other Operating Expenses	0.00	108.54
346 · Public Records Request	700.00	9,932.75
347 · Public Election Costs	0.00	28,685.82
360 · Superintendent Compensation	3,000.00	27,000.00
380 · Payroll Expenses		
381 · Benefits	0.00	242.27
Total 380 · Payroll Expenses	0.00	242.27
Total Expense	20,644.07	296,017.53
Net Ordinary Income	70,755.64	35,703.04
Other Income/Expense		
Other Income		
900 · Richmond Trust Income	2,717.85	12,493.59
930 · Gain on Disposal of Assets	0.00	341,000.00
950 · Worker's Comp Reimbursements	0.00	112,845.17
960 · Interest and Dividend Income	1.43	129.81
970 · Rent Income	0.00	0.00
Total Other Income	2,719.28	466,468.57
Other Expense		
800 · Workers Comp Claims Paid	0.00	108,480.74
810 · Interest Expense	4,458.53	18,403.75
Total Other Expense	4,458.53	126,884.49
Net Other Income	-1,739.25	339,584.08
Net Income	69,016.39	375,287.12

Kennewick Public Hospital District
Statement of Financial Activity
October 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.

Kennewick Public Hospital District
Statement of Net Position
As of October 31, 2020

	Oct 31, 20
ASSETS	
Current Assets	
Checking/Savings	
1010 · US Bank Checking 4037	454,447.31
1020 · Health Initiative Reserves 2765	341,000.00
1030 · Restricted - US Bank 6221	17,778.95
1040 · Key Bank Worker's Comp	21,692.09
Total Checking/Savings	834,918.35
Total Current Assets	834,918.35
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	1,812,451.48
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2020 · Accounts Payable	382,272.18
Total Accounts Payable	382,272.18
Credit Cards	
2023 · US Bank Corp Payment Systems	-2,823.99
Total Credit Cards	-2,823.99
Other Current Liabilities	
2030 · Funds held in trust	17,778.95
Total Other Current Liabilities	17,778.95
Total Current Liabilities	397,227.14
Long Term Liabilities	
2100 · Loan from ADS	289,240.33
Total Long Term Liabilities	289,240.33
Total Liabilities	686,467.47
Equity	
3001 · Net Assets	448,072.41
3200 · Retained Earnings	302,624.48
Net Income	375,287.12
Total Equity	1,125,984.01
TOTAL LIABILITIES & EQUITY	1,812,451.48

9:55 AM

11/12/20

Accrual Basis

Kennewick Public Hospital District
Statement of Net Position
As of October 31, 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.

Resolutions

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

RESOLUTION NO. 2020-7

A resolution of the Commission of Kennewick Public Hospital District, Benton County, Washington (the "District"), authorizing the District to utilize the procedure for work ordered pursuant to RCW 70.44.140

WHEREAS, RCW 70.44.140 provides that contracts for work ordered by the District, where the estimated cost is \$350,000.00 or less may be let by the use of a small works roster; and

WHEREAS this District desires to utilize small works roster for such projects; and

WHEREAS RCW 39.04.155 describes the process to be utilized by the District in establishing and using small works rosters;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF KENNEWICK PUBLIC HOSPITAL DISTRICT, BENTON COUNTY, WASHINGTON, that a small works process for work ordered be established pursuant to the following procedures:

1. Once each calendar year the District shall cause to be published a notice pertaining to small works rosters in a newspaper of general circulation within the District's jurisdiction. Said notice shall inform all interested parties of the existence of a small works roster or rosters and solicit names of contractors for such rosters.
2. Whenever the District orders work and the estimated cost is \$75,000.00 or less the District will obtain three quotations from contractors on the small works roster.
3. Whenever the District orders work and the estimated cost is \$75,000.00 to \$250,000.00 the District will obtain five quotations from contractors on the small works roster.
4. Whenever the District orders work and the estimated cost is from \$250,000.00 to \$350,000.00, the District shall inform all contractors on the small works roster doing the type of work needed.
5. Such invitations for quotations shall include an estimate of the scope and nature of the work to be performed as well as materials and equipment to be furnished. These will be done by phone or written notice to the contractor.

6. The contract shall be let to the lowest responsible bidder as defined by Chapter 39.26 of the Revised Code of Washington that submits a quotation in writing or electronically.

7. After the award is made, the quotations obtained shall be recorded in our records, open to public inspection and shall be available by telephone inquiry.

THIS RESOLUTION modifies and supersedes Resolution 2018-21.

ADOPTED AND APPROVED by the Commission of Kennewick Public Hospital District, Benton County, Washington at a special, open public meeting thereof, held this 19th day of November 2020.

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

Gary Long, President & Commissioner

Steve Blodgett, VP, Treasurer & Commissioner

Marv Kinney, Secretary & Commissioner

Richard L. Reil, Commissioner

Wanda L. Briggs, Commissioner

Leonard Dreisbach, Commissioner
