



Two Rivers
HEALTH DISTRICT

KENNEWICK PUBLIC HOSPITAL DISTRICT

**Board of Commissioners
Packet**

**Thursday, Oct. 28, 2021
Meeting via Zoom**

5:00 p.m.

Kennewick Public Hospital District
Kennewick, Benton County, Washington
Consent Agenda
October 28, 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. Meeting Minutes, Sept. 30, 2021

2. Acceptance of Financial Report:

- a. Approval of P&L Statements September, 2021

Minutes

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

Thursday, September 30, 2021, | Remote Meeting Via Zoom

CALL TO ORDER Gary Long called the meeting to order at 5:00 pm.

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

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 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:

- Approval of the previous month's Board minutes
- 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 – Ken Mey provided a public comment in the chat feature about when he expected the agenda and packets to be uploaded to the KPHD website for upcoming meetings.

II. NEW BUSINESS:

Commissioner Long expressed appreciation to Len Dreisbach for his service since 2017 on this board. Several Commissioners expressed their good wishes and gratitude to Leonard. A virtual plaque was read, and a physical plaque was sent to his address. Commissioner Dreisbach was then excused from the meeting. Leonard Dreisbach's resignation is effective September 30, 2021.

A. Reports

1. Executive Report – Lee Kerr
 - a. General Update – Recovery center efforts by Benton County are ongoing. The 805/807 Auburn listing sign is up to sell the property, and the listing agent is trying to market the property.
2. Legal Report - Heidi Ellerd, Legal Counsel

- a. Public Records Requests – No updates. Work to fulfill existing requests continues.

3. Administrative Report, Salem Thompson, Board Coordinator – A meeting with WA State Archivist, Candy Hales from Heidi Ellerd's office, Governance Committee members, Lee Kerr, and Salem Thompson. From this meeting, it was clear the District should move forward with addressing records stored at Columbia Industries (CI) and work to separate records that are indeed subject to Public Records Retention schedules from records RCCH/LifePoint needs for ongoing services. In the process, records will be evaluated for shipment to the WA State Archives. In addition, managing our records will decrease expenses in storing records that we do not need to retain.

- a. Records project update – A meeting will be held in October with the stakeholders involved: KPHD, CI, RCCH/LifePoint, District legal counsel, District Superintendent, Records Specialist, and Salem Thompson as project coordinator. From this meeting, a scope will be developed and a work plan. The District has a budget item for the project. At the time of this meeting, there is no word on the records grants awards from WA State Archives, but work will begin on the project in October regardless.
- b. Barracuda Mail and Archive cutover – Oct. 1. The District's email will benefit from enterprise-level spam protection, monitoring, and quarantining of suspect items.

B. Committee Reports/Recommendations

1. Finance Committee – Steve Blodgett, Finance Chair / Nathan Burt
 - a. August financial statements – Overview by Nathan Burt.
 - b. Treasurer's Report: Completion of the 2020 Financial Audit. Nathan's office will now file form 990.
 - c. 2022 Budget Work – Finance Committee will meet in October to develop the budget for 2022.
 - d. Credit Card Policy* The policy was distributed to the Commission via the packet.

IT WAS MOVED AND SECONDED TO APPROVE THE CREDIT CARD POLICY AS SUBMITTED. NO DISCUSSION MOTION CARRIED.

2. Planning Committee
 - a. General updates – Wanda Briggs
 - b. 2022 Officer Recommendations – The committee recommended Gary Long as President, Mark Brault as Vice President, and Steve Blodgett as Secretary. The pleasure of the Commission is to table the acceptance of these recommendations to the October commission meeting.
 - c. Open Commission position for Commissioner Dreisbach's unexpired term. Notice to the public on the website as of September 28, 2021. Applications close October 15. Three current candidates have submitted resumes.
 - d. 805/807 Auburn update – See Lee's comments above.
 - e. Spaulding building occupancy update – Marv Kinney – RCCH/LifePoint completed work in the Spaulding suite for occupancy. Keys were issued for the suite but not for the Spaulding entrance. Things to be addressed are mainly painting, spackling, and moving furniture from 805 to the Spaulding suite.
 - f. Adult Day Services – General Update

III. EXECUTIVE SESSION RCW 42.30.110 (1)(b) – Consider acquisition of real estate when public knowledge regarding such could cause increased price.

The executive session was called at 6:09 pm for 10 minutes.

Members of the public in attendance were placed in the Zoom waiting room.

The meeting was opened back up to the public at 6:19 pm

Members of the public still present were brought back into the main meeting.

The Commission asked that Adult Day Services be notified they are interested in further negotiations about the Adult Day Services building.

3. Governance Committee

- a. Appreciation to Commissioner Dreisbach – See Notes above.
- b. Set date and time for 2022 Budget and Ad Valorem Hearings- The Budget and Ad Valorem Public Hearings will be held before the regular board meeting scheduled for October 28, 2021. The start time for the Public Hearings will be 5:00 pm with the regular board meeting agenda to follow.
- c. Recap of the process for Commissioner appointment – Discussed by Wanda above.

IV. COMMISSIONER COMMENTS

V. BOARD MEETINGS/EVENTS/EDUCATION:

Salem will schedule additional records training for each Committee for November.

Next Regularly Scheduled Board Meeting – Thursday, October 28, 2021, @ 5:00 pm.

Financials

Management Reports

Kennewick Public Hospital District

For the period ended September 30, 2021

Prepared by

Epic Tax Solutions a Subsidiary of Epic Trust Financial Group

Prepared on

October 6, 2021

Table of Contents

Statement of Activity With Year to Date4

Statement of Financial Position6

Statement of Cash Flows - Last Month8

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

September 2021

| | Sep 2021 | Jan - Sep, 2021 (YTD) | Total |
|---|------------------|-----------------------|-------------------|
| REVENUE | | | |
| 100 Property Tax Revenue | 27,691.51 | | 891,384.33 |
| 109 Other Revenue | | | 1,780.50 |
| Total Revenue | 27,691.51 | | 893,164.83 |
| COST OF GOODS SOLD | | | |
| 200 Community Care Agreement | 22,369.21 | | 725,757.05 |
| Total Cost of Goods Sold | 22,369.21 | | 725,757.05 |
| GROSS PROFIT | 5,322.30 | | 167,407.78 |
| EXPENDITURES | | | |
| 301 Health Initiative Contributions | | | 2,770.45 |
| 305 Bank Fees | 377.49 | | 3,177.43 |
| 315 Commissioner Mtg Stipend | 2,432.00 | | 25,472.00 |
| 320 Facilities Expense | | | 462.44 |
| 321 Building Association Dues | 329.15 | | 2,560.90 |
| 323 Utilities | | | 2,490.13 |
| 325 Repairs and Maintenance | | | 13,255.61 |
| Total 320 Facilities Expense | 329.15 | | 18,769.08 |
| 326 Insurance | 190.20 | | 12,459.00 |
| 330 Legal and Professional | | | |
| 331 Attorney Fees | 1,341.25 | | 9,622.46 |
| 332 Accounting | 1,457.00 | | 12,262.01 |
| 333 Audit Expense | | | 21,260.04 |
| 335 Administrative Support | 2,200.00 | | 19,699.00 |
| 336 Other Professional Fees | | | 980.51 |
| Total 330 Legal and Professional | 4,998.25 | | 63,824.02 |
| 339 Licenses and Taxes | 19.36 | | 58.58 |
| 340 Office Expenses | 242.16 | | 2,444.01 |
| 346 Public Records Request | 927.25 | | 12,476.00 |
| 347 Public Election Costs | | | 10,477.75 |
| 360 Superintendent Compensation | 3,000.00 | | 27,000.00 |
| 380 Payroll Expenses | | | |
| 381 Benefits | | | 25.00 |
| Total 380 Payroll Expenses | | | 25.00 |
| Travel | | | 1,096.87 |
| Total Expenditures | 12,515.86 | | 180,050.19 |
| NET OPERATING REVENUE | -7,193.56 | | -12,642.41 |
| OTHER REVENUE | | | |
| 900 Richmond Trust Income | | | 5,707.84 |
| 910 Donations | | | 341,000.00 |
| 950 Worker's Comp Reimbursements | 94,579.60 | | 222,767.53 |
| 960 Interest and Dividend Income | 0.50 | | 15.95 |

| | Sep 2021 | Total Jan - Sep, 2021 (YTD) |
|---------------------------------|----------------------|--------------------------------|
| Total Other Revenue | 94,580.10 | 569,491.32 |
| OTHER EXPENDITURES | | |
| 800 Workers Comp Claims Paid | 98,044.51 | 221,848.38 |
| 810 Interest Expense | | 12,780.00 |
| Total Other Expenditures | 98,044.51 | 234,628.38 |
| NET OTHER REVENUE | -3,464.41 | 334,862.94 |
| NET REVENUE | \$ -10,657.97 | \$322,220.53 |

Statement of Financial Position

As of September 30, 2021

| | Total |
|--|-----------------------|
| ASSETS | |
| Current Assets | |
| Bank Accounts | |
| 1010 US Bank Checking 4037 | 130,872.82 |
| 1020 Health Initiative Reserves 2765 | 682,000.00 |
| 1030 Restricted - US Bank 6221 | 100.00 |
| 1040 Key Bank Worker's Comp | 19,344.40 |
| Total Bank Accounts | 832,317.22 |
| Other Current Assets | |
| 1105 Tax Receivable | 5,778.00 |
| Total Other Current Assets | 5,778.00 |
| Total Current Assets | 838,095.22 |
| 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 | |
| 1210 Prepaid Expenses | 2,257.84 |
| 2001 Richmond Trust (Restricted) | 676,310.45 |
| Total Other Assets | 678,568.29 |
| TOTAL ASSETS | \$1,516,663.51 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 2020 Accounts Payable | 25,284.64 |
| Total Accounts Payable | 25,284.64 |
| Other Current Liabilities | |
| 2021.50 Current Portion ADS Loan Payable | 25,482.00 |
| Total Other Current Liabilities | 25,482.00 |
| Total Current Liabilities | 50,766.64 |
| Long-Term Liabilities | |
| 2100 Loan from ADS | 243,620.95 |
| Total Long-Term Liabilities | 243,620.95 |
| Total Liabilities | 294,387.59 |
| Equity | |
| 3001 Net Assets | 291,809.57 |
| 3200 Net Position | 608,245.82 |
| Net Revenue | 322,220.53 |

| | Total |
|-------------------------------------|-----------------------|
| Total Equity | 1,222,275.92 |
| TOTAL LIABILITIES AND EQUITY | \$1,516,663.51 |

Statement of Cash Flows - Last Month

September 2021

| | Total |
|---|---------------------|
| OPERATING ACTIVITIES | |
| Net Revenue | -10,657.97 |
| Adjustments to reconcile Net Revenue to Net Cash provided by operations: | |
| 2020 Accounts Payable | 20,271.97 |
| Total Adjustments to reconcile Net Revenue to Net Cash provided by operations: | 20,271.97 |
| Net cash provided by operating activities | 9,614.00 |
| INVESTING ACTIVITIES | |
| 1210 Prepaid Expenses | -1,938.02 |
| Net cash provided by investing activities | -1,938.02 |
| NET CASH INCREASE FOR PERIOD | 7,675.98 |
| Cash at beginning of period | 824,641.24 |
| CASH AT END OF PERIOD | \$832,317.22 |

Kennewick Public Hospital District

Check Detail
September 2021

| DATE | NAME | AMOUNT |
|----------------------------|---|-----------|
| 1010 US Bank Checking 4037 | | |
| 09/01/2021 | Benton County Treasurer | -19.36 |
| | | -19.36 |
| 09/01/2021 | Blodgett, Steve | -896.00 |
| | | -896.00 |
| 09/01/2021 | Leland B. Kerr, Kerr Consulting LLC | -3,000.00 |
| | | -3,000.00 |
| 09/01/2021 | Long, Gary | -640.00 |
| | | -640.00 |
| 09/01/2021 | Salem Snowdy Development LLC | -2,200.00 |
| | | -2,200.00 |
| 09/01/2021 | Brault, Mark | -1,536.00 |
| | | -1,536.00 |
| 09/01/2021 | US Bank Corporate Payment Systems | -2,180.18 |
| | | -2,180.18 |
| 09/02/2021 | Kenmore Team Property Management | -238.14 |
| | | 238.14 |
| 09/02/2021 | Kenmore Team Property Management | -91.01 |
| | | 91.01 |
| 09/07/2021 | Mutual of Enumclaw | -190.20 |
| | | 190.20 |
| 09/08/2021 | Advantage IT | -63.24 |
| | | -63.24 |
| 09/15/2021 | Kuffel, Hultgrenn, Klashke, Shea & Ellerd | -1,614.50 |
| | | -1,614.50 |
| 09/15/2021 | Benton County Treasurer | 0.00 |
| | | 0.00 |
| 09/15/2021 | Briggs, Wanda | -256.00 |
| | | -256.00 |
| 09/15/2021 | Kinney, Marv | 0.00 |

Kennewick Public Hospital District

Check Detail
September 2021

| DATE | NAME | AMOUNT |
|------------|-----------------------|-----------|
| | | 0.00 |
| 09/15/2021 | Dreisbach MD, Leonard | -1,280.00 |
| | | -1,280.00 |
| 09/15/2021 | US Bank | -92.60 |
| | | 92.60 |
| 09/16/2021 | Epic Tax Solutions | -1,457.00 |
| | | 1,457.00 |
| 09/23/2021 | Kinney, Marv | -512.00 |
| | | -512.00 |

Kennewick Public Hospital District 2022 Draft Budget

| | Total |
|--|-----------------|
| Revenue | |
| 100 Property Tax Collections | 1,559,221.00 |
| 109 Other Revenue | |
| Total Revenue | \$ 1,559,221.00 |
| Direct Costs | |
| 200 Community Care Agreement | 1,247,376.80 |
| Total Direct Costs | \$ 1,247,376.80 |
| Gross Activity | \$ 311,844.20 |
| Expenditures | |
| 301 Health Initiative Contributions | 19,000.00 |
| 305 Bank Fees | 3,500.00 |
| 315 Commissioner Mtg Stipend | 36,479.00 |
| 320 Facilities Expense | |
| 321 Building Association Dues | 5,729.00 |
| 323 Utilities | 3,600.00 |
| 325 Repairs and Maintenance | 10,000.00 |
| Total 320 Facilities Expense | \$ 19,329.00 |
| 326 Insurance | 14,256.00 |
| 330 Legal and Professional | |
| 331 Attorney Fees | 18,000.00 |
| 332 Accounting | 17,484.00 |
| 333 Audit Expense | 29,000.00 |
| 335 Administrative Support | 27,087.97 |
| 336 Other Professional Fees | 3,000.00 |
| Total 330 Legal and Professional | \$ 94,571.97 |
| 339 Licenses and Taxes | 500.00 |
| 340 Office Expenses and Other Operating Expenses | 3,250.00 |
| 346 Public Records Request + Records Management | 32,000.00 |
| 347 Public Election Costs | 18,667.00 |
| 360 Superintendent Compensation | 36,000.00 |
| 365 Supplies | 750.00 |
| 380 Payroll Expenses | |
| 381/382 Paroll Benefits/Taxes | 0.00 |
| Total 380 Payroll Expenses | \$ 0.00 |
| Training and Travel | 3,000.00 |
| Total Expenditures | \$ 281,302.97 |
| Net Operating Revenue | \$ 30,541.23 |
| Other Revenue | |
| 900 Richmond Trust Income | 30,000.00 |
| 910 Donations | 0.00 |
| 950 Worker's Comp Reimbursements | 155,000.00 |
| 960 Interest and Dividend Income | 3,410.00 |
| 980 Printing, Copying Reimbursement | 100.00 |
| Total Other Revenue | \$ 188,510.00 |
| Other Expenditures | |
| 800 Workers Comp Claims Paid | 155,000.00 |
| 810 Interest Expense | 15,169.00 |
| 830 Administrative Claim | 0.00 |
| Total Other Expenditures | \$ 170,169.00 |
| Net Other Revenue | \$ 18,341.00 |
| Net Revenue | \$ 48,882.23 |
| Financing Activities | |
| Debt (Principal) Obligations | 28,722.00 |
| Contributions to Emergency Reserves | 10,000.00 |
| Net Cash Proceeds from Operating, Non-Operating, and Financing Activities | 10,160.23 |

Kennewick Public Hospital District
Thursday, October 28, 2021 | Remote Meeting Via Zoom
5:00 PM

Public Hearing: Property Tax Levy

Public Hearing: Budget

Regular October Board meeting

I. DISTRICT BUSINESS:

II. Regular Board Meeting Business

- A. Approval of Consent Agenda***
- B. Public Comment related to the regular board agenda**

III. PUBLIC HEARINGS

- A. Property Tax Levy**
- B. Budget**
- C. Resolution 2021-5 Adopting District Budget for 2022 and Approving Limit Factor***
- D. Resolution 2021-6 Certifying the Increase in Regular Tax Levy***

IV. NEW BUSINESS:

A. Reports

- 1. Executive Report – Lee Kerr
 - a. General Update
- 2. Legal Report - Heidi Ellerd, Legal Counsel
 - a. Public 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. September financial statements – Nathan Burt
 - b. Treasurer’s Report – Steve Blodgett
 - c. EFT Policy*
- 2. Adult Day Services – General Update Steve Blodgett / Rick Reil
- 3. Governance Committee Updates – Gary Long
 - a. Selection of Officers for 2022*

- b. Discussion on future policy for selection of officers
- 4. Planning Committee – Wanda Briggs
 - a. Update on candidates for open position on Commission

D. EXECUTIVE SESSION TO CONSIDER QUALIFICATIONS OF A CANDIDATE FOR APPOINTMENT TO ELECTIVE OFFICE PURSUANT TO RCW 42.30.110(h)

1. Potential appointment of new Commissioner*

V. COMMISSIONER COMMENTS

A. Upcoming items –

VI. BOARD MEETINGS/EVENTS/EDUCATION:

Next Regularly Scheduled Board Meeting – Thursday November 18, 2021 @ 5:00p.m.

ADJOURNMENT

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

Policies / Resolutions

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

RESOLUTION NO. 2021-5

A resolution of the Commission of Kennewick Public Hospital District, Benton County, Washington (the "District"), adopting the District's budget for calendar year 2022 and approving the limit factor for the District's regular property tax levy for collection in calendar year 2022

WHEREAS, RCW 70.44.060 requires the Superintendent of the District to prepare a proposed budget of the contemplated financial transactions of the District for the ensuing year and to file the budget in the records of the Commission on or before November 1st, and

WHEREAS, RCW 70.44.060 further requires the District to publish public notice of the proposed budget and the date and place of a hearing on the budget, which is required to be held on or before November 15th, for two consecutive weeks in a newspaper printed and of general circulation in Benton County; and

WHEREAS, the Superintendent has, in compliance with the requirements of RCW 70.44.060, prepared, filed and provided notice of the District's proposed budget; and

WHEREAS, the Commission has held a public hearing on the Budget in compliance with the requirements of RCW 70.44.060; and

WHEREAS, RCW 84.55.010 and RCW 84.55.092 provide that the levy for a taxing district in any year shall be set so that the regular property taxes payable in the following year shall not exceed the "limit factor" multiplied by the amount of regular property taxes lawfully levied for such district in the highest of the three most recent years in which such taxes were levied for such district, or the highest amount that could have been levied in any year since 1985, plus an additional dollar amount calculated by multiplying the increase in assessed value in that district resulting from new construction, increases in assessed value due to construction of electric generation wind turbine facilities classified as personal property, improvements to property, and any increase in the assessed value of state-assessed property by the regular property tax levy rate of that district for the preceding year; and

WHEREAS, RCW 84.55.005 provides that the limit factor for a taxing district that has a population equal to or greater than 10,000 shall be the lesser of 101% or the amount authorized under RCW 84.55.0101 if the taxing district has authorized a limit factor under RCW 84.55.0101 and shall be the lesser of 101% or 100% plus inflation if the taxing district has not authorized a limit factor under RCW 84.55.0101; and

WHEREAS, the Board of Commissioners of the District attests that the population of the District is more than 10,000 (Ten Thousand); and

WHEREAS, RCW 84.55.0101 provides that, upon finding substantial need, the legislative authority of a taxing district may provide for a "limit factor" of 101% or less and requires that any resolution approving such limit factor be approved by no fewer than five members of the Board of Commissioners; and

WHEREAS, the Board of Commissioners of the District has met and considered its budget for calendar year 2022; and

WHEREAS, the Board of Commissioners of the District, in the course of considering the budget for calendar year 2022, reviewed all sources of revenue and examined all anticipated expenses and obligations; and

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF KENNEWICK PUBLIC HOSPITAL DISTRICT, BENTON COUNTY, WASHINGTON, as follows:

Section 1. The Commission hereby adopts the 2022 Operating Budget attached hereto as Exhibit A as the budget for the District for calendar year 2022, which budget includes a regular property tax levy in the amount of approximately \$1,560,000.00, plus administrative refund amount of \$1,050.01.

Section 2. The Commission hereby adopts a limit factor for the District's regular levy for collection in calendar year 2022 of 101% multiplied by the amount of regular property taxes lawfully levied by the District for collection in 2022, and hereby finds that there is substantial need for the use of such limit factor.

Section 3. The County Treasurer of Benton County, Washington, is hereby authorized and directed to collect and deliver on or before the 15th of each month to the Treasurer of the District the sum of all taxes collected on behalf of the District during the preceding month together with a proper accounting thereof.

Section 4. The Superintendent of the District is hereby authorized and directed to deliver a certified copy of the Resolution to the clerk of the Board of County Commissioners of Benton County in compliance with applicable law.

ADOPTED AND APPROVED by the Commission of Kennewick Public Hospital District, Benton County, Washington at a special, open public meeting thereof, held this 28th day of October, 2021.

**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

Mark Brault, Commissioner

Kennewick Public Hospital District 2022 Draft Budget

| | Total |
|--|------------------------|
| Revenue | |
| 100 Property Tax Collections | 1,559,221.00 |
| 109 Other Revenue | |
| Total Revenue | \$ 1,559,221.00 |
| Direct Costs | |
| 200 Community Care Agreement | 1,247,376.80 |
| Total Direct Costs | \$ 1,247,376.80 |
| Gross Activity | \$ 311,844.20 |
| Expenditures | |
| 301 Health Initiative Contributions | 19,000.00 |
| 305 Bank Fees | 3,500.00 |
| 315 Commissioner Mtg Stipend | 36,479.00 |
| 320 Facilities Expense | |
| 321 Building Association Dues | 5,729.00 |
| 323 Utilities | 3,600.00 |
| 325 Repairs and Maintenance | 10,000.00 |
| Total 320 Facilities Expense | \$ 19,329.00 |
| 326 Insurance | 14,256.00 |
| 330 Legal and Professional | |
| 331 Attorney Fees | 18,000.00 |
| 332 Accounting | 17,484.00 |
| 333 Audit Expense | 29,000.00 |
| 335 Administrative Support | 27,087.97 |
| 336 Other Professional Fees | 3,000.00 |
| Total 330 Legal and Professional | \$ 94,571.97 |
| 339 Licenses and Taxes | 500.00 |
| 340 Office Expenses and Other Operating Expenses | 3,250.00 |
| 346 Public Records Request + Records Management | 32,000.00 |
| 347 Public Election Costs | 18,667.00 |
| 360 Superintendent Compensation | 36,000.00 |
| 365 Supplies | 750.00 |
| 380 Payroll Expenses | |
| 381/382 Paroll Benefits/Taxes | 0.00 |
| Total 380 Payroll Expenses | \$ 0.00 |
| Training and Travel | 3,000.00 |
| Total Expenditures | \$ 281,302.97 |
| Net Operating Revenue | \$ 30,541.23 |
| Other Revenue | |
| 900 Richmond Trust Income | 30,000.00 |
| 910 Donations | 0.00 |
| 950 Worker's Comp Reimbursements | 155,000.00 |
| 960 Interest and Dividend Income | 3,410.00 |
| 980 Printing, Copying Reimbursement | 100.00 |
| Total Other Revenue | \$ 188,510.00 |
| Other Expenditures | |
| 800 Workers Comp Claims Paid | 155,000.00 |
| 810 Interest Expense | 15,169.00 |
| 830 Administrative Claim | 0.00 |
| Total Other Expenditures | \$ 170,169.00 |
| Net Other Revenue | \$ 18,341.00 |
| Net Revenue | \$ 48,882.23 |
| Financing Activities | |
| Debt (Principal) Obligations | 28,722.00 |
| Contributions to Emergency Reserves | 10,000.00 |
| Net Cash Proceeds from Operating, Non-Operating, and Financing Activities | 10,160.23 |



Ordinance / Resolution No. 2021-6
RCW 84.55.120

WHEREAS, the Board of Commissioners of Kennewick Public Hospital has met and considered District
(Governing body of the taxing district) (Name of the taxing district)
its budget for the calendar year 2022; and,

WHEREAS, the districts actual levy amount from the previous year was \$ 1,510,506.00; and,
(Previous year's levy amount)

WHEREAS, the population of this district is more than or less than 10,000; and now, therefore,
(Check one)

BE IT RESOLVED by the governing body of the taxing district that an increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2022 tax year.
(Year of collection)

The dollar amount of the increase over the actual levy amount from the previous year shall be \$ 15,105.06 which is a percentage increase of 1.0 % from the previous year. This increase is exclusive of
(Percentage increase)

additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities, and any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Adopted this 28 day of October, 2021.

If additional signatures are necessary, please attach additional page.

This form or its equivalent must be submitted to your county assessor prior to their calculation of the property tax levies. A certified budget/levy request, separate from this form is to be filed with the County Legislative Authority no later than November 30th. As required by RCW 84.52.020, that filing certifies the total amount to be levied by the regular property tax levy. The Department of Revenue provides the "Levy Certification" form (REV 64 0100) for this purpose. The form can be found at: <http://dor.wa.gov/docs/forms/PropTx/Forms/LevyCertf.doc>.

To ask about the availability of this publication in an alternate format, please call 1-800-647-7706. Teletype (TTY) users may use the Washington Relay Service by calling 711. For tax assistance, call (360) 534-1400.

Levy Certification

Submit this document, or something similar, to the **county legislative authority on or before November 30** of the year preceding the year in which the levy amounts are to be collected.

Courtesy copy may be provided to the county assessor.

This form is not designed for the certification of levies under RCW 84.52.070.

In accordance with RCW 84.52.020, I **Gary Long** (Name),
President & Commissioner (Title), for **Kennewick Public Hospital District** (District name),
do hereby certify to the **Benton** (Name of county) County legislative authority
that the **Board of Commissioners** (Commissioners, Council, Board, etc.) of said district requests
that the following levy amounts be collected in **2022** (Year of collection) as provided in the district's
budget, which was adopted following a public hearing held on **10/28/2021** (Date of public hearing).

Regular levies

| Levy | General levy | Other levy* |
|--|------------------------|-------------|
| Total certified levy request amount , which includes the amounts below. | \$ 1,560,000.00 | |
| Administrative refund amount | \$ 1,050.01 | |
| Non-voted bond debt amount | | |
| Other* | | |

Excess levies

| Levy | General (n/a for school districts) | Bond | Enrichment (school districts only) | Cap. project | Other levy* |
|--|---------------------------------------|------|---------------------------------------|--------------|-------------|
| Total certified levy request amount , which includes the amounts below. | | | | | |
| Administrative refund amount | | | | | |
| Other* | | | | | |

*Examples of other levy types may include EMS, school district transportation, or construction levies. Examples of other amounts may include levy error correction or adjudicated refund amount. Please include a description when using the "other" options.

Signature: _____ **Date:** _____

To request this document in an alternate format, please complete the form dor.wa.gov/AccessibilityRequest or call 360-705-6705. Teletype (TTY) users please dial 711.

TITLE: ELECTRONIC FUNDS TRANSFER POLICY

Implementation Date:
Revised Date:

APPROVED:
Gary Long, President
Date:

Reviewed by:

Gary Long

Date:

I. PURPOSE STATEMENT

To set a procedure by which the District can utilize processes to ensure Electronic Funds Transfers (EFT) are set-up, initiated, processed and approved in a secure manner.

II. DEFINITIONS

- A. ACHT (Automated Clearing House Transfers): Is an electronic, bank-to-bank money transfer. ACHTs can be used to pay vendors and pay bills on a reoccurring basis. Once initiated transfers can take up to two days to settle.
- B. Banking Information: Information from the payee and their bank including bank name, account name, routing number, account number, and any additional information that will assist the receiving bank in identifying payment.
- C. Direct Deposit Agreement Form (DD): template used to instruct Epic Tax Solutions, LLC to make a Direct Deposit. (Attached is the DD template to be used).
- D. EFT (Electronic Funds Transfer): the electronic transfer of money from one bank account to another using computer-based systems. ACHTs and Wire transfers are examples of EFTs.
- E. Wire Transfer: is an electronic transfer of money from one bank to another initiated directly between our bank to the payee's bank. Wire is classified as repetitive or non-repetitive. The difference between the two depend on if it is a monthly, quarterly payment or a one-time payment. Once initiated transfers are instant or on the same day.

III. POLICY

- A. Kennewick Public Hospital District's EFT policy has been implemented to expedite payment of funds and to pay bills efficiently and inexpensively.
- B. All payments and direct deposits made will be approved by the Commission at each meeting. All supporting documents will be kept for each transaction.
- C. If there are any questions as to the validity of a direct deposit or payment, the Superintendent will verify such direct deposit or payment with the vendor or individual and review any supporting documents.
- D. EFT requests will be subject to the following verification:

TITLE: ELECTRONIC FUNDS TRANSFER POLICY

Implementation Date:
Revised Date:

- Validate all new EFT payment instructions requests received.
 - Contact the requestor directly by phone to confirm any changes in payment method or payment instruction. Do not use the contact information provided on the request to change payment method or payment instructions; do use contact information known to be genuine such as the contact information collected from the original contract. Have a contact confirm existing payment instructions on file prior to making changes to those instructions (i.e., current bank account and routing number provided in original instructions).
 - Document the verification process that was followed to validate payment instructions. The person responsible for entering/updating EFT instructions and the person approving new/updated EFT instructions must approve the record of verification. A record of the verification must be maintained in accordance with the retention policies.
- E. Bank balances will be monitored weekly for unusual or unexpected transactions.
- F. Reconciliation of banking activity to the general bank account will be done in a timely manner with investigation and resolution of reconciling items.

IV. REFERENCE SECTION

- A. References: None
- B. Distribution: Email and Board of Commissioners Manual
- C. Supersedes: NONE
- D. Prepared/Updated by: Governance Committee
- E. Reviewed by: Board of Commissioners
- F. Approved by: Board of Commissioners



Direct Deposit Agreement Form

Authorization Agreement

I hereby authorize Epic Tax Solutions LLC to initiate automatic deposits to my account at the financial institution named below. I also authorize Epic Tax Solutions LLC to make withdrawals from this account in the event that a credit entry is made in error.

Further, I agree not to hold Epic Tax Solutions LLC responsible for any delay or loss of funds due to incorrect or incomplete information supplied by me or by my financial institution or due to an error on the part of my financial institution in depositing funds to my account.

This agreement will remain in effect until Epic Tax Solutions LLC receives a written notice of cancellation from me or my financial institution, or until I submit a new direct deposit form to the Payroll Department.

Account Information

Name of Financial Institution: _____

Routing Number: _____

Account Number: _____ Checking | Savings

Signature

Authorized Name (Primary): _____ Date: _____

Authorized Signature (Primary): _____ Date: _____

Authorized Name (Joint): _____ Date: _____

Authorized Signature (Joint): _____ Date: _____

Please attach a voided check or deposit slip and return this form to the Payroll Department.

Committee Recommendations and General Info.