ADAMS COUNTY PUBLIC HOSPITAL DISTRICT #2
Meeting of the Board of Commissioners
August 27, 2026
East Adams Rural Healthcare
903 S Adams
Ritzville, WA

I) Call to Order

II) Additions or Corrections to the Agenda

III) Approval of Minutes-Regular Board Meeting Minutes July 23rd, 2026

IV) Consent Agenda
- i) DON Report
- ii) HR Report
- iii) Quality Report (Quarterly)

V) Medical Staff Report

VI) CEO Report

VII) Committee Reports
- i) Finance Committee
  - (1) Financials – July
  - (2) Approval of Check Voucher
- ii) Policies
  - (1) Fire Support Lodging Policy
  - (2) Prepaid Visa Cards for Fire Support Policy

VIII) Old Business
- i) Board Meeting time

IX) New Business
- i) Letter of Engagement-DZA
- ii) 2027 Budget-1st draft
- iii) Debt Forgiveness Letter

X) Public Comment

XI) Next Board Meeting Thursday, September 24th, 2026, at 6:00 p.m.

XIII) Adjourn

Washington State law states that all meetings of public bodies such as ours be open to attendance by the public, save for executive sessions or if a meeting has been closed owing to disruption. But that law is equally clear that there is no requirement that public attendees at such meetings be permitted to take any part in the proceedings. This Board, however, promotes open dealings with our community, and welcomes appropriate public participation; but, considering interests such as efficiency and simple civility, we do have rules governing that participation.
We generally have on our agenda a period intended for public comments and questions, and we ask that members of the public confine questions and comments to that period. If, however, during our deliberations on a given matter a member of the public believes that he or she has some clearly relevant information that we have not considered, he or she may raise his or her hand and the Board Chair, in his or her discretion, may allow that member of the public to provide a brief factual comment.
Moreover, both during meetings and in the specified comment period, we require that questions or comments be concise, factual, and, notably, that they be civil. We willingly accept tough questions and critical comments, but we will not accept generalized negative opinions, rambling, personal attacks, or perceived disparagement of individuals. Comments are limited to three minutes.
The Board reserves the right to terminate a question or comment at any point if the Board determines in its discretion that the comment or question is unacceptable or disruptive. Please remember the need for civility and compliance with our rules.

ADAMS COUNTY PUBLIC HOSPITAL DISTRICT NO. 2
East Adams Rural Hospital
903 S. Adams
Ritzville, WA 99169
Meeting of the Board of Commissioners
July 23, 2026

PRESENT:	Eric Walker	Board Chair
	Riley Hille	Vice Chair
	Matt Kubik	Commissioner
	Todd Nida	CEO
	Viola Babcock via Teams	CFO
	Dallas Killian	COO
	Connie Barnes	DON

ABSENT: Dan Duff, John Kragt

There were approximately four community members present.

Board Chair, Eric Walker called the meeting to order at 6:00 p.m.

INTRODUCTIONS-None

ADDITIONS AND CORRECTIONS

CEO Todd Nida asked to add new business; marketing updates and potential change of board meeting time.

APPROVAL OF MINUTES

Vice Chair, Hille made a motion to approve June 25th regular board meeting minutes, July 1st special board meeting minutes and July 7th special board meeting minutes as presented. The motion passed.

CONSENT AGENDA

Board Chair, Eric Walker, polled the Board to see if they would like anything off the consent agenda to be moved to the regular agenda. The DON report was asked to be moved to the regular agenda.

DON REPORT

Connie Barnes shared some of the highlights of the recent state survey. It was a good productive survey as the surveyors were learning right alongside us the process for an REH survey. Connie shared that there will be some process improvement and work on emergency preparedness. Connie would like to start doing drills every month to keep the staff educated and comfortable. We would like to partner with EMS, police and fire to complete some of these drills and work with the high school students or local nursing school students to participate as victims. Chair Walker asked what it would take to get our cardiac and stroke levels back to what they were. Connie said that are biggest challenge right now is staffing. She hired two RNs recently. Connie shared that we are very fortunate to have a great EMS crew and paramedics that are always willing to help in the ED. There was a discussion on the Patient Navigator role and how that role will be able to assist patients, as well as assist in the clinic as needed. Todd reported that Anita Warner, who will be coming back in August, is already booked out a couple of weeks.

MED STAFF REPORT- None

CEO REPORT-

Todd reiterated on the survey results and informed the board that as of today the survey is closed and we have no further follow-up or documentation to provide for them. Todd shared that the new ambulance has arrived and is currently being outfitted with all the required gear and radios and will hopefully be on the road shortly. It will be available to view at our community event that is planned for August 22nd from 12-5pm in Ritzville City Park. There will be food and drinks available. The event was possible with a grant provided by the Innovia Foundation and a match by RVAA. The camera and door control system upgraded equipment has arrived to increase facility safety and security. There is some minor infrastructure work that must be completed before the install. We are continuing to work with our creditors to avoid bankruptcy. Azalea was onsite this week working on the building of the EMR system with our department leaders. They will be in August with a trial build.

COMMITTEE REPORTS

FINANCE COMMITTEE

CFO REPORT – See attached.

Viola shared the cash flow, balance sheet and income statement. So, continuing to look good, we continue to now have our second month where, even in operating, our expenses are equaling our net revenue. So, the taxes, the REH, the grant monies are all more than that. So, we truly have dialed it up and have a sustainable model to go forward. Balance sheet: we ended up with four hundred and sixty thousand in cash, and the board has five hundred thousand in reserve. So, we continue to put away fifty thousand a month. In keeping that to make us on target for the end of the year, the board will have eight hundred thousand in reserve. The patient receivables took a jump up; that is only because of a 2025-year end audit entry from D Z A. It is not actual increase in that, and I'd offset it with an increase in the allowance so that it nets out about what it's worth. There were three hundred and twenty-five thousand patient credits that we don't really owe. It is a cleanup of the books from twenty-two, twenty-three, twenty-four that we have not had a chance to clean up yet. So, they made a journal entry because those credits are not real. So, as I call it, it's an artificial increase in accounts receivable. I just offset the allowance to adjust for it. So, we'll clean those accounts up and then we'll take that entry off. So, we'll be fine by the end of the year, but it's a little bit of a headache right now. Construction in progress is at one fifty-four. That's the new EMR implementation and the HRC implementation. We have already paid for them out of the bank, we have implementation paid for both the EMR software and HRC so until November one, when we go live, then we will start with just our monthly support fees. So those have already been done. We have an increase in fixed assets. That's the nurse monitoring system that came on and the new ambulance that arrived at the end of June. So those are in place and now we'll have then we'll have one more increase this year, seventy-five thousand for the doors and security will go in in July. I'll go over in cash flow, but we have a significant investment in fixed assets that we have done this year and maintain our cash balances. If you go to the income statement, it is six months into the year, which is when I traditionally pull up the budget and say, okay, where are we at? What have you got? So, you'll see your income statement with all the six months, you will see year to date that you're used to seeing, then you will see our budget for 2026 and actual. The budgets are starting to show. I will continue these now through the end of the year. So, we have some things: patient revenue is a little bit shy, it's about five percent shy of what we thought it was going to be at this time of the year for REH. So, volumes, we've had clinic struggles with the providers, so we have a little less clinic than we thought we'd have, and we had wound care that we don't have now and ultrasound, we don't have currently that we will have.

So, we had some reductions in revenue that we did not anticipate when we set the budget. But all in all, not bad. We're a little bit shy. So, other operating revenue is way ahead. We didn't anticipate a million distressed hospital funds which we have so, it is considerably higher. Payroll is under; it's right at ten percent below what we thought it would be, so that's good. That's, just we continue to get our labor dollars dialed up to what we absolutely must have and not one extra person. And our benefits offset it; so, what I gained in payroll, I offset with benefits and, that is because we did not anticipate the hit we were going to take from our unemployment should have, but that is the difference of our unemployment insurance rates went up considerably from our 2025 layoffs. So, in 2026 we had increase in rates for that. So, I'll say that we really didn't have increases in benefits, it's unemployment that really took a jump. Purchase services we didn't roll off the contract labor as soon as we would like so we have lingered much longer than we thought it was going to so you will see seven hundred eighty-one is the contract labor for nursing, lab, rad, and providers. So professional fees came in close to what we thought that that was going to. So that nothing anticipated there supplies are running low, Utilities are running spot on so ten percent under. And that's the roll off the long-term care. So were pretty good at estimating what that was going to do. Advertising and Marketing is way under. We're going to start. So, you will start to see marketing and Dallas is going to give an update on that to the board tonight. We'll start to catch up on that marketing now that we have a confirmed provider for the clinic. And we have an ultrasound person who can come, and we have the new ambulance, et cetera et cetera. We're going to start to really beef up and let this community know we're ready to go. The software licensing is under because we thought we'd maybe go live a little sooner than November one, so we don't have the implementation there so that's okay. Depreciation is a little high because we had about half a million in capital that we didn't think we'd ever have the money to do. So, depreciation's a little up. Insurance will settle out; I'm not concerned about that. Minor equipment we haven't spent any yet, and interest expense is down. All of that is paying our bills on time. The interest every month was running about twenty-five thousand when they were so behind in their AP. So, when you have 3.2 million AP, you are paying it all five and six months late. Your interest charges are massive because it's all at eighteen percent. So, that game is paying our bills on time since February one, and that is significant. We do stats, so that's good. Taxes and licenses: this is the reconciliation of excise taxes. So, of all the crazy stuff that happened, there was no filing of the monthly required state of Washington excise taxes from July of twenty-three through May of twenty-five for two solid years. What they did is they paid an estimate because the state had no idea what we were doing. And it was thirty-three thousand a month. So, when we finally got this all negotiated and all settled and all done, turns out we really should only pay about four thousand a month. So, this excise tax is going to look like this the rest of the year, because when I was doing the budget last year, I didn't realize that they didn't know how to count. We got no fines and penalties in the state of Washington. This has been resolved. We now file every month. Everybody's copacetic so, that's going to look like that for the rest of the year. Leases are up a little bit because we sold the building and leased it back. So, it was a fixed asset. Todd said we're going to catch up a little bit on that though, through the rest of the year because we no longer have the other rental house for EMS. So, year to date, we have made one point two million dollars so far. One million distressed hospital funds and two hundred and fourteen for GMET ambulance cost report. So, it is not out of operating, but operating is at zero. But we can then put the rest into the bottom line. So, we've got one point two going for the year. Let's look at cash flow. So, we had finance on Monday morning at eight, there is a change because it's a live document, living and breathing. I keep this thing updated every day. If there's a change, I adjust. So, we got a big change. So, I am pushing Medicare to say, "I need those two REH payments that we're behind. I need you to get it done." She emails me back and says, "I'm working on one of them." However, I need you to remember that we always pay one month behind." We don't have five hundred ninety dollars as my ace in the hole. And two hundred and ninety-five in the hole. So, I had to fix the cost report. I had to fix the cash flow. So, she will go find the money, and we'll probably get it in the next couple of months. I'd say probably in August, we'll get it. Right now, you've got a cash flow in front of you that ends the year at three hundred seventeen thousand negative, and we had two ninety-five in the hole. So, we're pretty much zero on the cash flow.

And I am still conservative with patient payments, and I think our labor dollars are going to go down a little bit more. Benefits are close. And I still got a little wiggle room in all other expenses, So I really think we're going to end the year with the eight hundred thousand reserves for the hospital board. The board will have their eight hundred thousand and I think the hospital is going to really end up with about two hundred thousand in cash. We don't really know how much this R E H is going to put in the bank yet. We don't have enough months. I want to remind everybody that the state of Washington provides funding to public hospitals who have ambulance departments like us. Because they have lost so many ambulance companies in the state of Washington, they are putting money on the table to make sure that those public entities that still have them keep them. So, I don't think we have any unexpected cash coming our way. I think that's all done. And then just to show the board on capital purchasing, five hundred and seventy-one thousand is how much we have already paid for this year. So, we've invested almost six hundred thousand into capital for this year. And for a hospital that in June of twenty twenty-five didn't have any money, that's a pretty good story to tell. This is nurse monitoring; the new ambulance and security systems have all been paid for. Viola presented the grants. I just think that new ones we've added is we're going to try to get a mental health provider, but only if I can find a three-year grant. There is lots of mental health money out there, including in the big, beautiful bill. But we're looking for a three year because we don't want a provider coming on and it covers their wages, but then they must be gone after a year. It doesn't work for patients. It doesn't work for us. So, we'll see what we can do there. And then the board education, we have confirmation from AWP on the education. They're doing a fifty percent match, and Todd will talk to you guys about the person we're going to bring. But if you have any questions about any of these grants, I now have a total of twenty-one of them I am working on for about four point one million. You are going to see most of them come to fruition in early twenty-seven, late fourth quarter twenty-six and into early twenty-seven. I need a motion from the board to accept the June financials as presented. Commissioner Hille made a motion to approve the June financials. The motion passed. Chair Walker asked for an update on the ongoing investigations. Viola said because they are ongoing and criminal there is no information that can be released. The agencies have confirmed that the investigations are ongoing and they have up to 36 months to complete them so it could be July of 2028 before they are all completed.

CHECKS & VOUCHERS

Commissioner Kubik presented the following warrants for approval Accounts Payable Checks #100781-#100858 in the amount of $472,040.52 and an additional $38,390.52 in ACH payments. Commissioner Hille made a motion to approve the checks as presented. The motion passed.

NEW BUSINESS

Viola shared some historical data regarding how much we have paid to DZA over the last four years. Todd shared his opinion on keeping DZA for the 2026 audit as we are still finding some issues so it may be best to keep DZA for 2026 and go out to bid in 2027. Chair Walker stated that DZA needs to know that if they are not getting documentation that is requested from the CFO or CEO then the board needs to be notified. Commissioner Hille asked if we stay with DZA if we must sign on for another three years. Viola said that we are on a year-to-year basis with them. Commissioner Kubik made a motion to retain DZA for the 2026 audit. The motion passed.

Todd shared information on a guest speaker for the board. The available dates are in October. The board will decide on the date and get back to Todd. The board requested to have the speaker for the full day. Todd would like a list of topics the board would like to cover so she can focus on those topics.

Dallas shared a marketing update. He intends to do newspaper ads locally and extend into Moses Lake and Spokane, mailers and articles. Chair Walker asked about the foundation. Dallas said he had not heard of any meeting recently. They were working on rebuilding the board.

There was a brief discussion about the time of the board meetings. The topic was tabled until next month when the full board could be present.

PUBLIC COMMENT

There was discussion regarding the website. Dallas said that he needs to go through it and update it now that we have transitioned to REH. There was a question about knowing when the board meetings are and how they are posted. Dallas explained where it can be found on the website and the regular meetings are in the newspaper. Dallas offered to put together a click through guide on finding the information on the website. There was a question about the mobile clinic being sold. Yes, it has been sold, we are just finalizing. Viola responded to a public records request that was already responded to. There was discussion on prior board retreats and conversation on the difference between retreat and education.

EXECUTIVE SESSION

The board went into executive session at 7:25 p.m. Medical Staff Credentialing. The estimated length was 5 minutes. The board came out of executive session at 7:30 p.m.

Commissioner Kubik made a motion to approve Austin Woolard, NP to the medical staff. The motion passed.

Commissioner Hille made a motion to adjourn the meeting. The motion passed.

The meeting adjourned at 7:31 p.m.

Respectfully submitted,
Kylie Lasen, Executive Assistant

East Adams Rural Health: Board Report for Meeting of August 27, 2026

Clinical Nursing Services

On Monday, August 17th nursing staff and EMS staff participated in a simulated clinical scenario involving a mother who had delivered a 38-week-old baby in the home with a midwife and experienced postpartum hemorrhage. Postpartum hemorrhage is an obstetrical emergency and requires clinical judgement and quick action. Simulations designed to support staff education and experience with this type of emergency has been undertaken in many rural hospitals across the nation. The rationale for this type of education has been aptly summed up by a nursing director in Iowa who stated "Nobody's coming to your rescue, so you become the best that you can be and work to the very top of your scope. You become a well-oiled machine and you know exactly who is best at which skill." This sums up the overall goal for the simulation.

The simulation went well and although all staff did not attend, it was a good introduction to the use of simulation for clinical training. We were fortunate that the provider on duty had real life experience with obstetric hemorrhage and added his insights. EMS called the patient into the nurses' station, just like in real life and one of them acted as the mother. We used a baby doll for the infant. The simulation was facilitated by a nurse expert in obstetrics who planned and implemented these types of exercises at Loma Linda in California. Her debrief with me after the event included comments on the "hunger of staff present for more education". She also recommended that we acquire and stock several medications used for obstetric hemorrhage that we presently do not have. I am working on acquiring them.

Last week during participation in a meeting with WSHA, I learned that we are one of rural hospitals in Washington state that will be a recipient of federal grant funding of 999,000.00 to support obstetric nursing simulation training. In concert with our OB consultant's recommendations for further OB simulations, this funding will enable this to happen over the next year or so. Funding will be made available late in the fall of 2026 through WSHA.

Respectfully submitted by Connie Barnes, MSN, RN

2. Simulations prepare teams for high-risk scenarios

While rural providers have the chance to become skilled across specialties, they also have fewer opportunities to practice rare, high-risk birth scenarios. Paulsen said of her

colleagues, "They're very much jacks of all trades, which is awesome. They have great clinical judgment. But they may only see one high-risk obstetric situation each year. So we do a lot of simulations to help them stay competent." McVey also shared that simulations, particularly those run by IPQCC, have been hugely beneficial to her team, though she was hesitant to lead simulations at first. Her advice is to "get comfortable with simulation, get comfortable with practicing." That includes approaches that range from role playing to using a wearable tool that simulates giving birth. She has seen these simulations pay off many times through successful birth outcomes in high-risk situations.

Job Openings

Department	Job Opening	Date Open	Status	Notes
Administration	Chief Financial Officer	06/10/2025	On-Hold	Contracted CFO
Administration	Director of Nursing	04/17/2026	Closed	Contracted DON started, on-site, 06/01/2026
Nursing	Nurse Manager	05/29/2026	Open/Closed	opened for applicants 05/29/26, hired internally 06/11/2026
Business Office	Patient Financial Services Manager	04/02/2026	Closed	Hired 05/13/2026
EMS	Per diem EMTs	04/15/2026	on-going	hired 2 05/13/2026, hired 2 more 6/11/2026
Nursing	Per diem NACs	07/09/2026	open	3 applications, 2 interviews completed
Nursing	Per diem RNs	07/09/2026	open	1 application, interviewed, turned down as they are worried about the drive in the winter months
Clinic	Registrar-Temp	07/06/2026	open	New hire started 7/13/2026
Clinic	Patient Navigator	07/07/2026	Closed	New hire started 08/25/2026
Clinic	Registrar	08/07/2026	Closed	New hire started 08/25/2026
Facilities	Supply Chain Technician	08/06/2026	Closed	Hired internal candidate 08/24/2026, will start training 09/01/2026
Facilities	Housekeeper	08/19/2026	Closed	Orientation 8/26/2026

CEO Board Report

Date: August 27, 2026

Message from the CEO

Here are the highlights for August:

- On a positive note, our community celebration at the park went well on 8/22, approx. 200 people stopped by for food and drink and a chance to win 1 of 8 prizes that were drawn every half hour. We also had a solid attendance for the free swim at the pool with lots of families and kids enjoying the day. Congrats to all the raffle winners and a huge Thank You to all the community members who stopped by and thanks to all the employees who helped plan, set up and take down.

- The new security camera system install has begun with many of the internal cameras already up and working and exterior cameras going up in the next week or so. New door controls will come after the camera system is completed. Thank you to the IT and facilities teams for keeping this moving forward. This will be a huge upgrade in our building security.

- Connie has transitioned from contracted Director of Nursing Services to Nursing Consultant, and her contract will remain in place until it is no longer needed. She will continue updating nursing department policies and establishing the required committees to meet state requirements. With this change, we will begin the process of hiring a new Director of Nursing Services (DNS). I have interviewed most of the ER nurses to better understand the support they need and to involve them in the future selection process for this role.

- Continuing with Clinic updates, we are working on bringing back Brandi Eppers one day per week to our clinic to advance her focus on Women's Health. We hope to have confirmation by mid-September. Once that is established Anita will reduce her clinic days to two per week. This plan was agreed to as an option upon her hiring dependent on the workload.

- More news on Clinic Operations. We have had ongoing issues with front registration and continuity of care that is critical for our patients. These issues, along with a lack of proper training and customer service, have caused a loss of revenue. With Connie changing roles, Viola has stepped in as the Clinic Operations Manager to rebuild how the team works. The main focus will be new schedules, new roles for clinic support staff, and extensive training. This team will now be called the **Care Coordination Team** and will be cross trained in both registration and clinic operations. These adjustments bring a multitude of positive changes. First and foremost, they address continuity of care for our patients. The extensive training

also creates redundancy in our responsibilities. This ensures that no tasks get dropped when someone calls out or has an emergency. Additionally, it provides 24/7 coverage at the front desk to support the ER team. While some of these changes are difficult, they will become our new standard and should greatly improve our workflow. All clinical staff will always have access to clinical support from Anita Warner, the DNS (or Connie until that position is filled), and other high-level clinical team members on shift to answer clinical questions. Viola is strictly in charge of the operations piece, which is key to the success of this change.

- EMS has had crews out on Fire deployments since the first part of July and that has been very successful for bolstering revenue for their department. The team is still out today. Huge thanks to all the EMS crew for supporting this and making it happen.

- Dallas will provide you with an update on the sale of the café property and where we currently are on that project.

- Viola will provide a detailed update on the debt reduction program and the changes we will be proposing.

- Thank You, community, for your on-going trust and support and thanks to our dedicated employees and board for their continued commitment and support!

Thank you,

Todd Nida, CEO

East Adams Rural Healthcare
Adams County Public Hospital District No. 2 Balance Sheet
As of July 31, 2026

	Actual Month To Date 1/31/2026	Actual Month To Date 2/28/2026	Actual Month To Date 3/31/2026	Actual Month To Date 4/30/2026	Actual Month To Date 5/31/2026	Actual Month To Date 6/30/2026	Actual Month To Date 7/31/2026
	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Current Assets							
Operating Cash	433,405	309,273	482,337	360,259	627,087	460,415	428,732
Patient Accounts Receivable	4,766,986	5,020,135	4,981,735	4,974,336	5,582,356	5,747,320	5,589,114
Allowance for Doubtful Accounts	(2,600,200)	(2,855,493)	(1,875,824)	(1,764,220)	(2,320,695)	(2,356,401)	(2,136,805)
Net Patient Receivables	2,166,786	2,164,642	3,105,911	3,210,116	3,241,662	3,390,919	3,432,310
Third Party Receivables	427,671	428,647	429,295	(154,974)	(154,595)	(155,244)	(66,244)
Taxes Receivable	56,714	1,521,840	1,372,203	714,951	563,559	576,524	569,003
Inventory	116,024	116,024	116,024	116,024	116,024	116,024	116,029
Reserve for Debt Service	610	782	41,886	162,738	3,199	1,878	2,071
Reserve for Funded Depreciation	0	0	0	0	12,500	25,000	37,500
Board Reserve Funds	0	0	0	400,000	437,500	475,000	512,500
Prepaid Expenses	61,527	68,117	54,706	52,960	77,829	104,617	98,665
Total Current Assets	3,282,939	4,609,305	5,582,363	4,862,094	5,144,764	4,995,114	5,128,566
Property Plant & Equipment							
Property, Buildings, & Equipment	20,965,776	21,084,199	20,965,776	20,965,776	21,161,644	21,474,855	21,136,032
Construction in Process	17,762	17,762	180,691	180,691	17,762	154,156	179,278
Accumulated Depreciation	(12,539,828)	(12,642,824)	(12,746,821)	(12,850,818)	(12,957,147)	(13,070,391)	(13,025,267)
Total Property Plant & Equipment	8,444,730	8,459,157	8,399,645	8,295,648	8,222,279	8,558,630	8,291,842
Total Assets	11,727,669	13,068,462	13,982,008	13,157,742	13,367,043	13,553,744	13,420,409
Current Liabilities							
Accounts Payable	2,666,691	2,993,162	3,210,040	2,936,521	2,236,821	2,388,244	2,488,114
Payroll & Related Liabilities	520,440	527,541	704,931	617,209	613,284	587,456	606,406
Other Liabilities	0	0	0	0	0	0	0
Current Portion of Long Term Debt	3,315,429	3,327,779	3,328,475	3,174,198	3,157,627	3,141,951	3,137,762
Deferred Tax Revenue	0	1,211,485	1,084,665	957,845	831,025	704,205	577,385
Other Accrued Expenses	614,514	543,025	570,363	441,144	488,081	497,953	504,445
Total Current Liabilities	7,117,113	8,682,992	8,878,474	8,097,016	7,319,038	7,329,809	7,314,114
Long Term Debt	7,588,556	7,588,556	7,588,556	7,588,556	7,588,556	7,460,731	7,460,731
Unrestricted Fund Balance	(2,287,068)	(2,805,637)	(3,030,724)	(2,312,660)	(2,355,467)	(1,368,188)	(1,064,433)
Liabilities & Fund Balance	12,418,601	13,465,911	13,436,307	13,372,912	12,552,127	13,422,352	13,710,412
Net Income (Loss)	(518,569)	(225,086)	718,054	(42,807)	987,279	303,755	(117,640)
Prior Year Adjustment	(172,363)	(172,363)	(172,363)	(172,363)	(172,363)	(172,363)	(172,363)
Total Liabilities & Fund Balance	11,727,669	13,068,462	13,982,008	13,157,742	13,367,043	13,553,744	13,420,409

East Adams Rural Healthcare
Adams County Public Hospital District No. 2
Statement of CHANGE IN NET ASSETS
Beginning January 1, 2026- July 31, 2026

	ACTUAL Month Ending 1/31/2026 Actual	ACTUAL Month Ending 2/28/2026 Actual	ACTUAL Month Ending 3/31/2026 Actual	ACTUAL Month Ending 4/30/2026 Actual	ACTUAL Month Ending 5/31/2026 Actual	ACTUAL Month Ending 6/30/2026 Actual	ACTUAL Month Ending 7/31/2026 Actual	ACTUAL Year To Date 7/31/2026 YTD Actual	BUDGET 7/12 for 2026	ACTUAL % TO BUDGET Jan-July 2026
Patient Service Revenue										
Total Gross Patient Revenue	1,092,814	1,409,291	1,359,360	872,734	1,162,651	933,134	928,799	7,747,743	8,404,812	92.18%
Deductions from Revenue	339,832	450,253	(166,944)	(90,420)	299,817	184,757	259,830	1,267,125	3,193,829	39.67%
Net Patient Service Revenue	752,983	959,038	1,525,303	963,154	862,834	748,377	668,969	6,480,617	5,210,983	124.36%
Other Operating Revenue	16,070	133,864	18,543	4,137	1,015,235	139,584	1,848	1,329,352	182,000	730.41%
Total Operating Revenue	769,053	1,092,872	1,543,847	967,291	1,878,069	887,961	670,817	7,809,969	5,392,983	144.82%
Expenses										
Salary and Wages	466,172	638,695	460,501	478,485	417,935	390,703	663,074	3,305,936	3,566,807	92.69%
Employee Benefits	185,112	203,642	272,217	91,313	122,154	134,711	320,952	1,334,101	927,370	143.85%
Purchased Service	132,491	187,711	71,553	150,167	123,882	252,766	118,829	1,037,429	192,244	539.64%
Professional Fees	159,291	236,607	263,700	135,520	175,195	196,135	184,936	1,342,446	1,203,659	111.51%
Supplies	65,363	51,574	2,006	27,320	40,344	47,529	42,850	276,985	360,172	76.90%
Repairs and Maintenance	4,436	7,400	13,342	6,550	5,010	5,751	1,883	45,783	56,016	81.73%
Utilities	18,155	27,777	26,082	21,112	8,402	17,379	19,284	138,190	48,630	284.17%
Advertising and Marketing	594	424	668	418	524	(174)	478	3,032	11,667	25.99%
Software Licensing									294,108	100.00%
Depreciation	52,666	103,997	155,328	103,997	106,328	113,858	105,314	741,488	698,650	106.13%
Insurance	81,496	5,419	31,877	14,497	22,706	9,404	19,503	183,888	120,450	152.67%
Education/Travel/Dues	48,343	31,308	17,394	(4,002)	33,436	5,841	4,393	136,715	80,725	169.36%
Minor Equipment									14,583	0.00%
Interest Expense	30,490	29,795	29,276	27,773	29,775	24,144	27,299	197,510	223,657	88.30%
Taxes & Licenses	0	3,993	0	9,311	4,317	8,660	9,505	34,907	229,998	15.18%
Rent & Leases Expense	14,591	23,442	6,648	14,843	11,749	5,466	5,959	83,596	74,506	108.17%
Bad Debt Expense	93,529	33,451	(425,895)	148,874	162,966	(244,844)	27,151	(210,459)	0	100.00%
Other Expenses	28,354	95,533	89,353	(56,738)	48,738	16,637	25,823	251,797	0	100.00%
Total Operating Expenses	1,382,175	1,574,859	1,304,142	1,173,370	1,315,536	976,566	1,477,208	9,901,343	8,133,271	109.85%
Net Operating Income (Loss)	(613,122)	(481,986)	539,805	(203,609)	562,533	(88,584)	(806,491)	(1,091,374)	(2,710,288)	40.27%
Noncapital Subsidies	0	0	0	0	295,052	295,052	595,500	1,180,003	2,130,000	55.19%
Other Non-Operating Income	94,554	255,900	178,259	160,802	129,694	97,296	98,860	1,015,365	928,524	181.71%
Net Income	(518,569)	(225,086)	718,064	(42,807)	987,279	303,755	(112,640)	1,104,995	18,235	6059.35%

ADAMS COUNTY PUBLIC HOSPITAL DISTRICT NO. 2
EAST ADAMS RURAL HEALTHCARE & DISTRICT CLINICS

INCLUDES FORGIVENESS OF DEBT

2960C

	Actus Jan 26	Actual Feb 26	Actual Mar 26	Actual Apr 25	Actus May 26	Actual Jun 26	Actus Jul 26	Projected Aug 26	Projected Sep 26	Projected Oct 26	Projected Nov 26	Projected Dec 25	Projected 2026
Cash Received													
Payer and Patient Payments	950,462	925,242.00	1,006,691.00	705,123.00	462,336.00	582,518.00	507,352.40	600,000.00	500,000.00	600,000.00	600,000.00	600,000.00	8,129,734.40
Hospital Tax Receipts	-		72,508		230,303	12,245	8,322	9,388			375,000		707,755.83
Debt Tax Receipts	-		41,888		221,516						213,401		476,802.00
EMS Tax Receipts	-		41,106		185,252						225,000		454,358.00
WA Distressed Funds	-				1,003,559								1,003,559.32
Grants	-	11,075	8,951			196,910			14,000				226,935.00
SNAP		108,395			75,000			75,000				75,000	333,395.00
GEMT	-					6,853	214,476						220,329.00
Vendor Rebates, Schools, AWPHD		28,202	10,501			44,789							83,791.00
REH monthly stipend	-				285,051	285,051	560,102	285,051	285,051	285,051	285,051	285,051	2,655,459.00
Gain Loss	164,188						230,000						394,187.55
Fire Funds								29,000					29,000.00
Medicare Cost Report Settlements	-			593,000									593,000.00
Net Cash Received	1,114,650	1,072,917	1,181,944	1,298,123	2,468,016	1,136,365	1,550,252	1,008,439	999,051	885,051	1,708,452	970,051	15,301,329
Cash Paid Out													
Salaries	496,172	583,980	460,901	478,485	417,905	390,703	563,074	400,000	400,000	400,000	400,000	400,000	5,351,200.00
Benefits	189,112	203,642	228,474	91,313	122,154	134,711	177,148	100,000	100,000	100,000	100,000	100,000	1,544,552.00
Supplies	83,348	51,574		25,352	14,184	25,606	47,812	20,000	20,000	20,000	20,000	20,000	329,906.00
Purchased Services	132,491			105,135	14,184	100,000	115,828	30,000	30,000	30,000	30,000	30,000	621,636.00
Professional Fees	159,291	91,855	35,255	39,125	29,311	140,562	184,986	50,000	50,000	50,000	50,000	50,000	930,387.83
All Other Expenses	197,348			357,994	25,976	150,000	395,614	50,000	50,000		100,000	50,000	1,371,534.00
Docs Who Care	110,962	89,532	98,833	97,392	109,699	109,819	110,550	95,000	95,000	95,000	95,000	95,000	1,201,720.00
Multicare Go Forward		82,424	82,419	81,896	81,662	75,000	48,468	78,000	78,000	78,000	45,000	45,000	779,156.00
Health Carousel		94,022	93,685	34,859	37,187	15,783	25,008	8,733	8,733	8,733			327,854.48
Capital Purchasing					498,000	73,000							571,000.00
PHD - WSHA for unemployment				124,887				125,816					250,583.00
SNAP Quarterly Payments				28,152		25,623			25,000			30,000	107,775.00
2023-2026 LEOFF Contribution								348,709					348,709.00
Implementation for Azalea & HRC						169,500	4,156	20,000			100,000	50,000	353,656.00
Long Term Bond Debt Payments					161,625						451,625		823,250.00
Net Cash Used	1,318,224	1,197,349	987,578	1,464,603	1,516,188	1,414,304	1,685,533	1,326,258	857,733	781,733	1,401,625	880,000	14,812,928
Net Change in Cash	(204,574)	(124,132)	194,366	(176,380)	949,828	(277,939)	(135,371)	(317,819)	51,318	113,318	306,827	90,051	
Beginning Cash	733,935	529,361	405,229	599,595	423,215	1,373,043	1,095,104	978,732	660,913	712,131	825,449	1,132,276	
Ending Cash	529,361	405,229	599,595	423,215	1,373,043	1,095,104	978,732	660,913	712,131	825,449	1,132,276	1,222,327	-
Board Reserve				400,000	437,500	475,000	513,500	551,500	589,500	627,500	665,500	703,500	
Board Reserve Funded Depreciation					12,500	24,500	36,500	48,500	60,500	72,500	84,500	95,500	
Available Cash				23,215	923,043	595,104	428,732	60,913	62,131	125,449	382,276	422,327	

East Adams Rural Healthcare

VOUCHER CERTIFICATION AND APPROVAL

I, THE UNDERSIGNED AUDITING OFFICER, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED AND THE LABOR PERFORMED AS DESCRIBED HEREIN AND THAT THE CLAIMS ARE JUST AND PAID OBLIGATIONS BY ADAMS COUNTY PUBLIC HOSPITAL DISTRICT NO. 2, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIMS.

TODD NIDA, CEO

CHECKS AUDITED AND CERTIFIED BY THE AUDITING OFFICER HAVE BEEN RECORDED ON THE ATTACHED LISTING.

WE, THE UNDERSIGNED BOARD OF DIRECTORS OF ADAMS COUNTY PUBLIC HOSPITAL DISTRICT NO. 2, ADAMS COUNTY, WASHINGTON, DO APPROVE THOSE CHECKS INCLUDED IN THE ATTACHED LIST AND FURTHER DESCRIBED AS ACCOUNTS PAYABLE CHECKS #100859-#100949 IN THE AMOUNT OF $463,667.32 AND $ 49,553.48 IN ACH PAYMENTS AND $123,472.36 IN AUTOMATIC WITHDRAWALS.

SIGNED THIS 27TH DAY OF AUGUST 2026.

ERIC WALKER, CHAIRMAN

JOHN KRAGT, COMMISSIONER

MATT KUBIK, SECRETARY/COMMISSIONER

RILEY HILLE, VICE CHAIR

DAN DUFF, COMMISSIONER

Date	Vendor	Check #	Amount	Description
7/23/2026	V00012--Access Information Protected	100859	$ 513.04	Shredding
7/23/2026	V00040--ALSCO	100860	$ 911.73	Linens
7/23/2026	V00743--Amazon Capital Services	100861	$ 3,026.34	Supplies
7/23/2026	V00077--AVISTA UTILITIES	100862	$ 8,062.69	Utilities
7/23/2026	V00095--BIORAD	100863	$ 10,326.88	Lab Supplies
7/23/2026	V00731--Bracco Diagnostics, Inc	100864	$ 1,463.54	CT Supplies
7/23/2026	V00928--Capitol Path Consulting FKA Culton Consulting	100865	$ 5,000.00	Consultant
7/23/2026	V00123--CAREFUSION	100866	$ 2,877.62	Leased Pyxis machines
7/23/2026	V00139--COBRA Management Services, LLC	100867	$ 216.00	Employee Benefits
7/23/2026	V01103--DBM Davidson PLLC	100868	$ 17,775.00	Attorney Fees
7/23/2026	V00847--DTMicro	100869	$ 1,155.00	IT
7/23/2026	V00194--EAP Consulting L.L.C.	100870	$ 5,750.00	Contracted CIO
7/23/2026	V00904--Everon	100871	$ 1,486.38	Fire Inspection
7/23/2026	V00221--FISHER HEALTHCARE	100872	$ 452.86	Lab Supplies
7/23/2026	V01099--Foster Garvey	100873	$ 981.00	Attorney Fees
7/23/2026	V00848--Free Press Publishing, Inc	100874	$ 45.00	Advertising
7/23/2026	V01127--Guardian Occupation Health/True Health NW, PLLC	100875	$ 180.00	Employee Evaluation
7/23/2026	V00595--Health Carousel	100876	$ 10,225.24	Contracted RN
7/23/2026	V00788--Inovalon Provider, Inc	100877	$ 25.27	Claims Management
7/23/2026	V00968--Intrinium/TorchLight	100878	$ 1,211.07	Microsoft 365
7/23/2026	V00326--MCKESSON	100879	$ 477.44	ER Supplies
7/23/2026	V00334--MEDLINE INDUSTRIES, INC.	100880	$ 2,088.20	ER/Clinic/Ambulance Supplies
7/23/2026	V00347--MultiMedical Systems, LLC	100881	$ 632.42	Biomedical
7/23/2026	V01107--Peak One Administration	100882	$ 68.31	Employee Benefits
7/23/2026	V00443--RITZVILLE PARTS HOUSE INC	100883	$ 139.74	Vehicle Repairs/Maintenance
7/23/2026	V00446--RITZVILLE, CITY OF	100884	$ 1,848.07	Utilities
7/23/2026	V00468--SENSKE	100885	$ 1,224.76	Pest Management
7/23/2026	V00487--STAPLES	100886	$ 436.42	Office Supplies
7/23/2026	V00870--Stericycle, Inc	100887	$ 91.53	Bio Waste
7/23/2026	V00500--Stryker Sales LLC	100888	$ 366.78	Ambulance Supplies
7/23/2026	V01125--Summit 17 Solutions LLC	100889	$ 1,012.00	Door/Camera System
7/23/2026	V01058--Washington Rural Health Collaborative	100890	$ 309.38	Dues
7/23/2026	V00571--Waystar, Inc	100891	$ 37.84	Claims
7/23/2026	V00579--WHIT	100892	$ 870.92	Employee Benefits
7/29/2026	V00178--DEPARTMENT OF TREASURY	100893	$ 445.44	Taxes
7/29/2026	V01108--GEHOFT, LLC	100894	$ 1,200.00	Rent

7/29/2026	V01128--HRC TECHNOLOGY SOLUTIONS LLC	100895	$	6,500.00	Revenue Implementation/Travel
7/29/2026	V01047--Kubik, Tia	100896	$	1,573.82	Rent and Utilities
8/6/2026	V00027--AFLAC	100897	$	246.74	Employee Benefits
8/6/2026	V01090--Airgas USA	100898	$	382.92	Oxygen & Gases
8/6/2026	V00040--ALSCO	100899	$	769.75	Linens
8/6/2026	V01038--Arthur J Gallagher Risk Management Services, LLC	100900	$	5,999.00	Vehicle Insurance
8/6/2026	V01035--Avel eCare	100901	$	6,250.65	Provider Back-up
8/6/2026	V01119--Azalea Health Innovation, Inc.	100902	$	18,422.02	EMR Implementation/Travel
8/6/2026	V01126--B4HEALTH LLC	100903	$	2,942.45	Per Diem Rad Tech
8/6/2026	V01124--BECKMAN COULTER, INC.	100904	$	11,566.70	Lab Service Contract
8/6/2026	V00117--Capital Group Retirement Plan Services	100905	$	187.50	Employee Benefits
8/6/2026	V00131--CENTURYLINK	100906	$	1,472.76	Telecommunications
8/6/2026	V00137--Clearwater Springs	100907	$	195.00	H2O
8/6/2026	V00149--Connell Oil	100908	$	4,319.04	Fuel for vehicles
8/6/2026	V00205--EMSconnect	100909	$	133.50	EMS Education
8/6/2026	V00904--Everon	100910	$	924.26	Fire Inspection
8/6/2026	V00220--FIRST CHOICE HEALTH	100911	$	71.02	Employee Benefits
8/6/2026	V00221--FISHER HEALTHCARE	100912	$	875.55	Lab Supplies
8/6/2026	V00231--GRAINGER	100913	$	205.67	Maintenance Supplies
8/6/2026	V00595--Health Carousel	100914	$	12,031.17	Contracted RN
8/6/2026	V00747--Healthcare Consulting Services	100915	$	1,300.00	Payor Contract Consultant
8/6/2026	V00253--Hospital Services Corporation	100916	$	358.43	Credentialing Verifications
8/6/2026	V00264--Inland Imaging Business Associates, LLC	100917	$	1,331.29	Imaging Reads
8/6/2026	V00718--Intermax Networks	100918	$	1,546.57	Voice IP
8/6/2026	V00968--Intrinium/TorchLight	100919	$	12,457.74	Microsoft 365
8/6/2026	V01104--Lee & Hayes PC	100920	$	5,520.00	Attorney Fees
8/6/2026	V00326--MCKESSON	100921	$	4,574.98	ER/Clinic Supplies
8/6/2026	V00332--MEDICATION REVIEW	100922	$	5,797.70	Pharmacy Staff
8/6/2026	V00334--MEDLINE INDUSTRIES, INC.	100923	$	299.44	Housekeeping Supplies
8/6/2026	V01089--Nihon Kohden America	100924	$	196,215.51	Nurse Monitoring System (replaced lost check)
8/6/2026	V01114--Pacific Northwest Networks / Eltopia Communications, LLC	100925	$	20.00	EMS Internet
8/6/2026	V00619--Pacific Office Automation	100926	$	79.84	Leased Printer
8/6/2026	V00393--PC Connection Sales Corporation	100927	$	504.83	IT Supplies
8/6/2026	V00401--PHD UNEMPLOYMENT COMPENSATION	100928	$	1,882.00	Employee Benefits
8/6/2026	V00402--PHD WORKERS COMPENSATION	100929	$	21,445.00	Employee Benefits
8/6/2026	V00599--Ricoh	100930	$	239.98	Leased Copier
8/6/2026	V00443--RITZVILLE PARTS HOUSE INC	100931	$	389.20	Vehicle Repairs/Maintenance

8/6/2026	V00447--RLDatix	100932	$	3,167.26	PolicyStat
8/6/2026	V01118--Rural Staffing Services	100933	$	1,000.00	Contracted DNS
8/6/2026	V00468--SENSKE	100934	$	151.99	Pest Management
8/6/2026	V00482--Sprague Chamber of Commerce	100935	$	30.00	Advertising
8/6/2026	V00487--STAPLES	100936	$	418.90	Office Supplies
8/6/2026	V00518--Travelers CL Remittance Center	100937	$	7,923.18	Property Insurance
8/6/2026	V01080--US Bank Fiscal Agent	100938	$	700.00	Bond Fees
8/6/2026	V00542--Vitalant	100939	$	937.68	Blood Supplies
8/6/2026	V01071--WP engine, Inc.	100940	$	4,416.00	Website
8/6/2026	V01070--YS CREDENTIALING PLLC	100941	$	1,750.00	Contracted Credentialing
8/11/2026	V00563--WASHINGTON STATE SUPPORT REGISTRY	100942	$	350.00	Garnishment
8/12/2026	V01131--Washington State Department of Retirement Systems	100943	$	13,892.35	LEOFF Retirement
8/13/2026	V00037--Alliant Insurance Services, Inc-8377	100944	$	620.00	Special Event Insurance
8/13/2026	V00989--Kroll Information Assurance	100945	$	3,937.11	Cyber Security
8/13/2026	V01130--Lembeck Appraisal & Consulting, Inc.	100946	$	1,625.00	Appraiser
8/13/2026	V01026--Roach & Bishop LLP	100947	$	7,375.00	Attorney Fees
8/13/2026	V01129--Valbridge Property Advisors / Auble, Jolicoeur & Gentry, Inc.	100948	$	2,600.00	Appraiser
8/13/2026	V00579--WHIT	100949	$	806.91	Employee Benefits
			$	**463,667.32**	

East Adams Rural Healthcare

July, 2026

Departments: EMS and Finance

Owner: Chief Financial Officer

Effective: August 1, 2026

FIRE SUPPORT AND LODGING

PURPOSE: This policy covers the process to and procedures for Fires Support Lodging paid by East Adams Rural Healthcare (EARH). When EARH EMS teams are doing fire support (both State of Washington and Federal), EARH will pay for lodging when certain conditions are met to allow for required rest periods and for the overall safety of our EMS employees.

POLICY: EARH will arrange and pay for lodging when EMS employees are on remote fire support for consecutive days that trigger the required the 48-hour rest period.

PROCESS AND PROCEDURES:

Step 1 – When remote fire EMS crew support is nearing their required 48-hour rest period requirement, EMS Department Managers will notify the Finance and request two hotel rooms (for a crew of two) and provide the nearest location.

Step 2 – Finance office will secure the rooms for the 48-hour period, providing the hotel the EARH credit card information, and signed forms for assuming financial responsibility. Finance will then provide the confirmation numbers back to EMS Department managers in a timely manner to allow the fires support staff to know the location and hotel information prior to the start of the 48-hour rest period.

Step 3 – EMS support staff will acknowledge and understand that EARH rooms provided will have the following responsibilities and requirements:

1. Support staff assumes all financial responsibility for anything taken or damaged during their stay.
2. Upon leaving the room to return to onsite fires support, EMS personnel will receive a paid in full receipt from the hotel. The receipt is to be provided to the Finance Department within seven (7) business days.

Finance will secure lodging that is within reasonable financial means and provides ample security and safe lodging for employees. Finance will welcome any feedback from EMS

personnel on the lodging accommodations concerning security, quality, and surrounding area after each stay to ensure that future lodging bookings provide EARH approved accommodations.

East Adams Rural Healthcare

July, 2026

Departments: EMS and Finance

Owner: Chief Financial Officer

Effective: August 1, 2026

FIRE SUPPORT PREPAID VISA CARDS POLICY

PURPOSE: This policy covers the process to procure prepaid VISA cards, distribution of prepaid VISA cards, and the documentation and reporting for prepaid VISA cards that will be use ONLY for the purpose of providing payment for remote fire crews to procure ambulance fuel when established fuel suppliers for East Adams Rural Healthcare (EARH) are not available.

POLICY: Prepaid VISA cards will be made available through the following process and procedures to remote fire crews when EARH is providing fire support for the EMS Crews to purchase fuel for the ambulances.

PROCESS AND PROCEDURES:

Four $500.00 each prepaid VISA cards will be procured at the start of each fire season by the EARH finance team and provided to EMS Department Manager(s). The EMS Manager will provide one or two cards, depending on distance and expected longevity of the fire support assignment to the EMS crew that is going out to provide the fire support. The EMS Manager will log the VISA card onto a saved word document with the date, amount, and both crew member names.

The crew is then responsible to provide receipts from the station where fuel was obtained and turn those receipts into the EMS Manager. The EMS Manager is then in turn responsible to provide those receipts to the Finance Department in a timely manner once the crew returns.

The prepaid VISA cards cannot be used if the normal, contracted, fuel supplier is available. The prepaid VISA cards cannot be used for any expense other than ambulance fuel.

AT the end of each fire season, EMS managers will turn in remaining receipts and all unused VISA prepaid cards to the Finance Department for a final end of season reconciliation.

Employees that are assigned a VISA prepaid card will sign and acknowledge the following each time they receive a prepaid card:

CREDIT CARD USER AGREEMENT

I, _____ as an employee of Adams County Public Hospital District No. 2 accept personal responsibility for the safeguard and proper use of District pre-paid credit card #_____, which has been assigned to me for use in the performance of my job, in accordance with the terms outlined below.

I have read and understand the pre-paid credit card policies and procedures

Signature_____