

ADAMS COUNTY PUBLIC HOSPITAL DISTRICT NO. 2
East Adams Rural Hospital
903 S. Adams
Ritzville, WA 99169
Meeting of the Board of Commissioners
August 27, 2026

PRESENT:	Eric Walker	Board Chair
	Riley Hille	Vice Chair
	Matt Kubik	Commissioner
	John Kragt	Commissioner
	Dan Duff	Commissioner
	Todd Nida	CEO
	Viola Babcock	CFO
	Dallas Killian	COO
	Connie Barnes	Nurse Consultant

There were approximately twelve 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; Resolution 26-07 and Executive Session RCW 42.30.110 (g) Discuss the performance of a public employee.

APPROVAL OF MINUTES

Vice Chair, Hille made a motion to approve July 23rd regular board meeting minutes. Commissioner Kragt abstained as he was not present at the last meeting. 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. Nothing was requested.

MED STAFF REPORT

Caylon Haggard, Assistant Medical Director introduced himself. Caylon started off by stating that medical staff has been working on a plan to manage chronic pain management patients and putting a policy in place and building a referral partnership with Prosser. Medical staff received some clarification on admitting patients for observation and the criteria that need to be met. The bylaws are still being worked on. There have been a lot of changes such as being designated as an REH, so the bylaws must be changed to meet our current designation. There is a new EMR, Azalea, which is coming in November. Kyle Hoffman from DWC attended the training and provided feedback. There is also work being done on the conscious sedation policy. Two RNs are required and we do not always have two RN's available so we will be limited to when we can do conscious sedation, but we have some other options and can always transport the patient. The emergency department and EMS have been working on some mock drills. There was an OB drill that was run this month, these are good to do to keep everyone's skills up.

CEO REPORT

Todd reported that we had our community celebration and that was a great turnout. Connie has transitioned from Interim Director of Nursing to a consultant so that we can continue to search for a DNS. Todd shared some information on the new Patient Navigator position. Dallas shared that we are looking at selling the café.' There must be three appraisals done before we can list.

COMMITTEE REPORTS

FINANCE COMMITTEE

CFO REPORT – See attached.

Viola reported that we will be at one million, which is about 30 days cash on hand. Healthy hospitals should be at 150 days cash on hand or five million. Fixed assets are going up because of the new ambulance, nurse monitoring system, and security. The Azalea implementation fees have been paid and most of the interfaces are taken care of. We were at \$1.2 million at end of June and at end of July we were at \$1.1 million. We lost \$100k due to a special assessment on unemployment insurance due to the extensive layoffs in 2025. We are in our fourth consecutive month in which operating has met our operating income. The only extraordinary change in the income statement is from the assessment. Without the tax monies and REH funds we do end up in a loss. We will still have \$800k in board reserve and approximately \$100k in funded depreciation. All the REH payments are now caught up. Payroll should be consistent for the rest of the year. There will be an increase in August for the LEOFF. We did not pay 2023, 2024, 2025 and the first half of 2026. We worked with the state, and we did not receive any penalties or fines. Viola shared that there is another special audit that is specific to EMS called GEMT. As of August 27th, we are an additional positive \$400k. Our volumes have been up, and we had some extra SNAP monies come in. Viola went over the grants with the board. Viola shared information regarding the Fire Support Lodging policy. Vice Chair Hille made a motion to approve the policy. The motion passed. Viola shared information regarding the Prepaid Gas Card policy. Commissioner Kragt made a motion to approve the policy. The motion passed.

CHECKS & VOUCHERS

Commissioner Kubik presented the following warrants for approval Accounts Payable Checks #100859-#100949 in the amount of \$463,667.32 and an additional \$49,553.48 in ACH payments and \$123,472.36 in automatic withdrawals. Commissioner Duff made a motion to approve the checks as presented. The motion passed.

OLD BUSINESS

There was a brief discussion about the board meeting time and it was decided to just leave the meetings at 6pm on the fourth Thursday of every month.

NEW BUSINESS

Viola shared the DZA contract with the board. Commissioner Kubik made a motion to approve the contract. The motion passed.

Viola shared a conservative first draft of the 2027 budget. Viola explained the 48% difference between what we bill for and what we receive based on the payors. Commissioner Hille made a motion to submit notice of public hearing for the 2027 budget to be completed at the regular September meeting. The motion passed.

Viola reminded the board of the MOU process and where we currently stand. We now must send a final debt forgiveness letter to the remaining creditors. Commissioner Kragt made a motion to approve the final debt forgiveness letter to be sent out to the remaining creditors. The motion passed.

Chair Walker read aloud resolution 26-07 pertaining to public records requests. Commissioner Hille made a motion to approve resolution 26-07 as presented. The motion passed.

PUBLIC COMMENT

There was explanation of the new process for public comment. The board will not be answering questions during public comment. The public can ask their questions and make their comments, but the board will follow up with a response via email to the questions asked. Community member requested confirmation of the clinic's operating days and asked if EARH was working on pain management services. Community member also asked Mr. Walker to explain his comment "hospital is thriving" that was in the newspaper. Community member asked for clarification regarding accounts receivable being listed as an asset and the AR allowance being listed as a contra-asset. Community member asked about the COVID vaccine availability. Community member asked why patients were being transferred out rather than remaining in Ritzville and asked if this issue could be reviewed. Community member stated he had reached out to local law enforcement seeking updates on the investigations and expressed concerns that the investigations were not occurring or progressing.

EXECUTIVE SESSION

The board went into executive session at 7:17 p.m. for RCW 42.30.110 (g). The estimated length was 15 minutes. The board came out of executive session at 7:32 p.m.

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

The meeting adjourned at 7:33 p.m.

Respectfully submitted,
Kylie Lasen, Executive Assistant