Public Hospital District 3 of Pacific County
Ocean Beach Health
BOARD OF COMMISSIONERS MEETING
October 23, 2025

AGENDA	DISUSSION / CONCLUSION	RECOMMENDATIONS / ACTION / FOLLOW-UP
CALL TO ORDER	The Public Hospital District 3 of Pacific County Board of Commissioners Meeting was called to order October 23, 2025, at 4:00pm by Ariel Smith. Commissioner's present: Nancy Gorshe, Chairperson (Zoom) Ariel Smith, Secretary, Commissioner Elise Chayet, Commissioner (Zoom) Madeline Matson, Commissioner Sandy Stonebreaker, Commissioner Also, Present Merry-Ann Keane, CEO Eric Volk, CFO Wipfli (Zoom) Brenda Sharkey, CNO Tammie Jefferies, Chief of Staff Dr. Weaver, Chief of Medical Staff Carol Zahorsky, Director of Community Engagement Sanjula Singh, Controller Terri Morris	
CONENT AGENDA Agenda September Leadership Communication	No discussion	A motion to approve the Consent Agenda Sandra Stonebreaker; Madeline Matson seconded. The motion passed by unanimous vote.
Board	Due to the November and December holidays it was discussed to move the meetings:	A motion to approve the November

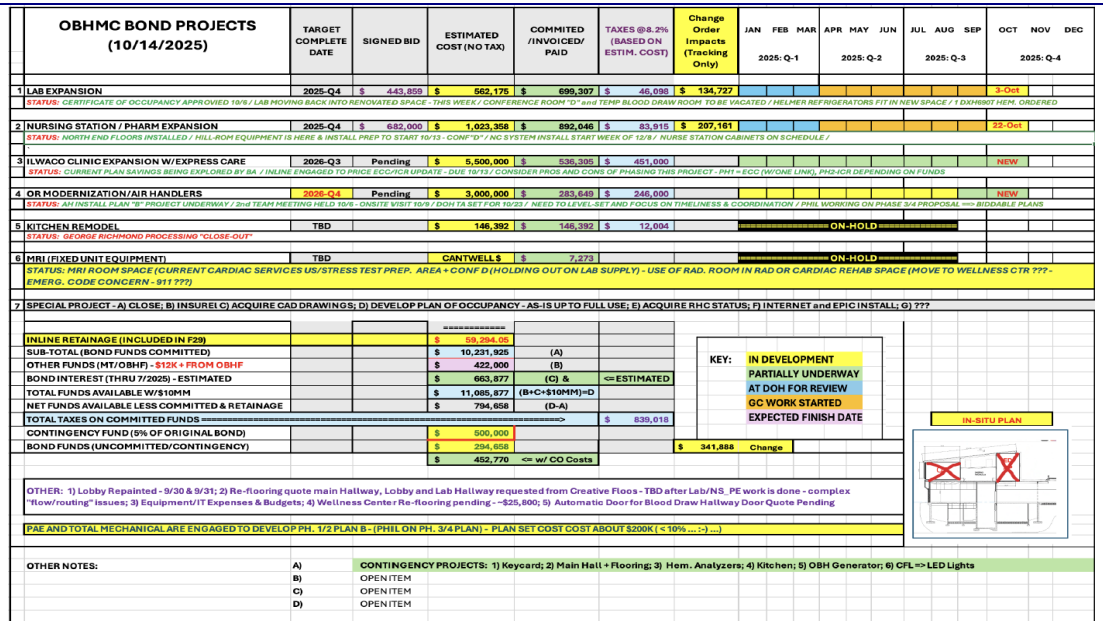
Communication	November 20, 2025 and December 18, 2025	and December meeting dates was made Elise Chayet; Sandra Stonebreaker seconded. The motion passed by unanimous vote.
Board Calendar	Board Meeting Schedule: Meetings will be held via Zoom and In-Person Ad-Hoc Bond Funds Utilization – 11/6/25 10:00AM Foundation Meeting – 11/12/25 1:00PM Environment of Care – 11/18/25 2:00PM Quality Committee – 11/19/25 12:00PM Strategic Planning Committee – 11/17/25 9:00AM Finance Committee – No meeting in November due to holiday will be combined with board meeting Board Meeting - 11/20/25 at 4:00PM	
Medical Staff	Medical Staff – No Report	
Quality Report	Quality Report: Elise gave a brief recap of the Quality Meeting. They reviewed procedures and policies four of them moved back to P&P committee - the vendor policy with a correction stating they need to communicate before walking onsite. Discharge medication review – reviewed discharge process. Review of the incident reporting. Manager invite quality and goals. They are continuing to report on progress of the metrics – we are not meeting our goals and will report next meeting.	
Foundation	Carol referred to the report that was sent out. Carol invited the board to join the trustees to a lunch on December 10th at Noon. In November they will begin planning for Ladies Night Out that is scheduled for April 28, 2026 and November they are doing a mailing campaign.	
EOC Report	The disaster drill went well – always room for improvement. Workplace violence – there are changes in regulations so they will be looking at those. Fire drills went well.	
Strategic Planning	Review in the CEO report Strategic Planning retreat: November 10th through November 12th They reviewed the current strategic plan and decided to keep certain tactics on it moving forward but have them colored in blue. Nancy reminded the board they will be doing Merry-Ann's annual evaluation by the end of the year. Madeline will be meeting with Merry-Ann next week to go over the strategic plan for 2026 since she is unable to attend the retreat. Brenda announced part of the strategic plan was to explore Paramedicine. The community has collaborated and EMS found a federal grant. With the help of OBH – they will be receiving $134,000 to create a program the first year then by two years to make it sustainable. The goal to have paramedicine in the community for the entire county. The board thanked Brenda and EMS for bringing it to the community.	

Projects Sub Committee	Elise reported: Looking at long range capital according to strategic plan – a 5-year plan.	
Finance Report September	Eric Volk presented the September Finance report. September Vouchers: 66423 thru 66725 Total Distribution Accounts Payable $1,884,842.55 General Account – including ACH Transactions & Wires 6019 thru 1061 Net Wages including direct deposit transactions $1,965,424.48 Total: $3,850,267.03 September Operating Margin -4.2%% Total Margin 1.4% Unrestricted days cash on hand: 115 Inpatient Admissions: 17 Inpatient Length of Stay: 2.28 Swing Bed Admits: 3.91 Swing Bed Length of Stay: 1.13 Acute Patient Days: 67 Swing Bed Patient Days: 43 Days in Net A/R Days: 47 Debt Service Coverage: .14 Cash decreased by $456k. Net accounts receivable increased by $422k. Non-depreciable capital assets increased by $483k due to bond projects. Accured payroll increased $186k due to increased days in the payroll accrual and timing of payroll. Accrued compensated absences decreased due to changes in PTO policy. Net patient revenue was 13% below budget for the onth of September. Net 340B Pharmacy activity had a negative variance of $105K for the month of September. Total operating revenue was below budget by $39k for the September. Op Exp: $3.272 million Op Income: $(396)k Non-Op Rev: $213k Net Position: $(182)k Total operating expenses was above budget by 3% for the month of September. Total non-operating revenue had a negative variance of 3% and total increase in net position of $49k for the month of September. Proposed 2026 budget:	A motion to approve the September vouchers was made by Madeline Matson; Nancy Gorshe seconded. The motion passed by unanimous vote.

	Adopted 2024 Budget	Adopted 2025 Budget	2022 Actual	2023 Actual	2024 Actual	Sept 2025 YTD	2025 Annualized	Draft 2026 Budget	VARIANCE	VARIANCE %
Patient Service Revenue										
Inpatient	$ 11,230,892	$ 10,086,766	10,404,386	10,692,211	9,265,302	6,206,355	8,275,140	8,688,897	413,757	4.8%
Outpatient	55,200,566	59,486,839	46,850,002	51,331,642	54,048,835	42,079,943	56,106,591	58,911,921	2,805,330	4.8%
Clinic	5,115,528	5,057,423	4,424,642	4,749,803	4,801,187	3,307,725	4,410,300	4,630,815	220,515	4.8%
Total Patient Revenue	**71,546,987**	**74,631,028**	**61,679,030**	**66,773,656**	**$68,115,324**	**51,594,023**	**68,792,031**	**72,231,633**	**3,439,602**	4.8%
Other Operating Revenue	816,373	789,297	720,612	622,506	$855,695	956,765	1,275,687	1,318,138	42,451	3.2%
Deductions & Allowances	(34,842,193)	(35,809,204)	(30,462,600)	(34,707,598)	(31,976,757)	(25,162,575)	(33,550,100)	(33,837,675)	(287,575)	0.8%
Total Operating Revenue	**37,521,166**	**39,611,121**	**31,937,042**	**32,688,564**	**$36,994,262**	**27,388,213**	**36,517,617**	**39,712,096**	**3,194,479**	8.0%
Salaries & Wages	17,619,089	18,515,713	14,414,534	17,077,627	18,474,171	14,496,045	19,328,060	20,025,177	697,117	3.5%
Employee Benefits	5,330,813	5,552,149	4,423,942	5,120,397	5,835,305	4,805,145	6,406,860	6,526,097	119,237	1.8%
Pension Expense - GASB 6768	247,200	35,046	(123,483)	79,595	25,769	180,000	240,000	244,800	4,800	2.0%
Professional Fees	2,119,767	2,625,971	2,180,532	2,523,631	2,526,288	1,780,181	2,373,575	2,421,049	47,474	2.0%
Supplies	2,552,245	2,380,317	2,930,485	2,549,280	2,401,907	1,683,309	2,044,412	2,329,169	284,757	12.2%
Utilities	384,004	368,328	473,158	488,146	360,273	268,630	358,173	371,224	13,051	3.5%
Purchased Services	6,427,424	7,162,322	5,418,399	6,699,176	6,921,439	4,733,038	5,810,717	5,815,176	4,459	0.1%
Repairs & Maintenance	411,060	407,960	251,255	418,686	350,935	502,284	669,712	504,256	(165,456)	-32.8%
Depreciation	776,749	950,074	1,115,273	1,120,660	908,123	703,135	937,513	1,056,265	118,751	11.2%
Insurance	503,616	537,457	417,357	504,106	525,486	410,297	547,063	535,000	(12,063)	-2.3%
Lease & Rentals	150,194	163,099	139,559	18,464	163,049	182,854	243,805	229,907	(13,898)	-6.0%
Other Direct Expenses	954,561	903,754	778,332	921,994	912,210	716,075	854,767	1,005,999	151,233	15.0%
Total Operating Expenses	**37,476,722**	**39,602,189**	**32,419,343**	**37,521,762**	**39,404,955**	**30,460,993**	**39,814,657**	**41,064,120**	**1,249,463**	3.0%
OPERATING INCOME(LOSS)	**44,444**	**8,932**	**(482,301)**	**(4,833,198)**	**(2,410,693)**	**(3,072,780)**	**(3,297,040)**	**(1,352,025)**	**1,945,015**	
Regular Levy	1,326,600	1,355,900	1,253,471	1,289,739	1,323,638	1,014,585	1,352,780	1,384,450	31,670	2.3%
Bonds	580,000	537,363	-	-	566,376	394,940	526,587	559,363	32,776	5.9%
Timber Tax	59,552	86,994	73,553	54,091	82,173	40,930	54,573	55,118	545	1.0%
Donations		3,212	-	-	9,699	31,465	41,953	42,794	841	2.0%
Grants	600,000	71,798	2,879,204	206,921	61,142	71,601	95,468	164,378	68,910	41.9%
Interest Expense	(601,645)	(593,776)	(125,642)	(90,326)	(646,077)	(384,138)	(512,184)	(522,429)	(10,245)	2.0%
Interest Earnings	633,804	910,862	321,087	843,748	1,022,479	597,382	796,509	609,331	(187,179)	-30.7%
Total Non-Operating Revenue	**2,598,312**	**2,372,352**	**4,401,673**	**2,304,173**	**2,419,430**	**1,766,765**	**2,355,687**	**2,293,005**	**(62,681)**	-2.7%
TOTAL REVENUE	**$ 2,642,756**	**$ 2,381,284**	**3,919,372**	**(2,529,025)**	**8,737**	**(1,306,015)**	**(941,353)**	**940,981**	**1,882,334**	

Board requested for Eric to bring the captal budget to the strategic planning retreat.

Bond Projects:

		
Executive Session	Ariel called for an executive session at 4:20pm for about 15 minutes. Pursuant to RCW 42.30.110 Property & Legal. Executive session ended at ended at 4:45pm. Ariel made motion to go back into regular session at 4:45pm	
Bond Projects	Lab expansion is finished! The Nursing and Pharmacy expansion is due to be completed soon. The Express Clinic – Merry-Ann shared they are relooking at the renderings due to going over budget. Ground should broken by end of the year. OR update: HVAC will be onsite next week and getting very close to submit plans and will get going on the airhandlers. They have created efficiency and space. Kitchen remodel is on hold. The lobby has been painted.	
Resolution 2025-07	Resolution 2025-07 was read by Ariel Smith. The resolution authorizing purchase of real property located at 101 18th Street SE, Long Beach, WA and authorizing the District's Superintendent and CEO to execute documents related to the District's purchase of the property.	A motion to approve the Resolution 2025-07 was made by Sandra Stonebreaker; Madeline Matson seconded. The motion passed by unanimous vote.
CEO Report	These are challenging but exciting times for the District. We are exploring how to not only survive but to thrive in these uncertain times. After spending the past couple of days with our leadership team at 7 Habits training, I am more convinced than ever, that with this team	

	the District can and will do amazing things. Financials: The District continued the year with September being another revenue neutral month (+ $40K). In-patient and swing volumes continue to be reduced because of renovations; we are looking forward to being back to full capacity by the end of this month. Locums have been brought in to provide increased patient access. The Federal shutdown continues with clarity from CMS that they will process and continue to pay claims at this time. Staff Experience: Train the Trainer AVADE training (Staff safety program) of has been completed. We look forward to cascading the training across the District. 7 Habits of Highly Effective People workshop has been completed for the leadership team; Train the Trainer will happen prior to the end of the FY; 7 Habits training also to be rolled out to all staff across the District. These two trainings are foundational. Patient Experience: Access has been a priority for our community. We have had one locums NP start this week to cover Walk-in; Another NP starting next month to cover the remaining days of Walk in service which will allow OBH to offer 7 day a week Walk-in services for the community! In addition Dr. Williamson will be joining OBH as a locums to care for the patients left without primary care after the sudden departure of their physician. Bond Projects: The Lab expansion is complete; DOH will survey the new space on October 23rd. Anticipated completion of the Nursing unit and Pharmacy refresh will be by October 31st. We are in the design/costing phase for the Clinic Expansion Project. The HVAC project will be headed to design/project review in early November. Governmental Affairs: The RHTP grant portal is open; the State will apply by November and have awards announced by December. The Federal government shut down persists but, for now, CMS payments continue to flow.	
Public Participation	Ariel opened the meeting up to public participation. Question was asked what are the immediate plans for the new building. Merry-Ann Keane responded she is still awaiting for contract to be signed by the other party. Once the contract is signed they will announced a plan.	
Adjournment	Ariel asked for a motion to adjourn the general meeting; Nancy Gorshe made a motion; Madeline Matson seconded; all were in favor. Meeting adjourned at 5:07pm	

Submitted and signed by: Tammie Jefferies, Chief of Staff 10.23.25