Public Hospital District 3 of Pacific County
Ocean Beach Health
BOARD OF COMMISSIONERS MEETING
September 25, 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 September 25, 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 Excused Absence: Sandy Stonebreaker, Commissioner Also, Present Merry-Ann Keane, CEO Eric Volk, CFO Wipfli (Zoom) Brenda Sharkey, CNO Tammie Jefferies, Chief of Staff Carol Zahorsky, Director of Community Engagement Sanjula Singh, Controller Tre Petersen, Wipfli Accountant	
CONENT AGENDA Agenda September Leadership Communication	No discussion	A motion to approve the Consent Agenda Nancy Gorshe; Elise Chayet seconded. The motion passed by unanimous vote.

Board Report	Resolution 2025-06 PUD authorization of authority	A motion to approve the Resolution 2025-06 was made by Madeline Matson; Elise Chayet 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 – 10/2/25 10:00AM Foundation Meeting – 10/8/25 1:00PM Environment of Care – Tuesday 10/21/25 2:00PM Quality Committee – Wednesday, 10/22/25 12:00PM Strategic Planning Committee – 10/20/25 9:00AM Finance Committee – 10/16/25 10:00AM Board Meeting - 10/23/25 at 4:00PM	
Medical Staff	Medical Staff – No Report	
Quality Report	Quality Report: Elise gave a brief recap of the Quality Meeting. 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 announced the foundation has a new Trustee, Rita Nicely. The donor wall is coming along and should be up by mid-November. They are planning a small reception. The fundraising events went really well. Reminder, the online auction will begin on 9/8 and the live auction will be held on 9/16 at Ilwaco Cider Company.	
EOC Report	Brenda reported: there will be a Emergency Drill on October 10th. This drill will include the OP & Ilwaco Clinic. This is an opportunity for the clinics to be involved.	
Strategic Planning	Review in the CEO report Strategic Planning retreat: November 10th through November 12th Madeline asked if she could meet with Merry-Ann some time before the retreat since she is unavailable to attend. Tammie will set up a meeting for October.	
Projects Sub Committee	Elise reported: The committee is still refining the tools. More to come next month's meeting.	
Finance Report August	Eric Volk presented the July Finance report. August Vouchers: 66195 thru 66422 Total Distribution Accounts Payable $1,640,604.54 General Account – including ACH Transactions & Wires 6015 thru 6016 Net Wages including direct deposit transactions $1,999,089.48 Total: $3,639,694.02	A motion to approve the August vouchers was made by Madeline Matson; Nancy Gorshe seconded. The motion passed by unanimous vote.

	August Operating Margin -7.1%% Total Margin 1.6% Unrestricted days cash on hand: 120 Inpatient Admissions: 13 Inpatient Length of Stay: 5.83 Swing Bed Admits: 2 Swing Bed Length of Stay: 1.13 Acute Patient Days: 99 Swing Bed Patient Days: 32 Days in Net A/R Days: 52 Debt Service Coverage: .14 Cash increased by $1.9m. Net accounts receivable decreased by $788k. Non-depreciable capital assets increased by $249k due to bond projects. Accured payroll increased $139k 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 11% below budget for the onth of August. Net 340B Pharmacy activity had a negative variance of $102K for the month of August. Total operating revenue missed budget by $470k for the August. Op Exp: $3.158 million Op Income: $58k Non-Op Rev: $248k Net Position: $306k Total operating expenses was below budget by 9% for the month of August. Total non-operating revenue had a positive variance of 25% and total increase in net position of $49k for the month of August. Bond Projects:	

	OBHMC BOND PROJECTS (9/16/2025)

		TARGET COMPLETE DATE	ESTIMATED COST (NO TAX) (BID SIGNED)	COMMITED /INVOICED/ PAID	TAXES @8.2% (BASED ON ESTIM. COST)	Change Order Impacts (Tracking Only)	OCT NOV DEC 2024: Q-4	JAN FEB MAR 2025: Q-1	APR MAY JUN 2025: Q-2	JUL AUG SEP 2025: Q-3	OCT NOV DEC 2025: Q-4
1	LAB EXPANSION	2025-Q4	$ 529,239	$ 699,307	$ 43,398	$ 134,727					3-Oct
	STATUS: PH. 2/3 MINI-DUCT INSTALLED / CABINET INSTALL TO BEGAN 9/17 / LED LIGHTS INSTALLED / FLOORING TO BE INSTALLED 9/22 / STILL ON TRACK FOR 10/3 COMPLETION / LAB DRAW CHAIR ???										
2	NURSING STATION / PHARM EXPANSION	2025-Q4	$ 997,000	$ 880,546	$ 81,754	$ 180,736					22-Oct
	STATUS: NEW PHARMACY, TEMP. NS & TEMP. MED. ROOM FUNTIONING WELL / NURSE STATION TEMPLATE DONE / WAITING ON HILL-ROM NC BUDGET UPDATE - EQUIPMENT IS HERE / INSTALL WEEK OF 12/8 OR 12/15 ??? / FLOOR DROP TO THE EAS										
3	ILWACO CLINIC EXPANSION W/EXPRESS CARE	2026-Q3	$ 5,500,000	$ 480,366	$ 451,000						NEW
	STATUS: GRAY HOUSE LOT CLEARED - FIREWOOD MADE - WC INVOICE COMING - JACOBY CLOSE-OUT / CURRENT PLAN SAVINGS BEING EXPLORED BY BA / INLINE ENGAGED TO PRICE ECC/ICR - ASKING GOOD QUESTIONS - HOPE TO HAVE BY 9/23										
4	OR MODERNIZATION/AIR HANDLERS	2026-Q3	$ 3,000,000	$ 279,569	$ 246,000						NEW
	STATUS: TM PRICING FOR AHU'S & RELATED WORK $500K + LESS COSTLY / ENGAGING PAE TO CREATE PH. 1 & 2 CD SET - $31K FOR 50% CD/100% EQUIPMENT / $36k to $64K TO GET TO 100% CD / OR CD's AT 35%+ - SPLIT PH 3 & PH. 4 ???										
5	KITCHEN REMODEL	TBD	$ 146,392	$ 146,392	$ 12,004		ON-HOLD				
	STATUS: GEORGE RICHMOND PROCESSING "CLOSE-OUT"										
6	MRI (ROOM ADDITION ONLY)	TBD	ON-HOLD				ON-HOLD				
	STATUS: MRI ROOM SPACE (CURRENT CARDIAC SERVICES US/STRESS TEST PREP, AREA + CONF D (HOLDING OUT ON LAB SUPPLY) - USE OF RAD. ROOM IN PAD OR CARDIAC REHAB SPACE (MOVE TO WELLNESS CTR ??? - EMERG. CODE CONCERN)										

SUB-TOTAL (BOND FUNDS COMMITTED)	$ 10,172,631	(A)	
OTHER FUNDS (MT/OBHF) - $12K + FROM OBHF	$ 422,000	(B)	
BOND INTEREST (THRU 7/2025) - ESTIMATED	$ 663,877	(C) &	<= ESTIMATED
TOTAL FUNDS AVAILABLE W/$10MM	$ 11,085,877	(B+C+$10MM)=D	
NET FUNDS AVAILABLE LESS COMMITTED	$ 913,246	(D-A)	
TOTAL TAXES ON COMMITTED FUNDS ==========>			$ 834,156
CONTINGENCY FUND (5% OF ORIGINAL BOND)	$ 500,000		
BOND FUNDS (UNCOMMITTED/CONTINGENCY)	$ 413,246		$ 315,463 <------ Change Order Total
	$ 597,783	<= w/ CO Costs	

KEY:
- IN DEVELOPMENT
- PARTIALLY UNDERWAY
- AT DOH FOR REVIEW
- GC WORK STARTED
- EXPECTED FINISH DATE

IN-SITU PLAN

OTHER: 1) Door Badge System (900 MHZ) - ON-HOLD Pending Funding; 2) OR/AH DOH Technical Assistance - OR/HVAC (Pending) as is Packet to go to DOH and GC's); 3) Lobby repaint after RR - 9/21 & 9/22 ; 4) Re-flooring quote main Hallway, Lobby and Lab Hallway requested and Creative Quote - TBD after Lab/NS_PE work is done (Abatement to be avoided via careful demo) - complex "flow/routing" issues; 5) Equipment/IT Expenses & Budgets; 6) Wellness Center Re-flooring ? - ~$25,800 and confirm color ...

PAE AND TOTAL MECHANICAL ARE REVIEWING ALL HARD DATA AND SITE-VISIT INFORMATION - AND DEVELOPING PH. 1/2 PLAN - (PHIL ON PH. 3/4 PLAN) - ????????? <=======

OTHER NOTES:

A) CONTINGENCY PROJECTS: 1) Keycard; 2) Main Hall + Flooring; 3) Hem. Analyzers; 4) Kitchen; 5) OBH Generator; 6) CFL => LED Lights
B) Special Project Update (Google Maps, Floor Plans, FINAL DEAL)
C) OPEN ITEM
D) OPEN ITEM | |
| Bond Projects | Lab expansion is due to be completed October 2nd.
The Nursing and Pharmacy expansion is due to be completed October 22nd.
The Express Clinic – is still in design development. We are currently looking at another architect to bring the costs of the project under budget.
OR remodel: The HVAC system will be $2 million. There is only $1 million budgeted for this project.
Merry-Ann reported that she sent an email to Murdock Foundation to their general email as she learned that Moses had retired.
The lobby in the hospital is expected to be painted September 27th. | |
| CEO Report | As we settle into the fall we settle into a new budget season and all the uncertainty of the fiscal reality that awaits healthcare. We are strategically and methodically examining each potential scenario to ensure the continued sustainability of the District. These are challenging but exciting times.
Financials: Although not as strong a month as August we continue to see a revenue neutral month (+ $40K). Losing money on operations this month ($200K) but maintaining higher than average # of ED visits. The clinic volumes were down due to provider availability/access; In-patient and swing volumes continue to be reduced because of renovations.
Staff Experience: Medical Executive bootcamp is scheduled for November; three of our providers are scheduled to attend. AVADE training (Staff safety program) train-the-trainer | |

	workshop will be complete by 09/25 and then will be taught to all staff across the District. Train the trainer 7 Habits is scheduled for early October; also to be rolled out across the District. Patient Experience: Customer service huddles continue with each department to continue focusing on patient experience. The Patient and Family Advisory Council is now established and meetings have been invaluable. The annual Health and Safety Fair was held on September 20th; engaging with the community in support of our Strategic plan. Bond Projects: The Lab expansion is in its final phase to be completed the first week of October. The demolition of the grey house is complete with the ground level ready for site prep to build our new Express care clinic. The MRI project is still awaiting a vote on the appropriations bill to determine if OBH will receive funding, thanks to support from Senator Cantwell. HVAC and OR planning continue. Governmental Affairs: The application for States to apply for the Rural health Transformation Project has been opened. 5 billion dollars will be available to approved states for 2026. We look forward to understanding how the state will choose to apply on behalf of Washington rural hospitals, and healthcare entities, directly impacting our communities.	
Public Participation	Ariel opened the meeting up to public participation. No discussion.	
Executive Session	At 4:28pm Ariel called an executive session according to RCW 42.30.110 – discussion on Property. The Executive session ended at 4:58pm and returned to the regular session.	No action taken
Adjournment	Ariel asked for a motion to adjourn the general meeting; Elise Chayet made a motion; Madeline Matson seconded; all were in favor. Meeting adjourned at 4:58pm	

Submitted and signed by: Tammie Jefferies, Chief of Staff 9.25.2025