

**NORTH CENTRAL COMMUNITY SERVICES PROGRAM  
FINANCE, PERSONNEL & PROPERTY COMMITTEE  
MEETING MINUTES**

May 29, 2014                      11:00 a.m.                      NCHC – Wausau Campus

Present:

X	Lee Olkowski	X	Ron Nye	X	John Robinson
X	Robert Weaver				

Also present: Gary Bezucha, Brenda Glodowski, Paula Hawkins

Guests: Kristi Kordus, Gary Olsen, Dan Leydet

The meeting opened at 11:05 a.m. Roll call was taken and a quorum declared.

Minutes

- **Motion**/second by Nye/Weaver to approve the minutes of the 3/27/14 Finance, Personnel & Property Committee meeting. Motion carried.

March Financials

- **Motion**/second by Robinson/Weaver to approve the March financials. Motion carried.

April Financials

- Patient A/R is up; we anticipate it going up further because of the transitional stage with the new billing system.
- Seeing some issues with billing, but cash remains strong. It shows the necessity of having adequate cash.
- We are showing a loss for the month of just under \$295,000; target was a gain of just under \$27,000.
- Nursing home census is low at 217, but improved over prior months. May is showing higher census, but Medicare census is down. Census is down community wide.
- Hospital averaged 14 patients per day; target is 12. May thus far is averaging 15, so it is very busy.
- We need to look at capacity and census and diversions options, while maintaining responsibility to community. Committee requested staff provide a quarterly report to this committee on these options.
- Outpatient revenue is down. April was the first month of the new billing system; it is still not working completely. Most of the revenue is estimated revenue based on the information we have now. It is a conservative estimate.
- Expenses – some areas are high; i.e. health insurance; drugs and food; legal; state institutions. During the period Gary is acting as Interim Human Resources Director, he has been using more legal. State institutes costs was high because we had several kids we couldn't serve, and one client with needs beyond our capacity. Contracted services also high, using consultants in the HR area.
- We continue to monitor expenses and make changes as needed.
- **Motion**/second Robinson/Weaver to approve the April financials. Motion carried.

### CFO Report

- Billing system – We will continue to see problems in A/R but are working through this and monitoring it.
- We have begun the 2015 budget system. We will bring this up as an agenda item each month through the process.
- We are moving board action on the budget to September, which will align us better with the counties, and internally with dashboards, etc.
- The committee will continue to monitor assumptions in the budget planning.

### Capital Requests

- There are two capital budgets – one goes to the Marathon County CIP (Capital Improvements Program) Committee (first to Health & Human Services Committee). With the operating budget we are also bringing forward our internal capital budget.
- **Motion**/second Robinson/Nye to forward the CIP requests to the full board with recommendation to approve/forward to the H&HS Committee to approve/forward to the CIP Committee. Motion carried.

### Fund Balance Policy

- The current policy was developed by Brenda and the three county finance directors in 2008 for board approval.
- Proposed revised policy:
  - IV.1. prior used a minimum target of 10% - changed to a 20% minimum target, and adding a 35% maximum. Our 90 day cash on hand is a more important target in a business sense.
  - IV.2. no change
  - IV.3. adding language of looking at targeted days of invested cash.
  - IV.4. no change
  - IV.5. no change
  - IV.6. new – gives flexibility to partners to access their cash if needed; helps for planning purposes. Days cash on hand maximum would need to be reached first.
  - IV.8. add a sentence that if it drops below to work with the county finance director to develop a plan to bring it back up.
- Request to develop a list of reasons this is a good business plan. The purpose statement will be expanded to include reasons: financial security; need for short term borrowing; in order to operate as a business; to avoid returning to counties for additional tax levy.
- A 12/31/13 year end Fund Balance Review was shared and discussed.
- A final draft for approval will be brought back next month for approval by this committee and the board.

### Future Agenda Items

- Budget assumptions
- Fund balance policy
- NH reimbursement for upcoming year – highlight changes

**Motion**/second by Weaver/Nye, to adjourn at 11:53am. Motion carried.

*Pdh*