

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

August 27, 2015

11:00 a.m.

NCHC – Wausau Campus

Present:

X	Ron Nye	X	Jeff Zriny	X	Lee Olkowski
X	Bob Weaver	X	John Robinson		

Also Present: Gary Bezucha, Brenda Glodowski, Michael Loy, Sarah Merbach, Debbie Osowski

The meeting was called to order 11:00 AM, roll call taken, and a quorum noted.

Minutes

**Motion**/second, Nye/Zriny, to approve the minutes of the 7/30/15 Finance, Personnel & Property Committee meeting. Motion carried.

Financials

- Revenues:
  - Overall revenues were close to target.
  - Nursing home showed slight improvement with census up to 206; Medicare improved slightly at 21 (target is 26); hospital census averaged 14 per day. Nursing home census in August is currently averaging 211.
  - Rehab revenue has bumped up after transitioning to a new rehab company.
  - Revenue in nursing home overall is close to where it should be.
  - Outpatient revenue is down due to vacancies of 6 clinical staff. Vacancies impacts revenues and access to services. Outpatient revenues will improve once positions are filled.
- Expenses:
  - Health insurance was \$215,000 over budget; however, August is low again. Year to date we are under budget.
  - Also significantly over budget by \$150,000 is the State Institutes (Winnebago's daily charge averages \$1,000). Winnebago is primarily utilized for minors as we cannot accept ages under 13 years.
  - An increase in expenses has also been seen in food, drugs, and the additional services to the jail. August may also see high expenses as there was a large back rent payment of \$169,000 for the old CSP building which was the result of the lengthy legal dispute over the safety of the air quality and building structure. There have been cost savings to moving the CSP program to the main campus but the most important aspect is the added benefit to the clients.
  - Also received notice of a large back payment of workers compensation premium of around \$200,000. This is the usual July adjustment retro review which attributed to several large claims in December 2014.

**Motion**/second, Nye/Robinson to approve the July financial statements. Motion carried.

### Pharmacy Packaging System

- Sarah Merbach, Director of Pharmacy, reviewed the proposal on compliance packaging.
- Currently we use the bubble packaging system which takes a lot of storage and actually costs the patient between \$5,000-\$10,000 in waste alone. Community Treatment program uses a multi-dose system on cards and bottled meds which is labor intensive and error prone.
- The Pyxis system in the hospital uses bar codes and electronically secures the medications by only opening areas on the cart of the drugs for a specific patient. It is secure and reduces errors.
- Many methods used for different programs.
- New system would dispense the medications for each program the same but be able to be specific for the program.
- New system would reduce the potential for errors, provide the opportunity to buy in bulk and package the medications here, and reduce the storage area from 4 to 1.
- Committee discussed at length how to proceed with the purchase of this new pharmacy packaging system considering the current relationship with Marathon County.
- **Motion**/second, Robinson/ Zriny to include the purchase of the new pharmacy packaging system in the 2016 capital budget and carry forward into 2016 the \$210,000 currently approved for 2015. Motion carried.

### CFO Report

- Based on our audit report a question was raised about NCHC investments and the security of the investments.
- Our policy addresses our relationships with banks that are financially sound.
- We have begun to further identify that the banks will collateralize our investments. To do this we must be a public depositor; we meet the definition of public depositor under Chapter 34.
- This is different from security in that the bank provides us with information that they are sound collaterally.
- Abby Bank has been contacted and has indicated they will collateralize our investments. Brenda will continue to contact the other banks that we work with as well.

### 2016 Budget

- Brenda shared communication from Brad Karger, County Administrator, and Kristi Kordus, County Finance Director regarding 2016 budget meetings and expectations and asked the committee to consider a joint meeting with the Marathon County Finance Committee. Items of discussion would include: mental health services to the jail, reserves and what they mean, Fund Balance Policy and its development with three county finance directors, capital policy, reports available to the county finance directors, etc.
- **Motion**/second, Nye/Zriny, to request a joint meeting of NCHC Finance, Personnel & Property Committee and CFO with the three county finance committees and finance

directors to discuss potential capital policies and other items they would like to review. Meeting should be as soon as possible. Motion carried. John Robinson will initiate the contacts to coordinate the joint meeting.

**Motion**/second, Zriny/Robinson, to adjourn the meeting at 12:04 p.m. Motion carried.

*dko*