

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

June 30, 2016

11:00 a.m.

NCHC – Wausau Health Care Center

**Present:**

X	Randy Balk	X	Bill Miller	EXC	Robin Stowe
X	Bob Weaver	X	Jeff Zriny		

Others Present: Michael Loy, Brenda Glodowski, Kristi Kordus

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

Minutes

- **Motion**/second, Miller/Balk, to approve the minutes of the 5/26/16 Finance, Personnel & Property Committee meeting. Motion carried.

Financials

- May shows a deficit of \$343,000. Contributing factors include lower than average hospital census of 12, target is 14; nursing home census improved slightly at 209, target is 210; Medicare census dropped to 21 for May, target is 23.
- CBRF revenue is down.
- Expenses continue to be high particularly in health insurance at \$119,000 over budget for May. June is on track to be higher than May. There are several high cost claims that are driving this trend. We will have to adjust for next year with plan changes.
- Crisis and hospital areas exceed targets.
- Marathon County has not made payments for the additional services being provided to Marathon County in 2016 which amounts to just under \$200,000 through May. Marathon County relayed they are unsure when we can expect payment. The Performance Management Contract would encompass this payment and has been ready for signature but has not yet been signed; this is new this year due to the added services for the jail and is separate from the normal levy. Ms. Kordus stated the amount was approved in a separate contingency and must go to full county board with 2/3 vote, which will move expense from contingency to expenditure. Item needs to be put on Finance agenda and it was suggested this be done in August and include what has been completed.
- Diversions total was roughly \$300,000 for May. Improvement has been made with Trempealeau County costs. The state institute is about the same. There has been an increase in services for under age 13 population (NCHC is not able to accept this age group) and individuals needing long term psychiatric help (we are a short-stay hospital with an average length of stay of 4-5 days).
- Low census in the nursing home appears to be directly related to the delay by the county board to remodel the facility which was predicted in the Wipfli report a couple years ago if the project was not done.
- A detailed analysis and strategy to address these budget concerns will be provided at the next committee meeting.

#### CFO report

- Days in accounts receivable went down to 58 days.
- The transition in nursing home billing is going well. On target to go live in July and anticipate significant improvements in nursing home billing.

#### Update on 2017 Budget Process

- Budget process is going well. Will provide additional updates in coming months.

#### Presentation and Discussion of Fund Balance

- With newer membership on the committee it was felt it would be beneficial to revisit this topic as there is often a misunderstanding that fund balance equals cash, but it is not all cash.
- Fund Balance was reviewed and discussed.

#### Discussion of Investment Policy

- Ms. Kordus was asked to attend to review Marathon County's investment policy and share her perspective on NCHC's policy, providing direction on how to handle the risk of our portfolio, etc.
- When the policy was established in 2012 it was intended to be simple and safe. The objective was to increase invested cash to 90 days (based on industry and volatility of industry).
- Ms. Kordus indicated the County wants funds to be comprehensive, safe, secure, gives liquidity, and feels there are better options than collateralizing at Marathon County banks.
- Following discussion, it was determined that Ms. Kordus will meet with Mr. Loy and Ms. Glodowski to evaluate NCHC's investment policy. It was noted that NCHC may not be in a position to make changes this year.
- Will look for a recommendation in August with highest level of security and return.

**Motion**/second, Miller/Balk, to adjourn the Finance, Personnel & Property Committee meeting. Motion carried. Meeting adjourned at 11:55 a.m.

*dko*