

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

September 22, 2016

11:00 a.m.

NCHC – Wausau Campus

Present:

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

Others Present: Michael Loy, Brenda Glodowski

The meeting was called to order at 11:04 AM, roll call taken, and a quorum noted.

Public Comment for Matters Appearing on the Agenda

None were made.

Consent Agenda

- **Motion**/second, Miller/Weaver, to approve the consent agenda which includes the 7/28/16 Finance, Personnel & Property Committee Meeting minutes. Motion carried.

August Financials

- There was a gain of just under \$128,000 for the month of August; programs have been working on expense reduction and results are being seen.
- Revenues are shifting with the nursing home census increasing in August. September is showing an even higher census with Medicare improving as well. Hospital census improved in both August and so far in September; Outpatient has also seen improvement which typically happens when schools are back in session. We continue to monitor revenues and expenses closely.
- The Marathon County payment of \$475,000 for the requested increase of mental health services has not yet been received. Following a conversation this week with Kristi Kordus and Brad Karger, we have been asked to send an itemization on what has been spent to date for crisis, jail, and the MMT program.
- Lincoln and Langlade County leadership expressed their desire to keep the nursing home separate from the other services. Staff felt discussion with Marathon County was very productive in talking about budget this week.
- **Motion**/second, Balk/Miller, to accept the Financial Report and August Financial Statements. Motion carried.

CFO Report

- Board members may contact Kim Heller, Wipfli, if any questions or comments come up about the upcoming audit. Kim has offered several different options/methods of presenting the audit. Committee would like the complete review/presentation continue to be provided to the Board as in previous years. Finance Committee is interested in meeting with Wipfli during the audit. Brenda will connect with Kim Heller to schedule this meeting in February.
- CoVantage has indicated they can issue an irrevocable letter of credit through their bank in Chicago which is an approved method for collateralizing assets in Wisconsin. We continue to work with BMO and Peoples Banks as well. With CoVantage deposits we will have 68% of funds secured. Investment policy requires all funds to be secured now.

2017 Budget Update/Discussion

- Handout, 2017 Budget Planning Review/Discussion, was reviewed.
- Our Medicare average reimbursement is about \$400/day but varies depending on diagnosis (includes rehab services); Medical Assistance is \$160/day and rehab is separate.
- Discussed the option to convert double occupancy rooms to single in the Inpatient Hospital; before addressing this we must do a master facility plan and feel this project would pay for itself quickly. Michael and Brenda will work with Marathon County on moving this project forward.
- The question was asked if the Fund Balance has been used for other capital or investment purposes; not to this magnitude. Feel hospital remodel is \$4 mil.
- Decreased crisis services were requested in Langlade County. Will be discussing options with them and the Langlade Hospital.
- Handouts, 2017 Capital Requests and Memorandum of Understanding between NCHC and Marathon County for Capital Expenditures, were reviewed. CIP did not approve any NCHC capital requests; at the top of the list were boiler and windows in MVCC (\$900,000).
- Committee agreed with \$75,000 as a placeholder for undesignated capital needs.
- Nursing Home Operations Committee is working diligently to explore additional revenue options as well as expense reductions including decertifying some nursing home beds. Nursing Home remodel would increase levy but not to the degree of the 'do nothing' approach as predicted by Wipfli in 2013.
- May consider allocating pharmacy costs to programs in the future.
- \$516,000 has been invested in the nursing home project for project planning that was going to be expensed if the project doesn't resume this year. The plan is largely salvageable. Michael asked Bill Miller to share with the county about the expenses already used in the project planning of the nursing home to remind them of the investment already committed.

Investment Policy Discussion

- The updated Investment Policy was reviewed.
- All three county finance directors are in agreement with the Policy.
- Language was added to allow for an investment advisor if needed.
- With the added language for an investment advisor, the Policy also needs to allow for investments outside of Wisconsin. Policy will be corrected.
- **Motion**/second, Miller/Balk, to approve the Policy subject to the correction noted above. Motion carried.

Motion/second, Weaver/Miller, to adjourn at 12:00 p.m. Motion carried.

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