



# North Central Health Care

Person centered. Outcome focused.

## OFFICIAL NOTICE AND AGENDA

of a meeting of the **Finance, Personnel & Property Committee** to be held at **North Central Health Care, 1100 Lake View Drive, Wausau, WI 54403, Board Room** at **12:00 p.m.** on **Thursday, November 17<sup>th</sup>, 2016**

In addition to attendance in person at the location described above, Board members and the public are invited to attend by telephone conference. Persons wishing to attend the meeting by phone should contact Debbie Osowski at 715-848-4405 24 hours prior to the start time of the meeting for further instructions. Any person planning to attend this meeting who needs some type of special accommodation in order to participate should call the Administrative Office at 715-848-4405.

For TDD telephone service call 715-845-4928.

## AGENDA

1. Call to Order Joint Meeting with the NCCSP Board
2. ACTION: Approval of 10/27/2016 Finance, Personnel & Property Committee Meetings Minutes
3. October Financials
  - i. ACTION: Accept the Financial Report and October Financial Statements
  - b. Review Write-offs
  - c. Discussion of Potential Write-Off of CIP for Nursing Home Project
  - d. CFO Report
  - e. ACTION: Consideration of Adoption of the 2017 Proposed Budget
    - i. Presentation of Stop Loss Considerations for Health Insurance
    - ii. Review Fund Balance Policy and Status
    - iii. Discussion on Recommendations for Addressing the Nursing Home Operational Deficit
    - iv. Hospital Census and Diversions Review
  - f. Agreement for Facilities Management Services Transition and Implementation Plan
4. ACTION: Approval to Execute the Agreement for Facilities Management Services
5. Adjourn Joint Meeting with Finance, Personnel & Property Committee

Presiding Officer or Designee

NOTICE POSTED AT: North Central Health Care

COPY OF NOTICE DISTRIBUTED TO: Wausau Daily Herald, Antigo Daily Journal, Tomahawk Leader, Merrill Foto News, Langlade, Lincoln & Marathon County Clerks Offices

DATE: 11/11/16 TIME: 4:00 p.m. BY: D. Osowski

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

October 27, 2016

11:30 a.m.

NCHC – Wausau Campus

Present:

X	Randy Balk	X	Steve Benson	X	Ben Bliven
EXC	Jean Burgener	X	Holly Matucheski	X	Bill Metter
X	Bill Miller	X	Corrie Norrbom	X	Scott Parks
X	John Robinson	X	Greta Rusch	X	Robin Stowe
X	Bob Weaver	X	Jeff Zriny		

Others Present: Gary Olsen

Finance, Personnel & Property Committee Meeting was called to order at 11:35 a.m. by Committee Chair Weaver and the NCCSP Board meeting was called to order by Chairman Zriny at 11:35 a.m. for a Joint meeting of the North Central Community Services Program Board and Finance, Personnel & Property Committee meeting, roll call taken, and a quorum noted.

Public Comment for Matters Appearing on the Agenda

- No public comment made.

Resolution Honoring Joanne Kelly for her 21 Years of Services to the NCCSP Board

- Chairman Zriny recognized Ms. Kelly for her many years of service, read and presented the resolution and plaque on behalf of the NCCSP Board of Directors, thanking her for her dedication, commitment, and service to North Central Health Care and the community.

Finance, Personnel & Property Committee Report

- **Motion**/second, Balk/Stowe, to approve the 9/22/16 Finance, Personnel & Property Committee Meeting Minutes. Motion carried.
- Presentation and Review of the 2017 Budget
  - With an anticipated deficit this year staff worked hard to address financial and structural issues; strategic cost reductions were initiated in August, 2016.
  - 2017 Budget is balanced overall; however it is not balanced equally with a loss in the nursing home and a gain in the 51.42 operations.
  - We would like to hold a public hear in November immediately prior to the November Board meeting at which time the budget would be considered for adoption.
  - The organizational dashboard cascades to department dashboards with over a hundred metrics. The ability to retain staff is critical therefore the metric has been revised to look at retention rather than turnover. Board input is welcome on the changes to the organizational dashboard and metrics.
  - We continue to look for new revenue sources. Medicaid is a good payer in the vent unit, hospital, and community treatment program.
  - 12.5 FTE maintenance positions will be moving to Marathon County in 2017.
  - Marathon County will be paying for utilities for the entire organization in 2017. We will be contracting back for those services (\$1.6 million); will continue to include these expenses in our regular reporting.

- Lincoln County has increased their support by 3%. Marathon County's additional payment of \$475,000 for requested mental health services this year is being incorporated into next year's levy.
- There is no funding included for merit increases in 2017; although a wage modification for CNA's is included.
- Question was asked about lowering the stop loss coverage; felt the safety net is quite high at \$225,000. While it has not been economically supportable up to this point, it was requested to add this to the agenda for the Finance committee to review.
- Diversions can be attributed to many different situations. Additional funding for diversions were requested from Marathon County but was not approved. We anticipate the trend to continue and will be working to improve in this area; renovation of the hospital would have a positive impact on the number of diversions. Finance Committee would like to review additional breakdown/data on diversions.
- There are no additional dollars to build into the contingency fund; contingency and reserve funds are separate in that reserve funds increase from cash flow. Fund balance for each county is based on a percentage of equity and an update is sent to the counties each year in March. Bill Miller and John Robinson expressed concern that no contingency fund has been included in the 2017 proposed budget. The purpose of the reserve fund is we are trying to get to 90 days cash on hand (currently about 65 days now). If there is a cost overrun reserve funds can be considered. Considerable discussion followed regarding our internal controls, the process for using reserve funds and cash, and accountability to the three counties.
- Lincoln and Langlade County representatives indicated that because the nursing home is a Marathon County liability/responsibility and not part of the tri-county 51.42 system it must be kept separate from the 51 program budget. It was explained that the 51.42 board accepted the responsibility of managing the nursing home which is why it is part of NCHC. Anticipate the new Tri-County Agreement will include language about the management of the nursing home. There is currently a separate management agreement with Marathon County regarding the nursing home also.
- In regard to the Human Services Operations, Nursing Home Operations, and Support Services, each county should be presenting the needs of the community with NCCSP and moving forward it was suggested that there will be a new mechanism for input into the budget.
- An example of success in the human services operations would look like: 24/7 mobile crisis; expanded staffing to better reflect volumes i.e. assessments have increased from 1500, to 4000, to 6000 over the last 3 years, being a better resource to the community, improved availability with effectively getting individuals to the correct programs at the right cost.
- Law enforcement liaison was hired this week to help bridge the gap between law enforcement and crisis; a Crisis PI team continues to meet which is very involved and takes information back to their areas of expertise for continuous education. Ben Bliven added that law enforcement is not a subject matter expert and having a subject matter expert who can work with law enforcement is a good process and they are experiencing good results. Transporting individuals is not the desired outcome. Dr. Benson also added that most hospitals do not want to see patients who are suicidal.
- Crisis professionals are now bachelor level which increases cost of competency. Overall administration costs are shared however each county has designated staff.

- Reduction in levy for the Community Corner Clubhouse has slowed due to changing revenue sources. Hope to continue reduction in the future.
  - Demand Transportation and Inhouse Transportation will be combining administration of those programs to lower cost to each program.
  - Census is driving a loss in the nursing home; average census has reduced to 203 with a loss of over \$600,000 in revenue.
  - For capital improvement projects, items over \$30,000 goes through Marathon County and items under \$30,000 is covered by NCHC through designated cash for capital expenditures. Transfer of maintenance of NCHC was discussed. The main concern is the support for the regulatory requirements. Langlade County expressed concerned the building is maintained for all programs.
  - Staff was commended for preparing a very detailed budget proposal with extensive information; timing is right in conjunction with the new agreement, accountability, communication and buy-in.
  - Finance Committee is being asked to recommend the 2017 proposed budget to the Board and for the Board to review and recommend approval at its November 17 following a Public Hearing. Comments/input from Board can be relayed to Brenda Glodowski and/or Michael Loy by Nov. 4, 2016.
  - The Board is also being asked to provide direction in addressing the loss in the nursing home. Nursing home budget could be balanced if census is lowered which is in line with the forecast of continued declining census overall and the staffing crisis for direct care workers. Legacies by the Lake would remain the same at 100 beds, long term care and post-acute care would be reduced in half so the budget can be balanced. This would also have an impact on the nursing home capital improvement plan. Nursing Home Operations Committee will be discussing these items at its next meeting. Questions was asked by Marathon County wasn't making this decision, building a reserve fund for managing these good and bad cycles, and providing sufficient financial support.
  - **Motion**/second, Stowe/Weaver, to refer the balancing of the nursing home budget to the responsibility of the Nursing Home Operations Committee. Motion carried.
  - **Motion**/second, Miller/Stowe, to refer the 2017 Proposed Budget to the Board at its November 17, 2016 meeting. Motion carried.
- September Financials
    - Showed a gain of just under \$181,000.
    - Revenues showed improvement; benefits are in line; state institutes continue to show high costs.
    - **Motion**/second, Weaver/Balk, to approve September financials. Motion carried.

#### CFO Report

- All investments are secured.

#### Adjourn Joint Meeting with Finance, Personnel & Property Committee

**Motion**/second, Weaver/Miller, to adjourn the Finance, Personnel & Property Committee meeting. Motion carried.

## MEMO

**TO:** North Central Health Care Finance Committee  
**FROM:** Brenda Glodowski  
**DATE:** November 11, 2016  
**RE:** Attached Financials

Attached please find a copy of the October Financial Statements for your review. To assist in your review, the following information is provided:

### **BALANCE SHEET**

Accounts remain consistent with prior months.

### **STATEMENT OF REVENUE AND EXPENSES**

The month of October shows a loss for the month of (\$65,283) compared to the budgeted loss of (\$39,361) resulting in a negative variance of \$25,642.

Overall revenue exceeded targets for October. The nursing home census did drop compared to the prior month, averaging 199 per day. The target is 210. The hospital continues to be busy, averaging 18 per day compared to the target of 14. Outpatient areas are remaining consistent.

Expenses continue to exceed the targets. The areas that are over target are consistent with prior months. They include health insurance, which is over by \$128,000; state institutes, which are over by \$170,000; Crisis Services, which are over by \$66,000 and, hospital services, which are over by \$33,000. Many support areas continue to run below targets to help offset some of the overage areas.

The cost reduction plans that were implemented in August are continuing to be monitored to try and implement as many cost reduction items as possible.

If you have questions, please feel free to contact me.

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF NET POSITION  
OCTOBER 2016**

	<u>Human Services</u>	<u>Nursing Home</u>	<u>Total</u>	<u>Prior Year Combined</u>
Current Assets:				
Cash and cash equivalents	5,708,463	1,435,034	7,143,497	7,540,264
Accounts receivable:				
Patient - Net	3,201,208	2,437,847	5,639,054	7,422,274
Outpatient - WIMCR	625,000	0	625,000	453,333
Nursing home - Supplemental payment program	0	657,200	657,200	569,255
Marathon County	74,392	0	74,392	191,306
Appropriations receivable	58,205	0	58,205	56,039
Net state receivable	163,592	0	163,592	110,395
Other	527,902	0	527,902	126,476
Inventory	0	303,535	303,535	273,822
Other	<u>299,459</u>	<u>240,107</u>	<u>539,567</u>	<u>344,138</u>
Total current assets	<u>10,658,221</u>	<u>5,073,723</u>	<u>15,731,944</u>	<u>17,087,302</u>
Noncurrent Assets:				
Investments	9,800,000	0	9,800,000	9,300,000
Assets limited as to use	1,928,315	813,867	2,742,182	2,045,556
Restricted assets - Patient trust funds	24,738	37,264	62,002	52,509
Net pension asset	2,690,051	2,156,887	4,846,938	0
Nondepreciable capital assets	349,679	713,580	1,063,259	1,641,517
Depreciable capital assets - Net	<u>7,130,792</u>	<u>3,255,955</u>	<u>10,386,747</u>	<u>10,100,833</u>
Total noncurrent assets	<u>21,923,574</u>	<u>6,977,554</u>	<u>28,901,128</u>	<u>23,140,415</u>
Deferred outflows of resources - Related to pensions	<u>2,692,772</u>	<u>2,159,070</u>	<u>4,851,842</u>	<u>0</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><b>35,274,567</b></u>	<u><b>14,210,346</b></u>	<u><b>49,484,913</b></u>	<u><b>40,227,717</b></u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF NET POSITION  
OCTOBER 2016**

	<u>Human Services</u>	<u>Nursing Home</u>	<u>Total</u>	<u>Prior Year Combined</u>
<b>Current Liabilities:</b>				
Current portion of related-party note payable	151,257	0	151,257	148,264
Accounts payable - Trade	1,125,795	902,665	2,028,460	2,269,795
Appropriations advances	1,284,126	0	1,284,126	1,314,272
<b>Accrued liabilities:</b>				
Salaries and retirement	710,554	569,723	1,280,277	1,496,546
Compensated absences	831,443	666,652	1,498,095	1,510,737
Health and dental insurance	451,770	362,230	814,000	652,000
Other Payables	186,693	149,690	336,383	422,809
Amounts payable to third-party reimbursement programs	416,667	0	416,667	475,214
Unearned revenue	<u>288,298</u>	<u>0</u>	<u>288,298</u>	<u>188,631</u>
Total current liabilities	<u>5,446,602</u>	<u>2,650,961</u>	<u>8,097,563</u>	<u>8,478,270</u>
<b>Noncurrent Liabilities:</b>				
Related-party note payable	636,181	0	636,181	787,438
Patient trust funds	<u>24,738</u>	<u>37,264</u>	<u>62,002</u>	<u>52,509</u>
Total noncurrent liabilities	<u>660,919</u>	<u>37,264</u>	<u>698,183</u>	<u>839,947</u>
Total liabilities	<u>6,107,521</u>	<u>2,688,225</u>	<u>8,795,746</u>	<u>9,318,217</u>
Deferred inflows of resources - Related to pensions	<u>47,105</u>	<u>37,768</u>	<u>84,873</u>	<u>0</u>
<b>Net Position:</b>				
Net investment in capital assets	7,480,471	3,969,535	11,450,006	11,742,350
Unrestricted	16,697,901	4,206,828	20,904,728	18,844,824
Restricted - Pension benefit	5,329,949	4,273,563	9,603,512	0
Operating Income / (Loss)	<u>(388,379)</u>	<u>(965,573)</u>	<u>(1,353,952)</u>	<u>322,326</u>
Total net position	<u>29,119,942</u>	<u>11,484,352</u>	<u>40,604,294</u>	<u>30,909,499</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	<u><b>35,274,567</b></u>	<u><b>14,210,346</b></u>	<u><b>49,484,913</b></u>	<u><b>40,227,717</b></u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING OCTOBER 31, 2016**

<b>TOTAL</b>	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
Revenue:						
Net Patient Service Revenue	<u>\$3,737,180</u>	<u>\$3,629,945</u>	<u>\$107,235</u>	<u>\$36,381,414</u>	<u>\$36,036,713</u>	<u>\$344,701</u>
Other Revenue:						
State Match / Addendum	324,658	325,120	(462)	3,246,580	3,251,197	(4,617)
Grant Revenue	239,164	190,628	48,535	2,071,195	1,905,833	165,361
County Appropriations - Net	740,619	740,566	53	7,406,190	7,405,657	533
Departmental and Other Revenue	<u>228,991</u>	<u>200,733</u>	<u>28,258</u>	<u>2,525,821</u>	<u>2,006,580</u>	<u>519,241</u>
Total Other Revenue	<u>1,533,432</u>	<u>1,457,047</u>	<u>76,385</u>	<u>15,249,785</u>	<u>14,569,267</u>	<u>680,519</u>
Total Revenue	5,270,612	5,086,993	183,620	51,631,199	50,605,980	1,025,220
Expenses:						
Direct Expenses	3,983,437	3,695,595	287,842	40,101,845	36,388,466	3,713,380
Indirect Expenses	<u>1,364,402</u>	<u>1,438,258</u>	<u>(73,855)</u>	<u>13,007,655</u>	<u>14,197,300</u>	<u>(1,189,646)</u>
Total Expenses	<u>5,347,840</u>	<u>5,133,853</u>	<u>213,987</u>	<u>53,109,500</u>	<u>50,585,766</u>	<u>2,523,734</u>
Operating Income (Loss)	<u>(77,228)</u>	<u>(46,860)</u>	<u>(30,368)</u>	<u>(1,478,301)</u>	<u>20,214</u>	<u>(1,498,514)</u>
Nonoperating Gains (Losses):						
Interest Income	10,436	7,500	2,936	97,662	75,000	22,662
Donations and Gifts	1,509	0	1,509	21,529	0	21,529
Gain / (Loss) on Disposal of Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,158</u>	<u>0</u>	<u>5,158</u>
Total Nonoperating Gains / (Losses)	<u>11,945</u>	<u>7,500</u>	<u>4,445</u>	<u>124,348</u>	<u>75,000</u>	<u>49,348</u>
Income / (Loss)	<u>(\$65,283)</u>	<u>(\$39,360)</u>	<u>(\$25,923)</u>	<u>(\$1,353,952)</u>	<u>\$95,214</u>	<u>(\$1,449,166)</u>



**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING OCTOBER 31, 2016**

<b>51.42/.437 PROGRAMS</b>	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
Revenue:						
Net Patient Service Revenue	<u>\$1,571,301</u>	<u>\$1,543,572</u>	<u>\$27,729</u>	<u>\$16,213,686</u>	<u>\$15,401,708</u>	<u>\$811,978</u>
Other Revenue:						
State Match / Addendum	324,658	325,120	(462)	3,246,580	3,251,197	(4,617)
Grant Revenue	239,164	190,628	48,535	2,071,195	1,905,833	165,361
County Appropriations - Net	598,953	598,899	54	5,989,530	5,988,990	540
Departmental and Other Revenue	<u>164,389</u>	<u>169,437</u>	<u>(5,048)</u>	<u>1,836,949</u>	<u>1,693,624</u>	<u>143,324</u>
Total Other Revenue	<u>1,327,164</u>	<u>1,284,084</u>	<u>43,079</u>	<u>13,144,253</u>	<u>12,839,644</u>	<u>304,609</u>
Total Revenue	2,898,465	2,827,657	70,808	29,357,940	28,241,352	1,116,587
Expenses:						
Direct Expenses	2,331,607	2,044,970	286,637	22,872,001	20,118,476	2,753,525
Indirect Expenses	<u>760,280</u>	<u>822,379</u>	<u>(62,098)</u>	<u>6,992,215</u>	<u>8,117,846</u>	<u>(1,125,631)</u>
Total Expenses	<u>3,091,888</u>	<u>2,867,348</u>	<u>224,539</u>	<u>29,864,215</u>	<u>28,236,322</u>	<u>1,627,894</u>
Operating Income (Loss)	<u>(193,423)</u>	<u>(39,691)</u>	<u>(153,731)</u>	<u>(506,276)</u>	<u>5,030</u>	<u>(511,306)</u>
Nonoperating Gains (Losses):						
Interest Income	10,436	7,500	2,936	97,662	75,000	22,662
Donations and Gifts	1,080	0	1,080	15,077	0	15,077
Gain / (Loss) on Disposal of Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,158</u>	<u>0</u>	<u>5,158</u>
Total Nonoperating Gains / (Losses)	<u>11,516</u>	<u>7,500</u>	<u>4,016</u>	<u>117,896</u>	<u>75,000</u>	<u>42,896</u>
Income / (Loss)	<u>(\$181,906)</u>	<u>(\$32,191)</u>	<u>(\$149,715)</u>	<u>(\$388,379)</u>	<u>\$80,030</u>	<u>(\$468,410)</u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING OCTOBER 31, 2016**

<b>NURSING HOME</b>	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
Revenue:						
Net Patient Service Revenue	<u>\$2,165,879</u>	<u>\$2,086,373</u>	<u>\$79,506</u>	<u>\$20,167,728</u>	<u>\$20,635,005</u>	<u>(\$467,277)</u>
Other Revenue:						
County Appropriations - Net	141,666	141,667	(1)	1,416,660	1,416,667	(7)
Departmental and Other Revenue	<u>64,602</u>	<u>31,296</u>	<u>33,306</u>	<u>688,872</u>	<u>312,956</u>	<u>375,916</u>
Total Other Revenue	<u>206,268</u>	<u>172,962</u>	<u>33,306</u>	<u>2,105,532</u>	<u>1,729,622</u>	<u>375,910</u>
Total Revenue	2,372,146	2,259,335	112,812	22,273,260	22,364,628	(91,368)
Expenses:						
Direct Expenses	1,651,830	1,650,625	1,205	17,229,845	16,269,990	959,855
Indirect Expenses	<u>604,122</u>	<u>615,879</u>	<u>(11,757)</u>	<u>6,015,440</u>	<u>6,079,454</u>	<u>(64,015)</u>
Total Expenses	<u>2,255,952</u>	<u>2,266,505</u>	<u>(10,552)</u>	<u>23,245,285</u>	<u>22,349,444</u>	<u>895,840</u>
Operating Income (Loss)	<u>116,194</u>	<u>(7,169)</u>	<u>123,364</u>	<u>(972,025)</u>	<u>15,183</u>	<u>(987,208)</u>
Nonoperating Gains (Losses):						
Interest Income	0	0	0	0	0	0
Donations and Gifts	429	0	429	6,452	0	6,452
Gain / (Loss) on Disposal of Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Nonoperating Gains / (Losses)	<u>429</u>	<u>0</u>	<u>429</u>	<u>6,452</u>	<u>0</u>	<u>6,452</u>
Income / (Loss)	<u>\$116,623</u>	<u>(\$7,169)</u>	<u>\$123,792</u>	<u>(\$965,573)</u>	<u>\$15,183</u>	<u>(\$980,756)</u>

**NORTH CENTRAL HEALTH CARE  
REPORT ON AVAILABILITY OF FUNDS  
October 31, 2016**

<b>BANK</b>	<b>LENGTH</b>	<b>MATURITY DATE</b>	<b>INTEREST RATE</b>	<b>AMOUNT</b>	<b>Collateralized</b>
People's State Bank	365 Days	10/30/2016	0.55%	\$500,000	
Abby Bank	365 Days	1/6/2017	0.75%	\$500,000	X
Abby Bank	730 Days	2/25/2017	0.80%	\$500,000	X
People's State Bank	395 Days	3/28/2017	0.65%	\$250,000	X
CoVantage Credit Union	455 Days	3/30/2017	1.00%	\$500,000	X
CoVantage Credit Union	578 Days	5/7/2017	1.05%	\$500,000	X
BMO Harris	365 Days	5/28/2017	0.80%	\$500,000	X
People's State Bank	395 Days	5/29/2017	0.75%	\$350,000	X
People's State Bank	395 Days	5/30/2017	0.75%	\$500,000	X
Abby Bank	365 Days	7/19/2017	0.85%	\$500,000	X
CoVantage Credit Union	578 Days	7/28/2017	0.85%	\$300,000	X
People's State Bank	365 Days	8/21/2017	0.75%	\$500,000	X
BMO Harris	365 Days	8/26/2017	0.80%	\$500,000	X
Abby Bank	365 Days	8/29/2017	0.85%	\$500,000	X
Abby Bank	365 Days	9/1/2017	0.85%	\$500,000	X
Abby Bank	730 Days	10/29/2017	1.10%	\$500,000	X
CoVantage Credit Union	730 Days	11/18/2017	1.10%	\$500,000	X
Abby Bank	730 Days	12/30/2017	1.10%	\$500,000	X
CoVantage Credit Union	487 Days	1/1/2018	1.10%	\$500,000	X
Abby Bank	730 Days	3/15/2018	1.20%	\$400,000	X
Abby Bank	730 Days	5/3/2018	1.20%	\$500,000	X
<b>TOTAL FUNDS AVAILABLE</b>				<b>\$9,800,000</b>	
<b>WEIGHTED AVERAGE</b>		<b>504.58 Days</b>	<b>0.904% INTEREST</b>		

# NCHC-DONATED FUNDS

## Balance Sheet

As of October 31, 2016

### ASSETS

#### Current Assets

#### Checking/Savings

#### CHECKING ACCOUNT

Adult Day Services	5,489.38
Adventure Camp	1,425.79
Birth to 3 Program	2,035.00
Clubhouse	31,037.86
Community Treatment	10,593.28
Fishing Without Boundries	3,913.00
General Donated Funds	61,335.38
Housing - DD Services	1,370.47
Langlade HCC	3,180.42
Legacies by the Lake	
Music in Memory	1,638.25
Legacies by the Lake - Other	3,356.87
Total Legacies by the Lake	4,995.12
Marathon Cty Suicide Prev Task	18,759.25
National Suicide Lifeline Stipe	3,176.37
Northern Valley West	2,326.00
Nursing Home - General Fund	6,619.78
Outpatient Services - Marathon	101.08
Pool	11,412.78
Prevent Suicide Langlade Co.	2,444.55
Resident Council	771.05
United Way	-105.44

Total CHECKING ACCOUNT 170,881.12

Total Checking/Savings 170,881.12

Total Current Assets 170,881.12

**TOTAL ASSETS 170,881.12**

### LIABILITIES & EQUITY

#### Equity

Opening Bal Equity	123,523.75
Retained Earnings	35,991.07
Net Income	11,366.30

Total Equity 170,881.12

**TOTAL LIABILITIES & EQUITY 170,881.12**

**North Central Health Care  
Budget Revenue/Expense Report**

Month Ending October 31, 2016

ACCOUNT DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	YTD ACTUAL	YTD BUDGET	DIFFERENCE
<b><u>REVENUE:</u></b>					
Total Operating Revenue	<u>5,270,612</u>	<u>5,086,993</u>	<u>51,631,199</u>	<u>50,605,980</u>	<u>1,025,220</u>
<b><u>EXPENSES:</u></b>					
Salaries and Wages	2,401,054	2,636,578	24,780,148	25,840,420	(1,060,272)
Fringe Benefits	1,049,776	976,665	10,309,638	9,572,251	737,387
Departments Supplies	450,897	466,527	4,531,493	4,665,271	(133,778)
Purchased Services	472,945	265,981	4,742,318	2,699,813	2,042,504
Utilitites/Maintenance Agreements	415,636	335,097	3,401,577	3,277,967	123,611
Personal Development/Travel	33,589	39,229	343,565	392,292	(48,727)
Other Operating Expenses	121,726	153,317	1,043,762	1,533,168	(489,405)
Insurance	36,415	47,292	368,764	472,917	(104,153)
Depreciation & Amortization	132,664	138,167	1,298,977	1,381,667	(82,689)
Client Purchased Services	<u>233,137</u>	<u>75,000</u>	<u>2,289,256</u>	<u>750,000</u>	<u>1,539,256</u>
<b>TOTAL EXPENSES</b>	<b>5,347,840</b>	<b>5,133,853</b>	<b>53,109,500</b>	<b>50,585,766</b>	<b>2,523,734</b>
Nonoperating Income	<u>11,945</u>	<u>7,500</u>	<u>124,348</u>	<u>75,000</u>	<u>49,348</u>
<b>EXCESS REVENUE (EXPENSE)</b>	<b><u>(65,283)</u></b>	<b><u>(39,360)</u></b>	<b><u>(1,353,952)</u></b>	<b><u>95,214</u></b>	<b><u>(1,449,166)</u></b>

**North Central Health Care  
Write-Off Summary  
October 2016**

	<u>Current Month</u>	<u>Current Year To Date</u>	<u>Prior Year To Date</u>
<b><i>Inpatient:</i></b>			
Administrative Write-Off	\$1,648	\$138,034	\$73,054
Bad Debt	\$80	\$11,069	\$1,718
<b><i>Outpatient:</i></b>			
Administrative Write-Off	\$14,531	\$159,758	\$89,993
Bad Debt	\$187	\$7,448	\$2,371
<b><i>Nursing Home:</i></b>			
Daily Services:			
Administrative Write-Off	\$1,035	\$51,124	\$31,173
Bad Debt	\$2,512	\$20,435	\$25,520
Ancillary Services:			
Administrative Write-Off	(\$1,127)	\$40,993	\$49,818
Bad Debt	\$0	(\$285)	\$576
<b>Pharmacy:</b>			
Administrative Write-Off	\$0	\$0	\$0
Bad Debt	\$0	\$0	\$0
<b>Total - Administrative Write-Off</b>	<b>\$16,087</b>	<b>\$389,909</b>	<b>\$244,038</b>
<b>Total - Bad Debt</b>	<b>\$2,779</b>	<b>\$38,667</b>	<b>\$30,185</b>

**North Central Health Care  
2016 Patient Days**

<u>Month</u>		<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budgeted Occupancy</u>	<u>Actual Occupancy</u>
<b>January</b>	Nursing Home	6,510	6,441	(69)	87.50%	86.57%
	Hospital	434	402	(32)	87.50%	81.05%
<b>February</b>	Nursing Home	6,090	5,953	(137)	87.50%	85.53%
	Hospital	406	407	1	87.50%	87.72%
<b>March</b>	Nursing Home	6,510	6,363	(147)	87.50%	85.52%
	Hospital	434	458	24	87.50%	92.34%
<b>April</b>	Nursing Home	6,300	6,131	(169)	87.50%	85.15%
	Hospital	420	462	42	87.50%	96.25%
<b>May</b>	Nursing Home	6,510	6,467	(43)	87.50%	86.92%
	Hospital	434	377	(57)	87.50%	76.01%
<b>June</b>	Nursing Home	6,300	6,080	(220)	87.50%	84.44%
	Hospital	420	416	(4)	87.50%	86.67%
<b>July</b>	Nursing Home	6,510	6,149	(361)	87.50%	82.65%
	Hospital	434	452	18	87.50%	91.13%
<b>August</b>	Nursing Home	6,510	6,290	(220)	87.50%	84.54%
	Hospital	434	464	30	87.50%	93.55%
<b>September</b>	Nursing Home	6,300	6,155	(145)	87.50%	85.49%
	Hospital	420	468	48	87.50%	97.50%
<b>October</b>	Nursing Home	6,510	6,161	(349)	87.50%	82.81%
	Hospital	434	548	114	87.50%	110.48%
<b>November</b>	Nursing Home			0	0.00%	0.00%
	Hospital			0	0.00%	0.00%
<b>December</b>	Nursing Home			0	0.00%	0.00%
	Hospital			0	0.00%	0.00%

<b>Name of Policy:</b>		 <b>North Central Health Care</b> <small>Person centered. Outcome focused.</small>
<b>FUND BALANCE</b>		
Policy #: LD-0036		
Primary Approving Body: Finance Committee	Committee Approvals: Board of Directors	

**I. Policy Statement**

It is the policy of North Central Health Care to monitor the fund balances of each county on a regular basis and report the activity to each County’s Finance Director.

**II. Purpose**

To maintain stable fund balances and to secure viability of the continued growth and future of the Tri-County System.

**III. Definitions**

**Net Position** – Represents each County’s share of ownership in the organization.

**Operational Surplus** – Excess revenue over expenses from operations.

**Operational Deficit** – Excess expense over revenues from operations.

**Invested Cash Reserves** – Cash that has been invested, such as certificates of deposit.

**Operating Cash-** Cash in the general checking account used for operations such as payroll and accounts payable.

**IV. General Procedure**

- 1) The Unrestricted Fund Balance for each county will be monitored with a minimum and maximum target applied to review adequacy of the balance. The minimum target is 20% of operating expenses and the maximum is 35% of operating expenses.
- 2) In addition to the targeted Fund Balance, each County’s Fund Balance will include a risk reserve of \$250,000.00.
- 3) Invested Cash Reserves will be applied to each county based on the County’s overall net position within the organization. Targeted Days of Invested Cash On Hand is 90 days of operational expense.
- 4) At the end of the fiscal year, the operational surplus or deficit for each county is applied to the Fund Balance. This is outlined in the annual audit report.



- 5) At the completion of the annual audit, the NCHC CFO will provide and review a Fund Balance Report with each County's Finance Director. The County Finance Directors will report to their County Finance Committees.
- 6) The overall target in Unrestricted Fund Balance should be the higher of the maximum target of operating expenses or 90 Days Invested Cash On Hand.
- 7) If the balance of the Unrestricted Fund Balance exceeds the overall target for two consecutive years, the North Central Health Care CEO and CFO will meet with the County Finance Director to review options for potential utilization of excess reserves. A plan for utilization will be reported back to NCHC Finance Committee.
- 8) For planning purposes, the NCHC CFO will provide the County Finance Directors the fund balance analysis by March 31<sup>st</sup> following the finalization of the audit. If any of the fund balances exceed the designated targets and the Finance Director of that county opts to utilize a portion of the excess reserves, the Finance Director should notify NCHC by June 30<sup>th</sup>.

**V. Program-Specific Requirements:**

None

**References:**

## **Facilities Management Services Transition and Implementation Plan**

**By**

**Marathon County Administration**

**And Affecting**

**North Central Health Care**

Whereas, Marathon County adopted R-6-16, dated January 19, 2016, which provides that Marathon County Administrator is hereby authorized to develop a Transition Plan to transfer maintenance responsibilities at North Central Health Care Campus from North Central Health Care to the Marathon County Department of Facilities and Capital Management; and

Whereas the Marathon County Administrator was authorized and empowered to take actions necessary to effectuate the purposes of the above referenced resolution; and

Whereas, the parties to this Transition Plan (hereinafter referred to as the "Plan") are Marathon County, a political subdivision of the State of Wisconsin located at 500 Forest Street, Wausau, Wisconsin (hereinafter referred to as "the County"); and North Central Health Care, a multi-county department of community programs constituted by a Joint County Agreement between Langlade, Lincoln and Marathon Counties pursuant to §§ 51.42 and 66.0301, Wis. Stats., (hereinafter referred to as "NCHC").

Now therefore it is hereby ordered by the Marathon County Administrator that effective the first (1<sup>st</sup>) day of January, 2017 ("Effective Date"):

- 1. Services to be performed by County.** The County, through its Department of Facilities and Capital Management, will perform the duties, tasks, responsibilities, schedule, and deliverables set forth in Attachment 1 (collectively referred to herein as "Services"), a copy of which is attached hereto and fully incorporated herein. Changes to any specifications of the Services may necessitate an amendment to Attachment 1 and may result in additional charges.
- 2. Term of the Plan.** The purpose of this Plan is to provide a framework for the transition of responsibility for facilities maintenance from NCHC to the County at County-owned facilities currently occupied by NCHC, as designated in Attachment 2. This Plan is effective as of the Effective Date and for a period of five (5) years thereafter. At the conclusion of the initial five year term, the parties may execute a Memorandum of Understanding with regard to continuing Facilities Management Services or other appropriate documents.
- 3. Payment of Employee Base Salaries and Benefits:** As of January 1, 2017, all persons holding the positions specified in Attachment 1 of this Plan, who are currently employed by NCHC, shall become employees of the County. Marathon County's 2017 budget reflects that

funds for the provision of salary and benefits for each of these positions will be withheld from the County's contribution to NCHC and placed in the budget of the County's Department of Facilities and Capital Management. NCHC will not be billed for services considered basic maintenance and repair, as the terms are described in Attachment 1.

4. **Payment for Services above Basic Maintenance and Repair.** The costs of work required above basic maintenance and repair, as the terms are described in Attachment 1, are to be paid by the NCHC and shall reflect actual cost of labor, administrative and overhead costs, and materials. Rates used by the County to established billed costs for additional work shall be based on annually-established rates of the County. NCHC shall be billed on a monthly basis. NCHC shall pay the County within twenty (20) days of the date of invoice from the County to NCHC.
5. **State and Federal Taxes.** The County and NCHC are both governmental subunits. Therefore no taxes shall be incurred as a result of the Services provided under this Plan.
6. **County Rights to Determine Methods.** The County shall have the right to control and determine the methods and means of performing the Services provided and shall have sole discretion to determine whether such methods and means satisfactorily accomplish the objective of the service being provided. The County will cooperate with NCHC to minimize, to the extent feasible, the degree to which the methods and means impact daily operations of NCHC. The County will contract, pay for and oversee the execution of all outsourced services, as set forth in Attachment 1.
7. **Disputes.** If a dispute related to this Plan arises, the disputing party shall notify the other party of such a dispute in writing, pursuant to the notice provision set forth below, and with sufficient particularity to fully identify the dispute. If the dispute has resulted from a breach of this Plan by the party to be notified, such notification should state the alleged breach and the provision of this Plan which is allegedly breached. All parties shall attempt to resolve the dispute through direct discussions and negotiations. If the dispute cannot be resolved by the parties, a final decision shall be made by the Marathon County Board of Supervisors. Unless otherwise agreed, the parties shall continue to perform according to the terms and conditions of this Plan during the pendency of any dispute resolution process.
8. **No Agency.** Each party to this Plan shall not act as the agent, employee, or servant of the other party. Accordingly, the County's personnel (including employees or agents) shall not be considered the employees or agents of NCHC; and NCHC's personnel (including employees or agents) shall not be considered the employees or agents of the County
9. **Notices.** All notices herein provided to be given, or which may be given, by any party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States Mail, certified and postage prepaid, and addressed as follows, or by hand delivery or by email to the email address also indicated below:

United States Mail, certified and postage prepaid, and addressed as follows, or by hand delivery or by email to the email address also indicated below:

To County at:

Marathon County  
Dept. of Facilities and Capital Management  
Attn: Director  
1308 West Street  
Wausau, WI 54401  
Email: facilities.capital@co.marathon.wi.us

To NCHC at:

North Central Health Care  
Attn: Chief Executive Officer  
1100 Lakeview Drive  
Wausau, WI 54403  
Email: admin@norcen.org

10. **Waiver.** The failure of any party to assert a right under this Plan or to insist upon compliance with any term or condition of this Plan shall not constitute a waiver of that right.
11. **Severability.** If any court determines that any provision of this Plan is invalid or unenforceable, any invalidity or unenforceability will affect only that provision and will not make any other provision of this Plan invalid or unenforceable and such provision shall be modified, amended, or limited only to the extent necessary to render it valid and enforceable.
12. **Entire Plan/Amendment of Plan.** This Plan, along with the applicable Attachments, is the entire Plan as to the subject matter hereof and supersedes all other prior, contemporaneous, or subsequent written or oral communications, including terms and conditions of any purchase order or other documents. This Plan shall not be subject to any change or modifications except by execution of a written instrument signed by the Marathon County Administrator, or by express written consent, pursuant to the process described in Attachment 1, relative to work authorized by NCHC over and above basic maintenance.
13. **Insurance Coverage**
  - A. During the term of this Plan, the County shall procure and maintain in force, at its expense, the following insurance:
    - 1) Property insurance with an extended endorsement covering the property subject to this Plan, described in Attachment 2, in an amount equal to replacement cost of the property.
    - 2) Builder's Risk insurance. During the course of construction of any improvements, additions or alterations to the property subject to this Plan, the County shall obtain and keep in force a Plan of builder's risk insurance in an amount sufficient to cover the cost of repair or replacement of the improvement, addition or alteration, unless Builder's Risk coverage becomes the responsibility of a contractor under separate construction contract.

said employees. In case any work is subcontracted, County shall require the subcontractor to provide statutory Workers' Compensation Insurance for all of the subcontractor's employees, unless such employees are covered by the protection afforded by the County.

B. The County's liability insurer, Wisconsin Municipalities Mutual Insurance (WIMMIC) currently excludes coverage for operations of hospitals, nursing homes and other healthcare facilities from its policy with the County. Therefore, during the term of this Plan, NCHC shall procure and maintain in force, at its expense, the following insurance:

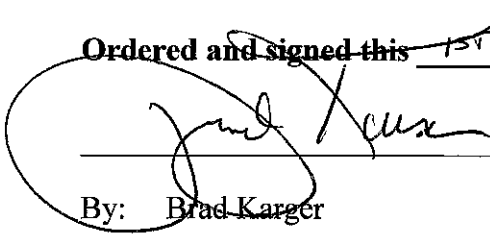
- 1) Comprehensive General Liability, Professional Liability, Automobile Liability and Excess Liability Insurance covering its officers, agents and employees, and including employees of the County performing maintenance and other services, as specified in Attachment 1, pursuant to this plan, and including all buildings, parking lots, sidewalks and other common areas designated in Attachment 2, and their use.
- 2) Said insurance shall cover NCHC and the County, and any subcontractor, regarding claims for damages for personal injuries, including accidental death, as well as from claims for property damage, which may arise from operations under this Plan.
- 3) The coverage limits shall be at least:
  - Comprehensive General Liability \$3,000,000 per occurrence and \$6,000,000 in aggregate for bodily injury and Property Damage.
  - Professional Liability Coverage, \$3,000,000 per occurrence and \$6,000,000 in aggregate.
  - Automobile Liability \$3,000,000 per accident and \$6,000,000 in aggregate for bodily injury and property damage.
  - Excess Liability Coverage, \$6,000,000 over the General Liability and Automobile Liability Coverage.
- 4) On all policies purchased or maintained by NCHC in accordance with this section, NCHC shall add the County as an additional named insured and shall provide certificates of insurance to the County upon request.

5) NCHC shall be entitled to charge back its premiums for the coverage of said employees of the County performing maintenance and other services, as specified in Attachment 1, on a prorated basis.

14. **Assumption of Risk.** Each party shall bear the risk for its own acts and omissions, as it does with all other day-to-day operations.

15. **Immunity.** Nothing contained in this Plan is intended to be a waiver or estoppel of the rights of the County and/or NCHC and their insurers to assert their rights to all affirmative defenses, limitations of liability and immunities as specifically set forth in Wisconsin Statutes, including sections 893.80, 895.52 and 345.05, and related statutes.

Ordered and signed this 1<sup>st</sup> day of November, 2016

  
\_\_\_\_\_  
By: Brad Karger

Title: Marathon County Administrator

NCHC acknowledges receipt of this Plan by signing below

North Central Health Care

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

**Attachment 1 – Services**  
**NCHC Facility Management Services Plan**  
**Effective January 1, 2017**

Under the Facility Maintenance Services Plan, Marathon County will provide facility maintenance for all facilities on the NCHC Campus that are owned by Marathon County and designated in Attachment 2. For all other Facilities in Marathon County, leased by NCHC, maintenance will be performed on only NCHC Moveable/Program Specific Equipment. Grounds care at leased property will be limited to snow removal and lawn mowing.

January 1, 2018 the County's Department of Facilities and Capital Management will take on the custodial responsibilities at the NCHC campus. Details of this consolidation will be addressed in a future amendment to this Plan.

1. Such services will be principally provided by an on-site maintenance staff (herein known as "On-site Maintenance"). The On-site Maintenance staff will consist of employees of Marathon County Department of Facilities and Capital Management and will be operated as described below: On-site Maintenance will initially be staffed in accordance with the staffing detail provided as follows:

- 0.25 FTE Maintenance Director
- 1.0 FTE Assistant Director (On-site Manager)
- 0.5 PTE Administrative Support
- 1.0 FTE Facility Planner
- 1.0 FTE HVAC Controller
- 3.0 FTE HVAC Technicians
- 3.0 FTE Maintenance Specialists
- 5.0 FTE Maintenance/Grounds
- 0.50 FTE Maintenance/Grounds (seasonal full time)

Staffing levels may be adjusted by the County.

2. Basic maintenance and repair will be performed on all building systems and components at the following level of service:
  - a. Maintenance activities will be organized and directed.
  - b. Equipment and building components will be functional and in operating condition, except for routine maintenance and circumstances beyond County's control.
  - c. Service and maintenance calls will be responded to in a timely manner.
  - d. Buildings and equipment will be regularly upgraded to keep them current with modern standards and usage.
  - e. Preventive maintenance will be performed on all building equipment in accordance with the manufacturer's recommended schedule unless modified by the On-site Manager.
  - f. Facilities, equipment and grounds within the scope of this Plan shall be maintained at a level in compliance with all applicable Federal, State, and municipal codes.
3. Work required above basic maintenance and repair, as described in Paragraph 2 above, will be approved by a representative of NCHC (to be designated by NCHC) prior to the work being performed and may be charged as overtime if the work cannot be performed between 7:00am and 7:00pm Monday through Friday. In emergency situations (imminent loss of life or property), the On-site Manager may authorize the work and gain approval after the fact.
4. Billing for services above the standard level of service as described above will be done on an as-needed basis and shall include documentation of the additional charges for labor, materials, and/or contracted services. Appropriate documentation will be provided.
5. Hiring, re-assignment, discipline and termination of staff will be at the discretion of the County's Department of Facilities and Capital Management with management oversight through the County. NCHC's Representative will report any issues with Facilities and Capital Management staff directly to the On-site Manager or the County's Department of Facilities and Capital Management Director.
6. On-site Maintenance staff will be subject to the County's personnel rules and regulations, including but not limited to, pay, benefits, holidays, vacation time, compensatory time, awards, disciplinary action, and overtime. Staff will follow holiday schedules of the County. On-Call Services will be provided on an "as needed" basis during off hours.
7. Cost of Training: Routine, regulatory, safety, and skills training provided to on-site employees by County shall not be charged to NCHC. Specialized training required by law for NCHC operations, that incurs external charges due to use of assets outside of County will be charged back at a per person rate. Specialized training will be billed at cost. Specialized training requirements will be mutually agreed upon by the County and NCHC. Specialized training and associated costs will be approved in advance by NCHC's Representative.



8. Outsourced Maintenance: The On-site Manager will manage all outsourced maintenance and operations contracts and certify that services have been performed in accordance with the applicable contracts. The On-site Manager will identify vendors and obtain quotes for proposed contracts and maintain such contracts. The County will pay for outsourced services. Outsourced contracts may be utilized for, but not limited to the following services:

Elevator Service Contract

Waste Service Removal

Water Treatment

Annual Sprinkler Inspection

Under Ground Fuel Tank Inspections

Duct cleaning

Grease interceptor

Fire Extinguisher Service

Boiler inspections

Annual Backflow Preventer Inspection

Emergency generators and transfer switches / Load Bank tests

9. Work Management: The County intends to procure and utilize a Computerized Maintenance Management System (CMMS) to track preventative and corrective maintenance for the facilities. All work will be documented on the system and all building equipment shall be included in the database. Records or compliance activities for systems such as sprinklers, BFP's, Fire Alarms, fume hood certifications, etc. shall be captured on the CMMS. Such records shall be made available to NCHC for purposes of demonstrating compliance.
10. Equipment and Assets: Existing tools, rolling stock and equipment purchased for the purpose of maintenance/grounds by NCHC or the County shall become the property of the County.
11. Meetings and Inspections: During the first year NCHC and the County will meet twice monthly to evaluate business processes and quality of outcomes and to discuss any new business. Minutes of the meeting shall be kept and used to document commitments. In subsequent years, the meeting may be held once a month. The County's participants will be determined by the Facilities and Capital Management Department Director. NCHC's participants will be determined by NCHC's CEO. NCHC's Representatives shall have the right to conduct periodic reviews and inspections as needed to verify quality levels.
12. Space Allocation: NCHC shall have the ability to assign use of existing program space as designated on Attachment 2. Re-allocation of space which requires any modifications or

improvements to any facility covered by this Plan shall be subject to approval of the County. Any request to utilize space outside of existing program space will need to be approved by the County. This approval authority is contingent on compliance with codes and regulations applicable to NCHC's operations.

13. NCHC shall not make any alterations to the property or do any remodeling in the building, without the prior written consent of the County's Department of Facilities and Capital Management. Renovation or renewal of the structure shall be managed through the County's Department of Facilities and Capital Management. NCHC will support and cooperate with the County's contractors providing the work.
14. Building or Equipment improvement projects below the \$30,000.00 threshold: Routine renewal and replacement projects under \$30,000.00 are considered maintenance projects and will follow the County's procurement rules for such projects regardless of funding source. NCHC shall submit routine renewal and replacement project requests to the County in writing or at the scheduled monthly meeting. Once the project has been defined and the funding source confirmed, implementation of the project will become the responsibility of the County's Department of Facilities and Capital Management. The project will be completed in a timely manner and with the least amount of impact to NCHC's daily operation.
15. Building or Equipment improvement projects above the \$30,000.00 threshold: Routine renewal and replacement projects at or above \$30,000.00 are considered capital projects and will follow the County's procurement rules for such projects regardless of funding source. NCHC shall submit capital project requests to the County in writing or at the scheduled monthly meeting. The County's Department of Facilities and Capital Management will be responsible for moving the project through the Capital Improvement process. Once the project funding source is confirmed, implementation of the project will become the responsibility of the County's Department of Facilities and Capital Management. The project will be completed in a timely manner and with the least amount of impact to NCHC's daily operation.
16. Moveable/Program Specific Equipment of any cost is considered an operational expense of NCHC and one for which they will evaluate need, priority, and budget. Movable/Program Specific Equipment is defined herein as furniture or equipment which is loose, portable, or can be easily detached from the structure. Movable/Program Specific Equipment includes, but is not necessarily limited to, the following:
  - a. Furnishings for new or existing interior spaces;
  - b. Exterior site furnishings at building entrances or on patio areas: benches, patio chairs, tables and umbrella's, planters, swings;
  - c. Maintenance furnishings, such as location-specific waste containers and recycle bins;
  - d. Medical equipment to include but not limited to patient lifts, beds, wheelchairs, med carts, Ice machines, nurse call, shower chairs, scales, tubs, physical/occupational therapy equipment, scientific, or laboratory equipment; and

- e. Food service equipment: Consumables such as dishes, supplies, steam tables, griddle, steamers, steam kettles, mixers, oven, dishwasher.

The County will be responsible for maintenance/preventive maintenance of Moveable/Program Specific Equipment. Note: After 1 year both parties will re-evaluate whether a more efficient process exists for maintenance/preventive maintenance of Moveable/Program Specific Equipment.

All repair parts, replacement items or outside service needed for Moveable/Program Specific Equipment will be requisitioned by the County and purchased by NCHC. Any parts or outside services and their estimated costs shall be approved by the appropriate NCHC's Representative prior to purchase or replacement. Equipment and other moveable assets purchased at NCHC's cost shall become the property of NCHC at the termination of the Plan.

In addition, information technology, audio-visual, production, and other technical or processing equipment, whether permanently attached or not, are also considered Movable/Program Specific Equipment. This equipment will not be maintained by the County.

17. Emergency On-Call: The County will establish and maintain an emergency On-Call system for NCHC use so as to facilitate emergency repairs and responses. After hours coverage shall be provided at all times. A contact list shall be provided to NCHC's Representatives to ensure that NCHC can reach assistance in any circumstance.
18. Coordination with code officials and local emergency response only as it relates to facility maintenance: The On-site Manager or his designee shall be responsible for all coordination regarding facility services, warranties, and facility maintenance activities, and shall be the point of contact for code officials and emergency responders. NCHC will be responsible for all code compliant operational activities including but not limited to coordination of daily activities, inspections, reports, and operational related emergency response.
19. Security: Identification badges shall be worn by all employees while on the job.
20. Sustainability: The County will promote and encourage the use of sustainable practices for building maintenance and operations, such as energy conservation, provided it is justifiable by return on investment and sufficient funds are available to pay for conversion or upgrade.
21. The terms of this Plan may be reviewed by all parties on an annual basis. Upon the review, the terms may be adjusted by the Marathon County Administrator based on the experience of the parties or in order to respond to changing conditions.
22. Confidentiality/HIPAA: During the course of performing assigned duties On-site Maintenance staff may have access to confidential health information and shall handle such information in a confidential manner at all times during and after employment and commit to the following obligations:

- a. Use and disclose confidential health information only in connection with and for the purpose of performing assigned duties
- b. Perform assigned duties while refraining from requesting, obtaining, or communicating any confidential health information other than that which is necessary to accomplish assigned duties
- c. Take reasonable care to properly secure confidential health information and take steps to ensure that others cannot view or access such information
- d. Report any disclosures of confidential health information, including any accidental disclosures, to NCHC's CEO.

NCHC may require On-site Maintenance staff to complete Client Confidentiality/HIPAA training on a regular basis and/or sign a confidentiality agreement. It shall be the responsibility of each party to take corrective action with respect to its employees for failure to fulfill any of the requirements or violation of any of the terms of this paragraph. Such action may include disciplinary action up to and including termination of employment.

23. Force Majeure: Neither party shall be in violation of this plan by reason of any failure in performance without fault or negligence on their part. Such causes may include, but are not restricted to, acts of nature or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, but in every case the failure to perform such must be beyond the reasonable control and without the fault or negligence of the party.
24. Closure of Facilities: Whenever it is determined that any space at NCHC's campus is deemed unsafe for use or occupancy by the Marathon County Administrator, he or she has the authority to close said space until such time as the condition has been sufficiently mitigated or resolved.
25. Subleasing of Space: NCHC shall not have the authority to sublet any portion of any property subject to this Plan.
26. The County shall pay utility cost for gas, electricity, water and sewer, at the North Central Health Care campus, 1100 Lakeview Drive, Wausau, WI 54403. The County will not be responsible for utilities outside of this address. Telecommunication Services are considered an operational expense and will be the responsibility of NCHC.
27. The parties will sign a new Facilities and Use Agreement which will provide for NCHC's continued occupancy of county-owned facilities and which accurately reflects the terms and conditions set forth above.