

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

December 15, 2016

11:00 a.m.

Lincoln County Administrative Office
Building - Merrill

Present:

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

Others Present: Michael Loy, Brenda Glodowski, Randy Scholz

Meeting was called to order 11:06 a.m.

ACTION: Approval of 11/17/16 Finance, Personnel & Property Committee Meeting Minutes

- **Motion**/second, Balk/Weaver, to accept the 11/17/16 Finance, Personnel & Property Committee Meeting minutes. Motion carried.

November Financials

- November showed a loss of about \$254,000.
- Revenues are close to target for the month.
- The nursing home census has continued to drop in December to a current average of 191.
- The areas that continue to drive high expenses are: health insurance, state institutes, and crisis. Year to date these three areas were off target by over \$3 million. While this deficit is significant, we have made up for much of the loss in other areas.
- In 2017, \$475,000 for additional services for Marathon County has been built into the levy.
- In 2017 there are plans to make up the balance of this occurring deficit. In 2016 there were additional staff added to Crisis but in 2017 the budget in Crisis is balanced. Changes have been implemented for health insurance in 2017. Plans also include developing a youth crisis stabilization home, increasing capacity in the MMT program, developing a master facility plan including physical moves within the facility and possible program changes.
- **Motion**/second, Miller/Stowe, to accept the November financial report. Motion carried.

Write-offs

- Nothing significant this month.

CFO Report

- Anticipate December to be a very high expense month. Legal expenses will be significant with the investigation regarding the nurse situation, the Tri-County Agreement, the anonymous letter review, etc. We estimate around \$100,000 of additional legal expenses.
- So far diversions for December are higher than November.
- Nursing home census as of 12/14/16 is averaging 191; census averaged 197 for November. Hospital is averaging 17 through 12/14.
- Anticipate write-offs will be slightly higher in December.

- We had originally requested \$475,000 from Marathon County contingency for additional services provided to the Marathon County jail. This amount has been added to revenues as accounts receivable. We have accrued just over \$400,000 through the end of the year; \$75,000 was deducted for the psychiatrist in the jail because Marathon County determined to stop services with NCHC and hire their own psychiatrist. The memo in the Finance packet outlines the request. Marathon County indicates this item will be placed on their Finance Committee agenda in January 2017. The \$400,000 all relates to services for Marathon County and does not include services for Langlade and Lincoln Counties. Langlade and Lincoln Counties are contracting with another medical provider at this time.

Update on Potential Write-Off for CIP for Nursing Home Project

- There is \$518,000 of incurred expenses with \$20,105 not reusable.
- It was determined last month to only write off a portion of this expense and try to reuse some of the information. Our audit firm is agreeable to this. The remainder of the \$518,000 will be addressed once we know the future of the nursing home project.

ACTION: Approval of Capital Expenditure for Marathon County Facilities Office

- As we consolidate our maintenance into the county facilities department, additional office space is being requested in our building for Michael Lotter, Director of Marathon County Maintenance, a planned conference room, and for clerical support. Mr. Lotter plans to split his time at NCHC and the County. Mr. Kaiser will remain full-time at NCHC.
- Mr. Lotter is requesting to occupy the current offices of our nursing home administrator and leadership. Mr. Kaiser's office is currently in this suite as well.
- We are unable to move our nursing home administration offices at this time due to limited office space in Mount View Care Center.
- Another area being considered, but would require remodeling estimated at \$30,000, and NCHC would pay for. This was not budgeted in 2016 or 2017 capital projects but there is unused capital dollars available.
- There is a substantial amount of vacated space that the ADRC occupied that is available.
- Before proceeding, the Committee and Board are being asked for input and potential authorization.
- Mr. Miller indicated he spoke with Mr. Lotter. Mr. Lotter is not in favor of the remodeling and would like the office space occupied by the nursing home administrator. Feels this is a less expensive option.
- Committee would like Mr. Lotter and Mr. Kaiser at the next meeting to discuss before taking action on this request.

Discussion of Future agenda items:

- Clarity on policy governance i.e. NCCSP Board vs CEO – clear guidelines i.e. capital budget policy.

Motion/second, Miller/Balk to adjourn the Finance, Personnel and Property Committee meeting at 11:36 a.m. Motion carried.

dko