



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 **Lincoln County Administrative Office Building, 801 N Sales Street, Merrill WI 54452**, at **11:00 am** on **Thursday, December 15th, 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.

1. Call to Order
2. ACTION: Approval of 11/17/2016 Finance, Personnel & Property Committee Meetings Minutes
3. November Financials
 - a. ACTION: Accept the Financial Report and November Financial Statements
 - b. Review Write-offs
4. CFO Report
5. Update on Request to Marathon County for Contingency to Fund Mental Health Programs – M. Loy
6. Update on Potential Write-Off for CIP for Nursing Home Project – B. Glodowski
7. ACTION: Approval of Capital Expenditure for Marathon County Facilities Office – M. Loy
8. Discussion of Future Agenda Items
9. Adjourn

Presiding Officer or Designee

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

November 17, 2016

12:00 p.m.

NCHC – Wausau Campus

Present:

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

Others Present: Michael Loy, Brenda Glodowski, Sue Matis, Laura Scudiere

Finance, Personnel & Property Committee Meeting was called to order at 12:12 p.m. by Committee Chair Weaver and the NCCSP Board meeting was called to order by Chairman Zriny at 12:12 p.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.

Chairman's Report and Announcements

- Collaborate Care Committee, with members appointed by the three counties, has been meeting regarding concerns expressed in the anonymous letter that was provided to many Marathon County Board members. Meetings are continuing and will report out on findings.
- Chairman Zriny addressed the NCCSP Board on his 2016 reflections. This year has been frustrating. Crisis became an issue this year and continued to ferment from 2015 into 2016 with the attempt from Marathon County to withdraw from the Tri-County Agreement. This situation has had a negative impact on the entire organization; have been reacting to allegations with little substance behind them; have also been responding to regulators as well. This year has been particularly challenging for the leadership team. They are to be commended for all they have done. These situations have kept the organization from implementing other opportunities. On a positive note, Michael has had a tremendous growth opportunity through 'baptism by fire' and being thrown into difficult situations this year. He has taken them head on. Mr. Zriny feels Michael has strengthened the leadership team and helped them to identify issues to focus on in 2017.
- Elements of Success for 2017: Put the patient back into perspective; psychiatry recruitments will be key with residency program; capital improvement i.e. hospital, crisis center, youth crisis and we need to spend money to improve quality services. Where/how is Marathon County going to go with the nursing home? Once the Tri-county Agreement is completed then renewing the trust with organizations, the three counties, and leadership team at NCHC. We will communicate and be as transparent as possible. Looking at 2017 with excitement after a difficult year. Commend leadership team for keeping things together and responding to needs of the three counties.

OPEN for Public Hearing on the Proposed 2017 Budget

- No public comments made.

Finance, Personnel & Property Committee Report

- **Motion**/second, Balk/Miller, to approve the 10/27/16 Finance, Personnel & Property Committee Meeting Minutes. Motion carried.
- October Financials showed a small deficit for October just over \$65,000. Revenues overall were above target with expenses continuing to be an issue. The nursing home was down with an average census of 199 and a target at 210. The hospital continues to be busy with an average census of 18 and a target of 14. Outpatient areas are consistent with Community Treatment revenues doing very well.
- Expenses that are high include health insurance, state institutes, crisis, and the hospital.
- Lincoln and Langlade Counties are within budget parameters; Marathon County is not within budget parameters.
- **Motion**/second, Weaver/Balk, for the Finance, Personnel & Property Committee to approve the October Financials. Motion carried.
- **Motion**/second, Metter/Burgener, for the Board to approve the October Financials. Motion carried.

Discussion of Potential Write-Off of CIP for Nursing Home Project

- The 'construction in progress' account shows \$518,000 related to the entire nursing home project since 2014; much relates to professional fees for the project. If the project does not move forward, the entire amount would be written off. Our auditors indicate if construction moves forward in 2017 we would be able to roll most of it into assets of the project. However, about \$20,000 in fees would need to be written off. At this point, there is potential for 70% or more of Angus Young work previously done to be usable.
- We are not able to amortize because the project is in progress yet.
- It has not yet been determined who will oversee the governance of the nursing home. Marathon County is on record saying they would like a decision on the nursing home project in the first quarter of 2017. Because Marathon County won't have a resolution by 12/31/16 we will need to estimate as best we can how much is salvageable. At this point, write off the \$20,000 of fees that are not usable and hold on the rest since there is still potential to move the project forward.

CFO report

- All investments are collateralized.
- Working with PFM Asset Management Group who Marathon County utilizes.
- Preliminary audit work has been completed. Early indications focused on receivables, health insurance, and third party liabilities, looks good at this point.

Consideration of Adoption of the 2017 Proposed Budget

- **Presentation of stop loss considerations for health insurance** - Sue Matis has worked with a consultant and reviewed our reports. Since 2012 targeted vs actual was accurate; 2013 projected was over actual; in 2016 it flipped upside down. Still at a positive actual projected over the median term. Industry standard shows there are typically about three good years before a poor year. We are still running favorably overall. After review of the stop loss level with M3 and the NCCSP it was recommended to stay at \$225,000 for stop loss.

- **Review fund balance policy and status** – Request is being made to approve a budget that is not balanced overall but not balance between the nursing home and human services programs. Do we have the authority to balance the budget with reserves?
- Health insurance enrollments came back better than originally budgeted for; will be looking at revenue options and closely watching expenses to close the deficit into 2017.
- **Recommendations for address the nursing home operational deficit** - The Nursing Home Operations Committee was tasked with identifying what it would take to balance the nursing home budget. In order to do so the Committee has determined that a massive change would be necessary i.e. reducing the number of nursing home beds by 30%. The Committee is carefully considering this drastic change due to the impact to the community, types of care provided, revenue affected, ability to access staff, etc. The Committee recognizes that our staff continue to be concerned about the future of the organization and their jobs. A change of this magnitude cannot be pursued without the input from Marathon County and a strategic plan for the nursing home. Mr. Karger, who fully appreciates the situation, will assist in moving the nursing home strategic plan and operational assessment through the county process. It was noted that:
 - Marathon County was presented with this situation three years ago and did not approve the recommended remodeling/restructuring. In 2013, the projection was accurate on the ‘doing nothing’ scenario which is what is being experienced today.
- **Hospital census and diversion** data was reviewed. It is projected diversion costs for 2016 will reach \$1.6 million and next year \$1 million. The Department of Health Services will be meeting with us and Winnebago to review why our costs are higher than others in the state and what has driven the diversions up. From 2015 to 2016 our diversions have doubled. Laura Scudiere provided a review of diversions for 2015-2016.
 - It is felt diversion costs would decrease if we could convert double occupancy rooms to single giving the ability to increase capacity and add additional CBRF beds for crisis residential (currently 6 bed capacity). The Board requested additional comparison data: types of patients served compared to other counties i.e. Brown County; breakdown of costs and projected impact on how it would lower costs for diversions; how many track from methadone clinic and impacts utilization of our services. Once the tri-county agreement is finalized we can move to make definite changes to programming.
- \$500,000 is being requested for contingency funding. This would be designated from cash. It is not part of the operational budget. Request has also been made to designate \$500,000 from Unrestricted Fund Balance as contingency. Any use of these contingency dollars would need NCCSP Board approval.
- **Motion/second**, Weaver/Stowe, to approve for consideration of the Board for the adoption of the 2017 budget with the Finance, Personnel and Property committee. Motion carried.
- **Motion/second**, Burgener/Bliven, to approve the Proposed 2017 Budget. No further discussion. Motion carried.

Agreement for Facilities Management Services Transition and Implementation Plan

- Marathon County wanted to see the maintenance of the NCHC buildings transition to Marathon County since Marathon County owns the property and building.

- Draft Maintenance Agreement was provided in your meeting packet for your review. Updates to the agreement will be brought back in December. We have identified four concerns: 1) Marathon County would assume preventative maintenance on NCCSP equipment. 2) Transfer of housekeeping department to Marathon County in 2018. We have not agreed to this and would like it removed at this time. 3) Regulatory Compliance – we have to be in compliance with life safety codes and we don't feel there is enough clarity when surveyors come in about who takes on the responsibility for it. Someone must know the code which is in the statutes. If Marathon County doesn't take that over we would need to hire for that. Because this has to do with our license, it was suggested that we contact the State for their recommendation. 4) On occasion, our maintenance staff would travel to Langlade and Lincoln Counties. Moving forward we would need to work with the respective county's maintenance departments and possibly develop a similar agreement.

Adjourn Joint Meeting with Finance, Personnel & Property Committee

Motion/second, Stowe/Balk, to adjourn the Finance, Personnel & Property Committee meeting at 1:26 p.m.

dko

MEMO

TO: North Central Health Care Finance Committee
FROM: Brenda Glodowski
DATE: December 13, 2016
RE: Attached Financials

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

BALANCE SHEET

The investments have increased compared to the prior month due to additional \$500,000 investment. Other accounts remain consistent with prior months.

STATEMENT OF REVENUE AND EXPENSES

The month of November shows a loss of \$253,702 compared to the budgeted loss of \$24,493, resulting in a negative variance of \$229,209.

Overall revenue was close to target for the month. The nursing home census continues to struggle, dropping in November to an average census of 197. The target is 210. The Medicare census averaged 18, compared to the target of 23. The hospital census averaged just below 14, compared to the target of 14. Outpatient areas remaining consistent.

Expenses continue to exceed budget targets with the same areas as prior months showing the overage. Health insurance exceeded targets by \$193,000. The state institutes are over by \$164,000, and crisis is over by \$75,000. Many support areas continue to be below targets.

It is anticipated that December will show expenses exceeding targets. In addition to the items above, it is anticipated the legal will show a significant expense as year-end invoices come in for many services currently being provided.

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

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

	<u>Human Services</u>	<u>Nursing Home</u>	<u>Total</u>	<u>Prior Year Combined</u>
Current Assets:				
Cash and cash equivalents	4,715,949	1,419,049	6,134,998	4,453,684
Accounts receivable:				
Patient - Net	3,125,696	2,495,243	5,620,939	7,981,249
Outpatient - WIMCR	630,000	0	630,000	462,167
Nursing home - Supplemental payment program	0	821,500	821,500	735,921
Marathon County	85,422	0	85,422	191,306
Appropriations receivable	0	0	0	0
Net state receivable	165,880	0	165,880	214,101
Other	595,845	0	595,845	137,963
Inventory	0	303,535	303,535	273,822
Other	<u>186,380</u>	<u>149,440</u>	<u>335,819</u>	<u>227,479</u>
Total current assets	<u>9,505,172</u>	<u>5,188,767</u>	<u>14,693,940</u>	<u>14,677,691</u>
Noncurrent Assets:				
Investments	10,300,000	0	10,300,000	9,800,000
Assets limited as to use	1,955,848	823,248	2,779,096	2,026,408
Restricted assets - Patient trust funds	21,491	36,677	58,169	58,291
Net pension asset	2,690,051	2,156,887	4,846,938	0
Nondepreciable capital assets	380,985	713,580	1,094,565	2,100,588
Depreciable capital assets - Net	<u>7,034,636</u>	<u>3,222,152</u>	<u>10,256,788</u>	<u>9,987,705</u>
Total noncurrent assets	<u>22,383,011</u>	<u>6,952,545</u>	<u>29,335,556</u>	<u>23,972,991</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>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>34,580,955</u>	<u>14,300,382</u>	<u>48,881,337</u>	<u>38,650,683</u>

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

	<u>Human Services</u>	<u>Nursing Home</u>	<u>Total</u>	<u>Prior Year Combined</u>
Current Liabilities:				
Current portion of related-party note payable	151,257	0	151,257	148,264
Accounts payable - Trade	1,071,373	859,029	1,930,402	1,492,316
Appropriations advances	506,722	141,667	648,389	678,589
Accrued liabilities:				
Salaries and retirement	796,562	638,685	1,435,248	1,204,295
Compensated absences	838,170	672,046	1,510,216	1,529,613
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	433,333	0	433,333	495,214
Unearned revenue	<u>481,264</u>	<u>0</u>	<u>481,264</u>	<u>188,655</u>
Total current liabilities	<u>4,917,144</u>	<u>2,823,347</u>	<u>7,740,492</u>	<u>6,811,754</u>
Noncurrent Liabilities:				
Related-party note payable	636,181	0	636,181	787,438
Patient trust funds	<u>21,491</u>	<u>36,677</u>	<u>58,169</u>	<u>58,291</u>
Total noncurrent liabilities	<u>657,672</u>	<u>36,677</u>	<u>694,350</u>	<u>845,729</u>
Total liabilities	<u>5,574,817</u>	<u>2,860,025</u>	<u>8,434,841</u>	<u>7,657,482</u>
Deferred inflows of resources - Related to pensions	<u>47,105</u>	<u>37,768</u>	<u>84,873</u>	<u>0</u>
Net Position:				
Net investment in capital assets	7,415,621	3,935,732	11,351,353	12,088,293
Unrestricted	16,773,780	4,240,632	21,014,412	18,498,881
Restricted - Pension benefit	5,329,949	4,273,563	9,603,512	0
Operating Income / (Loss)	<u>(560,317)</u>	<u>(1,047,337)</u>	<u>(1,607,654)</u>	<u>406,027</u>
Total net position	<u>28,959,034</u>	<u>11,402,589</u>	<u>40,361,623</u>	<u>30,993,200</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>34,580,955</u>	<u>14,300,382</u>	<u>48,881,337</u>	<u>38,650,683</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR PERIOD ENDING NOVEMBER 30, 2016**

TOTAL	<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	\$3,496,890	\$3,527,518	(\$30,628)	\$39,878,305	\$39,564,232	\$314,073
Other Revenue:						
State Match / Addendum	324,658	325,120	(462)	3,571,238	3,576,316	(5,078)
Grant Revenue	196,419	190,538	5,881	2,267,614	2,096,372	171,242
County Appropriations - Net	740,619	740,566	53	8,146,809	8,146,222	587
Departmental and Other Revenue	<u>231,944</u>	<u>200,583</u>	<u>31,361</u>	<u>2,757,765</u>	<u>2,207,163</u>	<u>550,602</u>
Total Other Revenue	<u>1,493,641</u>	<u>1,456,807</u>	<u>36,834</u>	<u>16,743,426</u>	<u>16,026,073</u>	<u>717,353</u>
Total Revenue	4,990,531	4,984,326	6,206	56,621,730	55,590,305	1,031,426
Expenses:						
Direct Expenses	3,868,083	3,603,715	264,367	43,969,928	39,992,181	3,977,747
Indirect Expenses	<u>1,389,909</u>	<u>1,412,604</u>	<u>(22,695)</u>	<u>14,397,563</u>	<u>15,609,904</u>	<u>(1,212,341)</u>
Total Expenses	<u>5,257,991</u>	<u>5,016,319</u>	<u>241,672</u>	<u>58,367,491</u>	<u>55,602,085</u>	<u>2,765,406</u>
Operating Income (Loss)	<u>(267,460)</u>	<u>(31,993)</u>	<u>(235,467)</u>	<u>(1,745,761)</u>	<u>(11,780)</u>	<u>(1,733,981)</u>
Nonoperating Gains (Losses):						
Interest Income	10,022	7,500	2,522	107,684	82,500	25,184
Donations and Gifts	3,736	0	3,736	25,265	0	25,265
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>13,759</u>	<u>7,500</u>	<u>6,259</u>	<u>138,107</u>	<u>82,500</u>	<u>55,607</u>
Income / (Loss)	<u>(\$253,702)</u>	<u>(\$24,493)</u>	<u>(\$229,209)</u>	<u>(\$1,607,654)</u>	<u>\$70,720</u>	<u>(\$1,678,374)</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR PERIOD ENDING NOVEMBER 30, 2016**

51.42/.437 PROGRAMS	CURRENT MONTH <u>ACTUAL</u>	CURRENT MONTH <u>BUDGET</u>	CURRENT MONTH <u>VARIANCE</u>	YTD <u>ACTUAL</u>	YTD <u>BUDGET</u>	YTD <u>VARIANCE</u>
Revenue:						
Net Patient Service Revenue	<u>\$1,554,207</u>	<u>\$1,486,890</u>	<u>\$67,317</u>	<u>\$17,767,893</u>	<u>\$16,888,598</u>	<u>\$879,295</u>
Other Revenue:						
State Match / Addendum	324,658	325,120	(462)	3,571,238	3,576,316	(5,078)
Grant Revenue	196,419	190,538	5,881	2,267,614	2,096,372	171,242
County Appropriations - Net	598,953	598,899	54	6,588,483	6,587,889	594
Departmental and Other Revenue	<u>172,850</u>	<u>169,287</u>	<u>3,562</u>	<u>2,009,798</u>	<u>1,862,912</u>	<u>146,887</u>
Total Other Revenue	<u>1,292,880</u>	<u>1,283,844</u>	<u>9,036</u>	<u>14,437,133</u>	<u>14,123,489</u>	<u>313,645</u>
Total Revenue	2,847,087	2,770,735	76,353	32,205,027	31,012,087	1,192,940
Expenses:						
Direct Expenses	2,251,951	1,991,342	260,609	25,123,952	22,109,818	3,014,134
Indirect Expenses	<u>779,974</u>	<u>807,710</u>	<u>(27,736)</u>	<u>7,772,188</u>	<u>8,925,556</u>	<u>(1,153,367)</u>
Total Expenses	<u>3,031,925</u>	<u>2,799,052</u>	<u>232,873</u>	<u>32,896,140</u>	<u>31,035,373</u>	<u>1,860,767</u>
Operating Income (Loss)	<u>(184,837)</u>	<u>(28,317)</u>	<u>(156,521)</u>	<u>(691,113)</u>	<u>(23,286)</u>	<u>(667,827)</u>
Nonoperating Gains (Losses):						
Interest Income	10,022	7,500	2,522	107,684	82,500	25,184
Donations and Gifts	2,878	0	2,878	17,955	0	17,955
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>12,900</u>	<u>7,500</u>	<u>5,400</u>	<u>130,796</u>	<u>82,500</u>	<u>48,296</u>
Income / (Loss)	<u>(\$171,937)</u>	<u>(\$20,817)</u>	<u>(\$151,121)</u>	<u>(\$560,317)</u>	<u>\$59,214</u>	<u>(\$619,531)</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR PERIOD ENDING NOVEMBER 30, 2016**

NURSING HOME	<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	\$1,942,683	\$2,040,628	(\$97,945)	\$22,110,411	\$22,675,633	(\$565,222)
Other Revenue:						
County Appropriations - Net	141,666	141,667	(1)	1,558,326	1,558,333	(7)
Departmental and Other Revenue	<u>59,095</u>	<u>31,296</u>	<u>27,799</u>	<u>747,967</u>	<u>344,251</u>	<u>403,715</u>
Total Other Revenue	<u>200,761</u>	<u>172,962</u>	<u>27,798</u>	<u>2,306,293</u>	<u>1,902,585</u>	<u>403,708</u>
Total Revenue	2,143,443	2,213,590	(70,146)	24,416,704	24,578,218	(161,514)
Expenses:						
Direct Expenses	1,616,131	1,612,373	3,758	18,845,976	17,882,363	963,613
Indirect Expenses	<u>609,935</u>	<u>604,894</u>	<u>5,041</u>	<u>6,625,375</u>	<u>6,684,348</u>	<u>(58,973)</u>
Total Expenses	<u>2,226,066</u>	<u>2,217,267</u>	<u>8,799</u>	<u>25,471,351</u>	<u>24,566,712</u>	<u>904,639</u>
Operating Income (Loss)	<u>(82,624)</u>	<u>(3,677)</u>	<u>(78,946)</u>	<u>(1,054,647)</u>	<u>11,506</u>	<u>(1,066,154)</u>
Nonoperating Gains (Losses):						
Interest Income	0	0	0	0	0	0
Donations and Gifts	858	0	858	7,310	0	7,310
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>858</u>	<u>0</u>	<u>858</u>	<u>7,310</u>	<u>0</u>	<u>7,310</u>
Income / (Loss)	<u>(\$81,765)</u>	<u>(\$3,677)</u>	<u>(\$78,088)</u>	<u>(\$1,047,337)</u>	<u>\$11,506</u>	<u>(\$1,058,843)</u>

NORTH CENTRAL HEALTH CARE
 REPORT ON AVAILABILITY OF FUNDS
 November 30, 2016

BANK	LENGTH	MATURITY DATE	INTEREST RATE	AMOUNT	Collateralized
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
PFM Investments	365 Days	11/29/2016	1.13%	\$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
PFM Investments	517 Days	4/30/2018	1.12%	\$500,000	X
Abby Bank	730 Days	5/3/2018	1.20%	\$500,000	X
TOTAL FUNDS AVAILABLE				\$10,300,000	
WEIGHTED AVERAGE		505.18 Days	0.943% INTEREST		

NCHC-DONATED FUNDS

Balance Sheet

As of November 30, 2016

ASSETS

Current Assets

Checking/Savings

CHECKING ACCOUNT

Adult Day Services	5,749.38
Adventure Camp	1,425.79
Birth to 3 Program	2,035.00
Clubhouse	36,008.88
Community Treatment	10,100.06
Fishing Without Boundries	3,913.00
General Donated Funds	61,530.73
Housing - DD Services	1,370.47
Langlade HCC	3,739.92
Legacies by the Lake	
Music in Memory	1,638.25
Legacies by the Lake - Other	3,762.85
Total Legacies by the Lake	5,401.10
Marathon Cty Suicide Prev Task	14,957.25
National Suicide Lifeline Stipe	3,176.37
Northern Valley West	2,326.00
Nursing Home - General Fund	6,545.61
Outpatient Services - Marathon	101.08
Pool	9,088.23
Prevent Suicide Langlade Co.	2,444.55
Resident Council	771.05
United Way	307.06

Total CHECKING ACCOUNT 170,991.53

Total Checking/Savings 170,991.53

Total Current Assets 170,991.53

TOTAL ASSETS 170,991.53

LIABILITIES & EQUITY

Equity

Opening Bal Equity	123,523.75
Retained Earnings	35,991.07
Net Income	11,476.71

Total Equity 170,991.53

TOTAL LIABILITIES & EQUITY 170,991.53

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

Month Ending November 30, 2016

ACCOUNT DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	YTD ACTUAL	YTD BUDGET	DIFFERENCE
<u>REVENUE:</u>					
Total Operating Revenue	<u>4,990,531</u>	<u>4,984,326</u>	<u>56,621,730</u>	<u>55,590,305</u>	<u>1,031,426</u>
<u>EXPENSES:</u>					
Salaries and Wages	2,313,957	2,551,520	27,094,105	28,391,940	(1,297,835)
Fringe Benefits	1,080,978	945,189	11,390,616	10,517,441	873,175
Departments Supplies	455,579	466,527	4,987,072	5,131,798	(144,727)
Purchased Services	449,955	265,981	5,192,272	2,965,795	2,226,478
Utilitites/Maintenance Agreements	416,206	334,097	3,817,783	3,612,064	205,720
Personal Development/Travel	31,426	39,229	374,992	431,522	(56,530)
Other Operating Expenses	103,114	153,317	1,146,876	1,686,484	(539,608)
Insurance	36,415	47,292	405,179	520,208	(115,029)
Depreciation & Amortization	129,959	138,167	1,428,936	1,519,833	(90,897)
Client Purchased Services	<u>240,403</u>	<u>75,000</u>	<u>2,529,659</u>	<u>825,000</u>	<u>1,704,659</u>
TOTAL EXPENSES	5,257,991	5,016,319	58,367,491	55,602,085	2,765,406
Nonoperating Income	<u>13,759</u>	<u>7,500</u>	<u>138,107</u>	<u>82,500</u>	<u>55,607</u>
EXCESS REVENUE (EXPENSE)	<u>(253,702)</u>	<u>(24,493)</u>	<u>(1,607,654)</u>	<u>70,720</u>	<u>(1,678,373)</u>

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

	<u>Current Month</u>	<u>Current Year To Date</u>	<u>Prior Year To Date</u>
<i>Inpatient:</i>			
Administrative Write-Off	\$23,607	\$161,641	\$161,122
Bad Debt	\$18	\$11,087	\$2,558
<i>Outpatient:</i>			
Administrative Write-Off	\$15,186	\$174,945	\$144,839
Bad Debt	\$2,058	\$9,506	\$3,776
<i>Nursing Home:</i>			
Daily Services:			
Administrative Write-Off	\$2,287	\$53,410	\$40,374
Bad Debt	(\$307)	\$20,128	\$25,310
Ancillary Services:			
Administrative Write-Off	\$711	\$41,704	\$62,605
Bad Debt	\$0	(\$285)	\$415
Pharmacy:			
Administrative Write-Off	\$732	\$732	\$0
Bad Debt	\$0	\$0	\$0
Total - Administrative Write-Off	\$42,523	\$432,432	\$408,940
Total - Bad Debt	\$1,769	\$40,436	\$32,059

**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>
January	Nursing Home	6,510	6,441	(69)	87.50%	86.57%
	Hospital	434	402	(32)	87.50%	81.05%
February	Nursing Home	6,090	5,953	(137)	87.50%	85.53%
	Hospital	406	407	1	87.50%	87.72%
March	Nursing Home	6,510	6,363	(147)	87.50%	85.52%
	Hospital	434	458	24	87.50%	92.34%
April	Nursing Home	6,300	6,131	(169)	87.50%	85.15%
	Hospital	420	462	42	87.50%	96.25%
May	Nursing Home	6,510	6,467	(43)	87.50%	86.92%
	Hospital	434	377	(57)	87.50%	76.01%
June	Nursing Home	6,300	6,080	(220)	87.50%	84.44%
	Hospital	420	416	(4)	87.50%	86.67%
July	Nursing Home	6,510	6,149	(361)	87.50%	82.65%
	Hospital	434	452	18	87.50%	91.13%
August	Nursing Home	6,510	6,290	(220)	87.50%	84.54%
	Hospital	434	464	30	87.50%	93.55%
September	Nursing Home	6,300	6,155	(145)	87.50%	85.49%
	Hospital	420	468	48	87.50%	97.50%
October	Nursing Home	6,510	6,161	(349)	87.50%	82.81%
	Hospital	434	548	114	87.50%	110.48%
November	Nursing Home	6,300	5,915	(385)	87.50%	82.15%
	Hospital	420	414	(6)	87.50%	86.25%
December	Nursing Home			0	0.00%	0.00%
	Hospital			0	0.00%	0.00%



North Central Health Care

Person centered. Outcome focused.

MEMORANDUM

DATE: December 1, 2016
TO: Marathon County Human Resources, Finance and Property Committee
FROM: Michael Loy, Interim CEO
RE: Request for Contingency to Fund Mental Health Programs

Purpose

North Central Health Care (NCHC) is requesting payment of an amount not to exceed the \$475,000 designation from contingency for additional mental health services provided to Marathon County by NCHC in the 2016 County Budget.

Background

The 2016 County Budget had an original request from NCHC to Marathon County for additional tax levy of \$323,520 for correctional mental health services and \$168,000 for residential alcohol drug treatment (\$491,520 combined). Part of the correctional mental health services included an expansion of crisis services resources in addition to psychiatry and mental health treatment in the jail. The original request of \$491,520 was not approved in the final budget as requested for these services. However, the County did provide additional funding for these additional mental health services as contingency to be transferred upon request from NCHC after the services were provided. The 2016 County Budget ended up including an allocation of \$475,000 in contingency funding for purpose of funding the two new NCHC programs” (pgs. 4-5, 2016 Annual Budget Document). Both the mental health services in the jail and residential treatment programs have not been supported by additional County tax levy resources to date. For historical reference, these services were actually started in 2015 but NCHC paid for the cost as pilot program costs without commitment to continuing in 2016 and has not requested levy support from Marathon County.

After the budget was approved and 2016 began, NCHC was providing both psychiatry and mental health therapy in the Marathon County Jail. Early in 2016, the NCHC psychiatrist providing services at the jail independently chose not to continue to provide services to the Marathon County Jail. The Jail Administration decided to instead move ahead with working with their current medical provider to contract for psychiatry services in the jail and has done so since the beginning of the year. North Central has continued to provide mental health therapy services of approximately 32 hours a week on average throughout the year. Currently we have a mixture of two PhDs. professionals and a Master’s level therapist providing individual and group services in the jail. NCHC has also continued the resident treatment program (Lakeside Recovery Medically Monitored Treatment Program) in 2016 with a census of 6 clients all year.

Lastly, as part of addressing Marathon County’s concerns with overall mental health services and specifically crisis services, NCHC expanded services in Crisis. Increase in the number of employees and experience level of staff in Crisis services occurred in 2016 above what was originally budgeted to significant degree.

Recommendation

North Central Health Care requests payment for the expansion of services provided to the Marathon County Jail, the residential treatment program and Crisis Services. A document outlining the total direct costs (excluding allocated or indirect costs) of these services in 2016 is attached. NCHC is not requesting the full \$475,000, as a portion of the \$475,000 was always intended for psychiatry services in the jail. Marathon County has paid for these services directly

throughout most of 2016 and therefore a portion of this contingency should be allocated to these costs. More precisely, information from Chief Deputy Chad Billeb from October indicated that CCS (the medical provider in the Jail) has provided 4 hours of Psychiatric services per week since February 1, 2016. Thru August, CCS had been paid \$44,506 or \$6,358 per month for these services and it was likely they would pay approximately \$70,000 for 11 months in 2016. Therefore, NCHC is requesting the balance of the contingency, \$405,000 as reimbursement for the expansion of mental health services on behalf of Marathon County for 2016.

North Central Health Care
Net Cost of Services (Direct Cost Only)
January-October, 2016

12/1/2016

	Expense	Subtotal	Total
Medically Monitored Treatment: (MMT) (Residential Alcohol and Drug Treatment)			
Salaries	\$113,502		
Employee Benefits	\$41,126		
Other Direct	\$7,524		
Total Expenses		\$162,152	
Net Revenue Generated through Billing		(\$61,893)	
Misc Revenue		(\$5,639)	
Net Cost			\$94,620
Crisis Services:			
Salaries	\$715,048		
Employee Benefits	\$275,877		
Other Direct Expense	\$29,448		
		\$1,020,373	
Net Revenue Generated Through Billing		(\$167,214)	
Misc Revenue		(\$9,312)	
Net Cost			\$843,847
Psychology Time			
Jan-Aug: 44 weeks at 32 hrs/week (salary/benefits)		\$88,070	
			\$88,070
Cost of Crisis and MMT Services (January-October, 2017)			\$1,026,537

From: Troy Torgerson
Sent: Wednesday, December 7, 2016 3:23 PM
To: Michael Loy <MLoy@norcen.org>
Cc: Terry Kaiser <tkaiser@norcen.org>; Michael Loy <MLoy@norcen.org>
Subject: Budget Estimate for renovation of NCHC ADRC Kitchen to office

Good afternoon Michael,
Please see the attached budget for the remodel of the ADRC kitchen to the Marathon County Facilities office.

Sincerely,

Troy

Troy A. Torgerson
Facility Planner, LEED AP
Marathon County Facilities and Capital Management
Phone: 715-261-6989
Cell: 715-581-0198
Fax: 715-261-6990
troy.torgerson@co.marathon.wi.us

1308 West Street
Wausau,Wi 54401

FACILITIES AND CAPITAL MANAGEMENT
NEW OFFICE SPACE AT NCHC BUDGET ESTIMATE
12/7/2016

TASK	DESCRIPTION	SUBCONTRACTOR/ SUPPLIER	BUDGET	ACTUAL
	Demo Floor	NCHC MAINTENANCE	\$ -	\$ -
	Demo Ceiling	NCHC MAINTENANCE	\$ -	\$ -
	Demo Lighting	NCHC MAINTENANCE	\$ -	\$ -
	Flooring	NCHC MAINTENANCE	\$ 2,981.00	\$ 2,981.00
	Ceiling	NCHC MAINTENANCE	\$ 828.00	\$ 828.00
	Lighting	NCHC MAINTENANCE	\$ 862.00	\$ 862.00
	Electrical	Van Ert	\$ 4,863.00	\$ 4,863.00
	Window Replacment	Rib Mountain Glass	\$ 4,730.00	\$ 4,730.00
	Sliding Door Tear out and Disposal and install Masonry to match Existing	Ellenbecker	\$ 3,715.00	\$ 3,715.00
	Cut in New Office Door Opening	NCHC MAINTENANCE	\$ -	
	New Doors	Block Iron	\$ 2,765.00	\$ 2,765.00
	Install New Office Doors	NCHC MAINTENANCE	\$ -	
	Install new walls	NCHC MAINTENANCE	\$ 835.00	\$ 835.00
	Paint Walls in new offices	Guenther Painting	\$ 913.00	\$ 913.00
	Install new workstations	NCHC MAINTENANCE	\$ -	
	install new casework	CWW	\$ 5,500.00	\$ 5,500.00
	New Sink	In stock from MC - install by NCHC Maintenance	\$ -	\$ -
	Plumbing Rework	Plbg Contractor	\$ 525.00	\$ 525.00
		Total	\$ 28,517.00	\$ 28,517.00
		Contingency	\$ 1,425.85	
		Total w Contingency	\$ 29,942.85	