

## 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, Badger Room** at **11:00 am** on **Thursday, February 23<sup>rd</sup>, 2017**

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. Public Comment for Matters Appearing on the Agenda
3. ACTION: Approval of 1/26/17 Finance, Personnel & Property Committee Meeting Minutes
4. January Financials
  - a. ACTION: Accept the Financial Report and January Financial Statements
  - b. Review Write-Offs
5. CFO Report – B. Glodowski
6. 2016 Audit Update – B. Glodowski
7. ACTION: Consider Amending the 2017 NCCSP Capital Improvement Budget to reflect the Modified Cost of the Mount View Care Center's Boiler Replacement Project – M. Loy
8. Tour of the Pharmacy and Demonstration of the Packaging System – S. Merbach
9. Discussion and Future Agenda Items
10. Adjourn



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: 02/17/17 TIME: 4:00 p.m. BY: D. Osowski

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

**January 26, 2017                      11:00 AM                      North Central Health Care – Badger Room**

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

Others Present:                      Brenda Glodowski, Michael Loy

Meeting was called to order at 11:03 a.m.

Public comment for Matters Appearing on the Agenda

- No public comment(s) made.

ACTION: Approval of 12/15/16 Finance, Personnel & Property Committee Meeting Minutes

- **Motion**/second, Stowe/Balk, to approve the 12/15/16 Finance, Personnel & Property Committee meeting minutes. Motion carried.

December Financials

- Please note that December Financial Statements are preliminary. The 2016 audit is in progress and the final report will be provided in March. Some items are outstanding yet i.e. legal expenses and inventory.
- Balance sheet includes the changes that were approved at the December meeting of the Board. Some comparisons to 2015 show that net patient accounts receivable is down and investments are up by \$500,000.
- Same concerns this month in that there was low census in the nursing home, hospital was busy with census averaging 15, and Community Treatment continues to be busy.
- Overall revenues exceeded targets. We have received several year-end settlements along with carry over funds from Base County Allocation, additional funds from the Intoxicated Driver Program, and the 85.21 Grant.
- Expenses were high which were attributed to the same items as in previous months, i.e. state institutes, health insurance and additional legal expenses. We also received notification that the Civil Money Penalty related to the citation received last fall will likely be around \$6,000 which will allow us to retain the CNA training program. We have yet to hear what the penalty will be from the Office of Inspector General but anticipate around \$20,000. Drugs were also high for the month and contract labor in December was high due to difficulties filling open positions. We experienced a significant increase in psychiatry locums as well.
- We will see nearly \$1.8 million deficit for the year. There was over \$4 million in increased expenses over targets relating to the areas that have been addressed most of the year. These include health insurance, state institutions and other institutions, increase in crisis services and increased psychiatry costs due to using locums. A significant portion of this increase was offset by decreased expenses in a number of support areas.

- We are exploring several areas that will focus on serving the youth; working with a child psychiatrist, and looking to establish services to help address the increasing need for youth and youth crisis services. Currently we are not able to treat those under age 13 and last month alone 75% of the cost for State Institutes was due to youth crisis. Suggested an important area of focus would be in coordinating with Social Services for a safe discharge plan so the youth have a place to go when leaving the State Institutes. We have identified the need which is a gap between Inpatient services and home and now we need to fill that gap. For example: Bellewood residents are moving to another location which leaves the current CBRF residence available for a potential youth stabilization home. With the current limited options we have little opportunity for reducing diversions unless alternatives are created.
- **Motion**/second, Stowe/Weaver, to approve the December Financial Statements and Financial Report. Motion carried.
- Write-offs are included in packet. No additional discussion.

#### CFO Report

- Distributed and reviewed year-end financial statistics.
- Working to provide a complete and total separation of balance sheet between the human services operations and the nursing home.

#### 2016 Audit Update

- Audit preparations are in progress. Auditors will be on site next week. Report will be provided in March. Some preliminary work was completed a few months ago.
- As part of the new joint agreement the Retained County Authority Committee will recommend auditors for the 2017 audit.

#### Maintenance Transition

- The transition is going well. A new maintenance management system (Facility Dude) is being introduced. Weekly meetings are held with the maintenance team.
- Meetings are also being held with Brad Karger and Michael Lotter to discuss a master facility planning project. Next month we may have a request to do a master facility plan. Projects aimed at investing to enhance revenue streams and address cost structures.
- Circulation in and through building is one area of focus; feel as though the current footprint for human services programs could really be substantially decreased.

#### Consideration of the Creation of a General Corporation Counsel Position

- Overall it is felt that this organization is underserved in legal services.
- The following consideration is being requested: 1) hire an attorney; or 2) create a retainer arrangement with Ruder Ware which would establish office hours at NCHC with a fixed retainer service and additional funding for special projects. An advantage with the retainer is the access to more attorneys, knowledge, etc. We currently utilize John Fisher, whose expertise is health care law.
- **Motion**/second, Balk/Stowe, to recommend pursuing adding general counsel either on a full-time basis or via retainer. Motion carried.

#### Adjourn

**Motion**/second, Balk/Stowe, to adjourn the Finance, Personnel & Property Committee meeting at 11:53 a.m. Motion carried.

*dko*

## MEMO

**TO:** North Central Health Care Finance Committee  
**FROM:** Brenda Glodowski  
**DATE:** February 17, 2017  
**RE:** Attached Financials

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

### **BALANCE SHEET**

Most accounts are consistent with prior months.

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

The month of January shows a loss of \$ (8,998) compared to the budgeted loss of \$ (42,813) resulting in a positive variance of \$33,815.

Overall revenue exceeded targets for the month by \$30,312. The hospital averaged 16 patients per day, compared to the target of 14. The nursing home census averaged 187 per day compared to the target of 203, with the Medicare census averaging 18 compared to the target of 20. Outpatient areas are remaining consistent with prior month's activity.

Overall expenses exceeded targets by \$4,269. Two areas that will continue to be monitored from 2016 are health insurance and state institutes. For January, health insurance was under budget target by \$113,164 and the state institutes were over budget by \$201,451. Contracted staffing will also be monitored in 2017 as both the nursing home and hospital continue to purchase these services to meet staffing shortages; contracted staffing was over budget by \$28,454 in January.

The changes for the maintenance transfer to Marathon County have been implemented.

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

Thank you.

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF NET POSITION  
JANUARY 2017**

	<u>Human Services</u>	<u>Nursing Home</u>	<u>Total</u>	<u>Prior Year Combined</u>
Current Assets:				
Cash and cash equivalents	1,959,108	2,766,489	4,725,597	5,952,848
Accounts receivable:				
Patient - Net	2,798,421	2,086,212	4,884,634	7,894,014
Outpatient - WIMCR	507,500	0	507,500	480,000
Nursing home - Supplemental payment program	0	150,000	150,000	150,000
Marathon County	72,809	0	72,809	734,030
Appropriations receivable	59,951	0	59,951	0
Net state receivable	308,447	0	308,447	75,042
Other	482,844	0	482,844	102,774
Inventory	0	305,373	305,373	303,535
Other	<u>628,310</u>	<u>496,283</u>	<u>1,124,593</u>	<u>968,433</u>
Total current assets	<u>6,817,391</u>	<u>5,804,357</u>	<u>12,621,748</u>	<u>16,660,677</u>
Noncurrent Assets:				
Investments	10,300,000	0	10,300,000	9,800,000
Assets limited as to use	3,130,651	858,394	3,989,045	3,086,348
Contingency funds	500,000	0	500,000	0
Restricted assets - Patient trust funds	22,197	36,553	58,749	57,857
Net pension asset	0	0	0	4,846,938
Nondepreciable capital assets	56,891	868,252	925,143	102,395
Depreciable capital assets - Net	<u>7,237,972</u>	<u>3,307,994</u>	<u>10,545,966</u>	<u>11,834,092</u>
Total noncurrent assets	<u>21,247,711</u>	<u>5,071,193</u>	<u>26,318,904</u>	<u>29,727,630</u>
Deferred outflows of resources - Related to pensions	<u>9,786,591</u>	<u>7,730,129</u>	<u>17,516,720</u>	<u>4,851,842</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><b>37,851,694</b></u>	<u><b>18,605,679</b></u>	<u><b>56,457,372</b></u>	<u><b>51,240,149</b></u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF NET POSITION  
JANUARY 2017**

	<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	154,310	0	154,310	148,264
Accounts payable - Trade	638,677	504,471	1,143,149	1,865,355
Appropriations advances	838,477	283,333	1,121,810	1,213,812
Accrued liabilities:				
Salaries and retirement	1,088,591	859,845	1,948,436	1,852,785
Compensated absences	830,213	655,760	1,485,974	1,497,936
Health and dental insurance	445,843	352,157	798,000	857,000
Other Payables	203,819	160,990	364,809	410,383
Amounts payable to third-party reimbursement programs	215,920	0	215,920	366,667
Unearned revenue	<u>135,266</u>	<u>0</u>	<u>135,266</u>	<u>831,850</u>
Total current liabilities	<u>4,551,116</u>	<u>2,816,558</u>	<u>7,367,674</u>	<u>9,044,053</u>
Noncurrent Liabilities:				
Related-party note payable	481,871	0	481,871	639,174
Patient trust funds	<u>22,197</u>	<u>36,553</u>	<u>58,749</u>	<u>57,857</u>
Total noncurrent liabilities	<u>504,067</u>	<u>36,553</u>	<u>540,620</u>	<u>697,031</u>
Total liabilities	<u>5,055,183</u>	<u>2,853,111</u>	<u>7,908,294</u>	<u>9,741,084</u>
Deferred inflows of resources - Related to pensions	<u>3,713,701</u>	<u>2,933,339</u>	<u>6,647,040</u>	<u>84,873</u>
Net Position:				
Net investment in capital assets	7,294,863	4,176,246	11,471,109	11,936,487
Unrestricted	10,968,063	2,251,929	13,219,992	20,259,950
Assets limited as to use	3,130,651	858,394	3,989,045	0
Contingency funds	500,000	0	500,000	0
Restricted - Pension benefit	7,112,749	5,618,142	12,730,891	9,603,512
Operating Income / (Loss)	<u>76,484</u>	<u>(85,482)</u>	<u>(8,998)</u>	<u>(385,756)</u>
Total net position	<u>29,082,809</u>	<u>12,819,230</u>	<u>41,902,039</u>	<u>41,414,192</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	<u><b>37,851,694</b></u>	<u><b>18,605,679</b></u>	<u><b>56,457,372</b></u>	<u><b>51,240,149</b></u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING JANUARY 31, 2017**

<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>\$3,713,763</u>	<u>\$3,729,983</u>	<u>(\$16,220)</u>	<u>\$3,713,763</u>	<u>\$3,729,983</u>	<u>(\$16,220)</u>
Other Revenue:						
State Match / Addendum	324,504	325,120	(616)	324,504	325,120	(616)
Grant Revenue	192,557	197,183	(4,626)	192,557	197,183	(4,626)
County Appropriations - Net	641,480	639,260	2,220	641,480	639,260	2,220
Departmental and Other Revenue	<u>335,156</u>	<u>285,602</u>	<u>49,554</u>	<u>335,156</u>	<u>285,602</u>	<u>49,554</u>
Total Other Revenue	<u>1,493,696</u>	<u>1,447,165</u>	<u>46,532</u>	<u>1,493,696</u>	<u>1,447,165</u>	<u>46,532</u>
Total Revenue	5,207,460	5,177,148	30,312	5,207,460	5,177,148	30,312
Expenses:						
Direct Expenses	4,053,313	3,895,918	157,394	4,053,313	3,895,918	157,394
Indirect Expenses	<u>1,179,250</u>	<u>1,332,375</u>	<u>(153,125)</u>	<u>1,179,250</u>	<u>1,332,375</u>	<u>(153,125)</u>
Total Expenses	<u>5,232,563</u>	<u>5,228,294</u>	<u>4,269</u>	<u>5,232,563</u>	<u>5,228,294</u>	<u>4,269</u>
Operating Income (Loss)	<u>(25,103)</u>	<u>(51,146)</u>	<u>26,043</u>	<u>(25,103)</u>	<u>(51,146)</u>	<u>26,043</u>
Nonoperating Gains (Losses):						
Interest Income	12,542	8,333	4,208	12,542	8,333	4,208
Donations and Gifts	3,564	0	3,564	3,564	0	3,564
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>16,105</u>	<u>8,333</u>	<u>7,772</u>	<u>16,105</u>	<u>8,333</u>	<u>7,772</u>
Income / (Loss)	<u>(\$8,998)</u>	<u>(\$42,813)</u>	<u>\$33,815</u>	<u>(\$8,998)</u>	<u>(\$42,813)</u>	<u>\$33,815</u>

**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING JANUARY 31, 2017**

<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>\$1,980,510</u>	<u>\$1,913,922</u>	<u>\$66,588</u>	<u>\$1,980,510</u>	<u>\$1,913,922</u>	<u>\$66,588</u>
Other Revenue:						
State Match / Addendum	324,504	325,120	(616)	324,504	325,120	(616)
Grant Revenue	192,557	197,183	(4,626)	192,557	197,183	(4,626)
County Appropriations - Net	499,814	497,593	2,221	499,814	497,593	2,221
Departmental and Other Revenue	<u>181,781</u>	<u>149,059</u>	<u>32,722</u>	<u>181,781</u>	<u>149,059</u>	<u>32,722</u>
Total Other Revenue	<u>1,198,655</u>	<u>1,168,955</u>	<u>29,700</u>	<u>1,198,655</u>	<u>1,168,955</u>	<u>29,700</u>
Total Revenue	3,179,165	3,082,877	96,288	3,179,165	3,082,877	96,288
Expenses:						
Direct Expenses	2,558,678	2,407,174	151,505	2,558,678	2,407,174	151,505
Indirect Expenses	<u>559,928</u>	<u>662,390</u>	<u>(102,462)</u>	<u>559,928</u>	<u>662,390</u>	<u>(102,462)</u>
Total Expenses	<u>3,118,606</u>	<u>3,069,564</u>	<u>49,042</u>	<u>3,118,606</u>	<u>3,069,564</u>	<u>49,042</u>
Operating Income (Loss)	<u>60,558</u>	<u>13,313</u>	<u>47,245</u>	<u>60,558</u>	<u>13,313</u>	<u>47,245</u>
Nonoperating Gains (Losses):						
Interest Income	12,542	8,333	4,208	12,542	8,333	4,208
Donations and Gifts	3,384	0	3,384	3,384	0	3,384
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>15,925</u>	<u>8,333</u>	<u>7,592</u>	<u>15,925</u>	<u>8,333</u>	<u>7,592</u>
Income / (Loss)	<u>\$76,484</u>	<u>\$21,646</u>	<u>\$54,837</u>	<u>\$76,484</u>	<u>\$21,646</u>	<u>\$54,837</u>



**NORTH CENTRAL HEALTH CARE  
COMBINING STATEMENT OF REVENUES AND EXPENSES  
FOR PERIOD ENDING JANUARY 31, 2017**

<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	\$1,733,253	\$1,816,061	(\$82,808)	\$1,733,253	\$1,816,061	(\$82,808)
Other Revenue:						
County Appropriations - Net	141,666	141,667	(1)	141,666	141,667	(1)
Departmental and Other Revenue	<u>153,375</u>	<u>136,543</u>	<u>16,832</u>	<u>153,375</u>	<u>136,543</u>	<u>16,832</u>
Total Other Revenue	<u>295,041</u>	<u>278,210</u>	<u>16,832</u>	<u>295,041</u>	<u>278,210</u>	<u>16,832</u>
Total Revenue	2,028,295	2,094,271	(65,976)	2,028,295	2,094,271	(65,976)
Expenses:						
Direct Expenses	1,494,634	1,488,745	5,890	1,494,634	1,488,745	5,890
Indirect Expenses	<u>619,322</u>	<u>669,985</u>	<u>(50,663)</u>	<u>619,322</u>	<u>669,985</u>	<u>(50,663)</u>
Total Expenses	<u>2,113,956</u>	<u>2,158,730</u>	<u>(44,773)</u>	<u>2,113,956</u>	<u>2,158,730</u>	<u>(44,773)</u>
Operating Income (Loss)	<u>(85,662)</u>	<u>(64,459)</u>	<u>(21,203)</u>	<u>(85,662)</u>	<u>(64,459)</u>	<u>(21,203)</u>
Nonoperating Gains (Losses):						
Interest Income	0	0	0	0	0	0
Donations and Gifts	180	0	180	180	0	180
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>180</u>	<u>0</u>	<u>180</u>	<u>180</u>	<u>0</u>	<u>180</u>
Income / (Loss)	<u>(\$85,482)</u>	<u>(\$64,459)</u>	<u>(\$21,023)</u>	<u>(\$85,482)</u>	<u>(\$64,459)</u>	<u>(\$21,023)</u>

NORTH CENTRAL HEALTH CARE  
 REPORT ON AVAILABILITY OF FUNDS  
 January 31, 2017

BANK	LENGTH	MATURITY DATE	INTEREST RATE	AMOUNT	Collateralized
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
Abby Bank	730 Days	1/6/2019	1.30%	\$500,000	X

TOTAL FUNDS AVAILABLE \$10,300,000

WEIGHTED AVERAGE 522.90 Days 0.969% INTEREST

# NCHC-DONATED FUNDS

## Balance Sheet

As of January 31, 2017

### ASSETS

#### Current Assets

##### Checking/Savings

##### CHECKING ACCOUNT

Adult Day Services	4,917.65
Adventure Camp	1,425.79
Birth to 3 Program	2,035.00
Clubhouse	39,861.60
Community Treatment	9,556.05
Fishing Without Boundries	3,963.00
General Donated Funds	61,163.48
Housing - DD Services	1,370.47
Langlade HCC	3,639.92
Legacies by the Lake	
Music in Memory	1,958.25
Legacies by the Lake - Other	3,421.74
Total Legacies by the Lake	5,379.99
Marathon Cty Suicide Prev Task	15,297.25
National Suicide Lifeline Stipe	3,176.37
Northern Valley West	2,921.82
Nursing Home - General Fund	6,692.52
Outpatient Services - Marathon	101.08
Pool	10,306.46
Prevent Suicide Langlade Co.	2,444.55
Resident Council	771.05
United Way	1,885.06
CHECKING ACCOUNT - Other	-24.00

Total CHECKING ACCOUNT 176,885.11

Total Checking/Savings 176,885.11

Total Current Assets 176,885.11

**TOTAL ASSETS 176,885.11**

### LIABILITIES & EQUITY

#### Equity

Opening Bal Equity	123,523.75
Retained Earnings	53,757.13
Net Income	-395.77

Total Equity 176,885.11

**TOTAL LIABILITIES & EQUITY 176,885.11**

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

Month Ending January 31, 2017

ACCOUNT DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	YTD ACTUAL	YTD BUDGET	DIFFERENCE
<b><u>REVENUE:</u></b>					
Total Operating Revenue	<u>5,207,460</u>	<u>5,177,148</u>	<u>5,207,460</u>	<u>5,177,148</u>	<u>30,313</u>
<b><u>EXPENSES:</u></b>					
Salaries and Wages	2,549,626	2,589,553	2,549,626	2,589,553	(39,927)
Fringe Benefits	916,989	988,411	916,989	988,411	(71,422)
Departments Supplies	407,109	492,235	407,109	492,235	(85,126)
Purchased Services	425,120	372,450	425,120	372,450	52,670
Utilitites/Maintenance Agreements	309,338	372,653	309,338	372,653	(63,315)
Personal Development/Travel	30,606	37,985	30,606	37,985	(7,379)
Other Operating Expenses	98,711	108,966	98,711	108,966	(10,254)
Insurance	36,924	37,708	36,924	37,708	(785)
Depreciation & Amortization	137,154	139,583	137,154	139,583	(2,429)
Client Purchased Services	<u>320,986</u>	<u>88,750</u>	<u>320,986</u>	<u>88,750</u>	<u>232,236</u>
<b>TOTAL EXPENSES</b>	<b>5,232,563</b>	<b>5,228,294</b>	<b>5,232,563</b>	<b>5,228,294</b>	<b>4,269</b>
Nonoperating Income	<u>16,105</u>	<u>8,333</u>	<u>16,105</u>	<u>8,333</u>	<u>7,772</u>
<b>EXCESS REVENUE (EXPENSE)</b>	<b><u>(8,998)</u></b>	<b><u>(42,813)</u></b>	<b><u>(8,998)</u></b>	<b><u>(42,813)</u></b>	<b><u>33,815</u></b>

**North Central Health Care  
Write-Off Summary  
January 2017**

	<u>Current Month</u>	<u>Current Year To Date</u>	<u>Prior Year To Date</u>
<b><i>Inpatient:</i></b>			
Administrative Write-Off	\$835	\$835	(\$17,517)
Bad Debt	\$431	\$431	\$903
<b><i>Outpatient:</i></b>			
Administrative Write-Off	\$7,180	\$7,180	(\$17,754)
Bad Debt	\$177	\$177	\$690
<b><i>Nursing Home:</i></b>			
Daily Services:			
Administrative Write-Off	\$0	\$0	(\$3,477)
Bad Debt	\$1,954	\$1,954	\$2,952
Ancillary Services:			
Administrative Write-Off	\$5,082	\$5,082	(\$1,672)
Bad Debt	\$0	\$0	\$11
<b>Pharmacy:</b>			
Administrative Write-Off	\$0	\$0	\$0
Bad Debt	\$0	\$0	\$0
<b>Total - Administrative Write-Off</b>	<b>\$13,098</b>	<b>\$13,098</b>	<b>(\$40,420)</b>
<b>Total - Bad Debt</b>	<b>\$2,562</b>	<b>\$2,562</b>	<b>\$4,555</b>

**North Central Health Care  
2017 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	6,293	5,784	(509)	84.58%	77.74%
	Hospital	434	502	68	87.50%	101.21%
<b>February</b>	Nursing Home Hospital					
<b>March</b>	Nursing Home Hospital					
<b>April</b>	Nursing Home Hospital					
<b>May</b>	Nursing Home Hospital					
<b>June</b>	Nursing Home Hospital					
<b>July</b>	Nursing Home Hospital					
<b>August</b>	Nursing Home Hospital					
<b>September</b>	Nursing Home Hospital					
<b>October</b>	Nursing Home Hospital					
<b>November</b>	Nursing Home Hospital					
<b>December</b>	Nursing Home Hospital					
<b>YTD</b>	Nursing Home Hospital					



February 17, 2017

North Central Health Care  
ATTN: Michael Loy  
1100 Lake view Drive  
Wausau, WI 54403

**RE: Amendment to Cost Projection for MVHCC 2017 Boiler Replacement**

Dear Mr. Loy,

This letter is a summary of our conversation yesterday regarding the amended cost to the boiler replacement in MVHCC. The original cost estimate of the boiler replacement from the architect was received in 2016. The original cost estimate amount, based on the historical data from the previous remodel plans for MVHCC was \$425,000.

In January 2017 the architect, Angus Young and Associates was hired to do the design for the stand alone boiler replacement for MVHCC. The Preliminary Cost Estimate was completed on February 10<sup>th</sup>, 2017 and emailed to Marathon County. The Preliminary Cost Estimate was estimated at \$595,349.00, leaving a shortfall from the original estimate of approximately \$170,000. Marathon County Facilities and Capital Management had a conversation with AYA Architects on February 14<sup>th</sup>, 2017 to discuss the preliminary cost estimate. During this discussion, it was determined that AYA would investigate ideas for value engineering cost savings, additional items for the architect to do including consulting with several firms that provide Mechanical Contracting Services, value engineering items from the scope of work and coming up with alternate ideas from the original scope of work. Marathon County has another conference call with Angus Young and Associates the 21<sup>st</sup> of February to get an updated cost estimate as well as the additional information for the project. The increase in the cost estimates will have an impact on the start date of the project pending the approval of the Amended Cost Estimate amount by the NCHC BOD.

I have attached the Preliminary Cost Estimate for your reference and would be happy to discuss at your convenience if you have questions or need additional information.

*Troy Torgerson*

Troy Torgerson  
Facility Planner, LEED® AP  
Marathon County Department of  
Facilities and Capital Management

**Preliminary**  
**Cost Estimate**

Item	Unt	Estimated	x	Estimated	=	Subcontractor	Dsn Cont.	Contract	Division	Percentage	Comments
Description		Quantity		Cost		100%	5%	Totals	Totals		
<b>General Requirements</b>									11,590.00	2.45%	
Permits / Fees	alw	1.00	x	1,800.00	=	1,800.00	90.00	1,890.00			
Bonding	%	461,904.98	x	2.00%	=	9,238.10	461.90	9,700.00			
<b>Demolition</b>									34,270.43	7.24%	
Removal of Existing Hot Water Heating Boilers	ea	2.00	x	9,300.00	=	18,600.00	930.00	19,530.00			
Removal of Existing Pumps, 7.5 H.P. thru 15 H.P.	ea	2.00	x	515.00	=	1,030.00	51.50	1,081.50			
Removal of Existing Ventilating Unit	ea	1.00	x	808.50	=	808.50	40.43	848.93			
Removal of Boiler Stack Venting	ea	1.00	x	5,000.00	=	5,000.00	250.00	5,250.00			
Plumbing Equipment And Piping Demolition	ea	72.00	x	100.00	=	7,200.00	360.00	7,560.00			
<b>Mechanical</b>									312,202.80	65.94%	
HVAC Work											
New Unit Heaters	ea	1.00	x	5,150.00	=	5,150.00	257.50	5,407.50			
New Louver	ea	2.00	x	2,115.00	=	4,230.00	211.50	4,441.50			
New Damper (Low Airflow)	ea	3.00	x	262.00	=	786.00	39.30	825.30			
New Boiler Breeching	ea	1.00	x	34,000.00	=	34,000.00	1700.00	35,700.00			
Hot Water Heating System											
New Hot Water Heating Piping, Valves and accessories including insulation - 4 inch Piping	lf	150.00	x	80.50	=	12,075.00	603.75	12,678.75			
New Air Seperator	ea	1.00	x	2,950.00	=	2,950.00	147.50	3,097.50			
New Condensing Gas Fired Boiler	ea	3.00	x	63,675.00	=	191,025.00	9551.25	200,576.25			
New Pumps, 7.5H.P.	ea	2.00	x	6,875.00	=	13,750.00	687.50	14,437.50			
Gas piping and connections	lf	80.00	x	54.00	=	4,320.00	216.00	4,536.00			
Control System											
New Controls for Hot Water Heating Boiler System	pt	20.00	x	750.00	=	15,000.00	750.00	15,750.00			
New Controls for Domestic Hot Water Heating Boiler System	pt	16.00	x	750.00	=	12,000.00	600.00	12,600.00			
New Controls for Hot Water Heating Pumps	ea	2.00	x	750.00	=	1,500.00	75.00	1,575.00			
New Gas Fired Unit Heater Thermostat	ea	1.00	x	550.00	=	550.00	27.50	577.50			
<b>Plumbing</b>									107,409.75	22.68%	
New Gas Fired Hot Water Heaters	ea	2.00	x	36,185.00	=	72,370.00	3618.50	75,988.50			
New 3" type L copper domestic hot and cold water piping, valves and accessories including insulation.	lf	190.00	x	125.00	=	23,750.00	1187.50	24,937.50			
New 1" type L Copper Domestic Hot and Cold Water Piping, Valves and Accessories Including Insulation.	lf	95.00	x	65.00	=	6,175.00	308.75	6,483.75			
<b>Electrical</b>									2,247.00	0.47%	
New Unit Heater Circuit Extention & Toggle Disconnect	ea	1.00	x	130.00	=	130.00	6.50	136.50			
New Boiler Circuit & (3) Toggle Disconnects	ea	1.00	x	550.00	=	550.00	27.50	577.50			
New Water Heater Circuit & Toggle Disconnect	ea	2.00	x	280.00	=	560.00	28.00	588.00			



**Preliminary**  
**Cost Estimate**

Item	Unt	Estimated	x	Estimated	=	Subcontractor	Dsn Cont.	Contract	Division	Percentage	Comments
Description		Quantity		Cost		100%	5%	Totals	Totals		
New Domestic Circ Pump Circuit & Toggle Disconnect	ea	3.00	x	280.00	=	840.00	42.00	882.00			
Electrical Demolition	ea	1.00	x	60.00	=	60.00	3.00	63.00			
<b>Architectural</b>									<b>5,775.00</b>	<b>1.22%</b>	
Wall Repair and Patching at Unit Ventilator	ea	1.00	x	1,500.00	=	1,500.00	75.00	1,575.00			
New Door to Mechanical Room	ea	1.00	x	4,000.00	=	4,000.00	200.00	4,200.00			
Sub-Totals:						450,948	22,547	473,495	473,495	86.96%	
General Conditions				473,495	x	7.00%	=	33,145	33,145	6.09%	
Prime Contractor Fee				473,495	x	8.00%	=	37,880	37,880	6.96%	
Bid Day Estimate								544,519	544,519	100%	
Architectural Fees:								12,950			
Construction Contingency:				8.00%	x	473,495	=	37,880			
								595,349			
<b>Alternate Bid #1</b>											
Removal of Existing Chilled Water Pump, 7.5 H.P. thru 15 H.P.	ea	1.00	x	509.25	=	509.25	25.46	534.71			
New Controls for Chilled Water Heating Pumps	ea	8.00	x	850.00	=	6,800.00	340.00	7,140.00			
New Chilled Water Pumps, 15 H.P.	ea	2.00	x	7,325.00	=	14,650.00	732.50	15,382.50			
New 40A/3P 480V Breaker, Wiring, & Install	ea	2.00	x	1,000.00	=	2,000.00	100.00	2,100.00			
Total Alternate Budget:								<b>\$ 25,157</b>			
<b>Alternate Bid #2</b>											
Removal of Existing Pumps, 5 H.P. or Less	ea	6.00	x	212.10	=	1,272.60	63.63	1,336.23			
New Controls for Hot Water Circulators	ea	18.00	x	850.00	=	15,300.00	765.00	16,065.00			
New Pumps, 1 1/2 H.P.-5 H.P.	ea	6.00	x	4,250.00	=	25,500.00	1275.00	26,775.00			
Unit Disconnect Reconnect & Extention, VFD Installation	ea	6.00	x	60.00	=	360.00	18.00	378.00			
Total Alternate Budget:								<b>\$ 44,554</b>			