



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

**February 23, 2017                    11:00 AM            North Central Health Care – Badger Room**

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

Others Present: Brenda Glodowski, Michael Loy, Troy Torgerson

Meeting was called to order at 11:05 a.m.

Public comment for Matters Appearing on the Agenda

- No public comment(s) made.

ACTION: Approval of 01/26/17 Finance, Personnel & Property Committee Meeting Minutes

- **Motion**/second, Stowe/Balk, to approve the 01/26/17 Finance, Personnel & Property Committee meeting minutes. Motion carried.

January Financials – B. Glodowski

- January showed an overall deficit just under \$9,000 compared to a budgeted loss of \$42,813 resulting in a positive variance of \$33,815.
- Nursing home census averaged 187 compared to the target of 203. Medicare census averaged 18 compared to a target of 20. February nursing home census is currently averaging 189 and Medicare is closer to target.
- The Hospital is extremely busy with an average census of 16 compared to a target of 14. February continues to see an average census of 16.
- Outpatient revenues are overall on target. Revenues for January are over target by \$30,000.
- Expenses are over budget by \$4,300 overall.
- Health insurance is below target by \$113,000 and February is stable. Will be meeting with the health insurance company to look at trending for first quarter.
- State institutes continue to exceed budget in January.
- Plans are in place to address the areas over budget; several are back in target in February.
- We have projected a loss in the nursing this year; however we have downsized the Long Term Care unit to 190 beds which is right at target. We are also at targeted census on Legacies and above the target of 43 on Post-Acute at 46.
- 51.42 programs are performing very well which has offset the increase in cost of contracted services. Community Treatment is performing well.
- We are competitive with the daily rate of area nursing homes; Medicare and Medicaid pays a fixed amount regardless of our fee structure. Private nursing homes tend to have a higher self-pay and Medicare due to premier atmosphere
- **Motion**/second, Miller/Stowe, to approve the January Financial Statements and Financial Report. Motion carried.
- Write-offs are included in packet. No additional discussion.

#### CFO Report – B. Glodowski

- No additional updates.

#### 2016 Audit Update – B. Glodowski

- 2016 Audit will be presented in March.
- A significant adjustment to be aware of, that will be explained in detail during the audit presentation, is that last year the Wisconsin Retirement System had a new change called GASB 68 which required a modification to our financial statements. Adjustments are not known until February and can vary from year to year. This year's adjustment is \$1,871,000. This adjustment is a non-cash item but must be reported on financial statements. Moving forward it will always be an audit adjustment.
- Two minor adjustments occurring for expenses: depreciation and utility adjustments.
- Additional revenue is being recorded in 2016 due to the revenue cut off review.
- Recommending backing off on allowances since we are showing improvement in Accounts Receivable.

#### 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/T. Torgerson

- \$425,000 was approved in the 2017 capital budget for a boiler replacement in MVCC. According to the letter from Marathon County, included in the 2/23/17 Board packet, the architect Angus Young and Associates shows a Preliminary Cost Estimate of \$595,349 requiring \$170,000 more for the project.
- It is being recommended to complete this year to avoid the risk of a system failure.
- Another revised estimate has since been received with an estimated project cost of \$648,422 to add an ultra violet treating system. The new Life Safety Code requires this for all hospitals, nursing homes, residential homes, etc.
- **Motion/second**, Miller/Stowe, to amend the NCCSP Capital Improvement Budget to \$648,422. Discussion continued.
- **Motion amended/second**, Miller/Stowe, to delay the request to amend the Capital Improvement Budget to March, 2017 to allow for further review. Motion carried.
- Committee requested M. Loy to speak with B. Karger, Marathon County Administrator, regarding this matter and request direction from Marathon County.

#### Tour of the Pharmacy and Demonstration of the Packaging System – S. Merbach

- Tour of Pharmacy is deferred to March.

#### Discussion of Future Agenda Items

- None noted.

#### Adjourn

**Motion/second**, Stowe/Miller, to adjourn the Finance, Personnel & Property Committee meeting at 11:56 a.m. Motion carried.

*dko*