

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

July 27, 2017 11:00 AM North Central Health Care - Wausau

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

Others Present: Michael Loy, Brenda Glodowski

Meeting was called to order at 11:01 a.m.

Public Comment for Matters Appearing on the Agenda

- No public comment(s) made.

ACTION: Approval of 06/29/17 Finance, Personnel & Property Committee Meeting Minutes

- **Motion**/second, Stowe/Balk, to approve the 06/29/17 Finance, Personnel & Property Committee meeting minutes. Motion carried.

June Financials – B. Glodowski

- Revenue was down slightly overall. Hospital census dropped to 13; the nursing home census also dropped in June with an average of 182; target is 203. Medicare census is stable at 18 and consistent with the prior month. We tend to see revenue in outpatient areas drop in summer however, by September it should improve.
- Overall expenses were lower than target by \$466,454. Most significant areas are salaries and benefits. Benefits are stable or better than target. A notable area is that the state institutes are under target as of end of June. Last year we were significantly over budget at this time. In July there are some credits so should remain under target. This turnaround can be attributed to the more aggressive management of diversions. We will continue to watch this area over the next few weeks and determine if any adjustment could be made for the 2018 budget.
- Through June there was a gain of just about \$241,000; year to date we are showing a gain of \$1,096,670, which is \$1,051,774 ahead of target.
- Income statement was reviewed. Discussed differences in what the county would see in a budget vs NCHC’s budget as well as a cash (county) vs accrual (NCHC) system.
- The nursing home is ahead of target even with a slight dip in June. We continue to work to overcome the budgeted deficit and break even by year end.
- Discussed similarities between Mount View Care Center and Pinecrest in Merrill.
- Staff continue to work at a clear separation of financials between the nursing home and the 51.42 system.
- **Motion**/second, Balk/Stowe, to accept the Financial Report and June Financial Statements. Motion carried.
- No discussion or questions regarding write-off’s.

Budget Update - B. Glodowski

- Received preliminary notification that the mod factor for workers comp will decrease from 1.32 to 1.01 which will result in a \$200,000 reduction of premiums for 2018.
- Preliminary information on health insurance estimates an 8% increase; right on target with budget projection. Meeting with M3 soon to review again.
- Looking at wage adjustment for nurses for 2018. The impact is just over \$100,000 but feel it will be a priority in order to attract and retain nurses. The most recent nursing home study indicates NCHC nurse wages is slightly higher in comparison, however, we haven't hired a nurse in the last year for less than \$24/hour with no experience and nurses with experience the rate has been \$27-\$30/hour due to competitive market. Another area nursing home is offering a \$20,000 sign on bonus, plus tenure, etc. making recruitment extremely challenging.

CFO Report

- The Retained County Authority Committee (RCA) met July 18 and reviewed the four responses to the RFP for the annual audit of NCHC. After completing interviews of all four submissions recommendations were given to the RCA. The recommendation is to remain with Wipfli due to their strong track record of service to NCHC, and their extensive knowledge and presence in health care. Their knowledge of NCHC is an asset but also included a new manager and new concurring partner so that two of the four team members would offer a fresh look with the existing seasoned team members. RCA voted 3 to 1 to approve Wipfli as recommended. This is a three-year agreement with an option to renew for an additional 3-year term.
- The new manager will begin learning the organization in September, meeting with staff, and making preparations for the 2018 audit. Wipfli also offered to provide two presentations to the board which includes the audit results in March and industry update in April.

Discussion and Future Agenda Items

- Better understanding of county reserve system, how money accrues, grows and is utilized. i.e. equity position and cash.
- Shared vs direct expenses.

Adjourn

- **Motion**/second, Stowe/Balk, to adjourn the Finance, Personnel and Property Committee meeting at 11:43 a.m. Motion carried.

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