

Pine Valley Board of Trustees – Meeting Minutes

Held at Pine Valley Community Village, in the community room

September 17, 2018 – 6:00pm

Attendance: Board members present included Jeanetta Kirkpatrick, Richard McKee, Larry Sebranek, Donald Seep, and Mary Miller. Staff present included Tom Rislow – administrator, and Therese Deckert – administrative assistant. Community member present included Alayne Hendricks.

Minutes: The meeting was called to order at 6:00pm by chairperson, Jeanetta Kirkpatrick.

Motion made by Richard McKee; seconded by Larry Sebranek, to **approve the agenda** and **verify the posting**. Motion passed.

Motion made by Don Seep; seconded by Richard McKee, to **approve the minutes** of the August 20, 2018, meeting. Motion passed.

Vouchers reviewed. Therese reviewed the cash receipts and expenses. She noted the Health Insurance deductible charges of \$7,306.57, the Vouchers of \$133,797.95, and the unemployment expenses of \$867.05. Therese reported a positive net cash variance for the month of \$18,432.33 – which turned into a negative cash variance for the month of \$488,967.67 because of transferring the S/P funds received to the debt service account as directed from last month's Trustee meeting.

From the Cash Disbursements Journal, Therese highlighted check # 6067 to National Government Service of \$53 to refund an overpayment (as determined through NGS's review of our 2017 Medicare Cost Report), and check #6069 to WI DOT of \$11,374.40 for PV's 20% cost share of the new bus being obtained through a grant. Therese also highlighted check #6076 to the ADRC of \$521.37 for resident transportation, and check #6084 of \$1,075.50 to Emergency Medical Products for an AED. Therese said the PV Foundation would be reimbursing PV for this expense. Also highlighted was check #6097 to New Horizon Foods, PV's contracted food service. Therese said this payment should represent our last payment to New Horizon Foods given the contract with them ended 8/31/18.

Census. Tom reviewed the census report for August, highlighting the SNF census (averaged 77), and the CBRF census (averaged 15), and the Medicare/Medicare Advantage mix, averaged 8. Tom stated the lower trend of Medicare/Medicare Advantage numbers has continued into September. Tom stated that the CBRF is currently full, and has a waiting list of 3 people.

Therese highlighted from the **balance sheet** account # 10010 (operating cash) of \$567,188.24, which is considerably lower than the previous month, due to transferring the S/P Funds of \$507,400 to account #10042 (restricted fund; debt service). Therese also highlighted account #'s 10041 and 10043 (borrowed money fund, and borrowed money investment account), and said the two amounts together totaled \$103,532.22. A question was asked when this amount would need to be paid back to the county. Therese said she would follow up by asking Victor. A question was asked about the Fogo Donation (restricted fund of \$56,019.93), and whether the west window project could be paid for from those funds. Therese said she would research that as well.

Therese then reviewed the **Statement of Operations**; she commented on the lower Medicare revenue due to the lower Medicare patient days, but stated that despite that, the revenue for the month was very close to budget. She also commented on the few areas where departments were over budget, and said it was consistent with what we've been seeing the past few months – that it's a result of wage increases, wage appeals won, and payouts upon retirement. She pointed out that the Dietary department numbers looked so good because the final bill from New Horizon Foods was small, given their having prebilled a month worth of charges last year when the contract began. Therese also commented on CBRF staffing expenses being higher because of their census being higher and more residents to care for. The bottom line as reported by Therese, showed a net income year to date of \$540,667, after taking into account the tax levy, S/P Funds, and adding back in depreciation. Don Seep asked about what a standard amount should be of cash on hand for PV, and Therese or Tom didn't know an answer to that.

Consideration of proposed Operating budget for 2019, including private pay increases.

Tom reviewed the assumptions used in creating the budget – assumptions for revenue including assumptions for occupancy and room rates – assumptions for expenses included significant increases as well as decreases, along with the reasons. As for room rates, a report was shared of room rates for 55 nursing homes in southern Wisconsin with PV's room rates ranking 42nd. Tom and Therese proposed an increase of 5%, for both the SNF and the CBRF. Jeanetta asked what the increase had been the previous year, and Therese said 6%. There was also discussion about the SNF bed tax which amounts to \$170/month, which PV lists separately on the monthly bills.

Motion made by Richard McKee and seconded by Don Seep to increase SNF and CBRF rates by 5%, effective 1/1/19. Motion passed.

Tom answered questions about pharmacy and why such large increases were budgeted – and how it all related to the current bidding and proposal process going on – with HeathDirect Pharmacy, Phillips Pharmacy, and Richland Pharmacy being the final three still “in the running” for the business.

Discussion then focused on the pie charts and the 3 column report showing 2017 actual results, 2018 projected results, and the 2019 proposed budget. Tom commented that Jeanetta had asked, and so he and Therese will prepare some details about outpatient therapy revenues and expenses – in case questions on that topic come up at Finance.

Motion made by Richard McKee and seconded by Mary Miller to accept the 2019 operating budget as proposed for presenting to the Finance and Personnel Committee. Motion passed.

Capital equipment needs for 2019 and beyond.

Report shared by Tom totaling 2019 requests to equal \$46,400 (with Barb Scott still to report I.T. anticipated needs). Jeanetta questioned whether extending phone service to the remaining 40 rooms had been included, and it had not. Tom will add it, although an amount to put in is not known at this time.

Consideration of 2019 loan payment.

The General Obligation Debt Service schedule was reviewed. Following discussion the decision to determine PV's payment toward that debt service was left to the Finance and Personnel Committee.

Consideration to change PV's payday from every other Thursday to every other Friday.

Therese explained the reasons for this request – citing the original purpose was back in day before direct deposit, so evening and night shift staff wouldn't have to wait until Monday to deposit their checks in the bank. This purpose no longer exists. Plus, Therese said, when there's a holiday on a Monday or a Tuesday, it makes it difficult to get payroll done on time. Therese said because of how Christmas will fall this year, PV employees will need to receive 'paper' checks if pay day is left on Thursdays.

Therese added that the rest of the county is on an every other Friday pay day; PV is the only department with a Thursday pay day.

Question asked if this would need to go to the county board, and Therese and Tom said since it was a PV handbook addendum, it wouldn't need to.

Motion made by Larry Sebranek and seconded by Richard McKee to change Pine Valley's payday from every other Thursday to every other Friday effective on a pay week in November, to be determined by PV staff. Motion passed.

Administrator's Report. Tom reviewed the building warranty log which showed that the only item taken care of since last month's Trustee meeting was the front lobby door weather stripping. Since the pharmacy RFP process had already been discussed during the budget discussion, Tom went on to give an update on recent changes to shift differentials and the C.N.A. scholarship. Tom stated that according to Chris, the shift differential has attracted in house staff to apply for open shifts – so it has obviously helped. However, the C.N.A. scholarship offer had produced, according to Tom, only two people in house that were interested – so Chris is planning to begin advertising to non-PV employees. Tom recognized Rhonda Marish for her work along with other PV employees on a team (which was not completely a PV team), which raised over \$3,400 for Walk with Grace. Tom said PV employees spent part of the afternoon of 8/27/18 cleaning up ditches along county 'O'. Tom stated Pine Valley will be hosting a community Health and Wellness Fair 9/19/18 from 1-3. Tom also stated that a few PV employees will be participating in this Sunday's Alzheimers Walk which begins down by the UW Richland campus. Tom also shared what he had learned from the Dane County nursing home, and its \$12,000,000 tax levy. He learned it was due to the severe behavioral challenged residents they care for.

Larry Sebranek asked that PV staff consider getting some additional seeding done in grassy areas that have yet to come through very thick. Tom said he would follow up with Steve on that.

Motion made by Larry Sebranek to **adjourn**; seconded by Richard McKee. Motion passed.

Next meeting to be on Monday, October 15, 2018, at 6:00pm.