

## **Pine Valley Board of Trustees – Meeting Minutes**

**Held at Pine Valley Community Village, in the community room**

**October 15, 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 Don Seep; seconded by Larry Sebranek, to **approve the agenda** and **verify the posting**. Motion passed.

Motion made by Richard McKee; seconded by Larry Sebranek, to **approve the minutes** of the September 17, 2018, meeting. Motion passed.

**Reservoir Inspection report/video.** This report was shown on the big screen. It was noted by Tom that the company doing the inspection said the reservoir in their opinion should be good for another 50 years. Tom said that according to Steve, the inspection is due to be done only once every five (5) years. It was noted that the service cost \$2,500 and that the expenditure is included with the list of vouchers.

**Vouchers reviewed.** Therese reviewed the cash receipts and expenses. She noted that the health Insurance deductible charges for September were lower than in recent months; only \$3,277.20. She also noted that payroll was up because of the Labor Day holiday; \$452,819.59. She noted a positive cash variance for the month of \$25,783.81.

From the Cash Disbursements Journal, Therese highlighted check # 6072 for \$4,257.16 to Meriter Hospital for an echocardiogram that the hospital was unable to bill separately to Medicare. Therese also noted check #6124 for \$16,895 for the new copiers. She also noted check #6133 for \$7,613.28 to Martin Brothers, which due to their billing practice, covers only half of September. Therese noted

that next month we should expect our check to Martin Brothers to be twice as high – covering an entire 30 days. (Pine Valley’s food service contract with New Horizon Foods ended on August 31, 2018.) Therese also highlighted check #6136 for \$391.05 to the County of Richland, for the funds Pine Valley got from L & M Salvage for a load of scrap metal. Tom mentioned that most of that scrap metal resulted from Steve and his staff doing clean up on the back of the property around the garage. Therese also highlighted check #6145 to Corcoran Healthcare for pharmacy charges of \$5,665.29, which included consulting charges retro back to the first of the year. She also highlighted check #6147 to Deckert Excavating, for \$5,920, for the demo and removal of the cottage. Therese also noted check #6148 of \$10,811.75, to Falk Concrete for the cement work out front – which will be reimbursed by the Pine Valley Foundation. She also noted check #6154 of \$1,228 to Jcomp Technologies for the replacement of a lap top computer that had gotten a beverage spilled on it. Therese also noted check #6158 of \$175 to Leading Age Wisconsin; most of which was for participation in their wage study. The other \$25, Therese noted, was for Jamie Ludwig’s attendance at an Assisted Living meeting. And finally, Therese noted check #6176 for \$2,500 to Water Tower Clean & Coat, who did the reservoir cleaning and inspecting. A motion was made by Don Seep and seconded by Richard McKee to accept the vouchers report. Motion passed.

**Census.** Tom reviewed the census report for September, highlighting the SNF census (averaged 76), and the CBRF census (averaged 16), and the Medicare/Medicare Advantage mix, averaged 5.5. Tom stated the lower number of Medicare and Medicare Advantage numbers, were somewhat made up for by the higher than budgeted private pay census. Don Seep commented that the CBRF census doing so well is nice to see.

**Fogo fund.** Therese had included in the packets copies of resolution #84-113 from the year 1984, which specifies the terms and conditions related to any spending from the Fogo fund.

**Financial Report.** Therese highlighted from the **balance sheet** the census on the cover sheet which had already been reviewed. On page one she highlighted the operating cash balance of \$577,156.05. On page two she highlighted the usual restricted accounts.

**Return of Borrowed Money to County.** Since the two (2) year warranty of the main part of the new construction has now passed, motion made by Richard McKee and seconded by Larry Sebranek, to return to Richland County the borrowed funds not used for construction, with interest, from accounts #10043, and #10041, amounting to a total of \$103,706.83. Motion passed.

**Transfer of funds so to meet auditor's recommendation.** Therese stated that the Pine Valley auditor's advice is to carry an operating cash balance high enough to cover two months of expenses, including depreciation. The auditor's advice was to move funds out of account #10042, which is the restricted debt service fund, and put over in account #10010, which is the operating cash account. The auditor's office had also done research in regards to bond covenants, and found that the bonds are not tied to Pine Valley's revenues. Therefore, the amount kept in the debt service fund could even be as low as zero without violating any bond covenants. Tom and Therese also reported that the auditor said that the bond documents specify that every October, Pine Valley, is to let the county clerk know what amount (if any) that Pine Valley can give toward the principle and interest payments (zero would be acceptable and wouldn't violate any bond covenants). Therese also stated that it was the auditor's opinion that the county should leave the Pine Valley operating tax levy (of \$126,631) in place – with intent that Pine Valley would pay the county back at year end. Motion made by Larry Sebranek and seconded by Richard McKee to move \$902,000 from the debt service account (#10042) to the operating cash account (#10010), in order to bring the operating cash balance up to the amount recommended by the auditor. Motion passed.

Therese then reviewed the **Statement of Operations**, which showed a net income year to date, with S/P funds included of \$711,730. Don Seep commented that the practice of removing depreciation to arrive at the net income bottom line is not common, and wasn't Pine Valley's practice until just recently. Therese commented that Joan (her predecessor) had most likely begun doing it following the new construction since the amount of depreciation is so high – exceeding \$1,057,000 annually.

**Accounts receivable agings.** Therese and Tom reviewed the report. They noted that the total amount has been rising which prompted Therese to contact a consulting company previously used by Pine Valley; SMS, to provide technical

training to our in house biller. Tom stated that he signed the contract so SMS's help could begin immediately, and Therese said the SMS person has already identified areas which need improvement and has already begun to make progress. It was also noted that an onsite visit is also being planned for November of 2018. As to specific aged accounts, Therese noted item #9, which amounted to \$30,772.89 – which was a Medicare claim that was denied – but it has since been 'accepted', and so she expects it will be paid soon. Therese also commented on a number of issues with Quartz claims which are finally being addressed by Quartz and should begin to be paid soon. She also commented on items #25 and #36. Tom asked if the Trustees in the future wanted to see each and every aged account, or if he and Therese could only list the accounts that were \$1,000 and higher. Larry suggested that all accounts continue to be shown, no matter the amount.

**V.Comar receivable.** Jeanetta explained that there isn't actually a lien on the Comar property. She explained that the county actually owns it. Therese noted that there are approximately \$35,000 in back taxes owed, and that Pine Valley is owed \$11,563.81. The property parcel is currently valued at around \$50,000 according to Therese. Jeanetta requested Therese to contact Victor and get Pine Valley on the next property committee's agenda, to be sure they get it on record to return \$11,563.81 to Pine Valley, once the property ever gets sold.

**Wisconsin Counties Association meeting.** Jeanetta commented on highlights from the healthcare portion of the meeting. She noted that Skilled nursing home bed numbers are expected to decline over the years ahead, while assisted living bed numbers are expected to rise. She also commented that counties should not rely on the S/P funds being around forever. Following discussion about the current waiting list with Pine Valley's assisted living, Jeanetta noted that at the conference it was suggested that 'strategic planning or needs assessment' should be done at least every five (5) years. Tom said he would follow up on that.

**Pharmacy services.** Tom shared a copy of the process gone through which led to the pharmacy service review and the results of the bid process. He also noted the recommendation from the Pine Valley team which consisted of himself, Angie, and the two nurse managers. Motion made by Richard McKee and seconded by Don Seep to accept the recommendation from the Pine Valley team, along with doing a review in twelve (12) months to ensure all facets of the recommendation

are being followed through on. Motion passed. The recommendation highlights include RFPC to 1) continue with \$1,000/month payments to the PV Foundation until the amount they expended to provide the SNF with 4 new medication carts is completely reimbursed, 2) provide computer interface capabilities with PV no later than 1/31/19, 3) work with PV on developing a more efficient medication delivery system than the current bubble pack system, 4) provide monthly billing to PV for medications provided to residents in a Medicare Part A stay on a cost plus basis; no longer a per diem basis, 5) to bill PV for consulting services provided to PV at Market value, which according to the bid submitted is \$6.50/month for each occupied bed, 6) have Lisa, the consultant, provide monthly reports to nurse managers in person or via conference call, 7) to forgo providing IV services – understanding that PV will contract with Phillips pharmacy out of Mauston for those services and supplies.

**Administrator's Report.** Tom reviewed the **building warranty log** which showed only items #138, 142, and 152 remaining to be done. He shared a comment from Steve that item #142 involving the humidifier may not ever get solved, so Steve had tried to ask for a credit – and didn't get very far with that request either. Tom shared that Ben will be scheduling a final walk through at PV soon. Tom noted that the topics of the **front cement work**, and the **demo of the cottage** had already been covered during the 'vouchers' section of tonight's meeting. Tom noted that there has yet to be any C.N.A. **scholarships** awarded. Most of the open PM and night shift C.N.A. positions have been filled. Tom noted that the PV Foundation bought a new **wheelchair scale** for the SNF at a cost of over \$2,000. Tom also noted that most of what he was going to share about the Fall **conference** he attended coincided with what Jeanetta had reported on from the Counties Association meeting. Tom reported that Candi Johnson, passed the National Exam, and is now a **Certified Dietary Manager!** Tom also reported on the **Snap Chat incident** that they investigated and did a self report on to the State. He also reported that he and his wife, and Ryan Elliott, and Dr. Smith and his wife, participated in the annual **Alzheimers Walk**. \$600 was raised from PV.

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

**Next meeting** to be on Monday, November 19, 2018, at 6:00pm.