

**PLEASANT VIEW SHIAWASSEE COUNTY MEDICAL CARE FACILITY  
SHIAWASSEE COUNTY HEALTH AND HUMAN SERVICES BOARD MEETING MINUTES  
DECEMBER 20, 2019: ADMINISTRATOR'S CONFERENCE ROOM**

**Call to Order:** Mrs. Knauff called the meeting to order at 10:03. The following were in attendance: Londa Knauff (Chair), Cindy Civile (Co-Chair), Greg Bontrager (Member), Shana Espinoza (Administrator), Theresa DeLau (Director of Nursing), Sandy Lamb (Human Resources Manager), Jeff Smithingell (Plant Operations Manager), Kelly Knieper (Business Office Manager), Amy Conklin (Life Enrichment Director), Jennifer Zamora (Dietary Manager), Cheri Gokee (Dietary Manager), Cheri Gokee (Dietary Manager), David Sckuzas (IT), Phil Alt (Contracted CFO) via telephone, Cindy Garber (County Commissioner) and Chelsea Nelson (Administrative Assistant to the Administrator).

**Approval of the Shiawassee County Medical Care Facility/Shiawassee County Department of Health and Human Services Board meeting minutes:**

- Mr. Bontrager made the motion to approve the minutes from the November 15, 2019 DHHS Board Meeting; Mrs. Civile supported the motion, which passed by an all yeas vote.
- Mr. Bontrager made the motion to approve the closed session minutes from the December 12, 2019 DHHS Board Meeting; Mrs. Civile supported the motion, which passed by an all yeas vote.

1. **Public Participation:** None.

2. **New Pleasant View Building- Building Update:** Mr. Smithingell presented a list outlining the outstanding building needs for Pleasant View Shiawassee County Medical Care Facility and gave an update. He stated that the make-up air unit was installed and reported that it is working great. Mrs. Espinoza explained that a meeting occurred with Spence, ELA and EMA to discuss cost sharing for the make-up air unit. Mr. Smithingell also stated that the water tank storage unit is leaking and that the issue is being addressed.

3. **New Pleasant View Building- Marketing/PR Update:** Discussion occurred about the items presented in the agenda.

4. **New Pleasant View Building- Star Rating:** Mrs. Espinoza stated that we continue to be a 4-star facility. Mr. Bontrager requested a break down of how the stars are impacted.

5. **New Pleasant View Building- Bed Purchase Opportunity:** Mrs. Espinoza explained that she attended a conference that held a review of bed availability status by county. She stated that this availability is predicted for 2023. Mrs. Espinoza stated that it is important to note that if 2 beds become available, 20 beds can actually be obtained; meaning that there is a potential for 20 beds available for anyone to purchase and open a nursing home. She further explained that there are currently 5 letters of intent to purchase the beds; she stated that she is unsure of which county has submitted letters of intent and stated that she will keep the board informed as new details emerge.

6. **Financial Report:** Mr. Alt presented the October 2019 unaudited financials. Mr. Bontrager made the motion to approve the October 2019 unaudited financials; Mrs. Civile supported the motion, which passed by an all yeas vote.

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**Financial- Additional Funding of Pension Liability:** Mrs. Espinoza discussed the additional funding of pension liability as follows:

We have been considering an excess contribution to fund the current outstanding MERS pension plan liability, which sits at \$6.95 million based on the most recent actuarial valuation provided by MERS as of 12/31/18. Pleasant Views funding is strong, noting the liability is 86% funded, compared to the County average of funding ratio of 67%. It should be noted the funded ratio is based on actuarial valuation of assets versus market value of assets in the plan. If the market value was used for calculating funded status, the unfunded liability would be over \$10 million. In the past, Pleasant View has contributed excess funds to the MERS pension plan to minimize the unfunded status of the plan. The most recent excess funding was in 2016 at \$6,500,000. Every 3 years, excess funding is considered because Medicaid reimbursement provides a benefit of excess funding over a 3-year period. Because 2019 would be the next interval, we need to make a decision on excess funding.

- Options that were explored:
  - \$6.5 million. This covers the unfunded status but would put our cash position in a very tight spot. Plus, there are few reasons that we would need to be 100% funded. The County is at 67% funded, including our groups, so they are even less than that. We are very well funded.
  - \$3 million, a nice round number and allows for \$1 million of additional cost to our cost report for the 3-year period the cost will be allocated over.
  - \$2.5 million, what we have received this year in CPE.
  - \$2.2 million, which would bring us to around 100 DCOH by year-end.
  - \$0, we need to conserve cash and get ready for the Memorial opportunity. Now, if this is the selected option, we would want to explore shortening the amortization period of the unfunded liability. This will increase or cost in 2020 and over the next few years but would help us move up in funding quicker.
  
- Recommended option:
  - \$2 million, to be funded prior to 12/31/19, and exploration of a shorter amortization period. This amount would curb the increasing liability. It would add value to the reimbursement we receive from Medicaid, and it would move our projected days cash on hand down to 35 days. This \$2 million amount was derived from the reimbursement we are receipting in from CPE for 2019, which will total \$2,533,636. We would like to use some of this reimbursement to fund the pension, while keeping a portion to help fund a shorter amortization period of the unfunded liability that we plan to explore in 2020.

Mr. Bontrager made the motion to approve \$2 million to fund the pension which is to be paid prior to 12/31/19; Mrs. Civile supported the motion, which passed by an all yeas vote.

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7. **Financial- Accounts Payable:** Mrs. Espinoza presented the check registers for the pay periods of 11/2/19-11/15/19, 11/16/19-11/29/19 and 11/30/19-12/13/19.
  - Mrs. Civile made the motion to approve payment of the check register dated 11/15/19 in the amount of \$298,684.15; Mr. Bontrager supported the motion, which passed by an all yeas vote.
  - Mr. Bontrager made the motion to approve payment of the check register dated 11/29/19 in the amount of \$363,549.85; Mrs. Civile supported the motion, which passed by an all yeas vote.
  - Mrs. Civile made the motion to approve payment of the check register dated 12/13/19 in the amount of \$301,912.05; Mr. Bontrager supported the motion, which passed by an all yeas vote.
  
8. **Financial- Payroll:** Mrs. Espinoza presented the payroll summaries for the pay periods 10/28/19-11/10/19 and 11/11/19-11/24/19. Mrs. Lamb explained that payroll is higher this time because of the sick-time and PTO payout.
  - Mrs. Civile made the motion to approve payroll from 10/28/19-11/10/19 in the amount of \$404,903.77; Mr. Bontrager supported the motion, which passed by an all yeas vote.
  - Mr. Bontrager made the motion to approve payroll from 11/11/19-11/24/19 in the amount of \$542,390.74; Mrs. Civile supported the motion, which passed by an all yeas vote.
  
9. **Financial- Occupancy Data Comparison:** Mrs. Espinoza presented the Occupancy Data, which showed lower admissions in November 2019 as compared to November 2018. She explained that there was a lower number of re-admissions and lower discharges compared to 2018. She also explained that the results indicate that we have had less resident turnover.
  
10. **Financial- Write-offs:** Mrs. Espinoza presented a list of write-offs. Mr. Bontrager made the motion to approve write-offs as written in the total amount of \$39,862.79; Mrs. Civile supported the motion, which passed by an all yeas vote.
  
11. **Financial- AR Reconciliation:** Mrs. Knieper presented an AR reconciliation form and gave an update on progress.
  
12. **Operations- CRT Foundation:** Mrs. Espinoza explained that we are continuing to pursue establishing the CRT becoming an official foundation. She explained that there is a concern with a required social security number for the responsible party and stated that we are working with Sheridan Law to resolve the issue. Mrs. Espinoza stated that she will keep the board updated. The board stated that they would not require an employee to supply a social security number for this purpose.

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13. **Operations- State:** Mrs. Espinoza explained that state arrived at the facility for our revisit on 12/10/19 and cleared us on our 3 citations and the fire marshal cleared us on life safety on 12/16/19. She stated that there is a waiver on file for the doors on Harbors until March 31, 2020. She further stated that we currently do not have any outstanding FRIs.
14. **Operations- Incident/Accident Data Report:** Mrs. Espinoza presented the comparison chart for resident incident/accidents for September through November 2019.
15. **Human Resources- Work Comp Settlement:** Discussion took place about a work comp settlement recommendation as written in the agenda. Mrs. Civile made the motion to approve a cost up to \$7,500 to settle the work comp claim for JW; Mr. Bontrager supported the motion, which passed by an all yea vote.
16. **Human Resources- Compensation Philosophy:** Mrs. Espinoza stated that she and Mrs. Lamb are working on a compensation philosophy at the beginning of 2020. She stated that she will provide an update at the next meeting.
17. **Physical Plant- Make-Up Air Unit for Laundry Dryers:** Mrs. Espinoza stated that Mr. Smithingell is available after the meeting to give the board a tour to view the new unit.
18. **Nursing- Quality Measure Report:** Mrs. DeLau presented the CASPER report and gave an update on the changes.
19. **Activities- Update:** Mrs. Conklin presented the upcoming activities for January 2020.
20. **Information Technology- Memory Unit Door System Change:** This item was tabled until Common Angle works with Compass to figure out why the costs do not match up.
21. **Information Technology- Document Management System:** Mrs. Espinoza stated that we reviewed and signed a contract with BOX for a document management system as approved in the last board meeting.
22. **Next Meeting Date:** January 17, 2020 at 10AM.

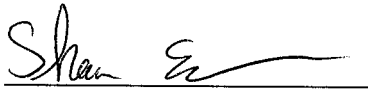
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23. **Closed Session:**

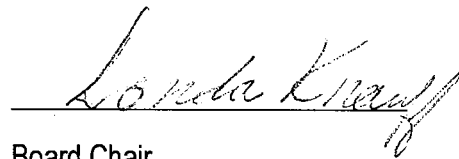
- At 11:17 am, the meeting entered closed session
- At 11:45 am, the meeting ended closed session.

24. **Adjourn:** Mrs. Civile made the motion to adjourn the meeting at 11:45 AM; Mr. Bontrager supported the motion, which passed by an all yea vote.

The meeting adjourned at 11:45 AM.



Shana Espinoza, RN, LNHA



Board Chair