Shiawassee County Health and Human Services Board Meeting Minutes

July 15th, 2026

Call to Order: Mrs. Knauff called the meeting to order at 10:00AM.

The following were in attendance: Londa Knauff (Board Chair), Greg Bontrager (Board Member), Shana Espinoza (Administrator), Sandy Lamb (Workforce Engagement), Jeff Smithingell (Plant Operations), Cheri Gokee (Dietary), Rachel Baldwin (PR/Marketing), Kelly Knieper (Financial Director), Theresa Delau (Director of Clinical Operations), Tabitha Woodruff (Central Supply), Michael Miller (IT), Kelly Bakousidis (Director of Nursing), Erika Tomac (Activities Director), Phil Alt (Contracted CFO- Virtual), Eric Ross (Executive Assistant), Erin Kelley (Corporate Compliance), Andrew Pike (EFC), Ron Colvin (EFC), Chad Dean (Spence Brothers), Jon Carolin (Spence Brothers), Vince Drumright (Spence Brothers)

1. **Appreciation Minute:** This month, we would like to extend our appreciation to all employees, leadership, the board and the community for the recognition we received as "Best Nursing Home!" Pleasant View was voted the best in the Argus Best of the Best Business Contest. We are celebrating with a cookout for staff this week! Thank you to our team for all that you do!
2. **Motion to approve of the absence of Cindy Civille:**

- *Mr. Bontrager made motion to approve of the absence of Mrs. Civille for the July 15th, 2026, DHHS Board Meeting. Mrs. Knauff approved the motion which passed by an all yea vote.*

3. **Approval of the Pleasant View Shiawassee County Medical Care Facility/Shiawassee County Department of Health and Human Services Board Meeting Minutes:**

- *Mr. Bontrager made motion to approve of the minutes of the June 12th, 2026, board meeting. Mrs. Knauff supported the motion, which passed by an all yea vote.*

4. **Public Participation:** No public participation occurred.
5. **Expansion Update:** The Spence Brothers team presented an update. Vince Drumright (Spence) stated that phase II of the planned renovations has been slightly delayed due to doors. Mr. Drumright stated that doors should be delivered towards the end of August. Mr. Drumright stated that phase III of the construction will begin later this month. The garage's renovations are near completion, but we are still awaiting doors. Jon Carolin (Spence) stated that Spence Brothers plan on utilizing their painters to fill and paint doors to lessen to wait time for doors. Mr. Drumright stated that the garage had an issue with the quality of the installed ceiling tiles, which emitted a strange odor. It was stated that these ceiling tiles would be replaced. Once the tiles are replaced, the garage will be ready

for occupancy. Mr. Carolin stated that the roofing for the future addition should occur and be completed by September. Mr. Drumright stated that the summer heat has had minimal delays to the construction progress. Mr. Drumright stated that all construction parties are working together well and there has been great communication between all parties. Mr. Carolin and Mr. Drumright stated that they would like to take the Board on a tour of the construction site next month at our August Board meeting. Mr. Carolin informed the Board that in Mid-August there will be an OSHA training day for the Spence Brothers employees. Chad Dean (Spence) stated the selection of Spence Brothers for a training session with OSHA is an honor and will ensure safety for their employees in the future. Andrew Pike (EFC) was present to discuss any updates. Mr. Pike stated excellent communication between all parties has been a factor in the smooth construction progress as of recent. Mr. Pike stated that EFC has been working with Michael Miller (IT) on the Low Voltage related to the renovations and expansion.

The project remains on track with an anticipated completion of Spring 2027.

6. **Construction Contingency:** Administrator stated that it was recently discovered that the numbers found in the construction contingency had an error in the favor of Pleasant View. An updated construction contingency report will be presented at next month's meeting.
7. **Gas Disruption Emergency:** As previously discussed on 4/8/26, the main gas line to the facility was hit by construction at approximately 5:00pm. Costs and payment continue to be calculated and we will discuss future reimbursement at a later board meeting.
8. **Owner's Contingency:** Administrator presented the owner's contingency report. This report has been expanded to include FF&E and signage. Administrator stated that Central Supply Director was privy to the potential lead times for some of the FF&E equipment and will order accordingly.

- *Mr. Bontrager made motion to approve of the Owner's Contingency report as written, inclusive of FF&E and signage. Mrs. Knauff supported the motion which passed by an all yea vote.*

9. **Construction Check Register:** Administrator presented the construction check register with a date of 06/30/26 for the bond activity in the amount of $511,582.40.

- *Mr. Bontrager made motion to approve the payment of check register date 06/30/26 for the bond activity in the amount of $511,582.40. Mrs. Knauff supported the motion which passed by an all yea vote.*

10. **Owner's Savings:** As discussed at the last meeting, within the GMP there has now been a line item created for owner's savings that are found. Administrator stated that no additional savings have been found. Administrator stated the facility is requesting a one-time additional to the GMP, from operational funds. This one-time GMP increase is to cover any outstanding and unknown items presented in the future. The Board asked if the one-time amount should be a higher amount to cover anything that may be unaccounted for. The Administrator and CFO stated that the requested amount should be sufficient. The request is to deposit $170,000 to the owner's savings. This would increase the GMP

by $170,000 and the overall cost of the project by 1%. Additionally, this would stop any future change every time a need is identified. If the funds are unused they are returned to Pleasant View at the conclusion of the project. This amount covers outstanding items (inclusive of winter items additions) and leaves approximately $110,000 to cover additional needs. This is a near match to the construction contingency and all agree this is a good amount of coverage for the remainder of the project. Current GMP with Spence is $10,774,869.29. The new amount if approved will be $10,944,869.29.

- *Mr. Bontrager made motion to approve the modification to the GMP with Spence as written. Mrs. Knauff supported the motion which passed by an all yea vote.*

11. **CPE and Cost Settlements:** CFO was present to discuss and address any questions related to CPE and cost settlements. CFO provided commentary in relation to Medicaid returning to cost-based reimbursement. CFO reminded the group that because Medicaid provided interim reimbursement rates during 2022 and 2023, they had to provide settlements to true up to cost-based reimbursement due to providers. CFO discussed that the use of filed 2022 and 2023 cost reports drove the settlement activity over the past few years, and that initial estimates of the settlements for 2022 and 2023 were $2.8 million to be conservative. The result of settlements for 2022 and 2023 was over $5 million, primarily driven by the unexpected sharp increase in cost limits due to all providers experiencing significant cost increases during and after the COVID pandemic. It was stated that the State has completed cost report audits for 2022 and 2023, allowing for the final settlements to be issued. CFO mentioned that CLA has been a great assistance in this process. On 6/25/2026, final settlements were taken, resulting in a net amount due to the State of $335,096.
12. **Financial Report:** Phil Alt (CFO) presented the May 2026 unaudited financial statements, including the summarized balance sheet, income statement, and month-end recap. Discussion occurred.

- *Mr. Bontrager made motion to approve the unaudited May 2026 financials. Mrs. Civille supported the motion which passed by an all yea vote.*

13. **Accounts Payable:** The Administrator presented the check registers for the pay period dated 05/23/26-06/05/26, 06/06/26-06/19/26 and 06/20/26-07/03/26.

- *Mr. Bontrager made motion to approve payment of check register date of 06/05/26 in the amount of $790,790.88. Mrs. Knauff supported the motion which passed by an all yea vote.*
- *Mr. Bontrager made motion to approve payment of check register date of 06/19/26 in the amount of $911,153.28. Mrs. Knauff supported the motion which passed by an all yea vote.*
- *Mr. Bontrager made motion to approve payment of check register date of 07/03/26 in the amount of $305,058.12. Mrs. Knauff supported the motion which passed by an all yea vote.*

14. **Occupancy Data:** Administrator and DCO discussed recent discharges and admissions data. Our daily census was noted at 133.
15. **Write-Off's:** There were no write-off's to present for this month.
16. **Write-Off's Less Than $1000:** There were no write-off's to present for this month.
17. **AR Reconciliation:** Financial Director presented the AR reconciliation form. Discussion occurred.
18. **Medicaid Outstation Worker Quarterly Report:** The Administrator stated that the Medicaid Outstation Worker Quarterly Report will be presented at the August meeting.
19. **Corporate Compliance:** Erin Kelley was in attendance to present the quarterly corporate compliance report. Mrs. Kelley discussed all corporate compliance concerns. Discussion occurred. The Board inquired as to whether there were any additional concerns. Mrs. Kelley stated that there were no additional concerns at this time.
20. **Star Rating with CMS:** We remain at a 5-star! We continue to follow the star system rating, and any changes that are made.
21. **State:** The State arrived on July 1st and departed on July 2nd, related to a complaint survey. This will likely lead to 2 citations. The surveyors also discussed our recent involuntary discharge. Administrator stated that we currently have 13 outstanding FRI's. It was stated that we are also in our annual survey window. The Administrator mentioned that many of the open FRI's are related to a resident who has been recently discharged.
22. **Involuntary Discharge:** Both the Administrator and DCO discussed the involuntary discharge process. A recent involuntary discharge was stated as relieving many concerns from other residents. The recent discharge was stated as a successful preventative measure for staff burnout. Relief for both staff and residents was noted.
23. **Updated Policies and Contracts:** There were no policies or contracts to discuss this month.
24. **Dialysis:** DON stated the current census for dialysis was at 7. Discussion occurred.
25. **Provider Services Transition:** Administrator stated that the physician transition from Memorial Healthcare is going well. DCO stated the providers are acclimating very well, and the residents are satisfied with the new service. It was noted that a new Memorial PA has started. Discussion occurred.
26. **Incident/Accident Report:** DON discussed the incident/accident report for the months of April 2026 through June 2026. The Board inquired if the incident/accidents are more frequent towards agency staffing. DCO stated that there seems to be an even mix of staff from agency and PV who are both involved in incidents and accidents. It was stated that all agency staff are trained in the same manner as our own facility staff, and all receive the same training prior to providing their services at PV. Discussion occurred.
27. **Workforce Engagement Updates:** Workforce Engagement Director presented a summary of the WE department. Workforce Engagement Director discussed recent focuses for the department, such as: working with UKG for a new payroll system, RESD contracts and hiring new staff. Discussion occurred.

28. **Payroll:** Workforce Engagement Director presented the payroll summaries for pay periods 05/18/26-05/31/26 and 06/01/26-06/14/26. Discussion occurred.
- *Mr. Bontrager made motion to approve payroll from 05/18/26-05/31/26 in the amount of $600,338.73. Mrs. Knauff supported the motion which passed by an all yea vote.*
- *Mr. Bontrager made motion to approve payroll from 06/01/26-06/14/26 in the amount of $568,765.80. Mrs. Knauff supported the motion which passed by an all yea vote.*

29. **Bonus:** Administrator presented the total cost for the nurse bonus since the last payroll presented at the previous meeting, which is $1,950. Last time it was $3,200. We have also had to utilize our emergency bonus structure for the certified nurses aides. This amount was stated to have totaled $600. Last time it totaled $0.
30. **RESD Opportunity:** The Administrator reminded the group that in our June Board meeting, we discussed and voted on a partnership with the RESD for a CNA training program. As a reminder, they need an instructor for the upcoming school year and are looking for partnership with Pleasant View to provide instructional support. It was stated that the RESD has not been able to find a potential candidate, but Pleasant View has found an internal candidate that the RESD has agreed upon. Administrator stated that we are finalizing contracts and agreements with legal involvement. The Board stated that they are excited to be involved in a partnership with a school, which is not typical of a nursing facility. The Administrator gave thanks to the Board for granting this opportunity.
31. **Expansion Staffing Needs:** The Administrator reminded the group that in previous meetings, the expansion staffing plan for the 2027 expansion opening was approved. It was stated that the team has worked on assessing workflow and operations to finalize staff needs to successfully open and operate the new expansion in 2027. The Administrator stated that there have been no further changes and the staffing plan is still on schedule. Discussions will occur on a monthly basis.
32. **Air Conditioning Units:** The Administrator stated that one of the air conditioning units in one of our kitchenettes has failed and we will need to replace the unit. This was the second of three units that have failed and the recommendation is to purchase two units (and replace both the broken unit and the one at end of life). The Administrator also stated the laundry area was identified to struggle to meet cooling demands during the increase in temperatures, and an additional unit is needed in that area. Plant Operations Director was present to discuss. Plant Operations Director stated the total cost of these 3 units will be under $30,000.
- *Mr. Bontrager made motion to replace all 3 air conditioning units in an amount not to exceed $30,000. Mrs. Knauff supported the motion which passed by an all yea vote.*

33. **Plant Operations List:** Plant Operations Director presented the most recent updates to plant operations. Discussion occurred.
34. **Quality Measure Report:** Director of Nursing presented the CASPER report. Discussion occurred.

35. **Marketing/PR Updates:** Marketing Director presented the most recent updates from the Marketing/PR department. Discussion occurred.
36. **Prom:** The team took a moment to watch a brief video that highlighted the Pleasant View Prom, which occurred on 06/09/2026. Thanks were given all around for everyone who made this night a huge success!
37. **Activities Update:** Activities Director presented the most recent updates from the activities department. Discussion occurred.
38. **Planned Activities:** Activities Director presented the list of scheduled events for the month of August.
39. **Dietary Updates:** Dietary Director discussed the most recent updates from the dietary department. Discussion occurred.
40. **Sling Purchase:** The Administrator presented a quote from Arjo, our supplier of slings. Administrator stated that these slings must be replaced every 2 years. The total cost was stated as $35,003.03. Administrator stated that this item was budgeted previously at $30,000, and due to the overage, the Board must approve of this request.
- *Mr. Bontrager made motion to approve the sling purchase as written. Mrs. Knauff supported the motion which passed by an all yea vote.*
41. **Central Supply:** Central Supply Director discussed the most recent updates from the Central Supply Department. Discussion occurred and included FF&E updates.
42. **IT Updates:** IT Team Lead presented the updates from the IT department. Discussion occurred.
43. **Strategic Planning:** Administrator presented the flow sheets for the four strategic initiatives as well as the scorecard for Quality and Safety. Administrator stated that the scorecard for goals surrounding financial are near completion and will be presented next month.
44. **Retention Credit:** Administrator reminded the group that a lawsuit was filed on 4/10/26. K&L continues to review legal strategy. Discussion occurred surrounding updates from other lawsuits and discoveries. Administrator stated we were recently asked by the DOJ if we would hold our lawsuit pending another case they wanted to see through. This was discussed and declined. Updates will continue to occur.
45. **Next meeting Date:** Friday, August 21st, 2026 at 10AM.
46. **Adjourn:** *Mr. Bontrager made motion to adjourn. Mrs. Knauff supported the motion which passed by an all yea vote. The meeting adjourned at 11:39AM.*

Londa Knauff