

**PELICAN VALLEY HEALTH CENTER
MONTHLY BOARD MEETING
JULY 25, 2016**

The regular monthly meeting of the Pelican Valley Health Center Hospital District Board of Directors was held at 6:15 p.m. on Monday evening July 25, 2016, in the PVHC Meeting Room. The meeting was called to order by Chairperson Richard Bratlien. Other board members present were: Susan Bruggeman, Dave Slotten, Brad Knorr, Shannon Erickson, Les Rotz, John Waller and Brian Evenson. Absent were: Joan Fouquette and James McBride. Others present included: Mike Walls, Vickie Thompson, Barbara Axness, Janet Green, Christy Peasley, Chandra Eaton, Jessica Chenze and Michelle Jensen.

CONSENT AGENDA

After adding Approve Bed Layaway to the agenda, motion was made by Les Rotz, seconded by Brian Evenson to approve the consent agenda including the minutes of the June 27, 2016, meeting. Motion carried.

BOARD REPORTS

Mike Walls, representing legal counsel, reported that nothing further has been heard on the human rights issue. Chad Miller had felt it would probably take six months to receive a response. Chad is working on updating various leases for the facility. Sue Bruggeman reported that the Finance Committee (Brian Evenson, Dave Slotten, Sue Bruggeman, Rich Bratlien), Barbara Axness and Janet Green met recently to look at the preliminary budgets. No concrete numbers are in place, but we are looking at a \$350,000 tax levy. The committee discussed looking at laying away beds. Our current number is 36. There are a couple rooms being used for storage at this time. We would like to lay away 3 beds for at least six months to receive money in our rates and not have to pay the surcharge for those 3 beds. Dave Slotten reported Bremer offered us a \$200,0000 line of credit for overruns on the construction. This can be converted to a permanent note after construction is completed. Dave recommends setting up the line of credit. Sue mentioned rate increases are being implemented for the assisted livings in order to receive payment for actual services provided.

The Long Range Planning Committee met on July 11th with another meeting scheduled for Monday, August 1st. Shannon Erickson reported long range plans include a pricing restructure for the assisted livings, looking at increasing the number of short term stay residents to stabilize the nursing home census once the new building is complete and looking at growing the memory care in order to have full occupancy. Capital needs were reviewed and priorities were discussed. The Committee suggests waiting to start Phase Two of the building project until stabilized. The Committee discussed rebranding our campus to more clearly identify who we are and what services we offer.

Les Rotz reported on the construction meeting. Siding has been delayed again due to rain on the Fargo projects. There is concrete that needs to be removed before sidewalks can be completed. Sheetrocking has started on the East wing. The kitchen remodeling has been held up due to asbestos removal. Change orders for sinks, a chilled water line and exhaust and expenses for furring the kitchen walls will be coming up. The Board's consensus was that Barbara could sign the change orders needed. Work has begun on putting the serving window in the kitchen.

Vickie Thompson reminded the Board members whose terms are ending of the filing dates coming up and the filing procedure. Barbara reported on the campus financials. Case mix and census were both low at the nursing home. Certain expenses hit the financial statements at this time of year causing

higher expenses than usual. While looking for nursing staff, utilizing current nurses to cover the vacancy has been causing overtime. A nurse is currently being trained for MDS backup which has also increased nursing expense. The interim dietitian has had more hours than planned due to the kitchen construction. Riverfront Manor needs work on increasing rates to cover the services we provide. Riverfront on Main is doing well. The nursing department is on budget. Barbara reviewed the cash and investments summary. We need \$1,070,000 in the bank to cover 3 months' expenses to meet the obligations of our loan agreement. Janet Green discussed the options for providing interim administrator services during Barbara's leave. Janet will be available if needed. Christy Peasley recognized the PVHC auxiliary. They did an outstanding job on the ice cream social fundraiser. The pancake breakfast fundraiser went very well although there was a smaller turnout. Michelle Jensen, resident assistant at Riverfront on Main, gave a presentation on behalf of the Assisted Living resident assistants. She expressed how close the resident assistants get to their clients and they become like family. She loves her job and explained that is why she drives here from Fergus Falls to work here.

BOARD ACTION

Motion to approve the financials as presented by Les Rotz, seconded by Brad Knorr. Motion carried. Motion to proceed with securing the \$200,000 line of credit from Bremer Bank was made by Dave Slotten, seconded by Brian Evenson. Motion carried. Motion by John Waller, seconded by Les Rotz to approve placing 3 beds on layaway status. Motion carried.

ADJOURNMENT

Motion by Les Rotz, seconded by Dave Slotten to adjourn the meeting. Motion carried. Meeting adjourned at 7:05 p.m.

Vickie Thompson, Recording Secretary

David Slotten, Secretary