

**PELICAN VALLEY HOSPITAL DISTRICT
MONTHLY BOARD MEETING
JULY 24, 2017**

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 24, 2017, in the Pelican Valley meeting room. The meeting was called to order by Richard Bratlien. Other board members present were: Les Rotz, David Slotten, Joan Fouquette, Shannon Erickson, Bradley Knorr, Brian Evenson, John Waller, Susan Bruggeman and Mary Williams. Others present were: Chad Miller, Barbara Axness, Janet Green, Ali Erickson, Alene Kenney, Chandra Eaton, Jessie Chenze, and Joycelin Steidl.

CONSENT AGENDA

After adding scholarship approval, a motion was made by Les Rotz, seconded by Dave Slotten to approve the agenda. Motion carried. Les Rotz requested a change be made to the minutes of June's meeting minutes to add the asphalt improvement is being made in the parking lot of Riverfront on Main.

REPORTS TO THE BOARD

Chad Miller reported the HeadStart lease will need to be updated.

Alene Kenney, Lead Housekeeper, gave a presentation on her duties at Pelican Valley Senior Living.

Sue reported from the Finance Committee meeting. The 2017 budget is in the preliminary stages. There is a need to increase the tax levy. Sue reinforced we continue with our goal of minimizing the levy, but we will not see our increased rates from the building project take effect until 2019-2020 due to Minnesota being behind on auditing cost reports. We will also need to add staff to stay in compliance with constantly increasing Federal regulations. David suggested a preliminary tax levy of \$475,000. This is what we need to see a 1.2 debt service ratio. Sue mentioned that Housing is where PVSL is struggling financially and in the past it has been what helped sustain PVSL. Barbara reported that our cost report will not reflect the building project in rates until at least 2019. We need to spend the money to get it on the cost reports in order for our rates to increase. The turn around time for rate increases is close to 27 months so those costs need to be floated until it is reimbursed. We will have a few tight years until we can see our building project reflect in our rates and have our rates catch up to expenses. Money is being invested in wages to retain our workforce. This money will come back to us in our rate increase in future years. Les suggested we raise the tax levy to \$500,000. Shannon Erickson added that it is important for the community to know that this raise will not pay for the construction project. The increase has been used to increase wages and to invest in our reimbursement rates. We are working on an economic impact study to show the impact that PVSL has on the economics of the whole community. Bradley Knorr added a capital expenditures expense should be added to the budget and be taken into consideration when deciding the tax levy. Rich stated it is justifiable to increase the levy. Money spent now will not be a benefit until our cost report rate increase in a few years.

The preliminary budget and tax levy will need to be voted on in the August Board meeting.

Ali Erickson reported the June census and financial statements.

Joycelin Stiedl reported that Main is having a lot of traffic and tours. Barbara mentioned we are getting our name out there and working on new marketing techniques. Memory care will be at 90% occupancy in July. Joan Fouquette inquired about if Residents could transition between buildings if they needed

more skilled care, such as from AL to nursing home. Barbara addressed this as one of our strengths that we can quickly accommodate all types of needs due to our diversified care spectrum. Since the new addition we are able to take admissions we could not have taken before the building project.

Barbara Axness reported fixing the retaining wall would cost approximately \$9,000 and we will wait on that cosmetic fix. Lori, Employee Resource Connector, gave a written report stating that employees are really enjoying her and finding a value in having her as a resource. Barbara provided documentation to show our new Quality Improvement Program and the board's role in it. Next QAPI meeting is October 10, 2017. The QI Nurse strongly recommended adding a Nurse Manager position to keep up with constantly changing compliance laws. We will be reimbursed for this in two years based on our cost report. We are a five star facility and we do not want that to change. John Waller inquired about quantifying the price difference between a three and five star rating. Janet Green reported every Resident that could not be referred to a facility due to a lower star rating would cost about \$8,500.

Barbara recommended that two scholarships be awarded to employees at PVSL. Scholarships are an expense we get back 100% on our cost report. Two employees applied for a scholarship and Barbara would like to get these approved in the amounts of \$1,200 and \$2,300.

Janet Green added an Ecumen report and shared that the QI nurse will be assisting with competency testing for nursing staff, as is required under the new regulations. A new marketing person has been assigned to our region and she will be very helpful.

BOARD ACTION

Motion was made by Les Rotz, seconded by Dave Slotten to approve the financial statements as presented. Motion carried.

Motion was made by Les Rotz, seconded by Bradley Knorr to approve two scholarships in the amount of \$1,200 and \$2,300. Motion carried.

ADJOURNMENT

Motion was made by Les Rotz seconded by Mary Williams to adjourn the meeting. Motion carried. Meeting adjourned at 7:12 pm.

Ali Erickson, Recording Secretary

David Slotten, Secretary