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RFQ COMMITTEE REPORT

To: The Honorable Commissioners
Lancaster County Board:

On behalf of the RFQ Committee, I hereby submit to you our report. I would like to compliment the Commissioners of the County Board for assembling a very talented group of people with a wide range of experience and community involvement with Lincoln and Lancaster County. All members of the committee met on three separate occasions and numerous combined hours of study of the RFQ's were spent by the individual committee members.

This Committee understands that the goal of the County Board with regard to Lancaster Manor is to find the appropriate method to accomplish the following:

1. Maintain the facility in excellent condition in order to meet the varied needs of the residents,
2. Provide quality care to the residents of the Manor,
3. Provide a high number of beds to residents who are qualified for Medicaid benefits,
4. Ensure that it is financially viable without taxpayer support.

This Committee reviewed the Proposals for Qualifications. These RFQs constituted proposals for leasing the facility, hiring a management company, hiring an Administrator, hiring a company to market the sale of the Manor and one proposal for the sale of the facility to a private concern. As explained in this report, the Committee believes that none of the proposals meet the goal and especially, none of them offered assurances of a large number of Medicaid beds.

COMMITTEE MEMBERS

We think that it would be helpful for the citizens of Lancaster County to know the backgrounds of the members of the Committee and some of the talents that they possess.

Christine Harris holds a Bachelor's Degree in History and Secondary Education from University of Nebraska and a number of graduate degree hours in Cultural Foundations. She held the position of Vice-President of International Human Resources at MDS/Harris for 2 years and for the preceding 22 years, she was Vice-President of Human Resources. The 2 years prior to MDS/Harris she was an Executive Analyst with SRI, now Gallup/SRI. She holds certifications from the Society for Human Resource Management in Senior Resource Management and International Human Resource Management. Among many other things she has been Chair of Nebraska State Personnel Board (appointed by Orr and Nelson), Member of Nebraska Judicial Nominating Commission (appointed by Johannes), Current Board Member of the Nebraska Humanities Council and Current Member of the University of Nebraska Foundation Board of Trustees.

Dan Marvin is an Investment Adviser, has a Bachelor of Science degree in Philosophy from the University of Nebraska-Lincoln, and has completed course work with the Association for Investment Management and Research and graduate course work at UN-L. He has served on the Lincoln City Council from May, 2005 to May 2009, the Lincoln-Lancaster County Planning Commission from 2003 to 2005, the Mayor's 2002 Infrastructure Finance Committee, the 2004 Street Roads and Trails Committee, the Railroad Transportation Safety District Board (2005-09), the Community Development Task Force (2005-07), and the Mayor's Multicultural Advisory Committee (2007-09) as well as many other community-based committees and boards.

Robert (Bob) P. Chitwood, a Wisconsin native, graduate B.A., Nebraska Christian College, M. Min.; Creighton University; D. Min., San Francisco Theological Seminary, San Anselmo, California, and has been an Ordained Pastor for 50 years. He was the Executive Director and the Licensed Nursing Home Administrator for 12 years at Eastmont Towers; Executive Director of the Eastmont Towers Foundation for 10 years; Volunteer President of Brownville Historical Society; Lancaster Manor Foundation Board Member and President; former Trustee and President of the Nebraska Christian College Board; and former member of Nebraska Fund Raising Professionals and Nebraska Partnership for Philanthropy.

June Pederson has been director of the Lincoln Area Agency on Aging for six years. The Agency provides services to persons 60 and older in Lancaster and seven other adjacent counties. She is responsible for 150 employees and a budget of $9.5 Million. Recently she was one of 20 aging services directors from across the country invited to participate in the Scripps Gerontology Center's Business Institute workshop held at the University of Miami in Oxford, Ohio. She has a degree in management from UNL College of Business Administration; was selected by Governor Heineman to be a delegate to the 2005 White House Conference on Aging; is the immediate past chair of the Nebraska Association of Area Agencies on Aging and serves as the legislative liaison for this group. She was a registered lobbyist for 24 years with both volunteer, professional and trade association-lobbying responsibilities.

Lloyd Hinkley has been a licensed real estate Broker since 1954. He started his own real estate company that year, has managed a number of companies, and has specialized in selling and leasing commercial and investment properties. Along with Jerry Joyce, he built Legacy Terrace, a

200 unit assisted and independent living complex and The Arbor, which specializes in Alzheimer's care. He has been actively involved in the Lincoln community with some of his activities being Past President of the Lincoln Seniors Foundation, Nebraska Realtor's Association, and Nebraska State Patrol Foundation; past member of Lincoln Charter Revision Commission, Lincoln City Council, Lincoln Housing Authority; and current member of the Bryan LGH Foundation Board.

Frank Hillsabaeck is the retired CEO of Lincoln Telephone, Aliant Communications and Alltel Corporation. He held a number of positions there in the areas of accounting, finance and marketing. He is a graduate of UNL with majors in accounting, finance and history and did post-graduate work in accounting. He has chaired, and served on, a number of Boards, Advisory committees, and Task Forces, including the Lincoln Partnership for Economic Development, the Lincoln Chamber of Commerce, BryanLGH, US Bank, Assurity Life, HDR Inc, the University Technology Park, Madonna Rehabilitation Hospital and the Lincoln Public Schools Foundation.

John McHenry is a Shareholder in the law firm of McHenry, Haszard, Hansen, Roth & Hupp, P.C., L.L.O. His undergraduate degree is a BS of BA from UNL with majors in accounting and economics. He is currently a member of the Lancaster Manor Advisory Committee, the elected representative of the Nebraska State Bar Executive Council for the First District, member of the Board of Directors for the Nebraska Masonic Nursing Home and Nebraska Masonic Home Foundation, and is Chair of the Legal and Fund-raising Committees for the Lincoln Chapter of the Metropolitan Area Volunteer Guardianship and Conservatorship Program. He has been guardian and conservator for many individuals over the past 35 years with a number of those individuals having been residents at Lancaster Manor.

FINANCES

Much has been written, reported and communicated to the public and to the committee members about the fiscal condition of Lancaster Manor. Much of that information is incorrect or has been distorted. After our review of the financial information, we feel that we should present our understanding of the financial picture of the Manor from both an operating position and the reserve for capital improvements. The numbers used in the attached charts are from the Lancaster County Budget and Accounting Office.

The Manor has a fund called "Lancaster Manor Fund". Income is deposited into this fund from collections through the Medicaid reimbursement program, the Medicare and Hospice reimbursement programs, Veterans Administration, private pay patients and miscellaneous other income with operating expenses paid from this fund.

The Manor also has a fund called "The Renewal and Replacement Fund". This fund was originally established to pay for capital improvements when needed at the Manor. Until August of 2008, this fund was held at Wells Fargo Bank. The account at Wells Fargo was closed and moved to the County's Accounting System. In addition to paying for capital improvements, this fund has been used to repay principal and interest on bonds issued in the name of Lancaster Manor and to cover operating cash flow shortfalls.

The first chart is a summary of the Revenues and Operating Expenses by month for the fiscal year, July 1, 2007 through June 30, 2008. During this fiscal year there were no collections from the Medicare reimbursement program, although on the Audited Balance Sheet ending June 30, 2008, receivables for Medicare in the amount of $1,775,000.00 and Medicaid in the amount of $1,270,181.00 were listed. The only available cash for payment of operating expenses on June 30, 2008 was $42,972 and the first Medicare reimbursement actually received was not until August of the next fiscal year.

As you can see from Chart I, during that fiscal year, operating expenses exceeded revenue by ($1,282,620.00.) As noted with regard to Chart III, it appears that only funds from the County's General Fund rather than the Renewal and Replacement Fund were used to cover the negative balances.

The second chart is a summary of the Revenues and Operating Expenses by the month for the fiscal year, July 1, 2008 through April 30, 2009. To date the Lancaster Manor Fund still carries a negative balance of ($665,917.00) of expenses over revenues. It should be noted that $10,000.00 for capital improvements were also paid from this fund. During six out of ten months, expenses exceeded revenues and again funds from the County's General Fund and the Renewal and Replacement Fund were used to cover the negative balances.

The third chart is a summary of the Renewal and Replacement Fund for the fiscal year, July 1, 2007 through June 30, 2008. In that fiscal year $429,518.00 was expended from this fund for capital improvements. In addition, principal and interest were paid to retire Manor bonds in the amount of $610,480.00. It does not appear that any of the negative operating cash flow of the Manor was covered by this Fund, but rather was covered by the General Fund.

The fourth chart is a summary of the Renewal and Replacement Fund for the fiscal year, July 1, 2008 through April 30, 2009. In the current fiscal year $397,770.00 was expended from this fund for capital improvements with $392,770.00 of that amount being reimbursed by insurance. In addition, principal and interest were paid to retire the remaining Manor bonds in the amount of $2,001,903.00. This leaves a balance in this fund of $1,000,619.00, which has been used to cover negative balances in those months that operating expenses have exceeded revenues.

The fifth chart is the proposed operating budget for the fiscal year, July 1, 2009 through June 30, 2010. The operating budget has projected income of $17,198,248.00 and operating expenses of $ 20,796,156.00 or a projected loss of ($3,597,908.00). This is without consideration of any capital improvement issues. Assuming that the Renewal and Replacement Fund would be used for operating expenses, if the actual expenses in the coming year mirror the projected budget amounts, the shortfall ($3,597,908.00) substantially exceeds the $1,000,619.00 balance in this Renewal and Replacement Fund.

ISSUES

Recognizing that the primary issue is how does Lancaster Manor continue to provide quality care to a high number of residents who are qualified for Medicaid benefits and to be financially viable without taxpayer support; this Committee looked at the challenges of how to increase income and lower expenses in order to efficiently manage the Manor. Finally, this Committee looked at the feasibility of attaining that goal through hiring an Administrator, leasing the facility, hiring a management company or selling the facility to a private concern.

REVENUE/INCOME

The income of the Manor mainly comes from reimbursements from Medicaid, Medicare parts A and B, Hospice, and Veterans Administration. The Manor currently has 293 beds certified for Medicaid and Medicare residents. As of the date of this report there are 241 total residents consisting of 206 Medicaid, 10 Medicare, 9 Veterans, 14 Private Pay, 1 Insurance and 1 Managed Care. The combined Medicaid and Medicare residents represent 89.6% of the current resident mix. However, these resident sources only represent 73.14% of your next year's budgeted revenue. There is currently a review being done by the State of Nebraska on the amount of Medicaid reimbursement. The Manor has near the highest per resident cost in the State. The future rate of Medicaid reimbursement is likely to decrease rather than increase. Since 85% of your current residents are Medicaid qualified, this would substantially affect the Manor's revenue stream if Medicaid reimbursement decreased.

To date, the amount of income realized from the number of Medicare beds is far less than the amount budgeted. The current budget was based on an average of 60 Medicare beds being filled and in reality, the average has been about 18 Medicare beds (currently 10). This is due to some physical limitations of the facility that potentially can be partially corrected through some capital improvements. For instance, the types of medical equipment necessary to care for Medicare residents require a substantial number of electrical outlets. Not all rooms or nurses stations have the required electrical capacity to accommodate Medicare residents. In order to have the ability to increase the number of Medicare residents and in turn increase the amount of revenue from this source, the upgrade of the electrical capacity as a capital improvement item must be a priority. This capital improvement item does not appear in next years budget.

A second challenge with the income side is the computer system currently used by the Manor to record services, medications and supplies provided to residents in order to properly seek payment of actual costs from Medicaid, Medicare, insurance companies and Veterans. In the past it appears that not all services, medications or supplies were properly documented or included in requests for reimbursement. Also amounts owed by individuals on private pay were either not billed and their files closed when they transferred from private pay to Medicaid. It appears that the attempt to collect the past due amounts was not done in a timely manner. Although there have been collections of these unpaid bills, it is questionable that the Manor can fully collect the remaining balances of these aged past due private pay amounts (it should be noted that full collection of these bills would still cause the Manor to be at a substantial deficit). Whether the County continues to operate the Manor with an Administrator or someone else operates it through lease, management or sale; the purchase and installation of a software system, the purchase of the appropriate computer equipment and the proper training of staff in its use is a must in order to properly document reimbursable expenses and facilitate timely collections.

Another area where revenue gains can be made is with an increase in the number of private pay residents with a corresponding decrease in Medicaid residents so that revenues can be boosted. In order to compete for private pay residents, Lancaster Manor would have to look at its fee structure and the amenities offered by the facility. The private pay rate for Lancaster Manor is one of the highest in Lincoln. It also has some deficiencies in the facility. Such things as replacement of the original whirlpool baths, replacement of the beds/mattresses, expansion of the therapy room, addition of therapy equipment, and moving the Alzheimer's unit to first floor should be considered as capital improvement projects that are necessary to compete for private pay residents.

EXPENDITURES

The expenditure side offers its own challenges. The major expense in the past and will be in the proposed budget are salaries and related benefits. In fiscal year 2007, these expenses represented 89.31% of the revenue stream and 82.94% of the total expenses. In fiscal year 2008 through April, these expenses represented 76.50% of the revenue stream and 76.84% of the total expenses. For the coming budget year, salaries and related benefits are budgeted at

$17,079,934.00, which expenses represent 99.31 % of the projected revenue stream of $17,198,248.00 and 82.13% of the projected total operating expenses of $20,796,156.00.

The Personnel Department at Lancaster Manor did a survey of other nursing homes regarding pay scales. Chart 6 is the wage comparison at hire done by the Personnel Department between Tabitha, Milder Manor and Lancaster Manor. In the four comparison areas, Lancaster Manor's per hour wage cost is the highest.

There is also a measurement of Per Patient Days(PPD) for all licensed skilled nursing homes. The industry general average for all medical professionals in nursing homes is 3.2 to 3.5 PPD's and Lancaster Manor has always been higher than the industry average at 3.8 to 4.0 PPD's. The more PPD's, the higher the salary and related benefit costs. With the proper capital investment, the level of care for the residents could be maintained with a lower number of PPD's.

When the resident census is down as it is now, the normal business response would be a temporary reduction in positions to reflect the decreased need for staff. The Committee understands that because of the contract with the Union, the County Board would need to authorize the reduction in staff positions. Without the adjustment of the number of employees when faced with changes in the number or type of resident, this is an area where savings probably cannot be realized. Under the current contractual requirements, those reductions cannot be accomplished in a timely manner to reflect the lower census numbers.

The next two highest areas of expense are Administration and food service. Compared to the total budget, the Committee does not believe that meaningful savings can be made in these two areas other than through reduction in number of employees when the census of the Manor warrants fewer employees.

It appears that the budgeted expense side makes it impossible to manage the Manor without substantial taxpayer assistance in the next budget year and on into the future.

Recommendation

In coming to a recommendation, the Committee considered management issues, infrastructure needs, patient care issues, employee considerations, and financing issues. This report details the following:

1. Management issues. The financial information sets forth the ongoing revenue/expense imbalance; higher employee cost, larger number of FTE's versus other types of comparable nursing homes; and less flexibility under a government structure, both as to employees and restraints on marketing.

2. Infrastructure. Capital investments are needed in order to operate the Manor efficiently while maintaining a high level of patient care. These include purchasing software to correct billing issues; electrical wiring of rooms to allow quality care to those with special needs such as ventilators; and to address deficiencies regarding the Alzheimer care unit. Capital investment directly impacts patient care and operating efficiencies.

3. Patient care. Current Medicaid residents needed to be able to remain, in the event of a sale . The Committee recognized that the Manor has a unique position in the community with regard to Medicaid beds. While most for profit nursing homes only provide a limited number of Medicaid beds, the Committee wants to ensure that a maximum number of Medicaid beds be available for a long period of time.

4. Employee considerations. The Committee recognizes that the Manor currently has a dedicated and qualified workforce; that employment stability serves the needs of patient care and operating efficiency; and that there should be some employment protections included in any operational changes of the Manor.

5. Financing. It is the understanding of the members of the Committee that the Lincoln City Council has already approved the property where Lancaster Manor is located to be blighted and would approve a new redevelopment plan for the area, including Lancaster Manor.

The following recommendation of the Committee addresses all of these issues.

The Committee believes that the goals of the County Board of providing quality care to a high number of residents who are qualified for Medicaid benefits and to be financially viable without substantial taxpayer support can be accomplished by a conditional sale of Lancaster Manor on the following terms:

1. The County Board/Purchaser applies to the City for an amendment to the redevelopment plan to include Lancaster Manor and to be eligible for TIF funds.

2. The Redevelopment Agreement must include:

   a. All current Medicaid residents are entitled to remain until the earlier of their death or inability to remain at the Manor,

   b. All current employees first be interviewed for the available positions,

c. During the period of the TIF financing, that a certain number of Medicaid beds be made available to the residents of Lancaster County (It would be suggested that any negotiated purchase be structured so as to provide for that purchase based on a minimum of 150, 175, or 200 Medicaid beds),

d. Capital improvements be made to Lancaster Manor as outlined herein or as further determined by the County Board/Purchaser from the funds generated by the Tax Increment Financing.

Lancaster Manor now has a property tax valuation of $0.00 and if purchased by a private company, it would have an estimated tax valuation of $10,000,000.00. The rule of thumb on the amount of money made available to the purchaser is 18% of the tax increment of $10,000,000.00 or an assumed $1,800,000.00. This would allow immediate cash to do some of the necessary improvements to provide continuing quality care to the residents.

The Committee has recommended a “structured sale” of the Manor and in the opinion of the Committee members, no other option comprehensively addresses the issues of management, capital investment, patient care, and employee considerations. Changing management does not address the capital needs. Raising the millions of dollars to address operating deficits and capital needs can't be done under the current operating environment without a large infusion of public taxpayer money. An outright sale, without terms and conditions, would jeopardize the status of current residents and employees. Doing nothing will only lead to a further decline in the facilities and a diminishment of patient care.

Thank You.

Respectfully Submitted

John M. McHenry

Chair of the Committee

CHART I
OPERATING INCOME/EXPENSES
LANCASTER MANOR
JULY 1, 2007 THROUGH JUNE 30, 2008

	July 2007	August 2007	eptember 200	October 2007	ovember 200	ecember 200	January 2008	ebruary 200	March 2008	April 2008	May 2008	June 2008	Year
Revenues													
Medicaid	1,310,420	1,330,257	1,386,841	1,155,774	1,217,993	1,208,250	1,311,331	1,057,146	1,021,100	2,138,898	1,178,764	1,116,529	15,433,303
Medicare	0	0	0	0	0	0	0	0	0	0	0	0	0
Charges for Services	77,284	78,718	83,234	138,842	94,796	97,347	96,940	101,117	81,031	118,329	114,720	143,659	1,226,016
Other Revenues	13,435	0	0	24,988	0	0	6,410	70	0	10,208	0	0	55,112
Total Revenues	1,401,139	1,408,975	1,470,075	1,319,604	1,312,789	1,305,597	1,414,681	1,158,333	1,102,131	2,267,435	1,293,484	1,260,187	16,714,431
Expenditures													
Public Health													
Salaries & Wages	891,879	908,172	879,195	865,235	892,180	910,897	1,006,140	851,424	873,218	841,514	870,417	895,113	10,685,383
Employee Benefits	332,020	349,570	341,382	335,974	314,192	323,337	337,996	314,478	319,372	315,922	322,645	320,297	3,927,183
Other Compensation	15,958	5,682	12,784	20,666	5,085	12,848	31,922	15,241	17,869	11,063	84,815	80,612	314,544
Supplies	134,269	109,337	119,016	145,518	49,065	160,344	205,574	157,678	151,205	183,562	122,349	144,308	1,682,224
Charges & Services	65,202	63,512	56,634	117,433	91,505	128,558	253,360	153,072	106,482	143,765	143,283	64,911	1,387,716
Total Public Health Expenditures	1,439,327	1,436,272	1,409,011	1,484,826	1,352,026	1,535,985	1,834,991	1,491,893	1,468,145	1,495,825	1,543,509	1,505,240	17,997,051
Excess (Deficiency) of Revenues over Expenditures	(38,188)	(27,297)	61,064	(165,222)	(39,237)	(230,388)	(420,310)	(333,561)	(366,014)	771,610	(250,025)	(245,053)	(1,282,620)
Other Financing Sources (Uses)													
Operating Transfers In	0	0	0	0	0	0	0	0	0	0	0	2,500	2,500
Operating Transfers Out	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Other Financing Sources (Uses)	0	0	0	0	0	0	0	0	0	0	0	2,500	2,500
Fund Balance - Beginning	536,417	498,229	470,932	531,997	366,775	327,537	97,150	(323,160)	(656,721)	(1,022,735)	(251,126)	(501,150)	536,417
Net Change in Fund Balance	(38,188)	(27,297)	61,064	(165,222)	(39,237)	(230,388)	(420,310)	(333,561)	(366,014)	771,610	(250,025)	(242,553)	(1,280,120)
Fund Balance - Ending	498,229	470,932	531,997	366,775	327,537	97,150	(323,160)	(656,721)	(1,022,735)	(251,126)	(501,150)	(743,703)	(743,703)

CHART II
OPERATING INCOME/EXPENSES
LANCASTER MANOR
JULY 1, 2008 THROUGH APRIL 30, 2009

	July 2008	August 2008	eptember 20(	October 2008	ovember 200	ecember 200	January 2009	February 200(	March 2009	April 2009	May 2008	June 2008	Year
Revenues													
Medicaid	1,141,677	1,157,962	1,138,629	1,472,208	1,056,343	1,078,351	788,254	1,422,624	(1,123,092)	1,518,116			9,651,072
Medicare	0	1,536,451	88,278	52,254	375,805	465,324	201,706	195,443	184,699	114,141	0	0	3,214,101
Charges for Services	84,057	147,167	213,874	129,624	78,134	82,405	409,106	296,331	2,326,007	380,368			4,147,073
Other Revenues	772	0	0	6,438	0	0	0	0	0	0	0	0	7,210
Total Revenues	1,226,506	2,841,580	1,440,781	1,660,524	1,510,282	1,626,080	1,399,066	1,914,398	1,387,614	2,012,625	0	0	17,019,456
Expenditures													
Public Health													
Salaries & Wages	981,479	912,086	925,782	922,001	959,150	1,047,000	981,803	859,169	925,336	894,778	0	0	9,408,584
Employee Benefits	332,772	323,173	325,547	329,575	331,959	354,615	351,998	333,652	339,221	338,422	0	0	3,360,934
Other Compensation	24,009	22,014	17,004	26,316	22,475	31,316	21,799	19,429	30,723	35,425	0	0	250,510
Supplies	149,393	122,641	264,391	145,668	160,579	148,303	143,266	153,570	139,588	167,185	0	0	1,594,584
Charges & Services	198,159	367,466	259,824	204,070	210,025	272,811	204,229	248,761	209,078	155,136	0	0	2,329,559
Total Public Health Expenditures	1,685,812	1,747,380	1,792,548	1,627,630	1,684,188	1,854,045	1,703,095	1,614,581	1,643,946	1,590,946	0	0	16,944,171
Excess (Deficiency) of Revenues over Expenditures	(459,306)	1,094,200	(351,767)	32,894	(173,906)	(227,965)	(304,029)	299,817	(256,332)	421,679	0	0	75,285
Other Financing Sources (Uses)													
Operating Transfers In	0	2,500	0	0	0	0	0	0	0	0	0		2,500
Operating Transfers Out	0	0	0	0	0	0	0	0	0	0	0		0
Total Other Financing Sources (Uses)	0	2,500	0	0	0	0	0	0	0	0	0		2,500
Fund Balance - Beginning	(743,702)	(1,203,008)	(106,308)	(458,075)	(425,181)	(599,087)	(827,052)	(1,131,081)	(831,264)	(1,087,596)	(665,917)	(665,917)	(743,702)
Net Change in Fund Balance	(459,306)	1,096,700	(351,767)	32,894	(173,906)	(227,965)	(304,029)	299,817	(256,332)	421,679	0	0	77,785
Fund Balance - Ending	(1,203,008)	(106,308)	(458,075)	(425,181)	(599,087)	(827,052)	(1,131,081)	(831,264)	(1,087,596)	(665,917)	(665,917)	(665,917)	(665,917)

CHART III

Lancaster Manor
Renewal and Replacement Fund (Wells Fargo)
July 1, 2007 through June 30, 2008

Balance 7-1-07			3,880,284
Revenues:			
Interest Income	154,413		
Total Revenue			154,413
Expenditures:			
Capital Outlay -			
Siding, fascia, and gutter replacement	48,043		
Roof Replacement	137,711		
Chiller Replacement	88,327		
Nurse Call System	74,660		
Fire Suppression Control Panel Replacement	80,777		
Total Capital Outlay		429,518	
Debt Service -			
Principal and Interest Payments	610,480		
Total Debt Service		610,480	
Total Expenditures			1,039,998
Balance 6-30-08			2,994,699

CHART IV

Lancaster Manor
Renewal and Replacement Fund (Wells Fargo)
July 1, 2008 through April 30, 2009

Balance 7-1-08			2,994,699
Revenues:			
Interest Income	7,823		
Total Revenue			7,823
Expenditures:			
Debt Service -			
Principal and Interest Payments	2,001,903		
Total Debt Service		2,001,903	
Total Expenditures			2,001,903
Balance 4-30-09			1,000,619
(moved from Wells Fargo Renewal and Replacement Fund to County's Accounting System)			

Other items:

Water Damage (see attached sheets for details)		
Total Expenditures	397,770	
Insurance Reimbursement	392,770	$5,000 deductible

Only One Capital Outlay item during the period:

Pickup $10,000 Purchased out of operating

CHART V

BUDGET
JULY 1, 2009 THROUGH JUNE 30, 2010

Revenues	
Medicaid	$9,336,588.00
Medicare A	$1,339,200.00
Medicare B	$900,180.00
Veterans Care	$743,344.00
Veterans Medications	$60,000.00
Hospice	$200,000.00
Client Private Pay	$4,243,659.00
Client Insurance	$322,929.00
Other Revenues	$52,348.00
	==============
Total Revenues	$17,198,248.00
Expenditures	
Public Health	
Administration	$2,743,885.00
Food Service	$2,026,611.00
Nursing Administration	$12,049,712.00
Resident Services	$385,409.00
Business Manager	$571,379.00
Laundry	$564,864.00
Maintenance	$922,723.00
Housekeeping	$872,021.00
Transportation	$38,178.00
Personnel	$155,674.00
Activities	$453,850.00
Gift Shop	$11,850.00
	==============
Total Public Health Expenditures	$20,796,156.00
Excess (Deficiency) of Revenues over Expenditures	($3,597,908.00)

Wage Comparison at hire (not including benefits)

	TABITHA	MILDER MANOR	LANCASTER MANOR
CNA	$9.70	$10.00	$11.701
Med Aide	$10.20	$10.25	$12.123
LPN	$14.75	$15.00	$17.267
RN	$18.00	$20.25	$23.111