

CHAMPAIGN COUNTY NURSING HOME

Fund 081-000

BUDGET HIGHLIGHTS

In January 2018, the County Board released a RFP seeking proposals for the sale of the Champaign County Nursing Home. One responsive proposal was received and in May 2018, the County Board approved Resolution No. 2018-141 authorizing the sale of the home to Extended Care Clinical, LLC and Altitude Health Services, Inc.

As of September 2018, the sale of the home was anticipated to be completed prior to the end of fiscal year 2018. In FY2018, there were three outstanding bonds issued for construction of the home. The final payment for the 2005A Issue will be made in FY2018. The sale of property financed with tax-exempt bonds to a non-governmental entity may change the tax exemption status of the remaining two outstanding bonds, requiring remedial action to be taken. In consultation with the County's bond counsel, the County will be required to use sale proceeds to redeem or defease the 2011 and 2015 Issues within 90-days of the sale of the home. It is projected that the remedial actions will require a minimum of \$6.7 million.

In FY2019, the tax levy previously allocated for Nursing Home operations is being used to reimburse the IMRF and Social Security funds for the home's FY2018 payroll obligations, and for some of the outstanding balance owed by the Nursing Home to the Self-Funded Insurance fund.

Nursing Home Transition Budget (081-405)

In FY2018, the County established a transition budget for the Nursing Home sale (081-405). Sale proceeds, less the broker fee and funds required for the escrow holdback, are budgeted at \$10,395,000. Because of the federal income tax remedial action requirements, bond redemption and defeasance must be prioritized. The FY2018 projected expenditure for redeeming the 2015 bonds is \$2.1 million. Sale proceeds will be transferred to the General Fund, which is where this debt service is paid from, in order to facilitate payment for the redemption of these bonds. The projected expenditure for defeasance of the 2011 bonds is \$4.65 million. A transfer will be made to the Nursing Home Debt Service Fund, which is where this debt services is paid from, in order to establish a defeasance escrow for these bonds until they can be called in 2021.

At the end of July 2018, the Nursing Home owed outside vendors approximately \$2 million. This amount is expected to increase prior to the planned closing of the home. Sale proceeds will be used to pay those vendors for commodities and services that were provided to the home.

With the exception of January 2018, the home was unable to pay for the employer's portion of the health insurance premiums for its employees. Therefore, the County's Health Insurance Fund has not been reimbursed for the expenses. The amount owed to this fund is anticipated to be approximately \$500,000 at the end of October 2018. Due to the inability of the home to pay for its expenses, the Capital Asset Replacement and Self-Funded Insurance funds have also been negatively affected. If there are sufficient sale proceeds remaining after the bond remedial actions and payment to outside vendors, they will be used to start the process of making County funds whole.

The FY2019 Transition Budget assumes the County will continue to collect accounts receivable revenues after the closing of the home. Based on the July 2018 report, total outstanding A/R is \$4.9 million.

Although it is uncertain, the budget is prepared to assume collection of approximately \$2.5 million of that amount. The FY2019 budget includes appropriation for \$300,000 to install a sidewalk to the home, which is required by the City of Urbana, and a transfer to the General Fund to pay for post-closure accounting and other outstanding amounts owed to the County's General Fund.

FINANCIAL

Fund 081 Summary			2017 Actual	2018 Original	2018 Projected	2019 Budget
311	32	CURR PROP TX-NURS HM OPER	\$1,202,615	\$1,304,606	\$1,266,777	\$0
313	32	RE BACKTAX-NURS HOME OPER	\$747	\$0	\$644	\$0
314	10	MOBILE HOME TAX	\$1,031	\$0	\$1,077	\$0
315	10	PAYMENT IN LIEU OF TAXES	\$876	\$0	\$820	\$0
		PROPERTY TAXES	\$1,205,269	\$1,304,606	\$1,269,318	\$0
335	60	STATE REIMBURSEMENT	\$56,249	\$0	\$0	\$0
		FEDERAL, STATE & LOCAL SHARED REVENUE	\$56,249	\$0	\$0	\$0
345	17	NH CARE-VET ADM PATIENTS	\$570,870	\$250,177	\$428,875	\$101,752
345	18	ADLT DAYCARE-VA CLIENTS	\$54,341	\$28,000	\$48,000	\$0
345	19	NH CARE-HOSPICE PATIENTS	\$519,041	\$218,425	\$374,442	\$55,794
345	20	ADLT DAYCARE-PRIV CLIENTS	\$42,608	\$21,000	\$36,000	\$0
345	21	ADLT DAYCARE-IDOA CLIENTS	\$96,934	\$56,000	\$96,000	\$0
345	22	NH CARE-PRIV PAY PATIENTS	\$2,706,047	\$1,471,037	\$2,521,777	\$1,218,837
345	23	NH CARE-MEDICAID PATIENTS	\$5,087,244	\$3,211,194	\$5,504,905	\$465,894
345	26	NH CARE-MEDICARE/A PATNTS	\$1,148,776	\$749,990	\$1,285,697	\$70,178
345	27	NH CARE-MEDICARE/B PATNTS	\$165,530	\$129,500	\$222,000	\$41,377
345	29	NH CARE-PRIV INSUR PATNTS	\$682,461	\$284,563	\$487,823	\$588,488
345	33	NURS HOME BEAUTY SHOP REV	\$22,945	\$15,400	\$26,400	\$0
345	34	MEDICAL SUPPLIES REVENUE	\$25,863	\$12,600	\$21,600	\$0
345	35	PATIENT TRANSPORTATN CHGS	\$16,482	\$4,550	\$7,800	\$0
		FEES AND FINES	\$11,139,142	\$6,452,436	\$11,061,319	\$2,542,320
361	10	INVESTMENT INTEREST	\$418	\$0	\$500	\$0
363	50	RESTRICTED DONATIONS	\$1,684	\$0	\$484	\$0
364	10	SALE OF FIXED ASSETS	\$0	\$10,395,000	\$10,395,000	\$0
369	12	VENDING MACHINES	\$3,056	\$1,740	\$3,480	\$0
369	20	NURS HOME MEAL TICKETS	\$850	\$0	\$500	\$0
369	90	OTHER MISC. REVENUE	\$3,346	\$900	\$1,800	\$0
		MISCELLANEOUS	\$9,354	\$10,397,640	\$10,401,764	\$0
371	80	FROM GENERAL CORP FND 080	\$0	\$0	\$191,672	\$0
		INTERFUND REVENUE	\$0	\$0	\$191,672	\$0
REVENUE TOTALS			\$12,410,014	\$18,154,682	\$22,924,073	\$2,542,320

511	3	REG. FULL-TIME EMPLOYEES	\$3,486,450	\$2,599,033	\$4,362,490	\$0
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511	4	REG. PART-TIME EMPLOYEES	\$206,267	\$117,883	\$218,925	\$0
511	5	TEMP. SALARIES & WAGES	\$308,289	\$0	\$0	\$0
511	6	PER DIEM	\$2,295	\$1,500	\$3,000	\$0
511	9	OVERTIME	\$737,654	\$70,018	\$130,034	\$0
511	43	NO-BENEFIT FULL-TIME EMPL	\$1,201,513	\$589,954	\$1,095,628	\$0
511	44	NO-BENEFIT PART-TIME EMPL	\$281,594	\$0	\$0	\$0
513	1	SOCIAL SECURITY-EMPLOYER	\$465,168	\$258,455	\$444,470	\$0
513	2	IMRF - EMPLOYER COST	\$482,412	\$278,389	\$478,751	\$0
513	4	WORKERS' COMPENSATION INS	\$12,387	\$93,543	\$173,722	\$0
513	5	UNEMPLOYMENT INSURANCE	\$61,706	\$55,056	\$102,247	\$0
513	6	EMPLOYEE HEALTH/LIFE INS	\$648,387	\$474,258	\$880,764	\$0
513	20	EMPLOYEE DEVELOPMNT/RECOG	\$443	\$1,200	\$2,400	\$0
513	21	EMPLOYEE PHYSICALS/LAB	\$44,157	\$15,000	\$30,000	\$0
		PERSONNEL	\$7,938,722	\$4,554,289	\$7,922,431	\$0
522	1	STATIONERY & PRINTING	\$1,110	\$480	\$720	\$0
522	3	BOOKS,PERIODICALS & MAN.	\$950	\$1,040	\$1,560	\$0
522	4	COPIER SUPPLIES	\$1,131	\$0	\$0	\$0
522	6	POSTAGE, UPS, FED EXPRESS	\$3,877	\$3,200	\$4,800	\$0
522	10	FOOD	\$90,713	\$200,623	\$300,935	\$0
522	12	STOCKED DRUGS	\$23,565	\$22,400	\$33,600	\$0
522	15	GASOLINE & OIL	\$11,480	\$6,667	\$10,000	\$0
522	16	TOOLS	\$221	\$0	\$0	\$0
522	17	GROUNDS SUPPLIES	\$84	\$0	\$0	\$0
522	22	MAINTENANCE SUPPLIES	\$13,059	\$6,667	\$10,000	\$0
522	25	DIETARY NON-FOOD SUPPLIES	\$14,768	\$1,160	\$1,740	\$0
522	28	LAUNDRY SUPPLIES	\$5,542	\$6,667	\$10,000	\$0
522	31	PHARMACY CHRGS-PUBLIC AID	\$14,282	\$12,160	\$18,240	\$0
522	33	OXYGEN	\$10,155	\$8,600	\$12,900	\$0
522	34	INCONTINENCE SUPPLIES	\$124,609	\$57,527	\$86,290	\$0
522	35	NUTRITIONAL SUPPLEMENTS	\$38,565	\$16,179	\$24,269	\$0
522	36	PHARMACY CHRGS-INSURANCE	\$65,884	\$60,280	\$90,420	\$0
522	44	EQUIPMENT LESS THAN \$5000	\$20,882	\$11,320	\$16,980	\$0
522	91	LINEN & BEDDING	\$17,118	\$13,333	\$20,000	\$0
522	93	OPERATIONAL SUPPLIES	\$282,534	\$348,328	\$941,674	\$0
522	98	PHARMACY CHARGES-MEDICARE	\$55,530	\$503,443	\$55,704	\$0
		COMMODITIES	\$796,059	\$1,280,074	\$1,639,832	\$0
533	1	AUDIT & ACCOUNTING SERVCS	\$0	\$45,128	\$37,692	\$0
533	3	ATTORNEY/LEGAL SERVICES	\$114,313	\$130,000	\$60,000	\$0
533	4	ENGINEERING SERVICES	\$3,308	\$10,000	\$15,000	\$0
533	6	MEDICAL/DENTAL/MENTL HLTH	\$22,075	\$46,300	\$69,450	\$0
533	7	PROFESSIONAL SERVICES	\$1,523,572	\$2,628,731	\$3,416,693	\$0
533	12	JOB-REQUIRED TRAVEL EXP	\$947	\$1,400	\$2,100	\$0
533	20	INSURANCE	\$157,367	\$193,333	\$290,000	\$0
533	22	LABORATORY FEES	\$11,059	\$4,520	\$6,780	\$0

Fund 081 Summary			2017 Actual	2018 Original	2018 Projected	2019 Budget
533	26	PROPERTY LOSS/DMG CLAIMS	\$42	\$0	\$0	\$0
533	29	COMPUTER/INF TCH SERVICES	\$64,813	\$66,667	\$10,000	\$0
533	30	GAS SERVICE	\$104,083	\$92,000	\$138,000	\$0
533	31	ELECTRIC SERVICE	\$342,836	\$191,067	\$286,600	\$0
533	32	WATER SERVICE	\$32,646	\$24,800	\$37,200	\$0
533	33	TELEPHONE SERVICE	\$16,368	\$13,333	\$20,000	\$0
533	34	PEST CONTROL SERVICE	\$5,875	\$3,600	\$5,400	\$0
533	36	WASTE DISPOSAL & RECYCLNG	\$33,220	\$22,680	\$34,020	\$0
533	40	AUTOMOBILE MAINTENANCE	\$6,319	\$3,800	\$5,700	\$0
533	42	EQUIPMENT MAINTENANCE	\$27,847	\$16,667	\$25,000	\$0
533	51	EQUIPMENT RENTALS	\$51,734	\$41,304	\$61,956	\$0
533	70	LEGAL NOTICES,ADVERTISING	\$18,845	\$26,667	\$40,000	\$0
533	85	PHOTOCOPY SERVICES	\$13,750	\$6,000	\$9,000	\$0
533	86	NURS HOME BLDG REPAIR/MNT	\$120,652	\$66,667	\$100,000	\$0
533	89	PUBLIC RELATIONS	\$1,246	\$0	\$0	\$0
533	91	LAUNDRY & CLEANING	\$5,954	\$4,333	\$6,500	\$0
533	93	DUES AND LICENSES	\$14,378	\$12,133	\$18,200	\$0
533	95	CONFERENCES & TRAINING	\$3,805	\$5,327	\$7,990	\$0
534	11	FOOD SERVICE	\$418,424	\$235,736	\$0	\$0
534	37	FINANCE CHARGES,BANK FEES	\$40,222	\$18,000	\$27,000	\$0
534	40	CABLE/SATELLITE TV EXP	\$29,121	\$20,000	\$30,000	\$0
534	46	SEWER SERVICE & TAX	\$15,206	\$12,000	\$18,000	\$0
534	58	LANDSCAPING SERVICE/MAINT	\$896	\$0	\$0	\$0
534	61	IPA LICENSING FEE	\$128,666	\$609,462	\$442,127	\$0
534	65	CONTRACT NURSING SERVICE	\$12,349	\$190,244	\$0	\$0
534	75	FINES AND PENALTIES	\$0	\$20,000	\$30,000	\$0
534	76	PARKING LOT/SIDEWLK MAINT	\$3,201	\$156,667	\$10,000	\$300,000
534	81	GENERAL LIABILITY CLAIMS	\$0	\$20,000	\$30,000	\$0
534	83	MEDICARE MEDICAL SERVICES SERVICES	\$10,819 \$3,355,958	\$54,400 \$4,992,966	\$81,600 \$5,372,008	\$0 \$300,000
544	29	NUR HM BLDG CONST/IMPROVE	\$37,749	\$0	\$0	\$0
544	33	OFFICE EQUIPMENT & FURNIS	\$15,660	\$4,000	\$6,000	\$0
544	73	MEDICAL/HEALTH EQUIPMENT CAPITAL	\$690 \$54,099	\$0 \$4,000	\$0 \$6,000	\$0 \$0
567	1	DEPRECIATION EXPENSE	\$0	\$37,829	\$0	\$0
		NON CASH EXPENSES	\$0	\$37,829	\$0	\$0
571	14	TO CAPITAL IMPRV FUND 105	\$0	\$0	\$70,341	\$0
571	19	TO SELF-FUNDED INS FND476	\$0	\$0	\$656,461	\$0
571	20	TO HEALTH INSUR FUND 620	\$0	\$0	\$500,000	\$0
571	74	TO NH BOND FUND 074	\$0	\$0	\$4,650,000	\$0
571	80	TO GENERAL CORP FUND 080	\$0	\$2,525,304	\$2,100,000	\$2,740,546
		INTERFUND EXPENDITURE	\$0	\$2,525,304	\$7,976,802	\$2,740,546

Fund 081 Summary			2017 Actual	2018 Original	2018 Projected	2019 Budget
581	2	L/T TAX ANTIC NOTES PRINC	\$0	\$1,076,760	\$0	\$0
581	5	INTGOVTL LOAN PRINC PMTS	\$0	\$726,802	\$0	\$0
582	1	INTEREST-TAX ANTIC NOTES	\$8,292	\$7,000	\$7,000	\$0
		DEBT	\$8,292	\$1,810,562	\$7,000	\$0
EXPENDITURE TOTALS			\$12,153,130	\$15,205,024	\$22,924,073	\$3,040,546

NET POSITION/FUND BALANCE

FY2017 Actual	FY2018 Projected	FY2019 Budgeted
\$498,226	\$498,226	\$0

FULL TIME EMPLOYEE HISTORY

FY2015	FY2016	FY2017	FY2018	FY2019
222.1	215.3	226.3	190.8	0