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February 26, 2019

To: Marianna City Commissioners  
MHRC Board Members  
Marianna City Manager

From: Bruce C. Baldwin, Consultant

Subject: January 2019 Financial Statements

January was a weak month financially for the Center. Total income exceeded the budget; however, expenses were over budget due to the holiday and overtime pay. Also, the Center paid a workers compensation premium adjustment of \$10,450 for the 2017-2018 fiscal year. The occupancy remained strong at 94.6%. The month-end total cash figure was \$813,003.

**Income:** Room and board income exceeded the budgeted amount due to the strong census. Revenue from laboratory services and prescription drugs were higher than budget due to greater patient needs. Physical and occupational therapy incomes exceeded the budget because more patients required these services; however, income from speech therapy was below budget due to fewer patients requiring this service.

**Expenses:** Total expenses exceeded the budgeted amount. R.N. salaries were over budget due to the hiring of two new nurses. The Center is now fully staffed with R.N.'s. L.P.N and nurse aides' salaries exceeded budget due to overtime and holiday pay. Nursing supply costs were over the budgeted amount due to more patients requiring these supplies. Kitchen supply costs exceeded the budget because new serving trays were purchased and two new kitchen carts. Respiratory supply costs were over budget due to greater patient needs for oxygen concentrators. Utilities were higher than budget due to a prior month's bill from Waste Management. Group insurance premiums were over budget due to more employees enrolled in the program. Bad debt write-off exceeded the budget due to several prior year accounts being removed per CPA guidelines. Collection efforts will continue to be pursued on these accounts.

Through the first four months of the fiscal year the Center is well ahead of the year-to-date budgeted Net Income (Loss) amount. The census continues to remain very strong, especially the Medicare census. We expect a continued strong financial performance from the Center in the months to come.

**MARIANNA HEALTH AND REHABILITATION CENTER**  
**Operations Summary**  
**Month Ending January 2019**

	Current	Budget	January 2018
Census	94.5%	88%	88.96%
Accounts Receivable	\$4,102,946		\$3,552,658
Allowance for Bad Debts	\$837,000		\$630,000
Allowance for Coinsurance Write-offs	\$239,000		\$177,350
Total Expenses	\$1,501,633	\$1,401,338	\$1,337,914
Depreciation	\$32,000	\$32,000	\$26,600
Cash on Hand	\$813,003		\$785,859
Total Employees	207		200
Income before City Fees:	\$32,384	\$32,588	\$63,955
Net Income	\$(949)	\$8,568	\$39,935

Census Information from Area Facilities as of February 26, 2019:

Chipol Health & Rehabilitation	93%
Signature Health Care at the Courtyard	95%
Signature of North Florida in Graceville	90%
River Valley Rehabilitation Center	88%

**Marianna Health and Rehabilitation Center**  
**Statement of Net Assets**  
**Schedule I**  
**January 31, 2019**

**ASSETS**

**Current Assets**

Cash	\$ 813,003.13	
Accounts Receivable - General	4,102,946.41	
AR Clearing Account	58,674.10	
Accounts Receivable - Others	(6,840.40)	
Allowance for Bad Debts	(837,000.00)	
Allowance For Co-Insurance Write-Offs	(239,000.00)	
Inventory - Supplies	72,192.56	
Prepaid Expenses	169,181.78	
Prepaid Maintenance	1,008.31	
Prepaid Insurance	62,405.81	
Prepaid Dues & Subscriptions	12,042.52	
<b>Total Current Assets</b>	<u>12,042.52</u>	\$ 4,208,614.22

**Property, Plant, & Equipment**

Land	50,000.00	
Buildings	9,225,569.50	
Vehicles	77,821.88	
Laundry Equipment	171,130.66	
Departmental Equipment	2,877,525.11	
Construction in Progress	0.00	
Less: Accumulated Depreciation		
A/D - Building	(4,539,575.97)	
A/D - Vehicles	(77,821.88)	
A/D - Departmental Equipment	(2,443,952.16)	
A/D - Laundry Equipment	(171,130.66)	
<b>Net Property, Plant, &amp; Equipment</b>	<u>(171,130.66)</u>	5,169,566.48

**Other Assets**

Utility Deposits	168.00	
Security Deposits	600.00	
Deferred Outflows-Contributions	1,247,816.00	
Deferred Outflows-Other Than Contributions	1,286,343.00	
<b>Total Other Assets</b>	<u>1,286,343.00</u>	<u>2,534,927.00</u>

<b>Total Assets</b>		<u>\$ 11,913,107.70</u>
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**Marianna Health and Rehabilitation Center  
Statement of Net Assets  
Schedule I  
January 31, 2019**

**LIABILITIES AND FUND BALANCE**

**Current Liabilities**

Accounts Payable - General	\$ 907,419.69	
Accrued Payroll	226,934.29	
Accrued Vacation Pay	217,463.33	
P/R Pay - Accrued Leave	46,081.28	
Retirement Pay - Accrued Leave	15,032.66	
Accrued Sick Pay	389,561.63	
FICA Tax Payable	17,360.43	
Resident Trust Liability	36,677.28	
Employee Insurance Withheld	59,757.57	
Child Support Withheld	(641.25)	
Retirement Fund Payable	13,060.99	
Medicare Settlement Payable	25,004.85	
Other Accrued Expenses	399.00	
<b>Total Current Liabilities</b>	<u>1,954,111.75</u>	\$ 1,954,111.75

**Long Term Liabilities**

Net Pension Liability	6,542,093.00	
Deferred Inflows	522,688.00	
<b>Total Long-Term Liabilities</b>	<u>7,064,781.00</u>	<u>7,064,781.00</u>

**Total Liabilities**

9,018,892.75

**Fund Balance**

Contribution from Gen. Public	54,654.69	
Contribution from State	5,047.00	
Contribution from Fed. Govt.	427,365.98	
Surplus	1,890,284.99	
Transfer to City	(29,953.00)	
Due to City - Management Fees	488,821.00	
Net Income (Loss)	57,994.29	
<b>Total Fund Balance</b>	<u>2,894,214.95</u>	<u>2,894,214.95</u>

**Total Liabilities & Fund Balance**

\$ 11,913,107.70

**Marianna Health and Rehabilitation Center**  
**Statement of Net Assets**  
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**January 31, 2019**

<b>Cash</b>		
Petty Cash	\$	950.00
SS Direct Deposit Acct		42,198.19
Expansion Project Fund		-
Cash in Bank - Activities Fund		14,327.06
Cash in Bank - Cash Mgmt Sweep		718,579.53
Cash - Payroll		271.07
Cash - Resident Trust Fund		<u>36,677.28</u>
<b>Total Cash</b>		\$ <u><u>813,003.13</u></u>

**Marianna Health and Rehabilitation Center  
Statement of Net Assets  
Schedule II  
For the Current Month and the  
Four Months Ending January 31, 2019**

	Current Actual	Pcnt	Per Pat Day	Current Budgeted	Current Variance	YTD Actual	Pcnt	Per Pat Day	YTD Budgeted	YTD Variance
<b>Income</b>										
Room & Board	\$ 1,246,676	83.07%	\$ 236.20	\$ 1,226,308	\$ (20,368)	\$ 4,975,433	84.67%	\$ 235.85	\$ 4,860,486	\$ (114,947)
Lab	20,853	1.39%	3.95	6,115	(14,738)	37,483	0.64%	1.78	24,262	(13,221)
Drugs	36,062	2.40%	6.83	25,479	(10,583)	122,052	2.08%	5.79	101,094	(20,958)
Physical Therapy	70,345	4.69%	13.33	68,337	(2,008)	254,663	4.33%	12.07	271,143	16,480
Speech Therapy	30,207	2.01%	5.72	32,296	2,089	114,087	1.94%	5.41	129,184	15,097
Occupational Therapy	69,202	4.61%	13.11	52,647	(16,555)	256,841	4.37%	12.17	210,588	(46,253)
Medical Supplies	39	0.00%	0.01	105	66	3,978	0.07%	0.19	417	(3,561)
Employee & Guest Meals	1,745	0.12%	0.33	1,898	153	6,235	0.11%	0.30	7,592	1,357
Interest Income	565	0.04%	0.11	47	(518)	1,509	0.03%	0.07	188	(1,321)
Activities Income	0	0.00%	0.00	166	166	0	0.00%	0.00	664	664
Miscellaneous Income	0	0.00%	0.00	41	41	0	0.00%	0.00	164	164
<b>Total</b>	<b>1,475,694</b>	<b>98.33%</b>	<b>279.59</b>	<b>1,413,439</b>	<b>(62,255)</b>	<b>5,772,281</b>	<b>98.23%</b>	<b>273.62</b>	<b>5,605,782</b>	<b>(166,499)</b>
Less: Cont. Allow	24,990	1.67%	4.73	(3,533)	(28,523)	103,876	1.77%	4.92	(14,015)	(117,891)
<b>Total Income</b>	<b>1,500,684</b>	<b>100.00%</b>	<b>284.33</b>	<b>1,409,906</b>	<b>(90,778)</b>	<b>5,876,157</b>	<b>100.00%</b>	<b>278.54</b>	<b>5,591,767</b>	<b>(284,390)</b>
<b>Expenses</b>										
Nursing	552,246	36.80%	104.63	539,795	(12,451)	2,181,674	37.13%	103.42	2,170,658	(11,015)
Dietary	106,089	7.07%	20.10	104,291	(1,798)	399,580	6.80%	18.94	416,909	17,329
Housekeeping	40,281	2.68%	7.63	47,568	7,287	163,423	2.78%	7.75	189,998	26,575
Laundry & Linen	25,622	1.71%	4.85	24,480	(1,142)	106,147	1.81%	5.03	98,552	(7,595)
Building & Grounds	100,173	6.68%	18.98	93,543	(6,630)	384,310	6.54%	18.22	373,019	(11,291)
Special Services	145,220	9.68%	27.51	138,613	(6,607)	544,718	9.27%	25.82	555,690	10,973
Admin & General	532,002	35.45%	100.80	453,048	(78,954)	2,038,312	34.69%	96.62	1,864,894	(173,417)
<b>Total Expenses</b>	<b>1,501,633</b>	<b>100.06%</b>	<b>284.51</b>	<b>1,401,338</b>	<b>(100,295)</b>	<b>5,818,163</b>	<b>99.01%</b>	<b>275.79</b>	<b>5,669,720</b>	<b>(148,443)</b>
<b>Net Income (Loss)</b>	<b>\$ (949)</b>	<b>-0.06%</b>	<b>\$ (0.18)</b>	<b>\$ 8,568</b>	<b>\$ 9,517</b>	<b>\$ 57,994</b>	<b>0.99%</b>	<b>\$ 2.75</b>	<b>\$ (77,953)</b>	<b>\$ (135,947)</b>

**Marianna Health and Rehabilitation Center**  
**Statement of Net Assets**  
**Schedule II**  
**For the Current Month and the**  
**Four Months Ending January 31, 2019**

	Current Actual	Pcnt	Per Pat Day	Current Budgeted	Current Variance	YTD Actual	Pcnt	Per Pat Day	YTD Budgeted	YTD Variance
<b>Nursing</b>										
Payroll - Director	\$ 8,655	0.58%	\$ 1.64	\$ 8,884	\$ 229	\$ 36,404	0.62%	\$ 1.73	\$ 40,195	\$ 3,792
Asst Dir.	8,205	0.55%	1.55	8,340	135	34,070	0.58%	1.62	37,737	3,666
R.N.	88,773	5.92%	16.82	81,203	(7,570)	336,690	5.73%	15.96	324,623	(12,067)
L.P.N.	118,663	7.91%	22.48	131,076	12,413	492,461	8.38%	23.34	521,968	29,507
Aides	235,464	15.69%	44.61	227,547	(7,917)	964,408	16.41%	45.72	913,591	(50,817)
Ward Clerks	17,469	1.16%	3.31	15,415	(2,054)	70,015	1.19%	3.32	64,274	(5,741)
Employee Drug Screening	343	0.02%	0.06	354	11	1,200	0.02%	0.06	1,416	216
Drugs	34,678	2.31%	6.57	29,166	(5,512)	118,737	2.02%	5.63	116,664	(2,073)
Nursing Supplies	25,785	1.72%	4.89	23,017	(2,768)	73,738	1.25%	3.50	91,326	17,588
Noncovered PPS Expenses	988	0.07%	0.19	3,709	2,721	7,394	0.13%	0.35	14,716	7,322
Oxygen	3,139	0.21%	0.59	3,923	784	14,676	0.25%	0.70	15,565	889
Respiratory Supplies	6,086	0.41%	1.15	1,893	(4,193)	16,010	0.27%	0.76	7,511	(8,499)
Medical Records Consultant	0	0.00%	0.00	720	720	0	0.00%	-	2,880	2,880
Pharmacy Consultant	1,622	0.11%	0.31	1,438	(184)	6,319	0.11%	0.30	5,752	(567)
Dental Consultant	0	0.00%	0.00	11	11	0	0.00%	-	44	44
Medical Director	2,375	0.16%	0.45	2,375	0	9,500	0.16%	0.45	9,500	0
Inservice Teaching Aides	0	0.00%	0.00	50	50	0	0.00%	-	200	200
Education	0	0.00%	0.00	366	366	0	0.00%	-	1,464	1,464
Advertising - Help Wanted	2	0.00%	0.00	208	206	52	0.00%	0.00	832	780
Travel - Nursing	0	0.00%	0.00	100	100	0	0.00%	-	400	400
<b>Total Nursing</b>	<b>552,246</b>	<b>36.80%</b>	<b>104.63</b>	<b>539,795</b>	<b>(12,451)</b>	<b>2,181,674</b>	<b>37.13%</b>	<b>103.42</b>	<b>2,170,658</b>	<b>(11,015)</b>
<b>Dietary</b>										
Salaries - Supervisor	7,547	0.50%	1.43	8,023	476	30,855	0.53%	1.46	33,679	2,824
Cooks	9,473	0.63%	1.79	8,860	(613)	36,496	0.62%	1.73	35,899	(598)
Aides	25,198	1.68%	4.77	26,886	1,688	98,713	1.68%	4.68	107,131	8,418
Food	49,080	3.27%	9.30	48,309	(771)	187,274	3.19%	8.88	191,677	4,403
Dietary Supplements	2,820	0.19%	0.53	3,434	614	6,357	0.11%	0.30	13,625	7,268
Kitchen Supplies	7,915	0.53%	1.50	6,445	(1,470)	31,773	0.54%	1.51	25,572	(6,201)
Equipment Rental	0	0.00%	-	306	306	0	0.00%	-	1,214	1,214
Dietician	4,056	0.27%	0.77	2,028	(2,028)	8,111	0.14%	0.38	8,112	1
<b>Total Dietary</b>	<b>106,089</b>	<b>7.07%</b>	<b>20.10</b>	<b>104,291</b>	<b>(1,798)</b>	<b>399,580</b>	<b>6.80%</b>	<b>18.94</b>	<b>416,909</b>	<b>17,329</b>
<b>Housekeeping</b>										
Salaries - Supervisor	3,341	0.22%	0.63	3,642	301	14,052	0.24%	0.67	14,879	827
Aides	31,269	2.08%	5.92	36,707	5,438	126,469	2.15%	5.99	146,476	20,007
Supplies	5,671	0.38%	1.07	7,219	1,548	22,901	0.39%	1.09	28,643	5,742
<b>Total Housekeeping</b>	<b>40,281</b>	<b>2.68%</b>	<b>7.63</b>	<b>47,568</b>	<b>7,287</b>	<b>163,423</b>	<b>2.78%</b>	<b>7.75</b>	<b>189,998</b>	<b>26,575</b>

**Marianna Health and Rehabilitation Center**  
**Statement of Net Assets**  
**Schedule II**  
**For the Current Month and the**  
**Four Months Ending January 31, 2019**

	Current Actual	Pcnt	Per Pat Day	Current Budgeted	Current Variance	YTD Actual	Pcnt	Per Pat Day	YTD Budgeted	YTD Variance
<b>Laundry</b>										
Salaries - Aides	22,034	1.47%	4.17	20,820	(1,214)	91,328	1.55%	4.33	83,912	(7,416)
Linen & Laundry Usage	1,987	0.13%	0.38	2,060	73	8,283	0.14%	0.39	8,240	(43)
Laundry Supplies	1,600	0.11%	0.30	1,600	0	6,536	0.11%	0.31	6,400	(136)
<b>Total Laundry</b>	<b>25,622</b>	<b>1.71%</b>	<b>4.85</b>	<b>24,480</b>	<b>(1,142)</b>	<b>106,147</b>	<b>1.81%</b>	<b>5.03</b>	<b>98,552</b>	<b>(7,595)</b>
<b>Building &amp; Grounds</b>										
Salary - Supervisor	4,014	0.27%	0.76	4,140	126	17,330	0.29%	0.82	16,913	(417)
Staff	9,885	0.66%	1.87	13,031	3,146	41,361	0.70%	1.96	51,881	10,520
Travel - Maintenance	0	0.00%	-	78	78	214	0.00%	0.01	312	98
Utilities	39,946	2.66%	7.57	27,873	(12,073)	118,247	2.01%	5.61	110,593	(7,654)
Repairs & Maint.	9,240	0.62%	1.75	11,298	2,058	58,076	0.99%	2.75	44,828	(13,248)
Deprec & Amort.	32,000	2.13%	6.06	32,000	0	128,000	2.18%	6.07	128,000	0
Rent	0	0.00%	-	223	223	0	0.00%	-	892	892
Insurance	2,242	0.15%	0.42	1,730	(512)	8,969	0.15%	0.43	6,920	(2,049)
Equipment Leasing	0	0.00%	-	150	150	0	0.00%	-	600	600
Pest Control	399	0.03%	0.08	369	(30)	1,596	0.03%	0.08	1,476	(120)
Outside Services	1,465	0.10%	0.28	1,455	(10)	5,860	0.10%	0.28	5,820	(40)
TV Repair & Service	982	0.07%	0.19	1,196	214	4,658	0.08%	0.22	4,784	126
<b>Total Bldg &amp; Grounds</b>	<b>100,173</b>	<b>6.68%</b>	<b>18.98</b>	<b>93,543</b>	<b>(6,630)</b>	<b>384,310</b>	<b>6.54%</b>	<b>18.22</b>	<b>373,019</b>	<b>(11,291)</b>
<b>Special Services</b>										
Salary - Act Dir.	11,673	0.78%	2.21	13,755	2,082	60,626	1.03%	2.87	54,652	(5,974)
Physical Therapy	53,508	3.57%	10.14	49,617	(3,891)	193,538	3.29%	9.17	198,468	4,930
Speech Pathology	19,858	1.32%	3.76	23,899	4,041	71,239	1.21%	3.38	95,596	24,357
Occup Therapy	48,874	3.26%	9.26	38,959	(9,915)	169,478	2.88%	8.03	155,836	(13,642)
Salaries - Social Worker	8,767	0.58%	1.66	9,909	1,142	38,349	0.65%	1.82	41,242	2,893
Social Service Supplies	134	0.01%	0.03	224	90	134	0.00%	0.01	896	762
Patient Activities	2,406	0.16%	0.46	2,250	(156)	11,354	0.19%	0.54	9,000	(2,354)
<b>Total Special Services</b>	<b>145,220</b>	<b>9.68%</b>	<b>27.51</b>	<b>138,613</b>	<b>(6,607)</b>	<b>544,718</b>	<b>9.27%</b>	<b>25.82</b>	<b>555,690</b>	<b>10,973</b>



**Marianna Health and Rehabilitation Center**  
**Statement of Net Assets**  
**Schedule II**  
**For the Current Month and the**  
**Four Months Ending January 31, 2019**

	<b>Current Actual</b>	<b>Pcnt</b>	<b>Per Pat Day</b>	<b>Current Budgeted</b>	<b>Current Variance</b>	<b>YTD Actual</b>	<b>Pcnt</b>	<b>Per Pat Day</b>	<b>YTD Budgeted</b>	<b>YTD Variance</b>
<b>Admin &amp; General</b>										
Salary - Admin	8,191	0.55%	1.55	8,495	304	30,389	0.52%	1.44	34,707	4,318
Asst Admin	1,035	0.07%	0.20	3,614	2,579	10,583	0.18%	0.50	14,764	4,181
Bookkeeper	2,959	0.20%	0.56	3,491	532	11,421	0.19%	0.54	13,851	2,430
Sec'y & Recept.	19,269	1.28%	3.65	24,509	5,240	88,310	1.50%	4.19	100,453	12,143
Advertising	0	0.00%	-	66	66	0	0.00%	-	264	264
Auto Operations	1,195	0.08%	0.23	835	(360)	3,464	0.06%	0.16	3,340	(124)
Consultant Fees	8,200	0.55%	1.55	8,200	0	32,800	0.56%	1.55	32,800	0
Data Processing	3,850	0.26%	0.73	3,075	(775)	13,680	0.23%	0.65	12,300	(1,380)
Dues & Subscriptions	1,152	0.08%	0.22	1,103	(49)	4,483	0.08%	0.21	4,412	(71)
Education	2,324	0.15%	0.44	364	(1,960)	3,732	0.06%	0.18	1,456	(2,276)
Travel & Entertainment	291	0.02%	0.06	700	409	2,188	0.04%	0.10	5,950	3,762
Equipment Rental	657	0.04%	0.12	1,075	418	21,976	0.37%	1.04	4,700	(17,276)
General Expense	1,935	0.13%	0.37	2,400	465	5,329	0.09%	0.25	6,900	1,571
AHCA Assessment Fee	115,297	7.68%	21.84	99,206	(16,091)	461,800	7.86%	21.89	396,824	(64,976)
Group Insurance	131,813	8.78%	24.97	119,783	(12,030)	498,352	8.48%	23.62	479,132	(19,220)
General Insurance	31,400	2.09%	5.95	20,148	(11,252)	91,648	1.56%	4.34	80,592	(11,056)
Legal & Accounting	2,753	0.18%	0.52	2,227	(526)	9,699	0.17%	0.46	8,908	(791)
Professional Services	690	0.05%	0.13	394	(296)	1,054	0.02%	0.05	1,576	523
Taxes & Licenses	3,090	0.21%	0.59	250	(2,840)	3,175	0.05%	0.15	1,000	(2,175)
General Office Expense	8,451	0.56%	1.60	4,398	(4,053)	22,840	0.39%	1.08	17,592	(5,248)
Payroll Taxes	54,666	3.64%	10.36	43,685	(10,981)	193,323	3.29%	9.16	199,581	6,258
Retirement Plan	57,065	3.80%	10.81	47,344	(9,721)	254,133	4.32%	12.05	213,048	(41,085)
Telephone	515	0.03%	0.10	1,666	1,151	2,512	0.04%	0.12	6,664	4,152
Bad Debt	41,870	2.79%	7.93	32,000	(9,870)	138,091	2.35%	6.55	128,000	(10,091)
City Administration Fee	33,333	2.22%	6.32	24,020	(9,313)	133,332	2.27%	6.32	96,080	(37,252)
<b>Total Admin &amp; General</b>	<b>532,002</b>	<b>35.45%</b>	<b>100.80</b>	<b>453,048</b>	<b>(78,954)</b>	<b>2,038,312</b>	<b>34.69%</b>	<b>96.62</b>	<b>1,864,894</b>	<b>(173,417)</b>

**Marianna Health and Rehabilitation Center  
Statement of Net Assets  
Schedule III  
For the Current Month and the  
Four Months Ending January 31, 2019**

	<b>Month</b>	<b>% Occ</b>	<b>Year</b>	<b>% Occ</b>
Bed Days Available	5,580	100.00%	22,140	100.00%
Total Bed Days	5,278	94.59%	21,096	95.28%

**Marianna Health and Rehabilitation Center  
Statement of Net Assets  
Schedule IV  
For the Current Month and the  
Four Months Ending January 31, 2019**

	<b>Current Actual</b>	<b>Pct</b>	<b>Current Budgeted</b>	<b>Current Variance</b>	<b>YTD Actual</b>	<b>Pct</b>	<b>YTD Budgeted</b>	<b>YTD Variance</b>
<b>Patient Days</b>								
Medicare	753	14.27%	672	(81)	2,972	14.09%	2,666	(306)
Medicaid	3,407	64.55%	3,900	493	13,452	63.77%	15,474	2,022
Private	794	15.04%	337	(457)	3,102	14.70%	1,337	(1,765)
Hospice	324	6.14%	0	(324)	1,570	7.44%	0	(1,570)
<b>Total Patient Days</b>	<u>5,278</u>	<u>100.00%</u>	<u>4,909</u>	<u>(369)</u>	<u>21,096</u>	<u>100.00%</u>	<u>19,477</u>	<u>(1,619)</u>