



McHenry County
Valley Hi Operating Committee - Public Meeting
AGENDA

March 28, 2025, 8:30 AM
Valley Hi Nursing Home
2406 Hartland Rd., Woodstock, IL 60098

Pages

1. **CALL TO ORDER**
Roll Call
2. **MINUTES APPROVAL**
 - 2.1 Valley Hi Operating Committee - Public Meeting - Jan 31, 2025 8:30 AM 2
3. **PUBLIC COMMENT**
4. **MEMBERS' COMMENTS**
5. **VALLEY HI ADMINISTRATOR REPORT**
6. **ROUTINE CONSENT AGENDA**
 - 6.1 Resolution Authorizing Adjustments in the Valley Hi Employee Roster including
Reclassifying Position #61018915, Eliminating Position #61007499, #61007399,
#61005899, and #61019721; and Creating 2 New FT Nurse Positions (61) 6
7. **OLD BUSINESS**
8. **DISCUSSION ITEMS**
9. **FUTURE TOPICS**
10. **EXECUTIVE SESSION (AS NECESSARY)**
11. **ADJOURNMENT**



McHenry County
Valley Hi Operating Committee - Public Meeting
MINUTES

January 31, 2025, 8:30 AM
Valley Hi Nursing Home
2406 Hartland Rd., Woodstock, IL 60098

Members Present: Mike Shorten, Carl Kamienski, John Collins, Terri Greeno, Deena Krieger,
Patrick Sullivan, Gloria Van Hof

Portions of these minutes may include content based on transcripts created by Generative AI technology
(Otter.ai). Full comments on all agenda items are included in the video recording of this meeting.

1. CALL TO ORDER

Meeting called to order at: 8:39 A.M.

Also present: Scott Hartman, Deputy County Administrator; Tom Annarella, Valley Hi Administrator; Kerri Wisz, CFO.

Mover: Sullivan

Second: Van Hof

To allow the remote attendance of Chair Shorten, Mr. Collins and Ms. Krieger.

Aye (4): Kamienski, Greeno, Sullivan, and Van Hof

Abstain (3): Shorten, Collins, and Krieger

Recommended (4 to 0)

2. MINUTES APPROVAL

Mover: Van Hof

Second: Greeno

Approve previous minutes from the January 3, 2025 meeting.

Aye (7): Shorten, Kamienski, Collins, Greeno, Krieger, Sullivan, and Van Hof

Recommended (7 to 0)

2.1 Valley Hi Operating Committee - Public Meeting - Jan 3, 2025 1:30 PM

3. PUBLIC COMMENT

None.

4. MEMBERS' COMMENTS

Terri Greeno emphasized her concern about protecting the funds for Valley High. She wanted to ensure that if federal funds were cut or other budgets were impacted, these funds wouldn't be seen as a resource to draw from. She expressed appreciation for continued efforts to establish safeguards and stated that she would keep raising the issue to keep it top of mind.

5. VALLEY HI ADMINISTRATOR REPORT

Thomas Annarella, Valley Hi Administrator, joined the committee for the report.

Mr. Annarella presented the preliminary financial report, which showed a loss of \$1.1 million for the year, as anticipated. This loss accounted for expenses and investments related to the memory care unit. Despite this, Valley Hi maintained \$19.9 million in assets, including cash, investments, and other financial resources.

Regarding the memory care unit, artwork had been installed, featuring images of various locations in McHenry County, and the design looked great. However, they were unable to hire their preferred candidate for the Memory Care Unit Director position and restarted the interview process. In the meantime, the team had been touring other memory care facilities in the area to observe their programming and pricing strategies. Their goal remained to open the memory care unit in March or April. Additionally, the HVAC motor issue had been resolved, and they were actively working to complete the fire department inspection.

For leadership development and strategic planning, the leadership team had begun a kickoff initiative focused on employee engagement by reading a book by Patrick Lencioni. As part of this effort, they planned to develop a two-year strategic operating plan for Valley Hi, ensuring it aligned with the county board's vision. Furthermore, the previous strategic plan report card was scheduled to be shared with board members for review and assessment.

In compliance matters, the 2024 annual compliance report identified three HIPAA-related concerns, all of which had been self-reported and thoroughly investigated. Tara Polte, the compliance officer, was responsible for overseeing the compliance plan and ensuring all reports were submitted to the quality assurance committee. Additionally, board members were required to undergo education on the corporate compliance plan as part of their responsibilities.

6. ROUTINE CONSENT AGENDA

- 6.1 Resolution Authorizing a 1-Year Contract with ReMed Services, LLC of Skokie, IL for the Purchase of Ancillary Medical Equipment, Furnishings, Parts, and other Resident and Facility Needs (61)

Pulled for discussion by Mr. Collins

Thomas Annarella, Valley Hi Administrator, joined the committee to discuss the resolution.

Mr. Collins raised a question about the resolution, specifically asking whether a specific dollar amount was included. The administrator, Mr. Annarella explained that the resolution did not include a minimum spend amount, as it covered both small ancillary equipment and larger equipment purchases. He clarified that the resolution was structured to provide flexibility for various types of equipment needs without setting a mandatory spending threshold.

Mr. Collins then asked for confirmation that any equipment purchase exceeding a certain dollar amount would still require board approval through a formal resolution. Mr. Annarella assured him that this was the case, explaining that any equipment purchase over a few thousand dollars would necessitate a separate resolution for board consideration and approval. This safeguard ensured that significant expenditures would still go through the appropriate review process.

Mr. Collins then expressed that he had no issue with the resolution's structure, as he was reassured that larger purchases would still require board oversight. His primary concern was ensuring that there were no procedural gaps in how spending was authorized.

Mover: Greeno

Seconded: Van Hof

The staff of Valley Hi routinely purchases medical equipment, resident room and common area furnishings, parts, and other resident and facility needs from ancillary medical providers. Medline Medical and Professional Medical are Valley Hi's current contracted providers for routine medical supplies, but do not always have equipment or parts which need to be purchased through an alternative source. Often Valley Hi staff cannot anticipate what items would be needed for purchase until a resident or facility need occurs. Valley Hi personnel will continue to follow the County's Purchasing Ordinance to obtain pricing, quotes, or RFP's for purchases as warranted and will use the lowest cost provider that can meet the need at that time.

Aye (7): Shorten, Kamienski, Collins, Greeno, Krieger, Sullivan, and Van Hof

Recommended (7 to 0)

7. OLD BUSINESS

None.

8. DISCUSSION ITEMS

Ms. Krieger leaves the meeting at 9:00 A.M.

8.1 Valley Hi Enterprise Fund Overview

Kerri Wisz, Chief Financial Officer, joined the committee for the discussion.

The discussion on the Valley Hi enterprise fund began when Ms. Wisz, the Chief Financial Officer, provided an overview of the different types of funds the county managed. She explained that Valley Hi was classified as an enterprise fund, meaning it operated similarly to a business, with the goal of generating revenue to cover its costs and operations. She then walked through the statement of net position (balance sheet) and the change in net position (income statement) for Valley Hi.

Ms. Wisz highlighted several key points in her overview. Valley Hi began the 2022 fiscal year with just under \$37 million in net position and ended the year at \$35.7 million. She noted that, in previous years, the board had actively worked to spend down some of the fund balance to support various projects. She emphasized that the Valley Hi fund remained entirely separate from the county's general fund and other special revenue funds, functioning as an independent financial entity. The funds stayed within the Valley Hi "silo" and were not mixed with other county resources.

Additionally, Ms. Wisz explained that the county treasurer had been investing the Valley Hi funds to generate interest and maximize the available assets. She also clarified that the county could not simply transfer money from the Valley Hi fund to the general fund, as all funds within the enterprise structure were required to remain dedicated to Valley Hi operations.

9. FUTURE TOPICS

Regarding the modeling diagrams, it was mentioned that Scott should be invited back to review the diagrams showing the different case mixes with Medicare, Medicaid, and private pay. This topic had been discussed previously, and there was a desire to ensure it was included on the agenda moving forward. Members also expressed interest in revisiting the discussion, as they had missed it during the previous meeting. Members explained that the modeling would depend on receiving the final numbers from the fiscal year 2024 audit, as well

as details on the memory care unit build-out. They anticipated being able to provide an updated model by the April meeting once those final numbers were available.

In terms of the memory care unit financials, it was noted that the current financial modeling for the unit was off, but in a positive direction. The initial assumptions on the average room rate had been too low compared to the market rates being observed. Additionally, there was consideration of dedicating some beds for short-term rehab for residents with memory deficits, which could further impact revenue projections. It was indicated that a better handle on the updated financials would be available by the April meeting.

Lastly, questions were raised about the E911 fund, which is a separate enterprise fund from Valley Hi. Members agreed that it would be beneficial to have Tiki Schulte, the Director of ETSB, provide a presentation on the E911 fund at a future meeting.

10. EXECUTIVE SESSION (AS NECESSARY)

None.

11. ADJOURNMENT

Mover: Greeno

Second: Sullivan

To adjourn the meeting at 9:48 A.M. -TCCazares

Aye (6): Shorten, Kamienski, Collins, Greeno, Sullivan, and Van Hof

Absent (1): Krieger

Recommended (6 to 0)

RESOLUTION

Resolution Authorizing Adjustments in the Valley Hi Employee Roster including Reclassifying Position #61018915, Eliminating Position #61007499, #61007399, #61005899, and #61019721; and Creating 2 New FT Nurse Positions (61)

WHEREAS, the Valley Hi Nursing Home Administrator continually evaluates the Valley Hi employee roster and positions to ensure facility is appropriately staffed to provide the necessary care for the residents; and

WHEREAS, resident and facility needs are changing as resident acuity increases and the facility prepares to open the new Memory Care Unit; and

WHEREAS, the Valley Hi Administrator has identified a need to address multiple areas in the employee roster to better position the organization; and

WHEREAS, the Valley Hi Administrator has worked with the County Human Resources Director to conduct a review of position #61018915 and has confirmed that a reclassification is warranted based on increased responsibilities, changes in facility acuity and services, and growing regulatory expectations; and

WHEREAS, the Valley Hi Administrator and leadership team has identified a need to amend resolution VH-2024-009 which established the staffing for the new Memory Care Unit to include additional nurse time requiring the creation of two (2) additional full-time nurse positions; and

WHEREAS, the Valley Hi Administrator has identified vacant positions in the Valley Hi roster to eliminate and account for the reclassification and creation of two (2) full-time nurse positions; and

WHEREAS, the overall net impact to the Valley Hi employee roster following said changes is an annual savings of approximately \$7,500 as detailed below; and

| Eliminating | Position | Hours | Base | Hourly Total | FICA @ .0765 | IMRF @ .0602 | Insurance @ \$3,003.89 | Total | Total Cost | |
|-----------------|--|------------|------|--------------|--------------|--------------|------------------------|--------------|--------------|-----------------------|
| | 61007499 2-day per week nurse | 11N 599 | 41 | \$24,559.00 | \$1,878.76 | \$1,478.45 | \$0.00 | \$27,916.22 | \$27,916.22 | |
| | 61007399 2-day per week nurse | 11N 807 | 41 | \$33,087.00 | \$2,531.16 | \$1,991.84 | \$0.00 | \$37,609.99 | \$37,609.99 | |
| | 61005899 3-day per week nurse | 11N 1208 | 41 | \$49,528.00 | \$3,788.89 | \$2,981.59 | \$0.00 | \$56,298.48 | \$56,298.48 | |
| | 61019721 Infection Preventionist | 15E Salary | | \$86,180.00 | \$6,592.77 | \$5,188.04 | \$3,003.89 | \$100,964.70 | \$100,964.70 | |
| | | | | | | | | | \$222,789.38 | Savings |
| Reclassifying | Position | Hours | Base | Hourly Total | FICA @ .0765 | IMRF @ .0602 | Insurance @ \$3,003.89 | Total | Total Cost | |
| | 61018915 Assistant Administrator (old) | 15E Salary | | \$101,687.51 | \$7,779.09 | \$6,121.59 | \$3,003.89 | \$118,592.08 | \$118,592.08 | |
| | 61018915 Assistant Administrator (new) | 19E Salary | | \$115,000.00 | \$8,797.50 | \$6,923.00 | \$3,003.89 | \$133,724.39 | \$133,724.39 | |
| | | | | | | | | | \$15,132.31 | Difference (new cost) |
| Creating | Position | Hours | Base | Hourly Total | FICA @ .0765 | IMRF @ .0602 | Insurance @ \$3,003.89 | Total | Total Cost | |
| | FTNurse | 11N 2080 | 41 | \$85,280.00 | \$6,523.92 | \$5,133.86 | \$3,003.89 | \$99,941.67 | \$99,941.67 | |
| | FTNurse | 11N 2080 | 41 | \$85,280.00 | \$6,523.92 | \$5,133.86 | \$3,003.89 | \$99,941.67 | \$99,941.67 | |
| | | | | | | | | | \$199,883.33 | New Cost |
| Overall Savings | | | | | | | | | \$7,773.74 | Overall Savings |

WHEREAS, all adjustments to the Valley Hi roster have been accounted for and will continue to be accounted for the Valley Hi operating budget; and

WHEREAS, the Valley Hi Operating and the Administrative Services Committees have reviewed and supports these changes.

NOW, THEREFORE BE IT RESOLVED, by this County Board of McHenry County, Illinois, that it hereby authorizes the Human Resources Director to reclassify position #61018915 in the employee roster

from a grade 15E to a 19E, eliminate positions #61007499, #61007399, #61005899, and #61019721 and creating two (2) new full-time nurse positions in the Valley Hi roster; and

BE IT FURTHER RESOLVED, said changes will result in a savings to the Valley Hi Operational budget of approximately \$7,500 and enhance the quality of services provided at Valley Hi; and

BE IT FURTHER RESOLVED, that the County Clerk is hereby authorized to distribute a certified copy of this Resolution to the Valley Hi Nursing Home Administrator; the Director of Procurement and Special Services; the County Auditor; the Chief Financial Officer; and the County Administrator.

DATED at Woodstock, Illinois, this 15th day of April, A.D., 2025.

Michael Buehler, Chairman
McHenry County Board

ATTEST:

Joseph J. Tirio, County Clerk

RESOLUTION

SUBJECT: Resolution Authorizing Adjustments in the Valley Hi Employee Roster including Reclassifying Position #61018915, Eliminating Position #61007499, #61007399, #61005899, and #61019721; and Creating 2 New FT Nurse Positions (61)

Board / Committee Action Requested:

Valley Hi seeks authorization to allow the County Human Resources Director to make changes in the Valley Hi Employee Roster, including:

- Reclassify position #61018915, Assistant Nursing Home Administrator from a 15E to a 19E
- Eliminate vacant positions #61007499 (part-time nurse), #61007399 (part-time nurse), #61005899 (part-time nurse) and #6101721 (full-time Infection Preventionist)
- Create 2 new full-time nurse positions

Background and Discussion:

The Valley Hi Administrator reviews the needs of the organization and evaluates facility positions and staffing needed to meet those needs. Long-term care has been changing rapidly with the conclusion of the pandemic response and the infusion of the baby boomers into the health care system. One key change has been the significant increase in the acuity level of the residents and patients being cared for at Valley Hi. This change, coupled with the opening of the new Memory Care Unit has once again identified the opportunity to make adjustments.

The role of the Assistant Nursing Home Administrator position continues to evolve. The individual in the position has been with the County for over 17 years, most of that time with Valley Hi. The position has grown from a support position to an essential day-to-day operational leadership position. Back in the summer of 2024; the process to evaluate and ultimately reclassify position #61018915 began. The Valley Hi Administrator and the County Human Resources Director discussed the increased responsibilities including the addition of the Memory Care Program, enhanced planning and scheduling of daily facility operations, increased fiscal responsibilities, increased regulatory expectations, and increased reimbursement challenges. At the same time, changes in the long-term care market and the recent hiring of new nursing leaders, have caused the position to fall behind within the employee roster.

Nurses and front-line staff have had recent market-based adjustments to their wages; however, administrative positions were not looked at during those reviews. This adjustment would reflect a leveling of the organizational structure.

As the Valley Hi leadership team has met with Memory Care Unit Director candidates and conducted facility visits, it has been determined that there is a need to have nurse coverage on the Memory Care Unit 24-hours a day rather than 8 hours a day. This will help provide a higher level of care and services to the approximately 20 daily residents on the unit once fully operational. This will require the addition of 2 full-time nurses and 2 part-time nurses to the Memory Care Unit staffing patterns. The two part-time positions are already available within the Valley Hi roster; however the full-time positions will need to be created. This change will amend resolution #VH-2024-009. The Memory Care Unit budget projections have been adjusted to account for the increased staffing and still show a significant positive cash flow position and will account for the increased staffing expenses.

To further account for the increased costs identified above; the Valley Hi Administrator conducted a full review of the vacant positions within the facility roster and has identified four (4) positions that can be eliminated without impacting facility operations or anyone on the roster; creating a projected savings of approximately \$7,500.

Eliminating the 3 identified vacant part-time nurse positions #61007499, #61007399, and #61005899 will not have any impact on resident and patient care. With the reduction in overall operational beds from the creation of private, short-term rehab rooms as well as the new Memory Care Unit; the positions are no longer needed. Position #6101721, the full-time Infection Preventionist position created in response to the pandemic, has been vacant for some time now. The responsibilities have been moved into the Assistant Director of Nursing role as the requirements have changed post-pandemic and no longer require a full-time person in that type of position. After the position being vacant for a period of time, the need to have a dedicated person in that role has been demonstrated as no longer necessary.

These changes to the Valley Hi roster will better reflect current facility needs and result in an overall savings to the roster.

Impact on Human Resources:

The changes identified above will result in the reclassification of position #61018915, Assistant Nursing Home Administrator from a 15E to a 19E; eliminate vacant positions #61007499 (part-time nurse), #61007399 (part-time nurse), #61005899 (part-time nurse) and #6101721 (full-time Infection Preventionist); and create 2 new full-time nurse positions within the Valley Hi roster.

Impact on Budget (Revenue; Expenses, Fringe Benefits):

The following chart reflects the impact of the proposed changes:

| Eliminating | Position | | Hours | Base | | Hourly Total | FICA @ .0765 | IMRF @ .0602 | Insurance @ \$3,003.89 | Total | Total Cost | | |
|-----------------|----------|-------------------------------|-------|--------|----|--------------|--------------|--------------|------------------------|--------------|--------------|-----------------------|--|
| | | | | | | | | | | | | | |
| | 61007499 | 2-day per week nurse | 11N | 599 | 41 | \$24,559.00 | \$1,878.76 | \$1,478.45 | \$0.00 | \$27,916.22 | \$27,916.22 | | |
| | 61007399 | 2-day per week nurse | 11N | 807 | 41 | \$33,087.00 | \$2,531.16 | \$1,991.84 | \$0.00 | \$37,609.99 | \$37,609.99 | | |
| | 61005899 | 3-day per week nurse | 11N | 1208 | 41 | \$49,528.00 | \$3,788.89 | \$2,981.59 | \$0.00 | \$56,298.48 | \$56,298.48 | | |
| | 6101721 | Infection Preventionist | 15E | Salary | | \$86,180.00 | \$6,592.77 | \$5,188.04 | \$3,003.89 | \$100,964.70 | \$100,964.70 | | |
| | | | | | | | | | | | \$222,789.38 | Savings | |
| Reclassifying | 61018915 | Assistant Administrator (old) | 15E | Salary | | \$101,687.51 | \$7,779.09 | \$6,121.59 | \$3,003.89 | \$118,592.08 | \$118,592.08 | | |
| | 61018915 | Assistant Administrator (new) | 19E | Salary | | \$115,000.00 | \$8,797.50 | \$6,923.00 | \$3,003.89 | \$133,724.39 | \$133,724.39 | | |
| | | | | | | | | | | | \$15,132.31 | Difference (new cost) | |
| Creating | Position | | Hours | Base | | Hourly Total | FICA @ .0765 | IMRF @ .0602 | Insurance @ \$3,003.89 | Total | Total Cost | | |
| | | | | | | | | | | | | | |
| | | FTNurse | 11N | 2080 | 41 | \$85,280.00 | \$6,523.92 | \$5,133.86 | \$3,003.89 | \$99,941.67 | \$99,941.67 | | |
| | | FTNurse | 11N | 2080 | 41 | \$85,280.00 | \$6,523.92 | \$5,133.86 | \$3,003.89 | \$99,941.67 | \$99,941.67 | | |
| | | | | | | | | | | | \$199,883.33 | New Cost | |
| Overall Savings | | | | | | | | | | | \$7,773.74 | Overall Savings | |

The proposed changes will be covered within the current Valley Hi FY2025 budget and will continue to be accounted for in future budgets.

Position Reclassification or Regrade, please address the following:

The Valley Hi Administrator and County Human Resources Director began discussing reclassification in July of 2024. At that time a new Comprehensive Position Questionnaire was completed to account for the changing role and changes within the Valley Hi roster. It was determined that the adjustment was appropriate. The timing of the change being made coincides with the opening of the new Memory Care Unit and the increased revenue expected.

The change reflects an increase in the amount of \$15,132.31 after all benefits have been accounted for. The change levels the current employee roster as well.

Impact on Capital Expenditures:

None

Impact on Physical Space:

None

Impact on Other County Departments or Outside Agencies:

None

Conformity to Board Ordinances, Policies and Strategic Plan:

This resolution is presumed to comply with all applicable policies and ordinances.