



SHEBOYGAN COUNTY

Katherine Clinton
Rocky Knoll

March 1, 2024

Honorable Members of the Sheboygan County Board and County Administrator Alayne Krause,

Attached please find the 2023 Annual Report for Rocky Knoll Health Care Center. The report is inclusive of our mission statement and responsibilities, accomplishments, goals and objectives achieved in 2023, a synopsis of our budget status, current issues and challenges we face as a skilled nursing facility, as well as goals and objectives identified for 2024.

Rocky Knoll regained the Center for Medicare and Medicaid Services five-star rating in June 2023 and continues to be the only five-star facility in Sheboygan County. Rocky Knoll also had its first positive variance since 2019 in the second quarter of 2023, and we ended the year with a \$118,043 variance compared to what was budgeted, not including depreciation.

A significant highlight of 2023 is the 61 nurse aid students Rocky Knoll enrolled through our program in partnership with Lakeshore Technical College utilizing Rocky Knoll's renovated clinical classroom. As a result, 52 students completed the training program to become certified nursing assistants.

Despite the post-pandemic and workforce challenges, Rocky Knoll continues to be a leader in Sheboygan County for providing outstanding short-term rehab and long-term skilled nursing services.

I want to thank the County Administrator, Finance Director, and County Board for their ongoing support of Rocky Knoll, specifically for targeting American Rescue Plan Act funds to address the ongoing challenges exacerbated by the pandemic. Your support allows us to carry out our mission and continue to serve the residents of Sheboygan County that call Rocky Knoll "home."

Respectfully Submitted,

Katherine (Kayla) Clinton
Rocky Knoll Administrator

Mission Statement and Summary of Responsibilities

The purpose of the Sheboygan County Health Care Center shall be to establish an integrated system of long-term care delivery designed for and dedicated to providing optimal services to its constituents.

The Sheboygan County Health Care Center known as Rocky Knoll Health Care Center is licensed and certified as a Skilled Nursing Facility. The license requires that the Health Care Center complies with state administrative codes and federal regulations established to ensure that residents receive quality care, at a time in their lives when they are dependent on others.

The responsibilities of the Health Care Center are directed by six guiding principles:

1. Proactively anticipate and meet our residents' physiological and psychological needs
2. Continually provide high quality care and service to the residents we serve
3. Maintain open communication with staff, residents, and representatives
4. Maintain fiscal responsibility to the taxpayers of Sheboygan County
5. Maintain an open working relationship with the Health Care Center Committee, Foundation Committee, other Committees, members of the County Board, and all other County departments
6. Remain dynamic in approach and open to improving operations, recognizing fiscal challenges, and identifying opportunities for alternative revenue streams

Goals and Objectives Achieved in 2023

- Re-gained the Five Star quality rating acknowledged by the Centers for Medicare and Medicaid Services, which reflects a quality health survey, quality care, and adequate staffing.
- Increased average daily census to 110 and achieved a positive variance compared to the budget, not including depreciation.
- Collaborated with Lakeshore Technical College to facilitate certified nursing assistant classes onsite at Rocky Knoll with 52 students completing the nurse aid in training program in 2023.
- Brought food and dining services back under the Sheboygan County ownership.
- Completed facility projects such as the water tower, chiller replacements, and the opening of the 2West area.

Budget

	2023 Budget	2023 Results	Variance
Revenues	\$15,152,866	\$18,083,689	\$2,930,823
Expenses	\$16,120,576	\$18,666,982	-\$2,546,406
Transfers In/Out	\$967,710	\$723,336	-\$266,374
Total	\$0	\$118,043	\$118,043

Rocky Knoll's total amended budget for 2023 was \$16,120,576 of which \$1,164,000 was supplemented with tax levy dollars. Additionally, Rocky Knoll has received \$723,336 in American Rescue Plan Act funds. 2023 ended with a positive variance of \$118,043.

Looking at 2024, we expect \$1,039,193 of tax levy usage reflecting a 10.7% decrease from 2023 as part of an overall \$17,412,000 budget.

Operationally, Rocky Knoll continues to adhere to a fiscally responsible approach to spending. Supervisors remain cognizant of their own budgets and explore cost saving measures. Recruitment and retention, updating and upgrading the facility continues to remain a focus to enhance the quality of resident lives and to remain competitive in our market.

Issues and Challenges Ahead

Our biggest short term and long-term challenge is staffing. Our long-term care facilities throughout the state and nation continue to struggle with inadequate numbers of nurse aides and other licensed nursing staff. Despite addressing wages and benefits, we have not made the necessary gains in hiring, and as result, Rocky Knoll is relying heavily on agency staff which is costly. We hope to maintain and/or increase overall census and revenue to cover additional cost of agency staffing

Goals and Objectives for 2024

- Continue working with the Human Resources Department to recruit and retain Registered Nurses, Licensed Practical Nurse, Certified Nursing Assistants, and other Rocky Knoll personnel to decrease use of agency staff.
- Continue partnering with local businesses and educational institutions to promote the careers within Rocky Knoll and the incentives and benefits we provide.
- Maintain budgeted census as staffing improves and maintain increased level.
- Maintain 5-Star Quality Rating issued by Center for Medicare and Medicaid Services.