

**Northeast Michigan Community Mental Health Authority Board**  
**August 12, 2021**

**I. Call to Order**

Chair Eric Lawson called the meeting to order in the Board Room at 3:00 p.m.

**II. Roll Call and Determination of a Quorum**

Present: Robert Adrian, Geyer Balog, Les Buza, Bonnie Cornelius, Roger Frye, Lynnette Grzeskowiak, Terry Larson, Eric Lawson, Pat Przeslawski, Terry Small

Absent: Judy Jones (excused), Gary Nowak (excused)

Staff & Guests: Carolyn Bruning, Lee Ann Bushey, Connie Cadarette, Mary Crittenden, Rebekah Duhaime, Erin Fletcher, Ruth Hewett, Chelsea Meeder, Larry Patterson, Nena Sork, Eileen Tank, Jen Whyte

**III. Pledge of Allegiance**

Attendees recited the Pledge of Allegiance as a group.

**IV. Appointment of Evaluator**

Bob Adrian was appointed as evaluator for this meeting.

**V. Acknowledgement of Conflict of Interest**

No conflicts were identified.

**VI. Information and/or Comments from the Public**

There were no comments presented.

**VII. Approval of Minutes**

*Moved by Roger Frye, supported by Pat Przeslawski, to approve the minutes of the July 8, 2021 meeting as presented.* Motion carried.

**VIII. Educational Session – Compliance Audit (Straley, Lamp & Kraenzlein PC)**

Chelsea Meeder from Straley, Lamp & Kraenzlein provided Board members with an overview of the Compliance Report conducted for FY20. She reported the opinion indicated the Agency complied with all the requirements granting an unmodified opinion. This is the best opinion to be awarded. She reported they reviewed the material weakness, etc. She reviewed the examined Financial Status Reports which had no adjustments to correct submission. This was a clean audit.

Eric Lawson provided kudos to the team for getting a clean audit. Nena Sork noted this audit period was the first year with our current financial/compliance team.

*Moved by Pat Przeslawski, supported by Lynnette Grzeskowiak, to accept and file the FY20 Compliance Report.* Pat Przeslawski noted this agency's staff is something to be proud of. Motion carried.

**IX. Consent Agenda**

- 1 Saginaw Psychological Services Inc.**
- 2 modéle Consulting LLC**

*Moved by Pat Przeslawski, supported by Terry Small, to approve the Consent Agenda as presented.* Motion carried.

**X. August Monitoring Reports**

**1. Treatment of Individuals Served 01-002**

Ruth Hewett reported the Committee met in July and reviewed the quarterly report. Ruth Hewett reported the semi-annual report was also reviewed and forwarded to the State. The State Rights office will be here next week conducting their triennial audit, Tuesday through Friday.

**2. Staff Treatment 01-003**

Nena Sork reported the overall Agency turnover rate for the six months is 16%. She reported she participated in a conference call Monday with MDHHS to discuss staffing needs and issues related to retaining staff and the rates were much higher in other regions.

**3. Budgeting 01-004**

Connie Cadarette reviewed the Statement of Revenue and Expense for month ending June 30, 2021. She reported the revenues are coming in more than budgeted. At this point, we are underspent in Medicaid by \$2.1M and underspent in Healthy Michigan by \$618,699.15.6% more and 27.6% more in Healthy Michigan this year. Connie reported the General Funds underspending is similar across the state due to the spend-downs not being assessed to individuals. In pre-pandemic years, an individual's spend-down was covered by General Funds.

Larry Patterson reviewed the variances in the expense portion of this report. He reported the salaries and pension variance is due to the 3% retention payments being awarded to staff. He reported staff recruitment costs are increased this year. He notes there is a strong effort to develop new methods of attracting staff. Contract Inpatient is also overspent and this will most likely require a budget adjustment. Contract residential is somewhat due to a timing issue but this will also need a budget adjustment. Rent is due to the relocation of residents from the group homes due to renovation projects and rent associated with the relocations. The variance in Capital Equipment is due to the additional items being purchased. The adaptive client equipment variance is due to the wheelchair previously reported.

**4. Financial Condition 01-005**

Connie Cadarette reviewed the Proprietary Funds report noting the change in net position of \$291,277. There are 47 days of unrestricted net funds. The quarterly balance sheet of the endowment fund was also reviewed.

Connie Cadarette reported the NMRE puts out bids every three years for audit purposes. She reported four of the five boards use the same audit firm for their audits. She reported it would be much easier for the NMRE to have all five board use the same auditing firm. This will provide an option to have another set of eyes looking at the books. The bids were received and a firm (Roslund, Prestage & Company, P.C. (RPC)) the other four boards use was suggested to be used for the entire region. The cost is slightly more than what this Agency has paid by about \$10,000. Board members expressed concerns about not having a local company providing services versus a company outside our service area. The proposal was for a three-year agreement. Bob Adrian voiced concern about paying more money for the service. If our current auditor provided a bid and were lower, why go with the higher bid. Eric Lawson suggested the board representatives on the NMRE relay the concerns at the NMRE Board meeting. Connie Cadarette will alert Deanna at the NMRE of the Board's concern. It may be we try it for one year but not lock into a three-year contract.

The following motion is aimed at the monitoring reports only and not related to the discussion about potential audit firms for next year's audit.

***Moved by Roger Frye, supported by Terry Small, to accept the August Monitoring Reports as presented.*** Motion carried.

**XI. Board Policies Review & Self-Evaluation**

**1. Chairperson's Role 02-004**

Board members reviewed this policy. Eric Lawson requested input from Board members as to whether this policy is being followed. He requested an "s" be added to paragraph 3 on the second page. Another change would be to change township to county in that paragraph.

**2. Board Member Per Diem 2-009**

The per diem rates and mileage rates were discussed. The hotel rate was clarified. The mileage rate was increased effective July 1, 2021 to 55¢ from 50¢. This policy did not require any revisions.

**3. Board Self-Evaluation 02-012**

Pat Przeslawski noted this evaluation process is difficult to do. She reported having less committees in the governance process has worked well.

*Moved by Les Buza, supported by Bob Adrian, to revise Policy 02-004 Chairperson's Role as discussed.* Motion carried.

**XII. Linkage Reports**

**1. Northern Michigan Regional Entity (NMRE)**

**a. Board Meeting July 28, 2021**

Roger Frye reported there were many expenses approved for SUD using the PA2 dollars. Eric Lawson noted the next NMRE meeting should have discussion related to the audit bid. Bob Adrian questioned if this Agency provided substance use treatment. Nena Sork noted the services provided by this Agency are for those with a co-occurring disorder, individuals with a serious mental illness and substance use disorder. Our services are billed under the mental illness codes. Catholic Human Services is the provider of substance use services in this region.

**2. Community Mental Health Association of Michigan (CMHAM)**

**a. Annual Dues Assessment**

The dues for this Agency from the CMHAM will increase by \$261 for the year. The dollars are based on the size of the budget. Nena Sork informed Board members of the advantages this Agency receives due to the Agency being a member of this organization.

*Moved by Terry Larson, supported by Les Buza to approve the dues assessment for the Community Mental Health Association of Michigan.* Motion carried.

**3. Advisory Council**

Les Buza reported the Council viewed a slide presentation on the residential home program. He reported the program was a well put together and suggested this be an educational session to the Board in the future. Nena Sork noted our new Home Manager, Nicole Kaiser, with support from Rebekah Duhaime, put the presentation together.

**XIII. Operations Report**

Mary Crittenden reviewed the July data with the Board. She noted 992 unduplicated individuals received services. Outpatient counseling is down slightly as there are currently three vacancies in this program. In addition, vacations impact the number of services delivered during July. One new person was admitted to the residential home program.

**XIV. Chair's Report**

Eric Lawson presented an option to waive the November 4<sup>th</sup> meeting due to the timing of the meeting. The regular November meeting would have fell on Veteran's Day, which is a holiday for the Agency. The December meeting falls early in the month of December. Terry Larson indicated if there was a need to conduct business the Board Chair could call a meeting.

*Moved by Terry Larson, supported by Terry Small, to cancel the November 4<sup>th</sup> meeting unless there is a need to convene which will be at the call of the Chair.* Motion carried.

**1. Begin Board Self-Evaluation**

Board members reviewed the excerpts of the self-evaluation of the policies provided during the meeting. The next step is to compile the results of the feedback received through the survey included in the mailing.

**2. Director's Evaluation**

Eric Lawson reported the performance of the director is reviewed each month during monitoring reports. Pat Przeslawski notes she is very satisfied with the direction the Agency is going.

*Moved by Roger Frye, supported by Pat Przeslawski, to award a positive evaluation to the Director for the period of August 2020 through July 2021.* Pat Przeslawski reported this past year with COVID challenges services were still provided in a positive manner. Roger Frye indicated the staff need to be acknowledged in the support of the Director. Eric Lawson noted the provision of leadership training is also good to see. Motion carried.

**XV. Director's Report**

**1. Director's Update**

Nena Sork provided Board members with an update of the various activities she has participated in during the past month. She thanked the Board for their confidence they have shown in her and thanked her staff for all the support. She attended the Director's Forum on July 12<sup>th</sup> which was held virtually. She noted the Board Association is very active in legislative activities. Nena Sork reported the counties have supported the resolutions recently. She reported the NMRE Finance committee was held yesterday. The OPS Committee is working very hard to have a rural exemption should the state try to privatize the mental health system.

She noted she attended the Alcona County Commissioners meeting and the Montmorency County Commissioners meeting. After the Montmorency meeting, she continued on to Gaylord for the NMRE Board meeting. The region directors met with all the Representatives in the northern region to discuss the Whitehead and Shirkey bills. The representatives from our region who were in attendance included Representative Sue Allor and Representative Ken Borton. Senator Stamas did not attend. The Presque Isle County Commissioner's meeting was moved and we were notified after the meeting of the change. She will meet with them on August 27<sup>th</sup>.

Met with the Cheboygan/Presque Isle Human Services as part of their annual meeting. She attended the NMORC (Northern Michigan Opioid Response Consortium) Prevention meeting. She also participated in a Great Lakes Leadership Cohort addressing issues related to COVID. Budget planning for FY22 has begun. She reported the Agency trustees had their annual meeting with VOYA. She reported a few months ago a retention payment was discussed with the Board related to contributions to a deferred comp account. Progress is being made to that end and educational sessions are set up for staff to attend to learn more. The Emergency Managers Team meeting was held on Monday.

As mentioned in the monitoring report related to Staff Treatment and turnover, MDHHS hosted a call on Monday related to the crisis of staff recruiting. She notes increased costs related to recruitment will continue. Contract renewals and budgets are underway.

Nena reports this Board had discussed holding the last quarter payment back due to the State not following the schedule outlined to eliminate the local match process. There is a Senate Bill in the process to be passed. She notes traction is underway to resolve this concern. The payment is due soon. Nena would recommend our quarterly payment be made rather than cause more issues.

Nena Sork reported community activities include staff participating in a Pop Up Pantry on August 21<sup>st</sup>, the Suicide Prevention Walk on September 25<sup>th</sup> and the Take Back Event on October 25<sup>th</sup>.

**2. Endowment Fund Grant Awards**

The grant award from the Endowment Fund was reviewed. The report for this period indicates assistance was provided with work clothing and a bicycle for transportation to work.

Bob Adrian questioned if there was traction with the letters written to the legislators. Nena Sork reported this did get everyone to the table. Representative Sue Allor and Ken Borton attended the Northern Caucus gathering the week of July 26<sup>th</sup>. Representatives from our partner Boards were also in attendance. She reported Senator Stamas did not attend and his office sent a form letter out to each county; basically the same letter..

**XVI. Information and/or Comments from the Public**

Eileen Tank, Bay View Center, provided the board with information about the drop in center. She reports the Bay View Center is a recovery center accepting people with a recovery diagnosis, over 18 and must be able to take care of themselves. The Center provides opportunities for group and socialization activities. Eileen had been the Director and is now the Assistant Director. She reported the 10-year anniversary is coming up September 17<sup>th</sup> and will be publicized. She extended an invitation to all Board members. She reported this Agency has been very supportive of the Center.

Eric Lawson noted this might be a good topic for an educational session for the future for the Board.

**XVII. Information and/or Comments for the Good of the Board**

Roger Frye noted the NMRE Board meeting topic was to decide how much money should be held in the budget for SUD. He noted one board had overspent their allotment. Terry Larson noted there is a large amount in reserves.

**XVIII. Next Meeting**

The next regularly scheduled meeting of Northeast Michigan Community Mental Health Authority Board will be held Thursday, September 9, 2021 at 3:00 p.m.

**1. Set September Agenda**

The September agenda items were reviewed. The Public Hearing for the FY22 budget will be held in conjunction with the meeting.

**XIX. Evaluation of Meeting**

Bob Adrian was evaluator of the meeting. Eric Lawson provided the Board with Bob’s evaluation from notes on the form. The meeting started on time. Short audit education was quicker than normal for an educational session. He noted there was lots of discussion and input. This was a good meeting with lots of meaningful dialogue.

**XX. Adjournment**

*Moved by Geyer Balog, supported by Terry Small, to adjourn the meeting.* Motion carried. This meeting adjourned at 4:20 p.m.

*[signed by Bonnie Cornelius on 09/09/2021]*  
Bonnie Cornelius, Secretary

*[signed by Eric Lawson on 09/09/2021]*  
Eric Lawson, Chair

Diane Hayka  
Recorder