

**Northeast Michigan Community Mental Health Authority (NeMCMHA) Board  
Board Meeting  
April 13, 2023**

**I. Call to Order**

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

**II. Seating of Board Members**

Eric reseated Bonnie Cornelius, Lynnette Grzeskowiak, and Gary Nowak.

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

Present: Les Buza, Bonnie Cornelius, Lynnette Grzeskowiak, Charlotte Helman, Judy Jones, Terry Larson, Eric Lawson, Lloyd Peltier, Pat Przeslawski, Terry Small

Absent: Robert Adrian (Excused), Gary Nowak

Staff & Guests: Dennis Bannon, Carolyn Bruning, Connie Cadarette, Mary Crittenden, Erin Fletcher, Kingsli Kraft, Chelsea McConnell, Brooke Paczkowski, Larry Patterson, Cheryl Pine-Stanczyk, Abbey Podbielski, Nena Sork, Jen Walburn

**IV. Pledge of Allegiance**

Attendees recited the Pledge of Allegiance as a group.

**V. Appointment of Evaluator**

Lynnette Grzeskowiak was appointed as evaluator for this meeting.

**VI. Acknowledgement of Conflict of Interest**

No conflicts of interest were acknowledged.

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

Abbey Podbielski, Light of Hope Clubhouse Director, reported they completed their international accreditation and they are tentatively accredited for three years.

**VIII. Nomination Committee Report**

Pat Przeslawski stated the committee suggests Lloyd Peltier be appointed Vice Chair, and the three other positions remain as they are. They were unanimous in their recommendation.

**IX. Election of Officers**

Eric asking three times for nominations for each officer position. Board members chose voice voting as the method of election. The Board was unanimously in favor of Eric Lawson as Board Chair, Lloyd Peltier as Vice Chair, and Bonnie Cornelius as Secretary. Eric reappointed Gary Nowak as Past Chair.

**X. Approval of Minutes**

*Moved by Les Buza, supported by Lynnette Grzeskowiak, to approve the minutes of the March 9, 2023 Board meeting as presented.* Motion carried.

**XI. Audit Report – Financial & Compliance (Straley, Lamp & Kraenzlein PC)**

Chelsea McConnell, C.P.A., from Straley, Lamp & Kraenzlein P.C. provided a summarized report of the NeMCMHA financial and compliance audit for the year ending September 30, 2022. NeMCMHA was issued an unmodified opinion, which is the highest level of that can be issued. Chelsea noted the inclusion of GASB 87 will impact comparability to past years. Overall, both assets and liabilities decreased from 2021's fiscal year end. Some of the major variances were a decrease in cash and equivalents of about \$4.3 million, an increase in accounts receivable of about \$1.5 million, and a decrease in accounts payable of about \$2.1 million. The number of days of expenses in unrestricted net position was 35 in 2021 and 32 in 2022. The Agency was issued an unmodified report on their Compliance Examination. In their opinion, NeMCMHA complied, in all material respects, with compliance requirements issued by MDHHS. The auditors did not identify any deficiencies in internal control over compliance that were considered a significant deficiency or material weakness.

## **XII. April Monitoring Reports**

### **1. Budgeting 01-004**

Connie Cadarette reviewed the Statement of Revenue and Expense and Change in Net Position for the month ending February 28, 2023. Medicaid is overspent \$356,333 and Healthy Michigan is underspent \$390,843. This would make the amount due back to the NMRE \$34,510 as of the end of February. General Funds are underspent \$349,186. With the public health emergency ending, General Funds may need to be used for Medicaid spenddowns. The NMRE has an internal service fund they have asked the CMHSPs to use in FY23. The funds cannot be distributed upfront, but NeMCMHA was told to budget for an additional \$1.8 million. If the funds are not spent the NMRE will have to return them to the State. Next month numbers will start showing as negative due to using the extra funds the NMRE has set aside, but the actual funds won't show up until the end of the fiscal year. An additional amount of up to \$2.2 million can be spent and show as negative without the Agency actually being in a deficit.

Larry Patterson reviewed expenses with negative variances on the Statement. Program Supplies had been heavily cut to balance the budget at the start of the fiscal year, and it will require an adjustment. Larry is anticipating a significant hit to Contracted Inpatient next month due to high cost individuals in placement. The line item for Contract Employees & Services took a large jump as they received over \$300,000 in invoices from charges going back to October. This line item will require a budget adjustment. Line items for Mileage and Gasoline, Professional Fees, and Food will continue to be monitored. With 41.7% of the year elapsed, the Agency is at 40.7% of budgeted expenses.

### **2. Financial Condition 01-005**

Connie reported as of the end of February, the change in net position is negative \$71,375. This is all local funds, a lot of which haven't been received yet. The current days of cash is 31. She stated unrestricted funds are being shown differently on financial statements, so they are showing a little lower than before in order to comply with the new auditing standards.

### **3. Asset Protection 01-007**

This was included in the audit report discussion, and there were no additional questions from the Board.

### **4. Communication and Counsel 01-009**

This monitoring report was provided as a handout. The Board didn't have any questions on the report.

*Moved by Terry Small, supported by Lloyd Peltier, to approve the April Monitoring Reports.*  
Motion carried.

## **XIII. Board Policies Review & Self-Evaluation**

### **1. Financial Condition 01-005**

There were no questions or suggested revisions on this policy.

### **2. Communication and Counsel to the Board 01-009**

The Board reviewed the policy and did not suggest any revisions.

### **3. Governing Style 02-002**

Pat Przeslawski reported the discussion during the Nominations Committee meeting was that they all feel respected at meetings. The Board was satisfied with the policy as is.

### **4. Cost of Governance 02-013**

Eric stated there are revisions every year to adjust the policy to the current year's numbers. Charlotte Helman stated the policy will be more concise with the revisions.

*Moved by Pat Przeslawski, supported by Terry Small, to approve the revisions to the Cost of Governance Policy.* Roll call: Ayes: Les Buza, Bonnie Cornelius, Lynnette Grzeskowiak, Charlotte Helman, Judy Jones, Terry Larson, Eric Lawson, Lloyd Peltier, Pat Przeslawski, Terry Small; Nays: None; Absent: Robert Adrian, Gary Nowak. Motion carried.

**XIV. Linkage Reports**

**1. NMRE Board Meeting – March 22**

The NMRE Board received a cyber-security report and they are doing well. Eric noted they discussed a state-wide housing plan and he has a flyer if anyone is interested in more information.

**2. Advisory Council Meeting – April 10**

Les Buza reported the council re-elected their current officers. Nena stated the Council will meet with the Board for their June meeting. Possible new members will be asked to attend their August meeting. Nena also reported a local NAMI group is starting to form, and she will be attending their next meeting on May 2. The group has state approval and is now waiting on national approval.

**3. CMHA Summer Conference “Cultivating Community” June 6 & 7**

Eric noted the CMHA Summer Conference will be on Tuesday and Wednesday, June 6 and 7. Voting delegates will be needed on June 5. Eric and Bonnie Cornelius both plan on attending the conference.

**XV. Operations Report**

Mary Crittenden reported on individuals served in March. There were 64 routine requests for services and no emergent or urgent requests. Children’s home-based services served 29 individuals and I/DD services served 182 individuals. During the month of March, 1,123 unduplicated individuals were served by the Agency. Physicians services has consistently increased over the last few months due to the Agency now having the largest number of providers they’ve ever had. Physicians services are also seeing individuals more frequently while the number of case managers is down.

**XVI. Chair’s Report**

**1. Section 222 & Conflict of Interest Forms**

Eric asked that Board members complete the forms and turn them to Rebekah.

**2. Establishment of Regular Meeting Date**

Board member would like to keep the meeting as the second Thursday of the month at 3:00 p.m.

*Moved by Pat Przeslawski, supported by Judy Jones, to establish the regular meeting date as the second Thursday of month at 3:00 p.m. Motion carried.*

**3. Appointment of Standing Committees**

Eric reappointed the current members of the Recipient Rights Committee, including Board members Judy Jones and Pat Przeslawski. Charlotte Helman, Terry Larson, Pat Przeslawski, and Terry Small were appointed to the Nominations Committee. Les Buza was reappointed to Consumer Advisory Council.

**XVII. Executive Director’s Report**

Nena provided the Board with an update on the AFC assessment tool. Mary, Morgan Hale, Brooke Paczkowski, and Erin Fletcher met with AFC providers from three counties (Alcona County does not have any contracted AFC providers) to review the changes to the assessment tool. They made five additional revisions during the meeting. The old assessment tool had a maximum score of 81 and the new tool has increased it by 15 – 20 points. The next step is to reassess the 11 contracts that saw reduced rates this year, and then the new tool will be used for everyone during their next plan of service. Erin stated they will be training all case managers on the new form and how to discuss it with AFC providers.

Nena met with Abbey Podbielski before Clubhouse began their accreditation and went back for their official accreditation meeting. They have invited Nena to go with them to South Carolina for three days for their Intensive Comprehensive Colleague Training. She met with Partners in Prevention who reported they have completed four Mental Health First Aid trainings for law enforcement and first responders.

Blue Horizons is contracted through the Agency to provide staff and supervision, but they have their own board of directors. This year they had an insurance reviewer question why they are letting staff drive their vehicles, as the staff do not technically work for the board. The Agency, having received Eric’s approval,

bought the vehicles and will include them in the Agency's fleet as NeMCMHA staff are driving them. They will be covered under the MMRA insurance.

The Agency has been brainstorming ways to spend the additional funds. They would like to finish replacing carpet in the office, which would cost roughly \$45,000. She would also like to contract with Rehman, or another group, to provide consultative services on the internal functioning of the Agency. Nena would seek a contract and then bring it to the Board for approval.

***Moved by Terry Small, supported by Charlotte Helman, to approve Nena seeking out a contract for consultation on the Agency.*** Roll call: Ayes: Les Buza, Bonnie Cornelius, Lynnette Grzeskowiak, Charlotte Helman, Judy Jones, Terry Larson, Eric Lawson, Lloyd Peltier, Pat Przeslawski, Terry Small; Nays: None; Absent: Robert Adrian, Gary Nowak. Motion carried.

Last year Nena had been granted permission by the Board to make one-time purchases that exceed the Board-required approval amount without getting prior approval while the Agency has excess funds. Nena asked the Board to grant her the same permission for this fiscal year. Nena would then report back to the Board each month on the purchases being made that exceed the amount requiring prior approval.

***Moved by Terry Small, supported by Les Buza, to approve Nena making one-time purchases that exceed the typical Board authorization-required amount.*** Roll call: Ayes: Les Buza, Bonnie Cornelius, Lynnette Grzeskowiak, Charlotte Helman, Judy Jones, Terry Larson, Eric Lawson, Lloyd Peltier, Pat Przeslawski, Terry Small; Nays: None; Absent: Robert Adrian, Gary Nowak. Motion carried.

Mary reported the Agency's inaugural Mental Health Movement 5K Run-Walk is occurring on May 20 at 9:00 a.m. The course is wheelchair accessible and all physical levels can participate. All proceeds will be donated to Hope Shores Alliance.

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

There were no comments from the public.

**XIX. Information and/or Comments for the Good of the Organization**

Nena will close her PAC matching amount before the May Board meeting.

**XX. Next Meeting**

The next regularly scheduled meeting of the NeMCMHA Board will on Thursday, May 11 at 3:00 p.m.

**1. Set May Agenda**

The proposed May agenda items were reviewed.

**2. Meeting Evaluation**

Lynnette Grzeskowiak stated the meeting started right on time. She really like the handout from Chelsea, and she thanked Connie and Larry for their hard work. Everyone participated in the meeting, which was informative and well-run, as usual.

**XXI. Adjournment**

***Moved by Pat Przeslawski, supported by Bonnie Cornelius, to adjourn the meeting.*** Motion carried. This meeting adjourned at 4:20 p.m.

*[signed by Bonnie Cornelius May 10, 2023]*

Bonnie Cornelius, Secretary

Rebekah Duhaime  
Recorder

*[signed by Eric Lawson May 10, 2023]*

Eric Lawson, Chair