

**Northeast Michigan Community Mental Health Authority (NeMCMHA) Board
Public Budget Hearing / Board Meeting
September 8, 2022**

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: Les Buza, Lynnette Grzeskowiak, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski, Terry Small

Absent: Robert Adrian, Geyer Balog, and Bonnie Cornelius

Staff & Guests: Lisa Anderson, Carolyn Bruning, Jill Busha, Connie Cadarette, Mary Crittenden, Erin Fletcher, Lynne Fredlund, Brooke Paczkowski, Larry Patterson, Nena Sork, Jen Whyte

III. Pledge of Allegiance

Attendees recited the Pledge of Allegiance as a group.

IV. Acknowledgement of Conflict of Interest

No conflicts were identified.

V. Appointment of Evaluator

Gary Nowak was appointed as evaluator for this meeting.

VI. Information and/or Comments from the Public

There were no comments presented.

VII. Approval of Minutes

A revision was suggested on page four, number XVII to change "Nena" to "NeMCMHA."

Moved by Les Buza, supported by Gary Nowak, to approve the minutes of the August 11, 2022 meeting with the suggested revision. Motion carried.

VIII. Consent Agenda

1. AT&T

Moved by Pat Przeslawski, supported by Lynnette Grzeskowiak, to approve the September Consent Agenda as presented. Roll call: Ayes: Les Buza, Lynnette Grzeskowiak, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski, Terry Small; Nays: None; Absent: Robert Adrian, Geyer Balog, Bonnie Cornelius. Motion carried.

IX. FY23 Budget Hearing

Connie Cadarette stated the presented budget is a continuation budget for FY23, as numbers have just been received from the NMRE. They are not currently expecting any changes in revenue. An updated budget will be presented next month. Larry Patterson stated the expense budget will match Connie's continuation budget for now. A continuation budget has been done the last couple of years as the funding information has been arriving later.

Moved by Les Buza, supported by Terry Small, to approve the FY23 Continuation Budget as presented. Roll call: Ayes: Les Buza, Lynnette Grzeskowiak, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski, Terry Small; Nays: None; Absent: Robert Adrian, Geyer Balog, Bonnie Cornelius. Motion carried.

X. September Monitoring Report

1. Budget 01-004

Connie reported on the Statement of Revenue, Expenses and Change in Net Position through July 31, 2022. Year-to-date, Medicaid revenue is underspent by \$230,568.00 and Healthy Michigan is underspent \$664,844.00, both of which would be turned back to the NMRE. The General Fund, which is more restricted in its use, is underspent by \$609,219.00. The year-to-date total, as of July 31, 2022, to be sent back to the

NMRE would be \$895,412.00. The current Change in Net Position is \$412,324.00, which are local funds that would remain in the Agency's savings account. Most of the money came from the \$455,000.00 incentive payment from the NMRE. The incentive payment was much larger than usual, due to NeMCMHA's strong showing on performance indicators, which are measures tracked by the state.

Larry reported on expenses on the Statement of Revenue, Expenses and Change in Net Position. Line items with negative variances were reviewed and will be closely monitored. Dollars were allocated in the FY22 Budget Amendment #2 for those line items with negative variances, and they should smooth out over the next three months. The Agency is in a good position with 83.33% of the year elapsed and expenses at 78.86% of the budgeted amount.

Moved by Gary Nowak, supported by Terry Small, to approve the September Monitoring Report as presented. Motion carried.

XI. Board Policies Review and Self-Evaluation

1. General Executive Constraint 01-001

The Board reviewed the policy and Pat Przeslawski found it to be simple and acceptable.

2. Compensation and Benefits 01-008

The Board did not have any questions regarding this policy.

3. Board Committee Structure 02-006

The Board self-evaluated on this policy. Gary Nowak and Pat agreed the committees are doing well.

4. Executive Director Search Process 03-005

The Board reviewed this policy and self-evaluated. Pat stated she has seen a lot of progress since Nena Sork became the Executive Director, and thinks she does a great job, especially considering the issues the COVID-19 pandemic has thrown her way. Pat thinks any agency of the size and complexity of NeMCMHA has a large task ahead of them when looking to find an Executive Director.

XII. Linkage Reports

1. CMHAM

The annual dues assessment shows an increase of \$328.00 from FY22 to FY23.

Moved by Gary Nowak, supported by Pat Przeslawski, to approve the CMHAM dues as presented.

Roll call: Ayes: Les Buza, Lynnette Grzeskowiak, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski, Terry Small; Nays: None; Absent: Robert Adrian, Geyer Balog, Bonnie Cornelius. Motion carried.

2. Northern Michigan Regional Entity (NMRE) – August 24, 2022 Meeting

Gary reported much time was spent discussing Northern Lakes CMHA. The NMRE Board passed their budget.

3. CMHA – Fall Board Conference – October 24 & 25 – Grand Traverse Resort

Board members who plan on attending the Fall Board Conference should let Rebekah Duhaime know by September 16. Judy Jones, Terry Small, and, probably, Bonnie Cornelius will attend.

XIII. Chair's Report

1. Appointing Board Members

Eric Lawson stated a new Vice Chair will need to be appointed, preferably from Montmorency County to keep one Board member from each county on the Executive Committee. Eric reported that Geyer Balog will be resigning from the Board due to new employment, though an official resignation letter has not yet been received. Eric would like to appoint a temporary Vice Chair until Montmorency County appoints a new Board member. Terry Larson suggested Terry Small be appointed as temporary Vice Chair, which Les Buza supported. Terry Larson agreed to accept the temporary Vice Chair appointment.

Moved by Gary Nowak, supported by Lynnette Grzeskowiak, to unanimously approve Terry Small as the temporary NeMCMHA Board Vice Chair. Motion carried.

Eric next discussed appointing a new Board member to the NMRE Board, an appointment which the Board Chair can make alone. Eric stated most other Boards have their Chair on the NMRE Board, and he would be willing and able to take the appointment. Terry Larson stated he thinks it's appropriate for Eric to be on the NMRE Board, and that it should be a prerequisite for the Chair be on the NMRE Board. Eric Lawson officially appointed himself to the NMRE Board.

2. Executive Director's Contract

Eric met with Lisa Anderson and Nena to go over the Executive Director's Contract. Eric stated they thoroughly went through Nena's contract and any changes were highlighted in yellow for the Board on their handouts. Nena stated she is accepting of the contract with the current revisions. Lisa discussed revisions to the contract, which include the new term dates of 10/1/2022 – 9/30/2025. Eric stated the change on the fringe benefits was adding nine days for continuing education with a \$2,000 allowance for reimbursement. A revision was also made to the contract to extend the Board's time frame for renewing it from 30 days to 90 days.

The Management Team has worked to bring all staff salaries up to, or above, the averages on the community mental health salary survey from 2021. The Executive Director's new salary is slightly below average for a CMHSP with a comparable budget. Nena asked that the clause regarding continuing education be added to her contract, which defines the number of days and amount of dollars she can use for continuing education and/or professional development annually. Since she approves herself for continuing education, she wants the Board to contractually set the parameters she can operate within.

Moved by Gary Nowak, supported by Pat Przeslawski, to approve the Executive Director's Contract. Roll call: Ayes: Les Buza, Lynnette Grzeskowiak, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski, Terry Small; Nays: None; Absent: Robert Adrian, Geyer Balog, Bonnie Cornelius. Motion carried.

3. Setting Perpetual Calendar

Eric stated the proposed calendar is for policy review, self-evaluation, election of officers, etc. There were no suggested revisions, and the perpetual calendar will be formally adopted in October.

4. Board Self-Evaluation Report

Eric feels the results of the Board Self-Evaluation Summary, which include data from nine respondents, were quite strong. He stated there is room for improvement on both "Board members are involved and interested in the Board's work" and "Board members understand the Agency's mission and its programs." Gary stated it can take years to learn, due to the size of the Agency. Eric would also like to see an increase in "Board members participate in the organization in ways other than attending monthly meetings," which Eric said could mean participating in employee award picnics and other activities. Nena stated she will help address making the Board more familiar with the Agency's mission and programs.

XIV. Executive Director's Report

1. Executive Director's Update

Nena gave the Board a summary of her activities for the last month. Employee recognition was on August 16, and Eric Lawson stated there were a lot of employees recognized, with some being very long-term employees with 30 to 40 years of service. Nena reported that 242 staff attended the staff picnic/training on August 17. Two NeMCMHA staff members presented at the annual Gentle Teaching International Conference, which was held in Ann Arbor.

The Agency's virtual CARF survey happened during the week of August 22. Terry Small was interviewed for the Board, and Nena reported that he did a phenomenal job. Though the final recommendation hasn't yet been received, Nena believes the Agency will receive a three-year certification. Out of 2,088 standards, the Agency met 2,075, making it the best review NeMCMHA has ever had. Nena stated Lynne Fredlund, the CARF committee, Cheryl Kobernik, and Christine Walkons worked together to get the Agency ready for the survey. Gary made a motion to put on the record that the Board thanks and recognizes the staff for doing such a great job. Nena will include the Board's sentiments in her upcoming Friday email.

Moved by Gary Nowak, supported by Terry Small, to officially recognize and thank NeMCMHA staff for their hard work and great job on the survey. Motion carried.

The following week, August 29, Nena had meetings with MRS/ICTA and Presque Isle DHS. The meeting with DHS was to work on getting children who have a history of trauma into services. During the week of September 5, Nena attended the NMRE Finance Committee meeting and CMHA association meetings.

As the Agency reaches the end of the fiscal year, it is anticipated there will be revenue turned back to the NMRE, which itself has a fully funded internal savings. Due to the probable lapse of funds, the Management is requesting that the Board approve a retention payment between 1% - 3%, based on available funds at the end of the fiscal year.

Moved by Terry Larson, supported by Terry Small, to approve a staff retention payment of 1% - 3% based on funds. Roll call: Ayes: Les Buza, Lynnette Grzeskowiak, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski, Terry Small; Nays: None; Absent: Robert Adrian, Geyer Balog, Bonnie Cornelius. Motion carried.

Nena reported that the City of Alpena approved the variance for the new, larger sign at the main office. Smaller new signs will also be going up in Rogers City and Hillman.

2. QI Council Update

Board members did not have any questions on the most recent QI Council minutes.

XV. Information and/or Comments from the Public

Gary stated Joe Stone will be leaving the area, and that he has been a great asset on the NMRE Board and as the former Board Chair for Au Sable Valley Community Mental Health.

XVI. Information and/or Comments for the Good of the Organization

Jill Busha from Bayview Center wanted to applaud the Agency for their hard work the last year. Jill stated she has seen how the Agency has been able to persevere and sustain themselves, even when tired. Pat Przeslawski noticed the new landscaping project has started. Nena stated there will be 57 new trees, bushes, and evergreens planted around the entire building.

XVII. Next Meeting

The next regularly scheduled meeting of the Northeast Michigan Community Mental Health Authority Board will be held Thursday, October 13, 2022 at 3:00 p.m.

1. Set October Agenda

The proposed October agenda items were reviewed.

2. Meeting Evaluation

Gary thought it was a good meeting, with the majority of the Board participating. Gary thinks the Board has come a long way from when it started.

XVIII. Adjournment

Moved by Les Buza, supported by Lynnette Grzeskowiak, to adjourn the meeting. Motion carried. This meeting adjourned at 4:03 p.m.

[Signed by Bonnie Cornelius on 11-10-22]

Bonnie Cornelius, Secretary

[Signed by Eric Lawson on 10-13-22]

Eric Lawson, Chair

Rebekah Duhaime
Recorder