

# Northwest Michigan Community Mental Health Authority Board

## Board Meeting

March 14, 2019

**I. Call to Order**

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

**II. Seating of Board Member**

Gary Wnuk was excused from this meeting so will be seated at the April Board meeting.

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

Present: Lester Buza, Bonnie Cornelius, Steve Dean, Roger Frye, Judy Hutchins, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski

Absent: Albert LaFleche (excused), Gary Wnuk (excused)

Staff & Guests: Lisa Anderson, Carolyn Bruning, Lee Ann Bushey, Lynne Fredlund, Julie Hasse, Margie Hale-Manley, Cheryl Jaworowski, Mary Jameson, Jim Kraenzlein, Cathy Meske, Nena Sork, Peggy Yachasz

**IV. Pledge of Allegiance**

Attendees recited the Pledge of Allegiance as a group.

**V. Appointment of Evaluator**

Gary Nowak appointed Roger Frye as evaluator for this meeting.

**VI. Acknowledgement of Conflict of Interest**

No conflicts were identified.

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

There were no comments presented.

**VIII. Approval of Minutes**

***Moved by Steve Dean, supported by Judy Hutchins, to approve the minutes of the February 14, 2019 meeting as presented.*** Motion carried.

**IX. Audit Report**

Jim Kraenzlein presented the Financial audit report to the Board. He noted the compliance audit is still underway with one area in contracts and billings being focused on for resolution. The compliance audit is not due until June. The Financial audit is due March 31, 2019. He reported the Agency received a clean financial audit again this year.

Mr. Kraenzlein reviewed the unrestricted net assets and notes this continues to gain strength. He reported the change in net position for last fiscal year was \$26,403 which is less than the previous year; however, in that year there was a transfer from AuSable Valley of \$100,000.

He reviewed the audit communication letter. He noted there are some new requirements to be added for financial reporting of leases next year and this will be reviewed during the next audit period.

Steve Dean inquired about the uncompensated leave dollars identified and also incurred claims estimates. Cheryl Jaworowski reported the incurred claims would be anticipated claims from hospital admissions and also some claims from other Community Mental Health boards where the bills had not yet been received.

He reported the finance staff at this Agency are extremely talented. The Board thanked the accounting staff for a job well done.

***Moved by Roger Frye, supported by Pat Przeslawski, to accept and file the audit for Fiscal Year 2018.*** Motion carried.

**X. Board Member Recognition**

Gary Nowak presented certificates to Judy Hutchins for 15 years and Roger Frye for 25 years. Roger Frye presented Gary Nowak with certificate for 20 years. Albert LaFleche was not in attendance to accept his 10 year award. The meeting recessed for refreshments in recognition of these accomplishments. The full Board was recognized as having 132 combined years of service.

Meeting recessed at 3:15 p.m.

Meeting resumed at 3:30 p.m.

**XI. Consent Agenda**

**1. Grants and/or Contract**

- a. Blue Horizons Management Agreement**
- b. University of Michigan – MC3 Grant**
- c. MITC Agreement**

***Moved by Judy Hutchins, supported by Lester Buza, to approve the Consent Agenda as presented.*** Roll call vote: Ayes: Lester Buza, Bonnie Cornelius, Steve Dean, Roger Frye, Judy Hutchins, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski; Nays: None; Absent: Albert LaFleche, Gary Wnuk. Motion carried.

**XII. March Monitoring Reports**

**1. Treatment of Consumers 01-002**

Cathy Meske noted the Survey Brochure includes surveys from individuals receiving services through the I/DD Program. Carolyn Bruning reported last year the surveys were all sent out at once whereas prior to last year, the surveys were sent out along with the Plan of Service information. The return rate increased using this new method.

Cathy Meske reported the second survey report information was compiled by the NMRE and the colored graph provides responses to the questions and compares Northeast to the partner boards for each question.

Cathy Meske noted the return rate increased from last year's survey by just over 12% overall with Northeast's return rate increasing by 11%.

Steve Dean noted the comments provided much praise for the staff.

**2. Staff Treatment 01-003**

Board members reviewed the survey information related to exit surveys provided to staff when leaving the Agency.

**3. Budgeting 01-004**

Cheryl Jaworowski noted the Statement of Revenue & Expense included in the mailing was for month ending December 31, 2018. In a handout at this meeting, the January statement was distributed.

Cheryl Jaworowski noted the January statement had some adjustments due to individuals having their Medicaid restored which then freed up General Fund dollars that were initially tapped with those associated costs.

Cheryl Jaworowski reported she will be working on a budget amendment to be presented in May. This will fix some of the budget adjustment on Line #41. Cheryl Jaworowski reported the Grants from Local Units include anticipated incentive dollars the Agency should be receiving.

Cheryl Jaworowski also noted the recruitment line item is over budget due to recruitment of psychiatrists. She also reports the Indeed.com fees for recruitment will be scaled back.

Cheryl Jaworowski reports the legal fees are larger due to attempting to get proper contract language and other opinions so this will need additional funding. She also reported there will be a net asset distribution from MMRMA so the Property & Liability Insurance line item deficit is a timing issue. The Rent line item deficit is partially due to subletting the Clubhouse out to Touchstone. She also reports rents to AIS Investors require a cash settlement to address any increases in property taxes or insurance increases.

She reports after four months into the fiscal year we are in a deficit of \$131,935. Cheryl Jaworowski also responded to Gary Nowak's question of what amount of bad debt the Agency wrote off from last year.

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

Cheryl Jaworowski reviewed the Financial Condition report with Board members. She reports we still have 51 days of operating expenses in unrestricted net position.

Cheryl Jaworowski reviewed the financial statement for the endowment fund.

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

This monitoring report is reported as part of the Audit presentation.

***Moved by Eric Lawson, supported by Pat Przeslawski, to accept the March monitoring reports as presented.*** Motion carried.

### **XIII. Board Policy Review and Self Evaluation**

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

Board members reviewed the policy. There were no recommended revisions or any further discussion on this policy.

#### **2. Board Members Ethical Code of Conduct 02-008**

This policy was reviewed and revised last month. Board members were requested to sign the Code of Conduct and turn their signed copy in to Diane Hayka today.

### **XIV. Linkage Reports**

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

##### **a. Appointment of Board Member to NMRE**

Terry Larson was re-appointed as Board member to the NMRE

##### **b. Board Meeting February 27, 2019**

The minutes from the February meeting are not available at this point. Gary Nowak noted the OPS Committee had reviewed a policy for recommendation to the NMRE Board; however Cathy Meske and Chip Johnston did not vote on the recommendation. Cathy Meske reported it is not within the authority of the OPS committee to vote on policies such as presented.

##### **c. Board Meeting January 23, 2019**

The minutes for the NMRE Board meeting of January 23, 2019 were included in the materials mailed. Cathy Meske reported this meeting the NMRE Board was informed it was in 100% compliance with standards tied to the performance incentive bonus payment and will be receiving approximately \$1.2M, which will be passed on to the member boards.

Cathy Meske noted at the February Board meeting the partner boards inquired as to what each member board is doing to resolve any budget deficits so this will most likely be captured in the February minutes.

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

The Spring Board Conference is scheduled for June 10 & June 11 in Novi, MI. Gary Nowak requested Board members expressing interest in attending to report next month. Eric Lawson, Judy Jones, and Bonnie Cornelius all indicated interest.

**XV. Operation's Report**

Nena Sork reviewed the Operation's Report for month ending February 28, 2019. She reviewed the ACT data noting for the past several years, the ACT Program has been understaffed. She reported a nurse has been hired and this will complete the Team. She reported once the staff is full, the numbers of individuals served can increase to 45.

Nena Sork noted the hospital pre-screens are also down slightly. It is anticipated this is due to the new provider for crisis calls. She noted ProtoCall provides more thorough screening and calls are screened by clinicians.

Clubhouse provider Touchstone has increased their numbers in the first month of their operations. The referral process is being established in the electronic record which should make those transitions smoother.

**XVI. Nomination's Committee Report**

Terry Larson reported the Nomination's Committee met just prior to this meeting. He reports the Board has had a "gentleman's agreement" to keep representation by a board member for each county on the Executive Committee throughout its history. He notes the recommendation for the Slate of Officers does not reflect any displeasure of performance just time to make some adjustments. Board members received a copy of the minutes from the meeting recommending the following slate of officers:

Chair – Eric Lawson  
Vice Chair – Roger Frye  
Secretary – Bonnie Cornelius  
Past Chair – Gary Nowak

Elections will take place at the April Board meeting.

**XVII. Chair's Report**

**1. CMH PAC Campaign**

The CMH PAC campaign is underway. This pledge needs to be made by June as pledges are submitted just prior to the Spring Board Conference. Gary Nowak noted the suggested pledge is the equivalent of a per diem.

**2. Appointment to Recipient Rights Committee**

Gary Nowak appointed Barbara Murphy to the Recipient Rights Advisory Committee.

**XVIII. Director's Report**

**1. Director Report Summary**

Cathy Meske reported the Agency has been trying to get independent facilitators to assist in the Person-Centered Planning process. She reported she had contacted ARC of Michigan to see if there were options through there. Cathy Meske reported the requirements of our contracts mandate the facilitator carry liability insurance. She reported there could be options to provide incentives; however, the professional liability could not be waived.

HSAG review was conducted and there was one finding. She reported that finding dealt with the second 14-day window. This is being rectified through a change in our process.

mySchedule software is being proposed to assist in scheduling and allow for an easier process in filling schedules. Two SIP sites and two residential homes will pilot the program. This was approved under the Consent Agenda previously in this meeting.

She reported Lisa Anderson and she participated in the HUB strategic planning.

She noted she participating in the CMHSP training on the Behavioral Health Fee Screen Data Collection tool. She noted this process has been pushed out until late May or June.

**2. QI Council Update**

The minutes of the QI Council were included in the mailing. Cathy Meske reported satisfaction surveys completed using survey monkey was a suggestion.

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

There was no information or comments presented.

**XX. Next Meeting**

The next regularly scheduled meeting of Northeast Michigan Community Mental Health Authority Board will be held Thursday, April 11, 2019 at 3:00 p.m.

**1. Set April Agenda**

The April agenda items were reviewed. April is the Board's organizational meeting so election of officers, setting meeting dates and times and other housekeeping tasks will be addressed.

**XXI. Evaluation of Meeting**

Roger Frye reported the meeting started on time and the Board Chair did a good job. He believes all Board members came away with some new information. He thanked the staff for their good work on the audit.

Pat Przeslawski notes she is proud of hearing the audit report with the auditors enjoying working with the staff. She also thanked Judy Hutchins for her years of service on the Board.

**XXII. Adjournment**

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

*[signed by Bonnie Cornelius on 4/11/2019]*

Bonnie Cornelius, Secretary

*[signed by Gary Nowak on 4/11/2019]*

Gary Nowak, Chair

Diane Hayka  
Recorder