



AuSable Valley Community Mental Health Authority

Joseph Stone, Board Chairperson
Diane C. Pelts, M.A., Chief Executive Officer

BOARD MEETING MINUTES

Monday, April 23, 2018

5:00 p.m., Tawas City

1. CONVENE

a. Call to Order

The regularly scheduled meeting of the AuSable Valley Community Mental Health Authority Board was held on Monday, April 23, 2018, in the Tawas City Office. Chairperson Joe Stone called the meeting to order at 5:01 p.m.

b. Roll Call

Board members physically present: Al Evans, D. Jay, O'Farrell, Rose Walsh, Bonnie Lixey, Joe Stone, Patti Casey, Jim Cummins, Gary Klacking, Wayne Nutt, and Mike Welsch
Board members present via conference call: None.

Board members excused: Roberta Roulo

Board members absent: Nadine Wilcox

Staff present: Diane Pelts, Teresa Tokarczyk, Greg Wood, Sydney Larsen, Trish Otremba, Rebecca Smith, and Joseph Chrivia

Staff absent: None

Guests: Jim Kraenzlein

A quorum was present.

c. Approval of March 26, 2018 Minutes

It was moved by Mr. Welsch and second by Mr. Cummins to approve the minutes of the March 26, 2018 Board meeting as presented. All ayes, motion passed.

d. Approval of Agenda

It was moved by Ms. Walsh and second by Mr. Cummins to approve the agenda as presented. All ayes, motion passed.

e. Correspondence

The April Newsletter was distributed to the Board.

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f. Announcements – None.

g. Public Comments – None.

2. BOARD REORGANIZATION

a. Report of Nominating Committee

Mr. Cummins read the Nominating Committee minutes. Mr. Cummins called for any other nominations three times. No other nominations were offered.

b. Election of Officers

It was moved by Mr. Welsch second by Mr. Klacking that nominations be closed and that a unanimous vote be cast for the slate of officers designated by the Committee. All ayes, motion passed. Elected were:

(1) Chairperson: Joseph Stone

(2) Vice-Chairperson: Patti Casey

(3) Treasurer: Jim Cummins

(4) Secretary: D. Jay O'Farrell

e. Conflict of Interest Statements, Confidentiality Agreement, Board Member Info

The Conflict of Interest Statements, Confidentiality Agreements, and Board Member Information sheets were distributed to Board members with the request to complete them and return them to the Board Secretary as quickly as possible.

d. Code of Ethics Review

A copy of the Code of Ethics was distributed to Board members and reviewed.

e. Bylaws

A copy of the Board Bylaws was distributed to the Board members to review.

f. Proposed Board Meeting Schedule

The Board Meeting Schedule was presented for May 2018 through April 2019. Ms. Pelts reminded the Committee that May's meeting will be held on a Tuesday due to Memorial Day. It was moved by Mr. Welsch second by Ms. Lixey to adopt the schedule as presented. All ayes; motion passed.

3. BOARD EDUCATION

Mr. Wood introduced Jim Kraenzlein of Straley, Lamp, and Kraenzlein PC. Mr. Kraenzlein performed the annual audit for AuSable Valley's finances for Fiscal Year 2017. He stated the report has a Compliance Examination, Financial Statements, and Audit Communications letter. Mr. Kraenzlein discussed many different elements from the audit and highlighted key points. While discussing the summary of the Agency's financial position he stated the Agency assets and liabilities both increased from FY2016 but the overall net position increased which indicates an improvement in working capital. After discussing the summary of revenue and expenses, Mr. Kraenzlein declared AuSable Valley's position to be very stable.

Mr. Cummins questioned the changes in Emergency Services and Supported Employment. Mr. Wood stated these amounts were classified differently this year due to changes in THOR reporting but the services were comparable to previous years.

Mr. Kraenzlein defined material weakness and significant deficiency for the Board and reported the Agency had one of each. The material weakness is for failure to timely reconcile bank accounts; he discussed the cause and effect of this and offered a recommendation for correction. He also noted steps the Agency has already taken to address this issue. Mr. Kraenzlein also identified Financial Reporting and Noncompliance with Required Reporting Deadlines as a significant deficiency. He also noted the cause, effect, and recommendations for this area.

Mr. Kraenzlein recommended the Agency should move its audit schedule forward as opposed to having it occur just before the deadline to increase the amount of time to make corrections before the due dates.

Mr. Kraenzlein turned to the Compliance Examination booklet and stated the Agency had no compliance findings and no noted deficiencies. He explained the efforts the Agency has taken to correct deficiencies from last fiscal year's audit. Mr. Kraenzlein listed the biggest difficulty lies in timing and waiting to the deadline to conduct audits and again recommended advancing the timeline. Mr. Kraenzlein stated there were no disagreements with management in regards to the financial management of the Agency.

Mr. Stone questioned the difference between corrected and uncorrected errors and the impact this has; Mr. Kraenzlein explained these areas.

Mr. Cummins questioned if THOR is better than Avatar; Mr. Wood and Ms. Tokarczyk both stated it is.

It was moved by Mr. Welsch and second by Ms. Casey to accept the FY2017 Audit as presented. Roll call vote taken; all ayes. Motion passed.

4. REPORTS

a. Chairman – None.

b. Board Association

Mr. Stone reminded the Board the Spring Conference will be held in Novi on May 1 and 2, 2018. Board members attending: Mr. Klacking, Mr. Welsch, Mr. O'Farrell, and Mr. Stone. Mr. Welsch and Mr. O'Farrell will serve as voting delegates.

Mr. Stone stated there is a copy of the Boardworks report for each member in their Board packet.

c. NMRE – None.

d. Chief Executive Officer's Report

Ms. Pelts stated her report was emailed to the Board earlier and a printed version was included in each member's packet. Ms. Pelts said in regards to the Boardworks report previously mentioned, courses are available via the Agency website and DVDs. Anyone requesting to borrow the DVDs should contact Mr. Chrivia.

Ms. Pelts stated the 298 pilot is in motion however there are a few substantial barriers that most likely will delay an October 1st implementation. There is proposed legislative language that would allow the health plans to have the sole authority over vendor contracting, removing the CMHs from the equation which would be devastating for the CMHs. On a positive note, she stated the pilot will most likely be changed from two years to three years.

Ms. Pelts shared different House and Senate budget proposals and stated there is a breakdown attached to her report for the Board members to review in detail later. She noted these proposals are not final at this time. Ms. Pelts stated the Senate proposal contains language that requires obtaining a second opinion for an autism diagnosis. She discussed how this creates additional overhead when healthcare is trying to reduce administrative costs.

Ms. Pelts stated she agreed with Mr. Stone's earlier comments thanking the Board for their support and involvement in supporting leadership and staff in advancement of greater knowledge, skills, and abilities. Ms. Lixey interjected she recently attended the case-to-care management training and greatly enjoyed it. She said the staff was very enthusiastic about the training and were engaged in the process. Ms. Casey added she was impressed with how open the staff is to the trainings and the suggestions; she said we need to recognize how dedicated the staff is. Ms. Pelts offered her thanks to Ms. Tokarczyk who, with the assistance of Cheryl Bronson and Laura Marentette, ensured the National Council training proceeded as planned and also supported the attendees in a variety of ways making the three days of training very enjoyable and valuable for all.

Mr. Stone thanked Ms. Pelts for the legislative updates and suggested inviting Mr. Sheehan and/or Mr. Bolter to speak at a future Board meeting.

e. Committee

(1) Personnel – April 2, 2018

Committee Chair Mike Welsch read the Committee meeting minutes.

It was moved by Mr. Welsch and second by Mr. Cummins to approve the addition of the Technical Trainer position as presented. All ayes; motion passed.

It was moved by Mr. Welsch and second by Ms. Lixey to approve the job description for the Technical Trainer as presented. All ayes; motion passed.

(2) Building – April 12, 2018

Committee Chair Al Evans read the Committee meeting minutes.

There were no motions that required Board action.

(3) Program – April 12, 2018

Committee Chair Patti Casey read the Committee meeting minutes.

It was moved by Ms. Casey and second by Ms. Walsh to accept the Family Program's Long-term Plan update as presented. All ayes; motion passed.

It was moved by Ms. Casey and second by Mr. Welsch to approve the proposal to close the Norway AFC and change services to a Crisis Residential Unit. All ayes; motion passed.

It was moved by Ms. Casey and second by Ms. Lixey to approve the 90-120 day pilot program to contract ES services to an outside provider between the hours of midnight and 8:00 a.m. as presented. All ayes; motion passed.

(4) Executive and Finance – April 17, 2018

Committee Chair Gary Klacking read the Committee meeting minutes.

It was moved by Mr. Klacking and second by Mr. O'Farrell to approve the proposal to upgrade from Microsoft 2010 to Microsoft 2016 as presented. All ayes; motion passed.

It was moved by Mr. Klacking and second by Mr. Cummins to accept the March financial statement as presented. All ayes; motion passed.

It was moved by Mr. Klacking and second by Ms. Casey to accept the recommendation to designate Huron Community Bank as the signatory account for AuSable Valley as presented. All ayes; motion passed.

(5) Recipient Rights Advisory – Did not meet

(6) Recipient Rights Appeal – Did not meet

5. OLD BUSINESS – None.

6. NEW BUSINESS – None.

7. COMMENTS

a. Board

Mr. Stone stated the Board Association has formed a committee to address gun violence. Specifically, he stated they were addressing the stigma of mental health and how mental illness has been scapegoated in recent events. The purpose of their discussion is to put forth the facts and data so as to help protect our consumers.

Ms. Walsh asked if the Board can put out a statement to all Staff thanking them for their hard work and dedication. Several methods of relaying their sentiments were discussed.

Mr. Cummins had a few thoughts concerning the Community Foundation: he stated it was a good idea when established but should be revisited to ensure it is still the best option.

b. Public – Mr. Chrivia stated that there was a stated interest during the Board Self-assessment to see the entirety of the Agency properties. He stated that he currently conducts a tour every other Wednesday with newly hired staff and invited any Board member to attend. He distributed an itinerary to the Board.

8. MEETING DATES

a. Board

Tuesday, May 29, 2018, 6:00 p.m., Mio Annex

b. Committees

(1) Personnel – Monday, May 7, 2018, 4:30 pm, West Branch

(2) Building – Thursday, May 10, 2018, 2:00 pm, West Branch

(3) Program – Thursday, May 10, 2018, 4:00 pm, West Branch

(4) Executive & Finance – Tuesday, May 15, 2018, 4:30 pm, West Branch

(5) Recipient Rights Advisory – Tuesday, May 8, 2018, 4:00 p.m., West Branch St Vincent's

(6) Recipient Rights Appeal – Tuesday, May 8, 2018, 4:00 p.m., West Branch St Vincent's

9. ADJOURN

Mr. Welsch made a motion to adjourn with second by Ms. Lixey, motion passed. Meeting adjourned at 6:08 p.m.

Respectfully submitted,



Joseph L. Chrivia
Board Secretary