

**Minutes
Mental Health Partners
Board of Directors
Saturday, October 25, 2008
9:45 A.M.**

The Mental Health Partners Board of Directors met on this date in the Connelly Room at the Community House in Morganton.

Members of the Board present included: Joseph Beaman, Jr., Ray Von Beatty, Todd Carswell, Lori Faulkner, Dr. Anthony Frasca, Danny Graves, Michele Hamby, Cynthia Houser, and Ronald Kendrick. Absent and/or excused for other equivalent circumstances were Kitty Barnes, John Dayberry, and Maynard Taylor. Mental Health Partners staff present included John Hardy and Janice Cornett.

A quorum was present.

The meeting agenda was mailed to the media on October 16, 2008. There were no representatives of the media. The agenda and board packet were mailed to Board members on October 17, 2008.

Handouts

One additional action item, "Request for Merit Payment" was distributed prior to the opening of the meeting. Also distributed were copies of a memorandum of October 17, 2008 requesting additional funds from Burke County.

Call to Order

Chair Joe Beaman, Jr. called the meeting to order at 9:46 A.M. and expressed appreciation for the just concluded Board retreat and the information presented at the retreat.

Invocation

Ray Von Beatty led the invocation.

Minutes

The minutes of the September 18, 2008 meeting of the Mental Health Partners Board of Directors and the minutes of the October 8, 2008 meeting of the Budget/Finance and Executive Committees were presented.

Von Beatty made a motion that the minutes of the September 18, 2008 meeting of the Board of Directors be accepted as presented. Danny Graves seconded the motion.

There was no discussion, and it was unanimously voted to accept the minutes of the September 18, 2008 meeting of the Board of Directors as presented.

Todd Carswell made a motion that the October 8, 2008 minutes of the Budget/Finance and Executive Committees be accepted as presented. Lori Faulkner seconded the motion.

There was no discussion, and it was unanimously voted to accept the minutes of the October 8, 2008 meeting of the Budget/Finance and Executive Committees as presented.

Citizen Comments

There were no citizen comments.

Commissioner Comments

Commissioner Barnes of Catawba County and Commissioner Taylor of Burke County were both unable to attend today's meeting due to prior commitments. Therefore, there were no commissioner comments. Chair Beaman did direct the Board members to the September 15, 2008 and October 6, 2008 copies of the *Catawba County Commissioners' Synopsis* that were included in the Board packets for an update on the issues in Catawba County.

Director's Report

1. Director Hardy has met with Thomas Mahle, the new Director/CEO of Broughton Hospital. Director Mahle has committed to continuing to meet with MHP for the purpose of determining how the two agencies can best work together for the good of the community. Broughton Hospital serves 37 counties.
2. Family Day was held on September 22 at Catawba Meadows Park in Burke County. The event was sponsored by Mental Health Partners (MHP), the Burke County Health Department, and several smaller agencies. The goal was to get families together at the end of the day and to provide education on the services available in the community. Commissioner Taylor was the keynote speaker for the event. A meal was provided for each attendee, with the food provided by Chick Fil A and Subway. The target was young families and the event was very successful. We had anticipated attendance of about 200, but actual attendance was approximately 700.
3. A ward of about three years recently petitioned the court to have his competency restored. The ward had made considerable progress in the last three years. MHP was supportive of the petition and the ward was successful in his endeavor.
4. We are continuing CIT with law enforcement officers to better prepare them to deal with mental health issues they encounter in their duties. We just completed a class in Burke County. The officers receive pens and cards with the phone numbers for crisis services. The first CIT was held in Catawba County in August 2008. We have a follow up with those officers scheduled on Monday, October 27 at Bennetts. We provide a meal for the officers and discuss what they have found helpful from their training, as well as any problems or issues they have encountered.
5. We will be looking at a proposed budget revision in our action items today. There have been some shortfalls in the budget. We are working on a three-way contract between Catawba Valley Medical Center, Mental Health Partners, and the State for some dollars for indigent care.

6. Funding discussions continue with the counties. There has been some settlement in regard to unexpended dollars from FY 2007-2008. Unexpended state/federal dollars will return to MHP. County dollars will stay with the county. Joe Beaman, Von Beatty, John Hardy, Kitty Barnes, and Maynard Taylor have met and the dollar amounts have been verified.
7. As you recall from our September meeting, MHP has some funds available for emergency assistance for consumers in Catawba County. There are no emergency funds for consumers in Burke County and our intent is to work with Burke County to establish a similar fund. Director Hardy then referred to the handout of a memorandum to the Burke County Manager and Finance Director on October 17, 2008. The memorandum requested \$159,500 from Burke County to support needs that cannot be supported by state/federal reimbursable funds. The needs and dollar requests are as follows:
 - o \$30,000 – Client Emergency Assistance (emergency transportation, housing, etc. that are outside the normal funding schemes)
 - o \$110,000 – Catawba Valley Behavioral Healthcare (CVBH) Infrastructure (non-profit provider that is expanding its services to include an after care clinic in Burke County and an expansion of its Mobile Crisis unit)
 - o \$19,500 – Transportation (Clay, Wilson & Associates, a major provider of substance abuse assessment and treatment in Burke County, is closing its office in Morganton on November 1 due to economic reasons. The provider will continue to serve Burke County residents in the primary location in Hickory. Some clients may need assistance with transportation and its associated costs to get to the Hickory location.

Director Hardy hopes to discuss the requests in the memo with Burke County officials next week.

Ronald Kendrick made a motion to approve the \$159,500 funding request to Burke County. Von Beatty seconded the motion.

With no further discussion, it was unanimously voted to approve the \$159,500 funding request to Burke County.

Other Discussion

There was a brief discussion regarding the issue of Fund Balance and how it was handled during the transition to Mental Health Partners. Ron Kendrick made a motion that the Board draft a letter to the counties expressing its displeasure/disapproval of the handling of Mental Health Fund Balance by both counties. The letter would not be sent without a review and second vote of the MHP Board. This would be included in the November Board agenda. Lori Faulkner seconded the motion.

With no further discussion, it was unanimously voted to draft a letter to the counties expressing the Board's displeasure with the handling of Mental Health Fund Balance by the counties, with the stipulation that the letter would not be sent without review and a second vote at the November Board meeting.

Consideration Items

Suzanne Smith resigned from the Board effective October 6. Suzanne also served as the Burke County Board representative on the Client Rights Committee. We need another Board member from Burke

County who would be willing to fill Suzanne's vacancy on the Client Rights Committee. Todd Carswell volunteered to fill the vacancy as the Burke County Board representative.

Ron Kendrick made a motion that Todd Carswell be appointed as the Burke County Board representative on the Client Rights Committee. Cynthia Houser seconded the motion.

There was no discussion, and it was unanimously voted to appoint Todd Carswell to the Client Rights Committee as the Burke County Board representative.

Action Items

Budget Revision

Final allocations have been received, thus creating a need to adjust and realign the budget. The proposed revision increases the current budget of \$20,817,540 by \$477,351, bringing it to \$21,294,891. Director Hardy gave an overview of the proposed revision to the FY 2008/2009 budget. **Additional state allocations are as follows:**

- \$100,000 on a one-time basis for Traumatic Brain Injury (TBI)
- \$269,400 on a one-time basis to support Mental Retardation/Mental Illness (MR/MI)
- \$155,166 on a recurring basis for the Mobile Crisis Management Team
- \$203,735 to be used to support a new initiative for Walk-in Crisis and Immediate Psychiatric Aftercare Services
- **Total additional allocations = \$728,301**

Final allocations also created the need for a realignment of state and federal funds in the disability areas. Some areas needed an increase in funds, while others realized a decrease. **The total adjustments result in an overall deallocation of \$348,400.**

MHP received an **additional \$54,970.26 in local funds** from the ABC Profit Fund and the ABC 5 Cent Bottle tax funds. **Unexpended Mental Health Trust Fund dollars in the amount of \$34,779.97** will be returned to MHP from Catawba County. These dollars remain from FY 2007/2008. MHP has also received an **additional \$7700 in grant money from the Criminal Justice Partnership Program (CJPP).**

The Budget/Finance Committee reviewed the proposed revision at its October 8, 2008 meeting and recommends approval of the revision.

Tony Frasca made a motion to approve the proposed revision to the FY 2008/2009 budget as presented. Ron Kendrick seconded the motion.

There was no discussion, and it was unanimously voted to approve the revision to the FY 2008/2009 budget as presented.

Establishment of Part-Time Peer Support Position

One of the requirements of the Performance Contract is that MHP provide consumer and family outreach and education. A peer support program is one effective way to meet this requirement. Previously, we had contracted through a provider for peer support, but are now seeking to manage it directly. The current focus is adult mental health and it is estimated that 20-25 consumers would participate in the peer support program. Therefore, MHP is requesting a part-time position for peer

support. It is estimated that the position will work up to 5 hours per week, with a fiscal impact of \$9,594 annually including salary, mileage/travel, supplies, etc.

Ron Kendrick made a motion to approve the part-time position for peer support as presented. Von Beatty seconded the motion.

There was no further discussion, and it was unanimously voted to approve the establishment of the part-time position.

Complaints/Investigations/Appeals Policy

Mental Health Authorities are required to have a policy specifying how complaints and investigations are managed, as well as the process for appealing decisions or findings. The policy presented to the Board mirrors the State template, with a few modifications after review by the Client Rights Committee. The policy would be effective immediately with Board approval.

Todd Carswell made a motion to approve the Complaints/Investigations/Appeals Policy as presented. Tony Frasca seconded the motion,

With no other discussion, it was unanimously voted to approve the Complaints/Investigations/Appeals Policy as presented.

Ron Kendrick made a motion to go into **Closed Session** for discussion of a personnel matter as provided under NC GS143-318.109. Lori Faulkner seconded the motion.

By unanimous vote the Board voted to go into **Closed Session** at 10:50 A.M., and Director Hardy was excused from the room at this time.

The Board returned to **Open Session** at 11:12 A.M.

Renewal of Agreement with Director

Chair Beaman expressed appreciation to Director Hardy for his dedication, guidance, and hard work during the past year with the transition to Mental Health Partners. The Director's annual performance review was recently conducted with an overall rating of "exceeds expectations". The Director's salary will be adjusted based on this rating and recommendations of the Budget/Finance and Executive Committees after researching seniority and a market analysis of directors' salaries across the state of North Carolina.

It is also time for renewal of the agreement between the Board and the Director. This is a working agreement and understanding by both parties as to how they will proceed in the relationship. It details the responsibilities of each party and addresses the employment of the Director. One change was made in the agreement presented to the Board, and that is adjusting the conditions of Board termination of the Director from a four month severance to a six month one. Two other changes requested by the Board are:

1. Correct a typing error in #4 on page 1 of the agreement (Partnersy to Partners)
2. Change the annual evaluation of the Director from "on or about August 1st of each year" to "on or about June 1st of each year" (#2 on page 1). This would allow new Board members a full year to work with the Director before being asked to evaluate his performance.

Ron Kendrick made a motion that the Board renew the annual agreement with the Director with the changes requested by both parties (4 month severance to 6 month severance, correction to typing error, annual performance evaluation to be on or about June 1st of each year), that the Director's position be upgraded from grade 86 to grade 99 with a 6 percent increase in salary, and that the Director be awarded a merit payment of \$5000 in recognition of his performance and leadership associated with the successful merger of Burke and Catawba LME's into Mental Health Partners. Todd Carswell seconded the motion.

There was no discussion, and it was voted unanimously to renew the agreement with the Director as revised, approve the reclassification to grade 99, the 6 percent salary increase, and the \$5000 merit payment.

Request for Merit Payment

There is a desire to recognize employee contribution to the transition from Mental Health Services of Catawba County to Mental Health Partners. The successful transition would not have been possible without the dedication, collaboration, and professional commitment of the staff. Employee eligibility for merit payment would be determined by the following criteria:

1. Hire date prior to July 1, 2007
2. Rating of "exceeds expectations" on the most recent performance evaluation
3. Employee is in a full-time, benefited position.

Thirty-five employees meet the above criteria for merit payment. We are requesting a \$400 merit award for each eligible employee, with a fiscal impact of \$14,000. This would provide nominal recognition of their commendable performance.

Ron Kendrick made a motion to approve the merit payment request with a fiscal impact of \$14,000 as presented. Von Beatty seconded the motion.

With no other discussion, it was unanimously voted to approve the request for merit payment.

Strategic Plan for Mental Health Partners

The final action item was approval of the strategic plan for the next 18 months that was presented to the Board during its retreat. The plan is a blueprint of the direction MHP will move in the next 6-18 months and the goals set for that time period. It is divided into short-term and long-term goals both internally and externally. There was a brief discussion as to how the strategic plan would affect the penetration rate. Director Hardy noted that there would be a report to the Board periodically on the progress made and MHP would try to set criteria to measure progress when applicable.

Tony Frasca made a motion to approve the strategic plan as presented. Todd Carswell seconded the motion.

There was no discussion, and it was unanimously voted to approve the strategic plan as presented.

Information Items

Investment of Funds

Director Hardy gave an overview of the investment of funds for Mental Health Partners. As MHP established its banking relationships for accounts with Wachovia, only one basic operational account was established. With the current economic situation, it seems wise to move funds that are not part of the liquid monthly scheme into other arenas. After examining several investment options, it was determined to put reserve funds into two companies – Evergreen Investments and North Carolina Capital Management Trust.

Evergreen Investments is connected to Wachovia, but is a separate entity and uses Treasury notes. North Carolina Capital Management Trust is out of Massachusetts and operates singly in North Carolina for governmental entities. It uses a combination of commercial and governmental notes. Both offer security and same day liquidity if needed. An investment of \$1,784,392 was made with Evergreen Investments, with another \$500,000 going to North Carolina Capital Management Trust. The goal of these investments is to protect reserve funds.

Other Information Items

Chair Beaman reviewed the other information items with the group. If anyone plans to attend the conference in Pinehurst December 10-12, please see Janice Cornett to make arrangements for registration and hotel.

The next Board meeting will be held at Life Skills in Hickory on November 20, 2008.

With no other business for discussion, the meeting was adjourned at 11:30 A.M.

Respectfully submitted,

JanIce D. Cornett
Administrative Assistant II/Clerk to the Board