

COPPER COUNTRY COMMUNITY MENTAL HEALTH SERVICES BOARD

Wednesday, June 25, 2025 | 5:00 PM

Rice Memorial Center - Boardroom
901 W. Memorial Drive
Houghton, MI 49931

MINUTES

CALL TO ORDER: The meeting was called to order at 5:00 PM.

PRESENT: Richard Bourdeau, Roy Britz, Randy Eckloff, Gale Eilola, Barry Fink, Richard Herrala, Mike Koskinen, Linda Pelli, Pat Rozich, and James Tervo.

OTHERS: Mike Bach, Dawn Gibson, Susan Serafini, Crispin Stone, and Angela Cline.

ABSENT: Katherine Carlson-Lynch.

Those in attendance stood for the Pledge of Allegiance.

Approval of Agenda

MOTION: by Mr. Koskinen, seconded by Mr. Eilola, that the Board approves the June 25, 2025 agenda with no additions, deletions, or amendments, as presented. Motion carried unanimously.

Approval of the May 28, 2025 & June 13, 2025 Minutes

MOTION: by Mr. Koskinen, seconded by Mr. Eilola, that the Board approves the May 28, 2025 and June 13, 2025 meeting Minutes with no additions, deletions, or amendments, as presented. Motion carried unanimously.

Treasurer's Report for May 2025

MOTION: by Mr. Rozich, seconded by Mr. Bourdeau, that checks numbered 74269 to 74534 in the amount of \$1,558,072.92 and Combined Cash Investments Report for May 31, 2025, totaling \$9,886,599.54 are accepted and placed on file. YES: Bourdeau, Britz, Eckloff, Eilola, Fink, Herrala, Koskinen, Pelli, Rozich, and Tervo.

Comments from the Public

There was no public present and therefore no comments to note.

Chairperson's Report: James Tervo, Chairperson, presented the Chairperson's Report.

2025/2026 County Appropriations Letters – Copies of the 2025/2026 County Appropriations letters were provided in the Board packet for review. Mr. Tervo noted the amounts being requested from each of the four counties have not changed since 1996.

MOTION: by Mr. Rozich, seconded Mrs. Fink, that the Board approves the 2025/2026 County Appropriations letters to be sent to the court clerks in Baraga, Houghton, Keweenaw, and Ontonagon counties, as presented. Motion carried unanimously.

NorthCare Governing Board Meeting – June 11, 2025 – The NorthCare CEO Report was provided in the Board packet for review. Mr. Rozich stated that he will be approaching the NorthCare Governing Board about meeting every other month since many of its members drive more than an hour one-way for a one hour meeting each month.

CMHA Annual Summer Conference Update – Mrs. Pelli stated she was amazed to see how services and funding are different in other parts of the State and from the opening presentation to the end of the conference, she had learned something and felt connected to everyone there. In one session she learned how to speak to legislators from a clinical psychologist who used to be in the House and explained how to connect to someone in that position.

Great Lakes Rural Mental Health Association (GLRMHA) Conference Update – Mr. Tervo stated the GLRMHA conference is being held September 7th-9th, 2025 at the Island Resort & Casino in Harris, MI. This year's brochures and registration will be sent electronically.

Director's Report: Mike Bach, Executive Director, presented the Director's Report.

Corporate Compliance Officer, Crispin Stone - Corporate Compliance Officer, Crispin Stone, provided the Board a Corporate Compliance review and stated the corporate compliance training is completed online through the agency's training database, MyLearningPointe.com. He has been reviewing corporate compliance policies and reports any issues to NorthCare. Crispin encouraged Board members to report any non-compliance concerns.

FY 2025 Contract(s) – Cornerstone AFC Homes – The agency has contracted with Cornerstone AFC Homes for years and the contracts being presented today are for two new homes. One individual is currently in residential services and will be moving to a Cornerstone home. Another individual is a community member with a high level of need and will also be moving to a Cornerstone home.

MOTION: by Mr. Koskinen, seconded by Mr. Herrala, that the Board approves the FY 2025 contract(s) with *Cornerstone AFC Homes*, as presented. Motion carried unanimously.

Resolution to Continue Participation in P.A. 423 of 1980 & MCL 330.1226A Special Fund Account – The resolution to continue participation in P.A. 423 of 1980 and MCL 330.1226A Special Fund Account was suggested by another CMH Executive Director and allows the agency, under the Mental Health Code, to set up a special account for billing insurance companies which then becomes local funds and protects those funds.

MOTION: by Mr. Rozich, seconded by Mr. Eckloff, that the Board approves the agency's continuation of participation in P.A. 423 of 1980 and MCL 330.1226A Special Fund Account, as presented. Motion carried unanimously.

Updates

Job Openings Data - Human Resources Director, Dawn Gibson, stated the agency has filled the Case Manager position in Ontonagon and made an offer to a candidate for the secretarial position in Houghton Outpatient who will then start in July. There continues to be an opening for a mental health clinician and a training coordinator. There is currently only one Direct Care Staff opening in the group homes and an offer was just made to a candidate for that position. There will be no more training courses until September. In 2023, the agency paid 26 new employees a sign-on bonus and 5 employees a referral bonus. In 2024, the agency paid 22 new employees a sign-on bonus and 22 employees a referral bonus.

Medicaid Concerns on the Federal Front – Work Requirements: Work requirements are exemptions for the population we serve, but if the proper paperwork is not submitted to MDHHS, an individual may lose their Medicaid benefits. **Redeterminations Every Six Months:** If our consumers don't follow through on their redetermination, they will lose their Medicaid benefits. **End to Provider Taxes:** There are provider taxes on PIHPs, medical plans, hospitals, etc. and proposed revisions to provider tax rates will be very costly to the State.

CMH Concerns on the State Front – Competitive vs Sole-Source Procurement (AKA the Bidout): This is a concern because it will privatize the mental health system and does not work well for our system because of our individuals who have very high needs. Mike stated the CMHA does a lot of advocacy work and he has spoken with State Representative Markkanen and sent Senator McBroom information about this, as well as forwarded the CMHA action alerts to County Clerks.

Possible Rate Increase – There is a Medicaid rate increase which will bring some money into our region. Mike will keep the Board updated.

Mike provided the Board with an update about the video of Clubhouse and stated he completed the company's questionnaire and provided our background information. He also talked to Clubhouse Coordinator, Chad Johnson, and shared the information with Chairperson Tervo and NorthCare Network CEO, Megan Rooney. Some changes were made from their suggestions. He will turn in the questionnaire on July 1, 2025. The company will come on site in September to shoot exactly what we want to convey. It will mainly be about Clubhouse, but we would also want to portray the great work that CMHs do.

Finance Director's Report: Susan Serafini, Finance Director, presented the Finance Director's Report.

Request to Seek Vehicle Bids – Susan Serafini stated Management is seeking permission to request bids to purchase vehicles which will replace current agency vehicles, that do not have high mileage but are having a lot of issues and becoming expensive to maintain. This will include a half-ton V-8 truck with a plow, a mid-size SUV, and a minivan. Management is also requesting approval to purchase an additional minivan which will increase the fleet to 43. Bid results will be brought to the Board in August.

MOTION: by Mr. Eilola, seconded by Mrs. Pelli, that the Board approves the agency's request to seek vehicle bids to replace a half-ton V-8 truck with a plow, a mid-size SUV, and minivan, as well as the addition of a new minivan to increase the agency's fleet of vehicles to 43, as presented. Motion carried unanimously.

Bid Results for Group Home Generators – Management is seeking approval of the purchase of eight natural gas generators, including installation, for Atlantic House, Aurora House, Harbor House, Portage House, Quincy

House, Rice House, Stepping Stone, and Woodhaven Home and recommends purchasing the generators from the lowest bidder, Keweenaw Power & Lite, for a total of \$84,138.

MOTION: by Mr. Rozich, seconded by Mr. Eilola, that the Board approves the purchase of eight natural gas generators, including installation, for Atlantic House, Aurora House, Harbor House, Portage House, Quincy House, Rice House, Stepping Stone, and Woodhaven Home from the low bidder, Keweenaw Power & Lite, in the amount of \$84,138, as presented. Motion carried unanimously.

Bid Results for Carpeting in the Ontonagon County Center – Management is seeking approval of the purchase of installation of carpet tiles and vinyl cove base, which includes removal and disposal of existing carpet, for the Ontonagon County Center from the low bidder, Kirkish, for a total of \$43,000. Susan noted the carpeting will be replaced by carpet tiles which are nice for high traffic areas and easy to replace. There is under 5,000 square feet of carpet to be replaced at the center.

MOTION: by Mr. Eilola, seconded by Mr. Herrala, that the Board approves the purchase of installation of carpet tiles and vinyl cove base, which includes removal and disposal of existing carpet, for the Ontonagon County Center from the low bidder, Kirkish, for a total of \$43,000, as presented. Motion carried unanimously.

Financial Statements Report for May 2024 - Susan Serafini reported there may be a possible increase to Medicaid funding and the agency should be receiving approximately \$700,000 in additional Medicaid dollars. There was no adjustment to Healthy Michigan which continues to be underfunded. The agency cost settled with NorthCare for FY24 this month and will be sending \$818,000 back to NorthCare but were able to keep \$728,000 of Medicaid dollars and \$245,000 of Healthy Michigan dollars. We also received a letter from MDHHS for the FY23 compliance audit and have accepted it with no findings or adjustments. Susan reviewed the Revenues and Expenditures by funding source report as of May 31, 2025. The agency continues to show a surplus across all funding sources except Healthy Michigan. Even with the savings from last year, Healthy Michigan will still be underfunded. The agency has strong Local funding with short term interest rates being high and with the Rice Memorial Clinic Foundation's support. The agency will receive a performance payment of approximately \$92,000, which is considered Local funds. Susan reviewed the Balance Sheet as of May 31, 2025. The total cash at the end of May 2025 was \$9,886,599.54 which is an increase of \$143,013.72 compared to the end of April 202 of \$9,743,585.82. A decrease will be expected for June since the agency will be returning funds to NorthCare. The total net income of all funds through May 2025 is \$727,273 compared to April 2025 of \$622,650 which is an increase of \$104,623. The General Fund is reporting net income of \$544,221 which is an increase of \$92,491 compared to April 2025 of \$451,730. There is a small loss in the Building and Grounds fund as some larger projects are being worked on. The agency will break even by the end of the year. Susan reviewed the General Fund's Income Statement. Revenues are 1% under budget and overall have increased by approximately 2% compared to the same time last year. Expenditures are 3.33% under budget and overall have increased 1.4% compared to the same time last year.

Old / New Business

Mr. Rozich suggested expanding the Boardroom, if possible.

Adjournment

MOTION: by Mrs. Pelli and adjourned by Chairperson Tervo at 6:04 PM.

Submitted by,

James Tervo, Board Chairperson

Mike Koskinen, Board Secretary

/ac