



BOARD of DIRECTORS MEETING

June 16, 2009

The Alamance-Caswell-Rockingham Local Management Entity Board of Directors met Tuesday, June 16, 2009 at 6:30 p.m. at the Alamance County Human Services Center, 319 N. Graham-Hopedale Road, Burlington, NC

BOARD MEMBERS PRESENT: Mr. J.W. Joyce, Mr. Bill Franklin, Dr. Russell Gill, Ms. Donna Lawson, Mr. David Carter, Ms. Edith Collins, Chairman Ron Norwood, Ms. Patsy Smith, Ms. Ann Slaughter, Ms. Teri Ludwig, Dr. Ernest Eason, Commissioner Harold Bass, Mr. Norman Melton,

BOARD MEMBERS ABSENT: Ms. Ethel Gwynn, Commissioner Jeremiah Jeffries, Mr. Sam Isley, Ms. Brenda Page Mr. Hal Griffin, Mr. Emery Partee

AREA PROGRAM STAFF PRESENT: Mr. Daniel S. Hahn, Executive Director; Mr. Larry Aggers, Finance Director; Ms. Cindy Ziller, UR/STR staff; Ms. Fran Harvey, System of Care staff; Ms. Lynette Gordon, UR/STR staff and Ms. Cathy Moore, Clerk to the Board

GUESTS: Mr. Mike Taylor; LME Attorney, Ms. Judy Truitt, CEO, Orange-Person-Chatham LME; Ms. Yvonne French, DMH Liaison; and Mr. Cleon Currie.

- I.** Chairman Norwood called the meeting to order.
- II.** Mr. Carter gave the invocation.
- III.** Mr. Hahn introduced and welcomed guests and staff as noted above.
- IV.** Chairman Norwood asked for approval of the April 21, 2009 Board minutes.

ACTION: Motion made by Ms. Slaughter to approve the April 21, 2009 Board minutes as written. Motion seconded by Ms. Collins. All approved.

V. Chairman's Comments – Ron Norwood

- Chairman Norwood discussed the last four years and all the work Board members have put into the merger. He stated that he appreciates Mr. Melton's advocacy for Mental Health and will miss working with him. He expressed his appreciation for this opportunity and all the Board has endeavored to accomplish.
- Chairman Norwood noted that he had recently been interviewed, as a standard procedure, by a representative of the LME's CPA firm. He stated that the LME will benefit from the change in financial reporting regarding funding that is being spent on consumers. He also noted that since Mr. Aggers has been employed as Finance Director, the quality of work from the Finance Department has improved. Leza Wainwright recently sent a letter also complimenting the LME on the good job being done financially.

VI. Director's Report – Daniel Hahn

- Mr. Hahn expressed his appreciation to Rockingham Board members for the experience of serving with them. He wished them success and happiness to them and their community.
- Mr. Hahn reported that he attended the OPC Board meeting last week and hoped that Ms. Truitt will continue to meet with our Board as we move forward. He noted that Ms. Truitt had asked for a resolution from her Board instructing OPC to engage in discussions and to show support in working toward a merger. Dan asked for a similar resolution from the AC Board recognizing the exit of Rockingham County and AC's efforts to work towards discussion with OPC. Mr. Taylor was asked to write out a resolution that was later read by Chairman Norwood.

ACTION: Motion made by Mr. Carter to adopt a resolution allowing Alamance-Caswell LME staff to engage in discussions with OPC regarding a possible merger. Motion seconded by Mr. Franklin. All approved.

- OPC's next Board meeting is scheduled for July 13. Ms. Truitt has invited any AC Board members to attend. Contact Ms. Moore if you are interested in attending.
- Mr. Hahn stated that he and Ms. Truitt had also discussed the need for CFAC and Consumer Advocacy groups from both LME's to make plans to meet together.
- Mr. Hahn reported that he had talked with Dan Ingle, who is now Representative Ingle, as he was recently appointed to the Legislature to fill a vacant position for Alamance County. As he has been a strong advocate for mental health, we are very happy that he is now in Raleigh representing Alamance County. Mr. Hahn noted that he would like to generate a letter from the Board expressing our appreciation to Representative Ingle for the work he has done on this Board.

ACTION: Motion made by Mr. Carter for the Board to generate a letter to Representative Ingle expressing appreciation for his work. Motion seconded by Ms. Collins. All approved.

- Mr. Hahn discussed the need to amend the current Joint Resolution and Medical Records Agreement. Questions will be deferred to Mr. Taylor.
- Mr. Hahn stated that he has no idea what funds will be available in the next fiscal year. Mr. Aggers has had discussions at the State level but there has been no final allocation. A particular percentage will go with Rockingham to Centerpoint and a percentage will stay with Alamance-Caswell. Mr. Aggers has suggested generating contracts to the provider network at a 15% reduction in services in all categories. This is due to the fact that we anticipate that funding will be reduced. If the reduction is less than 15% or more than 15% the LME will be contacting the providers and making adjustments. Mr. Hahn noted that this is possible due to the fact that our fiscal "house" is in order because Finance has done such a good job.
- At this time Representative Ingle stopped by to express his appreciation to the LME and that he now represents Alamance-Caswell in House 64. He noted that he will be doing all that he can for the LME in his new role as a State Representative. He stated that he already met some other Representatives who understand what the LME's have been going through.

ACTION: Motion made by Mr. Melton for the Board to return to meeting on a monthly basis. Mr. Gill seconded. All approved.

VII. Budget/Fiscal Report – Larry Aggers, Finance Director

Mr. Aggers discussed a graph showing ACR LME cash flow trend for fiscal year 2008-09 through May, 2009 (see attached),

Assets as of 05/31/2009

- Total Assets - \$8,132,477.82
- Change in Fund Balance - \$278,267.51
- Total Fund Balance - \$5,294,718.03

Statement of Revenues, Expenditures

- Revenues for the current period are at \$1,901,425 with \$1,932,185 budgeted
- Expenditures for this period are at \$1,932,198 with \$2,288,236 budgeted reflecting a \$386,811 deficit
- Year to date surplus is \$278,268

IPRS Expenditures as of 05/31/2009

- Total budget - \$10,109,312
- Total expended prior year - \$1,361,463 or 13.5%
- Total expended current year - \$7,948,706 or 78.6%
- Total expended overall - \$9,310,169; percentage expended of budget 92.1%

Budget Revision 5

Mr. Aggers stated that this revision increases funds in the Age and Disability Categories and transfers \$100,000 to administrative expenses.

At this time, Chairman Norwood asked a motion to accept the Budget Revision 5.

ACTION: Mr. Franklin motioned to accept Budget Revision 5 as presented by Mr. Aggers. Ms. Collins seconded. Motion approved unanimously.

Budget Revision 6

Mr. Aggers stated that the LME pays retiree health insurance until the age of 65. In the past, this expense was incurred as we go. We have to increase the liability. This allows the LME to record the expense and the liability. This is not a funded expense but to show that the liability is out there and to show that the Board is aware of this liability during the audit.

ACTION: Mr. Franklin motioned to accept Budget Revision 6 as presented by Mr. Aggers. Mr. Melton seconded. Motion approved unanimously.

2009-10 FY Budget

At this time Mr. Aggers noted that this proposed budget totals \$17,083,107, a decrease of \$4,501,087 from FY 09. This decrease reflects changes of LME funding and service dollar funding due to the loss of Rockingham County as a partner in the LME. There is also additional revenues of \$1,395,000 for inpatient revenues due to the three way contract with the State, LME and ARMC to reduce occupancy at the State hospitals. LME funding is shown at \$4,165,622, a decrease of \$665,264. This budget reflects no salary increases.

ACTION: Mr. Franklin motioned to accept the 2009-10 fiscal year budget as presented by Mr. Aggers. Dr. Eason seconded. Motion approved unanimously.

IX. Joint Resolution

Mr. Taylor took this opportunity to discuss the need for the Board to approve a new Joint Resolution that would change the LME's name to Alamance-Caswell, eliminating Rockingham.

ACTION: Mr. Franklin motioned to accept the Joint Resolution, with additions, as discussed by Mr. Taylor. Ms. Slaughter seconded. Motion approved unanimously.

X. Client Records Agreement

Mr. Taylor noted that there are 30,000 closed records in storage in Rockingham that will be transferred to Centerpoint Human Services. He asked for adoption of this Record Agreement, with some minor changes that may be made as appropriate by the attorney. This agreement also addresses active records.

ACTION: Mr. Carter motioned to accept the Client Record Agreement as presented by Mr. Taylor. Mr. Franklin seconded. Motion approved unanimously.

XI. Committee Reports

- CFAC met April 28, 2009 and May 26, 2009. No action required
- Finance Committee met April 20, 2009 and May 18, 2009. See Budget/Fiscal Report.
- Human Rights Committee met May 19, 2009. No action required.

At this time, Ms. Truitt thanked the Board for allowing her to be here tonight. She stated that the OPC attorney has been asked to draft a letter of intent that she hopes will be very transparent and clear. She noted that it is very important that everyone is discussing the same things. She also stated that there is a Power Point presentation available that gives an overview of OPC. She will emailing this presentation to Dan to pass along to the A-C Board. She also extended an invitation to Board members to attend the OPC Board meetings.

XII. Executive Session

Chairman Norwood asked for a motion to go into Closed Session to discuss a personnel issue.

ACTION: Mr. Franklin motioned to go into Closed Session to discuss a personnel issue with the LME Attorney. Ms. Slaughter seconded. Motion approved unanimously.

ACTION: Commissioner Bass motioned to return to Regular Session. Ms. Lawson seconded. Motion approved unanimously.

With no further business, the meeting was adjourned

Respectfully submitted by,

Cathy Moore
Clerk to the Board

The next Board meeting is scheduled for Tuesday, August 18, 2009 at 6:30 pm at the Human Services Center, 319 N. Graham-Hopedale Rd., Burlington, NC.