

**BENZIE COUNTY DHS BOARD
MEETING MINUTES**

February 22, 2011

Call to Order: Marsha LaTour called the meeting to order at 1 p.m.

Present: Marsha LaTour, Chairperson
Norma Eason, Vice-Chair Person
Gaylord Jowett, Member
Kris Lagios, DHS Director
Marcia Stobie, County Commissioner
Rose Coleman, Administrator
Margot Peshek, Director of Nursing
Katherine Johnson, Administrative Assistant

Pledge of Allegiance

Agenda Update:

- A. Add Al Goudreau invoice after bad debt
- B. Add employee discipline after bad debt

Motion by Eason, seconded by Jowett to approve the above changes to the agenda. **MOTION CARRIED.** Ayes: LaTour, Eason. Nays: None.

Minutes:

Motion by Jowett, seconded by Eason to approve the minutes of the regular board meeting of January 25, 2010. **MOTION CARRIED.** Ayes: LaTour, Eason, Jowett. Nays: None.

Public Input:

Thelma Rider-Novak, Frankfort:

- Does not approve of the two levels of households.
- Asked if the DHS Board followed bylaws specific to DHS as provided by the state – Marsha stated that they would talk with the DHS Director about this and also suggested that Thelma go to the DHS office to get the information.

Kris Hollenbeck:

- Asked if there would be any changes to the structure of the new project brought up at the public hearing. Marsha stated that it would be the Building Authority doing that.

Rose said that once the project goes forward the building is owned by the Building Authority for the lifetime of the bonds – just for clarification, nothing in the structure of the project has changed. It is the exact same project presented by The Millage Committee for the vote. As Mr. Pettit stated we don't know the exact dollar amount that the bonds are going to sell for and we don't know the exact dollar amount for the bids yet. The scope of the project remains what it was which can be attested to by people working on that.

Kathy Gorden, Beulah:

- In the effort of making cuts has any thought been given to making cuts in administration salaries in order to provide a little more leeway – everyone is making cuts these days.

John Zurkel, Honor:

- Asked the public if anyone had any more discussion on Rose's contract – Danielle Gardner of Benzonia wanted to know how she got this brand new contract when her old contract was still in effect. At this point Marsha intervened and told Mr. Zurkel that he was somewhat out of place in taking over the meeting and asked him if he had any comments – he stated that he had a lot of comments – and Marsha stated then make them to us.
- Stated that we were fortunate to have Rose as the administrator along with her \$122,000 a year and said that in this field that could be cheap.
- Approves of Rose's salary – thinks we need to move on.
- Believes the bonds are safe and that they are going to sell.

Thelma Rider-Novak:

- Does not believe that Mr. Zurkel has the right or the authority to tell any citizen that they have to either speak now or forever hold their piece about a contract or anything else.

Roland Halliday:

- Stated that the taxable values are down – less than 1% but they are down – it's at .8%.

Marsha stated that Mr. Zurkel has his opinion and that there are some of us that are very concerned about what will happen with the bonds. No one can guarantee that this is going to happen. We have to see when they go out for sale – will they sell and at what percentage?

County Commissioner Report:

Marcia Stobie reported that Roland Halliday and herself were appointed to represent the commission on the Building Authority committee. After their own commissioner's meeting they attended the Building Authority meeting and discussed what their options were in moving forward. She stated that when the bonds are sold and we know the value, then that would be the appropriate time to make changes accordingly.

DHS Director Report:

- Been given staffing allocation for the year and have an additional worker to be hired soon which brings the DHS office back to full staff.
- Food Assistance Program (FAP) has gone up for the month of January – have 1,289 FAP cases in Benzie County for the month of January (\$323,991 per month).

Administrator/Director of Nursing Report:

Rose reported:

- The DHS Board approved placing the board minutes beginning January 2011 on The Maples web site.
- At this time Governor Snyder has proposed no cuts to the Medicaid rates or reimbursements as it pertains to us. He is planning to move the remaining Medicare/Medicaid services into managed care models in the hopes of saving \$10 million dollars. We are dealing with Medicaid HMO's and Medicare HMO's – everything seems to be moving away from the strict Medicare/Medicaid.
- Understands that there will be some revenue sharing to be reinstated in the amount of \$25.5 million or 4% based on sales tax collections.
- Moving along with the Design and Development portion which will conclude March 4 when the operational narrative must be completed and sent into the Health Facilities Evaluation which is a department of the state of Michigan. This will also be presented to the board. Preliminary plans have gone to the Building Authority. After March 4th Al Goudreau and staff will prepare what needs to go into an auto CAD program.
- CNA cross training of staff begins February 23. Staff are also sharing "In Pursuit of the Sunbeam" books to read. Norma Eason was given one and will then pass it on for other board members to read.
- Presently working on a Mission Statement and hope to have one to present at the next board meeting.
- Received notification from Mr. Daugherty that mediation has been set for March 21, 2011 in Traverse City at 9 a.m. Need to be prepared with authorization if there is a settlement. Need to decide who from the board will attend.
- Eric Conway from Plante Moran and architect, Al Goudreau will be attendance at the March 1 special board meeting to present end of year finances and Eric will go on to explain the assumptions for the project as well as the CPE and answer any questions on the bonds or other issues. Marsha LaTour asked Marcia Stobie if the agenda was set for the Commissioners' meeting. It was decided to contact Dawn to see if that agenda was set because of The Maples' meeting being open to the public.
- Rose discussed the EMS garage issue. They were looking at the vacant lot near The Maples. It has been appraised at \$75,000. Our project doesn't depend on their move--it just makes for a better scenario if they do move. At a recent meeting with Al Goudreau that lot was discussed as a possible staging area. The construction equipment is enormous and a space for deliveries will also be needed. The option for the architect is to talk to Paul Oliver about renting that space which will cost about \$50,000 to rent it for two

years. His recommendation is perhaps purchasing that lot out of the contingency fund, not out of The Maples fund. Then, on the back half of that lot which faces Park Ave, give that to EMS so they can move their garage on that space. Marsha asked who came up with the \$25,000 a year rental fee. It's an estimate based on other places they have rented. Marsha asked if Rose was still attending the EMS meetings and Rose stated she had attended the last meeting which was the third Tuesday of January. The Commissioners would not have the concern that Paul Oliver owned the land that EMS was sitting on and there was no way Paul Oliver could tell them they had to leave. A couple of meetings ago, the concern was raised that EMS used to park their vehicles by a POMH garage in the back. They were told they had to vacate and receive nothing for their efforts. That's when the garage was built by The Maples staff and the EMS staff. Two commissioners do not want to see that happen again. They would like EMS to have direct ownership. Marsha also raised the question about moving forward if there were issues about the millage covering the cost of the project. She stated there seems to be many questions which need to be answered. Who is negotiating with Paul Oliver? Rose believed it was Don Tanner and Mark Roper. Marcia Stobie responded that the final cost had not been determined and that's where it was left at the last meeting. They were getting estimates on what it would cost to replace that. Then they would figure out a location. Rose stated that if they didn't have to purchase the land, they wouldn't have that expense, which could be a big deciding factor. Rose stated again that it will cost something to rent that property and if it's close to what a purchase price might be it makes sense to buy the lot and get something for your money. That way the EMS would not have to worry about moving and we would be able to eventually move our pole barn to the other part of the lot.

Department Heads:

Teresa Hopper, Restorative:

Everything is running fine.

Jennifer Flynn, Activity Director/Volunteer Coordinator:

The Gleaners came, a volunteer that put on a wonderful Valentine party for the residents. They brought all kinds of prizes and a complete array of treats. They played BINGO with the residents and everyone had a wonderful time. In March there will be three parties—Pig Party for national Pig Day on March 1st; Mardi Gras on March 7 or 8; and St. Patrick's Day on March 17th. There will be the regular Sunshine Singers/Birthday Party at the end of the month. So it is busy planning and organizing for all the events. The Pig Party will include Banana Splits, pig toss, wearing pig noses and other fun events.

Cindy Sandman, MDS:

Census is full with 62 residents. There are 7 residents on Medicare Part A and 3 residents on Medicare Part B and we're almost a half year in our MDS 3.0 and everything has been going remarkably well.

Correspondence:

One letter concerning the date for mediation. One thank you letter from a family member regarding the Snowflake Dinner. It's nice to get those letters thanking us for the extra work we put into special events.

Public Input:

Joan Hibbard, Frankfort

Regarding these bonds, is there a finite date when these bonds have to be sold? My understanding is that they are at 5.5 now and if the best you can get to make it work for The Maples is less than 4.5 or 4.0 so therefore is there a finite date when these bonds can be sold? If so, will they be sold at 5.5 or are they going to drop. Marsha stated that no one can really answer that right now. She had a discussion with someone from the Building Authority today and until it goes out to bid, it's her understanding that the bonds cannot go out. She realizes that does not answer the question. Marsha asked Rose if she knew when the bids would go out. Rose stated that Peter Ecklund and another individual said they would start selling the bonds in April and the bids would go out in June. You won't know how much money is needed until.... Joan stated again that the bonds are at 5.5 and that won't be enough money for the project. If the bonds are sold in April and the rate is still high, you will still be in the hole. Rose stated that at the meeting the number was 8.2 million and that there was a potential shortfall of about \$800,000. Rose also reassured everyone that there are contingencies for that and the bid process had a 10% leeway on both sides. That's what she understood Jay Pettit to say. Joan thought that's what she understood as well. Joan's last point was, OK, they sell the bonds. And if they don't generate enough funds, then what happens? Rose stated that would be in the hands of the Building Authority or the Commissioners. Marsha LaTour stated that would be the decision of the Building Authority. That has been taken out of the hands of The Maples Board. If the Building Authority had concerns, it would go back to the Commissioners and there would be a public hearing on where we go from here. Marcia Stobie stated that sometimes in the process you go back to the architect and say we'll make these changes. But until you know what you are working with you can only guess. Joan—technically the bonds will go up for sale in April? Rose—that's what I understood. They would start the selling of the bonds in April. The selling of the bonds and all that stuff, that's their bond attorney and the Building Authority—we've been taken out of all of that. Marsha—as the nonvoting members, Rose and I along with Roland and Marcia, you'll know when we know.

Jean Bowers

I would suggest, there's so much concern, that you invite the Building Authority to come and answer these questions.

Marsha

What is going to happen March 1st is that they have a great deal of interest in how this is all going to work as well. Just so you know, we have invited the Bonds person. He did not think it was necessary for him to be at the meeting. But Plante Moran and the attorney will be at the meeting and the people from the Building Authority. So the Building Authority will have the

chance to ask these questions and it is also my understanding from Mr. Pettit that he is working with the architect ahead of time because he has questions as well.

Jean Bowers

It wasn't a question, it was really just a suggestion, with all these concerns and people with questions, to get these answers so people are comfortable.

Marsha LaTour

Well, we'll try to get everyone together in the same room on March 1st and hopefully address everything at once. The meeting is March 1 at 1:00 in this room.

Doug Pierson

I noticed that on the agenda that you had a place for correspondence prior to Public Input. Do you read those correspondence publicly at the next meeting? If someone was to issue a correspondence to the board, rather than stand up and make comments without thinking. Is that correspondence read or does it get thrown away? Well, I don't mean throw away.....

Marsha:

Rose deals with the correspondence that comes in here. There are times that we deal with the correspondence which we receive

Doug:

I guess my point is....

Marsha:

If the correspondence is not signed, we've been advised by the attorney, it's the same thing with the paper, it is not to be discussed. It does not mean that it goes unrecognized.

Doug:

I guess, my question is, rather than standing up during the time of Public Input, and saying something or taking a stand without thinking about it or being concise about what a person's inquiry might be, that you can sit down and put it in a concise, reasonable question or comment to the board, that it would be read at the next board meeting, maybe at the time of Public Input.

Marsha:

That's fine. As long as it was signed, yes.

Doug:

I might have some concerns or I might have some compliments to say and I don't want to stand out and start an issue within the audience. Then at the next meeting, you could say this was presented to us at the last meeting. Would that be read?

Marsha:

Yes.

Doug:

Thank you.

Doug Holmes:

Question about Holtrey on the agenda.

Marsha:

It's not on the agenda because we have some other things which we'll have to go into closed hearing about. The gentleman had left it open so we have asked him to attend the March meeting because we didn't know how long this one would go. Look at the next agenda and see if it's on there.

Rose:

He hasn't confirmed. He'll be there either in April or May.

New Business:

None

Other Business:

None

Financials:

Grouped by departments. Marsha had a question about meals and lodging on page five for administration, dietary, nursing, and so forth. Then there's another breakdown on page seven under travel. Is that when you are just attending day meetings? What's the difference?
Rose—the travel is when they go to any conference. Then the meals and lodging are their meals and lodging while they're there. It's education for the different departments. Every department has a budget. Marsha—with Dr. Mahoney's, the \$1800, that is the fee to get into the conference?
Rose - Yes.

Motion by Jowett seconded by Eason to accept the January financials and the January VISA bill.
Ayes: LaTour, Eason, Jowett. Nays: None.

Rose

I have a bad debt for \$1,488.58. This is a person who transferred to another facility or home and before this person could pay down the debt, he passed away, so there is nothing to get. I need a motion to write off \$1,488.58.

Motion by Jowett, seconded by Eason to write off bad debt invoice of 1,488.58. Role Call to Vote: Gaylord Jowett, YEA. Marsha LaTour, YEA. Norma Eason, YEA. **MOTION CARRIED**

Rose:

The only other thing I have is the last architect bill for the design and development phase which you can see there is task 4 in the amount of \$74,214.41.

Marsha:

I would like to go back to the minutes. We were concerned about time and so on and so forth and it says under other business that Marsha would like to go back to having only one department head per meeting. We discussed the attendance and the amount of time lost on the floor with all the department heads being there so I guess we need to open it for discussion and take a vote on it as to whether....I'm not sure why we still have so many department heads here.

Rose:

I invited Sue Miller as the department head to the meeting. If other people are here, I guess there's a two fold issue. They're salaried and I'm going to surmise that they've come in early or will stay later to adjust their schedule. Jennifer was here, Nancy is here, Teresa Hopper and Cindy Sandman are here, and Diane is here for HR. I surmise that you've adjusted your schedules?

Norma:

If they've adjusted their schedules, I don't see that it's hurting anybody and I see no reason why they can't attend.

Rose:

They're salaried, I mean, they're not hourly. Most salaried people put in 9, 10 hour days. I did listen to what you said and I did invite Sue Miller.

Motion by Jowett, seconded by LaTour to go into closed session for the purpose of employee discipline. Role Call to Vote: Gaylord Jowett, YEA. Norma Eason, YEA. Marsha LaTour, YEA. **MOTION CARRIED**

Enter closed session at 2:25 PM

Out of closed session at 3:08 PM

Adjournment:

Motion by Jowett, seconded by Eason to adjourn. Ayes: Eason, LaTour, and Jowett. Nays: None.

Meeting Adjourned 3:09 PM.

Marsha LaTour, Board Chair _____

Norma Eason, Member _____

Gaylord Jowett, Member _____

Kris Lagios, DHS Director _____