

# LENAWEE COMMUNITY MENTAL HEALTH AUTHORITY SPECIAL BOARD MEETING

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Minutes  
August 29, 2016

Present: J. Ackley, D. Bills; G. Adams; S. Clites; M. Jackson; J. Lapham; E. Martinez;  
N. Smith; R. Tillotson J. Van Doren; R. Wilson; D. Yearsin  
Staff: Robb; Strayer; Szewczuk  
Public: None

## CALL TO ORDER

Chairperson Clites called the meeting to order at 4:00pm.

### **1. Performance Results Pay Plan**

This special board meeting was called specifically to discuss the motion from Personnel Committee, which was tabled at the regular board meeting on August 25<sup>th</sup>, due to absence of board members and time constraints.

**MOTION BY J. VAN DOREN** to approve a one-time 7.5% performance results pay for employees. **SUPPORTED BY R. WILSON.**

Clarification was provided by management of the following:

- A 5% performance pay is already built into the budget
- The current budget line for salaries and wages is underspent by \$342,178
- The current budget line for fringes is underspent by \$311,552
- Salary line is underspent due to several unfilled positions
- Comparisons of cost were provided, for 3% - 7.5%
- The number of qualified employees = 67

- The salary scale was revised last year (to average comparisons across the region)
- Employees have received 5% bonus pay the previous two years, however, nothing previously for many years
- Many long time employees are at the top step of the pay scale and can never earn more
- If target goals are not met, employees do not receive the performance results pay
- Medicaid \$\$ not used in Lenawee for the year, is sent back to the PIHP for the needs of our partners – we will be sending back approx. \$1.5m.
- Lenawee only receives about \$400,000 General Fund dollars from the state, which leaves us with a GF deficit every month, we are able to cover this deficit by using excess local dollars, and we are still able to add to the fund balance
- Medicaid dollars cannot be used for services such as jail or court programs. LCMHA has applied for, and received grants to fund more jail services

There was discussion regarding county employees, their benefits and recent pay increases. Van Doren noted that:

- County employees have received similar benefits to CMH employees from 2008 – 2013, however in 2011 the county continued to fund the HSA accounts of county employees, ranging in cost from \$1400-\$2500 per year. CMH opted into the “hard cap” insurance with no contribution to the HSA.
- County employees received an increase of 1% in 2016; 1.5% in 2015 and 1% in 2014 (a guaranteed 3.5% every year over base salary)

It should be noted that the future is unsure, and there is no guarantee that a performance results pay will be awarded. Also, this is not a pay raise; it is a one-time payment for achievement of certain goals. Concerns expressed were:

- 7.5% sends the wrong message to the community and county employees
- The board does not want to be obligated, going forward, to paying a similar amount
- We currently have an under-funded defined benefit pension plan. Many employees are eligible to retire. The last few years salary is taken into account when the defined benefit is calculated, and there could be significant impact to the plan

A roll call vote on the motion was held:

- R. Wilson – yes
- R. Tillotson – no
- J. Lapham – no
- J. Ackley – yes
- E. Martinez – yes
- M. Jackson – yes
- J. Van Doren – yes
- G. Adams – yes
- D. Yearsin - yes
- N. Smith – yes
- D. Bills – yes
- S. Clites – no

**MOTION CARRIED.**

Mr. Tillotson would like to commend Deb Strayer on her hard work in this respect. Jackson would like to thank all of the board members for attending today.

**ADJOURNMENT**

Meeting adjourned AT 4:50pm.

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Robert Wilson

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Date