

**Minutes of the OPC Area Board/LME Board Meeting**  
**Thursday, December 6, 2007**  
**Administrative Office - Europa Center**

**BOARD MEMBERS PRESENT:**

Commissioner Jimmy Clayton, Commissioner Moses Carey, Commissioner Tom Vanderbeck, George Greger-Holt, Lori Ireland, Amanda Blanks, John Stewart, Sandra Herring, Henry Pleasant, Richard Edwards, Lynn Ikenberry, Tina Williams, Virginia Hill

**BOARD MEMBERS ABSENT:**

Sue Schwartz

**STAFF PRESENT:**

Judy Truitt, Dave Jenny, Lynne Hamlet, Donna Prather, Tom Velivil, Debra Farrington, Marie Moore, Ivy Williams, Jolene Meyer,

**GUESTS PRESENT:**

Gwen Harvey, Assistant Orange County Manager,  
LeAnn Nease Brown, OPC Attorney  
Giles Blunden, Club Nova Board  
Karen Kincaid Dunn, Club Nova Staff  
Wayne Terry, LarsonAllen OPC Auditor

**CALL TO ORDER:**

OPC Chair George Greger-Holt called the meeting to order at 7:10 p.m.

**CALL FOR PUBLIC COMMENT:**

Mr. Greger-Holt opened the floor for public comment. There was none.

**READING OF THE MINUTES:**

John Stewart motioned to approve the October 11, 2007 Minutes of the OPC Area Board meeting as written. Commissioner Moses Carey seconded the motion. The motion carried with 13 board members voting in favor and none opposing.

**REPORT OF THE CHAIRPERSON:**

Mr. Greger-Holt, per a recommendation from the Finance committee, asked the Board if there were any problems with moving the auditor's report to earlier in the evening; the Board agreed to begin the meeting with the auditor's report.

**AREA DIRECTOR'S REPORT:**

**I. Auditor's Report**

A. Wayne Terry from LarsonAllen presented the 2006-2007 audit report to the Board. Mr. Terry provided the local governments with the audit the previous Friday and met with the Finance committee just prior to the Board meeting. Mr. Terry noted no major changes from last year and OPC received an Unqualified rating, which is the highest level of assurance that may be earned. Mr. Terry highlighted the report: the cash balances at year-end equated to 24 days of operation based on 2007 operating expenses, by LarsonAllen standards is reasonably stable, although below recommended levels of liquidity; also, while the operating model has changed significantly, OPC continued to make

improvements in monitoring billing over the past two years. OPC met its fiscal responsibility requirements; total net revenues were over budget while expenditures exceeded budgeted amounts; revenues decreased by \$14.5M; expenditures decreased by \$15.6M; and revenues exceeded expenditures by \$1.2M, which included \$395K of loan proceeds to purchase property on an installment. The auditors reported that two material weaknesses were noted in OPC's internal control over financial reporting and budgeting. The first is the previously mentioned total actual revenues and total actual expenditures exceeding the approved budget ordinance. The second is management's decision to outsource the function of establishing and maintaining internal controls including monitoring, and the fair presentation of financial position and results of operations, including the notes to the financial statements, in conformity with U.S. generally accepted accounting practices. The auditors further reported that the outsourcing of these services are not unusual in organizations of OPC's size due to the cost involved in either hiring additional staff or obtaining the necessary training. LarsonAllen recommends that OPC continue to explore ways to increase cash liquidity, the financial condition, and prepare for GASB 45-Accounting for "Other Postemployment Benefits" which is going into effect July 1, 2008. Communication between the auditor and the OPC Board is a factor for the SFY 07-08, therefore the Board should expect to have more communication in the next seven months from Larson Allen. Lori Ireland motioned to approve the auditor's report and Commissioner Carey seconded the motion. The motion carried with the present 13 Board members voting in favor and no one voting against.

## **II. Accreditation Update**

- A. Ms. Truitt announced that OPC would be working toward a CARF accreditation site visit in the fall of 2008. Over the next several months Management Team will be providing information to the Board regarding new policies and procedures and organizational changes that will be needed to achieve accreditation. Ms. Truitt thanked Lynne Hamlet for gathering the information for CARF.

## **III. OPC Board Retreat**

- A. The Board confirmed the retreat on January 26, 2008 from 9 a.m. -12 p.m. There will be a light breakfast served. The agenda will consist of materials related to CARF preparation, planning for next fiscal year, and organization of the new sub-committees.

## **IV. System Performance/Mercer**

- A. OPC was informed in mid-November that Mercer, a national consulting firm, would conduct a system performance evaluation of the Local Management Entities (hereafter known as LMEs). The contract between the Division of Mental Health (hereafter known as DMH) and Mercer was a result of the legislative requirement that DMH provide the LOC an external evaluation of LMEs. LMEs were provided an extensive list of documents that were to be submitted for a desk review. OPC's materials were compiled and submitted on December 4, 2007. Mercer will be making site visits in mid-January. It is our understanding that Mercer will rate LMEs as high performing, adequately performing, or performing at an unsatisfactory level.

## **V. Agency Work Plan and Local Business Plan**

- A. Ms. Truitt pointed out that the SFY07-08 Agency Work Plan was included in the Board packet. The work plan was finalized after all changes had been made to the LME/DMH contract. The final work plan covers all the areas included in the new contract.
- B. Ms. Truitt reminded Board members that DMH had extended the submission deadline for revisions to LME's local business plans to February 4, 2008. OPC's DMH liaison met with Management Team members and recommended minor revisions to the plan, which will be completed and ready for submission prior to the February deadline. Adjustments to the plan will be made based on the expectations that have been defined by the new contract and priorities identified at the local level.

## **VI. Extended SFY 2004-2007 Performance Contract First Quarter Report**

- A. The DMH/LME Performance Contract for SFY06-07 was extended through November 30, 2007. The new contract will be implemented December 1, 2007. The first quarter report for SFY07-08 was very favorable for OPC. The only area where OPC did not perform strongly was Client Data Warehouse, which is significantly impacted by the performance of our business system.

## **VII. AQIC First Quarter Report**

- A. Ms. Truitt requested that the Board review the documents included in the December 2007 OPC Board packet (please see page 68) and contact Lynne Hamlet with any questions.

## **FINANCE OFFICER'S REPORT**

Financial Activity Report for December Board Meeting:

- Still no word from our Regional Accountant on the outcome of the 2003 TSR for non-UCR funds. We recognized the potential liability on our books at year end 2007.
- OPC has requested and received a wavier for the FY2007 Cost Reporting requirement based on the agency not providing any enhanced services in FY06-07.
- OPC's final allocation letter was received from the State on November 7, 2007. Service funds were reduced by \$1,230,092 (Mental Health -\$567K, Developmental Disabilities -\$939K, Substance Abuse -\$127K, and total Crisis Services +\$403K). LME Management funds were increased \$273,367.
- Utilization Management Committee is working to mitigate the effects of the budget reduction. Not only were funds reduced, but they were also shifted between disabilities and target populations. The committee is evaluating possible adjustments by age group and disability.
- Management Team held several LME budget meetings to evaluate and finalize recommendations to be presented to the Board for consideration. The enclosed budget includes all recommendations brought to the Board.

Mr. Stewart motioned to approve Finance Officer's report as written. Henry Pleasant seconded the motion. The motion carried with 13 board members voting in favor and none opposing.

Mr. Jenny then reviewed the proposed budget revisions, noting several allocation changes and new lines for more definition with funds. Mr. Stewart motioned to approve the proposed budget revisions with expected revisions. Ms. Ireland seconded the motion. The motion carried with 13 board members voting in favor and none opposing.

## **COMMITTEE REPORTS**

### **Finance Committee:**

OPC and DMH conversed about OPC receiving additional CAP slots for dually diagnosed individuals. Service dollars were cut for developmentally disabled consumers and this may aid in supporting these consumers. Ms. Truitt will keep the Board informed as more information comes in.

Ms. Truitt updated the Board on the Caring Family Network (hereafter known as CFN) situation. Over the last several months CFN has lost a significant number of staff across the three counties and as a result their capacity to serve as OPC's safety net has begun to erode. OPC staff are aggressively working to build capacity with other providers and Ms. Truitt will keep the Board updated as the situation evolves.

Ivy Williams and Marie Moore highlighted the new OPC staff benefit plan. Management Team met with Willis and evaluated the 2008 options. The health insurance plan Management team thinks will best support OPC staff is a Health Reimbursement Account model; the Finance Committee supports this recommendation. Finance Committee also supports changing dental providers in order to cut costs; OPC would switch from Ameritas to MetLife, the employee coverage would only be slightly different. Mr. Stewart motioned to approve the Finance Committees recommendations for medical and dental coverage for 2008. Commissioner Vanderbeck seconded the motion and the motion carried with all present Board members voting in favor and none opposing.

The Finance Committee recommends that the Board approve a five percent raise for the staff that will be retroactive to October 1, 2007. Ms. Ireland made a motion to approve the recommended five percent raise for staff. Commissioner Tom Vanderbeck seconded the motion. The motion carried with all present Board members voting in favor and none opposing.

Mr. Stewart, on behalf of the Finance committee, would also like to recommend a one time holiday bonus of one percent to all OPC staff. Ms. Ireland motioned to accept the Finance Committee's recommendation for a one-time one percent bonus. Richard Edwards seconded. The motion carried with all present Board members voting in favor and none opposing. The present OPC staff expressed their gratitude to the OPC Board and Finance Committee.

The Board requested an update on Five County contract. Mr. Jenny stated that the data link is secure and money is flowing as was expected; things seem to be working well. November was the first complete month that Five County provided the service.

**Developmental Disability Committee:**

The Developmental Disability Committee did not meet tonight. The Developmental Disability Committee has disbanded and in February 2008 the new subcommittees will begin to meet.

**Adult Mental Health/Substance Abuse Committee:**

The Adult Mental Health/Substance Abuse Committee did not meet tonight. The Adult Mental Health/Substance Abuse Committee has disbanded and in February 2008 the new subcommittees will begin to meet.

**Human Resources Committee:**

Ms. Williams presented two OPC staff positions for approval. The first would be in the Quality Improvement department, Clinical Specialist. This person will conduct post payment reviews, participate on the monitoring team, and give providers support just to name a few tasks. The second position would be a data integrity specialist. This person would work with the Screening, Triage and Referral unit. This would be a huge help to the clinicians who answer the phone as well as other administrative support staff in the Care Management department. Both positions are recommended by the Finance committee. Ms. Ireland motioned to approve both positions. Mr. Stewart seconded the motion. The motion carried with all present Board members voting in favor and none opposing.

**Client Rights Committee:**

Mr. Norton presented for the Client Rights Committee (hereafter known as CRC). CRC is making some changes to OPC policies and procedures because of the upcoming accreditation process with CARF. CRC also wanted to express their interest in having a new Board Member appointed to the committee. The next CRC meeting will be January 8, 2008 at 5 p.m. at the Europa Center.

**Child & Family Committee:**

The Child & Family Committee did not meet tonight. The Child & Family Committee has disbanded and in February 2008 the new subcommittees will begin to meet.

**Consumer & Family Advisory Committee:**

Board member and CFAC Chair, Virginia Hill stated that CFAC would really like the Board to keep in mind their interest in a drop-in center. Ms. Hill also wanted to inform the Board the CFAC is working on their entrepreneurial skills through programs such as Micro Enterprises. CFAC will continue to meet with Management and discuss these topics.

**Old Business:****OPC Bylaws:**

A second reading of the OPC Bylaws was done. The changes to the Bylaws involved statutory changes to the Area Director's role, the prohibition of a provider agency on Board, and re-structuring of the Board's sub-committees. Mr. Edwards motioned to approve the updated OPC Bylaws and Mr. Pleasant seconded the motion. The motion carried with all present Board members voting in favor and none opposing.

**CFAC Relational Agreement:**

There were few changes to the CFAC Relational Agreement. The few changes included language about the new committees. Mr. Stewart motioned to approve the CFAC

relational agreement and Commissioner Carey seconded. The motion carried with all present Board members voting in favor and none opposing.

**New Business:**

Commissioner Carey reported that he had been approached by representatives of Club Nova Community regarding the possibility of transferring the ownership of the Club Nova property from the area authority to the Club Nova Community, Inc Board. Representatives from Club Nova Community were present and Giles Blunden, a Board member, spoke about the importance of the property to the organization's long term plans. OPC's attorney, LeAnn Brown, indicated that there were potentially many different ways to achieve both OPC and Club Nova's goals. Tina Williams motioned for the Board to establish a work group to review the proposal and make recommendations to the Board. Commissioner Carey seconded. The motion carried with all Board members voting in favor and no one opposing. The taskforce will include Ms. Williams as the chair, Mr. Stewart, Ms. Hill, Mr. Edwards, Dr. Lynn Ikenberry, County Commissioners and/or staff.

**Board Meeting:**

The next Board Meeting is on January 10, 2008 at the Europa Center Suite 490. The committee meetings will begin at 6:00pm and the Board Meeting will begin at 7:00pm.

**Adjournment:**

Mr. Pleasant made the motion to adjourn the OPC Board meeting and Commissioner Vanderbeck seconded. The motion carried with all Board members voting in favor and no one opposing. The meeting adjourned at 9:15 p.m.

Respectfully submitted,

Amanda Blanks  
Secretary