NORTH COUNTRY
COMMUNITY MENTAL HEALTH

MINUTES OF THE BOARD
September 18, 2025 2:30 PM
North Country Community Mental Health
1420 Plaza Drive, Petoskey, Board Room

Mr. Rubingh called the meeting to order at 2:36 PM

ROLL CALL:

BOARD MEMBERS ATTENDING:
Michael Newman, Ron Iseler, Jarris Rubingh, David White, Caroline Loper, Daniel CasaSanta, Annemarie Conway, Bob Baldwin

MEMBERS ATTENDING VIRTUALLY: None

BOARD MEMBERS ABSENT: Dana Wingo, Ed Ginop, Ed Belitz, Bob Boyd

STAFF: Brian Babbitt, Nancy Rhue, Tim Stapp Jr., Kim Rappleyea, Amy Christie, Ann Friend, Kirstie Brady

GUESTS: Norma Eby, Becky Phillips, Ann Steiner, Lacy -Straits Area Services, Fran Damoth Bigelow, Carrie Borowiak, Kayla Konen, Cindy, GTI Mancelona

Mr. Rubingh welcomed board members and staff to the meeting. There is a quorum present.

ACKNOWLEDGEMENT OF CONFLICT OF INTEREST: No board members expressed a conflict with any agenda item.

PUBLIC COMMENT: Becky Phillips stated that she would like to thank Mr. Rubingh for advocating for GTI with the uncertainty from the state. She states GTI is all about team.

Ann Steiner states that she is a former board member of GTI and mother of a child who used to go to GTI. Her son went to GTI for 10 years and her heart is big with GTI. She states that her son would come home from GTI thrilled. When he passed away the GTI community was wonderful. She stated that she built the sports complex and picnic area at GTI, she hosts a Christmas program where she buys gifts for 70 people. The Christmas party has community support from Dayton Lamina, the high school, and area businesses. She states that she does not want GTI to close. She stated that Representative Betsy Coffia sent a letter addressed to Mr. Babbitt and the board of Directors and asked if the board members had received it. She also invited the board members to attend the Christmas program on December 11th this year.

Norma Eby stated that she is a former client and attended the board meeting today because she had never attended one before. She stated that she had a very good experience as a client of NCCMH.

CONSENT AGENDA

The consent agenda includes the agenda overview, minutes of the previous meeting, privileging recommendations and contracts signed in the past month. Items requiring approval will be placed on the meeting agenda.

Ms. Rhue stated that two items needed to be added to the agenda; the updated Longevity Policy, and the FY26 NMRE/NCCMH contract. They will be added to Action Items without Committee Review.

MOTION BY DAVID WHITE TO APPROVE THE CONSENT AGENDA AS AMMENDED; SUPPORT BY DAN CASASANTA:

MOTION CARRIED

COMMITTEE RECOMMENDATIONS – BOARD ACTION*:

Finance Committee Report: Mr. White reviewed the Statement of Cash on Deposit and Disbursements through August 31, 2025; Interim Financial Statements as of July 31, 2025 Revenue and Expense by Fund Source; Trending Revenue and Expenses as of July 31, 2025, the NMRE interim financial report, the updated Budgeting Policy, and the FY26 Preliminary Budget.

Mr. Rubingh requested the financial reports be placed on file for audit.

PRESENTATION – FY26 Preliminary Budget -Ann Friend CFO- Ms. Friend presented the FY 26 budget. Budget assumptions are as follows: no revenue increase is assumed for FY26, the budget does not factor the potential impact of HR-1, External Services and Salaries & wages are 2.5% over the current year although not necessarily universally applied, remaining expenses assume 2% increase over the current year, health benefits were budgeted at the maximum allowed by the Hard Cap, based on market projections the increase will likely be higher, and it includes the $66.00 Autism Behavioral Tech rate adjustment. The total estimated revenue for FY26 is $65,846.047. Estimated operating expenses are $64,679,411. This budget projects a net position of $909,960.

MOTION BY DAN CASASANTA THAT THE BUDGET FROM NORTH COUNTRY ALLOW FOR A LINE-ITEM INCREASE OF $75,000 TO GTI MANCELONA IN FY26 TO ALLOW FOR A BRIDGE INTO FY27 WITHOUT CHANGING THE OVERALL BUGET NUMBERS; SUPPORT BY JARRIS RUBINGH:

Discussion:

Ms. Conway asked if this was for all programs or just GTI specific.

Mr. CasaSanta stated that he was only asking for this for GTI.

Mr. Iseler questioned if this was to maintain current funding or a specific funding increase only for GTI.

Mr. Babbitt explained that there was a rate increase in July for all day programs that was funded by the closing of NCCMH day programs. NCCMH also referred the clients from the internal day programs to the contracted day programs.

Mr. Baldwin stated that he appreciated the support for GTI, but changing the allocation means removing $75,000.00 from elsewhere in the budget in order to keep the current numbers.

Mr. Babbitt stated that he believes that it would be highly unfair to only allot money to one specific program and not all of them.

Mr. Iseler asked what is on "the other side of the bridge" as the writing is on the wall for the need for program changes. Providing a temporary bridge without change does not make sense.

Ms. Conway stated that with all of the uncertainty in the transition to community-based services there needs to be more answers and clarification before decisions are made.

Mr. Iseler asked when we may have answers from the state.

Mr. Babbitt stated that it is unknown

Mr. Rubingh stated that in FY24 GTI did not get a rate increase, and that this year they did.

Mr. Babbitt explained that none of the contracted day programs received a rate increase in FY24.

Mr. Baldwin stated that he thinks making a fund for all programs makes more sense.

Mr. CasaSanta withdrew his motion.

MOTION BY BOB BALDWIN TO SET ASIDE UP TO $200,000.00 (TWO HUNDRED THOUSAND DOLLARS) FOR A CONTIGENCY FUND TO BE MADE AVAILABLE TO THE FOUR DAY PROGRAMS FOR TRANSITIONAL COSTS, WITH POLICY AND PROCEDURE TO BE CREATED BY NCCMH STAFF; SUPPORT BY JARRIS RUBINGH:

Discussion: Mr. Iseler asked about timing and changes to be made

ROLL CALL:

AYE: MICHAEL NEWMAN, CAROLINE LOPER, DAVID WHITE, RON ISELER, ANNEMARIE CONWAY, DAN CASASANTA, BOB BALDWIN, JARRIS RUBINGH

NAY: NONE

NOT VOTING: NONE

ABSENT: DANA WINGO, ED GINOP, ED BELITZ, ROBERT BOYD

MOTION CARRIES

MOTION BY DAVID WHITE TO APPROVE THE FY26 PRELIMINARY BUDGET AS AMENDED; SUPPORT BY BOB BALDWIN:

ROLL CALL:

AYE: BOB BALDWIN, DAN CASASANTA, ANNEMARIE CONWAY, RON ISELER, DAVID WHITE, CAROLINE LOPER, MICHAEL NEWMAN, JARRIS RUBINGH

NAY: NONE

NOT VOTING: NONE

ABSENT: DANA WINGO, ED GINOP, ED BELITZ, ROBERT BOYD

MOTION CARRIES

ACTION ITEMS WITHOUT COMMITTEE REVIEW:

PIHP/NCCMH FY26 Contract - Mr. Babbit brought forward the FY26 PIHP contract. He explained that the only changes made to the contract for this year were dates and terms. He asked for a motion to approve the signing of the contract with the NMRE.

MOTION BY DAVID WHITE TO APPROVE THE SIGNING OF THE FY26 PIHP/NCCMH CONTRACT; SUPPORT BY ANNEMARIE CONWAY:

MOTION CARRIES

Updated Longevity Policy – Mr. Babbitt brought forward the updated Longevity Policy. The addition of “In special circumstances, such as the closure of a program where staff are not afforded other ongoing employment opportunities, prorated longevity may be paid at the discretion of the Chief Executive Officer to employees otherwise eligible for longevity who stay through the date required by NCCMH.”

MOTION BY DAN CASASANTA TO APPROVE THE UPDATED LONGEVITY POLICY; SUPPORT BY BOB BALDWIN:

MOTION CARRIES

CHIEF EXECUTIVE OFFICER'S REPORT/COMMUNICATIONS: Mr. Babbitt referred to several items in his report. He stated that he went to the New Horizons Clubhouse Spaghetti dinner on September 11th and that it was well attended. This was their first spaghetti dinner and fundraiser since COVID. Mr. Babbitt stated that on August 25th he spoke at Wellvance's board meeting. They have a new CEO and she asked Mr. Babbitt to speak to the board regarding the PIHP bid from MDHHS. On September 9th he presented to the Petoskey City Council at their meeting to address unhoused individuals. He drew attention to an article from the Petoskey News Review about the council meeting that was handed out to board members. Mr. Babbitt stated that the CMHAM Walk-A-Mile rally was held in Lansing on September 17th and a bus was secured for clubhouse members to attend. There were between 2,500 and 3,000 persons in attendance with 30 of NCCMH's clubhouse members attending. Mr. Babbitt drew attention to the FY26 house budget proposal included in his report, specifically this statement "House reduces $215.8 million Gross ($74.9 million GF/GP) from reducing the direct care agency rates by $4.56 per hour. Rate reduction would have to come from agency overhead costs and not from direct care work wages paid through agencies." He states that it is unclear if the cost to cover would have to come from NCCMH or the contracted agencies overhead. Mr. Babbitt drew attention to an article from Gongwer regarding the Lawsuit that was filed to stop the MDHHS PIHP RFP. The lawsuit requested an expedited review and the state has responded. Mr. Babbitt drew attention to communication from the National Rural Health Association explaining that HR1 created a $50 billion dollar fund called the Rural Health Transformation Program to offset losses that rural heath providers will experience. Funds can be used to increase technology which would allow rural health providers to serve more people with fewer staff. Mr. Babbitt drew attention to an open letter to the governor and state legislature opposing the PIHP bid out. He stated that more counties have passed resolutions since the letter was published. He also drew attention to the results of the Client Satisfaction Survey that is done by NMRE every year. He stated that the results will be presented in detail to the program committee next week.

QUALITY IMPROVEMENT UPDATE – None

NORTHERN MICHIGAN REGIONAL ENTITY- The minutes of the July Operations Committee meeting, draft minutes of the August Board meeting, and July interim financial report were included in the packet.

OLD BUSINESS – None

NEW BUSINESS – The CMHA Fall Conference brochure was included in the packet. Board members that wish to attend were directed to contact Ms. Rhue for registration and hotel needs.

BOARD & STAFF COMMENTS – Mr. Rubingh states that Antrim County is having an election in the fall and they are voting on the public safety center not to exceed 19 million dollars.

Mr. CasaSanta wanted to thank Mr. Babbitt for the discussion regarding the funding of day programs

Mr. Babbitt stated that one of the NCCMH Clubhouse members sang the national anthem at the Walk-A-Mile rally and he wanted to share the video with the board.

ADJOURNMENT
The meeting was adjourned at 4:02 PM by Board Vice Chair Jarris Rubingh

Edward J. S. Ginop

Ed Ginop, Board Chair