

EXECUTIVE-PERSONNEL-FINANCE COMMITTEE

***January 23, 2006 - 4:30 p.m.
Michigan High School Athletic Association
1661 Ramblewood Drive
East Lansing, Michigan***

MINUTES

PRESENT: Ken Lautzenheiser, Chair; Dan Alonzi; Brian Calley; Ross Fulton; Gail Mahoney; Bob Showers; Ralph Tillotson; Bob Johnson. [Three members arrived after roll call].

ABSENT: Ken Ponds; Debbie De Leon

STAFF: Robin Reynolds, Executive Director; Mary Kronquist, Assistant Director; Gerrie Roeser, Finance Manager; Lori Griffin, Executive Secretary

GUESTS: Larry Gould; Bruce Hindenach, CDRS; Donald Wolosuk

CALL TO ORDER

Mr. Lautzenheiser called the meeting to order at 4:30 without quorum.

PUBLIC COMMENT

There was no public comment.

NEW BUSINESS

- A. Treasurer's Report for November/December 2005
Community Grant/PA2 for November

Ms. Roeser reported the Bills to be Approved, reflected in general checks 13529 through 13618 and ACH 328 through 351, totaled \$703,739.12. On the Income Statement, she reported Total Revenues for the month of \$576,795.83 and \$1,120,539.70 year-to-date; and Total Expenses of \$723,013.60 for the month and \$800,380.18 year-to-date. Ms. Roeser reported Net Income for November of \$(146,217.77) and \$320,159.52 year-to-date. On the Balance Sheet, Ms. Roeser reported Total Assets and Liabilities & Capital of \$4,223,510.40, and on the Statement of Cash Flow, she noted the Beginning Balance of \$(4,233,316.98), the Ending Balance of \$4,103,250.48, resulting in a Net Decrease in Cash of \$(130,066.50) for the month and \$(404,295.26) year-to-date.

For December, Ms. Roeser reported the Bills to be Approved were reflected in general checks 13619 through 13705 and ACH 352 through 377, totaling \$788,602.20. On the Income Statement she reported Total Revenues received of \$626,306.66 for the month and \$1,746,846.36 year-to-date; and Total Expenses of \$604,092.69 for the month and \$1,404,472.87 year-to-date. On the Balance Sheet, she reported Total Assets and Liabilities & Capital of \$4,061,314.86. Lastly, Ms. Roeser reported from the Statement of Cash Flow, the Beginning Balance of \$(4,103,250.48), the Ending Balance of \$3,943,964.94, which resulted in a Net Decrease in Cash of \$(159,285.54) for the month and \$(563,580.80) year-to-date.

Medicaid

Ms. Roeser reported the November Bills to be Approved were reflected in checks 3058 through 3091 and totaled \$172,732.19. On the Balance Sheet she reported Total Revenues of \$202,936.96 for November and \$409,315.67 year-to-date; Total Expenses of \$174,832.19 for the month and \$174,832.19 year-to-date; with Net Income of \$28,104.77 for November and \$234,483.48 year-to-date. On the Balance Sheet, Ms. Roeser reported Total Assets and Liabilities & Capital of \$350,139.19; and on the Statement of Cash Flow, the Beginning Balance of \$(437,487.50), the Ending Balance of \$467,895.17, resulting in a Net Increase in Cash of \$30,407.67 for November and \$80,179.87 year-to-date.

Ms. Roeser reported for December, the Bills to be Approved, reflected in checks 3092 through 3176, totaled \$203,246.22. She noted several were voided because of incorrect month expenses and for an incorrect vendor. On the Balance Sheet, she reported Total Revenues for December of \$143,368.70 and \$552,684.37 year-to-date; Total Expenses of \$178,788.25 for December and \$353,620.44 year-to-date; and Net Income of \$(35,419.55) for December and \$199,063.93 year-to-date. On the Balance sheet she reported Total Assets and Liabilities & Capital of \$290,261.27. And lastly, on the Statement of Cash Flow, Ms. Roeser reported the Beginning Balance of \$(467,895.17), the Ending Balance of \$421,454.00), which resulted in a Net Decrease in Cash of \$(46,441.17).

On the Medicaid PIHP Report, Ms. Roeser reported the balances as follows:

- CEI \$30,061.27 December; \$88,685.23 year-to-date
- LifeWays \$(15,655.79) December; \$(24,389.28) year-to-date
- Venture \$(28,663.17) December; \$(27,315.50) year-to-date
- Washtenaw \$(18,646.79) December; \$(13,552.05) year-to-date
- PEPM received to-date of \$551,196.01
- YTD Interest Earned \$1,910.90
- Services paid out \$428,953.51
- CDR Services paid \$(43,224.99)
- Administrative services paid \$57,500.01)
- Overall Balance of \$23,428.40

Mr. Showers moved to recommend to the Commission approval of the Treasurer's Reports for November and December as presented. Mr. Alonzi supported the motion. The motion carried.

Ms. Mahoney moved approval of the Minutes from November 28, 2005 as written. Mr. Tillotson supported the motion. The motion carried.

B. Mid-South Prevention Assistant

Ms. Reynolds stated this request was tabled in November to allow staff to assure current funding would support the position. She reported our current MDCH allocation would allow for this new position for the Prevention Department. Ms. Reynolds stated the position is a Pay Grade 4, with a salary range of \$27,847-\$34,809, and would provide support the Prevention Coordinator and Community Mobilizer.

Mr. Showers moved to recommend to the Commission approval of the request for a Prevention Assistant at the pay range noted. Ms. Mahoney supported the motion. The motion carried.

C. Ionia County Co-Occurring Budget Amendment

Ms. Reynolds stated this request is also back before the Committee for approval, having been previously approved for \$29,682. Since the original approval, she reported the program submitted a new budget because all expenses were not included. She noted the revised budget shows slight increases in salaries and fringe benefits, with most of the increase for indirect expenses. Ms. Reynolds stated the requested increase is \$14,039 in MDCH funding. Mr. Alonzi noted the 22.5% administrative costs and asked if that was acceptable. Ms. Reynolds responded it is not out of the realm for CMH's to have higher administrative costs.

Mr. Calley moved to recommend to the Commission approval of the Ionia County Co-Occurring Budget increase of \$14,039 of MDCH funds. Mr. Tillotson supported the motion. The motion carried.

D. Ionia County CMH/PA2 Payout

Ms. Reynolds reported this request is from the Ionia CMH to the County Board of Commissioners to use some PA2 dollars to supplement a loss they experienced last year in their Outpatient program. She continued by reporting staff conducted a review of the program to determine what the loss was, which turned out to be less than they estimated. Ms. Reynolds stated the Board of Commissioners felt that the CMH had filled a void in the community and in light of that fact, asked Mid-South to cover part of the losses. She stated the staff recommendation is to provide a supplemental payment to Ionia CMH for \$7,500 of Ionia PA2 funds.

Mr. Calley moved to recommend to the Commission approval of the staff recommendation to provide Ionia CMH with a supplemental payment in the amount of \$7,500, paid from Ionia County PA2 funds. Mr. Tillotson supported the motion.

Ms. Mahoney stated it needs to be made clear to the program that this is their "one time" supplemental payment, per Mid-South policy on supplemental payments.

Vote called on the motion. The motion carried.

E. Pooled Treatment Funding Allocation

Ms. Reynolds reported that when the 05/06 budget was approved, there was an unallocated balance of \$47,982 of MDCH funds set aside. Since that time, she stated \$5,000 was allocated to Gratiot County for their co-occurring project, and \$14,039 was just allocated to Ionia CMH. Ms. Reynolds stated it is the staff recommendation to allocate the remaining \$28,943 to Pine Rest for long-term residential treatment as the program has fully expended their original \$23,000 allocation. She noted the program is an out-of-region provider serving the entire 10 county area, offering services to men and women and women with children.

Mr. Showers moved to recommend to the Commission approval of the additional allocation of \$28,943 in MDCH funds to Pine Rest for residential services. Mr. Fulton supported the motion. The motion carried.

F. ODCP/RFI

Ms. Reynolds stated this item is for information only here and will be going to the full Board for approval. She reported that MDCH has let the RFI, for use of \$6.5 million of unallocated dollars, some of which came from the MOE issue. She stated the state has been holding dollars for two years, and rather than returning them for treatment services, they are being offered for special services on a bid basis. Ms. Reynolds also reported that the state informed MPRI and some other agencies that the CA's had money, so they have been calling. Ms. Reynolds further stated that MASACA has some ideas on how some of these dollars could be used and will submit a proposal for funding for a statewide outcome system. Other ideas on a statewide level are funds for development of a work group to revise the substance abuse Administrative Rules and for a statewide telecommunications system with video conferencing capability.

Ms. Reynolds reported that she would like to apply for funding for Mid-South to hire a grant writer on an as needed basis, to generate more dollars into the system. She noted other ideas are for funds to provide training opportunities for providers and some funds for prevention activities. She stated proposals are due by February 28th, and a total of \$250,000 per proposal, per CA for three years would be granted. Ms. Reynolds asked members if they had any input or ideas for funding.

Ms. Mahoney commented that a grant writer is sorely needed. Mr. Lautzenheiser stated he would be supportive if dollars were coming to help people rather than being used for other things. He also noted it would be helpful to write for something that would assist those coming out of prison. Ms. Reynolds responded that is what MPRI does. Considerable discussion ensued among members regarding the state office not making the dollars available for treatment services, and that they have been held for so long when treatment funding is needed.

Ms. Mahoney moved to recommend to the Commission that staff be allowed to write for any grants that may be relevant. Mr. Showers supported the motion. The motion carried.

OLD BUSINESS

There was no old business brought before the Committee.

PUBLIC COMMENT

Mr. Hindenach commented on the \$6.5 million dollars and the fact that it was held for so long and is now being let out. He stated his lack of confidence in leadership at the State level, adding the dollars should flow directly to the system rather than having to apply for them. He also questioned the selection process, i.e., who will be on the selection panel. He also said this puts Mid-South in a difficult position—difficult to bad mouth it, yet apply for the funds. Mr. Hindenach stated it was not a good thing that they held the funds back, there is no funding formula, then asked for proposals for its use. In response to Mr. Lautzenheiser's statement that Rep. Caswell has said if the system can produce outcomes, he will support programs financially. Mr. Hindenach stated that is well and good, but there was a good system years ago that the state dismantled, telling the CAS if they wished to fund their own outcome system, they would be allowed to do so. He also stated that the questions Rep. Caswell has should have been asked by the state office a long time ago. Ms. Mahoney stated when proposals are written, they should be forwarded to Rep. Caswell with the hope that he would advocate in our favor. Mr. Showers stated proposals should be sent to all of our legislators. Mr. Johnson added if the state is asking for information, they should be informed this is the wrong way to ask for the use of the dollars. He noted the system has not had a funding increase in 17 years so the funds should be given where they will do the most good. He also stated his belief that the dollars need to funnel down the regular pipeline for prevention and treatment services.

ADJOURNMENT

The meeting adjourned at 5:42 p.m.