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EXECUTIVE-PERSONNEL-FINANCE COMMITTEE

January 25, 2010 – 4:30 p.m.
Hilliard Building, 1st Floor Conference Room
121 E. Maple Street
Mason, Michigan

M I N U T E S

MEMBERS PRESENT: Ralph Tillotson, Chair; Joe Brehler; Jan Bunting; Brad Densmore; Debbie DeLeon; Lynn Mason; Stan Nieboer; Earl Poleski; Robert Showers

STAFF: Gary VanNorman, Executive Director; Gerrie Roeser, Finance Manager; Lori Coe, Executive Secretary

GUESTS: Jim VanDoren; John Roy Castillo, Cristo Rey; Deb Thalison, Ionia County Health Department; Lisa McCafferty, Ionia alternate member/Ionia County Health Department

CALL TO ORDER

Chairman Tillotson called the meeting to order at 4:32 p.m.

ADDITIONS/DELETIONS TO THE AGENDA

Added under New Business, Treasurer's Report include October 2009 revision, and also under New Business, Item F., Lease office space.

Mr. Densmore moved acceptance of the agenda as revised. Mr. Nieboer supported the motion. The motion carried.

APPROVAL OF THE MINUTES OF NOVEMBER 23, 2009

Mr. Nieboer moved approval of the minutes of November 23, 2009 as presented. Ms. Mason supported the motion. The motion carried.

PUBLIC COMMENT

There was no public comment.

NEW BUSINESS

A. Treasurer's Reports for November and December 2009

September 2009 Payables Report (non-action item)

Revision was provided for information. Additional \$15,760 in ABW received from MDCH in January can be applied toward 08/09 expenditures. These are final totals.

October 2009 Community Grant Revision

Report revised due to computer crash; omissions were not known until November. Changes in administrative section totaled \$1,224.63 reduction to cash and increase in expenditures.

November 2009

Community Grant/PA2

- Bills to be approved totaled \$599,839.09
- Revenues \$497,530.01
- Expenditures \$581,725.70
- Net Income (\$84,195.69)
- Assets & Liabilities \$4,651,212.17
- Net Decrease in Cash (\$101,908.15)

Medicaid

- Bills to be approved totaled \$203,211.75
- Revenues \$189,189.48
- Expenditures \$203,211.75
- Net Income (\$14,022.27)
- Assets & Liabilities \$247,437.95
- Net Decrease in Cash (\$13,897.53)

PIHP Report

- CEI ending balance (\$15,015.82)
- LifeWays ending balance (\$11,745.32)
- Washtenaw ending balance \$10,592.25

December 2009

Community Grant/PA2

- Bills to be approved totaled \$487,850.85 (includes final payables in addition to December checks)
- Revenues \$887,641.24. All PA2 received except Eaton County.
- Expenditures \$632,975.77
- Net Income \$254,665.47
- Assets & Liabilities \$4,491,081.62
- Net Decrease in Cash (\$160,130.55)

Medicaid

- Bills to be approved totaled \$242,694.87
- Revenues \$189,557.32
- Expenditures \$183,342.06
- Net Income \$3,215.26
- Assets & Liabilities \$215,143.82
- Net Decrease in Cash (\$40,794.13)

PIHP Report

- CEI ending balance \$3,590.76
- LifeWays balance (\$6,145.98)
- Washtenaw ending balance \$14,607.50

Mr. Showers moved to recommend to the full Commission acceptance of the revised October, November, and December Treasurer's Reports as presented. Mr. Poleski supported the motion. The motion carried.

B. Budget Amendment #2 FY09/10

Purpose of the amendment is to amend the Community Grant and SDA allocations for treatment providers only and administration due to state cuts imposed on this year's budget. The cut resulted in a .036790 percent reduction across the board. The amendment seeks permission to use lapsed PA2 dollars from FY08/09 for a majority of the cuts for providers, and use carry forward interest for the administrative budget. Totals are as follows: Loss of \$152,197 in community grant funding; loss of \$7,711 in SDA funding; use of \$116,900 in PA2 for providers; use of \$31,194 in carry forward local funding for administration; a net reduction in programming of \$11,814 (SDA \$7,711 and \$4,103 for out-of-region programming).

Mr. Densmore moved to recommend to the full Commission approval of Budget Amendment #2 FY09/10 as presented. Mr. Showers supported the motion.

Ms. Mason indicated she could not decide on the use of PA2 without going to the Ionia Coalition and Advisory Group first; but she would vote in favor conditionally pending results of the meeting the following day. Mr. VanNorman stated if Ionia is not supportive; the allocation to the Health Department will be reduced.

Vote called on the motion. The motion carried.

C. Administrative Budget Amendment FY08/09 Final

Purpose of the amendment is to reflect final close-out amounts so expenditures and budgets will equal, allowing for continuity in state reporting and auditing.

Mr. Poleski moved to recommend to the full Commission approval of the administrative budget amendment FY08/09 final as presented. Ms. Mason supported the motion. The motion carried.

D. State Allocation Formula and Equity Issue

Mr. VanNorman stated substance abuse has been working at resolving an equitable formula since 2001. In 2001, an allocation formula was approved by coordinating agencies but subsequently undermined by the City of Detroit. There is currently no formula used by the state for substance abuse funding; allocations are based on historical amounts. He noted Detroit still gets the same allocation as years ago even as they lost significant population base. Efforts have been made by MASACA membership since 2005 to change the formula to one based on unemployment and

percentage of population at 150% of poverty, which Detroit has also said no to. He said the bottom line is Mid-South is under funded by about \$1 million per year. He stated a group of CAs will be taking this inequity to the legislators and it could become politically sensitive. He stated he would be involved unless directed not to be. Discussion ensued with general consensus that Board members were supportive of his involvement in funding equity discussions.

E. Nominating Committee

Mr. Tillotson presented the proposed slate of officers as follows:

- Jackson County – Chairperson
- Eaton County – Vice Chairperson
- Ionia County – Treasurer
- Newaygo County – Secretary

Ms. De Leon moved to recommend to the full Commission approval of the Slate of Officers for 2010 as presented. Mr. Showers supported the motion. The motion carried.

F. Leased Space

Mr. VanNorman reported an opportunity has come up to lease office space in another suite on the same floor as the main office, which would allow the CCC to move upstairs. Savings of approximately \$8,800 per year would be realized if approved. It would, however, necessitate extension of our current lease, which runs through 2013, to 2018. He added there is a termination provision in the lease based on availability of funds. The Executive Committee recommends approval of this request.

Mr. Brehler moved approval to secure office space on the second floor to move the CCC upstairs, and to extend the current lease through 2018. Mr. Showers supported the motion. The motion carried.

OLD BUSINESS

A. McCullough, Vargas Site Review

The program has successfully met all requirements and is in full compliance.

B. Banking Update/FDIC

A letter was received from U.S. Senator Carl Levin with a response from the FDIC indicating our CPA was correct in his finding in the last audit regarding insurance coverage for our accounts.

Ms. Roeser stated we are fully insured until June 2010, at which time other banking arrangements will need to be made.

C. Executive Director Evaluation

Mr. Tillotson stated some members had submitted comments or suggestions regarding an evaluation, and stressed that an evaluation needs to take place. Discussion ensued. Efforts will be

made to have a process and instrument in place by June 2010 for an Executive Director evaluation to subsequently take place.

PUBLIC COMMENT

There was no public comment.

ADJOURN

The meeting adjourned at 5:43 p.m.