

EXECUTIVE-PERSONNEL-FINANCE COMMITTEE

June 28, 2004 - 4:00 p.m.
Michigan High School Athletic Association
1661 Ramblewood Drive
East Lansing, Michigan 48823

MINUTES

PRESENT: Gail Mahoney, Chair; Dan Alonzi; Bob Johnson; Lisa McCafferty; Tom Minter; Ken Ponds; Bob Showers; Ralph Tillotson; Maxine Vanlerberg

ABSENT: Mary Balberde

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

GUESTS: Don Lloyd, Foote & Lloyd; Richard Ney, Life Guidance Services; Larry Gould; Donald Wolosuk

CALL TO ORDER

Ms. Mahoney called the meeting to order at 4:08 p.m.

APPROVAL OF THE MINUTES OF MAY 24, 2004

Mr. Tillotson moved approval of the Minutes of May 24, 2004 as presented. Mr. Ponds supported the motion. The motion carried.

APPROVAL OF THE AGENDA

Added under New Business, Item E, was July Meeting.

Mr. Showers moved approval of the Agenda as amended. Ms. Vanlerberg supported the motion. The motion carried.

PUBLIC COMMENT

There was no public comment. Ms. Reynolds introduced Ruth Reynolds (no relation), the Commission's newest employee, stating she splits her duties between the IT and Finance Departments.

NEW BUSINESS

A. Treasurer's Report for May 2004
Community Grant and PA2

Ms. Roeser began with the Bills to be Approved, reflected in general checks 12075 through 12143, and payroll checks 4404 through 4029, which total \$711,137.99. She noted the following checks: #12089 for \$1,000 is for the Clinton County MPCB; #12091 for \$2,447 is Director's Insurance; #12132 for \$10,000 is the final payment to CSII for prevention strategic planning from the original contract amount of \$42,000; #12136 for Cohl, Stoker is for legal fees related to the NCA cash advance. On the Income Statement, Ms. Roeser reported Total Revenues for the month of \$1,291,982.09 and \$5,285,364.73 year-to-date. She added that the Ingham and Newaygo County PA2 dollars were received which leaves just Eaton and Ionia outstanding. For the CA Administration, Ms. Roeser reported expenses for the month of \$78,870.50 and \$582,743.24 year-to-date. She reported PA2 Other expenses for May of \$10,313.16, State and PA2 Funded Sub-Contracts of \$608,606.54, and Other Subcontracts of \$42,030.82, for Total Expenses for May of \$739,821.02 and year-to-date of \$4,949,084.24. Net Income for the month was \$552,161.07. On the Balance Sheet, Ms. Roeser reported Total Assets and Liabilities & Capital of \$4,886,470.28. She continued to the Statement of Cash Flow, noting the Beginning Balance of \$(4,084,667.26), the Ending Balance of \$4,666,419.86, which resulted in a Net Increase in Cash of \$581,752.60.

Medicaid

Ms. Roeser stated the Bills to be Approved, reflected in checks 2436 through 2469 totaled \$247,231.46, with no significant expenses noted. She continued by reporting Total Revenues of \$225,458.52 for the month and \$1,719,361.43 year-to-date, and Total Expenses of \$225,543.96 for the month and \$1,292,102.43 year-to-date, which resulted in Net Income for the month of \$(30,085.44) and \$427,259.00 year-to-date. On the Balance Sheet, Ms. Roeser stated Total Assets and Liabilities & Capital totaled \$435,109.07, and the Statement of Cash Flow shows a Beginning Balance of \$(562,921.70), an Ending Balance of \$531,391.26, which resulted in a Net Decrease in Cash of \$(31,530.44) for the month and a Net Increase of \$189,991.47 year-to-date.

On the Medicaid PHP Report, Ms. Roeser reported a balance for CEI of \$136,642.28, with LifeWays totaling \$(533.84); Venture-Calhoun \$(13,072.29) and Washtenaw \$918.59, resulting in an overall balance of \$128,026.00.

Ms. Vanlerberg moved to accept the Treasurer's Report as presented. Mr. Ponds supported the motion. The motion carried.

B. 2002/2003 Audit Report

Mr. Don Lloyd presented the 2002/2003 financial audit, again thanking the Commission for engaging his firm. He noted that at the end of the year, there were very few changes, both accounting or operational. He noted the departure of Shiawassee County, and the transfer of their PA2 funds, and the additional of Ionia and Newaygo counties. He also noted that single audit guidelines for subcontractors have increased the threshold from \$300,000 to \$500,000. He also

stated that advances shown in this audit and for the current year have been repaid, and accounting adjustments during the year were few, some to fund balances and some to program payables. He reported that staff monitoring of the subcontracts is good. Mr. Lloyd then briefly highlighted areas of the audit, noting the Auditor's Report states the necessary items were audited, and it is a good opinion. He then reviewed selected pages from the audit.

Mr. Tillotson moved to forward the 2002/2003 Audit to the full Commission for approval. Ms. McCafferty supported the motion. The motion carried.

Ms. Reynolds expressed her thanks to Mr. Lloyd and also commended the Finance Department staff for a job well done.

C. Ingham County Health Department Clinic Proposal

Ms. Reynolds reported that Mid-South and the Health Department have been involved in a collaborative venture to provide case management services at the health clinics in Ingham County for the last year. She added that the Health Department funded this project entirely, but their grant expires on June 30, 2004. She stated this project has been highly successful with some of the clients being admitted to treatment. She continued by stating that while some funding has been received, Mid-South is being asked to contribute \$20,000 for its continuation. Ms. Reynolds noted that \$40,000 of Ingham County PA2 dollars had originally been allocated to the FIA project, but due to its late start up, there is \$19,000 available to use for this proposal. She reported the Program Development Committee reviewed this proposal and recommend one year of funding be granted while efforts are underway to find additional revenue sources.

Mr. Minter moved approval of the staff recommendation to provide \$20,000 of Ingham County PA2 funds to the Ingham County Health Department Proposal. Mr. Showers supported the motion. The motion carried.

D. Budget Amendments
Administrative Budget

Ms. Reynolds reported the following changes for the administrative budget:

- **Salaries** decreased \$11,097 due to staff vacancies and no COLA increases;
- **Fringes** reflects the decrease of \$3,421 in health insurance, which is due to staff vacancies;
- **Travel** decreased \$3,000 due to lower out-of-town conference attendance;
- **Other Expenses** increased \$881 due to a decrease in contractual expenses, decreases in Adia costs, an increase in MPCB support, an increase in office rent, a decrease in telephone expense, and \$15,000 of fiduciary Synar responsibility.
- **State Funding** increased by \$15,000 for Synar funding
- **Local Funding** decrease in interest earned of \$23,899;
- **Fees and Collections** increased \$200 for credentialing exams and a decrease in Medicaid revenue to reflect a 10% administrative limit to PHP's;
- **Other** had a MiChild increase of \$3,700
- **Total Decrease in Revenue and Expenses of \$18,399**

Program Budgets

Ms. Reynolds reported the program changes as follows:

- **Arbor Circle** did not change
- **Foote Hospital-Bridgeway Jackson:** BSAS increased \$12,600, and ABW increased \$12,000
- **Foote Hospital-Bridgeway Hillsdale:** Hillsdale PA2 increased \$14,300 and ABW increased \$8,200
- **Foote Hospital-Washington Way Recovery Center:** BSAS increased \$18,828, Jackson PA2 increased \$25,500, and ABW increased \$11,935.
Total change \$103,363 increase.
- **Central Diagnostic & Referral Services:** BSAS increased \$27,588, PA2 decreased \$57,836.
Total change \$30,248 decrease.
- **Chemical Dependency Resources:**
 - **Albion OP:** increased \$2,000 in ABW
 - **Battle Creek OP/IOP:** increased Calhoun PA2 of \$14,000 and \$21,000 ABW, no changes in Womens.
Total change \$37,000 increase.
- **MJC/MRS** did not change
- **Child & Family Services** did not change
- **Prevention Partners:** Hillsdale PA2 increased \$2,399.
Total change \$2,399.
- **Cristo Rey:**
 - **OP:** BSAS decreased \$8,000 and ABW increased \$2,000
 - **Prevention:** BSAS decreased \$23,354 and Ingham PA2 decreased \$19,395
Total change \$48,749 decrease.
- **CEI/CMH:**
 - **CATS:** BSAS increased \$25,802
 - **Clinton Co. Counseling:** ABW increased \$2,000
 - **G-14 Outpatient:** BSAS increased \$6,747, Ingham PA2 increased \$27,551 and ABW increased \$16,056
 - **G-14 Methadone:** BSAS decreased \$10,000, Eaton PA2 increased \$10,000; ABW increased \$5,400
 - **House of Commons:** BSAS increased \$37,685, Ingham PA2 decreased \$29,090.
Total change \$92,151.
- **Eaton Substance Abuse Program:** BSAS decreased \$9,500, ABW increased \$10,260.
Total change \$760 increase.
- **Family Service & Children's Aid:**
 - **Lenawee CDR:** no change
 - **Born Free OP/IOP:** BSAS decreased \$8,000, ABW increased \$5,702
 - **Born Free Women's:** BSAS decreased \$1,742
 - **Nexgen OP:** BSAS decreased \$3,500

- **Nexgen Outreach:** BSAS increased \$1,500, Jackson PA2 increased \$3,950.
Total change \$2,090 decrease.
- **Gerontology Network** did not change.
- **Kent Co. Transitional Clients (paid to Kent Co.)**
 - **Ionia:** increased \$3,060
 - **Newaygo:** increased \$12,334
Total change \$15,394 increase
- **Human Aid:**
 - **OP/IOP:** Gratiot PA2 Increased \$11,970, ABW increased \$4,430
 - **Adolescent IOP:** no change
Total change \$16,400 increase
- **Ingham Co. Health Department (new):** BSAS increased \$10,640 with Ingham PA2 increased \$15,000 (from NYPPP).
Total change \$25,640 increase
- **Ionia Community Mental Health:** BSAS decreased \$712, ABW increased \$1,562
Total change \$814 increase
- **Kairos Healthcare:** BSAS increased \$5,000, Ingham and Calhoun PA2 increased \$4,851, and an increase of \$6,894 from the state.
Total change \$16,745 increase
- **Lansing Area AIDS Network** did not change
- **Life Guidance Services:**
 - **Outpatient:** no change
 - **Ionia Prevention:** increase of \$5,876
 - **Newaygo Prevention:** no change
 - **Methadone:** BSAS decrease of \$15,500
 - **Residential:** increase of \$1,000 from pooled funding
Total change \$8,624 decrease
- **McCullough, Vargas:** Lenawee PA2 increased \$40,000; ABW increased \$6,250
Total change \$46,250 increase
- **Methamphetamine Project:** BSAS increased \$71,500
- **Minority Program Services** did not change
- **NCA/Lansing Regional Area:**
 - **OP/IOP:** BSAS decreased \$30,000, ABW increased \$44,724
 - **Glass House:** BSAS increased \$22,433
 - **Holden House:** BSAS increased \$8,293
 - **Homeless:** no change
Total change \$45,450 increase
- **Newaygo Community Mental Health** did not change
- **NYPPP:** BSAS decreased \$121,179, Ingham PA2 decreased \$19,400
Total change \$140,579 decrease
- **Our Hope:** BSAS increased \$7,000
- **Pathfinders:** Increase of \$23,000 from pooled funding
- **Prevention First** did not change
- **PPS/EISD:** Eaton PA2 increase of \$6,695 for programming and \$2,600 for curriculum
Total change \$9,295 increase

- **PRIDE Program:** BSAS increased \$5,876
- **Prevention Strategic Planning:** BSAS increased \$65,984, PA2 decreased \$7,284
Total change \$57,700 increase
- **Sage Center:**
 - **Women's:** BSAS decreased \$4,077
 - **OP/IOP:** ABW increased \$6,305
 - **Herrick:** BSAS decreased \$10,000
Total change \$7,772 decrease
- **Salvation Army:**
 - **Detox:** BSAS increased \$65,000
 - **Residential:** BSAS decreased \$22,400
Total change \$42,600 increase
- **SDA for Residential** did not change
- **SPGB Services:**
 - **Battle Creek OP/IOP:** Calhoun PA2 increased \$7,384, ABW increased \$9,100
 - **Albion:** Calhoun PA2 increased \$4,500, ABW increased \$1,000
Total change \$21,984 increase
- **Spectrum:** BSAS increased \$1,664 from pooled funding
- **SACGBC:** Calhoun PA2 increased \$23,500
- **Victory Clinic:** BSAS increased \$13,500, ABW increased \$11,568
Total change \$25,068 increase

Pooled Funding for Ionia and Newaygo Counties:

Ionia County: BSAS decreased \$109,909 to program allocation

Newaygo County: BSAS decreased \$59,685 to program allocation

Total change of \$169,594 moved to program allocation

Brief discussion ensued regarding funding retained by Kent County and whether those funds should be used to pay for services to transitional clients. Ms. McCafferty stated her opposition to Kent County retaining these funds and noted her belief Mid-South should receive them in their entirety. Mr. Johnson suggested Ms. Reynolds send a letter to the state regarding the formula used for state funding. Ms. Reynolds responded that Kent County did in fact provide services to transitional clients and should be paid. She also noted that MASACA tried unsuccessfully to change the funding formula, to no avail. She also stated it was her feeling that in good faith, Kent County needs to be paid for the services they provide. She further added she was in favor of sending the State a letter asking them to look at the formula again.

Ms. Reynolds stated many of the Specialty PA2 Only funded program amendments were previously approved. Those in **bold** require approval.

- **CEI/CMH Homeless: Ingham PA2 increased \$2,312**
- **FIA Ingham County: Ingham PA2 decreased \$19,430**
- **Home of New Vision:** Jackson PA2 increased \$47,900
- **Jackson County 211:** Jackson PA2 increased \$500
- **Lenawee In-Home Therapy:** Lenawee PA2 increased \$50,000
- **NCA Alcohol Awareness:** Ingham PA2 increased \$730
- **Pow Wow:** all counties PA2 increased
- **CEI Case Management: Ingham PA2 decrease of \$2,312 moved to Homeless**
- **LifeWays:** contract for Jail Diversion

Mr. Minter moved to recommend to the full Board acceptance of the recommendations for budget amendments, that the Executive Director be authorized to transfer funds among budget categories, as appropriate, for the last three months of the fiscal year, and that all transfers be ratified by the Commission either prior to or subsequent to their transfer. Mr. Alonzi supported the motion. The motion carried with Ms. McCafferty voting no.

E. July Meeting

Ms. Mahoney stated that a July meeting needs to be held (July has typically been cancelled in the past) in order to get the Regional Prevention Plan approved. She suggested canceling the July Executive Committee meeting and having only a full Commission meeting. This was agreed to by members.

OLD BUSINESS

There was no Old Business brought before the Commission.

PUBLIC COMMENT

Old business - none

PUBLIC COMMENT

There was no public comment.

ADJOURNMENT

The meeting adjourned at 5:26 p.m.