

**MID-SOUTH SUBSTANCE ABUSE COMMISSION  
ANNUAL MEETING**

February 28, 2005 - 6:00 p.m.  
Michigan High School Athletic Association  
1661 Ramblewood Drive  
East Lansing, Michigan

**MINUTES**

**PRESENT**

Dan Alonzi  
Shirley Carter  
Ron Clark  
Dale Copedge  
Jean Golden  
Larry Gould  
Ken Lautzenheiser  
Lisa McCafferty  
Hattie Oliver  
Robert Showers  
Ralph Tillotson

**ABSENT**

Joe Brehler  
Debbie De Leon  
Allen Garbrecht  
Bob Johnson  
Gail Mahoney  
Ben Miller  
Ken Ponds  
Tim Purcell

**GUESTS**

Jean Doss, Capitol Services  
Sara Lurie, EISD/PPS  
Kathy Davis, Child & Family Services  
John Haycook  
John Roy Castillo, Cristo Rey  
Robert Bonds, SPGB Services  
Deb Hollis, MDCH

**STAFF**

Robin Reynolds, Executive Director  
Mary Kronquist, Assistant Director  
Gerrie Roeser, Finance Manager  
Lori Griffin, Executive Secretary  
Jeanne Diver, Quality Assurance Mgr.  
Tim Shafto, Prevention Coordinator

**CALL TO ORDER**

The meeting was called to order at 6:14 by Mr. Showers.

**ROLL CALL**

Mr. Alonzi called roll; 11 present and nine absent.

**APPROVAL OF THE MINUTES OF JANUARY 24, 2005**

Ms. McCafferty moved approval of the Minutes of January 24, 2005 as presented. Mr. Alonzi supported the motion. The motion carried.

## ADDITIONS TO THE AGENDA

There were no additions to the Agenda.

## PUBLIC COMMENT

There was no public comment.

## NEW BUSINESS

### A. MASACA Alcohol Tax Initiative Presentation

Ms. Reynolds welcomed Ms. Jean Doss from Capitol Services, which is the lobbyist firm working for MASACA.

Ms. Doss began by reporting there is approximately \$27 million in untreated substance abuse each year, and the field has seen no increase in funding for 14 years, which has resulted in a drastic reduction in services, limited expansion of new strategies, and a further strain on the system due to the establishment of Drug Courts. In Michigan, Ms. Doss reported that the state allocates 19 cents per person to substance abuse prevention and treatment, and that less than 1/4 of Michigan residents needing treatment will receive it. Ms. Doss reported that MASACA has adopted some strategies to ensure there are sufficient resources to address this major threat to our community's good health and safety. She briefly reviewed these strategies as follows:

- **Solidify Current Funding Base.** The state GF/GP funds are used as match monies to generate additional federal dollars for services. To maximize available federal dollars, the state must agree to maintenance of effort (MOE) to demonstrate its commitment to those services is equal to that of the federal government's. The MOE can also easily cause the loss of funds and services, so MASACA proposes the following actions:
  - earmark all GF/GP state dollars managed by MDCH/ODCP for substance abuse services
  - Transfer all state substance abuse services funds within the MDOC budget to the MDCH/ODCP budget for FY 2006.
- **Increase Funding by Liquor Tax Increase.** Among the current four state taxes on spirits, the liquor tax dedicated for substance abuse is 1.85% of the base price of off-premise sales. The other three taxes are at 4%. MASACA will advocate to both increase the substance abuse specific tax from 1.85% to 4% and to extend this to both on and off-premise sales. The net effect will be to increase revenues earmarked for substance abuse services to approximately \$23 million, based on FY 2003 liquor consumption figures. MASACA will advocate that this dedicated revenue replace the existing non-earmarked General Funds for substance abuse, which was just under \$17 million in FY 2004, thus creating a net increase in substance abuse funding of \$6 million dollars. The anticipated increase to the consumer purchasing a one liter bottle of liquor would be approximately 18 cents.
- **Increase Funding by Beer Tax Increase.** MASACA proposes an increase in the state's beer tax, from the current \$6.30 per 31 gallon barrel, to \$18.90 per 31 gallon barrel, which would raise approximately \$126.6 million. Of this increase, it would be distributed as follows: (1) 40% to Michigan's 83 counties and the City of Detroit, proportionate to beer sales in each jurisdiction; (2) 40% to substance abuse treatment and prevention services via local coordinating agencies, with

25% dedicated to servicing drug court participants; and (3) 20% to the State of Michigan so there is no reduction from the 2004 state funding to coordinating agencies or adverse impact on MOE requirements of the Substance Abuse Treatment and Prevention Block Grant.

Ms. Doss asked for member's help, for them to take a stand and talk to their individual legislators on this issue, especially freshmen legislators. She also offered to attend any county Commission meetings to make this presentation if invited.

## **B. Program Director's Association Report**

Ms. Kathy Davis, co-chair, reported their last meeting was spent reviewing prevention program processes, and preparing an agenda for data training for the providers and community members.

## **C. Director's Report**

Ms. Reynolds asked members what they would like done with regards to the alcohol initiative; a Resolution, arrange meetings with local legislators or meetings in individual communities. She also asked for their support of the draft strategy. Ms. Golden asked her to bring Resolution language back which would incorporate the nature of the current funding crisis, recognition that treatment is effective, and the fact that beer taxes haven't increased since 1966. Ms. Reynolds noted she would prepare talking points and language for a Resolution to be presented at the next Board meeting.

Ms. Reynolds noted there are copies of three bills in the packets and several newspaper articles provided for information. She commented briefly on HB 4064 which was introduced by Rep. Caswell. She indicated she had spoken with him on several occasions regarding this Bill, which would potentially give the counties the option of giving half of their liquor tax (PA2) monies to the coordinating agencies or not. She explained that statewide, a total of almost \$15 million is at stake.

Ms. Reynolds also noted in the packets was the updated PA2 figures for FY 2005, which show increases in all of the counties.

## **COMMITTEE REPORTS**

### **A. Treasurer's Report Community Grant & PA2**

Ms. Roeser reported the Bills to be Approved, reflected in checks 12690 through 12792 and payroll ACH 083-108, totaled \$748,682.38. On the Income Statement, she reported Total Revenues for January of \$563,133.84, Total Expenses of 698,239.44, which resulted in Net Income of \$(135,105.60). On the Balance Sheet, she reported Total Assets and Liabilities & Capitol of \$3,322,187.01, and on the Statement of Cash Flow, she reported the Beginning Balance of \$(3,225,018.99), the Ending Balance of \$3,252,428.49, resulting in a Net Increase in Cash of \$27,409.50.

### **Medicaid**

On the Bills to be Approved, Ms. Roeser reported they are reflected in checks 2693 through 2753 and total \$327,627.76. For the month, Ms. Roeser reported Total Revenues of \$196,665.81, Total Expenses of \$157,605.37, resulting in Net Income of \$39,060.44. On the Balance Sheet, Ms. Roeser reported Total Assets and Liabilities & Capitol of \$283,833.36, and on the Statement of Cash Flow, she noted the Beginning Balance of \$(462,959.38), the Ending Balance of \$347,710.35, which resulted in a Net

Decrease in Cash of \$(115,249.03).

Lastly, on the Medicaid PIHP Report, Ms. Roeser reported balances as follows: CEI \$21,955.18; LifeWays \$(2,243.06); Venture \$(23,620.41) and Washtenaw \$12,839.58, resulting, in an overall balance of \$8,931.29.

**Mr. Alonzi moved approval of the Treasurer's Report for January 2005 as presented. Ms. Carter supported the motion. The motion carried.**

**B. Program Development Committee Report**

Mr. Clark, Vice-Chair of the Committee, reported they received program reviews for providers in Eaton, Gratiot and Calhoun counties. He stated they are doing well, with the exception being SPGB Services in Calhoun County, which will be recommended to be placed on probationary status for various reasons. He noted that this item was tabled until the next meeting as the Committee did not have quorum at the meeting.

Mr. Clark also reported the Committee reviewed the proposal from the Lansing Teen Court for increase funding in the amount of \$28,000. After lengthy discussion, Mr. Clark said the members present at the meeting recommended the increase be approved.

Mr. Clark reported the Committee also reviewed the recommendation for award of the Ionia County Treatment RFP. He stated they agreed with the staff recommendation for the RFP to be awarded to Human Aid.

**C. Executive Committee Report**

Ms. Reynolds reported the Committee also reviewed the Ionia County Treatment RFP proposal and support the RFP Committee's recommendation.

**Ms. Golden moved approval for the Ionia County Treatment RFP to be awarded to Human Aid, for a total of \$45,000 this year and a minimum of \$60,000 next year. Ms. Oliver supported the motion. The motion carried.**

Ms. Reynolds reported the Committee also reviewed the Lansing Teen Court proposal, recommending \$14,000 be approved, with the stipulation they get matching funds from the Court. Discussion ensued on how much Mid-South should fund the Teen Court, and their looking into other funding sources. Ms. Golden stated in light of many questions that had arisen from this request, she was comfortable with tabling this request in order to get clarification, specifically on what the current funding of \$25,000 provided by Mid-South buys. Mr. Tillotson stated his belief it is spent on personnel costs.

**Ms. Golden moved to table the Lansing Teen Court proposal and that it be referred back to the Program Development Committee for discussion at the next meeting. Mr. Tillotson supported the motion. The motion carried.**

Ms. Reynolds reported the Committee also reviewed the prevention budgets, with the total being allocated to programs being \$1,695,768.

**Ms. Carter moved approval of the FY 2004/05 prevention budgets totaling \$1,695,768. Mr. Clark supported the motion. The motion carried.**

**OLD BUSINESS**

**A. Nominating Committee**

Ms. Golden moved approval for the Slate of Officers for 2005 as presented. Mr. Gould supported the motion. The motion carried.

Ken Lautzenheiser, Chairman  
Dan Alonzi, Vice-Chairman  
Ken Ponds, Treasurer  
Debbie De Leon, Secretary

**B. Board Retreat**

Ms. Reynolds reminded members the Retreat is scheduled March 18 and 19. Ms. Reynolds also noted there will be a brief business meeting on Saturday morning before the Retreat begins, to review the Treasurer's Reports and any other important business. She added that the regular Executive Committee and Commission meetings for March will be cancelled. Ms. Golden asked that since there are two issues before the Program Development Committee that its meeting on March 21<sup>st</sup> occurs.

**ADJOURNMENT**

The meeting adjourned at 7:51 p.m.