



Community
MENTAL HEALTH
CLINTON • EATON • INGHAM

FINANCE COMMITTEE
Meeting Minutes
Wednesday, April 10th, 2024
5:30 p.m.
812 E. Jolly Rd, Atrium
Lansing, MI 48910

Join Zoom Meeting
<https://zoom.us/j/98547470124>
Meeting ID: 985 4747 0124

Committee Members Present:

Tim Hanna
Joe Brehler
Paula Yensen

Committee Members Excused:

Ryan Sebolt

Staff Present

Sara Lurie, Sue Panetta, Darby Vermeulen, Gwenda Summers, Joanne Holland, Dr. Jennifer Stanley, KC Brown

Other Board Members Present:

Dwight Washington

Public Present:

Bill Tucker – Maner Costerisan

Others Present

None

Call to Order:

The meeting was called to order by Chairperson Joe Brehler at 5:30 p.m.

Previous Meeting Minutes:

MOVED by Paula Yensen and SUPPORTED by Tim Hanna to approve the Finance Committee meeting minutes of March 13th, 2024.

MOTION CARRIED unanimously.

Adoption of Agenda:

MOVED by Tim Hanna and SUPPORTED by Paula Yensen to adopt the agenda of April 10th, 2024.

MOTION CARRIED unanimously.

Public Comment on Agenda Items:

None

BUSINESS ITEMS:

New Expense Contract: Trace 3

Joanne Holland presented this contract to the committee.

ACTION:

MOVED by Paula Yensen and SUPPORTED by Tim Hanna that the Finance Committee of the CMHA-CEI Board of Directors authorize CMHA-CEI to engage in network design services with Trace 3 and pay a total of \$55,940, to be expensed over five years as part of the Data Center Upgrade project.

MOTION CARRIED unanimously.

Revenue Contract Renewal: Ingham County Justice Complex Millage for Jail Mental Health Service Expansion

Joe said we have participated in this program for quite some time.

ACTION:

MOVED by Dianne Holman and SUPPORTED by Tim Hanna that the Finance Committee of the CMHA-CEI Board of Directors authorize CMHA-CEI to approve the contract renewal with Ingham County Justice Complex Millage contract totaling \$815,130 for the term of January 1, 2024 through December 31, 2024.

MOTION CARRIED unanimously.

Expense Contract Amendments

MOVED by Tim Hanna and SUPPORTED by Paula Yensen that the Finance Committee recommends that the Board of Directors of Community Mental Health Authority of Clinton, Eaton, and Ingham Counties authorize CMHA-CEI to enter into the following expense contracts based on the fact that the information has been reviewed and the proposals are in line with agency responsibilities:

Expense Contract Amendment: Cognitive & Behavioral Consultants

Under this contract with Cognitive & Behavioral Consultants, CEI will receive DBT for adolescent expert training and consultation pay no more than \$115,750 for those services for the retroactive period October 1, 2023 through September 30, 2024.

Expense Contract Amendment: McBride Quality Care Services, Inc. -Youth Overnight Respite

This item is in regards to getting the Appletree home up and running. CEI will enter into a contract amendment with McBride Quality Care Services to purchase Respite Care Services (Billing Code T1005) for the period of April 1, 2024 through September

30, 2024 at 15-minute rate of \$3.93 or \$377.13 per day, per bed for six beds. Rate includes Direct Care Worker Wage Increase.

MOTION CARRIED unanimously.

Unfinished Business

None

New Business

a. Maner Costerisan FY23 Audit Review

Bill Tucker from Maner Costerisan introduced himself to the committee. He began with reviewing the FY23 financial statements.

Dianne Holman entered the meeting at 5:34 pm.

Bill highlighted that our current assets as of 9/30/23 were \$38.8M, and our liabilities were \$26.7M. We are in a better net position compared to the previous year.

Bill then reviewed the schedule of changes in CEI's net pension liability and related ratios. We are currently just under 69% funded. This is lower than previous years. We had a net investment loss in the MERS pension of \$22.2M, which was as of 12/31/22, when investments and returns were down for everyone. This seems to be moving in the opposite direction for FY24. Bill went on to say the loss is smoothed out over five years, as well.

Discussion ensued about the net pension liability and the swing that CEI has experienced and the factors that caused that swing. Bill said Maner has seen the tables coming out for MERS for this year, and they are seeing where the investments are coming back to where they were before. Sue said we just received another report for the last quarter and we our funding is back in the high 70th percentiles already.

Bill moved on and discussed the Statement of Revenues, Expenses, and Changes in Fund Net Position. The audit showed total operating revenues of \$189,959,613, and total operating expenses of \$190,123,718. Payroll was up about \$5.5M from the previous year. Bill noted the number that jumped out at him on this page was that our investment income dollar amount was \$33, so this may be something to look at.

Amy said we would invest local or CCBHC earnings if we were to invest. Joe said the PIHP can hang on to a certain amount of money to invest. MSHN does invest this money, normally in bonds of some sort. But CEI has to spend Medicaid money in one year, so he isn't sure this is an avenue available to CEI. Sue said we did put the money that State gave us for the CSU into an interest-earning account.

Bill noted CEI expended \$4.4M in federal awards in FY23.

Finally, Bill said Maner Costerisan did not find any material weaknesses or significant deficiencies in the 2023 audit.

Paula Yensen wanted to say that after she read all of the notes, CEI did a great job with the audit and she wanted to thank the staff and everyone that worked on it. Sara also gave thanks to Sue Panetta and Amy Rottman for their hard work!

MOTION CARRIED unanimously.

Public Comment:

None

The meeting was adjourned at 6:03 p.m. The next regularly scheduled Finance Committee meeting is Wednesday, May 8th, 2024 5:30pm, 812 E. Jolly Rd, Atrium.

Minutes Submitted by:

Darby Vermeulen
Finance Administrative Assistant