



**Community**  
MENTAL HEALTH  
CLINTON • EATON • INGHAM

**FINANCE COMMITTEE**

**Meeting Minutes**

**Wednesday, January 13, 2016, 5:30 p.m.  
812 E. Jolly Road, Conference Room G11-C  
Lansing, MI 48910**

**Committee Members Present:**

**Joseph Brehler, Kam Washburn, Raul Gonzales, Kay Randolph-Back, Anne Hill,  
Carol Koenig**

**Committee Members Absent:**

**Chris Swope**

**Staff Present:**

**Stacia Chick, Chelsea Christensen, Sara Lurie, John Peiffer, Chris McDaniel, Mary  
Clissold, Al Way, Ericanne Spence, Sharon Blizzard, Chuck Dougherty, Cliff Dodson**

**Public Present:**

**Douglas Havera**

**Call to Order:**

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

**Previous Meeting Minutes:**

**MOVED by Raul Gonzales and SUPPORTED by Kay Randolph-Back to approve the  
meeting minutes of December 9, 2015.**

**MOTION CARRIED unanimously.**

**Joseph Brehler welcomed and introduced Clinton County Commissioner Anne Hill  
as CMHA-CEI's new Finance Committee member.**

**Adoption of Agenda:**

**MOVED** by Raul Gonzales and **SUPPORTED** by Kam Washburn to adopt the revised agenda with the additions of “Telatrac” under Old Business and “Fiscal Year 2016 First Quarter Financials” under New Business.

**MOTION CARRIED** unanimously.

**Public Comment on Agenda Items:**

No comment.

**BUSINESS ITEMS:**

**Financial Audit of Fiscal Year 2014**

Stacia Chick introduced Douglas Havera, BDO USA, LLP. Mr. Havera provided and reviewed the audited financial statements from Fiscal Year 2014. Discussion ensued regarding the material weakness of timely reporting, the internal control deficiencies of CFO access to post journal entries and duplicate tax liability payment and new implemented processes to address those issues.

Mr. Havera also noted that the Fiscal Year 2015 audit is nearly complete and during his review thus far he has not noted any findings. The completion of the audit is on schedule.

The Finance Committee inquired about the financial software used by CMHA-CEI. CMHA-CEI staff currently use eFinancePLUS, a Sungard product. CMHA-CEI staff have researched other products but they are costly. The Finance Committee would like to revisit this topic to potentially find software to complete processes more efficiently and accurately.

The Finance Committee thanked Douglas Havera for the presentation.

For information only.

**New Lease and Renovations: 5150 Wardcliff, Okemos**

John Peiffer presented a proposal to expand the lease of the property owned by Okemos Public Schools located at 5150 Wardcliff, Okemos, MI 48864. The expansion of 9,320 square feet will be used by the Wardcliff Abilities Center to expand Autism services to consumers within the Tri County area. This lease expansion is necessary in order to meet the upcoming demand. Renovations will need to be made to the increased space. The total cost of the renovation is expected to be \$126,000. The expense is paid for from the Autism Center and CSDD program budget and will be covered by the program with Autism expansion dollars. Facilities and Maintenance

would like to start the renovation in February or March and finish in May or June so the space can be utilized and increase revenues. Discussion ensued regarding owning vs. renting the property.

**ACTION:**

MOVED by Kay Randolph-Back and SUPPORTED by Carol Koenig that the Finance Committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI to complete the following lease contract and renovations based on the fact that the information has been reviewed and the proposals are in line with agency responsibilities:

**New Lease: 5150 Wardcliff, Okemos**

Enter into a contract to lease an additional 9,320 square feet for a total of 21,220 square feet of property from Okemos Public Schools for the property located at 5150 WardCliff, Okemos, MI 48864, commonly known as WardCliff Elementary School, effective April 1, 2016 through September 30, 2021 as follows:

CMHA-CEI shall pay to the Landlord for the premises effective April 1, 2016 and the new Lease amount will be for 21,220 square feet for the following lease years and amounts:

4/1/2016 to 9/30/2016	\$10,397.80/month	
10/1/2016 to 9/30/2017	\$11,494.16/month	\$137,930/year
10/1/2017 to 9/30/2018	\$11,724.05/month	\$140,688.60/year
10/1/2018 to 9/30/2019	\$11,953.93/month	\$143,447.20/year
10/1/2019 to 9/30/2020	\$12,254.55/month	\$147,054.60/year
10/1/2019 to 9/30/2021	\$12,431.38/month	\$149,176.60/year

**Renovations: 5150 Wardcliff, Okemos**

Act as the General Contractor to complete \$126,000 worth of renovations, by working with subcontractors at prevailing wage, in order to renovate the property for the Autism Center (Wardcliff Abilities Center), located at 5150 Wardcliff, Okemos, Michigan, to be completed by May 2016.

MOTION CARRIED unanimously.

**New Purchase and Renovations: 118 West Oak Street, Mason**

John Peiffer presented a proposal to purchase and renovate property located at 118 West Oak Street in Mason. The proposal will provide improved space for the Mason Rural Outreach Program and Transitions Mason/Leslie. CMHA-CEI staff researched many options and reviewed the cost of leasing vs. owning. The projected savings to CMHA-CEI programs will be \$47,000 per year. The purchase agreement is contingent upon satisfactory environmental inspections. Discussion ensued regarding vacancy and historical use of the property. The Finance Committee would like mortgage interest rate information when the resolutions are provided for approval.

**ACTION:**

**MOVED** by Carol Koenig and **SUPPORTED** by Raul Gonzales that the Finance Committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI as follows:

- 1) To enter into a contract to purchase the building and property located in Ingham County at 118 West Oak Street, Mason, Michigan 48854, from WCH of Michigan LLC, located at 480 Promec Dr. Grand Ledge, Michigan 48837, for the amount of \$350,000 in order to provide improved space for CMHA-CEI Programs Mason Rural Outreach Program, AMHS and Transitions Mason / Leslie, CSDD.
- 2) To spend \$170,000 to complete renovations required to upgrade the building at 118 West Oak Street, Mason, Michigan 48854.
- 3) To obtain bank financing for the purchase of the building and property at \$350,000 and renovations at \$170,000 with a 25 year bank mortgage at 4.0% from JP Morgan Chase Bank for a total amount of \$520,000 with a monthly mortgage payment of \$2,744.75 or \$32,937.00 per year.

**MOTION CARRIED** unanimously.

**New Lease: 801 South Waverly Road, Lansing**

John Peiffer presented a proposal to lease 5,000 square feet of property located at 801 South Waverly Road, Lansing, MI 48917. CMHA-CEI Facilities and Maintenance staff were asked to find property for a clinic located in West Lansing for Healthy Michigan expansion efforts. The leased space in this property meets most needs with the current layout. The owner is willing to renovate the suite to accommodate the clinic's other requirements. The AMHS Adult Mental Health Clinic should be able to operate in mid February. The Finance Committee believes that the property is in a great location to provide services.

Discussion ensued regarding the importance of starting new programs as soon as possible and increasing the Healthy Michigan penetration rate.

**ACTION:**

MOVED by Raul Gonzales and SUPPORTED by Carol Koenig that the Finance Committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) enter into a lease contract to lease 5,000 square feet of the property located at 801 South Waverly Road, Ingham County, Lansing, Michigan 48917 from CBRE Martin 1111 Michigan Ave, Suite 300, East Lansing, MI 48823 for the period of: February 1, 2016 through January 31, 2021 and pay as follows:

Year 1:	\$67,500/Year	\$5625/month	\$13.500/SF
Year 2:	\$69,525/Year	\$5793.75/month	\$13.905/SF
Year 3:	\$71,610.75/Year	\$5967.56/month	\$14.322/SF
Year 4:	\$73,759.07/Year	\$6146.59/month	\$14.752/SF
Year 5:	\$75,971.84/Year	\$6330.98/month	\$15.194/SF

This lease is for a term of 60 months with 3% annual increases that are factored above. The lease also has an option to terminate after 18 months, at which time, if exercised, the tenant will reimburse the landlord for unamortized build out expenses.

MOTION CARRIED unanimously.

**Expense Contract Renewal: Peckham, Inc.**

John Peiffer presented an expense contract renewal to purchase janitorial services from Peckham, Inc. Discussion ensued regarding Peckham, Inc. employee wages and Freedom to Work Medicaid benefits.

**ACTION:**

MOVED by Raul Gonzales and SUPPORTED by Carol Koenig that the Finance Committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI to enter into a contract renewal with Peckham, Inc., located at 3510 Capital City Blvd, Lansing, MI 48906-2102 in Ingham County, to purchase janitorial cleaning services for 14,000 square feet of space at 1305 Jolly Road, Lansing Michigan, 48910 for the following price schedule for the next three years:

October 1, 2015 through September 30, 2016 at the rate of \$2,109.25 per month or \$25,311 per year.

October 1, 2016 through September 30, 2017 at the rate of \$2,172.75 per month or \$26,073 per year.

October 1, 2017 through September 30, 2018 at the rate of \$2,237.92 per month or \$26,855.04 per year.

**MOTION CARRIED unanimously.**

**Expense Contract Renewal: Sisense Software Subscription**

Chuck Dougherty presented an expense contract renewal to license data analytics and dashboard software from Sisense LTD. The revenue source that supports this contract is CMHA-CEI's contract with Mid-State Health Network for provision of Information Technology services.

**ACTION:**

**MOVED** by Carol Koenig and **SUPPORTED** by Raul Gonzales that the Finance Committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI to enter into an expense contract with Sisense LTD to provide analytics/dashboard software for the period of January 7, 2016 through January 6, 2017 and pay \$40,000.

**MOTION CARRIED unanimously.**

**Expense Contract Renewal: Abigail and Daniel Nowiski - Therapeutic Foster Care**

Al Way presented an expense contract renewal to purchase therapeutic foster care home service and respite service. This is a therapeutic foster home that was recruited and trained through our partnership with the Ingham County Department of Human Services. The home is licensed through the Department of Human Services and the youth placed in the home will be involved with the child welfare system as well as have serious mental health and behavioral challenges. Youth referred for this program must be eligible for a Serious Emotional Disturbance Waiver. The federal waiver covers the costs of the foster home and mental health services. Discussion ensued regarding the difficulty in finding these homes. The Finance Committee is thankful for these providers and their valuable service.

**ACTION:**

**MOVED** by Carol Koenig and **SUPPORTED** by Kay Randolph-Back that the Finance Committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI to enter into a contract renewal with Abigail and Daniel Nowiski to

purchase foster care services for the period January 1, 2016 through December 31, 2017 and pay \$75.00 per day for any placed youth.

MOTION CARRIED unanimously.

Expense Contract Amendment: Residential Options, Inc.

Mary Clissold presented an expense contract amendment to adjust the rates for community living supports.

ACTION:

MOVED by Carol Koenig and SUPPORTED by Raul Gonzales that the Finance Committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI to amend the contract with Residential Options, Inc. for the period of January 1, 2014 through December 31, 2016 and pay \$179.56, \$152.26 or \$130.56 per person, per day, depending on the number of people being served at one time.

MOTION CARRIED unanimously.

Old Business:

Telatrac

John Peiffer and Sharon Blizzard presented an update regarding the proposal to purchase fleet management software. CMHA-CEI staff came to an agreement with Local 459 OPEIU – Lansing regarding the use of the software. The fleet management software will be utilized to monitor assets and not employees. If a persistent and ongoing safety issue arises, Human Resources will be consulted. The software will be used to track the location of Carpenter vehicles only by the Maintenance and Construction Manager to dispatch staff more efficiently.

ACTION

MOVED by Raul Gonzales and SUPPORTED by Kay Randolph-Back that the Finance Committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) authorize CMHA-CEI to enter into a new expense contract with Teletrac, located at 7391 Lincoln Way, Garden Grove, CA 92841, to purchase a Vehicle Fleet / Asset Managing Tool and Web Based Vehicle Management Software System that will enhance the current management of 120 CMHA-CEI vehicles and agree to pay \$99,360 over a three year period at \$2,760 per month, including \$27,600 for the current fiscal year.

**MOTION CARRIED unanimously.**

**New Business:**

**Fiscal Year 2016 First Quarter Financials**

Stacia Chick presented an update regarding the Fiscal Year 2016 First Quarter Financials. The financial statements are traditionally presented to the Finance Committee in February. The financial statements can be completed on the same schedule; however, this year CMHA-CEI staff will have to use projections due to Streamline implementation. If the first quarter financials are delayed for a month staff will be able to provide much more accurate information. The Finance Committee agreed to review the Fiscal Year 2016 First Quarter Financials in March for this year but will not plan on changing the traditional reporting time. No other reporting deadlines will be affected.

**Public Comment:**

None.

**Adjournment:**

The meeting was adjourned at 7:18 p.m. The next regularly scheduled Finance Committee meeting is February 10, 2016, 5:30 p.m., 812 E. Jolly Rd, Lansing, Conference Room G11-C.

**Minutes Submitted by:**

Chelsea Christensen  
Finance Secretary