



# Community

MENTAL HEALTH  
CLINTON • EATON • INGHAM

## FINANCE COMMITTEE

### Meeting Minutes

Wednesday, May 11, 2016, 5:30 p.m.

812 E. Jolly Road, Conference Room G11-C

Lansing, MI 48910

#### Committee Members Present:

Joe Brehler, Kam Washburn, Kay Randolph-Back, Dianne Holman, Carol Koenig, Chris Swope, Raul Gonzales

#### Committee Members Absent:

None.

#### Staff Present:

Stacia Chick, Chelsea Christensen, Chuck Dougherty, Ericanne Spence, Chris McDaniel, Gwenda Summers, Joyce Tunnard, Sara Lurie, Aleshia Echols, Cliff Dodson, Sharon Blizzard, Mary Clissold

#### Public Present:

Ron Kendall, Jeff Fleming

#### Call to Order:

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

#### Previous Meeting Minutes:

MOVED by Carol Koenig and SUPPORTED by Dianne Holman to approve the meeting minutes of April 13, 2016 with the revision of the sentence "The Finance Committee would prefer to reduce intensity of service rather than eliminate service." to "The Finance Committee would prefer to reduce intensity of service rather than eliminate cases." and the revision of the motion "MOVED by Kam Washburn 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) direct CMHA-CEI staff to explore all options to reduce general fund expenditures, with the elimination of services being a last resort.” to “MOVED by Kam Washburn 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) direct CMHA-CEI staff to explore all options to reduce general fund expenditures, with the elimination of cases being a last resort.”

MOTION CARRIED unanimously.

Raul Gonzales joined the meeting at 5:38 p.m.

Adoption of Agenda:

MOVED by Kam Washburn and SUPPORTED by Carol Koenig to adopt the agenda.

MOTION CARRIED unanimously.

Public Comment on Agenda Items:

No comment.

**BUSINESS ITEMS:**

Respite Services Provider/Camps

Stacia Chick presented expense contracts to purchase respite services from camps for children and adults living with their families. Discussion ensued regarding the annual respite allotment for these families.

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 new contracts/contract renewals with the camps listed below to purchase respite care services for the period of June 1, 2016 through December 31, 2016 and pay out of individuals respite allotment of \$1,200 annually for those services / goods.

Name of Camp	Address of Camp	Cost
Albright United Methodist Church (Special People Camp)	3156 190 <sup>th</sup> Ave., Reed City, MI 49677-9731 Office 888-217-1905 Camp 231-832-3856 Box 84, Oshtemo, MI 49077	Developmentally Disabled rates: Adults - \$380
Bay Cliff Health Camp	P.O. Box 310, 4175 Bay Cliff Dr., Big Bay, MI 49808 906-345-9314	Less than \$700/week; \$2,900 for 7 weeks

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Beekman Therapeutic Horseback Riding Camp	2901 Wabash Rd., Lansing, MI 48910 517-755-2175	\$35 private therapy 30 minutes; YMCA Camp \$10/child for 5 days
Camp Blodgett (Camp Sunshine)	430 E. 8 <sup>th</sup> St., Holland, MI 49423 616-994-9897	\$300 for 5 days
Camp Concordia	13400 Pinewood Street, Gowen, MI 49326 616-754-3785 office@campcondordia.org	\$288 for 4 days
Camp Fish Tales	2177 E. Erickson Rd., Pinconning, MI 38650 989-879-5199	Level 1-\$625 Level 2-\$850 Level 3- \$1,150
Camp Greenwood	13564 McClain Rd., Gowana, MI 49326 231-224-3059	\$175-\$350 depending on session
Camp Henry	5575 Gordon Ave., Newaygo, MI 49337 616-459-2267	\$300
Camp Living Waters	536 E. 6 Mile Road, Luther, MI 49656 231-797-5107 www.camplivingwaters.org	\$419 for 5 days
Camp Midicha	10407 N. Fenton Rd., Fenton, MI 48430 810-629-9622	\$401-\$500/week
Parkwood YMCA (Camp Pa-Wa-Pi)	3232 E. Grand River, Williamston, MI 48895 517-827-9680 Lansing Office	Fee per type of session \$130 - 160
Conductive Learning Center at Aquinas College	2428 Burton St., SE, Grand Rapids, MI 49546 616-575-0575	\$2,800 for the 3 week summer program
Cran-Hill Ranch (Friendship Camp)	14444 17 Mile Rd., Rodney, MI 49342 231-796-7669	Week 1-\$480 Week 2-\$480
Delta Mills Nazarene Camp	6816 Delta River Dr., Lansing, MI 48906 517-321-8643	\$125 activity fee for summer in addition to \$116/per week
Fowler Center	2315 Harmon Lake Rd., Mayville, MI 48744 989-673-2050	Fees per type of session \$195-1,272
HisAbility (Camp Barakel)	P.O. Box 159, Fairview, MI 48621 989-848-2279	\$185
St. Matthew Lutheran Church (Camp SonShine, Hawks Program)	2418 Aurelius Rd., Holt, MI 48842 517-694-3182	\$140 per week, \$30 registration fee
Impressions-5 Museum	200 Museum Dr., Lansing, MI 48833 (517) 485-8116 ext. 132 Attn: Katie Rosenberg	Non-members \$250/week; members \$190/week; 8 Jun-4 Sep; different subject each week
Indian Trails Camp	0-1859 Lake Michigan Dr., NW, Grand Rapids, MI 49534 616-677-5251	Level 1 - \$762/6 days Level 2 - \$1,116/6 days Level 3 - \$1,536/6 days
Information Technology Empowerment Center (Summer Courses)	200 North Foster, Lansing, MI 48912 admin@iteclansing.org 517- 708-4390	\$100-\$140 Income scholarships available \$25-\$50
Lansing Parks/Recreation (Alfreda Schmidt Southside Community	200 N. Foster, Lansing, MI 48912 517-483-6686	\$30 - \$95 per week, depending on type of program & county/city

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Center)		residence
Mystic Lake	9465 Ludington Dr., Box 100, Lake, MI 48632 517-827-9650	1 week-\$490 2 weeks-\$930
Oak Park YMCA	900 Long Blvd., Lansing, MI 48911 517-827-9700	Fees per type of session \$118-158; \$35 deposit
Okemos Community Education (Special Needs Camp)	1826 Osage Dr., Okemos, MI 48864 517-706-5020	4 weeks - \$778; 5 weeks - \$919; 6 weeks - \$1094; 7 weeks - \$1266
Pine Ridge Bible Camp	8415 17 Mile Rd., Cedar Springs, MI 49319 616-696-8675	\$305-Freddie Friends; \$75 deposit
MSU Community Music School (Ric Star)	4930 S. Hagadorn, East Lansing, MI 48823 517-884-4828	Per camper-\$195, all day, 6 and over; Per ½ day - \$100, 0- 6 yrs
Spring Hills Camp	Box 100, Everat, MI 49631 231-734-2616	\$277-\$707-depending on session
St. Francis on the Lake	10120 Murray Rd., Jerome, MI 49249 517-688-9212	\$495/week; \$250 deposit: 1-1 is an extra \$100
Young Life of Greater Lansing (Timberwolf Lake)	1518 River Terrace Dr., East Lansing, MI 48823 Registration 517-324-3294 4898 N. Morey Rd., Lake City, MI 49651 Camp 231-839-7552	\$650 \$125-150 for November
PEAC-Programs to Educate All Cyclists	32 N. Washington, Suite 1, Ypsilanti MI 48197 734-484-2758 info@bikeprogram.org	\$35 per student
Potter Park Zoo (Zookambi Summer Camp)	1301 S. Pennsylvania Ave. Lansing, MI 48912 517-342-2713	Grades 1-7, 1 week sessions \$95 ½ day, \$190 full Members \$80/\$160

**MOTION CARRIED unanimously.**

**New Expense Contract: Red Level Networks**

**Stacia Chick shared the updates that have been made to CMHA-CEI’s background fact sheet language. Chuck Dougherty presented a new expense contract to renew the current Zix license and maintenance contract. This contract is new because the contract is with a different provider. CMHA-CEI has been using this software for years. There will be a slight savings compared to last year’s costs. The software is used to easily encrypt email containing any consumer information emailed outside of CMHA-CEI as required by the Health Insurance Portability and Accountability Act (HIPAA). Discussion ensued regarding reporting requirements for potential breaches or compromised information.**

**ACTION:**

**MOVED** by Raul Gonzales and **SUPPORTED** by Dianne Holman 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 Red Level Networks for Zix email encryption for the period of June 1, 2016 through May 31, 2019 and pay \$70,959 for that maintenance.

Discussion ensued regarding protected health information liability and the level of protection that is provided.

**MOTION CARRIED** unanimously.

Chris Swope joined the meeting at 5:48 p.m.

**Charitable Remainder Trust – Noall Trustee Resolution**

The Charitable Remainder Trust Agreement between Thomas C. Noall and Sharin E. Noall (the “Grantors”) and the Community Mental Health Board of Clinton, Eaton and Ingham Counties (the “Trustee”), was made June 7, 1989. The trust is held with a broker, Raymond James & Associates, Inc. The current trustees authorized by CMHA-CEI are no longer employed by the Agency. Therefore, the attached Raymond James & Associates, Inc. resolution and trustee certification documents will allow CMHA-CEI to update the authorized trustees to include the Chief Executive Officer and the Chief Financial Officer of the Agency.

**ACTION:**

**MOVED** by Chris Swope and **SUPPORTED** by Kam Washburn that the Finance Committee recommends that the Board of Directors of the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) approve the Certified Copy of Resolution regarding the Community Mental Health Board of Clinton Eaton & Ingham Counties, Charitable Remainder Trust and Trustee Certification.

Discussion ensued regarding the history of the trust and the procedure for these situations.

**MOTION CARRIED** unanimously.

**FY 2016 General Fund Reduction Proposals**

Stacia Chick presented proposals to reduce the FY 2016 General Fund projected deficit of \$943,284. The General Fund amounts include low and high targeted amounts. Some factors that will influence the change in these amounts are the funding allocations

through 2<sup>nd</sup> quarter and proposal implementation timelines. Some notable changes were the reduction in transitional housing resources and screening and funding changes for the Corrections Assessment & Treatment Service Substance Use Disorder (CATS SUD) program at the Ingham County Jail. The majority of the proposals will not have an impact on the budget in total. Most proposals will change the overall agency funding allocations for expenditures from General Fund to Medicaid. The Finance Committee suggested updating the Substance Abuse proposal language for the Impact on Consumers.

For information only.

#### Acceptance of Steady State Budget Assumptions for Fiscal Year 2016/2017

Stacia Chick presented the Steady State Budget Assumptions for Fiscal year 2016/2017. The Fiscal Year 2016/2017 Steady State Budget Assumptions will be utilized to build the 2017 Steady State Budget. New language was added regarding MERS employer contributions. Management is asking for guidance from the Finance Committee and/or Board on appropriate funding levels for the pension plans. Documentation was provided to review MERS' funding policy goals and the overview of changes. The most impactful changes increasing costs are the mortality rates table, investment rate of return assumption, and amortization policy. A six year projection of employer contributions and funded status reflecting the new actuarial assumptions was also reviewed. CMHA-CEI is currently funded at 79.5%. The annual required employer contribution amounts are going up but the funded percentage is going down. The biggest change is expected in fiscal year 2018. Discussion ensued regarding the differences in employee division funding and agency goals. Additional contributions are not a possibility at this time due to the lack of general fund dollars. The Finance Committee would like to stay close to 80% funding. Additional contributions can be made next year, if the budget allows. CMHA-CEI will continue to fund at the minimum funding requirements and would like to revisit this topic regularly. Discussion ensued regarding health insurance costs to the employer and the employee, the different health plans that CMHA-CEI offers, and utilization reporting.

Management is also looking for guidance from the Finance Committee and/or Board on appropriate fund balance levels for setting the loss reserve provision. The Finance Committee would like to revisit this topic during FY 2017 Preliminary Steady State Budget review in June.

The Steady State Budget Assumptions for revenue were shared and discussion ensued regarding changing autism rates and county funding. New language was also

reviewed to reflect that no assumptions have been made regarding funding or expenditures related to Certified Community Behavioral Health Clinic status.

Stacia Chick reviewed the Fiscal Year 2017 Budget Development Calendar and Budget Development Principals. Ideas for expanding the aggressive fund development portion of the Budget Development Principals were shared. It was suggested that the CMHA-CEI Board and staff look into creating new opportunities to increase public relations, community involvement and education, and donations. Sara Lurie will conduct some research with other CMHs and bring back information to report. There is a good opportunity to increase awareness, especially as CMHA-CEI expands its Prevention and Wellness program.

**ACTION:**

**MOVED** by Chris Swope and **SUPPORTED** by Dianne Holman that the Finance Committee accepts the Fiscal Year 2016/2017 Steady State Budget Assumptions.

**MOTION CARRIED** unanimously.

**Old Business:**

None.

**New Business:**

**Date and Time of Meetings**

**MOVED** by Chris Swope and **SUPPORTED** by Raul Gonzales to maintain Finance Committee Meetings on the 2<sup>nd</sup> Wednesday of each month at 5:30 p.m.

**MOTION CARRIED** unanimously.

**Election of Vice Chair**

Joe Brehler declared nominations open for the position of Finance Committee Vice Chair.

**MOVED** by Kam Washburn and **SUPPORTED** by Raul Gonzales to nominate Chris Swope as Vice Chairperson of the Finance Committee. Chris Swope accepted the nomination.

With no further nominations or objections, Joe Brehler declared Chris Swope elected as Vice Chairperson of the Finance Committee.



**MOTION CARRIED unanimously.**

**Public Comment:**

Ron Kendall spoke on behalf of Tom Barrett's office to discuss how to decrease the budget gap. The Finance Committee shared that \$943,000 is needed to maintain operations this year. The amount will increase to approximately 1.5 million next fiscal year. Ron Kendall had met with Bob Sheehan last year about the transition into the Healthy Michigan plan. There have been complaints from many individuals that are no longer eligible for services through CMHA-CEI and there is concern about those individuals being unable to seek care. Ron Kendall inquired about other potential disconnects. The Finance Committee shared that CMHA-CEI can take private insurance but the level of benefits often do not match the level of care that is being sought. CMHA-CEI staff also shared that General Fund is most impacted for Adult Mental Health Services. Discussion ensued regarding spend down issues.

Many CMHs in the region are frustrated. Ron Kendall met with the Michigan Department of Health and Human Services (MDHHS) to see what could be done to make sure that CMHs get funding that can be used. Phone calls are being received frequently for repeating issues from individuals that are not able to receive help. Discussion ensued regarding the Medicaid health plans. CMHA-CEI staff shared that CMHA-CEI contributes \$868,000 for local match drawdown. The financial burden would be decreased if those funds could be used for services. Staff also shared that CMHA-CEI has limited psychiatry time, which impacts the ability to provide services to privately insured individuals.

**Adjournment:**

The meeting was adjourned at 7:55 p.m. The next regularly scheduled Finance Committee meeting is June 8, 2016, 5:30 p.m., 812 E. Jolly Rd, Lansing, Conference Room G11-C.

**Minutes Submitted by:**

**Chelsea Christensen  
Finance Secretary**