

FINANCE COMMITTEE

MINUTES

JANUARY 20, 2003

PRESENT: Harris Schipper, James Mc Dowall, Lucile Van Koevering, Cornelius Vander Kam, Fred Vander Laan, Steve Waters

STAFF: Gerry Cyranowski, Pam Pekelder, Gloria Pelon

OTHERS: Greg Rappleye

CALL TO ORDER - Chairperson

Lucile Van Koevering, Chairperson called the January 20, 2003 meeting to order at 2:05pm.

APPROVAL OF MINUTES of December 16, 2002

Motion: To approve the Minutes of December 16, 2002.

Moved by: Schipper

Supported by: Waters

MOTION CARRIED

Mr. Mc Dowall questioned whether a CMH staff person was assigned to monitor corporate compliance, on a daily basis, at Kandou. Mr. Cyranowski stated that in the newly designed audit process, this is captured.

APPROVAL OF AGENDA of January 20, 2003

Motion: To approve the Agenda for January 20, 2003.

Moved by: Mc Dowall

Supported by: Vander Laan

MOTION CARRIED

SERVICE CONTRACTS

The committee reviewed and Ms. Pekelder answered questions regarding the following Service Contracts:

Hope Network Behavioral Health Serv./North Ottawa I (New: 01/08/2003 - 01/31/2004)

Heritage Homes/29th Street SIL (Renewal: 02/01/2003 - 01/31/2004)

Midstate Cleaning Services, Inc. (Renewal: 03/01/2003 - 02/29/2004)

Catholic Social Services (Renewal: 03/01/2003 - 02/29/2004)

Horizons of Michigan/North Ottawa II Program (Renewal: 02/01/2003 - 01/31/2004)

Hope Network Behavioral Health Serv./North Ottawa I (Renewal: 02/01/2003 - 01/31/2004)

Hope Network Behavioral Health Serv./North Ottawa I (Renewal: 02/01/2003 - 01/31/2004)

Hope Network Behavioral Health Serv./North Ottawa II (Renewal: 02/01/2003 - 01/31/2004)

Hope Network Behavioral Health Serv./North Ottawa II (Renewal: 02/01/2003 - 01/31/2004)

Hope Network Behavioral Health Serv./North Ottawa II (Renewal: 02/01/2003 - 01/31/2004)

Hope Network Behavioral Health Serv./West Lake (Renewal: 02/01/2003 - 01/31/2004)

Hope Network Sojourners Transitional Living Center (Renewal: 02/01/2003 - 01/31/2004)

Hope Network Behavioral Health Serv./The Lodge (Renewal: 02/01/2003 - 01/31/2004)

Life Services System of Ottawa County/Transportation (Renewal: 10/01/2002 - 09/30/2003)
Alice Hamilton/Hudsonville Christian Assisted Living Ctr. (Amendment: 02/01/2003 - 11/30/2003)
Larry and Jan Dean/Dean Community Training Home (Amendment: 02/01/2003 - 09/30/2003)
Holland Community Hospital (Amendment: 01/16/2003 - 09/30/2003)
Macomb-Oakland Regional Center/SIL (Extension: 02/01/2003 - 04/30/2003)

Following discussion it was recommended that the Service Contracts be presented to the Board for approval.

Motion: To present the Service Contracts to the Board for approval.

Moved by: Mc Dowall

Supported by: Vander Laan

MOTION CARRIED

BUDGET ADJUSTMENT

Budget Adjustment #2, FY 2002/2003 was reviewed and Ms. Pekelder answered questions. Following discussion it was recommended that the adjustments be presented to the Board for approval as presented.

Motion: To present Budget Adjustment #2, FY 2002/2003 to the Board for approval as presented.

Moved by: Schipper

Supported by: Waters

MOTION CARRIED

FINANCIAL STATEMENT

Pam Pekelder reviewed and answered questions regarding FY 2002/2003 Quarterly Financial Statement for the period ending December 31, 2002. Following discussion it was recommended that the Financial Statement be presented to the Board for information.

Motion: To present FY 2002/2003 Quarterly Financial Statement for the period ending December 31, 2002 to the Board for information.

Moved by: Waters

Supported by: Schipper

MOTION CARRIED

Ms. Pekelder noted funding reductions for Respite - MI Children (without Medicaid), this funding ended January 2003. Cuts of \$168,325 to State General Fund and \$189,768 to Medicaid will be handled without reductions to current operations. It is likely that an additional General Fund reduction of 1.0% to 1.5% will occur on February 1, 2003 based on a recent downgrading of the State revenue forecast. Further updates will be forthcoming.

OLD BUSINESS

None

NEW BUSINESS

Action Item #1: Request for Proposal: Development of Consumer Run Businesses

Mr. Cyranowski distributed information and answered questions regarding the Request for Proposal

(RFP) for Development of Consumer Run Businesses.

Mr. Cyranowski stated that this is the outgrowth from the Medicaid Reinvestment Plan (Medicaid savings from last year) that was approved by the CMH Board and MDCH. The suggested motion begins the next step of selecting a vendor to develop and enact business plans; however, does not commit CMH to any financial obligation. He emphasized that each component would be brought to the Executive and Finance Committees for discussion and disposition.

A feasibility study was completed by the Woods Consulting Group.

The RFP would do the following:

- seek a business development person, who would work under contract for the remainder of
FY 2002-2003
- develop plan for businesses
- work with consumers and stakeholders to implement and have businesses up and running

Mr. Cyranowski clarified that any contract would go through the CMH Finance Committee and CMH Board for discussion and disposition.

Mr. Cyranowski explained that consumer run businesses is an alternative service, which is required of CMH per contract with MDCH.

Many questions and concerns were voiced by committee members. Following discussion committee members requested the following:

- Obtain an out of county person and/or report substantiating successful consumer run businesses

Ms. Pekelder will contact other CMH agencies and will provide further information at the Monday, January 27, 2003 CMH Board Meeting.

- Provide a written overview from the Woods Consulting Group

Mr. Cyranowski will have this available at the Monday, January 27, 2003 CMH Board Meeting.

Motion: To recommend to the CMH Board to approve the Request for Proposal for Development of Consumer Run Businesses.

Moved by: Mc Dowall

Supported by: Vander Laan

MOTION CARRIED with One Dissension

Action Item #2: State General Fund Contract with MDCH

Mr. Cyranowski answered questions regarding the State General Fund Contract with MDCH and recommended forwarding to the CMH Board for approval with recommended revisions.

Mr. Cyranowski stated that the Board Association (MACMHB) is recommending not signing the State General Fund Contract with MDCH as written. They are recommending written revisions, with strike through and submit, meeting the February 14, 2003 deadline.

Mr. Rappleye agreed with the suggestion from the Board Association, adding his concerns relative

to:

A-87

Cost accounting issues

Section 12.1

Cancellation - Convenience

It is Mr. Rappleye's opinion that the CMH Board consider amending A-87 and Section 12.1.

Mr. Rappleye noted that he met with Steve Corwin, legal counsel for Muskegon CMH and the above mentioned concerns will be discussed at the Muskegon CMH Board Meeting which will be held on Friday, January 24, 2003.

Mr. Rappleye will attend the Monday, January 27, 2003 CMH Board Meeting and will provide an update.

It was noted that the Board Association has been working diligently with legislators and it was recommended that CMH offer ongoing updates. Mr. Cyranowski will follow through with an e-mail to local legislators.

Motion: To recommend to the CMH Board to approve the State General Fund Contract with MDCH, with recommended revisions.

Moved by: Vander Laan

Supported by: Waters

MOTION CARRIED

Adjournment - Ms. Van Koevering adjourned the January 20, 2003 meeting at 3:35pm.

Following adjournment, a recommendation from the public was made relative to use of outdated computers. The recommendation was to consider outdated computers be given to CBE consumers. It was noted that a touch screen can be purchased, which would make these computers compatible for use by the physically challenged.