

Approved Minutes
Community Mental Health of Ottawa – Finance Committee
CMH Board Room
12265 James Street, Holland, Michigan 49424
Thursday, May 11, 2006

PRESENT: Cornelius Vander Kam, Mark Bombara, Rita Bird, Ed Berghorst

STAFF: Gerry Cyranowski, Pam Pekelder, Patricia Genesky

CALL TO ORDER

Cornelius Vander Kam, Chairperson, called the May 11, 2006 meeting to order at 12:20 p.m.

Mr. Cyranowski distributed a suggested order of business for the monthly meetings of the Finance Committee:

- Review monthly financial statements and budget adjustments – committee members to bring any questions for discussion.
- Lakeshore Behavioral Health Alliance – Review YTD and projected year-end status
- Review and approve service contracts
- MDCH finance issues
- Future finance issues

Mr. Vander Kam expressed the desire to have this Finance Committee meet with Muskegon's Finance Committee in order to be aware of Affiliation issues. Mr. Cyranowski indicated that he and Ms. Pekelder currently meet with Muskegon quarterly. Mr. Cyranowski will address the request with the Executive Director of Muskegon CMH.

Discussion ensued about setting up an approval process for service contracts. Ms. Bird suggested that after the Finance Committee reviewed the contracts at their monthly meeting, Mr. Vander Kam could then report the committee's findings to the Board. It was proposed that a general list of topics be developed for each type of contract (New, Renewal with rate change, Renewal without rate change, Amendment, Issues). Doing so may answer many of the questions that are typically posed during discussion at the regular Board meeting and may prevent re-work by the Board after the Finance Committee has completed their review. The issue of consistency in the format of the contracts was also raised. It was suggested that a similar procedure be used for budget adjustments. The committee will develop this process over the course of the next few months.

Mr. Bombara recommended performing a "SWOT" analysis of CMH's financial situation at the beginning of each fiscal year

Mr. Cyranowski suggested inviting June Hagen from Ottawa County Finance Department to periodically attend CMH Financial Committee meetings so that she may gain a better understanding of CMH finances. He also recommended a joint presentation with Al Vandenberg, June Hagen, Pam Pekelder and himself to the Board of Commissioners in order to provide the Commissioners with a better understanding of CMH finances.

REVIEW OF FINANCIAL STATEMENTS

Ms. Pekelder reviewed the financial statements with the committee, discussing deferred revenue, carry forward (savings), and the Adult Benefit Waiver. Ms. Bird questioned possible expenditures for savings to reduce the risk of losing those funds. Ms. Pelelder informed the committee that all of the “savings” from last year is currently budgeted. Ms. Pekelder also provided information about local match dollars. It was noted that the amount the county provides to CMH was frozen in 1998 and there has been no increase in contributions since that time.

Ms. Pekelder also noted that, due to the implementation of the new billing system, billing to private insurance, Medicare, and private pay consumers has not been processed since September. The vendor of the system is working on issues.

NEXT MEETING:

Thursday, June 15, 2006 at 12:15 p.m. in the CMHOC Board Room, 12265 James Street, Holland, Michigan.

Cornelius Vander Kam, Chair