

Proposed Minutes  
**Community Mental Health of Ottawa County – Finance Committee Meeting**  
CMH Board Room  
12265 James Street, Holland, Michigan 49424  
Thursday, May 15, 2008

**PRESENT:** Mary Ann Cartwright, Ed Berghorst, Rita Bird, Joyce Kortman

**ABSENT:** Keith Van Zoeren

**STAFF:** Michael Brashears (via telephone), Patricia Genesky, Kathy Coffey, Betty O'Rourke, Greg Hofman, Albert Doorn

**GUESTS:** June Hagan

CALL TO ORDER

Mary Ann Cartwright, Chairperson, called the May 15, 2008 Finance Committee meeting to order at 3:18 p.m.

VISION & MISSION STATEMENT

Ms. Cartwright noted the vision and mission statement.

APPROVAL OF MINUTES

CMH/FC 08-026 Motion: To approve the Minutes of the April 17, 2008 Finance Committee Meeting.

Moved by: Kortman

Supported by: Berghorst

MOTION CARRIED

APPROVAL OF AGENDA

CMH/FC 08-027 Motion: To approve the Agenda for May 15, 2008 Finance Committee Meeting.

Moved by: Berghorst

Supported by: Kortman

MOTION CARRIED

Dr. Brashears requested that the item under New Business, Rate Setting for Contracts, be the first item discussed on the agenda.

NEW BUSINESS

**Rate Setting for Contracts – Michael Brashears**

Dr. Brashears provided for information his proposal for creating an agency policy whereas contract providers are afforded an annual rate increase in keeping with the annual cost of living increase given to County employees. This would apply to those core contracts that are essential to CMHOC operations. He noted that without such a philosophy, the cost of providing internal services could eventually far exceed the cost of contracted services as the gap continues to widen. This would make contracting for services much more attractive financially. He suggested that one of roles and responsibilities of this committee might be to develop principles such as this. Adopting any such principle would move through the Committee and Board process for approval. He will develop a document outlining this principle for presentation during the June Finance Committee meeting.

REGULAR COMMITTEE BUSINESS:

a. Review and approval of service contracts

Ms. Coffey reviewed the contracts as presented and answered questions. It was noted that several of these contracts have already had the above stated principle applied. Concerns regarding compliance with performance indicators were noted. Dr. Brashears recommended that the finance committee approve the contracts with the current rate, holding any in abeyance until the principle is adopted and the contract providers are in compliance with performance indicators. Ms. Kortman suggested that, as part of the principle, no rate increase is given if performance indicators are not met.

CMH/FC 08-028 Motion: To accept the May, 2008 service contracts as amended and forward to the Board for approval.

Moved by: Berghorst

Supported by: Bird

MOTION CARRIED

b. Review of monthly financial statements

Ms. Hagan reviewed the April 2008 financial statements and answered questions. She also provided an analysis and trends report for review.

Ms. Kortman questioned the benefit of Supported Employment and requested a presentation to the Program Planning Committee outlining the current Support Employment Services being provided with a full cost analysis.

CMH/FC 08-029 Motion: To accept the April, 2008 financial statements as presented and forward to the Board for approval.

Moved by: Kortman

Supported by: Bird

MOTION CARRIED

c. Budget Adjustment

Ms. Hagan reviewed the FY08 Budget Adjustment #6 and answered questions. She also commented on the FY09 Budget, which is recommending a two percent wage increase for employees. She noted that the cost for health insurance will be increasing as well. Mileage is being budgeted at \$.52 and gasoline at \$4.50/gallon. Given the number of cars in the CMHOC fleet, there will be a significant increase in this budget line.

CMH/FC 08-030 Motion: To accept the FY 2007/2008 Budget Adjustment #6 as presented and forward to the Board for approval

Moved by: Berghorst

Supported by: Bird

MOTION CARRIED

Ms. Hagan noted that there will be auditors at the full Board meeting to present their findings. The new Mental Health Financial Manager, Mr. John Blissett, will begin on Monday and will be at the Board meeting.

OLD BUSINESS

**Committee Roles and Responsibilities – Mary Ann Cartwright**

This item was deferred until the June, 2008 meeting.

ADJOURNMENT

CMH/FC 08-031 Motion: To adjourn the May 15, 2008 Finance Committee meeting

Moved by: Berghorst

Supported by: Bird

MOTION CARRIED

Ms. Cartwright adjourned the Finance Committee meeting at 4:43 p.m.

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Mary Ann Cartwright, Chair