



Community
MENTAL HEALTH
CLINTON • EATON • INGHAM

FINANCE COMMITTEE

Meeting Minutes

Wednesday, May 14th, 2025

5:30 p.m.

812 E. Jolly Rd, G11-C

Lansing, MI 48910

Join Zoom Meeting

<https://zoom.us/j/98547470124>

Meeting ID: 985 4747 0124

Committee Members Present:

Tim Hanna

Jeanne Pearl-Wright

Paula Yensen

Raul Gonzales

Dwight Washington

Committee Members Excused:

Ryan Sebolt

Staff Present

Darby Vermeulen, John Peiffer, Sara Lurie, Drew Kersjes, Sue Panetta, Joanne Holland, Jana Baylis, Shana Badgley, Amy Rottman, KC Brown

Other Board Members Present:

None

Public Present:

None

Others Present

None

Call to Order:

The meeting was called to order by Chairperson Tim Hanna at 5:31 p.m.

Previous Meeting Minutes:

MOVED by Jeanne Pearl-Wright and SUPPORTED by Paula Yensen to approve the Finance Committee meeting minutes of April 9th, 2025.

MOTION CARRIED unanimously.

Adoption of Agenda:

MOVED by Raul Gonzales and SUPPORTED by Jeanne Pearl-Wright to adopt the agenda of May 14th, 2025 with the addition of the walk-in item 'Recommendation to Purchase Building and Property - 5913 Executive Drive', presented by John Peiffer.

MOTION CARRIED unanimously.

Public Comment on Agenda Items:

None

BUSINESS ITEMS:

Expense Contract Amendment: Anikare Inc.

Drew Kersjes said this particular placement is for an individual leaving the jail setting, which is why the contract is retroactive.

ACTION:

MOVED by Paula Yensen and **SUPPORTED** by Raul Gonzales that the Finance Committee of the CMHA-CEI Board of Directors authorize CMHA-CEI to enter into a contract amendment with Anikare Inc. to purchase Community Living Supports at the rates below for the retroactive period of March 24, 2025 through September 30, 2025.

Fee Schedule				
Service Description	Billing Code	Modifiers	Unit	Rate
Community Living Supports	H2015	UN/UP/UQ/ UR/US	15 Minute	\$9.12
Overnight Health and Safety	T2027	UN/UP/UQ/ UR/US	15 Minutes	\$9.12
Community Living Supports – 1:1 16 Hours Per Day*	H2015	UN/UP/UQ/ UR/US	15 Minute	\$15.41

For consumers that are not enrolled in the Habilitation Supports Waiver, modifier UJ must be used with H2015 for CLS provided during the consumer's usual sleep hours.

For consumers with the Habilitation Supports Waiver, T2027 must be reported during the consumer's usual sleep hours.

MOTION CARRIED unanimously.

Expense Renewal Contract: Insight – Zix Licensing

Joanne Holland presented this renewal with Zix. This is a standard renewal.

ACTION:

MOVED by Jeanne Pearl-Wright and **SUPPORTED** by Dwight Washington that the Finance Committee of the CMHA-CEI Board of Directors authorize CMHA-CEI to enter into a contract with Insight for \$31,904.24 and cover Zix usage from June 1, 2025 through May 31, 2026.

MOTION CARRIED unanimously.

812 E Jolly Road Parking Lot Replace Asphalt Paving, North Half

John Peiffer presented this item to replace the other half of the large parking lot. The South half was completed last year.

ACTION:

MOVED by Paula Yensen and SUPPORTED by Dwight Washington that the Finance Committee of the CMHA-CEI Board of Directors authorize CMHA-CEI to enter into an expense contract with Tomco Asphalt, 3694 West Columbia Road Mason, Michigan 48854 for this asphalt project in the amount of \$303,727.25 to replace the north half of the parking lot area with new asphalt at 812 East Jolly Road Lansing, Michigan. This asphalt work is phase II of a three phase three-year project being completed in order to replace and upgrade existing asphalt paving that is now 25 years old. Repaving will include improving the sub base to include compacted gravel per industry standards and best practices.

MOTION CARRIED unanimously.

New Expense Contracts

MOVED by Paula Yensen and SUPPORTED by Raul Gonzales that the Finance Committee recommends that the Board of Directors of Community Mental Health Authority of Clinton, Eaton, and Ingham Counties authorize CMHA-CEI to enter into the following new expense contracts based on the fact that the information has been reviewed and the proposals are in line with agency responsibilities:

New Expense Contract: Phillips Security – Card Readers

John Peiffer said both of these contracts are part of the CSU's Owner's Costs, so paying for security is CEI's duty. He clarified that the badges used at Jolly Rd will be the same used in the CSU. CMHA-CEI will enter into an expense contract with Phillips Security - 1010 W. Hamilton Rd. Rochester Hills, Michigan 48309 in the amount of \$329,996.87 to install card readers, all wiring, circuit boards and associated hardware and system programming and commissioning included so as to deliver it to CMHA-CEI in ready-to-operate condition at the new Crisis Care Center - 2900 Stabler Lansing, Michigan 48910. This work will be completed in order to provide the needed on site security systems necessary to meet operational needs.

New Expense Contract: Phillips Security – CCTV Camera Security System

John Peiffer presented this new contract with Phillips Security - 1010 W. Hamilton Rd. Rochester Hills, Michigan 48309 in the amount of \$233,495.93 to install CCTV Cameras, all wiring, servers and associated mounting hardware and system programming and commissioning included so as to deliver it to CMHA-CEI in ready-to-operate condition at the new Crisis Care Center - 2900 Stabler Lansing, Michigan 48910.

MOTION CARRIED unanimously.

Recommendation to Purchase of Building and Property - 5913 Executive Drive

John Peiffer said about six months ago, CEI stumbled upon the opportunity to purchase this property. The building is about 123,000 square feet. Jolly Road, by comparison, is 117,000 square feet. We will be able to save some money by consolidating leased properties into this building. CEI will then have plenty of room for growth for the next decade. Tim Hanna asked how much retrofitting will be required. John said that is yet to be determined. Sara clarified we have already been leasing some space in the building.

Sue explained that some admin teams have taken up smaller spaces since COVID since they are working partially remote, and this would provide an opportunity to have more staff on site at one time and more space for each individual. Sara said this would also allow like programs to be adjacent to each other.

John noted the cost per square foot is a low rate, considering new building costs at this time. Sara said John has been working with CATA to change a route to go by the Executive Drive building. Tim asked about financing. Sue said it depends on where the price lands, but at the low end of \$3.5M, we would be able to pay cash. It also depends on the condition of the building and improvements that need to be made.

ACTION:

MOVED by Jeanne Pearl-Wright and **SUPPORTED** by Raul Gonzales that the Finance Committee of the CMHA-CEI Board of Directors authorize CMHA-CEI to enter into negotiations to purchase the building and property located at 5913 Executive Drive Lansing, Michigan 48911 from LAG (Lafontaine Auto Group) Executive Drive LLC., a Michigan limited liability company of 4000 West Highland Road Highland, Michigan 48357 as seller for the amount estimated between

\$3,200,000 and \$4,200,000 and bring back the final sale price and purchase details in June for approval to proceed with the purchase.

MOTION CARRIED unanimously.

FY2025 Q2 Financial Update

Amy Rottman presented the March financial statements. She reminded the group that these numbers are six months of activity. Our current cash and cash equivalents balance is \$47M. We also have a large volume of receivables, which have been broken out into the correct fiscal year. The largest number is due from MSHN for 2024, mostly related to CCBHC activity, which is \$15.9M. We also have \$3.6M due from other governments. Current total assets stand at \$100M, and a deferred pension amount of \$27.7M.

Amy then reviewed current liabilities. We own MSHN \$15.2M for FY24 and \$9.3M for FY25. Current total liabilities are \$135M. We do still have a deficit of \$6.5M, but last year we had a large surplus.

Amy discussed the Operating Revenues next. Overall, our revenue is \$11.4M less than budgeted in part due to less Medicaid and HealthyMI received, which is happening across the state because enrollment continues to drop. Our CCBHC demo dollars are slightly lower than budgeted also because of the drop in enrollment. Amy suspects we will land much closer to the budget in the last two quarters of the year.

On the Operating Expense side, we are also under budget by about \$6M. The significant pieces here are salaries and wages and fringes benefits. In discussion with Sue, this is based on some of the CSU hiring that will happen in the next quarter, but also some vacancies that have remained open. To understand how this relates to CEI's total funding, we have to look at the Bucket Report, which breaks the funding out into different revenue sources. Amy reviewed the Bucket Report. We are currently under budget by \$9.3M, which are dollars lapsed back to MSHN. Projected out for the full year, we expect a \$16.6M lapse. Amy said we do project to receive \$3M in quality bonus dollars through CCBHC. Sara noted that we don't yet know how Medicaid cut discussions in Congress could potentially affect CEI at some point in the future. Discussion ensued about the State budget.

Unfinished Business

Sara wanted let the committee to know CEI was contacted by the Protect MI Care Coalition and they are going to have a roundtable media event next Wednesday in the Atrium. Invitations will go out to the Board. The hope is a large range of stakeholders will be present for the discussion.

New Business

*a. Select Vice Chair for Finance Committee as of May 1, 2025

ACTION:

MOVED by Raul Gonzales and SUPPORTED by Dwight Washington that Paula Yensen become Vice Chair for the Finance Committee.

MOTION CARRIED unanimously

*b. Select Date and Time for Finance Committee as of May 1, 2025

ACTION:

MOVED by Raul Gonzales and SUPPORTED by Jeanne Pearl-Wright to keep the current date and time of the Finance Committee meetings for the next year (second Wednesday of the each month at 5:30 p.m.).

MOTION CARRIED unanimously

Public Comment:

None

The meeting was adjourned at 6:37pm. The next regularly scheduled Finance Committee meeting is Wednesday, June 11th, 2025 at 5:30pm, 812 E. Jolly Rd, conference room G11-C.

Minutes Submitted by:

Darby Vermeulen

Finance Administrative Assistant