

ST. CLAIR COUNTY COMMUNITY MENTAL HEALTH AUTHORITY
3111 Electric Avenue
Port Huron, Michigan 48060-5416
Tel: (810) 985-8900 ☎ Fax: (810) 985-7620

MEMORANDUM

TO: CMH Board Members
FROM: Deb Johnson, Executive Director
DATE: February 2, 2021
SUBJECT: CMH Board Agenda Staff Notes - 02/02/2021

ACTION ITEMS

A. Parking Lot

24th Street Parking lot project financing: The cost to build the new lot and the refurbish the existing lot is estimated at approximately \$500,000. Our options for financing this project include utilizing the funds from the Building Reserve Fund or financing through Northstar Bank, the current mortgage holder of the 24th Street Building. The intent of the Building Reserve Fund was to set aside funding for anticipated periods of negative cash flow resulting from the difference between the allowable interest and depreciation expense and the annual principle and interest payments, and to fund ongoing expenses such as building repairs. The negative cash flow years have begun and it is in our best interest to reserve the funds for the intended purpose and not draw on the reserve to finance the parking lot project. Our other option is to obtain additional financing from Northstar Bank. We have the ability to secure a Note with a term of 3-5 years at an interest rate of 3.25% - 3.75%, depending on the term of the loan.

Management's recommendation at this time is to secure the note financing from Northstar Bank for a term of 3 years at an estimated interest rate of 3.25%.

B. Region 10 PIHP/St. Clair CMHA FY21 Contract for Medicaid Services

Region 10 PIHP/St. Clair CMH Authority FY 2021 Medicaid Contract – Included as a handout is a summary of the changes made in this year's Medicaid contract. The FY21 contract boilerplate and attachments have been completely restructured and modified with new sections, numbering, formatting and language. Staff will provide an overview of the contract and changes.

Management recommendation for approval.

INFORMATIONAL ITEMS

A. Funding Bucket Report

Ms. Farr will be present to provide an overview of the financial information.

B. Program Operations

1. Service Update

Ms. Gallagher will provide an update on services being provide with a focus on COVID-19 related updates.