

# MINUTES

## BAY ARENAC BEHAVIORAL HEALTH BOARD OF DIRECTORS AUDIT COMMITTEE MEETING

Monday, October 12, 2026 at 5:22 pm

Room 225, Behavioral Health Center, 201 Mulholland Street, Bay City, MI 48708

|                           |                |                |               |                           |                |                |               |                                    |
|---------------------------|----------------|----------------|---------------|---------------------------|----------------|----------------|---------------|------------------------------------|
| <b>Committee Members:</b> | <b>Present</b> | <b>Excused</b> | <b>Absent</b> | <b>Committee Members:</b> | <b>Present</b> | <b>Excused</b> | <b>Absent</b> | <b>Others Present:</b>             |
| Pat McFarland, Ex Off, Ch | X              |                |               | Staci Tuggle              | X              |                |               | BABH: Jessica Estabrook, Michele   |
| Tim Banaszak, V Ch        | X              |                |               | Sally Mrozinski, Ex Off   | X              |                |               | Perry, Eric Strode, and Sara McRae |
| Richard Byrne             | X              |                |               | Robert Pawlak, Ex Off     | X              |                |               |                                    |
| Patrick Conley            | X              |                |               |                           |                |                |               | Legend: M-Motion; S-Support; MA-   |
|                           |                |                |               |                           |                |                |               | Motion Adopted; AB-Abstained       |

|    | Agenda Item                                                                                                                                                                                                                                              | Discussion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Motion/Action                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| 1. | Call To Order & Roll Call                                                                                                                                                                                                                                | The Committee Chair, P. McFarland, called the meeting to order at 5:22 pm.<br><br>All the members were present.                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 2. | Public Input (Maximum of 5 Minutes)                                                                                                                                                                                                                      | None.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 3. | Unfinished Business                                                                                                                                                                                                                                      | None.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 4. | New Business<br>4.1) Selection of Disbursements & Health Care Claims from Summary Report<br><br>4.2) Financial Statements for the Period Ending September 30, 2026<br><br>4.3) Electronic Fund Transfers (EFTs) for the Period Ending September 30, 2026 | 4.1) Administration found the source information for the claims selected for review.<br><br>4.2) M. Perry reviewed the report noting the asset account due from other governments, net assets fund balance, accounts unrestricted fund balance, local revenue received in 2026 from performance incentive bonus payments, and the overall trends for the per-eligible per month budget as well as the Midstate Health Network (MSHN) approved budget.<br><br>4.3) M. Perry reviewed the EFTs with the Committee. | 4.1) No action was necessary<br><br>4.2) On the motion of R. Pawlak and support by P. Conley, the Financial Statements for the period ending September 30, 2026 were referred to the full Board for approval. The motion was adopted unanimously.<br><br>4.3) On the motion by R. Pawlak and support by R. Byrne, the EFTs for the period ending September 30, 2026 were referred to the full Board for approval. The motion was adopted unanimously. |

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| <p><b>4.4) Review of Selected Disbursements &amp; Health Care Claims Chosen from Summary Report by CFO</b></p><br><br><br><br><br><br><br><p><b>4.5) Consideration of Approval of Disbursements &amp; Health Care Claims Totals</b></p> | <p><b>4.4)</b> Administration reviewed the disbursements and health care claim invoices selected for further review. These included 103064 Browning Power Systems, LLC for North Bay annual preventive maintenance; 103078 Hollywood Taxi for consumer transportation; E11097 Insight for computer equipment upgrades approved prior by the board; 103167 Konica Minolta Business Solutions for copier maintenance at various locations; E11173 Eye Med for employee vision insurance as well as replacement of employee glasses; E103157 Clements Electric, Inc. for wiring repair work and emergency light installation at various locations; E11102 New Dimensions for monthly courier services; E11295 Shred Experts, LLC for monthly shredding services; and 5970 Kalamazoo Behavioral Health Hospital for inpatient community hospital services. There were discussions regarding the two payments being issued to Hollywood due to the hard copy check being returned and the ACH payment being requested, and the length of inpatient hospitalization for the Kalamazoo Behavioral Health claim.</p><br><br><br><br><br><br><br><p><b>4.5)</b> The Committee reviewed the disbursement and claim totals.</p> | <p><b>4.4)</b> No action was necessary</p><br><br><br><br><br><br><br><p><b>4.5)</b> On the motion by T. Banaszak and support by P. Conley, the disbursements and health care payments from September 14, 2026 through October 9, 2026 were referred to the full Board for approval. The motion was adopted unanimously.</p> |
| <p><b>5. Adjournment</b></p>                                                                                                                                                                                                            | <p>On the motion by T. Banaszak and support by P. Conley, the meeting adjourned at 5:36 pm. The motion passed unanimously.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                              |

**Pat McFarland, Committee Chair**