



BOARD OF DIRECTORS SPECIAL MEETING

Monday, September 28, 2026 at 5:00 pm
201 Mulholland Street, Bay City, MI 48708

MINUTES

<u>Board Members:</u>	Present	Excused	Absent
Robert Pawlak, Chair	X		
Patrick McFarland, Vice Chair	X		
Sally Mrozinski, Treasurer	X		
Pamela Schumacher, Secretary	X		
Tim Banaszak	X		
Richard Byrne	X		
Patrick Conley	X		
Christopher Girard	X		
Shelley King	X		
Kathy Niemiec	X		
Carole O'Brien	X		
Staci Tuggle			X

OTHERS PRESENT FROM BAY ARENAC BEHAVIORAL HEALTH AUTHORITY (BABHA)

Christopher Pinter, Jennifer Lasceski, Melissa Prusi, Marci Rozek, Karen Amon, Eric Strode, and Sara McRae.

CALL TO ORDER & ROLL CALL

The Board Chair, R. Pawlak, called the meeting to order at 5:00 pm.

PUBLIC INPUT

There were not any members of the public present.

PUBLIC HEARING & PRESENTATION OF THE FISCAL YEAR (FY) 2027 OPERATING BUDGET

The Board Chair, R. Pawlak, opened the public hearing regarding the FY 2027 Operating Budget at 5:02 pm.

M. Rozek reviewed the proposed budget for FY 2027 and highlighted the changes in revenue rates and expenditures from FY 2026. The increase in expenditures resulted from increases related to rate adjustments for community living support and residential providers, salary increases, vocational services, primary care services, community hospitalizations, rate adjustments to CLS providers for cost settlement contract language, and fiscal management services. M. Rozek also reviewed the projected net surplus, unrestricted fund balance, and that no capital expenditures are anticipated. There were general discussions regarding the fiscal management services cost settlement, the overall budget process, the overall software expense, status of the NSO contract, and mortgage costs for Arenac County. The administration will report expense trends for computers/software for the last 8 years to the Finance Committee.

PUBLIC COMMENT:

There were no members of the public present.

R#2609007: On the motion by P. Conley and support by R. Byrne, the Board approved resolution 26-09-007 to adopt the annual operating budget for FY ending September 30, 2027. The motion was adopted with a roll call vote: 11 yes; 0 no; 1 absent.

R. Pawlak:	Yes
P. McFarland:	Yes
S. Mrozinski:	Yes
P. Schumacher:	Yes
T. Banaszak:	Yes
R. Byrne:	Yes
P. Conley:	Yes
C. Girard:	Yes
S. King:	Yes
K. Niemiec:	Yes
C. O'Brien:	Yes
S. Tuggle:	Absent

The Board Chair, R. Pawlak, closed the public hearing at 5:21 pm.

FY2027 PROVIDER CONTRACTS

M. Rozek reported the proposed contract list includes agreements for a 5% rate increase for certain providers, minimum wage increases, and out-of-county placements.

M#116-26: On the motion by T. Banaszak and support by C. Girard, the special Board meeting September 2026 contract list was adopted. The motion was adopted unanimously.

FUTURE FACILITIES PLANNING

C. Pinter provided an update on the recent meeting with McLaren Bay Region and its impact on future facility planning. C. Pinter also reviewed the current lease terms for the Mulholland Building. C. Pinter reported the leadership confirmed 4th Street has been vacated and no easements were located. C. Pinter reminded the Board the cost estimates for expanding the Madison site are \$7-8 million.

Closed Session:

M#117-26: On the motion by P. Conley and support by T. Banaszak, the Board entered into a closed session at 5:28 pm pursuant to the Open Meetings Act (PA 276 of 1976) as permissible under section 8(d) for the purpose of considering the purchase or lease of real property up to the time an option to purchase or lease that real property is obtained. The motion was adopted with a roll call vote: 11 yes; 0 no; 1 absent.

R. Pawlak:	Yes
P. McFarland:	Yes
S. Mrozinski:	Yes
P. Schumacher:	Yes
T. Banaszak:	Yes
R. Byrne:	Yes
P. Conley:	Yes
C. Girard:	Yes
S. King:	Yes
K. Niemiec:	Yes
C. O'Brien:	Yes
S. Tuggle:	Absent

Return to Open Session:

The Board returned to the open session at 6:08 pm.

M#118-26: On the motion by P. McFarland and support by K. Niemiec, the Board authorizes administration to work with legal counsel to pursue an option to purchase the tech/office/industrial property listed at 3933 Monitor Road in Bay County, contingent on an approved mortgage and satisfactory property inspection, for a sale price not to exceed \$2.4 million. The motion was adopted unanimously.

BOARD MEMBER COMMENTS

None.

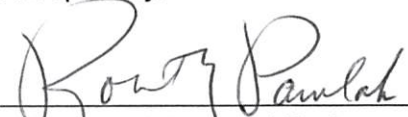
ADJOURNMENT

M#119-26: On the motion by C. Girard and support by P. McFarland, the meeting adjourned at 6:12 pm. The motion passed unanimously.

Submitted by:


Pamela Schumacher, Board Secretary

Accepted by:


Robert Pawlak, Board Chair