

BOARD OF DIRECTORS

MINUTES

AREA AGENCY ON AGING OF WESTERN MICHIGAN

June 23rd, 2025

Area Agency on Aging of Western Michigan Office
3215 Eaglecrest Drive NE, Grand Rapids MI 49525

UNIT OF GOVERNMENT	MEMBERS PRESENT	MEMBERS ABSENT
ALLEGAN COUNTY	Mark DeYoung Mary Campbell	
GRAND RAPIDS, CITY	Jane DeVries	Lisa Knight
IONIA COUNTY	Larry Tiejema Edna Albert	
KENT COUNTY	Carol Hennessy Nancy Nielsen	
LAKE COUNTY	Marilyn Burns Kristine Raymond	
MASON COUNTY	Ron Bacon	
MECOSTA COUNTY	Sharon Bongard Bill Routley	
MONTCALM COUNTY	Chuck Hazekamp	Nathan Alexander
NEWAYGO COUNTY	Richard Fitzpatrick Lori Tubbergen-Clark	
OSCEOLA COUNTY	Dawn Montague Russ Nehmer	

Staff Present: Kendrick Heinlein, Scott Russett, Laura Dobrzelewski, Holly Williams, Sheri Harris, Jessica Torpey, Emily Armstrong

Guests Present: Barb Hazlett – AAAWM Advisory Council Chairperson, Justin Hawkes and Julia Salamone – Doren Mayhew Representatives

I. Roll Call and Agenda Approval

Chairperson, Bill Routley called the meeting to order at 1:32 pm.

Dawn Montague moved, and Ron Bacon seconded the approval of the agenda. Motion carried.

II. Minutes of the April 28th, 2025 Meeting

Ron Bacon moved and Russ Nehmer seconded the motion to approve the April 28th, 2025 Minutes. Motion carried.

III. Mission Moment: AAAWM's FY24 Impact Report

IV. Reports

A. Advisory Council Report

Barb Hazlett, Advisory Council Chair, gave report from the June Advisory Council Meeting. Representative Kunse spoke to the group on his views of the importance of expanding the Medicaid Waiver program, broadband in rural areas, and keeping government small and local. He intends to write and send a letter about reauthorizing the OAA to his legislative colleagues and pertinent Congressmen. The Advisory Council is closely monitoring the Republican reconciliation bill that is currently sitting with the Senate. Due to strong advocacy, OAA programs saw a win-the current Administration had planned to dismantle key OAA programs but the HHS budget reversed course. Almost all OAA programs were level funded at 2025 levels with a significant increase to the Title III E Family Caregiver Support Program. While this is a huge win, advocacy is still essential with everything going on in the current political climate. The BOD is encouraged to utilize the AAAWM Advocacy Toolkit at all local, state, and federal levels. If anyone has questions on how to best advocate and impactful messaging, they should connect with Sheri Harris, Director of Advocacy and Planning.

B. Financial Reports

Scott Russett, CFO, reviewed the May Financial Reports and introduced staff from Doren Mayhew, who completed the FY2025 Audit.

Report 1- Balance Sheet – the agency continues to have a healthy amount of cash and investments are growing. The FY24 Fund Balance had a change due to the audit from a deficit of \$2.7 million to \$2.5 million. The current FY is showing a deficit of \$1.6 million which is inline with what was projected. There are no expected changes to OAA or KCSM at this point of the FY. The State determined there would be no increase to the Waiver program this year. AAAWM hired an outside actuary to review the Waiver program and their recommendation was for a 13% increase. Advocacy is needed more than ever on this program. No Wrong Door and Essential Care at Home are up and running.

Report 2 – Income Statement Report – OAA and KCSM are expected to breakeven and are on track to do so. The Waiver program is functioning at a deficit, as expected. Most programs listed under Special Grants and Others are spending at breakeven, with

Engaging Wellness being an exception at a perceived deficit. The Elder Refugee program saw an increase recently which is great news. Essential Care at Home is currently serving 240 participants.

Report 3 – Contractor Expenses – OAA – AAAWM is 66% through the FY and partner spending is at 52.5% on average. KCSM reallocations were done in April and OAA reallocations will be presented later in the agenda to bring the percentage spent to give a truer picture. There is no cap on the amount of unspent funds that can rollover, so anything unused by partners will rollover to the next FY. PoS dollars are overall at 66.6% spent. The Waiver program is overbudget at 76%, but the Caregiver Training Center is up and running and generating revenue for the agency via rentals.

Report 4 – Summary Expense Report – Supplies and Misc. reflects a large jump which is mostly based on some large purchases. The tenant renovation is pushing the Maintenance area higher than projected due to unforeseen costs. The budget is at 66% spent in Admin costs and OAA and KCSM are on track at 56% spent.

FY2025 Doren Mayhew Audit

Justin Hawkes from Doren Mayhew gave an overview of the FY24 audit to the BOD. Overall, it was a smooth, clean audit with no findings which is something the agency should be proud of. The yearend deficit changed from \$2.7 million to \$2.5 million based on the audit's completion. Justin Hawkes and Kendrick Heinlein fielded questions from the BOD regarding the audit and sustainability of the Waiver program based on what the auditors advise.

Action Item: Larry Tiejema made a motion to approve the FY24 Doren Mayhew Audit and Sharon Bongard seconded, and the others approved the motion. Motion carried.

C. FY26 Kent County Senior Millage (KCSM) Funding Recommendations

Kendrick Heinlein, CEO, presented FY26 KCSM funding recommendations and fielded questions from the BOD.

Action Item: Ron Bacon made a motion to approve the FY26 KCSM Funding Recommendations as presented and Jane DeVries seconded, the others approved the motion. Motion carried.

D. FY25 OAA Older Americans Act (OAA) Reallocation and FY26 OAA Funding Recommendations

Kendrick Heinlein, CEO, presented FY25 OAA mid-year reallocations from partners. The recommendations will help partners better spend their allocations and bring the budget back inline with spending.

Action Item: Russ Nehmer made a motion to approve the FY25 OAA Mid-Year Reallocation Recommendations as presented and Ron Bacon seconded, the others approved the motion. Motion carried.

Kendrick then presented the FY26 OAA funding recommendations and fielded questions from the BOD. The total amount to allocate this year was \$9,384,142.

Action Item: Mary Campbell made a motion to approve the FY26 OAA Funding Recommendations as presented and Jane DeVries seconded, the others approved the motion. Motion carried.

E. Annual Implementation Plan (AIP) Approval

Sheri Harris, Director of Advocacy and Planning presented the Annual Implementation Plan, highlighting key areas. There were no questions from the committee.

Action Item: Ron Bacon made a motion to approve the Annual Implementation Plan as presented and Dawn Montague seconded, the others approved the motion. Motion carried.

F. CEO's Report

Kendrick Heinlein, CEO, provided the following updates and led discussion:

Annual Provider Screening Tool- this document is a requirement for the MiChoice Waiver Program and has been included in the previous two BOD packets. BOD members should return it to Kendrick ASAP if they have not done so already. It is due by September.

FY25 MI-Choice Mid-Year Rate Review Update- a letter from the State with their response to a mid-year rate increase was included in the BOD packet and reviewed. AAAWM hired an actuary who recommended a 13% increase to the Medicaid Waiver program for sustainability. The State's letter advises there will be no mid-year increase. There is some confusion with why the State is combining two separate budget allocations in their justification and the State is seeking further clarification on what should be included for consideration.

Essential Care at Home and Michigan Health Endowment Update-the program is up-and-running and off to a great start. A soft launch approach was taken due to capacity concerns and wanting to build a solid foundation for the program. Marketing information will be shared once it's available. AAAWM is seeking a grant to be able to offer palliative care to round out the services we can provide.

FY24 Impact Report – anyone with impactful feedback should send it to Kendrick in the next week or two so the document can be finalized.

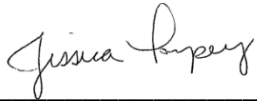
IV. Other

A. Bureau of Aging, Community Living and Supports Comments:

Ashley Ellsworth, ACLS Representative was not in attendance and did not send updates to be shared with the BOD.

B. Public Comments: BOD Member Mary Campbell shared that Allegan County Housing Commission has an event coming up in July focusing on touring developers. If anyone has questions or knows someone who should join, they can connect with her for details.

C. Next Meeting Date: Chairperson, Bill Routley, stated the next Board of Directors meeting will be on August 25th, 2025 at the AAAWM building. The meeting adjourned at 2:56 p.m.



Jessica Torpey, Recorder



Ron Bacon, Secretary