

BOARD OF DIRECTORS

MINUTES

AREA AGENCY ON AGING OF WESTERN MICHIGAN

February 24th, 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 | Nathan Alexander Chuck Hazekamp | |
| NEWAYGO COUNTY | Richard Fitzpatrick Lori Tubbergen-Clark | |
| OSCEOLA COUNTY | Dawn Montague Russ Nehmer | |

Staff Present: Kendrick Heinlein, Cassie Caple, Scott Russett, Laura Dobrzelewski, Holly Williams, Sheri Harris, Ashley Schwartz

Guests Present: Barb Hazlett – AAAWM Advisory Council Chairperson, Ashely Ellsworth – ACLS Field Representative

I. Roll Call and Agenda Approval

Co-Chairperson, Carol Hennessy called the meeting to order at 1:31 pm.

Kristine Raymond moved, and Lisa Knight seconded the approval of the Agenda, as amended. Motion carried.

Board Introductions for new members were added to the Agenda and Sheri Harris replaced Barb Hazlett for the Advisory Council Report.

II. Minutes of the November 25th, 2024 Meeting

Larry Tiejema moved, and Dawn Montague seconded the motion to approve the November 25th, 2024 Minutes. Motion carried.

III. Mission Moment: AAAWM Educational PowerPoint- AAAWM Overview

IV. Reports

A. Advisory Council Report

Sheri Harris, Director of Advocacy and Planning, gave report from the February Advisory Council Meeting. Guest speaker Representative Joey Andrews reported that not much has improved in housing and the most important thing we can do is to advocate around local zoning and regulations. OAA is set to expire with the current continuing resolution on March 14th and it is the hopes of USAging that it quietly passes through in the coming budget package. The Advisory Council sent a letter advocating against the federal funding freeze.

B. Financial Reports

Scott Russett, CFO reviewed the January 2025 Financial Reports.

Report 1- Balance Sheet – The largest changes were seen in assets due to pulling from investments to cover cashflow from December and January. All other expenses are following track as expected. Sick reserve will continue to grow due to new legislature preventing sick time caps. There is deferred revenue reported for the Caregiver Resource Center and the Essential Care at Home program. The overall deficit is slightly higher than what the agency tends to see monthly, although this was expected to be lower while creating the budget. This is most likely due to individuals with chronic illnesses and long-term care needs.

Report 2 – Income Statement Report – Revenues of the OAA and KCSM programs are tracking as expected. The Michigan Medicaid Waiver program is in deficit due to reimbursements being less than the cost of providing services. There will be an updated budget with reallocations to present next month. MMAP programs are all trending to break even. There will be changes coming to the MMAP program as it is being dissolved and reamed No Wrong Door.

Report 3 – Contractor Expenses – OAA – There is a one-month delay on the OAA and KCSM programs which are currently sitting at 23% spend down with a 24% benchmark. There are no concerns to report at this time.

Report 4 – Summary Expense Report – There are no concerns with the OAA and KCSM partner spending as they are meeting benchmark numbers. Operating expenses are slightly overbudget due to the Caregiver Resource Center renovations, the recent building move, and a higher volume of donations and volunteer time than expected. The most significant overspending is coming from the Michigan Medicaid Waiver program, and the agency is working to decrease the deficit by implementing decreased vendor rates and participant limits. Overall, the agency is slightly overbudget. A new budget is coming with updated grant reductions and additions. Scott is hoping the new budget amendments will balance out the current overspending. The agency has found a tenant to occupy the upper level of the building with the lease starting in July. The leasing of the upper level is expected to be profitable by the end of the 5-year lease term.

C. Human Resources Update and Conflict of Interest

Holly Williams, VP of HR and Corporate Compliance Officer provided Conflict of Interest forms for members to update and submit and reported changes made to the Code of Ethics Policy and the Compliance and Fraud Policy per the Office of Inspector General.

Action Item: Dawn Montague made a motion to approve changes made to the Code of Ethics Policy as stated. Lisa Knight seconded, and the others approved the motion. Motion carried.

Action Item: Russ Nehmer made a motion to approve changes made to the Compliance and Fraud Policy as stated. Jane DeVries seconded, and the others approved the motion. Motion carried.

D. Advisory Council Appointments

Sheri Harris, Director of Advocacy and Planning presented the AAAWM Advisory Council Appointments listed in her report to the committee and gave her formal recommendation.

Action Item: Larry Tiejema made a motion to approve the list of Advisory Council appointments as stated. Sharon Bongard seconded, and the others approved the motion. Motion carried.

E. CEO's Report

Kendrick Heinlein, CEO, provided the following updates for the Board:

Board Bylaw Review-

The bylaws need amending regarding the members at large which need to be changed from one member to two members. Questions and changes can be submitted for voting and approval in the April annual meeting.

Federal Funding Update-

The agency has not been directly impacted by the federal funding freeze, but this is being watched closely due to the agency receiving reimbursements the month after we

provide services. Federal funding outside of MI Choice Waiver is heavily split between federal and state funding so we may have to look at service cuts and potential loans depending on what is seen at the federal level. Advocacy will need to be increased, and partners will be receiving resources on advocacy education and impact.

No Wrong Door Grant-

MMAP and the Options Counseling program will be dissolved, and the No Wrong Door program will take its place. The agency applied for and received the full grant request for this program in our region in conjunction with region 14. The standards and budget are still being set and will be reported when finalized.

2025 Board Schedule-

A friendly reminder of the 2025 BOD meeting schedule with the adjustment of the July and August meetings.

2025 Board Training-

Kendrick would like to start working board education and orientation materials back into meetings to open dialogue and promote more understanding of the agency. He presented a PowerPoint on the work of AAAWM.

IV. Other

- A. Bureau of Aging, Community Living and Supports Comments:** Ashley Ellsworth – ACLS Field Representative updated the Board on the following: On the state and federal level of funding, there has been a statement of grant issued through the end of March. Federal funding ends March 14th for the continued resolution. Communication between the state and federal government is not flowing and there is not a lot of understanding at current. The state is currently working on contingency funding plans. The executive orders and funding freeze caused disorder, but a notice of court order was issued placing a protective order on the OMB memo across multiple states including Michigan.
- B. Public Comments:** None.
- C. Next Meeting Date:** Co-Chairperson, Carol Hennessy, stated the next Board of Directors meeting will be on March 24th, 2025 at the AAAWM building. The meeting adjourned at 3:10 p.m.


Ashley Schwartz, Recorder


Ron Bacon, Secretary