



COG Meeting Minutes
June 3, 2022

Members present: Commissioner Sauter, Commissioner Mahar

Members present by phone/Zoom: Commissioner Cothren, Councilor Lentz (1:22 p.m.), Commissioner Mortensen (1:41 p.m.)

Members absent:

Alternates present:

Staff present: Mike Reardon, Monty Hansen, Karen Wolfe, Breanne Swanson, April Grasser, Margaret Westervelt

Advisory Council member present: Arnie Dyer

Visitors present: none

The meeting was called to order at 1:03 p.m. by Commissioner Mahar.

The Pledge of Allegiance was recited

1. Agenda Review: Agenda Item 9 was corrected to read “Councilor Lentz and Commissioner Sauter...”.

2. Review of Minutes: Commissioner Cothren moved to approve the March 25, 2022 minutes. Commissioner Sauter seconded the motion. Motion carried.

3. Anniversary recognition: Mike announced three five-year anniversaries and one ten-year anniversary. Margaret Westervelt celebrates 5years. She started with AAADSW in the Longview office and now works in the Vancouver office as a Community Services Case Manager. Margaret thanked the board for the recognition. Mike noted that Breanne Swanson was originally an intern with AAADSW, and now celebrates 10 years with the agency. Breanne launched the Geriatric Workforce Enhancement Center (GWEC) program when we got the grant and has done a great job. She now supervises the ADR Specialists in Vancouver and is also working on a project with the Vancouver Clinic. Breanne notes it’s been a fun journey –she has had multiple roles and hopes to be here a long time. Mike welcomed April Grasser and thanked her for her five years with the Agency in the Longview office. April is grateful to be part of such an amazing agency and for the last five years. She noted the last few years have been very challenging and she appreciates everyone’s support. Kathleen Chilson also celebrate 5 years with the agency. She works as a care coordinator in the Longview office and is off on Fridays.

4. Public Comment (3-minute limit): none

5. Executive Director’s report: Mike noted the contracts report. We have a new personal emergency response system provider (PERS). We have several of these providers. We also terminated a home care agency Almost Angels due to their decision to close their business. Clients

have been transitioned by our Case Managers. Monty notes it's only the second termination in 14 years.

Mike reported he attended the Aging and Policy briefing in Washington DC in March. Mike notes Washington is ahead of the curve and most of what is being presented as priorities are activities we are already doing. It's interesting to see where other states are in terms of balancing Medicaid programs and enabling folks to age in place. Another policy priority is to encourage AAAs to work with Health Care providers, which AAADSW has been doing for several years with Kaiser, PeaceHealth, Humana and the Vancouver Clinic. We receive many referrals through the GWEC program, and Breanne is currently studying, along with WSU-V, the Social Determinants of Health (SDoH) results on those clients.

Calendar - April and May w4a meetings: lots of time spent on moving the 50,000 IPs from AAAs to CDE-WA. Transition has been going well and we have about 90% of our IPs successfully moved to CDE-WA. Lots of work by the CMs getting the IPS enrolled. WACARES (Long Term Care Trust Act) will not be going to the ballot this fall. The two bills passed in the leg last session - delaying the program by 18 months and exemptions for military and WA workers who do not reside in WA - seemed to appease the opponents to the Act. Activity continues on the Acute Care hospital surge efforts. Also spending a lot of time working on/negotiating the contract with ALTSA and the AAAs. Two bills also passed that reduce the caseloads to 1:75, and we are negotiating to eliminate some penalties and to equitably distribute the funding allocations.

Communications – promotion of Older Americans Month. Mike and Arnie (AC chair) were panelists at the Clark Commission on Aging. Mike was interviewed by the Battle Ground Reflector re: the increased personal needs allowance passed in SB5745 in the last session.

Mike announced that our HR Manager Tom Rothengass is retiring at the end of July, after over 11 years with the agency. He's been a great resource, especially with guiding us through the pandemic. Recruitment is underway. Tom leaves big shoes to fill.

6. Advisory Council: Arnie reported on attending the Clark Commission on Aging around community activism and communication. It was a very effective meeting. Arnie reported that June is Men's Health Month (recognized by Congress) which was developed because men live on average 5 years less than women. The gap has increased over the last century. It's six years in Washington. Lots of it has to do with awareness, and reticence on going to the doctor. On Friday June 17th Arnie encouraged the COG to wear blue to remind men to take care of their health. Arnie also reported on the April 20, 2022 and May 18, 2022 Advisory Council meetings. In May the Council elected Kathy Briggs to join the Advisory Council effective June 1, 2022, representing Wahkiakum County. Kathy is the treasurer of the Cathlamet women's group, volunteers with children's programs at the library, and is active in fundraising and events. Her interests are in transportation. In May the Council also elected Sue Cameron, representing Clark County, effective June 1, 2022. Sue was previously on the Council for two three year terms. She has experience in leadership in private and non profit, and health care. Her interests are in quality of services, transportation, and age friendly communities. Arnie asked the COG to approve both Kathy and Sue to join the Advisory Council effective June 1, 2022.

Commissioner Cothren moved to approve Kathy Briggs to join the Advisory Council representing Wahkiakum County, effective June 1, 2022. Commissioner Sauter seconded the motion. Motion carried.

Councilor Lentz moved to approve Sue Cameron to join the Advisory Council representing Clark County, effective June 1, 2022. Commissioner Cothren seconded the motion. Motion carried.

7. Review of Financials. Monty Hansen reviewed the March and April 2022 expenditures of \$1,930,083.24 and \$2,040,197.09 respectively. March was fairly average - had our w4a annual dues. April was typical with no one-time charges. Payroll was up slightly due to new employees and increased payments to subcontractors.

Commissioner Sauter moved to approve the March, 2022 and April, 2022 expenditures of \$1,930,083.24 and \$2,040,197.09 respectively. Councilor Lentz seconded the motion. Motion carried.

Monty reviewed the February and March 2022 financial statements. We bumped back up on the surplus number of \$185k. We are very highly efficient, very careful with administrative costs and we spend our money carefully. March we reduced the surplus to \$138k and YTD we are at \$462k. Some expenditures for our fund balance programs increased and used some of the Fund Balance. February and March were highly successful fiscal months.

Monty reviewed the March 2022 Fiscal dashboard. We run close to budget on revenue, under budget on expenses. All was as expected. Fund balance surplus generation going up. Community Services caseloads spiked this time. They have a lot of variation month over month. Medicaid caseload reports indicate growth to over 5,000 clients.

Monty reviewed the preliminary financial report for 2021. The Internal audit is completed, and the annual report was submitted to the State. Not much variation from the preliminary Monty reported on in December. Final will be reported after the audit is completed. \$599,263.72 of FB used. Surplus of \$1,950,642.96. Monty noted he does not report GASB pension liability. Commissioner Sauter asked what the 2021 FB limit was. Monty responded it was \$10,177,851. For 2022 it's about \$10,880,000.

8. Fund Balance Usage Mike thanked everyone for their time today. A couple months ago he shared with Commissioner Mahar how we continue to general fund balance and proposed establishing a client support fund. Commissioner Mahar asked Mike to come up with a problem statement and proposed solutions, which Mike is presenting today. Assumptions: we want to remain in compliance with our fund balance policy. Funding above the policy should be invested in programs, goods, services and operations that align with the area plan and are permitted by DSHS/ALTSA. Mike noted when his predecessor came onboard in 2008 the agency had no fund balance. It has grown tremendously since then, and Mike detailed the growth of fund balance over the ensuing years. The unit rate for Medicaid case management was increased in 2022. The program is run efficiently and avoids penalties for non-compliance with state mandated caseload ratios. We will hire a couple more case managers to stay within the 1:75 caseload. Monty projects the accrual of surplus will exceed the fund balance limit by the end of June. The projected balance by the end of the year will be between \$11.7M and \$13.1M.

Proposed solutions- Mike presented various possible solutions for the COG to consider before the July 22nd COG meeting. Mike noted we don't have to pick just one of the options, we could choose a combination of solutions.

1. Revise the fund balance limit. Monty explained that by GASB rules there has to be a fund balance limit. He operates under the assumption that the COG wants to see the process by how we increase the fund balance limit. Theoretically the board could just ask management to just present a number once a year.
2. Intentionally spend Fund Balance on any one or combination of the following:
 - a. Implementing Client Support Program
 - i. Funding to purchase goods and services to help eligible persons remain in their homes as they age. Eligibility criteria and program requirements TBD
 - b. Replacing in part or in whole AAADSW contracted providers' expiring federal COVID-19 funding (i.e., Senior Nutrition, Senior Transportation)
 - i. Estimated date COVID-19 funding will be exhausted 12/2023
 - ii. Estimated amount = \$500K/yr.

Commissioner Mahar asked for more detail. Mike noted we'll have about \$500k less when the COVID money runs out. We added that money to our existing program funding. Commissioner Sauter noted that home delivered meals were accruing more expenses than congregate meal sites. Congregate meals sites are slowly reopening but attendance is not yet back to pre-COVID levels. Some eligibility was expanded during COVID but will go away once the Public Health Emergency expires. Monty noted we probably have three years of money we can spend on those meal programs. Monty feels that demand has increased and potentially 1,000 people could lose their meal services across our five county service area. Commissioner Sauter notes that Klickitat County has higher expenses due to two major areas to support, plus the rural areas.

- c. Increasing annual allocations to current AAADSW contracted providers (i.e., Senior Nutrition, Senior Transportation, et al). This could be as a result of inflation and increases in fuels, food, medications, etc.
 - d. Increasing annual allocations to current fund balance programs.
 - e. Providing funding to agencies/organizations addressing affordable housing for low-income seniors and non-elderly adults with disabilities.
 - f. Partnering with local community colleges and high schools to provide CNA training.
3. Implement AAADSW Employee Longevity Incentive
 - a. Payment would be to current employees who meet longevity criteria and who are not on a performance improvement plan. Longevity criteria and methodology to calculate payment and frequency of payment TBD.
 - b. Personnel Snapshot
 - i. Turnover
 - 2017 – 12.8%
 - 2018 – 11.2%
 - 2019 – 8.4%
 - 2020 – 9.4%
 - 2021 – 10.0%
 - 2022 through 5/18 – 6.3%; annualized projection is 15.2%
 - ii. Average Length of Service – 6.8 years
 - iii. Employees per Category of Service (184 employees) – over half of the staff has been with the agency under 10 years.

Years of Services	# of Employees	Percentage
1-4	77	42%

5-10	68	37%
10-15	26	14%
16+	13	7%

Discussion: Commissioner Sauter wants to discuss this matter with his board and the local Senior Services council. This is a great opportunity that most agencies don't have the luxury of exercising. We should be proud of the management of the agency that has yielded the surpluses. He also noted that once something is given it's hard to take it away. We have to be careful not to over-commit resources.

Commissioner Mortensen feels there's a lot to digest. We may see the current inflation is just the beginning. Fuel costs haven't been factored into a lot of current costs. He feels that supporting senior housing might be a good choice as other costs go up. Adding housing to the market could be a good solution. Contractors will need to figure out how to spend the extra money as well. Gave the example of Campus Towers Senior Living in Longview. Longevity is an interesting issue - we don't want people to go stale and burn out by staying too long.

Commissioner Mahar noted half-jokingly that we should consider hiring an analyst to determine why we are so good at accumulating a surplus and then train the other AAAs to do likewise. He asked Mike to send a reminder to Commissioner Cothren and Councilor Lentz to bring their thoughts to the next meeting.

Mike thanked the COG chair and the board for their collective wisdom and guidance and welcomes further discussion at upcoming COG meetings.

9. 2023 COG Membership and 2023 Officers. Mike noted we have some changes coming up in 2023 with Councilor Lentz and Commissioner Sauter not running for reelection. Mike asked how much input he should give the counties and how the process works to appoint the COG assignments. Commissioner Sauter noted there's usually not a big change if someone wants to stay on a particular board. The new person inherits the outgoing board member's assignments. Councilor Lentz and Commissioner Sauter won't know who their successors will be until the November election results. Commissioner Mortensen thought it might be good for Mike to come to their board meeting later in the year and introduce the agency to the board. They will have a new board member after the November elections.

10. Adjourn. There being no further business, Commissioner Sauter moved to adjourn the meeting. Commissioner Mortensen seconded. Motion carried. The meeting was adjourned at 2:22 p.m.