AREA AGENCY ON AGING 1-B
Board of Directors Meeting
Friday, February 24, 2017 9:30 a.m.
29100 Northwestern Highway, Suite 400, Southfield, MI 48034

MINUTES

Members Present:	Karen Wintringham, Chair	Robert McMahon
	Comm. Gary Childs	Tom Miree
	Betty Chu (phone)	Mark Rottermond
	Walter Ernst	Comm. Karl Tomion
	Sandra Hann	Barbara Turner
	Andy Hetzel	Comm. Jason Turner (phone)
	Amin Irving	Jamie Verdi (phone)
	Madelyn McCarthy	Comm. Helaine Zack
Members Absent:	Comm. Andrey Duzyj	Peter Lichtenberg
	Comm. Ruth Ann Jamnick	
Guests Present:	Cindy Albrecht, Aging and Adult Services Agency	
	Patrick Fuelling, Doeren Mayhew	
	Carol Kalvelage	
	Jeff McBee, Monroe County Commission on Aging	
	Jim Speir, Senior and Caregiver Resource Network	
Staff Present:	Katie Cahill	Desiree Pettiford
	Lisa Dailey	Cynthia Popour
	Lilly Estenson	Rabia Raftari
	Jenny Jarvis	Amanda Sears
	Ann Langford	Margaret Topous
	Barbara Lavery	Kathleen Yanik
	Kelly Lowry	Kristin Wilson
	Jim McGuire	

Call to Order/Roll Call/Introductions

Karen Wintringham, Chairperson, called the meeting to order at 9:30 a.m. Roll was called, and a quorum was present.

Jim McGuire introduced new Board member Madelyn McCarthy, St. Clair County Older Adult Representative, and announced Macomb County Commissioner Andrey Duzyj was also recently appointed to the AAA 1-B Board of Directors.

Jenny Jarvis introduced Lilly Estenson, MMAP Manager. Jim McGuire introduced Lisa Dailey, HR Manager, and Cynthia Popour, Interim Chief Financial Officer.

Call to the Public

None

Presentation by Jim Speir, Senior and Caregiver Resource Network (SACRN)

Jim Speir, SACRN, presented a $5,000 donation to the AAA 1-B to support Holiday Meals on Wheels.

Consent Agenda

I. Minutes of the November 18, 2016 Board of Directors Meeting
Action requested to approve the minutes of the November 18, 2016 Board of Directors meeting

I. Minutes of the January 3, 2017 Special Board of Directors Meeting
Action requested to approve the minutes of the January 3, 2017 Board of Directors meeting

III. Revised 2017 Board of Directors and Advisory Council Meeting Schedule
Action is requested to approve the revised 2017 meeting schedule

IV. 2017-2018 AAA 1-B Advocacy Platform
Action requested to approve the 2017-2018 AAA 1-B advocacy platform

V. Minutes of the October 19, 2016 Advisory Council Meeting
Action requested to accept and file report

ACTION: Walter Ernst moved, supported by Amin Irving, to approve the Consent Agenda. Motion carried unanimously.

Agenda Items

I. Executive Report – Jim McGuire, Acting Interim Chief Executive Officer

Jim McGuire reported the senior management team is focusing on strengthening the AAA 1-B's core operations through focus on growth and diversification objectives in the strategic plan.

Karen Wintringham reported the Executive Committee requested that the senior management team review the strategic plan to determine whether any objectives should be revised or postponed.

Andy Hetzel commended Jim McGuire for quickly coming to action when the Chief Executive Officer resigned in early January and for working hard to guide the AAA 1-B through this transition.

Jim reported the AAA 1-B had been providing onsite care management services for CSI Support and Development Services at its senior housing facility in Pontiac. The AAA 1-B received notice that the contract was terminated because CSI Support and Development Services received a grant with the requirement they provide the service themselves.

II. Governance Committee Report – Tom Miree, Chair, Governance Committee

Tom Miree reported the Governance Committee met on February 13.

A. Appointment of Interim Chief Executive Officer

Tom Miree reported the Governance Committee is recommending appointment of James McGuire as Interim Chief Executive Officer of the AAA 1-B.

ACTION: Walter Ernst moved, supported by Bob McMahon, to appoint James McGuire as the AAA 1-B Interim Chief Executive Officer effective immediately. Motion carried unanimously.

Jim McGuire thanked the Board for the trust put in him with this appointment.

B. Draft Amended Bylaws

Tom Miree reviewed the draft amendments to the AAA 1-B Bylaws and suggested one additional amendment: Page 3, Article V, Section 1, Item B: "...procedures that are consistent with generally ~~accept~~accepted accounting principles)..."

Karen Wintringham explained that the January 3 Special Board of Directors meeting exposed a gap in the AAA 1-B Bylaws that prevented multiple county representatives from attending the closed session meeting. Amendments to the bylaws were suggested to avoid this situation from occurring in the future.

Karl Tomion explained that those Board of Directors members who were not yet re-appointed by their county boards of commissioners and were therefore unable to attend the January 3 Special Board of Directors meeting were deprived of hearing the deliberation of their fellow board members.

Helaine Zack requested the draft amended bylaws be sent to each of the county commissioner members on the AAA 1-B Board of Directors to take to their respective boards of commissioners for review and comment. Amanda Sears will send the draft amended bylaws to each county commissioner for feedback.

Karen Wintringham reminded members of the importance of their attendance at the March 24 Board meeting to approve the amended bylaws.

C. New Board members

Tom Miree announced the appointment of new Board members, Macomb County Commissioner Andrey Duzyj and St. Clair County Older Adult Representative Madelyn McCarthy. Sandra Hann agreed to serve as mentor to Andrey Duzyj and Karl Tomion agreed to serve as mentor to Madelyn McCarthy.

ACTION: Mark Rottermond moved, supported by Bob McMahon, to accept and file the Governance Committee report. Motion carried unanimously.

III. Finance Committee Report – Mark Rottermond, Chair, Finance Committee

Mark Rottermond reported that Finance Committee met on February 13.

A. FY 2016 Audit

Mark Rottermond commended Rabia Raftari and Cynthia Popour for their hard work to finalize the audit. Karen Wintringham thanked Mark for his work with the AAA 1-B over the past year.

Patrick Fuelling, Doeren Mayhew, presented the FY 2016 Single Audit and Audited Financial Statements. Doeren Mayhew provided the AAA 1-B with an unmodified opinion on the FY 2016 Audited Financial Statements and FY 2016 Single Audit.

Amin Irving noted that some of the material weaknesses reported in FY 2015 were repeated in FY 2016, along with new material weaknesses. Patrick explained that based on the contracts and other information provided by AAA 1-B management, Doeren Mayhew was comfortable that the AAA 1-B will remain in place over the next 12 months.

Amin also expressed concern with the AAA 1-B's FY 2016 losses. Jim McGuire explained that losses in the MI Health Link program were due to the start up funding required to launch the program and financial difficulties that arose through working on five different contracts that each have different requirements. Jim reported the AAA 1-B is at a point to renegotiate the MI Health Link contracts and if acceptable negotiations cannot be made the Agency will consider the option of terminating one or more contracts.

Karen Wintringham explained the SameAddress losses were planned and that the Finance Committee requires strict monitoring of SameAddress program and financial progress prior to release of funding.

ACTION: Walter Ernst moved, supported by Bob McMahon, to accept the FY 2016 audited Financial Statements and Single Audit and approval to submit the Statements to the Michigan Aging and Adult Services Agency and Michigan Department of Health and Human Services. Motion carried unanimously.

B. PNC Organization Account Authorization

Mark Rottermond reported that Board of Directors action is required to update the AAA 1-B's PNC Capital Market account to remove Tina Abbate Marzolf and add James McGuire as authorized signer.

ACTION: Tom Miree moved, supported by Bob McMahon, to approve the authorized account officers/agents for the AAA 1-B's PNC Capital Markets account. Motion carried unanimously.

C. November 2016 Financial Report

Cynthia Popour presented the November 2016 financial report to the Board of Directors.

Andy Hetzel requested Jim McGuire provide the plan and structuring of the Finance Department at the March 24 Board of Directors meeting.

Cynthia will review labor costs in comparison with service costs to determine if and why labor costs were off budget. Mark reported that the service costs presented will likely level out in coming months because of the timing of revenue and payments, including significant one-time consulting and legal fees.

Amin requested a review of the AAA 1-B's initiatives to get the budget on track, including the data being used to determine financial reports.

ACTION: Walter Ernst moved, supported by Bob McMahon, to accept and file the Finance Committee report. Motion carried unanimously.

IV. Joint Finance and Ad Hoc Strategic Diversification Committee Report – Tom Miree and Mark Rottermond, Co-Chairs, Ad Hoc Strategic Diversification Committee

Tom Miree reported that the Joint Finance and Ad Hoc Strategic Diversification Committee met on February 13.

A. MI Health Link

Mark Rottermond reviewed work being done to mitigate losses and increase revenues for the MI Health Link program.

B. Huron Valley Program for All-Inclusive Care of the Elderly (PACE)

Mark Rottermond reported United Methodist Retirement Communities (UMRC), the AAA 1-B's 80% investment partner in Huron Valley PACE, has expressed interest in expanding the business to serve more individuals. The committee reviewed investment options for the AAA 1-B. Mark reported the committee consensus was to withdraw the AAA 1-B's investment if there is nothing more to learn from the partnership.

C. SameAddress

Gary Evans presented SameAddress program and revenue metrics through January 2017.

Jamie Verdi reported that if SameAddress is not bringing in a profit by the end of the year, she would not support additional funding or grant seeking.

Tom Miree reported that the Joint Finance and Ad Hoc Strategic Diversification Committee reviewed program and financial data and was confident recommending funding for SameAddress with ongoing financial performance review and monitoring by the Finance Committee prior to additional funding tranche releases.

Amin suggested amending the motion to include the requirement that specific benchmarks must be met in order for additional funding tranche releases to be approved. Karen suggested the benchmarks be sent to the Board for comment prior to the next meeting.

ACTION: Andy Hetzel moved, supported by Bob McMahon, to approve FY 2017 SameAddress funding tranches as follows:

1) **$38,918 through March 2017**
2) **$28,912 through April 2017**
3) **$48,728 through June 2017**
4) **$15,796 through July 2017**
5) **$14,557 through September 2017**

and to approve the release of the tranche of $38,918 to fund SameAddress through March 2017, with additional tranche releases based on Finance Committee review of SameAddress financial performance meeting specific benchmarks that will be created and shared with the Board of Directors. Motion carried unanimously.

ACTION: Karl Tomion moved, supported by Walter Ernst, to accept and file the Joint Finance and Ad Hoc Strategic Diversification Committee report. Motion carried unanimously.

V. Affordable Care Act Repeal of Medicare Enhancements – Katie Cahill, Advocacy Specialist

This agenda item was tabled to the March 24, 2017 Board of Directors meeting agenda.

VI. Member Information Exchange

Amanda Sears requested that all Board members sign the Code of Ethics and Corporate Compliance form and the Conflict of Interest form that were in their meeting folders. The forms will be mailed to all members who are on the phone or absent.

VII. Adjournment

Karen Wintringham, Chairperson, adjourned the meeting at 11:37 a.m.

Respectfully submitted,

Amanda Sears, Corporate Secretary

Approved:

Karen Wintringham, Chairperson

3/24/2017
Date