



**Minutes of the
PSA 2 Area Agency on Aging
EXECUTIVE BOARD
Burney, CA
July 18, 2016**

1. Call to Order

Executive Board Chairman, Les Baugh, called the meeting to order at 10:32 a.m.

2. Roll Call

Executive Board Members Present:

Kay White; Supervisor Pat Cullins; Roberta Hohman; Supervisor Les Baugh (Chairman); Richard Kuhns, Psy.D; Marie Ingram; Supervisor John Fenley (Vice-Chairman); and Sandy Bechtold. A quorum was established.

Executive Board Members Absent:

Supervisor Jim Chapman (EX); Supervisor Jeff Hemphill (alt.); Supervisor David Allan (alt.); Supervisor Bill Schappell (alt.); Supervisor Ed Valenzuela (EX); Supervisor Grace Bennett (alt.); and Supervisor Judy Morris (alt.).

Guests Present:

PSA 2 AAA staff - Teri Gabriel, Executive Director, Laurie Gripp, Fiscal Manager, Tabitha Ledford, Administrative Clerk III, Tracy Barber, Ombudsman Program Manager, Debbie Weiland, HICAP Program Manager; Peggy Wood, PSA 2 Advisory Council Chair; Steve Drageset, PSA 2 Contracted Auditor

3. Approval of Agenda

MSP: Supervisor Fenley motioned for the approval of the agenda, seconded by Supervisor Cullins, all aye, motion carried.

4. Approval of Consent Agenda (Topics in this category may be voted on in a block as one item)

Supervisor Fenley noted a correction needed in the minutes as they stated that Supervisor Baugh chaired the meeting when he was absent. Supervisor Fenley chaired the meeting.

MSP: Supervisor Fenley motioned for the approval of the consent agenda, with a correction to the minutes, seconded by Marie Ingram, all aye, motion carried.

Abstentions: Executive Board members not present at the 5/16/16 meeting are acknowledged as abstaining from the approval of these minutes – Pat Cullins; Roberta Hohman; David Allan; Bill Schappell; Grace Bennett; and Judy Morris.

5. Discussion with Steve Drageset, CPA, CGMA - Aiello, Goodrich & Teuscher

Director Gabriel recapped the reason for the discussion with Mr. Drageset. Mr. Drageset explained that the new accounting rules for the Other Post-Employment Benefits (OPEB) require recognition of the liability. The accounting policy does not affect how the liability is paid, it simply requires that the liability be identified in an organizations' financial statements.

Supervisor Cullins recalled that Supervisor Chapman had asked to see budget line items with previous and current liabilities.

Mr. Drageset commented that it should not be a budget line item. He further shared that the PSA 2 budget should be on a fund account basis. The budget should reflect what PSA 2 actually paid out of pocket to the health insurance provider for retirees. If the Board wanted to begin setting aside dollars to fund the OPEB account, they would pass a resolution which sets a policy on how much to put in annually.

Supervisor Baugh noted that if these dollars cannot be budgeted now, the counties' match dollars will ultimately be responsible for these payouts in the future, or they will come out of a future budget, which will be costlier because of inflation. He inquired how this dilemma should be addressed.

Mr. Drageset shared that it is his belief that the California Department of Aging (CDA) will not allow federal or state dollars to be set aside now for a future liability, but rather will expect PSA 2 to use the pay-as-you-go method.

Marie Ingram inquired whether the money that has already been set aside in the OPEB account would need to be taken out of County Match, to which Mr. Drageset replied affirmatively. This might require additional match over and above the program match currently approved.

Supervisor Fenley noted that staff has responded to the Board's request that setting aside money for this liability is a priority.

Supervisor Baugh inquired why what is required to be recorded as a current liability cannot be funded now with federal/state dollars.

Mr. Drageset pointed to the difference between being required to record it and being required to fund it. He further suggested that it would be a good question to pose to CDA.

The Fiscal Manager shared that she asked the Fiscal Analyst at CDA and is waiting for an answer once he has consulted with the proper authorities.

It was agreed that the Board cannot move forward with any further action on funding the OPEB liability until CDA has provided guidance.

Director Gabriel reported that PSA 2 received a draft copy of the CDA audit determination for FYs 08/09 – 12/13. She recapped what CDA had informed staff during their last monitoring visit regarding PD&C funds, noting that there is a discrepancy between the dollar amount shown in the audit as owed to CDA and the dollar amount stated in an earlier email from CDA. PSA 2's response will ask for clarification.

Director Gabriel recapped all of the findings and addressed related inquiries.

Supervisor Baugh stated that he will report the findings to the Shasta County Board of Supervisors at the next meeting as Shasta County's obligation will be nearly half of the amount owed.

Director Gabriel will report again when CDA has provided more information about the findings.

6. Discussion and Approval of FY 2016/2017 Proposed AAA Staff Salary

Schedules

Director Gabriel explained the options for the Board to consider regarding the increasing minimum wage, which is set to begin rising in January, 2017. If the Board raises only the position at minimum wage up, this will cause the Fiscal Manager and the Ombudsman Program Manager to no longer be exempt after January 1st.

Director Gabriel and the Fiscal Manager addressed inquiries related to the schedules presented.

Supervisor Baugh inquired whether the increase to 16/17 County Match was sufficient to cover the minimum wage increase and Director Gabriel and the Fiscal Manager confirmed that there is a small amount not covered.

Mr. Drageset inquired whether the State was going to provide additional administrative dollars to meet the rising minimum wage, to which Director Gabriel said no. She shared that not only will this affect the agency, it will also affect the non-profit organizations with which PSA 2 contracts services.

Supervisor Baugh suggested that rather than continuing to increase County Match, other options should be considered and the Counties are not necessarily obligated to fulfill this need.

Dr. Kuhns inquired about the number of positions on the salary schedule, noting that positions which are not filled could be eliminated to reduce impaction between them.

Director Gabriel shared her recommendation to approve only the lowest wage increase and that staff would continue to look closely at the budget for areas in which costs could be reduced.

Supervisor Baugh agreed that only the affected positions should be increased and suggested that the Board hold a workshop meeting for discussion of only the salary schedules and their effect on the budget after more direction from CDA on the audit has arrived.

MSP: Sandy Bechtold motioned for the approval of FY 2016/2017 Proposed AAA Staff Salary Schedule with only the State mandated wage increase to the positions affected, seconded by Kay White, all aye, motion carried.

7. Discussion and Approval of FY 2016/2017 Proposed HICAP and Ombudsman Staff Salary Schedules

MSP: Supervisor Cullins motioned for the approval of FY 2016/2017 Proposed HICAP and Ombudsman Staff Salary Schedules with only the State mandated wage increase to the positions affected, seconded by Sandy Bechtold, all aye, motion carried.

8. Discussion and Approval of FY 2016/2017 Proposed AAA Administrative Budget and Budget Narrative

MSP: Marie Ingram motioned for the approval of FY 2016/2017 Proposed AAA Administrative Budget and Budget Narrative, seconded by Kay White, all aye, motion carried.

Director Gabriel brought the discussion back to item 8 for further explanation. She recapped the FY 2016/2017 AAA Administrative budget as stated in the Administrative Budget Narrative.

9. Discussion and Approval of FY 2016/2017 Proposed HICAP Budget and Budget Narrative

Director Gabriel reported that the HICAP revenue elimination which had previously been reported as threatening the entire program has been spared. The Program Manager shared that CDA released an email which said the funding is safe through December. She welcomed any advocacy that could be done in support of the funding.

Director Gabriel recapped the FY 2016/2017 HICAP Budget as stated in the Budget Narrative.

MSP: Kay White motioned for the approval of FY 2016/2017 Proposed HICAP Budget and Budget Narrative, seconded by Sandy Bechtold, all aye, motion carried.

10. Discussion and Approval of FY 2016/2017 Proposed Ombudsman Program Budget and Budget Narrative

Director Gabriel recapped the FY 2016/2017 Ombudsman Budget as stated in the Budget Narrative.

MSP: Supervisor Cullins motioned for the approval of FY 2016/2017 Proposed Ombudsman Program Budget and Budget Narrative, seconded by Dr. Kuhns, all aye, motion carried.

Break was announced at 11:53 a.m.

The meeting resumed at 12:21 p.m.

11. Discussion and Approval of FY 2016/2017 Proposed AAA Management Plan

Director Gabriel recapped the FY 2016/2017 Proposed AAA Management Plan, noting that it is most reflective of the changes due to taking I & A services on as a direct service in Lassen, Modoc, Siskiyou and Trinity Counties.

The Ombudsman Program Manager noted a correction to the petty cash policy.

MSP: Kay White motioned for the approval of FY 2016/2017 Proposed AAA Management Plan with a change to the petty cash policy, seconded by Marie Ingram, all aye, motion carried.

12. Discussion and Approval of Proposed Title III D Services for FY 2016-2020

Director Gabriel reported that as there was only one bid received in Shasta County for Title III D funding and since there is additional funding to allocate, she recommended a contract with the Center for Healthy Communities (CHC) to provide Title III D services in the other four counties. Michelle Harris, MS RD, of CHC proposed to provide the Diabetes Empowerment Education Program (DEEP). Director Gabriel addressed inquiries related to the proposal.

MSP: Kay White motioned for the approval of Proposed Title III D Services for FY 2016-2020, seconded by Sandy Bechtold, all aye, motion carried.

13. Approval of FY 2016/2020 Area Plan

Director Gabriel recapped the FY 2016/2020 Area Plan which will be submitted to CDA following approval at this meeting. She indicated that the Advisory Council has updated their Goals and Objectives; Title III D services have been updated to reflect the new programs under the highest evidence-based criteria; the 2015 Needs Assessment data has been included; administrative Goals and Objectives have been updated to reflect increased community education as well as I & A program development for the month of July, 2016; and other miscellaneous updates

have been made to capture all 16/17 changes.

MSP: Kay White motioned for the approval of FY 2016/2020 Area Plan, seconded by Supervisor Fenley.

14. Executive Board's Report

Director Gabriel noted that the FY 16/17 meeting schedule is included in the meeting packet.

15. Advisory Council Report

Peggy Wood, Advisory Council Chair, reported that the Advisory Council held officer elections at the June 24th conference call meeting. She was elected as Chairman, Vickie Szutowicz was elected as Vice-Chair and Marcia Anderson was elected as Secretary. The next meeting will be July 29th, in Burney, with a presentation from the Mountain Caregivers Resource Center.

16. Executive Director's Report

a. Status of RFP Process – No appeals related to the Board's award determination were received. Now that all Title III D funds have been allocated, official notification of award will be released.

Supervisor Cullins inquired whether any of Siskiyou County's funding had been allocated to Modoc County for serving Tulelake as a portion of Modoc County's funding has been allocated to Lassen County for serving Adin.

Marie Ingram shared that during the mid-90s Modoc County assumed all responsibility for Tulelake services and none of Siskiyou's allocation is going to Modoc for that agreement.

Supervisor Cullins noted that the funding is not going both ways and Ms. Ingram agreed.

Dr. Kuhns commended Director Gabriel for her performance during the two-day RFP presentation process.

Director Gabriel acknowledged the PSA 2 staff as well and thanked the Board for their support and recognition.

b. Update on Service Provider Program & Fiscal Monitoring – Service provider

program and fiscal monitoring was completed for 15/16 and there were few concerns. PSA 2 staff will be revisiting a few sites for follow up.

c. Update on Direct Information & Assistance (I&A) Program Development – PSA 2 staff continues to meet with volunteers to keep them informed of the progress in transitioning the program and preparing the volunteers for their assignments. Temporary staff was hired to complete the resource database and it is almost completed.

d. Update on HICAP funding – This was addressed earlier in the meeting.

e. Other – PSA 2 received notice from CDA that an additional two million dollars has been allocated statewide for nutrition programs as a one-time-only supplement.

The PSA 2 Ombudsman Program will receive one-time-only funding of eleven thousand dollars in FY 16/17.

17. New Business:

Director Gabriel was directed to determine when to schedule the salary workshop meetings, based on responses from CDA.

Director Gabriel noted that her annual evaluation will be due in August.

18. Old Business:

None.

19. Correspondence:

Incoming – (none)

Outgoing – (none)

20. Adjournment

The PSA 2 Area Agency on Aging Executive Board Meeting was adjourned at 1:24 p.m.

Executive Board Meeting
8/5/16

Respectfully submitted,

Teri Gabriel,
Executive Director