



Emmet County Department of Health & Human Services Board  
Board Meeting Minutes  
Thursday July 21, 2022

Gayle Mroczkowski, Board Chair, called the meeting to order at 10:00 am at the Harbor Springs Airport Conference Room (8350 M-119, Harbor Springs).

**Board Members Present:** Gayle Mroczkowski  
Carol Hansen  
Manny Cordova

**Board Members Absent:** None

**Staff Present:** Jim Connaughton, Chief Financial Officer  
Lisa Ashley, Administrator

**Others Present:** Vicki Ulrich, DHHS  
Charlie MacGinnis, Emmet County Commissioner

**Staff Absent:** None

**Guests Present:** Nick Maeder, Plante Moran  
Emily Johnson, Plante Moran

**Consent Agenda:**

**Manny Cordova motioned to approve the consent agenda. Carol Hansen supported, no further discussion and motion carried unanimously.**

**DHHS/ Bay Bluffs Board Chairwoman's Report:** Ms. Mroczkowski reported that our counterpart, Grand Vue, is struggling with the same issues as Bay Bluffs. They just took a couple more residents in. It seems that everyone continues to struggle with Covid and staffing.

**Audit Report:**

2021 Audit Report – Plante Moran: Nick Maeder introduced himself and Emily Johnson to the Board and congratulated Bay Bluffs on their ability to gain access to COVID funding, which required learning a lot of new things. Mr. Maeder stated that it was amazing that Bay Bluffs was able to jump through all of the hoops to gain COVID funding, while still keeping their financial statements up to date and accurate, with very few problems or issues. Amazing job.



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- Audit Overview of financial statements for the medical care facility as of 12/31/21. A Modified or clean opinion was given.
- Bay Bluffs will receive 6.3 mil in Covid Funds. Through four 4 different programs within the CARES Act.
- No Significant Deficiencies.
- No Material Weaknesses.
- Bay Bluffs went from an operating loss in 2020 of \$1,638,735 to \$2,278,404 in 2021, due to the loss in census as a result of Covid.
- Reviewed and explained Nonoperating Income, which brings operating loss for 2021 to approximately 400,000.
- Reviewed Covid Funding Impact.
- Occupancy Percentages were discussed.
- Statement of Net Position Assets and Deferred Outflows of Resources were reviewed.
- Cash on hand jump from last year to this year was discussed.
- Net Accounts Receivable was reviewed.
- Bad Debt and Average Age of Facility was discussed.
- Defined Benefit Plan Liability and Assets was discussed.
- Senior Living Industry in a Post-COVID World was talked about.
- Workforce Challenges and Occupancy and Census Challenges were discussed.
- Demographic Tailwinds – Long Term US. Tremendous growth in the 80+ population over the next 40 years.
- SNF Payer Considerations were discussed.
- Medicaid SNF Rate Setting was discussed.
- Medicaid things to consider and Options for Managing Beds were discussed.
- HHS Provider Relief Fund was reviewed.
- GASB Update was reviewed.

**Manuel Cordova motioned to approve the 2021 Audit Report. Carol Hansen supported, no further discussion. Roll Call vote: Mr. Cordova (YES), Ms. Hansen (YES), Ms. Mroczkowski (YES). Motion carried.**

**Finance Report:**

May 2022 Finance Report. The financial report for the month of May 2022 was included in the Board packets. Jim Connaughton presented the May 2022 Financial Report and called attention to the Summary Page. A brief discussion was held regarding the financials. **Carol Hansen motioned to**





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**approve the May 2022 Finance Report. Manuel Cordova supported, no further discussion. Roll Call vote: Mr. Cordova (YES), Ms. Hansen (YES), Ms. Mroczkowski (YES). Motion carried.**

- **Accounts Payable:** The payables presented were approved for the period ending June 2022 in the amount of \$402,521.16. **Manny Cordova motioned to approve the payables as presented. Carol Hansen supported. Roll Call vote: Mr. Cordova (YES), Ms. Hansen (YES), Ms. Mroczkowski (YES). Motion carried.**

Discussion was held regarding the new mileage reimbursement rate of .625 cents per mile.

- **Contracts: Plante Moran Cost Report/Rate Estimation**  
A brief discussion was held regarding the Plante Moran Cost Report Contract. Lisa Ashley recommended that the Board approve the contract and she will sign it. **Motioned by Carol Hansen to approve the Plante Moran Cost Report Contract. Manuel Cordova supported. Roll Call vote: Carol Hansen (YES), Manuel Cordova (YES), Gayle Mroczkowski (YES). Motion carried.**
- **Capital Expenditures: None**

**Pandemic Response and Recovery Report:**

Lisa Ashley reported that we have one resident moved into isolation after being exposed by a family member. We have two employees that have tested positive. This strain is very contagious and is going to be a problem. We are working on more stringent masking guidelines and enforcement. However, it is difficult to enforce masking when residents are leaving the facility with family. Currently, our census is at 66 and night staffing is at crisis level.

**New Business: None.**

**Old Business:**

Lisa Ashley provided an updated Punch List for the dining room project. The punch list and the ongoing problems with the dining room remodel were discussed.

Lisa Ashley provided the Board with an update in their packet regarding the total amount of monies that have been spent out of the bond and a breakdown of what has been paid. The bond payment schedule was reviewed and discussed.



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**Public Comment:** None

**Recap & Summary:**

- We will do a follow-up with Plante Moran. Let's plan on making some decisions about the payment to the County at the next Board meeting, after the punch list walk through.
- We will take a look at an analysis of temporary contract staff, down the road.
- We will take a look at the Board minutes for the last few months to make sure that Manny Cordova's attendance is recorded accurately.

Discussion was held regarding the possibility of a discussion with Dave Boyer about the payment to the county.

**Adjournment:** Mr. Cordova motioned to adjourn. Ms. Hansen supported, no further discussion. All voted "Aye". Motion carried. Regular Meeting adjourned at 11:38 am.

**Upcoming Meetings:**

- The next Regular Meeting is scheduled for August 18, 2022, in the Harbor Springs Airport Conference Room at 10 a.m.

8/18/22  
Date

8/18/22  
Date

Gayle Mroczkowski  
Gayle Mroczkowski, Chairperson

Vicki Ulrich  
Vicki Ulrich, Recording Secretary

Copies to: Gayle Mroczkowski, Carol Hansen, Manny Cordova, Charlie MacInnis, Lisa Ashley, and Jim Connaughton.