Bay Bluffs
Emmet County Medical Care Facility

Emmet County Department of Health & Human Services Board
Board Meeting Minutes
Thursday, June 26, 2025

Carol Hansen, Chairperson called the meeting to order at 9:06 am at the Bay Bluffs Medical Facility, Harbor Springs, MI.

Board Members Present:	Carol Hansen Manuel Cordova
Board Members Absent:	Craig Lively
Staff Present:	Lisa Ashley, Administrator, Bay Bluffs
Staff Absent:	None
Others Present:	Matt Koontz, Emmet County Commissioner Vicki Ulrich, DHHS Jessica Berg, Bay Bluffs Human Services Director Jon Lanczak, Plante/Moran Nick Maeder, Plante/Moran

Consent Agenda:

Manuel Cordova motioned to approve the Consent Agenda, Carol Hansen supported, no further discussion. **Motion carried unanimously.**

DHHS/Bay Bluffs Board Chairperson's Report: Carol Hansen reported that the Board met on Tuesday, June 17th and approved payment of camperships. Ms. Hansen also reported that several DHHS staff members held a painting party at Bay Bluffs and several residents participated.

Finance Report:

Monthly Financials April 2025:

Lisa Ashley provided the monthly financials for **April 2025**, for the Board's review. Discussion was held regarding Net Assets & Liabilities as of the end of the period (4/30/25). With assets at $4.27 mil, $3.01 Mil in cash and total current liabilities at the end of the same period being $2.1 mil. The balance of the Emmet County "loan" due was included in the April financials per the 2024 financial audit, which increased the total liabilities by $500,000. Revenues, including Medicare, Private Pay, Medicaid and Medicare Part B for the period is under budget by $128,700, due to bed availability, bringing the total YTD variance in revenue to ($283,206). Expenses, Census Projections by month, Variance Analysis,

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Balance Sheet, and Statement of Operations were all reviewed by the Board. Motion by Manuel Cordova, supported by Carol Hansen to accept the Financial Report for April 2025. **Roll Call Vote: Mr. Cordova, YES. Ms. Hansen, YES. Motion Carried.**

Accounts Payable: The payables for May/June 2025 were presented for the Boards' review and approval, in the amount of **$285,864.36**. Motion by Manuel Cordova, supported by Carol Hansen to approve the May/June 2025 Accounts Payable Report as presented. **Roll Call Vote: Mr. Cordova, YES. Ms. Hansen, YES. Motion Carried.**

Contracts: None

Capital Expenditures: None

New Business:

Facility Renovation Update - June: Lisa Ashley advised the Board that Jon Lanczak of Plante/Moran is the one she relies on for bed plan strategy and building project planning, to continue to meet the 85% census for Medicaid.

Ms. Ashley reported that Bay Bluffs is looking at quotes to replace some computers that need to be updated to accommodate the Windows-10 migration requirements.

The Birch neighborhood is completed, and residents were located back to that neighborhood in May.

The Apple neighborhood received 50% Fire Marshall inspection on 6/16. The Targeted completion date of July 8 and following cleaning and prep, the plan is to relocate long term/hospice residents to Apple beginning sometime after July 15, with a maximum of 16 beds available out of 22, based on available staff.

Ms. Ashley reported on the common space refresh, stating that Bay Bluffs is looking at the replacement of rooftop units. Televisions are not fully compatible with cable providers and will require an upgrade. There is also a plan to refresh the residents' rooms in Trillium and Lilac, as the Apple neighborhood opens.

Retirement Plan Record Keeper Transition Update:

Ms. Ashley reported that, as previously discussed, in partnership with Emmet County, Bay Bluffs will transition retirement program services for employees from Osaic Wealth Management to Nationwide or

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Empower, as part of the consolidation of record keepers for the county plan. Additionally, Bay Bluffs will transition the current 457 plan to Nationwide to maintain consistency with County plans. Jessica Berg, is the Bay Bluffs Representative that is working with the County Retirement Board and attending those meetings with the County Human Resources Director and the contracted financial planners from MBC Investment Consulting, to coordinate the transition. The anticipated timeline for both the 401 and 457 plan transitions is late August or early September.

Old Business:

Executive/Administrator Evaluation Plan:

Due to the absence of Board Member, Craig Lively, the Administrator Evaluation was postponed to next month.

Annual Audit Report & Nursing Home Reimbursement Discussion Nick Maeder and Jon Lanczak of Plante/Moran:

An overview of the Audit process was given for the year ending 12/31/24. The Scope of Work, Financial Reporting Framework, Auditing Standards, Independence and Results of Audit, which were reported to be "Unmodified or 'Clean' were given. Required Communications-AU260 were also explained by Nick Maeder of Plante/Moran.

The Statement of Revenue, Expense, and Change in Net Position were reported on by Nick Maeder as well as Statement of Revenue, Expense, and Change in Net Position, Income Ratios, Current Ratio, Days Cash on Hand, Net Accounts Receivable, Bad Debt Expense, Average Age of Facility ,Statement of Net Position Liabilities, Deferred Inflows, and Net Position, Defined Benefit Plan Liability and Assets and the upcoming GASB changes.

Jon Lanczak of Plante/Moran explained the PM Point of View and discussed Workforce Challenges, Staffing shortages, CMS minimum staffing mandate requirements, Michigan resident displacement, Nursing Home Occupancy, Medicaid Reimbursement Trend, Medicare Beneficiary Enrollment and Medicare Advantage Trends, Nursing Facility Closures, Demographic Insights, Caregiver Support Trends, and Critical Actions.

Meeting Recap: Ms. Hansen reported that the Board approved the financial statements and Accounts Payables. Lisa Ashley updated the Board on facility renovations and the Retirement Plan transition. Plante/Moran presented the annual audit for 2024 and the Administrator Evaluation was postponed to next month.

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Adjournment: Motion by Manuel Cordova, supported by Carol Hansen to adjourn the meeting at 11:35 a.m. All voted "Aye". Motion Carried. The meeting adjourned at 11:35 a.m.

Upcoming Meetings: The next Regular Meeting is scheduled for July 17, 2025, at 8:00 a.m.; at the Bay Bluffs Facility.

7/24/25
Date

Carol Hansen, Chairperson

8/21/25
Date

Vicki Ulrich, Recording Secretary

Copies to: Carol Hansen, Manny Cordova, Craig Lively, and Lisa Ashley.