

## MEETING NOTICE &amp; AGENDA

**DATE:** September 13, 2024

**TIME:** 10:00 a.m. – 12:00 noon

**PLACE:** **Sacramento County\***  
Agency on Aging Area 4  
1401 El Camino Avenue  
Suite 400 ~ Board Room  
Sacramento, CA 95815

Our Mission: Enriching the lives of older adults and people with disabilities by **FOSTERING** networks of support, **ADVOCATING** for individual choice, **COLLABORATING** with others, **ENSURING** equity, and **STRIVING** to do so with conviction.

**AGENDA:****I. CALL TO ORDER & ROLL CALL****II. PLEDGE OF ALLEGIANCE****III. COMMENTS FROM THE PUBLIC**

The Governing Board welcomes comments on any agenda item as it is addressed. Individuals will be limited to 5 minutes; 15 minutes for a representative of a group. Comments may be made on any subject not on the agenda. A specific time limit will be established based on the number of people wishing to speak, for a total of 15 minutes per subject.

**IV. CONSENT CALENDAR**

Consent items are expected to be routine and noncontroversial. The Governing Board will act upon them at one time without discussion unless any Board member, staff member or member of the public requests that an item be removed from the consent calendar for discussion.

- A. Adopt the Agenda
- B. Approve the Minutes from 8/9/2024

**V. CORRESPONDENCE – *Not applicable*****VI. ACTION ITEMS**

- A. Approve JPEC Recommendations for SFY 2023-24

**Committee Meetings**

Audit/Finance Committee Meeting: **9:00 a.m. – 9:30 a.m., Friday, September 13, 2024**

Executive Committee Meeting: **9:30 a.m. – 10:00 a.m., Friday, September 13, 2024**

JPEC Meeting: **12:00 noon – 1:00 p.m., Friday, September 13, 2024**

*Please visit [www.agencyonaging4.org](http://www.agencyonaging4.org) for additional information*

**VII. DISCUSSION/PRESENTATION**

- A. HICAP 101: The Health Insurance Counseling & Advocacy Program and You, *presented by Carolyn Washington*
- B. CA 2030: Next Steps, *excerpts from the 9/4/24 CDA Webinar*
- C. The Unique Challenges of Serving Frontier Communities, *presented by Sierra County Supervisors Dryden and Heuer*
- D. Final Preparations for Parity Decision Points around County Funding Levels: A Straw Poll Exercise

**VIII. REPORTS**

- A. Executive Committee
- B. Audit/Finance Committee
- C. Advisory Council
- D. HICAP Coordinating Committee
- E. Joint Program Evaluation Committee (JPEC)
- F. Executive Director

**IX. ANNOUNCEMENTS**

**X. ADJOURNMENT**

Attachments being sent under separate cover:

- *2023-24 Year End Performance Chart*

**\*Members of the public wishing to join the meeting via Zoom, please use the link below:**

<https://us02web.zoom.us/j/81288636118>

If you need a disability-related reasonable accommodation to participate in this meeting, please contact the AAA4 office at (916) 486-1876, or email [GoverningBoard@AgencyOnAging4.org](mailto:GoverningBoard@AgencyOnAging4.org) at least 3 days in advance with your accommodation request. Every effort will be made to accommodate. However, we cannot guarantee we will be able to honor requests received less than 3 days in advance.

**AGENCY ON AGING AREA 4  
GOVERNING BOARD MEETING MINUTES**

Date: August 9, 2024

Location: Nevada County

**I. CALL TO ORDER & ROLL CALL**

Chair Meghan Rose called the meeting to order at 10:03 a.m., welcoming members and guests. A quorum was established.

County	GB Members Present - 14	Excused = 1 / Absent= 0
Nevada	Supv. Swarthout; E. Minett	
Placer	Supv. Jones (via Zoom**), W. Reed	
Sacramento	C. Burton, Leesa Kolt, C. Nunley, M. Rose M. Sawamura	
Sierra	Supv. Dryden; Supv. Heuer	
Sutter	Supv. Ziegenmeyer	
Yolo	N. Pennebaker	S. Allen (E)
Yuba	Supv. Vasquez	

\*\*Teleconferencing according to AB 2449 Brown Act Emergency Provision.

**AAA4 Staff Present:** Will Tift, Linda Berry, Kiel Adams, and Jodi Mesa.

**AAA4 Staff (via Zoom):** Pam Miller, Dr. Julie Bates, Maggie Borowiak, Julie Beckner, and Anwar Masroor.

**Guests Present:** Kelly, Carpenter, *County of Nevada*; and, Sam White, *Downieville Golden Rays*.

**II. PLEDGE OF ALLEGIANCE – Led by Meghan Rose**

**III. COMMENTS FROM THE PUBLIC – None**

**IV. CONSENT CALENDAR\***

**A.** Adopt and approve agenda with proposed changes as follows: Move Discussion Item VII. C. to VII. A.

Motion	Second	Passed
W. Reed	Supv. Swarthout	Y= 13; N=0; Abstain=0

**B. & C.** Approval of Consent Calendar including items.

Motion	Second	Passed
C. Burton	N. Pennebaker	Y= 13; N=0; Abstain=0

**V. CORRESPONDENCE – None**

**VI. ACTION ITEMS\***

**A.** Adopt Resolution No. 320 to Execute a Memorandum of Understanding with CDA (Area Plan, HICAP & MIPPA).

Motion	Second	Passed
Supv. Vasquez	C. Burton	Y= 13; N=0; Abstain=0

**B. Adopt Resolution No. 321 to Receive MIPPA Funds for GY 2024-25.**

<b>Motion</b>	<b>Second</b>	<b>Passed</b>
E. Minett	Supv. Vasquez	Y=13; N=0; Abstain=0

**C. Award Older Californians Act Modernization (OCAM) Nutrition Funds – Year Three**

<b>Motion</b>	<b>Second</b>	<b>Passed</b>
W. Reed	Supv. Heuer	Y=14; N=0; Abstain=0

**VII. DISCUSSION/PRESENTATION\***

**A. Initial County Funding Levels for the 2025-29 Request for Proposals, presented by Will Tift**

**B. Advocating for APS/IHSS/PG Services, Presented by Kelly Carpenter, County of Nevada**

**C. Introducing AAA4's Key Connections Co-Living Program, presented by Dr. Julie Bates**

**VIII. REPORTS\***

**A. Executive Committee – Meghan Rose**

The Committee met this morning and reviewed the agenda for today's meeting.

**B. Audit/Finance Committee – Kellie Bruton**

The Committee met this morning and discussed the expenditures and revenues for the end of the year. The agency is still in the year-end closeout process. Also, the agency is in the process of hiring for Assistant Controller and Accountant/Auditor positions.

**C. Advisory Council – Jodi Mesa**

The Advisory Council met on July 18<sup>th</sup> in Auburn where a quorum was established. The action items consisted of two legislative committee recommendations, SB 1384 (Dodd): Powered Wheelchairs: repairs and SB 1406 (Allen): Residential care facilities for the elderly: resident services, both passing.

**D. Legislative Committee – Dr. Julie Bates**

In relationship to SB 1384 and SB 1406, based on the last Advisory Council meeting, support letters were submitted through the state portal. SB 1249, the basic reorganization of AAA's, is continuing forward to the Governor's desk for signature even though we continue to be opposed.

**E. Personnel Committee – Nancy Pennebaker**

The Personnel Committee met on July 12<sup>th</sup> and reviewed changes made in the employee handbook. Several changes were made and all were approved by

the committee. The full Board approval was provided under the Consent Calendar today.

**F. Executive Director – Pam Miller**

- Starting in September, AAA4 will be in partnership with Mercy Medical Group in Sacramento for a 16-month pilot program for Medicare Health Equity Services.
- The Senior Connections grant with Sacramento County has been provided another \$130,000 and the program will be extended into next year.
- AAA4 has hired a new Operations Technician III. This staff person will start in September and will be serving the Advisory Council and Governing Board.
- In Yuba-Sutter counties, the LADAP grant is supporting work to develop a playbook for the Master Plan for Aging. Two focus groups were completed in the Latin X and Hmong communities and good feedback was obtained.
- The Yuba-Sutter Meals on Wheels program purchased an electric Subaru to do meal deliveries.

**IX. ANNOUNCEMENTS**

- Meghan Rose reiterated the rules of remote attendance for members according to the teleconferencing rules of AB 2449 Brown Act Emergency Provision.
- Carl Burton made mention of U. S. Representative Doris Matsui was out in the community delivering the 7 millionth meal to older adults in Sacramento County.
- AAA4 Board members from Nevada County announced the largest Constitutional Day celebration this side of the Mississippi will take place on September 15<sup>th</sup>. There will be a parade and a Civil War reenactment.
- Supervisor Ziegenmeyer invited members to sign a petition to stop the renaming of the Sutter Buttes.

**X. ADJOURNMENT**

Chair Meghan Rose called for a motion for adjournment at 12:02 p.m.

**\*TO LISTEN TO THE FULL AUDIO OR REQUEST MATERIALS FROM THIS MEETING, PLEASE EMAIL [GoverningBoard@AgencyOnAging4.org](mailto:GoverningBoard@AgencyOnAging4.org)**

*Recordings are on file for one year.*

**ACTION ITEM VI. A.**

**TO: AAA4 GOVERNING BOARD**

**FROM:** Joint Program Evaluation Committee

**DATE:** September 6, 2024

**SUBJECT: Approve JPEC Recommendations for SFY 2023-24**

The Joint Program Evaluation Committee (JPEC) met on August 30<sup>th</sup> to review active compliance concerns as well as Year-End performance figures for all AAA4-funded programs for SFY 2023-24.

There is one item that requires Governing Board approval; it is regarding below-range performance (see Funded Program Activity Report, page 3, Item B<sup>4</sup>). AAA4 Staff require additional time to determine final year-end expenditures for each individual program; this item will be addressed at the next regular JPEC meeting (tentatively November 1<sup>st</sup>).

Also, there was not sufficient time to review and approve the numerous requests for changes to scopes of service for SFY 2024-25. A special JPEC meeting has been scheduled to complete this task.

In accordance with JPEC Policy, if any new information that is salient to this topic should become available, then AAA4 Staff will share it during the September 13<sup>th</sup> meeting.

## FUNDED PROGRAM ACTIVITY REPORT

### SFY 2023-24: Year-End Performance (July – June) AND Updates on other Matters

Compiled August 26, 2024

**Updated September 6, 2024**

For most of the Funded Programs, the scope of this report includes events that occurred during the major, 4-year contract cycle (July 2021 – June 2025). For Funded Programs operating on the minor contract cycle (i.e., Caregiver Assessment & Case Management in Placer, Sacramento & Yolo; Caregiver Respite in Placer, Sacramento & Yolo; and, Health Promotion in all counties) the scope of this report includes events that have occurred since July 1, 2019.

#### I. OUTSTANDING ACHIEVEMENT

Nominations are welcome from Advisory Council and Governing Board members at any time during the fiscal year.

#### II. OPEN MATTERS

The 2021-25 Request for Proposal (RFP) resulted in Community Link (211 Yolo) being awarded the contract for Title III-B Senior Information & Assistance provided they satisfy the following conditions:

- a) Such services shall be delivered in a manner that supports and compliments the pre-existing agreement between the County of Yolo and Community Link by which the program known as “211 Yolo” is currently being made available to the public (via the designated 2-1-1 telephone prefix, via a dedicated text number and via web access at: 211yolocounty.com) for the expressed purpose of “linking residents to vital health and human services, information and resources in the community;” and,
- b) Community Link will (to the extent practicable) actively coordinate with the County of Yolo and with the Yolo Healthy Aging Alliance in order to: *i*) establish and regularly maintain some degree of physical presence in the County, and *ii*) remain apprised of the availability and salient characteristics of resources that are available to Older Adults and Family Caregivers who reside in the County and to other interested parties inquiring on behalf of an Older Adult or Family Caregiver who resides in the County.

### **III. UPDATE on NEW PROVIDERS/PROGRAMS**

Not applicable.

### **IV. IMPACTED SERVICES**

The following AAA4-Funded Programs have exceeded their maximum capacity and have either waived a Waiting List or have an active Waiting List:

- AAA4 Dine Around Town:
  - Yuba County: 11 people waiting
  - Sutter County: 22 people waiting
- AAA4 Yuba-Sutter Meals on Wheels:
  - Yuba County: 63 people waiting
  - Sutter County: 63 people waiting
- Del Oro Caregiver Resource Center; Respite Care:
  - Placer County: 264 people waiting
  - Sacramento County: 606 people waiting
  - Yolo County: 53 people waiting
- Dignity Health (Yolo County); Transportation: 24 people waiting
- FREED (Yuba-Sutter); Transportation: 17, 47 people waiting, respectively
- Gold Country Community Services - HDM (W. Nevada County): 2 people waiting
- Meals on Wheels by ACC (Sacramento County): 141 people waiting
- Meals on Wheels Yolo County: 64 people waiting
- PIRS (Placer County); Minor Home Modifications: 26 people waiting
- Rebuilding Together (Sacramento County); Minor Home Modifications: 4 people
- Seniors First; Transportation: 3 people waiting

### **V. QUALITY ASSURANCE**

AAA4 Staff are not aware of any quality assurance concerns at this time.

### **VI. COMPLIANCE (Not including Units of Service)**

AAA4 Staff report no Funded Programs are out of compliance with the terms and conditions of their contractual agreements.

### **VII. PERFORMANCE (Units of Service Only)**

Initially, the number of service units to be provided during the contract period are set by successful RFP applicants or renegotiated between AAA4 staff and the Funded Partner before a contract is executed. Thereafter, changes to the annual scope of service must be reviewed by JPEC and approved by the Governing Board.

Once the annual scope of service has been established, quarterly benchmarks will be negotiated between AAA4 and Funded Partner Staff. Benchmarks are used by JPEC to determine whether the delivery of services is progressing as anticipated. Benchmarks are used by Funded Programs to account for variations in the service pattern (e.g., less



activity in the Winter months). Such variations may or may not be known in advance; hence benchmarks can be adjusted during the course of the fiscal year so long as the annual scope of service remains the same.

In accordance with AAA4’s Performance Standards Policy, three classifications are used to sort performance levels for individual programs:

**125% or More = Above-Range Performance**

86% – 124% = Within-Range Performance

**85% or Less = Below-Range Performance**

Above-Range Performance might indicate a conservative scope of service or better-than-expected efficiencies; it might also indicate cost-cutting measures or a dilution of service quality. Thus, significant above-range performance is not necessarily a sign of positive outcomes.

Conversely, Below-Range Performance might indicate an optimistic scope of service or unexpected losses of efficiency; it might also indicate an investment of resources or an enhancement in service quality. Thus, significant below-range performance does not necessarily suggest an undesirable outcome.

**VIII. NEXT STEPS**

Recommendations made by JPEC on August 30<sup>th</sup> will be noted below and sent to the Governing Board for action on September 13<sup>th</sup>. Affected Funded Programs are welcome to attend either or both meetings and will have an opportunity to briefly speak (or have a written statement read on their behalf) prior to votes being cast.

Item	AAA4 Staff Suggestions for JPEC action	JPEC Action
A <sup>4</sup>	As noted in Section II above, specific conditions were applied to the current service contract with Community Link (211 Yolo). <b>AAA4 Staff suggest no action at this time.</b>	<b>No Action Taken</b>
B <sup>4</sup>	This item (and those that follow) pertains to the Year-End Performance Chart. AAA4 Staff wish to discuss all instances where the minimum contracted scope of service figure was not attained (i.e., performance was below 86% as shown in the “% of Goal Final” column). On the Chart, these row numbers are highlighted in teal, and they include #3 - #5, #23, #42, #45, #49, #56, #57 & #64. <b>Based upon the explanations provided during the meeting, AAA4 Staff suggested all identified rows be placed on Collaborative Oversight status.</b>	<b>Adopt Staff Suggestion (6-0)</b>

Item	AAA4 Staff Suggestions for JPEC action	JPEC Action
C <sup>4</sup>	AAA4 Staff wish to discuss those particular instances where the maximum contracted scope of service figure was exceeded (i.e., performance was above 124% as shown in the “% of Goal Final” column) <u>and</u> where that outcome was not clearly predictable based on above-range performance in previous quarters. On the Chart, these row numbers are highlighted in purple; those of interest to AAA4 Staff include #10, #18, #19, #27, #30, #32, #33, #48, #50, & #70. <b>Based upon the explanations provided during the meeting, AAA4 Staff suggest no action be taken at this time.</b>	<b>No Action Taken</b>
D <sup>4</sup>	As for the balance of Performance Chart items from row #1 through row #70, these Programs have successfully completed the fiscal year within range. <b>AAA4 Staff suggest no action be taken at this time.</b>	<b>No Action Taken</b>
E <sup>4</sup>	FOR YOUR INFORMATION ONLY, rows (#401-404) show data for the ADRCs (Aging & Disability Resource Connections) that are administered by AAA4. Performance goals are approved and monitored by the California Department of Aging; therefore, JPEC monitoring would be duplicative.	
F <sup>4</sup>	FOR YOUR INFORMATION ONLY, rows (#501-507) show data for AAA4’s CalFresh Healthy Living Program (aka SNAP-Ed). Performance goals are approved and monitored by the California Department of Aging; therefore, JPEC monitoring would be duplicative.	
G <sup>4</sup>	FOR YOUR INFORMATION ONLY, rows (#601-602) show data for AAA4’s MIPPA Program (Medicare Improvements for Patients & Providers Act). Performance goals are approved and monitored by the California Department of Aging; therefore, JPEC monitoring would be duplicative.	
H <sup>4</sup>	FOR YOUR INFORMATION ONLY, rows (#701-702) show data for AAA4’s Elder Abuse Prevention program, and rows (#801-802) show data for AAA4’s LTC Ombudsman program. Performance goals for both are established and monitored by the State Ombudsman’s Office; therefore, JPEC monitoring would be duplicative.	
I <sup>4</sup>	FOR YOUR INFORMATION ONLY, rows (#901-909) show data for LSNC’s nine-county HICAP Program. Performance goals are established and monitored by ACL and the California Department of Aging; therefore, JPEC monitoring would be duplicative.	
J <sup>4</sup>	JPEC will meet to review First Quarter Performance for SFY 2024-25. The tentative date is Friday, November 1 <sup>st</sup> .	

August 30, 2024 Meeting Notes:

*Committee Members present: Nancy Pennebaker (Chair), Supervisor Sharon Dryden, Karen Flannagan, Supervisor Lila Heuer, Annie Mikal-Heine & Supervisor Andy Vasquez*

*A4 Staff Present: Pam Miller, Will Tift (Committee Liaison), German Ayon, Julie Bates, Linda Berry, Maggie Borowiak, Anson Houghton, Sara Martinez, Yvonne Pacheco-Vong, Teja Payne, Nancy Vasquez, Sandra Woolf & Clayton Wyatt*

*Programs Represented: AAA4 Direct Services (Bingocize, BRICC, Case Management, Dine Around Town, DEEP, Matter of Balance, Mature Edge & Yuba-Sutter MOW), ACC Senior Services, Connecting Point 211 Sac/Yolo, Gold Country Senior Services, MOW Yolo County, Sierra Senior Services, Stanford Settlement, Yolo Healthy Aging Alliance & Yuba Sutter Legal Center for Seniors*

*Guests: Harrison Linder, AAA4 Advisory Council*

**PRESENTATION ITEM VII. A.**

**TO: AAA4 GOVERNING BOARD**  
**FROM: Pam Miller**  
**DATE: September 6, 2024**  
**SUBJECT: HICAP 101: The Health Insurance Counseling & Advocacy Program and You**

AAA4 contracts with Legal Services of Northern California to offer HICAP services throughout our seven-county service area. Through agreements with El Dorado and San Joaquin Counties, AAA4 is responsible for the provision of HICAP there as well.

The purpose of HICAP is to provide “free, unbiased and confidential Medicare counseling and advocacy” to existing and soon-to-be beneficiaries.

Carolynn Washington will share a PowerPoint presentation during the September 13<sup>th</sup> Board Meeting.

Additional information can be found online at: <https://hicanservices.net/>

**DISCUSSION ITEM VII. B.**

**TO: AAA4 GOVERNING BOARD**

**FROM:** Pam Miller

**DATE:** September 6, 2024

**SUBJECT: CA 2030: Next Steps, excerpts from the 9/4/24 CDA Webinar**

CA 2030 is an initiative within the California Department of Aging (CDA) designed “*to proactively prepare to serve a larger, older, and more diverse population of older Californians*” by seeking out “*opportunities for Area Agency on Aging (AAA) network-wide advancement and enhancement.*”

In anticipation of the Governor’s signature on SB 1249 (Roth) Mello-Granlund Older Californians Act, CDA held a webinar for Agencies on Aging this month to share their plans with respect to:

- Designations of Planning and Service Areas (PSAs)
- Establishing “Core” Programs to be Offered in every PSA
- Exploring Changes to the Intrastate Funding Formula (IFF)

All three of these topics could have significant ramifications for AAA4. Excerpts from the webinar will be shown during the September 13<sup>th</sup> Board meeting.

Additional information about this initiative, including the 22-page final report *California 2030: Recommendations for a Future-Ready California Aging Network*, can be found online at: <https://www.aging.ca.gov/CA2030/>

**PRESENTATION ITEM VII. C.**

**TO: AAA4 GOVERNING BOARD**  
**FROM: Pam Miller**  
**DATE: September 6, 2024**  
**SUBJECT: The Unique Challenges of Serving Frontier Communities**

At the request of Sierra County Supervisors Dryden and Heuer, this presentation will provide additional insights into living, working and growing old in a Frontier community.

**DISCUSSION ITEM VII. D.**

**TO: AAA4 GOVERNING BOARD**

**FROM:** Pam Miller

**DATE:** September 5, 2024

**SUBJECT: Final Preparations for Parity Decision Points around County Funding Levels: A Straw Poll Exercise**

BACKGROUND (For ease of reference, this section repeats the information that appeared in the August 2024 Council and Board Packets, **except for revisions in teal.**)

Since 1994, AAA4 has applied California’s Intrastate Funding Formula (IFF) to determine how most<sup>1</sup> Older Americans Act (OAA) program funds should be distributed to the seven counties in an equitable manner. At AAA4, this practice is commonly referred to as “parity.” The total dollars that are subject to allocation through parity is known as the “parity pool.”

At the direction of the national Administration on Aging, each State began developing its own version of the IFF (a.k.a., a “parity formula”) in the early 1980s. This sparked a series of lawsuits in California and around the country from various parties who felt these formulas were unfair. In 1989, a federal district court ruling in the Florida case of Meek v. Martinez provided helpful clarification and guidance. Shortly thereafter, the California Department of Aging (CDA) finalized its IFF and began using it to allocate OAA funds to the State’s agencies on aging. The IFF still includes the following four demographic factors and weights<sup>2</sup> – the same set AAA4 has used for the last 30 years:

<u>Factor</u>	<u>Weight</u>
Persons age 60+ non-minority	1.0
Persons age 60+ minority	2.0
Persons age 60+ low-income	2.0
Persons age 60+ geographically isolated	1.5

Parity has been controversial at AAA4 because resetting it often leads to significant net financial gains and losses for certain counties and thus for the funded partners operating within them. While there have been numerous discussions about altering AAA4’s application of the Parity Formula in recent years (especially about adding new factors to the formula), no such changes have been approved by the Governing Board.

<sup>1</sup> AAA4 does not apply the IFF in circumstances where program funds are being used to serve the entire seven-county service area under a single program or service such as the Health Insurance Counseling and Advocacy Program (HICAP) and Long Term Care Ombudsman & Elder Abuse Prevention services.

<sup>2</sup> With respect to Title III-D Disease Prevention and Health Promotion funds only, CDA now also uses “Medi-Cal Eligible 60+” with a weight of 1.0. It is unclear when this fifth factor was added.

Parity resets have caused significant funding fluctuations for two separate reasons. First, the data used to compute parity is updated annually, but the formula is only recalculated once every four years. While this keeps awards stable *during* the subsequent 4-year funding (RFP) cycle, it also compounds the impacts that must occur *after* they are over. Second, Funded Partners' individual awards sometimes change in ways that push net county allocations above or below their parity shares. This is called "parity drift."

If a county is gradually losing parity share and collecting more than its existing share of funds (drifting high) at the same time, then a parity reset could result in tens of thousands of dollars being shifted out of that county. This is precisely what happened in 2008 when the parity reset caused a sudden \$120,000 shortfall in Nevada County. Since then, AAA4 has taken measures to curb such extreme losses; going forward, the Agency may conclude additional measures are warranted.

For planning purposes, the graphic on the following page shows **initial** "non-adjusted" parity percentages for 2024. It uses the most **current** data sources that are used by (and provided by) CDA to calculate the IFF, and those calculations result in a specific "parity percentage" for each county.

CDA's newest IFF data reflects a 10-year correction in geographic isolation because historically, those numbers have been based on the decennial Census. AAA4 Staff had expected to see significant reductions in those figures as communities that were once rural are now classified as urban. **Instead, we have seen substantial increases!** This surprising result is caused by CDA adopting a broader definition of "rural area" than it was using previously.

PSA 4 continues to have many more rural residents than any other service area in the State, and the Agency (as a whole) continues to benefit from the IFF as a result.

Prior to any Board-approved adjustments, only Nevada and Placer Counties are projected to see a net increase in their parity share because their rate of growth exceeds that of the other five Counties.



# INITIAL Parity Calculations for 2024

(Not Adjusted for Sierra County)

Source Data:

County	60+ Total Population <sup>a</sup>	60+ Non-Minority <sup>a</sup>	60+ Minority <sup>a</sup>	60+ Low Income <sup>b</sup>	60+ Geographic Isolation <sup>c</sup>
Nevada	41,113	37,707	3,406	4,380	18,724
Placer	115,115	92,032	23,083	9,505	20,110
Sacramento	345,815	195,137	150,678	45,635	11,100
Sierra	1,530	1,399	131	160	1,286
Sutter	23,037	13,186	9,851	3,245	3,940
Yolo	44,852	28,187	16,665	5,185	4,547
Yuba	15,839	10,742	5,097	2,360	6,476
<b>Totals</b>	<b>587,301</b>	<b>378,390</b>	<b>208,911</b>	<b>70,470</b>	<b>66,183</b>

Application of the Formula:

Weight	1.0	2.0	2.0	1.5				
County	60+ Non-Minority	60+ Minority	60+ Low Income	60+ Geographic Isolation	Weighted Totals (Parity Points)	2024 Non-Adjusted Parity %	Variance: 2020 to 2024	Impact w/ \$12.9 million Budget (2024)
Nevada	37,707	6,812	8,760	28,086	81,365	7.85%	0.28%	\$ 35,681
Placer	92,032	46,166	19,010	30,165	187,373	18.08%	0.32%	\$ 40,986
Sacramento	195,137	301,356	91,270	16,650	604,413	58.32%	-0.03%	\$ (3,361)
Sierra	1,399	262	320	1,929	3,910	0.38%	-0.01%	\$ (1,863)
Sutter	13,186	19,702	6,490	5,910	45,288	4.37%	-0.31%	\$ (39,702)
Yolo	28,187	33,330	10,370	6,821	78,708	7.59%	-0.23%	\$ (30,130)
Yuba	10,742	10,194	4,720	9,714	35,370	3.41%	-0.01%	\$ (1,610)
<b>Totals</b>	<b>378,390</b>	<b>417,822</b>	<b>140,940</b>	<b>99,275</b>	<b>1,036,427</b>	<b>100.00%</b>	<b>0.00%</b>	<b>\$ (0)</b>

<sup>a</sup> CA Department of Finance population projections (5-year groups), special run request, February 2024.

<sup>b</sup> American Community Survey (ACS) Special Tabulation on Aging, 2017-21 estimates.

<sup>c</sup> US Census 2020, Table P12.

## Application of the Initial Parity Percentages: SFY 2025-26

In order to isolate the effect of recalculating the Parity Formula, the “Impact” column in the chart above assumes funding levels have remained constant since 2020. That is a false assumption. Four years ago, AAA4’s Parity Pool was \$7,903,093. Today, it is \$10,274,905 which represents a net increase of \$2,371,812 or 30.0%. Virtually all of this increase (96.9%) is due to an influx of State General Funds (Augmentation Funds) to supplement Title III-C Nutrition Providers – a response to concerns about rising inflation.

In keeping with long-standing precedent, these additional Nutrition dollars have been distributed proportionally. For example, if any given Nutrition Provider receives 10% of all Title III-C funds, then that Provider would have received 10% of the State Augmentation Funds. Such a large increase of dollars in a single service category has resulted in substantial Parity Drift whereby AAA4's smaller counties (which have the highest proportion of nutrition dollars) have exceeded their Parity Shares at the expense of AAA4's larger counties (which have the lowest proportion of nutrition dollars). The consequences of this effect are evidenced in the chart below.

### Funding Levels by County: Initial Parity Shares vs. Actuals

#### With Per Capita Figures Added

Current Spending Per Capita: Age 60+ (SFY 2024-25)	COUNTY	INITIAL PARITY SHARES (For SFY 2025-26)		ACTUAL AWARDS (SFY 2024-25)	OVER & UNDER
		Percent	Dollars		
\$20.62	Nevada	7.85%	\$ 806,635	\$ 847,894	\$ 41,259
\$13.85	Placer	18.08%	\$ 1,857,575	\$ 1,594,474	\$ (263,101)
\$16.89	Sacramento	58.32%	\$ 5,992,019	\$ 5,839,794	\$ (152,225)
\$146.70	Sierra	0.38%	\$ 38,763	\$ 223,846	\$ 185,083
\$26.69	Sutter	4.37%	\$ 448,975	\$ 614,967	\$ 165,992
\$31.51	Yolo	7.59%	\$ 780,289	\$ 725,956	\$ (54,333)
\$27.02	Yuba	3.41%	\$ 350,650	\$ 427,973	\$ 77,323
<b>\$17.50</b>	<b>PSA 4</b>	<b>100.00%</b>	<b>\$ 10,274,906</b>	<b>\$ 10,274,904</b>	<b>\$ (2)</b>

Agency on Aging Area 4

9/5/2024

At this time, AAA4 is projecting flat funding for SFY 2025-26 (the first year of the major RFP cycle), thus without any new dollars entering the Parity Pool, rebalancing funding levels by County is a zero-sum scenario. Placer, Sacramento and Yolo are all currently receiving *less* than their Initial Parity Share; they cannot realize any gains unless Nevada, Sierra, Sutter and Yuba experience losses because those Counties are all currently receiving *more* than their Initial Share.

As a reminder, "Initial" Parity figures are figures that have not yet been adjusted for Sierra County. Since 2020, Placer and Sacramento Counties have effectively subsidized Sierra in order to maintain a sufficient fiscal baseline for Congregate Meals, Home-Delivered Meals, Legal Services and Outreach. The Governing Board has always supported Sierra County in this way, but the manner in which it is done varies. Generally, the Counties that have benefited most from Parity resets have been the Counties to divert a portion of their added funds to Sierra.

Approval of new Parity Percentages for the 2025-27 Request for Proposals is a two-step process. The Governing Board should first decide upon a baseline funding level for Sierra County during the October 2024 meeting (Sierra's Adjusted Parity Percentage is then computed based on that amount).

At the November 2024 meeting, the Board will be prepared for the second decision point – choosing which Counties will divert what sums to Sierra County to reach their SFY 2025-26 baseline (the Adjusted Parity Percentages for the contributing Counties are then computed based on their resulting award amounts). The outcome of this second step will dictate final funding levels for all seven Counties unless exceptions are granted. In 2020 for example, following a motion by Sacramento Supervisor Nottoli, the Governing Board voted to divert \$8,000 from Sacramento County to Yuba County to lessen the amount of Parity reductions that were needed there (Yuba’s Parity percentage was not changed).

## NEW INFORMATION:

### Limitations on the Transfer of Funds between Titles

Older Americans Act funds are not guaranteed; they are appropriated every year through the federal budget process. Congress has always allocated more funds to Nutrition (Title III-C) than to Supportive Services (Title III-B). Agencies on Aging are allowed to transfer up to 30% of the III-C funds to III-B without approval from the State. Historically, AAA4 has met or exceeded that 30% threshold because over time, the demand for services like Transportation has consistently increased while the demand for traditional Congregate Meals has declined. On August 20<sup>th</sup>, AAA4 Staff submitted the following question to CDA:

Since 2020, our Title III-B providers have not benefitted from ongoing increases to their baseline awards even though their operating costs have increased. If our AAA were to address this imbalance by transferring more funds from Title III-C to Title III-B than we do now, would CDA view that transfer as an improper supplantment of the State General Fund Nutrition Augmentation dollars?

The State responded, in part, by stating “*transfers from IIIC to IIIB are closely evaluated since transfers remove funding that is intended to meet the critical need of providing more meals to more older adults. Some considerations include if there has been a decrease in actual IIIC service units from prior FY and if there a decrease in proposed IIIC service units from PY in the Area Plan or Area Plan Update (i.e., is there a planned reduction in services).*” Since any meaningful reduction in Nutrition funding would inevitably result in a decrease in the number of meals provided, the more concise answer is: Yes, such a transfer would be improper and not allowed.

This means AAA4’s ability to “generate” additional Title III-B dollars is effectively frozen at the 30% transfer limit. Absent an increase in federal III-B or III-C funds, the Agency can only increase individual III-B program budgets by reducing the number of total awards. More specifically, this could be accomplished through the reduction or elimination of non-mandatory programs such as Employment and Minor Home Modification.

## Straw Poll Questions

Ad hoc County Workgroups have been struggling to complete their funding recommendations due to the uncertainties surrounding this particular Parity/RFP cycle. AAA4's Governing Board is scheduled to take action on the Parity Formula in October and November. There are 17 seats on the Board. Sacramento County has 5 seats; the other six counties each have 2 seats.

In an effort to narrow the field of potential outcomes, AAA4 Staff request all voting Board members participate in this exercise. These votes are not binding, but they are intended to measure the "temperature" of the Board as a whole around key decision points. This should help the Workgroups focus on the most plausible scenarios rather than all possible scenarios.

- 1) Should AAA4 continue to use the Intrastate Funding Formula (aka, the Parity Formula) to set **initial** county funding levels as the starting place for discussion?

<b>Yes</b> (Arguments in favor)	<b>No</b> (Arguments in opposition)
There is a 30-year precedent for doing it this way.	AAA4 is not required to do it this way.
The formula yields definitive dollar amounts.	The formula yields uneven dollars per capita for the age 60+ population.
The State does not expect to implement any changes to the IFF until 2027.	The State is actively exploring making changes to the IFF.
Other:	Other:
Other:	Other:
Votes in Favor =	Votes in Opposition =

*Continued on next page*

- 2) Should AAA4 continue to subsidize Sierra County based on projected expenditures to operate the “core” services (as opposed to some other method)?

<b>Yes</b> (Arguments in favor)	<b>No</b> (Arguments in opposition)
There is a long-standing precedent for doing it this way.	AAA4 is not required to do it this way.
This approach yields definitive dollar amounts.	This approach gives Sierra-based service providers an advantage over providers in the other six counties.
Sierra County is a service desert.	This approach gives Sierra County a disproportionate amount of funding.
Other:	Other:
Other:	Other:
Votes in Favor =	Votes in Opposition =

- 3) Should AAA4 consider setting minimum baseline funding levels in Nevada, Placer, Sacramento, Sutter, Yolo and Yuba Counties?

<b>Yes</b> (Arguments in favor)	<b>No</b> (Arguments in opposition)
Establishing a fiscal “floor” below which a county would not descend would add stability.	Floors would offer false stability if they were not fiscally sustainable in the long term, especially in a deficit scenario.
This approach would mitigate funding <u>reductions</u> for counties that are <i>above</i> their parity percentage targets.	This approach would mitigate funding <u>increases</u> for counties that are <i>below</i> their parity percentage targets.
CDA does this for the smallest agencies on aging.	AAA4 has never done this; unintended consequences could result.
Other:	Other:
Other:	Other:
Votes in Favor =	Votes in Opposition =