**DISCUSSION ITEM #####**

**TO: AAA4 GOVERNING BOARD**

**FROM:** Pam Miller

**DATE:** December 5, 2017

**SUBJECT:** **County Match Contributions for FY 2018-19**

**Background**

Agency on Aging \ Area 4’s Joint Powers Authority Agreement (JPA) requires each of the seven counties to make annual contributions to support the administration of the Agency. These funds are used to meet the federal matching requirements to receive Older Americans Act dollars and to augment the in-house operating budget. Each county’s share of the total match amount is proportional to the ratio of persons age 60 and older who are estimated to be residing in the service area each year.

The table on the following page shows that the older adult population in our region has increased by 27,176 people, according to official California Department of Finance figures. Most of these changes are due to “natural” aging of the local population; some is due to migration.

The table also reflects a request for a 13 cent increase in the match rate (from $0.90 per person to $1.03 per person). This increase consists of a 3 cent increase due to the change in the Consumer Price Index (CPI), and a 10 cent increase to finish “closing the gap” that was created by not raising the rate from 2000 to 2015. This represents the final year of a three year plan begun by the Governing Board in 2016.

This year’s county match assures the Agency will meet the minimum required match amount that is projected for FY 2018-19 and the cash flow necessary to meet our personnel costs and other in-house obligations during the fiscal year when funding from CDA is delayed.

The match contributions will be reviewed by the Audit/Finance Committee which will make its recommendation during the January 12, 2018, Board meeting.