

SUSTAINABLE FUNDING FOR CAREGIVING PROGRAMS

THE CASE OF CHEBOYGAN COUNTY, MICHIGAN

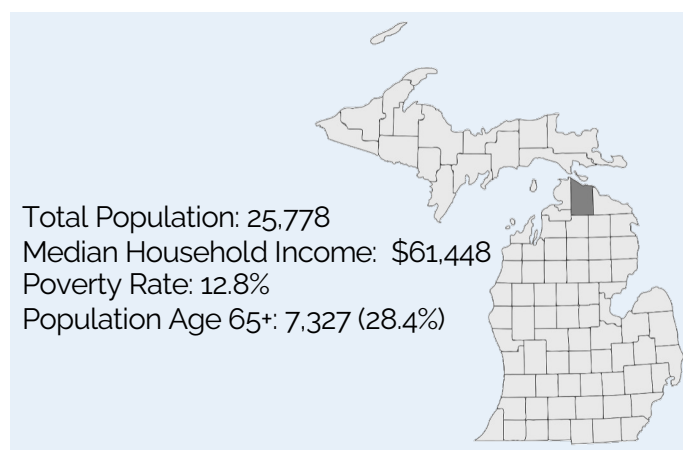
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Funding fragmentation is the central barrier to institutionalizing caregiving at the local level. Most caregiving programs rely on short-term, issue-specific sources such as *Older Americans Act* (OAA) grants, Medicaid waivers, or philanthropic grants. All these target narrow outcomes rather than systemic integration. Small municipalities often lack the fiscal flexibility and administrative capacity to weave these resources together, which keeps caregiving positioned as a peripheral service rather than an essential infrastructure for public health and community wellbeing.

Cheboygan County faces the dual pressures of a limited tax base and growing demand for senior services. Workforce shortages, fragmented funding, and transportation gaps make it difficult to deliver consistent support for older residents. In response, the county pools administrative capacity, aligns federal and state dollars with local priorities, and relies on a **special senior millage** to provide essential match and gap-filling support. This coordinated model helps buffer funding volatility and strengthen a more resilient, integrated care ecosystem.

Community Profile

Cheboygan County is a rural jurisdiction in northern Michigan with a population of approximately 25,800 and a median age nearing 52, reflecting a rapidly aging demographic¹. Its economy is primarily driven by services, tourism, and small-scale industry, which limits the growth of its property tax base and overall public revenues. The county's large geographic area and low population density further complicate service delivery, especially for older adults seeking to age in place. These factors combine to create unique challenges in funding and sustaining comprehensive support systems for the county's aging residents.



Funding Sources

Cheboygan demonstrates how a small rural jurisdiction can overcome systemic fragmentation by anchoring its care ecosystem in dedicated local funding, then layering federal and state streams on top of a stable local base^{2, 3} (Figure 2).

Rather than chasing grants, the county treats caregiving as essential infrastructure; uses its **senior millage to guarantee service continuity; and applies flexible local dollars to fill gaps in federal programs**. This creates a level of stability, resilience, and service penetration rarely achievable in rural settings dependent solely on categorical or temporary funding.

Federal

Cheboygan County relies on a wide range of federal aging and caregiving programs—spanning supportive services, nutrition, health promotion, caregiver support, transportation, disaster relief, Medicare counseling, and housing assistance. These diverse federal streams form the foundation of the county's caregiving ecosystem, yet they are fragmented, each with its own eligibility rules, reporting requirements, and local match obligations⁴.

Figure 1: Location map of Cheboygan

This project was conducted under the direction of Professor Mildred Warner, as a part of CRP 5074 Economic Development Workshop in the Department of City and Regional Planning at Cornell University with support from the International City County Management Association (ICMA). <https://labs.aap.cornell.edu/node/1137>

Federal (continued)

Federal dollars rarely flow directly to counties. For most aging and long-term support programs—particularly those under the Older Americans Act (OAA), Medicaid home- and community-based services, Medicare outreach, and nutrition initiatives—funds are first allocated to the Michigan Bureau of Aging, Community Living, and Supports (ACLS Bureau).

While this indirect pathway applies to most aging funds, some federal programs can flow directly to counties or local community agencies—particularly those designed for emergency management, anti-poverty assistance, mental health, or housing stabilization.

State & Regional

Cheboygan County's caregiving and aging services also depend on a layered system of state and regional funding.

At the state level, the ACLS Bureau provides overarching policy direction, oversight of Older Americans Act and Medicaid home- and community-based services, and statewide grants that shape program standards and compliance expectations. These state frameworks are essential but complex, often requiring small counties to navigate multiple reporting systems, shifting grant cycles, and strict eligibility rules.

Regionally, the Region 9 Area Agency on Aging – a Division of Northeast Michigan Service Agency, Inc., NEMCSA – plays a pivotal role in distributing state and federal dollars, providing technical assistance, and coordinating cross-county programs such as care management, transportation, and home-based services. This regional structure is crucial for rural counties like Cheboygan, which rely on NEMCSA's administrative capacity to manage Medicaid waivers, transportation grants, housing and health supports, and Medicare outreach initiatives.

Local/Community

Local agencies—especially the Cheboygan County Council on Aging (CCCoA)⁵—are the front-line operators of caregiving and aging services. Although they do not receive most federal funding directly, they translate state/regional allocations into concrete supports such as meals, in-home

care, transportation, caregiver respite, and resource navigation.

Cheboygan supplements state and federal funding with local revenue sources, including voter-approved Senior Citizen Millage dollars, donations, sliding-scale client fees, and community fundraising. These resources are essential for matching requirements, filling service gaps, and maintaining program stability during grant fluctuations.

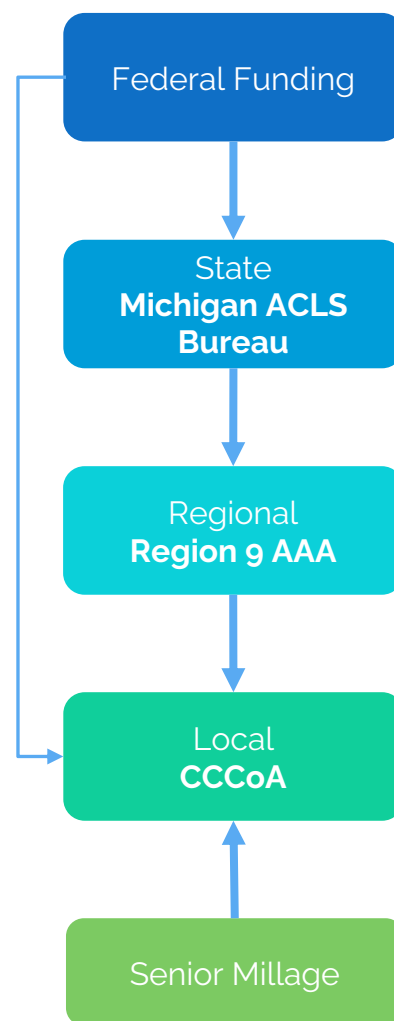


Figure 2: Funding Sources Model Overview

Cheboygan County Council on Aging (CCCoA) is critical for grant acceptance, fiscal management, program oversight, and transparent alignment of all funding streams with senior needs in the community.

Senior Citizen Millage: Details & Impact

The senior millage in Cheboygan County⁶ is a voter-approved property tax levy that currently generates over [\\$800,000 annually](#) exclusively for aging and senior support services. The millage rate is typically set at 0.5 mills, and since its initial approval, county residents have repeatedly renewed it by strong majorities, reflecting deep community support for eldercare.

Allocation & Use:

Millage revenue is allocated annually by the Cheboygan County Board of Commissioners to the CCCoA. This stable local funding base supports a core set of senior services countywide, including:

- Home-delivered meals and congregate meals.
- Transportation for medical, shopping, and essential trips.
- Homemaker, personal care, and respite support.
- Senior center programming, wellness activities, and outreach services.

Strategic Benefits & Evidence:

Match & Leverage: The local millage provides the matching funds necessary to unlock federal Older Americans Act grants, Medicaid waivers, and state health resources.

Flexibility: Millage funds can be allocated quickly

by the County and CCCoA to meet urgent and emerging needs, ensuring a responsive system.

Continuity: The millage ensures uninterrupted services—avoiding gaps during workforce or provider shortfalls that are common in counties lacking a protected local funding stream.

Transparency & Oversight: The Senior Citizens Millage is tracked and reported as an independent special revenue fund with annual audits and published board packet reviews.

Community Impact:

- Programs remain reliable, with taxpayers seeing their contributions strictly used for senior services.
- Reliable transportation, meal delivery, and personal care programs have enabled hundreds of older adults to stay independent and at home, reducing hospitalizations and premature institutionalization.

Senior millage funding is unique for its size, predictability, and local flexibility—serving as both a financial backbone and a critical lever for maximizing and stabilizing all other funding streams for Cheboygan County's aging services

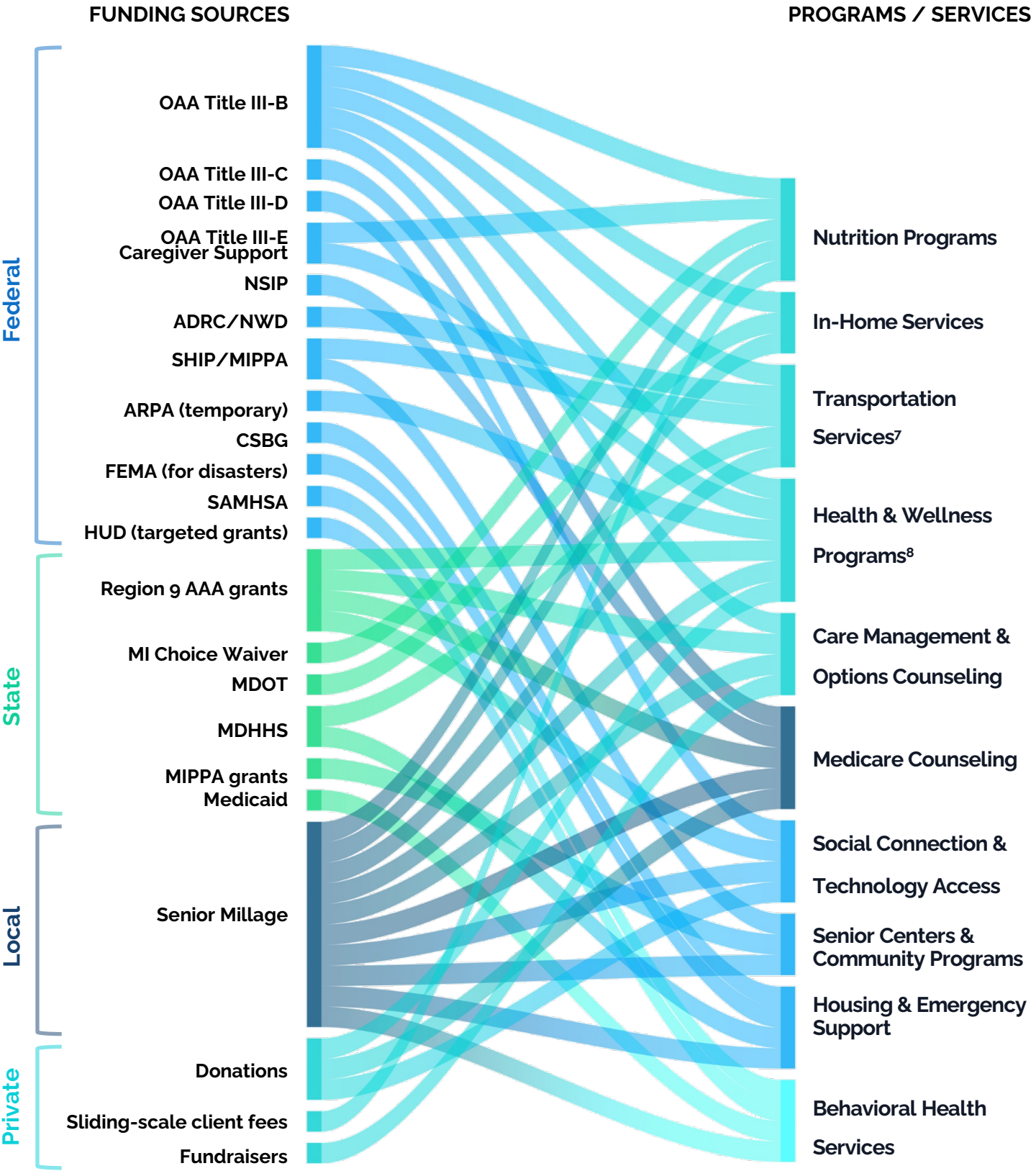
Cheboygan County Senior Citizen Millage Revenue, 2022–2024

Year	Regular Millage Revenue	Other Millage Revenue*	Total Revenue
2022	\$757,346	\$373	\$757,719
2023	\$819,016	\$668	\$819,684
2024	\$876,334	\$1,000	\$877,334

**Other millage revenue includes personal property, commercial, and tax revert payments.*

Funding Sources by Caregiving Program

This diagram illustrates how federal, state/regional, local, and private funding streams collectively support Cheboygan County's caregiving programs, with the locally voter-approved **Senior Millage** serves as a crucial source of matching funds and gap-filling support that stabilizes services across fluctuating federal and state grants.



For detailed descriptions of each funding source, please refer to the Appendix.

Barriers and Targeted Interventions

EXISTING BARRIER	FUNDING RESPONSE	SPECIFIC GOVERNANCE INSIGHT
Structural mismatch with federal/state matching requirements	Dedicated Senior Millage Property tax millage approved by county voters and renewed periodically. The collected funds are earmarked solely for aging and caregiving programs, providing a reliable and renewable local match.	Converts caregiving from a discretionary expense into a semi-permanent budget line, enables access to larger state/federal funds, and signals lasting local commitment.
Fragmented and categorical grant systems	Regional pooling via Region 9 AAA (NEMCSA): Consolidates and administers grants, manages compliance, and reallocates resources based on need for Cheboygan and neighboring counties.	Reduces administrative overhead, achieves compliance, and allows participation in otherwise unmanageable programs.
Short-term grant cycles and volatility	Pilot-to-institution model: CCCoA uses short-term grants to pilot new services; successful pilots are transitioned to core, county-funded programs backed by millage revenue.	Turns innovation into enduring improvement, institutionalizes proven services, and builds public trust in local care investment.
Reliance on unpredictable donations and volunteer labor	Hybrid funding—sliding-scale fees & community support: Income-based fees for services, continued fundraising, stable millage and AAA funds for staffing.	Creates a resilient funding base, keeps care accessible, and balances service reliability with inclusivity.
Limited fiscal recognition of caregiving outcomes	Performance-informed budgeting: Service impact metrics (meals, clients, avoided costs) are reported and used in millage renewal and budget advocacy.	Shows concrete taxpayer value, strengthens the case for caregiving as essential community infrastructure.
Administrative capacity constraints	Contracted admin support via Region 9 AAA & State DHHS: Formal agreements supply technical and reporting assistance.	Leverages regional resources to maintain governance rigor without inflating local payroll expenses; local staff stay focused on care.

Lessons Learned and Applicability



Millage for Stable Funding

A dedicated senior or caregiving millage transforms programs from discretionary initiatives into recurring budget items, providing predictable local matching funds and long-term fiscal stability.



Use Grants as Launchpads, Not Lifelines

Short-term grants are most powerful for piloting new services—sustained impact comes from moving proven pilots into long-term funding.



Regional Collaboration

Pooling resources and administrative capacity through regional Area Agencies on Aging allows small counties to access larger, multi-county grants, reduce compliance burdens, and expand service coverage.



Data-Driven Funding Decisions

Tracking clear outcomes, meals delivered, miles driven, respite hours, demonstrates ROI, supports political and public backing, and helps justify millage renewals and budget allocations



Diversified Revenue Sources

Blending local millage, federal and state grants, user fees, and community donations reduces dependence on any single source and strengthens program resilience across fiscal cycles.



Measure Outcomes to Maintain Support

Collecting and sharing clear service results (like people served or costs avoided) builds resident and policymaker confidence and keeps funding renewals strong.

Resources

Cheboygan Basic Information

1. County Demographics and Data:
[Cheboygan County Facts — Data Commons](#)
data.census.gov

Key County & Board Documents

2. 2024 Final Adopted Budget:
[2024 FINAL BUDGET \(PDF\)](#)
3. Strategic, Fiscal, and Board Packets:
[Cheboygan County Food Systems Plan \(2021, PDF\)](#)
[Board Packet – October 2019](#)
[Board Packet – May 2022](#)
[Board Packet – September 2023](#)
[Board Packet – October 2023](#)
[Board Packet – October 2024](#)
[Board Packet – July 2025](#)
[Board Packet – July 2025](#)
[Board Packet – September 2025](#)
[Community Bulletin, August 2024](#)

Organizations Involved in Caregiving, Aging, and Community Supports

4. State and Special Programs:
[Michigan Dept. of Health & Human Services — Bureau of Aging, Community Living, and Supports](#)
5. Local and Regional Aging Partners:
[Cheboygan County Council on Aging \(CCCoA\)](#)
[Northeast Michigan Community Service Agency \(NEMCSA\) — Region 9 AAA](#)
[NEMCSA Documents Archive](#)
[NEMCSA Document Archive: Region 9 Area Agency on Aging](#)
6. Nonprofit Transparency & Accountability:
[Cheboygan County Council on Aging \(CCCoA\) – IRS Nonprofit Data \(ProPublica\)](#)
7. Transportation Services:
[Cheboygan County DAV Van Program](#)
8. Federal Disaster & Nutrition Resources:
[USDA Disaster Assistance in Michigan](#)

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Appendix

Federal Funding Sources

- **OAA Title III-B:** Supportive Services under the Older Americans Act; supports transportation, personal care, and homemaker services, administered locally by CCCoA.
- **OAA Title III-C:** Nutrition Services; supports congregate and home-delivered meals for seniors, coordinated by CCCoA/Rg AAA.
- **OAA Title III-D:** Evidence-Based Health Promotion; supports wellness and prevention programs.
- **OAA Title III-E:** National Family Caregiver Support Program; supports respite care and caregiver resources.
- **NSIP:** Nutrition Services Incentive Program; additional federal support for senior meal programs.
- **ADRC/NWD:** Aging and Disability Resource Center/No Wrong Door; federal/state-funded information, referral, and options counseling for long-term care.
- **SHIP/MIPPA:** State Health Insurance Assistance Program and Medicare Improvements for Patients and Providers Act; supports for Medicare benefits counseling, outreach, and enrollment support.
- **ARPA (temporary):** American Rescue Plan Act; short-term federal COVID-19 relief funding for a range of senior services.
- **CSBG:** Community Services Block Grant; federal anti-poverty funding that can be used for emergency housing, utility assistance, and crisis intervention.
- **FEMA (for disasters):** Federal Emergency Management Agency; disaster relief funds, coordinated locally by the County Board and CCCoA for seniors' emergency housing and nutrition.
- **SAMHSA:** Substance Abuse and Mental Health Services Administration; federal grants for behavioral health, substance use, and mental health programs.
- **HUD (targeted grants):** Department of Housing and Urban Development; supports supportive housing, rent assistance, and homeless prevention.

State/Regional Sources

- **Michigan Bureau of Aging, Community Living, and Supports (ACLS Bureau).** It oversees of a

variety of Older Americans Act, Medicaid, and state and federally funded home and community-based service programs and facility-based long-term care activities. The ACLS Bureau also performs functions of the State Unit on Aging, policy support, program development, and grants management for a variety of programs and services.

- **Region 9 AAA Grants:** Direct funding, technical assistance, and pass-through federal/state dollars from the Region 9 Area Agency on Aging (NEMCSA).
- **MI Choice Waiver:** State-administered Medicaid program; funds home- and community-based services for qualified seniors and adults with disabilities.
- **MDOT Specialized Services:** Grants from the Michigan Department of Transportation to support accessible transportation for older adults and people with disabilities.
- **MDHHS:** Michigan Department of Health and Human Services; state grants for care management, public health, emergency support, and care access.
- **MIPPA Grants:** Medicare Improvements for Patients and Providers Act; grants for outreach/enrollment of Medicare beneficiaries in low-income support programs.
- **Medicaid:** Joint federal-state program providing health coverage and long-term care for low-income seniors and disabled individuals.

Local/Community Sources

- **Senior Millage:** Local voter-approved property tax dedicated to aging services, used for matching funds, service expansion, and gap-filling. Each year, Cheboygan County levies a millage to help fund the senior citizen programming throughout the county. In 2024, it generated [about \\$877,334](#).
- **Donations:** Charitable contributions from individuals, businesses, or foundations to directly support local programs.
- **Sliding-Scale Client Fees:** Participant payments based on income or ability to pay, ensuring services remain affordable and accessible.
- **Fundraisers:** Special event proceeds, community campaigns, or organized efforts to raise additional unrestricted funds for program support.