

FRANK D. LANTERMAN REGIONAL CENTER

Administrative Affairs Meeting

May 13, 2013

MINUTES

PRESENT

Larry DeBoer
Jack Gilbertson
Chris Scali
Ed Solis
Robert Wedemeyer

STAFF

Patrick Aulicino
Barry Londer

NOT PRESENT

Marjorie Heller
Al Marsella
Dina Richman

CALL TO ORDER

In Ms. Heller's absence, the meeting was called to order by Mr. De Boer at 12:03 P.M.

APPROVAL OF MINUTES

The minutes of April 9, 2013 were reviewed and approved by consensus.

CHAIRPERSON'S REPORT

Mr. De Boer announced that the driving policy was approved by the Board. Mr. De Boer thanked the Committee on behalf of Ms. Heller for their input and hard work on it.

PRESENTATION BY CITY NATIONAL BANK

Ms. Susan Welch from City National Bank distributed an overview of the current status of the bank. She also presented the proposed revisions to the line of credit. Under the revised line, the center would have available to it \$33,000,000 for the first three months of the fiscal year and a

revolving line of \$15,000,000 through June 2014. Both amounts have increased from the current year. The interest rate charged to the center in the event it needs to borrow is 2.25%, up slightly from 2% last year. There are no fees associated with the line. Ms. Welch also shared with the Committee that City National Bank had a great fiscal year in 2012 and they continue to have strong credit ratings. Discussion followed.

Mr. Wedemeyer made a motion to recommend to the Board that the Executive Director be authorized to sign the line of credit documents. Mr. Solis seconded the motion and it was approved by consensus.

D-3 CONTRACT AMENDMENT

Mr. Aulicino reported that the D-3 contract amendment contains CPP funds for operations and POS. It also recognizes second quarter case transfer activity. We now have the worksheet for the D-4 contract amendment and it covers the remainder of our approved CPP amount for 2012-2013. We have yet to receive the actual amendment.

Mr. Aulicino reported that the Governor's May revision to the 2013-14 budget was released today. He stated that there do not appear to be major changes based on the preliminary information seen on the State's website.

CASH FLOW

Mr. Aulicino reported that in the past few years, DDS has offset regional center advances earlier due to their cash flow problems. The situation has been exacerbated this year and if our reimbursement in June is at the same level as what we received in May we will be short on cash for the month of June. The Federal 1915i Waiver has been approved and this will generate money since it would go retro three years; however, we do not know when the cash will start flowing. Mr. Aulicino stated that our cash situation is similar to most other centers and the line of credit will be used only if necessary.

Discussion followed.

REVIEW OF FINANCIAL STATEMENTS

Mr. Londer reviewed the financial statement activity through March 31, 2013.

Fiscal Year 2012-2013

In Operations (main contract), we have spent \$10,995,647. In Purchase of Services (main contract), we have spent \$76,926,631 before we add in projected late bills. Including projected late bills, we will have spent \$79,012,208.

Fiscal Year 2011-2012 C-9

This month we recorded \$1,632 in OPS and \$103,163 in POS. To date, we have spent 98.5% of our OPS and 99.6% of our POS allocations. We are currently projecting very small surpluses in both OPS and POS.

Fiscal Year 2010-2011 (B-5)

This month we recorded \$39,538 in OPS and (\$5, 177) in POS. To date, we have spent 99.9% of our OPS and 97.7% of our POS allocations. We are currently expecting a small surplus in OPS, and about a \$2.2 million surplus in POS, due to substantial cost savings and minimal caseload growth.

CA COMMUNITY FOUNDATION UPDATE

Mr. Londer reported that the quarterly statement through March shows that we have just under \$637,000 in our endowment fund, up from \$603,000 at the beginning of the year. The discretionary fund balance is just over \$215,000.

POS RECAP

Mr. Aulicino reviewed the POS recap sheet and reported that we are currently projecting expenditures that could result in a range from a \$161,000 surplus to a \$261,000 deficit in POS.

NEXT MEETING

The next meeting is scheduled for June 11, 2013.

ADJOURNMENT

The meeting was adjourned at 12:45 P.M.

/gs