PRESENT
Marjorie Heller, Chair
Larry DeBoer
Jack Gilbertson
Chris Kearley
Al Marsella
Ed Solis
Robert Wedemeyer

STAFF
Patrick Aulicino
Barry Londer

NOT PRESENT
Dina Richman
Chris Scali

CALL TO ORDER
The meeting was called to order by Ms. Heller at 12:10 P.M.

APPROVAL OF MINUTES
The minutes of May 8, 2012 were reviewed and approved by consensus.

CHAIRPERSON’S REPORT
There was no report.

BUDGET UPDATE
Mr. Aulicino reported that the Governor has released his May revision and that overall there will be increases to the allocations for all regional centers. The budget is expected to be passed this week. Mr. Aulicino stated that there will be a $50 million trigger reduction in the fiscal year
2012-13 to developmental services if the Governor’s tax initiative does not pass in November 2012.

The Department of Developmental Services has released the Center the C-4, C-5, and C-6 contract amendments. The amendments are designed to release as much in the way of funding as is available to particularly assist those centers that have cash flow problems at this time. In the C-4, the Center received POS funds of $786,410 for CPP placements for this year. The C-5 recognizes case transfer activity and money for CPP continuation. It also removed unneeded POS funds from us due to our Center projecting a surplus. The C-6 contains corrections from the C-5 regarding case transfers. Mr. Aulicino stated that these amendments do not require committee or Board action since they add dollars to our contract. Discussion followed.

**PROPOSAL TO REIMBURSE STAFF FOR CO-PAY FOR HEALTH INSURANCE**

Mr. Aulicino reported that there are remaining dollars in the 2011-12 operating budget and the Center would like to reimburse staff the cost of their personal medical coverage for this year. These are dollars that staff had paid via payroll deduction towards their personal medical coverage. It does not cover what staff had paid for spousal or dependent coverage nor does the proposal change the requirement for the employees to contribute on a go forward basis. The Board had adopted similar proposals in the prior two years as funds were available.

Mr. Marsella made a motion to recommend that the Board accept the proposal to reimburse employees for the cost of their personal health insurance payments. Mr. DeBoer seconded the motion and it was approved by consensus.

**REVIEW OF FINANCIAL STATEMENTS**

Mr. Londer reviewed the financial statements through April 30, 2012.

*Fiscal Year 2011-12*

In Operations (main contract), we have spent 79.3% of our C-2 budget allocation. In Purchase of Services (main contract), we have spent 82.2% of our C-2 budget allocation, before we add in projected late bills. Including projected late bills, we have spent 82.2% of our C-2 allocation.

*Fiscal Year 2010-2011*

This month we recorded $21,326 in OPS and $4,252 in POS. To date, we have spent 98.9% of our OPS and 97.8% of our POS allocations. We are currently expecting a small surplus in OPS and about $2 million surplus in POS, due to substantial cost savings, minimal caseload growth, and some relinquishment of excess funds.

*Fiscal Year 2009-2012*

This month we recorded ($7,672) in POS. To date, we have spent 98.9% of our OPS and 96.1% of our POS allocations. We are currently expecting a small surplus in OPS and about a $4.1 million surplus in POS.
Ms. Heller reported that she received positive feedback from board members regarding the new format of the financial statements.

Mr. Londer reviewed the cash flow projection for the month of June. Mr. Aulicino reviewed the regional CPP sheet and highlighted that we are the only center who is projecting a surplus at this time.

CALIFORNIA COMMUNITY FOUNDATION UPDATE

Mr. Londer reviewed the quarterly update from January to March 2012 and noted that the numbers are positive. After reviewing the statement of activity, the Committee agreed to re-visit the methodology for determining what constitutes the corpus and how the discretionary fund balance is determined in more detail at a future meeting.

OTHER: CITY NATIONAL BANK UPDATE

Per the request of the Committee at the last meeting, Mr. Aulicino reported that Ms. Judith Enright, legal counsel, reviewed the language of the line of credit. Afterward, it was sent to the Board where it was approved.

NEXT MEETING

The Committee will go dark in the month of July. The next meeting is scheduled on August 14, 2012.

ADJOURNMENT

The meeting was adjourned at 1:23 P.M.

/gs