

FRANK D. LANTERMAN REGIONAL CENTER

Administrative Affairs Committee

January 10, 2012

MINUTES

PRESENT

Marjorie Heller, Chair
Chris Kearley
Al Marsella
Dina Richman
Chris Scali
Ed Solis
Robert Wedemeyer

STAFF

Patrick Aulicino
Barry Londer

GUEST

Jack Gilbertson

NOT PRESENT

Larry DeBoer

CALL TO ORDER

The meeting was called to order by Ms. Heller at 12:05 PM.

APPROVAL OF MINUTES

The minutes of November 8, 2012 were reviewed and approved by consensus.

CHAIRPERSON'S REPORT

Ms. Heller reported that she had polled Board members and some had requested a more condensed version of the financial statements in order to understand them better. There was discussion on this topic with a number of members stating that regardless of any simplifications that might be considered, the Board members still needed to receive the complete financial statement package.

BUDGET UPDATE

Mr. Aulicino reviewed the *ARCA Analysis of the November Estimate for FY 2012-13 Regional Center Budget* sheet which was distributed to the Committee. He highlighted that there is a \$100 million “trigger” reduction to all developmental services for the current year that the Department should be able to handle within existing resources.

Mr. Aulicino reviewed the Sufficiency of Allocation Reports (SOARs) for Fiscal Year 2011-12. The initial projections show a combined POS deficit of about \$300 million; however, the numbers projected in the initial SOAR tend to decrease significantly throughout the year.

The Annual Family Program Fee is being implemented and it will be retroactive to last July. He added that this fee will affect a small amount of families based on the criteria for assessing the fee. Discussion followed.

INSURANCE UPDATE

Mr. Aulicino reviewed answers to questions that the Committee had last month regarding insurance coverage that had been included in the memo to the committee.

The professional and general liability policy was renewed in December and it had a total premium increase of approximately \$5,000 to \$40,000 in large part due to an increase in exposure with a new full time nurse consultant and increased physician hours.

2011-12 COMMUNITY PLACEMENT PLAN (CPP)

Mr. Aulicino reported that the Center typically receives the CPP allocation at the beginning of the year, but it was very late this year and when we received it the allocation differed substantially from what the center had requested. Subsequent discussions between the center and DDS staff brought a revision that will better meet our needs. We expect these changes to be shown in the next contract amendment. A complicating factor these days is that special funds called Money Follows the Person (MFP) can only be used for activities related to the closure of the Lanterman Developmental Center.

Discussion followed.

POS RECAP

Mr. Aulicino reviewed the 2011-12 POS recap sheet that was distributed to the Committee at the meeting. He reported that today our spending has been less than expected based on our earlier analysis and we currently project a deficit of between \$400,000 and \$1.2 million. He highlighted that in October and November the Center grew by a net of 75 people.

REVIEW OF FINANCIAL STATEMENTS

Mr. Londer reviewed the financial statements through November 30, 2011.

Fiscal Year 2011-12

In Operations (main contract), we have spent 40.0% of our C-2 budget allocation. In Purchase of Services (main contract), we have spent 38.7 % of our C -2 budget allocation, before we add in projected late bills. Including projected late bills, we have spent 41.2 % of our C -2 allocation.

Fiscal Year 2010-11

This month we recorded \$51,984 in Operations and \$45,759 in Purchase of Services (main contract). To date we have spent 98.3% of our Operations budget and 97.5% of our Purchase of Services budget (main contract). We are currently expecting a negligible surplus in Operations (main contract), and about a \$2 million surplus in Purchase of Services (main contract), due to substantial cost savings, minimal client caseload growth, and following the relinquishment of some excess funds.

Fiscal Year 2009-10

This month we recorded (\$5,488) in Purchase of Services. To date we have spent 98.9% of our Operations budget and 96.1% of our Purchase of Services budget (main contract). We are currently expecting a negligible surplus in Operations (main contract), and a surplus of about \$3.8 million in Purchase of Services.

NEXT MEETING

The next meeting is scheduled on February 14, 2012.

ADJOURNMENT

The meeting was adjourned at 1:20 P.M.

/gs