

Frank D. Lanterman Regional Center

Administrative Affairs Committee

March 14, 2023

MINUTES

PRESENT

Larry DeBoer, Chair
Allison Fuller
Mark Higgins
Al Marsella
Dr. Tony Stein

NOT PRESENT

Jack Gilbertson
Marjorie Heller
Lili Romero-Riddell

STAFF

Jennifer Ball
Kaye Quintero
Melinda Sullivan

CALL TO ORDER

The meeting was called to order at 12:03 P.M. via Zoom.

REVIEW OF MINUTES

The minutes of February 14, 2023 were reviewed and approved by consensus.

CHAIRPERSON'S REPORT

Mr. DeBoer had nothing to report.

REVIEW OF FINANCIAL STATEMENTS

CASH FLOW

Ms. Ball stated that we are projected to have \$47,168,925 available at the end of May 31, 2023.

Ms. Ball reviewed the financial statements through October 31, 2022

Fiscal Year to date 2022-2023 (D-1)

In Operations (main contract) we have spent \$16,988,796 (50.2% of budget). In Purchase of services (main contract) we have spent \$143,364,348 before we add late bills. Including projected late bills, we will have spent \$149,297,503 (42.9% of budget).

Fiscal Year 2021-2022 (C-4)

This month we recorded \$1,307,162 in OPS and \$178,731 in POS. To date we have spent 82.6% of our OPS and 89.3% of our POS allocations.

Fiscal Year 2020-21 (B-5)

This month we recorded \$0 in OPS and \$176,933 in POS. To date, we have spent 100% of our OPS and 99.2% of our POS allocations.

HYBRID INTEREST RATE OPTION ANALYSIS

Ms. Quintero reported that in January we discussed a proposal from City National Bank on a new account structure, referred to as a “hybrid solution” that included an increase in our Earning Credit Rate (ECR) as well as in our interest rate. Further analysis was done to understand the impact of this change and explore other investment options. A sheet with the proposed structure was shared with the committee. Ms. Quintero added that only one other Regional Center reported doing short term investing of available funds. The “hybrid solution” would not require additional administrative effort from the Center and would allow earnings that far exceed earnings under our current structure.

Mr. Higgins asked if there are any restrictions regarding where we can keep our cash pursuant to our state contract. Ms. Quintero stated that there are no restrictions in the contract.

Ms. Fuller expressed concerns regarding the banks and Mr. Marsella suggested opening a treasury direct account. She also expressed concerns regarding who benefits from interests earned and believes it should go straight to families. Discussion followed.

Mr. Higgins made a motion to accept the “hybrid solution” proposal and Dr. Stein seconded it. Four committee members approved and Ms. Fuller abstained.

Ms. Quintero reported that this will be revisited at the end of the fiscal year.

DDS AUDIT

Ms. Quintero reported that we received an engagement letter from DDS for the audit for FY 2020-21 and FY 2021-22. Their team of four persons will start on April 24th and field work lasts 4-6 weeks. We will keep you updated on their progress.

NEXT MEETING

The next meeting is scheduled on May 9, 2023.

ADJOURNMENT

The meeting was adjourned at 12:37 PM

/gs