

Frank D. Lanterman Regional Center

Administrative Affairs Committee

January 14, 2020

MINUTES

PRESENT

Mark Higgins, Chair
Jack Gilbertson
Marjorie Heller
Barry Londer
Al Marsella
Juan Maldonado
Greg Schaffer
Dr. Tony Stein

GUEST

Kristel Maikranz, Aiello, Goodrich & Teuscher (AGT)

NOT PRESENT

Sean Lee

STAFF

Barry Londer
Kaye Quintero
Melinda Sullivan

CALL TO ORDER

The meeting was called to order at 12:04P.M.

REVIEW OF MINUTES

The minutes of November 12, 2019 were reviewed and approved by consensus.

CHAIRPERSON'S REPORT

Mr. Higgins had nothing to report.

REPORT FROM THE CORPORATE AUDITOR

Ms. Kristel Maikranz from Aiello, Goodrich, and Teuscher (AGT) reviewed the independent audit and tax return for 2018-2019. She highlighted that there were a few language changes and more transparency in the financial statements. Ms. Maikranz also reported that Congress recently repealed the tax on parking and other transportation employee benefits for non-profit organizations and we will no longer have to file form 990T. In addition, any previous tax amounts paid can be recovered.

Dr. Stein made a motion to recommend to the Board that it accept the audited financial statements with the following corrections: in the Labor Concentration section of the Notes to the Financial Statements, the expiration date of the collective bargaining agreement should be corrected to June 5, 2022. In the Equipment Purchases section of the Notes to the Financial Statements, the reference to the cost of sensitive equipment being included in the cost basis should be removed. This was seconded by Ms. Heller and it was approved by consensus.

Mr. Marsella made a motion to recommend to the Board that it approve the tax return with corrections. This was seconded by Dr. Stein and approved by consensus.

The committee would like to commend staff for another great year.

POS PROJECTIONS FOR 2019-2020

Ms. Quintero reported that all regional centers were required to submit their initial POS projections for 2019-2020 in December. The committee reviewed the reports and discussion followed.

A-3 AMENDMENT FOR 2019-2020

Ms. Quintero reported that we received the A-3 allocation, which includes additional Operations and Purchase of Services funding. The Operations portion of the allocations includes funding for Family Home Agency oversight and for implementation of the Self Determination program. The allocation for Purchase of Services included Community Placement Plan (CPP) funds and funding for the provider supplemental rate increases approved in SB81.

REVIEW OF INSURANCE COVERAGES (FOLLOW UP)

Ms. Quintero reported back to the committee on some questions presented at the last meeting during the review of the center's insurance coverages, specifically related to workers' compensation and property insurance.

The center's workers' compensation experience modification rate is in the middle when comparing 18 of the 21 centers. The center's property insurance policy includes coverage for

relocation expenses and also covers the value of all tenant improvements. All of the center's policies meet the requirements in our building lease. Aggregate data comparing regional centers' insurance costs was not available, but the release of the recently conducted ARCA operations survey may contain this and will be shared with the committee when it becomes available.

REVIEW OF FINANCIAL STATEMENTS

Mr. Londer reported that we should have close to \$18 million at the end of March. He also reviewed the financial statements through November 30, 2019.

Fiscal Year to Date 2019-2020 (A-2)

In Operations (main contract) we have spent \$9,560,921. In Purchase of Services (main contract), we have spent \$78,141,772 before we add late bills. Including projected late bills, we will have spent \$80,834,796.

Fiscal Year 2018-2019 (E-4)

This month we recorded \$179,792 in OPS and \$319,191 in POS. To date, we have spent 99.1% of our OPS and 98.2% of our POS allocation. We are currently projecting a small surplus in both OPS and POS.

Fiscal Year 2017-2018

This month we recorded \$600 in OPS and \$15,651 in POS. To date, we have spent 99.9% of our OPS and 99.4% of our POS allocations. We have a very small surplus in OPS, as well as a small surplus in POS.

NEXT MEETING

The next meeting is scheduled on February 11, 2020.

ADJOURNMENT

The meeting was adjourned at 1:12 P.M.

/gs