

Frank D. Lanterman Regional Center

Administrative Affairs Committee

May 12, 2016

MINUTES

PRESENT

Dina Richman, Chair

Jack Gilbertson

Al Marsella

Jim Simonds

Greg Schafer

Anila Guruji

GUEST

Susan Welch, City National Bank

STAFF

Patrick Aulicino

Barry Londer

NOT PRESENT

Tony Stein

Marjorie Heller

CALL TO ORDER

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

REVIEW OF MINUTES

The minutes of April 12, 2016 were reviewed and approved by consensus.

CHAIRPERSON'S REPORT

Ms. Richman thanked the committee for rescheduling the meeting date this month.

CITY NATIONAL BANK REPORT

Ms. Susan Welch, Senior Vice President at City National Bank attended and reviewed the bank's annual report and ratings. She reminded everyone about the merger with Royal Bank of Canada and added that City National Bank's name will not change.

The bank intends to give the center an extension on the existing line of credit which includes a bridge loan in the event that the state budget is not signed timely and a revolving line in the event that there are difficulties with reimbursements throughout the year. There is no change in the terms and conditions.

Mr. Aulicino reminded the committee that in recent years we have been fortunate enough to have the budget signed on time and also stated that the center's appreciates its relationship with the bank.

Ms. Guruji made a motion to accept the extension of the line of credit and recommend to the board for final approval. Mr. Simonds seconded the motion and it was approved by consensus.

EMPLOYEE HEALTH CARE PROPOSAL

Mr. Aulicino reported that the current practice is for employees to pay a portion of their health care premiums. At the end of each year, we have determined that we have enough money to reimburse employees for what they paid in 2015-16. It would cost about \$400,000 and it is well within the amount available.

Mr. Aulicino reminded the committee that pursuant ABX 2-1 regional centers have been allocated funds specifically to increase salaries and benefits for existing staff. Lanterman will receive \$1.4 million next year. Therefore, we would like to cover the entire employee portion of health care costs from July 1, 2016 forward.

Mr. Marsella made a motion to recommend to the board to reimburse employees for funds paid towards their personal health care premium for 2015-16. Mr. Schaffer seconded the motion and it was approved by consensus.

Mr. Marsella made a motion to recommend to the board that the Center pay for the entire cost of health care for the employee only effective July 1, 2016. Mr. Schaffer seconded the motion it was approved by consensus.

CA COMMUNITY FOUNDATION

Mr. Londer reviewed the California Community foundation statement of activity.

CASH FLOW

Mr. Londer reported that the state has been working with the Center. He reviewed the cash flow analysis summary and stated that we expect to have enough cash to meet our needs through the end of July.

REVIEW OF FINANCIAL STATEMENTS

Mr. Londer reviewed the financial statement summary activity through March 31, 2016.

Fiscal Year 2015-2016 (B-2)

In Operations (main contract) we have spent \$12,657,790. In Purchase of Service (main contract), we have spent \$95,562,648 before we add late bills. Including late projected bills, we will have spent \$97,687,686.

Fiscal Year 2014-2015 (A-4)

This month we recorded \$2,538 in OPS and \$52,927 in POS. To date, we have spent 99.8% of our OPS and about \$100.9% of our POS allocations. We are currently projecting a very small surplus in OPS, and a deficit in POS, which we expect to be funded by DDS.

Fiscal Year 2013-2014

This month we recorded (418,383) in POS. To date, we have spent 99.9% of our OPS and 99.9% of our POS allocations. We are currently expecting a very small surplus in both OPS and POS.

CPP PROJECTIONS

Mr. Aulicino reported that many centers are projecting surpluses. He added that we have not changed our funding policies.

NEXT MEETING

The next meeting is scheduled on June 14, 2016.

ADJOURNMENT

The meeting was adjourned at 1:01 P.M.

/gs