



## PUBLIC COMMENT

Cleo Manspeaker shared that she had recently participated in the Special Olympics and had been awarded one gold and one bronze medal.

## COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Dick Long

Mr. Long asked RCEB Human Services Director, Kristin Thurmond, to review the proposed pension plan changes with Board members. Ms. Thurmond explained that legislation enacted by the Economic Growth and Tax Relief Reconciliation Act of 2001 regarding mandatory cash-out provisions for pension plans took effect on March 28, 2005. Under Internal Revenue Code, forced distributions of amounts between \$1000 and \$5000 must be automatically rolled over to an individual retirement account unless the terminated participant elects otherwise. This change will apply only to persons no longer employed by RCEB. RCEB will incur no expense to roll these monies into IRAs and the participant will need to maintain the account and pay any administrative fees affiliated with the IRA. Ms. Thurmond also reported that we have been working with our Union representatives to provide a better plan for those employees that did not choose to transfer to the PERS retirement plan. We have met and discussed this change with the twelve employees who would be affected by this change and they are supportive of the proposed change. Ms. Thurmond asked the Board to consider termination of the current Union Bank pension plan and the transfer of these twelve employees to the CalPERS 457 plan.

M/S/C            “The Board moves to approve the Certificate of Corporate Resolution to adopt the Mandatory Distribution Amendment to the Regional Center of the East Bay pension plan in accordance with Internal Revenue Code section 401(a)(31)(B).” (Struthers/Battles) Unanimous.

M/S/C            “The Board moves to approve effective August 1, 2005, the termination of the Regional Center of the East Bay Pension Plan and to begin making contributions to the CalPERS 457 Deferred Compensation Program for active employees who previously participated in the pension plan.” (Struthers/Lee) Unanimous.

BUDGET AND FINANCE COMMITTEE: Chi Lee for Steve Whitgob

Dr. Lee distributed and reviewed the Financial Status Report for April 2005. There is no significant change in the information presented last month. We continue to project a balanced budget in Operations at year-end. The Purchase of Service Budget is showing a projected mid-range surplus of \$2.7 million. The

POS budget continues to show the impact of rate freezes and the freeze on start-up funding.

Dr. Lee reminded members that they had been asked to review the Pension Plan Audit Report for the years ending 6/30/03 and 6/30/04.

M/S/C            “The Board moves to approve the Pension Plan Audit Report for the years ending 6/30/03 and 6/30/04.” (Battles/Coleman)  
Unanimous.

MEMBERSHIP DEVELOPMENT COMMITTEE: Mike Treppa

Mr. Treppa reported that his committee has been continuing their efforts to recruit new members. He again asked that members refer names of qualified candidates.

PROVIDER/VENDOR ADVISORY COMMITTEE: Sister Marygrace

Sister Marygrace reported that a portion of the last PVAC meeting had been devoted to a review of the years of service and scope of services provided by members. She noted that we are indeed fortunate to have the depth and breadth of services that are available in this community. Members also reviewed the status of relevant legislation. All were pleased to hear that Senator Perata is developing a blue ribbon panel on autism. This group continues to recruit for representation from infant and children’s service providers.

CONSUMER ADVISORY COMMITTEE: Rose Coleman

Ms. Coleman reported that the list of participants for the People First Convention has been finalized. Three members of the CAC have volunteered to report on the convention at the next CAC meeting. Plans are being completed for the annual team-building exercise at the A’s game on August 15<sup>th</sup>.

EXECUTIVE DIRECTOR’S REPORT: Nancy Kubota for Jim Burton

Ms. Kubota distributed a summary of the Governor’s May Revision Budget for Fiscal Year 2005-2006 and noted that the regional center system received a \$30.1 million decrease compared to the January budget. Of this amount Operations was increased by \$17.7 million and POS was decreased by \$47.8 million. Members were asked to review the summary and contact Ms. Kubota with any questions.

After consultation with the California Housing and Finance Agency (CAL-HFA) and the Department of Housing and Community Development, DDS approved the Bay Area Housing Plan on May 11, 2005. The expenditure plan for the BAHF will be submitted to the Joint Legislative Budget Committee.

The Assembly Budget Subcommittee rejected the Trailer Bill language to continue the rate freezes for day programs, respite agencies and habilitation programs. The Senate Budget Subcommittee approved the continuation of the Trailer Bill language and this item will go to conference committee.

Both the Assembly and Senate Budget Committees had rejected the Governor's January proposal to reduce state participation in the IHSS provider wages and benefits to the state minimum wage. This reduction proposal was put back into the May Revision but since the budget cannot pass without the support of both the Assembly and Senate Subcommittees, it is unlikely that it will remain on the final budget. We will need to pay close attention to this item.

The Senate Budget Subcommittee rejected the Governor's proposal to permanently suspend the January 2006 state and federal cost of living adjustment for grants to the State's lowest income seniors and lowest income people with disabilities (SSI/SSP). Earlier in the month, the Assembly Budget Subcommittee #1 voted to reject only the Governor's proposal to withhold the federal cost of living adjustment to the SSI portion of the grant but took no action on the suspension of the state portion of the grant (SSP). Because the houses differed in action, the issue of the SSP cost of living adjustment will go to the conference committee.

The proposal for the adult dental cap in the Department of Health Services budget will also affect services to persons with developmental disabilities. The proposal had placed a cap at \$1000 with a retroactive date of 1/1/05 but the Senate Subcommittee rejected the administration's proposal and placed the cap at \$1800 with no retroactive date. The increase in cap will generate less of an impact to our consumers.

The Assembly Subcommittee also approved adding new law to the W&I code that would exclude regional center services from the Long Term Care Integration Projects. The Senate also proposed language that would exclude regional centers as part of the Long Term Care Integration Projects. This language would apply only to the three pilot counties and Contra Costa County is one of the three pilot counties for this project.

Ms. Kubota reported that it is possible that the budget will be delayed again this year and we will need to establish a line of credit if passage of the budget is delayed for a significant amount of time. Members were reminded that the line of credit would be used only on an as needed basis and the costs of the loan are not reimbursed by the state.

Francine Davis reported that we are addressing somewhat of a stall with the Miller Center transition. CCARC has done extensive work to complete the lease agreement but the county legal department is moving very slowly through their

review. CCARC continues to meet with county representatives to finalize the lease agreement. Ms. Davis noted that Barbara Maizie and the CCARC staff have done an excellent job with recruitment and they are to be commended for their efforts.

PUBLIC COMMENT

There was no public comment at this time.

ARCA REPORT: Anne Struthers.

Ms. Struthers reported that the ARCA staff has been extremely active throughout the budget process and we are appreciative of their timely and accurate updates. The next ARCA meeting is scheduled for June 17<sup>th</sup> in Sacramento.

ADJOURNMENT

The meeting was adjourned at 8:20 PM.

Respectfully submitted,

Rose Coleman  
Secretary  
RCEB Board of Directors