

Board of Directors' Meeting

May 24, 2010

Presiding: Ralph Griffin

Board Members

Present:	Patricia Albeño	Nyron Battles
	Ronald Clay	Mike Kuller
	Donald Morris	Sister Marygrace
	Carmen Quinones	Anne Struthers

Board Members

Excused:	Shana Cohen	Kathy Hebert
	Chi Lee	Hilda Mariscal
	Claudia Sladen	Steve Whitgob

Staff Present:

Bill Barbaria	Mara Bearse
Carol Bohnsack	Jim Burton
Francine Davis	Susan Driggs
Terri Jones	Lisa Kleinbub
Nancy Kubota	Ella Liggins
Pam Thomas	

Guests Present:

Denise Bradley	Richard Dennin
Gina Jennings	Barbara Maizie
Cleo Manspeaker	Nicole Mixon
Will Sanford	Rocio Smith
Sandi Soliday	Emlyn Struthers
Todd Struthers	Deborah Wilhelmus
Maureen Wright	

CALL TO ORDER

President, Ralph Griffin, called to order the regularly scheduled business meeting of the Regional Center of the East Bay at 7:00 PM. Self introductions were made.

PUBLIC HEARING

Mr. Burton reviewed the history of the respite reductions resulting from the implementation of last summer's trailer bill language. He also provided an overview of the Proposal for Alternate Services Delivery for Out-of-Home Respite Services. Following Board discussion and receipt of community input and support, the Board approved the proposal.

M/S/C "The Board moves to approve the recommendations of staff and move the Proposal for Alternate Services Delivery for Out-of-Home respite forward to the Department of Developmental Services for consideration." (Struthers/Battles) Yes – 7: Abstain – 1.

CONSENT AGENDA

M/S/C "The Board moves to approve the agenda for May 24, 2010 and the minutes of April 26, 2010 as presented." (Struthers/Kuller) Unanimous.

PUBLIC COMMENT

Cleo Manspeaker announced that she has now been part of the regional center system for 28 years.

Rocio Smith reminded everyone that Area Board 5 will be hosting a Celebration of Self Advocacy on June 2nd from 6:00 until 8:00 pm.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Ralph Griffin

Mr. Griffin reported that members had met and reviewed the meeting schedule for the summer. The Executive Committee recommends that the Board not meet in July and schedule a meeting for the fourth week in August. Mr. Griffin noted that we do not expect to have sufficient data available in July to make good budget decisions for the new fiscal year. We can expect to have a better picture of the state and regional center budget situation in August.

M/S/C "The Board moves to cancel the Board meeting scheduled for July 26, 2010 and schedule a meeting for August 23, 2010." (Battles/Kuller) Unanimous.

BUDGET AND FINANCE COMMITTEE: Mike Kuller

Mr. Kuller distributed and reviewed the Financial Status Report of April 2010. Mr. Kuller reported RCEB received their A-4 Contract Amendment last week and this

included Unified Plan Continuation funding of approximately \$12.3 million, Community Placement Plan funding of \$1.2 million and an additional base deficiency allocation of approximately \$5.9 million. With the A-4 allocation and the continuing decline in expenditures our overall Purchase of Service (POS) budget has improved and we are currently projecting a \$3.8 to \$5.3 million insufficiency. RCEB continues to project a balanced Operations budget but staff will continue to monitor the budget closely and keep the Board apprised of any changes in projections for the year.

Mr. Kuller reported that the Department of Developmental Services (DDS) has recently been unable to release full warrants to regional centers despite timely claims. Regional centers received only 60% payment of their full monthly claims and we have been advised the next warrant will be less than 50% of the claim. These partial payments are a result of the \$138 million in transportation funds that were to be available for regional center funded consumer transportation costs. The courts ruling that these funds cannot be used for this purpose has left \$138 million hole in the regional centers' budget. While the Administration and Legislature have agreed to backfill this hole with State General Funds formal approval is not expected until June. Mr. Kuller noted that these partial payments are in addition to earlier delays in regional center warrants and contract amendments. As a result of these delays, it is likely RCEB will have to access its line of credit by mid-June. Members were reminded that accessing the line of credit will result in unfunded interest costs so staff will access the line of credit only when needed. Board members will be kept advised of the agency's cash flow status.

Mr. Kuller stated that the Budget and Finance Committee would like to re-affirm and update the motion made last year to establish the line of credit for RCEB.

M/S/C "The Board authorizes the Executive Committee to secure a line of credit for RCEB for the fiscal year beginning July 1, 2010, under the same terms and conditions as last year." (Kuller/Struthers)
Unanimous.

Mr. Burton noted that it has been very difficult for RCEB to cover costs without full funding, but our success has come as a result of good cash management by Ms. Kubota and her staff. Prior notice of reduced payments was not given by DDS so we had to quickly work with Union Bank of California to ensure that our line of credit was extended through June 30, 2010. Mr. Burton reminded members that we typically project a balanced budget by this time of year and this year we are still projecting a small budget deficit in POS. Mr. Burton assured the Board that RCEB has dutifully reported our budget situation to the state. Our budget projections have been consistent and accurate throughout the year. Mr. Burton reported that DDS Director, Terri Delgado, has stated that she believes there is sufficient money within the regional center system to balance the budget.

Mr. Kuller reported that DDS auditors have completed their review of fiscal years 2007/2008 and 2008/2009. The formal exit conference established no major findings and we expect the audit report to be very positive.

MEMBERSHIP DEVELOPMENT COMMITTEE

No report.

SUPPORTS AND SERVICES COMMITTEE

No report.

PROVIDER/VENDOR ADVISORY COMMITTEE: Sister Marygrace

Sister Marygrace reported the major focus of her group's last meeting was the budget update. Members expressed great concern about the possibility of the proposed 1.25% additional cut. There is growing alarm in the service provider community as costs continue to rise and rates are decreased. Sister Marygrace also shared that many members voiced concerns about the proposed cuts to In Home Support Services (IHSS). Members emphasized that changes in services will need careful coordination so people are not left without necessary care.

CONSUMER ADVISORY COMMITTEE: Carmen Quinones

Ms. Quinones reported that Nyron Battles presided over the CAC meeting and members were able to tour RCEB's new facility at the start of their meeting. Mr. Burton provided a budget update and noted that the state is still running a \$20 billion deficit. CAC members were reminded that Disability Capitol Action Day was scheduled for May 26 and several people indicated they would be participating. Ms. Quinones shared that John Rodriguez received a Lifetime Achievement Award at the DD Councils' annual awards dinner. The Oakland A's have again graciously donated tickets to allow CAC members to hold their annual team building event at the Oakland A's game on June 7th.

EXECUTIVE DIRECTOR'S REPORT: Jim Burton

Mr. Burton reported that the May Revision to the Governor's Budget was released on May 14th and the state is facing a \$19.1 billion deficit. To address the deficit, the Governor has proposed \$12.3 billion in cuts, \$3.4 billion in additional federal funding and \$3.4 billion in fund shifts. No new taxes were proposed. Massive cuts to human services have been proposed that include the elimination of CalWorks and day care provided through CalWorks, \$750 million in cuts to IHSS, and more cuts to Medi-Cal services. The Administration is also proposing to move seniors and persons with disabilities into managed care plans as a means to reign in costs and increase federal funding. A massive cut was proposed for Mental Health to divert \$602 million to other county funded social services. Mr. Burton reminded the group these changes are the Administration's proposals and none of these are in law at this point. All of these proposals are being reviewed and hearings are being held every day in Sacramento. The

Legislature will work through the budget process focusing on the \$19 billion deficit that must be addressed.

Mr. Burton reported that for DDS Community Services the proposal is to continue all of the cuts that were put into place last fiscal year and add an additional 1.25% cut to service providers and regional centers. Cuts will total \$48 million in services in order to save the required \$25 million in state general funds. Additional cuts included in the budget are based on reduced projected caseload figures for all regional centers in the coming year of 6271 consumers. This significant cut amounts to \$29 million in POS funding and \$13 million in regional center funding. Mr. Burton noted that tightened eligibility standards are primarily responsible for this reduction.

Mr. Burton informed the group that hearings are occurring in Sacramento but have been a little scattered, rushed and move rapidly from one issue to another with no significant action being taken at this time. One of the issues that has come up is exemptions and how those are communicated to families. There have been a number of concerns raised about process and consistency in process from regional center to regional center. It appears an agreement has been reached by stakeholders on the concept of new trailer bill language about how families are notified about exemptions that are possible within the law.

Mr. Burton shared that much discussion has occurred around the 1.25% reduction to service providers and regional centers and possible alternative solutions. Board members were cautioned that 1.25% will have a serious impact on our service providers and our regional center operations. There are a number of service providers who are right on the edge and some of them will not make it and those services will be lost to our consumers and families. Mr. Burton explained that 1.25% may not sound like much but folks have been barely able to hold things together through all the previous cuts so this proposed cut will be significant and is very serious. Members were encouraged to watch carefully what occurs in the budget process.

Cleo Manspeaker shared that she is frightened of losing her apartment with all the cuts to the services that support her in the community. Mr. Burton acknowledged that these are very bad times but it is important to remember that this is a very supportive community that has a strong history of standing together in difficult times. Ms. Manspeaker was reminded that the regional center is here to see that consumers receive necessary supports.

PUBLIC COMMENT

There was no public comment at this time.

ARCA REPORT: Ralph Griffin

Mr. Griffin noted that the next ARCA meeting would be in June and there was no further report this evening.

ADJOURNMENT

The meeting was adjourned at 8:20 pm.

Respectfully submitted,

Nyron Battles
Secretary
RCEB Board of Directors