

Board of Directors' Meeting
January 23, 2012

Presiding: Anne Struthers

Board Members
Present:

Patricia Albeño
Ronald Clay
Kathy Hebert
Donald Morris
Steve Whitgob

Nyron Battles
Rose Coleman
Mike Kuller
Sister Marygrace

Board Members
Excused:

Hilda Mariscal

Staff Present:

Bill Barbaria
Francine Davis
Terri Jones
Lisa Kleinbub
Ronke Sodipo

Jim Burton
Susan Driggs
Rhonda Kimble-Kelly
Nancy Kubota
Pam Thomas

Guests Present:

Sharon Hagerty
Gina Jennings
Gwen Nash-Butler
Sandi Soliday

Terri Ingram
Cleo Manspeaker
Rocio Smith
Mike Treppa

CALL TO ORDER

Vice President, Anne Struthers, called to order the regularly scheduled business meeting of the Regional Center of the East Bay at 7:00 pm. Self introductions were made.

CONSENT AGENDA

Ms. Struthers corrected the minutes to indicate Dr. Whitgob was excused from the November meeting.

M/S/C "The Board moves to approve the agenda for January 23, 2012 as presented and the minutes of November 28, 2011 as corrected."
(Kuller/Hebert) Unanimous.

PUBLIC COMMENT

Donald Morris shared that he will be showing his DVD at the Alameda County Transition Fair on March 10th at the College of Alameda.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Anne Struthers

Ms. Struthers referred members to their packets for review and approval of the Master Calendar and Board Work Plan for 2012. The Executive Committee recommends adoption of both documents. The Board unanimously agreed to adopt the 2012 Master Calendar and the 2012 Work Plan as a guide for their activities for the year.

Ms. Struthers reminded members of their responsibility to review and approve contracts for the agency. There will be three contracts for review at the February meeting of the Board and these will be forwarded to members prior to the meeting.

BUDGET AND FINANCE COMMITTEE: Mike Kuller

Mr. Kuller distributed and reviewed the Financial Status Report for December, 2011. The Purchase of Service (POS) budget is showing a mid-range insufficiency of approximately \$27 million. We are still unclear as to when we will receive additional funds or what amount we will receive to address this insufficiency. Mr. Kuller shared that 20 of the 21 regional centers are projecting insufficiencies in their POS budgets. The Department of Developmental Services (DDS) has indicated they have approximately \$170 million in remaining POS funds to be allocated at a later date. They have also indicated they believe they have sufficient POS funds to balance the overall regional center insufficiencies. Mr. Kuller noted RCEB's POS expenditures continue to reflect some impact of the trailer bill language implemented in prior years, but trailer bill language enacted in February 2011 and our current fiscal year appear to have little impact in reducing POS expenditures. However, regulation changes to vouchered services could have a significant impact to our POS expenditures. Staff will continue to carefully monitor POS expenditures. Mr. Kuller reported that RCEB continues to implement operational efficiencies and a staff hiring freeze, but in spite of our best efforts RCEB is still struggling to balance our Operations budget. There are funds identified in the current year governor's budget allocated for caseload growth and we expect that RCEB should receive some of these funds as our caseload has increased by 563 consumers since January 2011. We believe the combination of these efforts and additional operational efficiencies will allow RCEB to balance our Operations budget. Mr. Kuller also reported that the agency's cash flow status is stable and we do not require an active line of credit at this time.

Mr. Kuller reminded members that representatives from our audit firm, Lautze and Lautze, had presented their draft audit report for Fiscal Year 2010-2011 at the November meeting of the Board of Directors. Mr. Kuller requested acceptance and approval of the draft report.

M/S/C “The Board moves to approve the audit report for Fiscal Year 2010-2011 as presented.” (Morris/Hebert) Unanimous.

MEMBERSHIP DEVELOPMENT COMMITTEE: Anne Struthers

Ms. Struthers shared that following seven years of dedicated service this would be last meeting for veteran member, Nyron Battles. Ms. Struthers, on behalf of the Board presented Mr. Battles with a clock in appreciation of his outstanding service to the Board and his remarkable advocacy efforts on behalf of the consumers and families served by Regional Center of the East Bay.

Mr. Kuller reminded members that it will be necessary for the Board to elect a new President. Mr. Kuller nominated Anne Struthers to serve as President for the remainder of the 2012 calendar year. Mr. Morris seconded the motion. Following a ballot election, Ms. Struthers was unanimously chosen to fill the position of President and complete the term left vacant by Mr. Griffin's death.

Ms. Struthers reminded members that Chi Lee and Gwen Nash-Butler were nominated for Board membership at the last meeting. She also reported that former Board member, Mike Treppa, has been recruited to return to the Board. Following a ballot election, Ms. Struthers reported that Ms. Nash-Butler, Dr. Lee and Mr. Treppa had each been unanimously elected to a three year term of service.

PROVIDER/VENDOR ADVISORY COMMITTEE: Sister Marygrace

Sister Marygrace reported her group met on January 13th with members very anxious and attentive to the information Jim shared on the challenges that lie ahead. PVAC members were reminded of the importance of electronic billing. On line training is available for those service providers who have not moved to electronic billing and this training can be accessed through RCEB's website. Providers were also reminded to submit their completed financial audits to Nancy Kubota. Sister Marygrace shared that PVAC members have been reminded and encouraged to continue visiting local legislators to make sure they know who we are and what we do. It is important to provide ongoing education to legislators and their staff with clear examples to demonstrate the value of our services and reminders of how seriously consumers and families have been impacted by budget cuts. Sister Marygrace announced that one of PVAC's long time leaders would be retiring. Nan Butterworth, Executive Director of Clausen House, will be retiring after more than 20 years of service to Clausen House and efforts are underway for a celebration of all the good work that she has done.

CONSUMER ADVISORY COMMITTEE: Nyron Battles

Mr. Battles reported his group reviewed projects and topics of interest for the year and agreed they would like guest speakers and presentations on earthquake preparedness, disability rights, burial trusts and community resources. These presentations were chosen because of their interest to many consumers and CAC members hope to expand their participation this year by encouraging people to

attend these presentations. Lisa Kleinbub will join the group for their February meeting to provide members with an update on changes to the Denti-Cal system.

EXECUTIVE DIRECTOR'S REPORT: Jim Burton

Mr. Burton welcomed the new Board members and thanked everyone for their willingness to be volunteer leaders. Nothing was more clear than Ralph Griffin's devotion to public service and he set a wonderful example for all of us by the way he lived his life. Mr. Burton shared that RCEB has suffered another loss. Katherine Gail, a case manager in Alameda County, passed away unexpectedly on January 10th.

Mr. Burton reported there was a fair amount of state budget activity in December. The Director of the Department of Finance announced that California's revenues fell short of what was expected and ordered that the first tier of trigger cuts be enacted. This means the developmental disabilities services system is faced with a \$100 million cut in State General Funding for the current fiscal year and a \$200 million cut for next fiscal year. Shortly after this announcement, the Governor issued his budget proposal for next fiscal year. There are not any additional significant cuts for the developmental disabilities community service system beyond the trigger cuts included in the Governor's budget. The budget was updated to reflect a growing caseload but the budget did reflect the \$100 million cut in the current fiscal year and the \$200 million cut next fiscal year. The triggers that have been included in this budget proposal do not impact Health and Human Services and the Department of Developmental Services. The budget was also updated to reflect the restoration of the 4.25% rate cut to service providers and regional center operations effective July 1, 2012. The Director of the Department of Developmental Services believes there are sufficient savings in our system that there should be no additional service cuts in the current fiscal year. However, there are no ready solutions to address the \$200 million cut in next fiscal year. A stakeholder process is being put together to determine how to generate \$200 million in savings. There will be a total of six meetings throughout the state with a meeting in Oakland on February 24th. Finding a way to generate savings on top of all the cuts we have already taken will be a huge challenge. We expect budget hearings to begin in March. Early indications from the Legislature are that they are not ready to move forward on the Governor's budget. There are signs of economic improvement in California so it is expected they will wait for the May revision of the budget before taking action. It will be very important to have persons with developmental disabilities and their families participating in hearings when they occur.

Mr. Burton reminded members that Medicaid Waiver generates significant federal funding in our system. Recently, as a result of the trailer bill language implementation and the implementation of emergency regulations, the numbers of people eligible for the Waiver at many regional centers have declined. We recognize the importance of bringing in federal revenues and recognize that the loss of federal funding has serious implications for the entire service system. RCEB has taken steps to increase efforts to certify people for the Waiver and expect to add 350 new people to the Waiver by the beginning of March.

Mr. Burton shared that the massive number of requirements that came through two sets of trailer bill language last year have required a huge effort of this community, our families and consumers, our service providers and our staff. Mr. Burton thanked everyone who has participated in this process and reported that we are well on our way to completing implementation. We are working to diligently implement the law and then see what we have as a net impact. So far we are seeing very little savings as a result of the changes. While a massive amount of work was required to implement the changes, it does not seem we are doing much of value for consumers and families.

Mr. Burton informed the Board that we moved respite services for 3700 families from voucher service to an employer of record as a result of emergency regulations. We have also made changes and transferred transportation and nursing services. We are struggling and seeking help from DDS to implement the change to vouchered day care services. The current rate paid for day care will not allow us to transfer families to financial management services and reimburse at a rate that will cover minimum wage and taxes.

The annual legislative Town Hall Meeting will be in the State building this Friday and everyone present was encouraged to attend. This year's presentation will emphasize how the cumulative effect of budget cuts has impacted consumers and families.

Mr. Burton reported that Bob Baldo retired on January 7, 2012 and Eileen Richey has been selected as the new Director at ARCA. Eileen is very knowledgeable and skilled and brings a wealth of experience to the position. Mr. Burton also shared that ARCA had an unexpected loss with Anh Nguyen's departure from the organization. Anh was wonderful to work with and will be missed.

Mr. Burton stated that AB 254 (Beall), designed to make employment of people with developmental disabilities a priority, was presented in committee and did not make it out of committee. The concept of the bill will be discussed at the Contra Costa Developmental Disabilities Council meeting on Monday.

Mr. Burton acknowledged there is much concern in this community about IHSS and the potential for the trigger cuts to reduce services across the board by 20%. People with developmental disabilities who are on the Medicaid Waiver and people receiving the maximum number of hours would be exempt from the cut. Mr. Burton noted that a preliminary injunction has been issued that will stop this action from going forward at this time. It will be important to watch the status of these services because of the significant impact on consumers.

PUBLIC COMMENT

Cleo Manspeaker shared a letter she has written to Governor Brown and Mr. Burton thanked her for sharing her passionate opinions with the group. Ms. Manspeaker also shared that she will be working next week with mental health workers in Solano County to help them understand people with dual diagnoses.

ARCA REPORT: Anne Struthers

Ms. Struthers reported that ARCA had met last Friday with their new Director, Eileen Richey, in attendance. ARCA is fortunate to have secured such a dynamic leader for the organization. Ms. Struthers shared that this is a time of change for ARCA but all members share a concern for the future of the Lanterman Act. Grassroots Day will be held on April 18th this year. All regional centers were urged to meet with legislators in their local offices if they were unable to participate in Grassroots Day in Sacramento.

ADJOURNMENT

The meeting was adjourned in honor of Ralph Griffin and Katherine Gail with a moment of quiet contemplation at 8:30 pm.

Respectfully submitted,

Kathy Hebert
Secretary
RCEB Board of Directors