

Board of Directors' Meeting

January 26, 2009

Presiding: Ralph Griffin

Board Members

Present:	Patricia Albeño	Nyron Battles
	Ronald Clay	Mike Kuller
	Hilda Mariscal	Lauri Parks
	Carmen Quinones	Will Sanford
	Claudia Sladen	

Board Members

Excused:	Shana Cohen	Chi Lee
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Staff Present:

Bill Barbaria	Mara Bearse
Carol Bohnsack	Jim Burton
Francine Davis	Susan Driggs
Terri Jones	Rhonda Kimble-Kelly
Lisa Kleinbub	Nancy Kubota
Pam Thomas	Eric Stern

Guests Present:

Kathy Hebert	Gina Jennings
Cleo Manspeaker	Donald Morris
Rocio Smith	Sandi Soliday

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.

CONSENT AGENDA

M/S/C "The Board moves to approve the agenda for the January 26, 2009 meeting and the minutes of the November 24, 2008 meeting as presented." (Kuller/Sladen) Unanimous.

PUBLIC COMMENT

Cleo Manspeaker informed the group that she would be starting a new job next week and was very excited about this new opportunity. Ms. Manspeaker reported that she has been working with her supported living agency to prepare a video on her experiences in supported living. She has also been assisting with training her supported living staff on working with people with mental health needs.

Eric Stern, RCEB's Chapter President for SEIU Local 1021 and case manager, reported that his organization believes the developmental disabilities system is under attack and the Lanterman Act is in danger of being dismantled. Mr. Stern informed the group that SEIU sponsored a rally in Sacramento last week and while organized labor is actively trying to preserve services, they cannot do it alone. Mr. Stern stated that the Union would like to collaborate with consumers, families and the regional center and offered to the Board an invitation for a partnership.

Mr. Griffin thanked Mr. Stern for taking the time to address the Board and asked him to contact Mr. Burton to continue the discussion of his concerns.

COMMITTEE REPORTS

EXECUTIVE COMMITTEE: Ralph Griffin

Mr. Griffin referred members to their packets for review and approval of the Master Calendar and Board Work Plan for 2009.

M/S/C "The Board moves to ratify the 2009 Master Calendar and the 2009 Work Plan as a guide for their activities for the year."
(Kuller/Parks) Unanimous.

BUDGET AND FINANCE COMMITTEE: Mike Kuller

Mr. Kuller distributed and reviewed the Financial Status Report for December 2008. Mr. Kuller reported that the E-2 contract amendment was expected by January 15th but has been delayed. The Department of Developmental Services (DDS) has advised regional centers that there may not be adequate statewide funding to cover all base deficits. All 21 regional centers are currently projecting budget insufficiencies. If RCEB receives full funding for our base deficit allocation, we project the remaining insufficiency to be between \$1.6 and \$4.8 million. Mr. Kuller reported that the state budget deficit has created cash flow problems for the state that will impact our system. Careful monitoring of the RCEB cash flow should allow our agency to have sufficient funds to operate through mid-April. We are projecting a slight insufficiency in our Operations budget which we will address

immediately to ensure this budget is balanced. Mr. Kuller noted it is unlikely we will receive all necessary caseload growth funding this fiscal year but every effort will be made to preserve services and jobs.

Mr. Kuller reminded members that representatives from Lautze and Lautze, our independent audit firm, presented their report for Fiscal Year 2007-2008 at the last board meeting. This report is unqualified and contains no management comments. Members were asked to consider approval of the Fiscal Year 2007-2008 Independent Audit Report.

M/S/C “The Board moves to approve the Fiscal Year 2007-2008 Independent Audit Report as presented.” (Kuller/Parks)
Unanimous.

MEMBERSHIP DEVELOPMENT COMMITTEE: Ralph Griffin

Mr. Griffin was pleased to report that his committee has interviewed two candidates for board membership, Kathy Hebert and Donald Morris. Mr. Griffin reported that his committee has recommended both candidates for membership and the election will take place at the February meeting of the Board.

SUPPORTS AND SERVICES COMMITTEE: Claudia Sladen

Ms. Sladen reported that her group had not met over the holidays but will be setting up a meeting schedule for the coming year.

PROVIDER/VENDOR ADVISORY COMMITTEE: Will Sanford

Mr. Sanford announced that he has been elected to represent the Provider/Vendor Advisory Committee on the RCEB Board for another year. He cautioned the group that the depth of the proposed cuts to the developmental disabilities service system have the potential to make the system incapable of survival. Mr. Sanford urged everyone to pay attention and stay informed as we deal with the incredible challenges to come.

CONSUMER ADVISORY COMMITTEE: Nyron Battles

Mr. Battles reported that much of his group's last meeting was devoted to discussions of the state budget crisis and its' impact on people with disabilities. Mr. Battles shared that everyone in his group is worried about proposed service reductions and how they will impact peoples' ability to continue to live safely in their home communities.

Mr. Battles also reported that his group is working on submissions to the ARCA Consumer Advisory Committee. The ARCA CAC is preparing a book of stories

and pictures about consumers. Several RCEB CAC members have volunteered to provide their information to be included in the book.

EXECUTIVE DIRECTOR'S REPORT: Jim Burton

Mr. Burton reported that budget discussions are front and center in Sacramento and changing constantly but the \$41+ billion deficit has still not been resolved. We are hearing there are signs that an agreement could happen soon. We are also hearing there may be a 17 month budget rather than a plan for the 5 months remaining in the current fiscal year and a separate budget for the following fiscal year. If this occurs, it will make the spring budget hearings less important and the May Revise would become very important. Mr. Burton reminded the group that only a few months ago the budget deficit was projected at \$3 billion and it is now \$41 billion. Given the precipitous decline in economic activity the situation may worsen. California's unemployment rate is now over 9% and what you find is that in an economic recession when you need services most, government is least able to assist.

Mr. Burton informed members that the state would run out of cash sometime in February. A week ago, the Controller indicated that he would not pay regional center bills received in February. DDS, ARCA and regional centers worked together to secure as much funding as possible before February. As a result, we received payment normally received in February in January. Mr. Burton reported that we received extraordinary support from DDS in this effort and we now believe we have sufficient cash to operate through mid-April.

Mr. Burton cautioned that we will need to work to keep people properly informed but the situation continues to change day by day. We will need to exercise thoughtful patience if we are to understand the full situation and respond appropriately. He also noted that it will be important to remember this is a different situation than we face at the beginning of each fiscal year. The line-of-credit established last summer ended when the budget was signed. At this point we do not have a line-of-credit but that request would be brought to the Board if it became necessary or probable. We do not yet know if our bank will provide a line of credit given California's fiscal status.

Mr. Burton reviewed the governor's most recent budget proposal but reminded members that this is a proposal and cannot be finalized without completing the legislative process. The administration has proposed a 3% permanent reduction for service provider rates and regional center operations. Mr. Burton cautioned that this 3% reduction also appeared in the December budget proposal released by the Democrats and is likely to appear in the final version of the budget. This reduction, if approved would reduce RCEB's Operations budget by approximately \$380,000 and POS by \$2.8 million for this fiscal year. The impact of these reductions in the 2009/2010 fiscal year would be \$800,000 for Operations and \$6 million for POS. The administration's proposal also assumes no case load growth

for this fiscal year even though we grew by nearly 2000 consumers more than DDS projected. There is an expectation that the DDS Director will work with regional centers to balance this budget with only five months remaining in the fiscal year and no changes in law or statute. Mr. Burton acknowledged that he believes it is highly unlikely that a lawful solution to a budget problem of this magnitude can be found and successfully implemented in the few months remaining in this fiscal year.

Mr. Burton explained that the proposal for 2009/2010 brings the case load count current and then deducts the exact amount it would cost to serve these people. The proposal includes \$334 million in General Fund reductions but it would require a total reduction of approximately \$500 million to achieve the General Fund cuts due to the loss of matching federal funds. A stakeholder process would be put in place and led by the DDS Director to review regulatory and legal changes necessary to achieve this level of savings. If this proposal is approved the stakeholder group would begin meeting shortly after the budget is approved and their recommendations would be released in the May revision to the budget. Mr. Burton noted that there is no information on who would be included in the stakeholder group but it will be imperative that this group include consumers and family members. Entitlement is clearly endangered with cuts of this magnitude and there is fear there will be nothing left of the promise of the Lanterman Act.

Mr. Burton reminded everyone it is imperative that we continue to advocate for reductions that allow us to preserve services and survive until the recession ends. We must continue to work with local legislators to try to find ways to turn back some of these proposed reductions. Mr. Burton urged everyone present to stay informed as the budget process progresses. RCEB will continue to pass on solid information as it becomes available.

Mr. Burton noted that programs are continuing to struggle to operate. The Dungarvin day program in Hayward serves 49 people and has given notice they will close. RCEB has been working with them to try to identify health and safety issues that would qualify for a rate adjustment in an attempt to preserve this program. The possibility of getting a rate adjustment approved is not good as these requests are being denied on a regular basis. CCDAC has now closed their Oakland site and we have received no response to a request for a modest rate adjustment to allow their Contra Costa day program to continue to operate.

Mr. Burton reported that the Agnews closure continues to move forward. There are now 56 residents remaining at Agnews and 14 of these are RCEB consumers. The remaining residents have significant physical and medical needs that make the final part of the transition extremely challenging and complex. It has become difficult for Agnews to serve these residents with their remaining staff. We expect the last person to leave Agnews by mid-March and the health and well-being of each resident will continue to be our primary focus.

Mr. Burton announced that Rocio Smith is the proud new grandmother of a beautiful little girl. Nayeli was born just before the new year and is a cherished addition to the family. Mr. Burton also wished Ms. Smith a very happy birthday.

PUBLIC COMMENT

Gina Jennings thanked RCEB for their part in the true collaboration with the Transition Task Force that has again produced an outstanding event. Ms. Jennings reported that this year's conference was attended by more than 250 people.

ARCA REPORT

Mr. Griffin reported that much of the recent ARCA meeting had been spent in budget discussions. He also noted for members that they should be extremely pleased with Mr. Burton's representation of this agency at ARCA. The next ARCA meeting will be held in March.

Mr. Griffin reminded everyone that the New Day 2009 Conference is being held on February 5th and 6th in San Francisco. This year's event promises to provide a wealth of information on living and working in California.

ADJOURNMENT

Following a brief closed session to discuss pending litigation and real estate negotiations, the meeting was adjourned at 8:35 PM.

Respectfully submitted,

Nyron Battles
Secretary
RCEB Board of Directors