North Los Angeles County Regional Center
Administrative Affairs Committee Meeting Minutes
March 28, 2018

Present: Dan Becerra, Elena Burnett, Bridget Moss, Debra Newman, and Lou Paparozzi—Committee Members
Tom Huey – Windes, Inc.
Ruth Janka, Jennifer Kaiser, Michele Marra, Vini Montague, Kim Rolfes, and George Stevens – Staff Members

Absent: All present

I. Call to Order & Introductions

Dan called the meeting to order at 6:05 p.m.

II. Public Input – There was no public input.

III. Consent Items

A. Approval of Revised Agenda

M/S/C (L. Paparozzi/D. Newman) To approve the revised agenda as presented.

B. Approval of Minutes from the February 27th Meeting

M/S/C (D. Newman/E. Burnett) To approve the minutes as presented.

IV. Committee Business

A. Presentation of Final FY 2016-17 Audited Financial Statements

Tom Huey reported that the center received the actuarial report from CalPERS and the full pension plan obligation, if all of the center’s employees retired tomorrow, would be $60,882,164; this amount is listed on page 3 of the financial statement under “liabilities and net assets.” The center now has an unmodified (clean) audit.

M/S/C (L. Paparozzi/E. Burnett) To recommend that the Executive Committee approve the center’s audited financial statements for FY 2016-17, on behalf of the Board of Trustees.

B. Presentation of Final IRS Form 990 – Year 2016
M/S/C  (E. Burnett/L. Paparozzi)  To recommend that the Executive Committee approve the center’s completed IRS form 990, on behalf of the Board of Trustees.

C.  Financial Report

The February 2018 financial report reflected that the center’s operations budget was $50,230,125 with no surplus or deficit projected. The purchase of service (POS) budget was $393,637,339 with a projected deficit (in the worst case) of $22,569,614. The family resource center budget is $115,413, which makes the center’s total budget for this fiscal year $443,982,877 at this point. We will eventually receive an allocation from the Department of Developmental Services (DDS) to make our POS budget whole.

1.  Budgeting process to manage administrative expenses – Deferred

2.  Cash flow report/credit line update:  In April, DDS will reimburse us in full for the service month of March. In May, DDS plans to offset claims for April, so we don’t anticipate any cash flow issues for those 2 months. Kim was asked City National Bank to increase our credit line from $35 to $40 million for FY 2018-19.

3.  ARCA summary of purchase expenditure projection (PEP) reports:  According to the most recent report, 13 of the 21 regional centers are projecting a potential POS deficit for this fiscal year, while the other 8 centers are projecting POS surpluses. NLACRC is number 1 with the highest projected POS deficit. The total statewide POS deficit range is between $12.6 and 44.4 million.

D.  Contracts for Review and Recommendation

1.  PathPoint (PL1205-055)
2.  Diverse Journeys, Inc. (PL0696-055)
3.  Compassion Group Homes (PL1680-109)
4.  Sunshine Residential Home, LLC (PL1678-109)
5.  United Cerebral Palsy (P24747-110)
6.  United Cerebral Palsy (PL1107-110)
7.  United Cerebral Palsy (PL1108-110)
8.  Minasyan Dental, Inc. (PL1681-715)
9.  The Adult Skills Center (PL1679-612)
10. Audrey Musni, PsyD (PL1684-785)
M/S/C  (D. Newman/E. Burnett) To recommend to the Board of Trustees to approve the 10 contracts listed above, as presented.

11. Supported Living Services (Group - 896)

M/S/C  (D. Newman/E. Burnett; Abstention:  L. Paparozzi)  To recommend to the Board of Trustees to approve the contract with the supported living services group, as presented.

E. Executed Contracts by NLACRC

Summaries of the following executed contracts were provided to the committee.

1. 7th Floor Expansion/1st-4th Floor Remodel: Two contract amendments were executed in March (one for Holwick Constructors, Inc. and one for Western Office LA, Inc.) and no further contract amendments will be executed as the 7th floor expansion project is now complete. We will now begin remodeling the 1st and 4th floors due to the relocation of staff to the 7th floor. As NLACRC enters into contracts with vendors, the report will begin to reflect contracts and amendments related to the remodeling of the 1st through 4th floors.

2. Minimum Wage Increase: One 1 contract was executed; it was for In-Home Respite and Caregivers.

3. 5.82% Rate Increase: One contract was executed; it was for In-Home Respite and Caregivers.

4. ABX 2-1: Two contracts were executed; both were for In-Home Respite and Caregivers.

F. Intermediate Care Facility (ICF) State Plan Amendment (SPA) Summary

By fiscal year, the amount of cash disbursed by NLACRC but not reimbursed by ICF providers is:

1. FY 2017-18: $2,535,511
2. FY 2016-17: $ 395,179
3. FY 2015-16: $ 63,677
   Total:  $2,994,367
This total is $149,164 more than what was reported at last month’s committee meeting. Vini added that the balance from years prior to FY 2015-16 has dropped to $2.99!

G. Human Resources

1. Monthly Report

Copies of the summary were provided and reviewed. The summary included the following information:

<table>
<thead>
<tr>
<th></th>
<th>FY 2017-18 authorized positions</th>
<th>510</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Open positions on hold</td>
<td>-3</td>
</tr>
<tr>
<td>3.</td>
<td>Open positions vacant</td>
<td>-54</td>
</tr>
<tr>
<td>4.</td>
<td>Separations</td>
<td>-5</td>
</tr>
<tr>
<td>5.</td>
<td>Sub-total</td>
<td>448</td>
</tr>
<tr>
<td>6.</td>
<td>New hires</td>
<td>+3</td>
</tr>
<tr>
<td>7.</td>
<td>Positions filled</td>
<td>451</td>
</tr>
</tbody>
</table>

Michele announced that included in the new hires was the center’s new diversity and inclusion manager, who started March 1st!

2. 3rd Quarter Report

During the 3rd quarter, the center had 0 positions on hold, 11 new hires, 3 promotions, and 12 separations, with a quarterly turnover rate of 0.07%.

V. Items for the Next Board Meeting

The following items were identified for the committee’s section of the April 11th board meeting agenda:

A. Minutes of the March 28th Meeting
B. Financial Report
C. Approval of Contracts
D. 3rd Quarter Human Resources Report

VI. Announcements/Information/Public Input

A. Next Meeting: Wednesday, April 25th, at 6:15 p.m.
VII. Adjournment

Dan adjourned the meeting at 6:43 p.m.

Submitted by,

Jennifer Kaiser

Jennifer Kaiser
Executive Assistant