

**REDWOOD COAST DEVELOPMENTAL SERVICES CORPORATION
MINUTES**

**Regular Meeting
Board of Directors**

**FY 2012-2013 #5
Saturday, May 11, 2013
Fort Bragg, CA**

DIRECTORS PRESENT	Dorothy Pasch	Mary Yates	Sandra Tyrrell
Silas M. Morrison	Kelly Livingston	Mary Wheatley	Trixie Galletti
Claudia Boudreau	Pamela Jensen	David Matson	Jason McCuan
Jesus Macias-Baleon			

DIRECTORS ABSENT	Brandon Boelter	Beverly Fontaine
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FACILITATORS PRESENT	Robert Tippey	Wanda Henderson	Connie Davies
	Patrick Cross	Kristi Patterson	

STAFF PRESENT				
Clay Jones	Donna Landry-Rehling	Patrick Okey	Kim Nash	Mary Block

OTHERS PRESENT				
Jennifer Pittam	Coemella Cronin	Denise Gorny	Rick Moon	Allan Smith
Ben Nicholson				

1. **Call to Order/Roll Call/Introductions** - The regular meeting of the RCDSC Board of Directors was called to order by President K. Livingston at 9:02 a.m. A quorum was present. All persons in attendance introduced themselves. M. Wheatley agreed to be today's timekeeper.

2. **Reading of Vision** – C. Boudreau and J. Macias-Baleon read aloud the Vision of the Redwood Coast Regional Center.

3. **Community Input**
 - J. Pittam reported that she has been working with RCRC staff to place clients from the Sonoma Developmental Center (SDC) into the community. One client is expected to be placed by June 2013, which would leave seven (7) RCRC clients at SDC. RCRC's ratio of number of persons who reside in a developmental center is now 1 out of 400 persons; other regional centers are about 1 in 40.
 - At the author's request, S. Tyrrell read aloud a letter that she received from a person associated in some way with RCRC. The letter expressed concern about provision of supports that might be needed for a client to be able to participate in various community and fund raising events.
 - S. Tyrrell also read aloud an article describing improvements to a community facility that were made by client volunteers.
 - C. Cronin acknowledged R. Moon for buying memberships for clients at the local swim facility.
 - S. Morrison reported he had a meeting with People First officers about raising money to facilitate a meeting with the Ukiah People First group. He has also appeared in a local television ad.

4. ***Approval of Agenda**
M/S – M. Yates (S. Morrison) moves to approve the agenda.

M/S/C – C. Boudreau (S. Morrison) moves to accept the agenda with the following amendment: A closed session will take place under the Finance Committee Report to discuss service provider contracts.

5. *Approval of March 16, 2013, Minutes

M/S/C – S. Morrison (J. Macias-Baleon) moves to approve the March 16, 2013, minutes.

1 abstention (M. Wheatley – did not attend that meeting.)

6. Executive Director's Report – C. Jones referenced his written report and noted that committees in both the State Assembly and the State Senate have voted unanimously to allow the remaining 1.25% decrease in funding to sunset on June 30, 2013. Assuming these funds will be included in next year's budget, they would be restored to both the POS allocation and regional center Operations budgets.

The DDS recently announced that the Centers for Medicare and Medicaid Services in Washington, D.D. (CMS) has approved their application for an amendment to California's Waiver. The 1915i Waiver takes effect retroactively to October 1, 2009, allowing the State to capture funds for persons who were eligible for services under this new waiver for the past three years. It is anticipated that this approval will bring over \$600 million to the DDS service system for the prior years, and approximately \$160 million annually going forward. This activity could result in restoration of some services throughout the state.

RCRC – A significant update to RCRC's four-county computer/video conference network is nearing completion. The work had been delayed for several years due to shortfalls in RCRC's allocation. The upgrades will support greater efficiency for staff.

The Service Provider Satisfaction Survey has been launched by Kinetic Flow. Participants may respond online or through phone interviews, with a targeted completion date of May 31st. In June, another RCRC staff Satisfaction Survey will be conducted. Kinetic Flow expects to attend the September meeting of the RCDS Board of Directors to make a presentation of the survey results.

RCRC's 2012 Performance Report, prepared by DDS, was included in the board packet. C. Jones noted an incompleteness on the last page under "What about other performance areas". The third bullet should read, "... and that more children live with families." **ACTION: C. Jones will correct the wording and post this report to the RCRC website and distribute it as needed this week.**

RCRC will be holding Public Meetings in June to share the information captured in the new POS Expenditure Data report. The meetings will be announced on RCRC's web site and through public service announcements.

- The Area 1 Board has suggested that a joint meeting of their board and the RCRC board might be beneficial. It was suggested that the Saturday morning portion of the Annual RCDS Board Meeting on July 13, 2013 might be a possibility and that perhaps the content of the annual training might also be of interest to the AB1 board members.
- C. Jones reminded the board that his annual evaluation is due at the next meeting.

ACTION: C. Jones will send pertinent information to K. Livingston.

- As an organization, RCRC has decreased in staffing by approximately 20% over the last several years. Having achieved some stabilization, RCRC senior management is now considering how to rebuild. Two significant areas of discussion were whether any staff could be added, and if there was anything that could be done to improve compensation for staff. Administration feels that next year's budget might support both actions, and if that appears to be supported by actual current year expenditures in mid-June, C. Jones and P. Okey would like to propose a 1.25% salary increase for all staff and hiring a half time controller position. Currently, RCRC is recruiting a full-time service coordinator in order to come into compliance with caseload ratios. **ACTION: A telephone conference call will be set in mid-June with the RCDS Executive Committee for discussion and a decision about the proposed salary increase/ Controller (half time) position.**

7. **Administrator's Report** – P. Okey referenced the financial report that was distributed with the board packet. He explained each component of the report and noted that RCRC has received the D-3 allocation. He expects that an additional \$74,000 may be coming soon. In the last allocation, Operations (OPS) money was reduced because a number of clients transferred out of RCRC to other regional centers. P. Okey reported that RCRC has received slightly more money than was received last year. This has contributed to current stability. A surplus of about \$74,000 is projected in OPS as a result of cost savings strategies, and expenditures continue to move in a downward trend. It was noted that RCRC has 17% less staff than three years ago. The \$221,000 AT&T over billing refund that was received by RCRC will be disclosed to the DDS. RCRC will request use of the AT&T reimbursement funds, if allowed by DDS. Of the Purchase of Service (POS) funding allocation RCRC received, it was noted that, again, the amount has been reduced due to client transfers taking funding allocations with them. Of the 21 regional centers in California, only two are not in the underfunded category. RCRC is in the underfunded category.

As a result of the DDS cash flow problem, RCRC has been experiencing a similar problem since January 2013. DDS has been reimbursing RCRC at diminishing amounts (as low as 50%), while RCRC reimburses service provider claims at 100% less the mandated reductions, thus putting RCRC in a position to have to draw down from its line of credit to pay for services. RCRC has enough cash in the bank for the next 30 days, and has a line of credit that would sustain service delivery for 90 days. Should it become necessary to activate the line of credit, interest costs would begin to be accumulated.

It was noted that the DDS is counting on a positive financial impact from the implementation of the new 1915i Waiver. There may also be enhanced requirements for RCRC staff.

8. **President's Report** – K. Livingston noted that the agency description statement has been submitted for posting on the RCRC website.
9. **Treasurer's Report** – C. Boudreau deferred to the Administrator's Report.
10. **Committee Reports** – ARCA Report – C. Boudreau commented that community meetings have been conducted with regard to the changes that are occurring at the Sonoma and other developmental centers. Another highlight included workshops on autism taking place

throughout the state with regard to legislative discussions.

10a. Vendor Advisory Committee Report – P. Jensen noted that the Alliance of Service Providers (ASP) met in April. A presentation about the Affordable Care Act was given by an insurance broker. P. Jensen commented that some items have been implemented, but that there is more to come in 2014. She explained some of the potential impacts on businesses and service providers. People Services, Inc., joined with other vendors to provide a (SELPA) presentation on each side of Clearlake. People Services has lost the postal service's grounds keeping jobs due to changes in that organization. The annual Chicken Q fundraiser is coming soon. It was noted that HCAR is now utilizing an internet-based training system through the College of Direct Support. UVAH responded to an RFP from RCRC to provide employment services to individuals with forensic needs.

- **10b. Consumer Benefit Fund Committee** – J. McCuan delayed the discussion until the next meeting when B. Fontaine might be present.

10c. Election Committee – Due to family obligations, B. Fontaine will no longer be available to chair this committee. K. Livingston offered to act as Chair of the Election Committee during this year's election period. Currently, there are candidates for most of the vacancies, however there were no candidates for the upcoming vacancy on the Mendo-Coast and no candidates for the two vacancies in Lake County.

K. Livingston noted that the board retreat goal from last year for recruitment of board members needs to be addressed. She reminded the board that it can recruit applicants for appointment to the board. An additional effort to recruit and appoint applicants will be forthcoming after the election. C. Jones reminded all that there are vacancies in some of the required categories. The composition of the board must reflect diversity in background and ethnicity. It was suggested that a concise plan be developed to address this issue.

10d. Finance/Audit Committee Report – A closed session was called to discuss service provider contracts. NOTE: P. Jensen recused herself and did not attend the closed session.

M/S/C – C. Boudreau (J. Macias-Baleon) moves to accept the recommendation to approve all contracts. Five of those contracts will be extended for two months and reviewed again after that time. (1 abstention – P. Jensen)

10e. 2012 Annual audit and 990 tax form - Representatives Rob Griffith and Mimi Hill, from the audit firm Matson and Isom, reviewed aloud the audit report that resulted from the recent RCRC audit. The various findings and recommendations were discussed and questions were answered. One recommendation was in regard to the level of a detailed review of transactions, particularly those related to disbursements, payroll and general ledger entries. The audit firm stated that the hiring of a part-time controller could fulfill this recommendation. Several suggestions were also provided with regard to segregating some of the duties of Human Resources and Payroll. The auditors offered to work with staff in addressing this. R. Griffith thanked RCRC for selecting the Matson and Isom audit firm and expressed his appreciation for how much he enjoyed working with staff. Overall, he noted that this is a 'clean report.'

The audit firm also prepared and will file the 990 tax form for RCRC. The numbers on

the financial statement are reflected on this form. The same narrative language that was developed by the RCDSC Board to describe the functions of RCRC last year is being used for this year's form.

M/S/C – C. Boudreau (J. Macias-Baleon) moves to approve the audit report and management letter as presented.

M/S/C – C. Boudreau (S. Morrison) moves to approve the IRS form 990.

This Board-approved audit report will now be sent to DDS, followed by posting to the RCRC website.

11. Tabled/Unfinished Business – Review of board retreat notes – See Election Committee comments above.

12. New Business

- Board email address – It was the consensus of the board that it would not be appropriate to place personal board member emails on the board's webpage.
- Selection of a board member to retrieve the board's postal mail.

ACTION: M. Wheatley volunteered to retrieve the board's mail. K. Livingston will serve as back up in her absence.

13. County by County Liaison -

- M. Wheatley announced that the Special Olympics bocce ball team did well in a recent competition. A Special Olympics swim meet will take place next week in San Rafael.
- S. Tyrrell announced that a planning meeting for the "Working for Successful Futures" workshop will take place on May 30 at Mendocino Works in Ukiah. .
- It was announced that the Botanical Gardens in Ft. Bragg is currently holding its rhododendron show. Admission is free.
- S. Morrison announced that the Vector swimming pool is now open (formerly the Easter seals pool). .
- J. Macias-Baleon invited everyone to a Ukiah Mother's Day celebration. It will include food, music, and a performance by Ballet Folklorico.

14. Community Input - None

15. Adjourn – The meeting was adjourned at 12:35 p.m. The Annual Meeting is scheduled for Friday, July 12, 2013, in Eureka, CA. The board's annual training will take place the next day, Saturday, July 13, 2013.

Mary Wheatley, Vice-President, *for*
Brandon Boelter, Secretary
RCDSC Board of Directors