



**MINUTES OF THE MAY 16, 2017 MEETING OF THE BOARD OF
TRUSTEES OF THE HARBOR DEVELOPMENTAL DISABILITIES
FOUNDATION, INC.**

BOARD PRESENT:

Mr. Ron Bergmann, Board Member
Mr. Fu-Tien Chiou, Board Member
Mr. Joe Czarske, Board Advisor
Mr. Douglas Erber, Secretary
Dr. James Flores, Treasurer
Mr. La Velle Gates, Board Member
Mr. David Gauthier, Board Advisor
Mr. Jeffrey Herrera, Board Member
Mr. Bob Irlen, Board Advisor
Ms. Terri Nishimura, Board Member
Dr. Bobbie Rendon-Christensen, Vice-President
Mr. Mariano Sanz, Board Member
Dr. Monica Sifuentes, Board Member
Ms. Kim Vuong, Board Member

BOARD ABSENT:

Ms. Patricia Jordan, Board Member
Mr. John Rea, President

STAFF PRESENT:

Ms. Patricia Del Monico, Executive Director
Ms. Judy Wada, Chief Financial Officer
Ms. Nancy Spiegel, Director of Information & Development
Ms. Colleen Mock, Director of Community Services
Ms. Mary Hernandez, Director of Adult Services
Ms. LaWanna Blair, Director of Early Childhood Services
Ms. Antoinette Perez, Director of Children's Services
Ms. Cheryl Perez, Executive Assistant
Ms. Jennifer Lauro, Executive Assistant
Ms. Arelis Matos, Executive Assistant Team Assistant

GUESTS:

Mr. Fernando Nunez, LRA Interpreter
Ms. Denise Thornquest, DDS
Mr. Christopher Arroyo, SCDD
Ms. Paula Martinez
Mr. Fernando Gomez
Mr. Rob Krymer
Mr. Josh Coffman
Ms. Mary Lee

GUESTS:

Ms. Marina Roman, Parent
Mr. Manuel Betancourt, Parent
Ms. Mayra Gama, Parent
Ms. Maria Zaragoza, Parent
Ms. Silvia Lopez, Parent
Ms. Amelia Castellanos, Parent
Ms. Maria Zavala, Parent
Ms. Kim Sinclair, Parent
Mr. Dwayne Sinclair, Parent
Mr. Ryan Sinclair, Client
Ms. Karen Cull, Parent
Ms. Maria Elena Villa, Parent
Ms. Fabiola Medina, Parent
Mr. Omar Valdiva, Parent
Ms. Cesilia Ortiz, Parent
Ms. Guillermina Romero, Parent
Ms. Guadalupe Nolasco, Parent
Ms. Ronda Kopito, Parent
Ms. Kathy Seid-Eriksson, Parent
Ms. Tracy Barrow, Parent
Ms. Brenda De Anda, Parent
Mr. Daniel Perez, Parent
Ms. Mayra J. Garcia, Parent
Ms. Guadalupe Magdaleno, Parent
Mr. Ken Greenstadt, Parent
Ms. Jean Greenstadt, Parent
Ms. Tina Nathan, Parent
Ms. Nohemi Alcala, Parent
Ms. Mari Anne Kehler, Parent
Mr. David Oster, Client
Ms. Adriana Garcia
Ms. Neliola Gonzalez
Mr. David Mezquita
Ms. Myra Mezquita
Ms. Maria Lopez
Ms. Rubi Saldana
Ms. Judy Mark
Mr. Bruce Hall
Ms. Maria Teresa G.

CALL TO ORDER

In Mr. Rea's absence, Ms. Rendon-Christensen called the Board Meeting to order at 6:40 p.m.

PRESIDENT'S REPORT

Ms. Rendon-Christensen led in the Pledge of Allegiance to the Flag.

In Mr. Rea's absence, Ms. Rendon-Christensen welcomed Board members, guests and staff and asked all to introduce themselves.

Ms. Rendon-Christensen announced that there will be an opportunity for the Board to receive comments from the public prior to the start of the regular business meeting. Ms. Rendon-Christensen requested that visitors present who wish to address the Board during the public comment time complete the Public Comment Request form and submit it to the Executive Assistant.

Ms. Rendon-Christensen reminded the Board that the annual Board Retreat and Recognition Dinner will take place on June 10. Details regarding the time, place and agenda will be provided to the Board members soon.

Ms. Rendon-Christensen advised that tonight is the annual HDDF Board meeting at which officers and Board members are elected and asked that the Board members complete the ballots that have been placed at their seats.

Ms. Rendon-Christensen asked that the record reflect the Executive Committee of the Board met on May 2, 2017 to prepare the agenda for tonight's meeting.

Ms. Rendon-Christensen stated that at the March meeting of the Harbor Regional Center Board of Trustees, a visitor read a statement during the public comment portion of the meeting in which she advised that our Board President had a conflict of interest and needed to be removed from the Board. She further advised that this matter has since been discussed with DDS and has been notified DDS that our Board President did not and does not have a conflict of interest. Ms. Rendon Christensen referred to a memo in this matter from the HRC Executive Committee which had been distributed to the Board and visitors.

The Executive Committee would like the record to show that, according to DDS, our Board President, John Rea, did not and does not have a conflict of interest in serving on the Harbor Regional Center Board.

Further, the record should reflect that the Harbor Regional Center Board of Trustees is grateful to Mr. Rea for his skilled leadership and many years of generous service to our center and to the clients and families served by our organization. The Board takes this occasion to recognize and thank Mr. Rea for all he has contributed to Harbor Regional Center over the years.

We ask that this statement be attached to the minutes of the May 16, 017 meeting of our Board.

PUBLIC INPUT/ANNOUNCEMENTS

Ms. Rendon-Christensen advised that public input was next on the agenda. She advised that the Board welcomes visitors and provides an opportunity for public comment at the beginning of

each Board meeting. Up to 20 minutes are scheduled for the Board to receive comments from those in the audience and each person wishing to address the Board is requested to restrict their comments to 1 minute in order to accommodate everyone.

Ms. Rendon-Christensen indicated that sixteen (16) public comment forms had been received and she called upon those wishing to provide input. Most of those who did so read directly from written documents which they drafted and submitted to the Board. Per request of those presenting, two of these documents will be attached to these minutes.

Ms. Rendon-Christensen stated that our Board is very interested in all comments made by those present and listens carefully to them, but the Board is not prepared to provide a response at the time of the meeting. Ms. Rendon-Christensen advised that presenters seeking information or some other response should leave their contact information and one of our staff will respond within the next few days.

APPROVAL OF THE MINUTES OF THE MARCH 21, 2017 BOARD MEETING Mr. Sanz moved to approve the MARCH 21, 2017 minutes of the Board meeting and Mr. Gates seconded the motion, which was approved by the Board.

TREASURER'S REPORT

Dr. Flores reviewed the following financial statements: Harbor Regional Center Monthly Financial Report Fiscal Year 2016-17, dated February 17; Harbor Regional Center Functional Expenditures, dated February 17; Harbor Regional Center Line Item Report, dated February 17; Harbor Regional Center POS Contract Summary, dated February 17;; Harbor Regional Center Monthly Financial Report Fiscal Year 2016-17, dated March 17; Harbor Regional Center Functional Expenditures, dated March 17; Harbor Regional Center Line Item Report, dated March 17; Harbor Regional Center POS Contract Summary, dated March 17; and the Harbor Developmental Disabilities Foundation Harbor Help Fund Statement of Income and Expenses, dated July 1, 2016 to March 31, 2017.

Mr. Bergmann moved to approve the Treasurer's Report for Harbor Regional Center and Mr. Erber seconded the motion, which was unanimously approved by the Board.

EXECUTIVE REPORT

1. CURRENT YEAR BUDGET

Ms. Del Monico referred the Board to the updated Sufficiency of Allocation Report (SOAR) for 2016/17 that was provided in their board packet. Ms. Del Monico summarized the report.

2. BORROWING RESOLUTION FOR APPROVAL

Ms. Del Monico advised the Board that it is necessary for HRC to have a line of credit in place in the event we have insufficient cash to ensure that our service providers are paid timely and to meet our other obligations. Our most recently revised agreement was entered into on May 26, 2016 and is in effect through June, 2017. We would like to extend the termination date to June 30, 2018. The principle amount of \$30,000,000.00 will become available on July 1, 2017 and, if it becomes necessary for us to draw down

on this line of credit during the term of the agreement, repayment will remain as it is now at prime minus 1%. Ms. Del Monico referred the Board and visitors to the borrowing resolution for adoption by the Board as written below.

BORROWING RESOLUTION: RESOLVED that Harbor Regional Center renew its line of credit with City National Bank. The original agreement was dated May 11, 2010. The most recently revised agreement was dated May 26, 2016. The termination date will be extended to June 30, 2018. The principle amount of \$30,000,000.00 will be available beginning July 1, 2017 to manage case flow requirements as needed.

Dr. Sifuentes moved to adopt the borrowing resolution as noted above and Ms. Nishimura seconded the motion, which was unanimously approved by the Board.

3. MAY REVISE

Ms. Del Monico informed the Board that each year in May the Governor's proposed budget for the coming fiscal year is updated to take into account the most recent trends and revenue projection. Ms. Del Monico referred the Board to the May Revise handout and reviewed the highlights with the Board. Discussion followed.

4. SDC CLOSURES:

Ms. Del Monico called the Board's attention to a budget proposal by Assembly member Devon Mathis who represents the 26th Assembly District. Ms. Del Monico advised that the proposal is important because it would set aside all savings from the closures of the Developmental Centers that would be used for programs, services and providers to help developmentally disabled Californians in the community. Ms. Del Monico summarized key points of the proposal to the Board.

5. FEDERAL MEDICAID INITIATIVES:

Ms. Del Monico referred the Board to the Department of Health and Human Services Letter written by the recently appointed U.S. Secretary of Health and Human Services, Thomas Price and briefly discussed the contents of the letter regarding federal Medicaid initiatives.

6. US SUPREME COURT SPECIAL EDUCATION RULING:

Ms. Del Monico informed the Board about a US Supreme Court special education ruling regarding free appropriate public education or FAPE for students with disabilities and how school districts must meet their FAPE obligations under the IDEA. Ms. Del Monico briefly discussed the ruling and outcome with the Board. Discussion followed.

7. BILLS:

Ms. Del Monico reported on the status of Assembly Bill 1610 and Senate Bill 218. Assembly Bill 1610 would place additional requirements on regional centers and repeal certain provisions of law in order to increase access for clients and their families to certain services and information. Senate Bill 218 makes an important change to the Cal Able Act. Brief discussion followed pertaining to the Able Act and Ms. Del Monico advised that she would keep the Board updated on any further changes to the Cal Able Act.

8. PURCHASE OF SERVICE EXPENDITURE DATA:

Ms. Del Monico thanked those Board members who attended and participated in our annual community meetings in March where we presented the purchase of service expenditure data and solicited input from those who attended.

Ms. Del Monico then referred the Board to a report prepared by the ARCA Equity Committee that was a response to the Senate Human Services Committee hearing on March 14, 2017 titled “Moving toward Equity: Addressing Disparities in Services Provided by the Regional Center System”. Ms. Del Monico explained the four key proposals of the report and how ARCA planned to implement them.

9. CASELOAD RATIOS:

Ms. Del Monico provided the Board with an update on caseload ratios and referred the Board to a letter drafted by DDS along with HRC’s draft response which will be posted on our website and sent out via our e-bulletin for comments or other input.

10. REVIEW OF POLICIES AND PRACTICES:

Ms. Del Monico announced that HRC will engage in a comprehensive review of HRC policies and practices related to key services and supports and will identify any areas appropriate for modification. Board members have agreed to participate and a schedule of reviews and meetings will be prepared and posted as soon as possible. The following service areas will be reviewed between July and December 2017: Employment Services, Adult Day Supports and Supported Living Services. The following service areas will be reviewed between January and June 2018: Independent Living Skills Services, Respite Services and Social Skill Development Services. HRC has committed to examining our policies and practices and will encourage HRC clients, families and service providers who are interested to participate. Ms. Del Monico referred the Board to the process review guide in their board packet for details on how the process will be conducted and indicated that once dates have been determined, the information will be posted on our website.

Dr. Flores moved to approve the Executive Report and Mr. Chiou seconded the motion, which was unanimously approved by the Board.

COMMITTEE REPORTS

A. AUDIT COMMITTEE REPORT – APPROVAL OF DRAFT AUDIT

Mr. Gates reported that the Committee met on April 18, 2017 and reviewed the fiscal year 2015-16 IRS Form 990 and the fiscal year 2016-17 Independent Audit.

B. BOARD DEVELOPMENT

In Mr. Rea’s absence, Ms. Del Monico announced that the annual Board Retreat will be on Saturday, June 10, 2017 and asked the Board to mark their calendars. Ms. Del Monico also explained the process of board member elections and requested that the Board review, complete and return the following documents to the executive assistant:

- Trustees who are eligible for election to serve an additional or new term

- Official Ballot for the Election of Officers for the Fiscal Year 2017/2018
- Conflict of Interest Annual Reporting Statement
- Whistleblower Policy
- Code of Ethics and Proper Business Conduct

ADJOURNMENT

The committee reports were disrupted by several unrecognized comments from the audience after the reporting of the Board Development Committee minutes and Ms. Rendon-Christensen adjourned the meeting at 8:05 p.m.



Submitted by: _____

Mr. Doug Erber, Secretary
Harbor Developmental Disabilities
Foundation, Inc. Board of Trustees