

**Texana Center
Board of Trustees
Minutes
Date: May 27, 2015**

On the above date the regular meeting of the Texana Center Board of Trustees was held in the Auditorium in Building G at 4910 Airport Avenue in Rosenberg, Texas.

MEMBERS PRESENT:

Dennis W. Young, Vice Chair
Anita Christensen, Secretary
J.C. Whitten
Willie Greer
Anita Christensen
Randy Reichardt
May Tape

MEMBERS ABSENT:

Dianne Wilson, Board Chair
Mary Rose Zdzunkewicz
Sue Fagan

STAFF PRESENT:

George Patterson, Chief Executive Officer
Amanda Darr, Chief Financial Officer
Shena Timberlake, Director, Behavioral Healthcare
Dot Preisler, Director, Human Resources
Tracey Shaw, Director, Development & Community Relations
Sheri Talbot, Director, Authority and Admissions
Kevin Barker, Director, Provider Services
Kate Johnson-Patagou, Director, IDD Specialized Services
Lori Marcus, Compliance Officer
Rhonda Hodges, Recording Secretary

GUESTS:

Melody Lin, Fort Bend NAMI
Doris Osei, Fort Bend NAMI

- I. CALL TO ORDER, INVOCATION, DETERMINATION OF QUORUM,
RECOGNITION OF GUESTS, AND CORRESPONDENCE

The meeting was called to order at 9:35 A.M. by Dennis Young, Vice-Chair. Kevin Barker said the invocation. The Board Chair determined there was a quorum present to conduct the meeting. Dennis welcomed guests who were in attendance. There was no correspondence to discuss.

II. RECOGNITION OF ABSENCES

Dennis recognized Dianne Wilson, Sue Pagan and Mary Rose Zdunkewicz as being absent from the meeting.

III. PUBLIC COMMENT

Dennis recognized Melody Lin and Doris Osei as wanting to make a public comment.

Melody Lin discussed an organization called "Disability Rights Texas". This organization is there to help person's who believe their rights may have been violated. Melody briefly discussed the mission of the organization and asked that Texana consider purchasing ad space with the group to get Texana's information out there for more people to see.

Doris Osei first wanted to thank Texana for the nice mental health display which was placed on Texana's website in celebration of Mental Health Month. She also wanted to mention that since it was getting towards the end of the year, she wanted to provide Shena with a wish list in hopes that some funds could be made available to one or more of the services needed.

Dennis thanked both Melody Lin and Doris Osei for their comments.

IV. APPROVAL OF MINUTES

- January 25, 2015 Board of Trustees Meeting

Dennis questioned whether the Board had any additions or corrections to the minutes being submitted from the January 25, 2015 Board of Trustees meeting. There were no questions or corrections presented. Dennis called for a motion from the Board.

A motion was made by May Tape to approve the minutes as submitted. J. C. Whitten seconded the motion. *Motion Carried.*

V. CONSENT AGENDA ITEMS

- Approval of Leases

Kevin Barker presented details on the leases for the Texana Learning Center located in Bay City and the Ward Bend Group home located in Sealy.

First, Kevin presented information on the Learning Center lease. In the past, Texana did not pay any money for the Learning Center lease. The Arc of Matagorda County has asked that Texana begin paying \$1,500 per month beginning March 1, 2015. Kevin believes this amount is comparable to other leases of this size.

Next, Kevin presented information on the Ward Bend Group Home located in Sealy. This rent is also comparable to other leases in the area. He asked that the Board approve both leases.

Dennis asked if the Board had any questions for Kevin regarding the leases. There were no questions; therefore Dennis called for a motion.

A motion was made by J. C. Whitten to approve the leases as submitted. Willie Greer seconded the motion. *Motion Carried.*

VI. THE BOARD WILL CONSIDER AND TAKE ACTION ON THE FOLLOWING ITEMS:

1. Review and Consider Approval of the April 2015 Financial Reports and Fund Balance

Dennis asked Amanda Darr to present the financial report to the Board.

Amanda referenced her report in the Board packet. She reported that after the first eight months of operations for FY 2015 the Center has achieved an excess of expenditures over revenues of (\$305,601) primarily as a result of the timing of payments for the DSRIP projects. All divisions, with the exception of DSRIP, are in a positive operating position. As detailed on page 2 of Amanda's report summary, the Center will be paid \$959,989 in DSRIP funds in July 2015 as a result of the metrics achieved through the 3-31-2015 reporting period. Amanda also reported that the DY3 carryover metric for the BH Crisis Center was not achieved by end of the 3-31-15 reporting period. The DY 3 metric of 600 individuals served was achieved in May after the end of the reporting period and will be eligible for payment at the end of the 9-30-15 reporting period. She also mentioned the last DY3 metric to remain unmet is related to Category 3 for the Integrated Care with a project value of \$69,124 which is expected to be met by the end of 9/31/15 reporting period. Once these are achieved, then our DSRIP programs will be in a positive position.

Dennis asked the Board if they had any questions or comments regarding the Financial Report. Dennis asked for additional details concerning the

staff turnover in the HHD Authority program. Sheri provided additional information concerning the staff turnover. There were no additional questions from the Board; therefore Dennis called for a motion.

A motion was made by J. C. Whitten to approve the April 2015 Financial Report as submitted. Willie Greer seconded the motion. *Motion Carried.*

2. Review and Consider the Employee Benefit Renewal

Dennis asked Amanda Darr to present the employee benefit renewal to the Board.

Amanda discussed Texana's move to Blue Cross Blue Shield (BCBS) in 2009 from United Healthcare and that over the past 7 year period rates have been relatively flat with the exception of ACA related fees. The renewal from BCBS for FY 2016 reflects a 16% increase due to several factors related to claim history. The experience loss ratio increased 23% over the past two years, from 70.3% to 87%, including five consecutive months in excess of 100%. There were seven claimants with claims in excess of \$50,000 as well as an increase in specialty drug use indicating a potential for continued high claim rates.

This 16% rate increase results in an annual increase of Texana's contribution of \$485,885. She mentioned Texana would continue to contribute 100% of the cost of the plan for all eligible employees. There will be enrollment meetings for the employees to participate in which will assist them in determining which plan is the best fit for them and their families.

She next discussed that there was interest expressed by employees for a buy-up plan that would have a lower deductible and co-pay model for office visits. The SLT is recommending the addition of this second plan to offer a choice to those employees that may be interested in a buy up plan.

Amanda briefly discussed the other benefit plans such as Dental, Short-term Disability, Vision, etc. There were no major changes to any of these other plans as they are currently under multi-year rate guarantees.

The recommendation is that the Board approves the benefit plans as presented and authorizes the Chief Financial Officer to execute necessary agreements with vendors for coverage effective 9/1/15.

Dennis asked if the Board had any question or comments regarding the Employee Benefit Renewal information. There were no questions, so Dennis called for a motion.

A motion was made by May Tape to approve the benefit plans as presented and authorize the Chief Executive Officer to execute necessary agreements with vendors for coverage effective 9/1/15. Randy Reichardt seconded the motion. *Motion Carried.*

VII. THE BOARD WILL DISCUSS THE FOLLOWING ITEMS WITH NO ACTION REQUIRED:

A. Update on the Development Plan for the Property located in Fulshear

Dennis asked Tracey to provide an update on the development plan for the property in Fulshear.

Tracey provided the following update to the Board:

On January 21, 2015 the Board approved the purchase of 14.456 acres on FM 359 in Fulshear for a sales price of \$1,800,000. The Board gave authorization for Texana to secure a 3 year interest only loan with Prosperity Bank in the amount of \$1,000,000 at a floating interest rate of 3.5%. Since that time the property has been purchased, Ray Hollington Architects have been engaged and a site plan has been drawn and taken to the City of Fulshear Planning & Zoning Commission to ensure there are no issues with the layout. Although Planning & Zoning could not vote on the item, they did indicate that there were no issues.

Proposal

We are proposing a campus that would include several contiguous buildings on the site for the following programs:

Learning Center - 23,000 sq. ft. building

Day Habilitation,

Support/ Employment

Contract Work including Texana Décor & More..

Specialized Services - 15,000 sq. ft. building

Children's Center for Autism including Bridge Class

Behavior Improvement Center including Social skills & After School Therapy for Tot's

Retail Center for Texana Décor & More... - 4,000 sq. ft. building

We intend to preserve as many trees as possible and to keep a rural feeling to the campus.

Rick Hollington's estimate for construction is based on a cost of \$200 per sq. ft., therefore a 42,000 sq. ft. campus would cost approximately \$8.4

million to build. Therefore, total cost with furnishings, equipment and supplies would be around \$10 million.

We are therefore proposing a Capital Campaign 'Forward in Fulshear' to support the funding for the campus.

Capital Campaign – 'Forward in Fulshear'

The Capital Campaign would be undertaken in a four step process:

1. Quiet Phase
2. Launch Phase
3. Public Phase
4. Wrap up Phase

Quiet Phase

We anticipate that this will take 12 to 18 months.

- Obtain commitment from Board, Staff & Volunteers
- Develop the Case Statement & solicitation package
- Plan for cultivation, acknowledgement & naming recognition
- Prepare a Gift Chart – how many gifts we will need in each category to reach the goal
- Leadership – Steering Committee – people with high visibility able to identify prospects, give and get leadership gifts, they must be willing to solicit as they need to secure 30% to 50% of the goal.
- Identify Foundations and Corporations to support the capital campaign.

Launch Phase

When we have raised approximately 50% of our goal we will launch the capital campaign to a Kick-off Event where the Fundraising Committee will invite leaders in the community, vendors, donors and local media. A prospectus with a concise brochure that contains our mission, vision, history, goals & objectives of the program, staffing, governance, finances, evaluation methods, gift range chart and recognition levels will be prepared for the kick-off event.

We will then begin approaching others in the community who can give significant gifts.

Public Phase

Immediately following the launch we will approach the community at large to donate which will involve many smaller gifts.

Wrap Up Phase

The campaign will be wrapped up when we reach our goal.

Work has begun on identifying prospects for the Steering Committee.

Following a brief discussion of this project, Dennis thanked Tracey for her update. George mentioned he would like to put together a financial proposal and bring it to the Board at the meeting in July.

B. Update on the Authority Audit

Sheri Talbot provided an update on the Authority Audit which was recently done by the Texas Department of Aging and Disabilities Department. The overall audit was very positive about the Authority program. Dennis and the Board thanked Sheri for the good work.

C. Update on Community First Choice (CFC)

Sheri provided an update on Community First Choice (CFC). She discussed in detail what was involved in planning for the CFC implementation including a discussion of the priority lists. She briefly discussed the Planning for CFC Implementation charts which were included in the Board packet (an updated copy of these charts was distributed to the Board at the meeting). She has faced some added challenges due to the recent turn-over in staff.

Dennis thanked Sheri for her update.

D. Update on DAD's Administrative HUB

George asked Kate Johnson-Patagoc to present the update on DAD's Administrative HUB. The idea was to create HUB's in various areas who would have the Behavioral, Psychiatric and Medical expertise to support the Center's within that HUB. Originally, the HUB was supposed to include Texana Center, Harris County, and the Gulf Coast, but Tri-County asked if they could be included with this group's HUB as they felt this one was the best fit for them. Next, the Center's had to decide which Center would be the HUB for their location. It was decided by Gulf Coast, Harris County and Tri-County that Texana was in the best position to be the Administrative HUB. Some of the support which would be provided by Texana Center as the HUB, would include educational seminars, case consultations, 1115 Waiver, and peer review. We will receive additional

funds from DADS for serving as the HUB. Dennis thanked Kate for her presentation.

Dennis also took time to thank Shena Timberlake for coming out to his Church to provide Behavioral Health information which will assist them with a grant his Church received from the Hogg Foundation for Mental Health. Dennis also thanked all of the SLT leaders for the work they do.

VIII. AN EXECUTIVE (CLOSED) SESSION WILL BE HELD FOR THE FOLLOWING PURPOSES:

The Board entered into Executive session at 9:40 A.M. to discuss the following cases.

- Deliberation Regarding Current, Pending, or Anticipated Litigation
 - Madhu Rao v. Texana Center
 - Puleo v. Texana Center
 - Jessica Spencer and Shalaina James v. Texana Center

IX. EXECUTIVE SESSION RETURN TO OPEN SESSION AND CONSIDER TAKING ACTION ON THE FOLLOWING:

- Deliberation Regarding Current, Pending, or Anticipated Litigation

The Board returned to open session at 9:45 A.M. with no action to consider.

X. OTHER BUSINESS

George reminded the Board members that we have the Texas Council Conference June 17th through the 19th and that we were having our Board and SLT dinner on June 18th at the Oceanaire Seafood Room.

Anita mentioned each Board member was given a white envelope which contained the CEO's evaluation form. She asked each member to complete the form and return it to her no later than July 3rd.

XI. NEXT BOARD OF TRUSTEES MEETING

Dennis mentioned the next Board of Trustees meeting would take place on July 22, 2015.

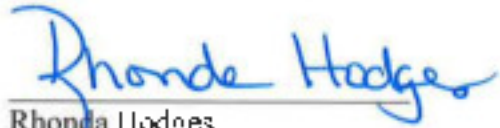
XII. ANNOUNCEMENTS

There were no further announcements.

XIII. ADJOURN

The meeting adjourned at 10:47 A.M.

Respectfully submitted,



Rhonda Hodges
Recording Secretary

Approved:

 7/27/15

Dianne Wilson Date
Board Chair