

LAKES REGIONAL COMMUNITY CENTER
REGULAR MEETING OF THE BOARD OF TRUSTEES
WEDNESDAY, AUGUST 26, 2026, 5PM
BOARD MINUTES

AGENDA
NUMBER TOPIC

08.01.26 CALL TO ORDER

The August 26, 2026 Regular Meeting of the Lakes Regional Community Center Board of Trustees was called to order by Chairperson Tom Brown at 5:00 p.m. A quorum was present, either in person or via Zoom.

Members Present (In Person/Zoom):

Tom Brown, Hunt County, Chairperson	Margaret Webster, Kaufman County
Shae Green, Rockwall County	Steve Earley, Lamar County
Lisa Heine, Ellis County	Bryan Oliver, Veteran Representative
Jan Brecht-Clark, Ph.D., Delta County (Zoom)	E. P. Pewitt, Morris County (Zoom)
Nancy Leflett, Titus County (Zoom)	Melanie Bass, Camp County (Zoom)
Crystal Richardson, Navarro County (<i>arrived late via Zoom</i>)	
Dana Sills, Hopkins County (<i>arrived late via Zoom</i>)	

Members Absent:

Sheriff Ricky Jones, Franklin County

Vacant Seat(s): N/A

Guest(s):

Ed Busch, IS

Carla Aquino, HR Administrative Assistant

Ex Officio Members Present: Sheriff Bragg, Titus County (Zoom)

Ex Officio Members Absent: Sheriff Martin, Morris County

Management Staff Present:

Mike Konieczny; Susan Chaffin; Jessica Ruiz; Laurie White; Chris Cox; Clara Daniel; Angela Spradlin

Management Staff Zoom: Wayne Vaughn

Management Staff Absent: Didi Thurman

Board Liaison/Recording Secretary:

Tammy Johnson, Board Liaison/Recording Secretary

Martha Andrade, Fiscal Administrative Assistant

08.02.26 APPROVAL OF MINUTES

Recommended Board Action:

➤ **Approval of the Regular Board of Trustees Meeting Minutes of July 22, 2026**

Steve Earley made a motion to approve the minutes as written, seconded by Melanie Bass. The motion carried with unanimous approval.

08.03.26 COMMENTS FROM CITIZENS

➤ There were no public comments.

08.04.26 COMMITTEE MEETING REPORTS

➤ Budget/Finance Committee

• **Budget Highlights**

- A balanced budget of approximately \$42.9 million was presented. Major assumptions include:

- Revenue projections are based only on current contracts and approved grants. Other revenue is based on the most recent actuals.
 - No revenue is included for pending grants or the potential Kaufman County LMHA transition.
 - Charity Care Program (CCP) revenue was reduced by \$250,000 from the prior year to account for recent funding shortfalls.
 - The current CCBHC SAMHSA grant is ending in September, resulting in the loss of approximately \$1 million in annual funding unless replacement funding is secured.
 - Overall revenue is projected to be approximately \$200,000 less year over year.
 - Expense Highlights:
 - Debt service reduced by approximately \$1.2 million due to payoff of the Paris building loan.
 - Salaries and benefits reduced by approximately \$990,000, reflecting about 26 fewer employees than the previous year and no longevity payouts that occurred during FY2026.
 - Contracted Expenses and Capital Expenditures:
 - \$7.2 million in contracted services, largely due to additional IDD psychological evaluations through Consilium.
 - Clinic repairs, renovations, and parking lot repairs: \$130,000.
 - IT infrastructure and hardware: approximately \$167,000, including:
 - ◊ Battery backup systems
 - ◊ Phone upgrades
 - ◊ Computer replacements
 - Rockwall MH remodel: approximately \$50,000.
 - Lease of five vehicles; three replacement and two new vehicles.
 - Discussion:
 - Conservative budgeting assumptions.
 - Anticipate IDD Service Coordinators will achieve an extra 6% in Medicaid revenue (approximately \$150,000/year, \$12,000/month).
 - Exclusion of Kaufman County-related revenues and expenses.
 - Approximately \$1.5 million in pending grant opportunities not reflected in the budget.
 - Grant research efforts coordinated through Texas Council and internal staff.
 - Cost savings of approximately \$300,000 from consolidating multiple locations and reducing lease expense.
 - Future plans for cloud-based business continuity and communications infrastructure.
 - **Holiday Schedule**
 - The FY2027 holiday schedule remains unchanged from FY2026 with 13 recognized holidays.
 - **Salary Plan**
 - Based on the budgeted FTEs for the year.
 - Alignment of several job titles with similar duties across divisions.
 - Continuation of existing salary grids.
 - Continuation of the 10-year longevity pay increase structure.
- Policy (Ad hoc) Committee
- **Policy Review:**
 - Modernized outdated language and terminology.
 - Updated references and administrative language.
 - Legal review and revisions.

- **Discussion:**
 - Naming convention questions regarding use of “Community Center,” “The Center,” and MHMR references within policies.
 - This agenda item was temporarily tabled while corrections were verified. After verification was completed later in the meeting, the Board resumed consideration.

08.05.26 **RECOMMENDATIONS FOR APPROVAL**

➤ **Review and take possible action on Budget/Finance Committee’s recommendation for FY ’27 Budget, Salary Plan, and Holiday Schedule**

The Budget/Finance Committee made the motion to approve the FY ’27 Budget. Motion carried with unanimous approval.

Crystal Richardson made a motion to accept the Salary Plan and Holiday Schedule, seconded by Jan Brecht-Clark. Motion passed unanimously.

➤ **Review and take possible action on Policy Committee’s recommendation for policy amendments**

The Policy Committee made the motion to approve the Series 100 policies as amended and corrected. The motion was approved unanimously.

➤ **Review and take possible action to approve the Interlocal Cooperation Agreement with Gulf Bend for Private Psychiatric Bed Services**

- The Interlocal Agreement with Gulf Bend Center was reviewed for use of excess private psychiatric bed (PPB) funds.
 - Lakes Regional has nearly exhausted available PPB funds.
 - Gulf Bend offered up to 75 bed days, not to exceed \$60,000.
 - Funds expire August 31st.
 - Lakes Regional would pay providers and then invoice Gulf Bend for reimbursement with supporting documentation.
 - Staff noted that while similar agreements have historically been common practice, HHSC is reviewing whether this funding transfer mechanism remains permissible.
 - No expenditures will occur unless HHSC confirms the arrangement is allowable.

Margaret Webster made a motion to approve the Interlocal Agreement and Lisa Heine seconded. Motion was approved unanimously.

➤ **The Interlocal Agreements with Dallas Metrocare and StarCare: not ready to be presented.**

➤ **Review and take possible action to approve the 3-year Strategic Plan**

- **Strategic Priorities:**
 1. Build and sustain a strong Lakes Regional workforce.
 2. Strengthen our data, technology, outcomes, and storytelling.
 3. Improve operational efficiency and financial sustainability.
 4. Increased visibility, advocacy, and community understanding.
- **Mission Statement:** “Compassionate care that empowers independence, dignity, and connection.”
- **Vision Statement:** “Communities where every person can access the care, support, and belonging they need to thrive.”
- Discussion included rollout plans, staff communication, and suggestions regarding organizational values and possible acronyms.
- Intention is to make this strategic plan a living, operational document used to drive decisions on grants, new projects, workforce issues, and financial issues as we seek to improve in each of these areas.

Lisa Heine made a motion to approve the 3-year Strategic Plan, and Bryan Oliver seconded. The motion was approved unanimously.

08.06.26 FISCAL REPORT (Mike Konieczny)

Recommended Board Action:

➤ **Accept Center's Financial Statement for the Period Ending: July 31, 2026**

- **July Financial Performance:**

- July operating loss: approximately \$38,000.
- Year-to-date deficit: approximately \$775,000.
- Cash balance: approximately \$16.9 million.
- Days cash on hand: 139 days.

- **Financial Highlights:**

- Excluding the Paris debt payoff, year-to-date operations would show an approximate \$250,000 surplus compared to \$286,000 last year.
- Medicaid Administrative Claiming (MAC) clean-up adjustments were completed.
- Charity Care Pool revenues continue to be adjusted to actual expected collections.
- Accounts receivable balances have been cleaned up or written off and older receivables resolved.

- **Discussion:**

- MAC adjustments created IDDA and IDDP deficits.
- Accounting treatment of the Paris facility as a capital asset pending audit completion.

Motion to approve financial statements as presented was unanimously approved.

08.07.26 AUTHORITY ADMINISTRATION SERVICES REPORT (Susan Chaffin)

➤ **Contracts:** Information included in the board packet for review. No discussion.

➤ **Rights/Abuse, Neglect & Exploitation Allegations**

- One internal rights case was opened and closed. The allegation was confirmed but determined to be related to staff judgment rather than malicious intent.
 - Corrective action consisted of additional staff training.
- Two APS/HHSC investigations were closed as unconfirmed. One additional case closed after report publication, also unconfirmed.

➤ **QM Activities for MH, NTBHA & Substance Abuse**

- Effective Crisis Response narrowly below target at 78.5%.
- Hospital 30-Day Readmission target missed for the second consecutive month.
- NTBHA MH Adult Improvement at 31.4 versus target of 32.5.
- Child and Adolescent GR counties performance indicators are "green" for the second half of the year.
- Region 3 Substance Use Services achieved all "green" performance.
- Ongoing work continues on SUD Region 4 and NTBHA-related measures.
- Favorable results from MCO audits, skills billing audits, peer reviews, chart reviews, and corrective action plan follow-up audits.
- Discussion regarding peer/chart reviews and inter-rater reliability.

➤ **QM Activities for IDD**

- IDD audit did very well.

08.08.26 PLANNING AND NETWORK ADVISORY COMMITTEE (PNAC) UPDATES AND RECOMMENDATIONS (Susan Chaffin)

- Upcoming PNAC meeting on August 27th and consideration of a mental health individual as a new member from Hopkins County.

08.09.26 PROGRAM REPORTS

BEHAVIORAL HEALTH SERVICES REPORT (Wayne Vaughn in Didi Thurman's absence)

- **Monthly Action Plan** – Information included in the board packet for review. No discussion.
- **Community Input** – Information included in the board packet for review. No discussion.
- **State-Level Input**
 - Lakes Regional staff met with Hopkins County on the Court Liaison program set to begin September 1st.
 - Court Liaison has been hired.
 - Judge Eddie Northcutt is the Authorized Officer (Lead Judge).
 - This is a pass-through grant with the funds going directly to Hopkins County for this position.
 - Lakes applied as a center for both Initiative 4 and Initiative 6 of the Rural Texas Strong grant.
 - Initiative 4: Partnering with Texas A&M in a fellowship program to increase social workers in rural areas.
 - Approximately \$200,000 for renovation of the former Paris MH clinic building; to be repurposed for ISS, IDD, and ECI offices. Expected reduction of lease expenses through consolidation into owned space.
- **Success Stories** – Information included in the board packet for review. No discussion.

LIDDA OVERVIEW (Clara Daniel)

- **Monthly Action Plan**
 - IDD Authority audit concluded successfully with no audit expected for two years.
 - Enrollment performance measured at 84%, resulting in approximately \$1,000 in sanctions.
 - Crisis caseload at 47 active cases, with 31 of those individuals awaiting eligibility determination.
 - Determination of Intellectual Disability (DID) waiting list reached 149 individuals; 32 of those have been referred.
 - Consilium consultants will assist with psychological assessment backlog.
 - Retired psych associate, Paul Boone, has returned part-time to assist with evaluations.
 - 232 TxHmL Interest List reduction slots received in FY26, and 16 HCS Interest List reduction slots received.
 - Projected to process 152 new TxHmL slots and zero HCS slots for FY '27.
 - 130 pending enrollments and serving 1,782 individuals through Targeted Case Management.
 - 12 pending SSLC commitments, with six originating in Kaufman County. Board member, Bryan Oliver, requested that he and Margaret Webster be provided a breakdown of the Kaufman County cities that are included in these.
- **Community Input**
 - Attended Rockwall CRCG in June and Hopkins County CRCG in July.
- **Success Stories**
 - Two individuals successfully transitioned from host home living to complete independence.
 - Participation and personal growth achieved through adaptive community theater activities.
- **Staffing Challenges**
 - Continue to have staffing challenges.

INTELLECTUAL & DEVELOPMENTAL DISABILITIES REPORT (Laurie White)

- **Residential Capacity and Utilization Summary**
 - Ongoing efforts to fill vacant residential beds.
- **Community Outreach & Inclusion**
 - Despite the heat index, efforts continue to promote community inclusion and recreation opportunities.
- **State-Level Input & Updates**
 - Continued statewide challenges regarding bed bug prevention and treatment.
- **Pathways to Success**
 - Employment success story highlighting a long-term individual who achieved employment despite previous barriers and denials.

EARLY CHILDHOOD DEVELOPMENT (Angela Spradlin)

- **Monthly Action Plan**
 - July referrals totaled 68.
- **Community Input** - Information included in the board packet for review. No discussion.
- **State-Level Input**
 - Funding authorization has been received for the upcoming year:
- **Success Stories**
 - Staff demonstrated how simple household activities, such as playing with bubbles, can support:
 - Fine motor skills
 - Language development
 - Social-emotional growth
 - Sensory integration
 - Developmental learning; adaptive self-help

08.10.26 INFORMATION SERVICES STATUS REPORT (Chris Cox)

- **IS Operations & Projects Status Report**
 - Fortinet endpoint security implementation nearing completion.
 - New veteran-specific referral email and toll-free number have been established.
 - Online credit card payment processing enhancements implemented.
 - Internal application development projects continue.
 - A success story was shared highlighting career advancement of an employee who transitioned from IDD services into application development.

08.11.26 HUMAN RESOURCES REPORT (Jessica Ruiz)

- **Staffing Issues**
 - Headcount:
 - Total employees: 394
 - Vacancies: 22
 - Positions filled: 7 (4 new hires; 3 internal transfers)
 - Separations: 8 voluntary resignations
 - Recruitment: Continue to use same sources
 - Training and Development: Same training for new hires and current staff; CPR, SAMA, Youth Mental Health First Aid (MHFA).
- **Compensation & Benefits**
 - Year to date, we have 17 large claims, with four exceeding stop loss.

- Open enrollment: 36 employees began contributing to retirement plans, with 31 of those electing Roth contributions.

08.12.26 CEO COMMENTS (Wayne Vaughn)

- Kaufman County Transition Update
 - Continued discussions with NTBHA leadership.
 - NTBHA remains responsible for all LMHA functions until transition completion.
 - HHSC has confirmed no governmental entity plan amendment is required.
 - Progress continues toward completing documentation and approvals by the end of September.
- Miscellaneous:
 - Wayne gave Senate testimony for the Veterans Affairs Senate Committee, advocating for additional funding for VPN program.
 - Quarterly recognition awards will be presented at the September meeting.
 - Jessica Ruiz reported positive employee response to receiving nomination comments as part of the recognition program.
 - Board members were reminded to complete annual Code of Conduct documentation and notary requirements.
 - Requested board members review the meeting schedule and notify us in case of any issues or changes that need to be made.

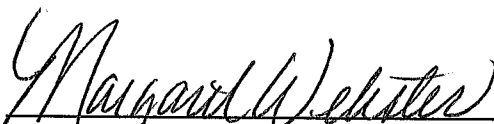
CLOSURE

08.13.26 ADJOURNMENT

Shae Green made a motion to adjourn the meeting, seconded by Bryan Oliver. Motion carried unanimously. Meeting adjourned.

The next meeting is scheduled for Wednesday, September 23, 2026 in Terrell, Texas.

ATTEST:


Margaret Webster, Board Secretary


8/23/26
DATE:


Tammy Johnson, Board Liaison/Transcriptionist

9/23/26
DATE: