



REGULAR BOARD MINUTES

January 26, 2023

METROCARE
Board Meeting Minutes
January 26, 2023

A Regular Meeting of the Board of Trustees of Metrocare convened on Thursday, January 26, 2023. The meeting was held at 1345 River Bend Dr., Dallas, TX 75247 (Mustangs Rm.)

CALL TO ORDER:

Mr. Bernstein called the meeting to order at 1:32 pm. A quorum was present with seven members of the Board in attendance.

Trustees in attendance:

Kenneth Bernstein, Dave Hogan, Noel O. Santini, M.D., Hon. Martin Lowy, Stacy Cantu, Jaime Walkowiak and Vickie Rice.

Trustees absent (excused):

Anthony Farmer.

CITIZEN COMMENTS: No public comment was received.

Staff present:

John Burruss, MD., Kelli Laos, Judith Hunter, MD., Jennifer Wadsworth, Carolina Lasso, Ikenna Mogbo, Tate Ringer, Kevin Boyd, and other staff.

Guest present: Joel Geary, Tzeggabrhan Kidane, Elva Rodriguez-Curl, and Brooks Love.

CHAIRMAN UPDATES:

Lifenet Community Behavioral Health Check Presentation:

Chief Housing Officer, Ikenna Mogbo introduced Gary Keep from LifeNet Community Behavioral Health (LCBH). Mr. Keep, on behalf of LCBH presented Metrocare with a check for \$1.3 million dollars. Mr. Keep said that in the past LifeNet faced some challenges and that Metrocare came to their aide. LCBH is excited about the initiative that Metrocare is embarking on, and they hope that these funds will help with this vision and give them the opportunity to work on this together with Metrocare. Mr. Keep introduced LCBH Board member Richard Rodine.

Dr. Burruss provided a brief history of how Metrocare and all things LifeNet came to merge approximately eight years ago.

Mr. Keep said that they are happy to work with us on this process. He provided information on other projects they work on and from where the money they share with us comes from.

The board members and Dr. Burruss thanked Mr. Keep, Mr. Rodine and LCBH for their generosity.

FY23 Board Attendance:

Mr. Bernstein referred to the attendance report and said if there are any changes to make to contact Ms. Toscano.

Board Recognition: Mr. Bernstein recognized Mr. Zavala for his service on the board and said that Mr. Zavala has resigned his position on the board and Dr. Elba Garcia will be appointing his replacement. He referred to the board members and said that if anyone has a good candidate that resides in Dallas County, they can refer them to the Commissioners for their review.

Texas Council Update:

Mr. Bernstein provided an update on the visit to Austin that he and Mr. Joel Triska made last week to visit our senators and representative offices. The purpose of this visit was to provide education about our intellectual and developmental disabilities (IDD) programs, housing, and workforce development. He commended Mr. Triska on his housing presentation. Mr. Bernstein referred to the \$32 billion revenue surplus that the state has and not knowing where this will be committed. He said we should have a better understanding in the month of March.

Mr. Triska said that Mr. Bernstein did a fantastic job representing Metrocare's interest in our concerns about workforce, and they talked a lot around housing with several of the representatives. They had a lengthy conversation with the Legislative Director in Senator's West office and some continued conversations happening there.

ACTION AGENDA ITEM(s):

Mr. Bernstein moved the sequence of the agenda to allow for the Audit Firm FORVIS to provide the FY22 Audited Financial Statements.

Consideration to Receive the FY22 Audited Financial Statements:

Dr. Burruss introduced Mr. Chris Clark from the Audit Firm of FORVIS. Mr. Clark said that the last time they met their name was BKD, but last June they did a merger with another CPA and the name was changed to FORVIS. This will be their third or fourth year doing this Audit.

Mr. Clark said that there is significant improvement in the financial position in terms of the results of the audit. He commended the financial team for their collaboration and processing. He said they stepped up this year and did a fantastic job working with them.

He said that the Audit is in Draft form today to give the board an opportunity to hear the results of the audit and provide feedback. They are prepared to issue an unmodified opinion that is a clean opinion that means Forvis is providing assurance that the financial statements and foot notes are both accurate and complete.

Mr. Clark introduced Director Kayla Marsh who presented a Power Point that covered the audit highlights and balance sheets.

Mr. Bernstein referred to the balance sheet and to FY2018 and said that basically our net position has gone from near zero to \$44MM now. This is representative of the equity that the community has in the business. This is a very nice change and something to keep in mind.

Dr. Burruss referred to two meetings ago when he included a chart in the handouts that showed how we doubled net position in 2019, we doubled net position again in 2020, and 2021, and we increased by one and a half in 2022 and this is what you are seeing. There were no other questions posed for the balance sheet.

Ms. Marsh said there were no difficulties encountered by their team when conducting the audit, disagreements with management, contentious accounting issues, nor consultations with other accountants.

Motion: Judge Lowy moved to Approve the FY22 Audit Financial Statement and Mr. Hogan second. The motion carried unanimously.

BOARD LIAISON REPORTS:

Ad hoc Committee to Review the Center Board Policies and Bylaws:

Judge Lowy said the committee met on Tuesday and they reviewed 4 or 5 Board Policies that will be ready to be presented to the board at our next board meeting. Progress is being made and they have another meeting scheduled in April. We are close to being able to rotate the Board Policies on a three-year cycle.

Mental Health Advisory Committee:

Ms. Wadsworth said the committee met last week and they reviewed and finalized the application for the Quality Management Committee. She reviewed the mental health KPIs, and the committee requested additional demographic information regarding hospital discharge and follow-up. The committee also received training on Care Coordination. There were no questions posed for this item.

CONSENT AGENDA ITEMS:

All consent agenda items are considered to be routine by the Board and will be enacted with one motion. There will be no separate discussion of items unless a Board member so request, in which event, the item will be removed from consideration as an item of consent business and considered in its normal sequence with the other action items listed below in which case full discussion of the item may occur as necessary.

1. Approval of Minutes – Regular Board Meeting, December 1, 2022
2. Approval of the Human Resources Report for December 2022
3. Approval of the Mental Health Division Report for December 2022
4. Approval of the Housing Division Report for December 2022
5. Approval of the Local Intellectual and developmental Disability Report for December 2022
6. Approval of the Strategic Initiatives Report for December 2022

Mr. Bernstein requested that item number three, the Mental Health Division report be moved to the Action Agenda.

Motion: Ms. Rice moved to Approve the Consent agenda as revised and Ms. Walkowiak second. The motion carried unanimously.

Approval of the Mental Health Division Report for December 2022:

This report was made a part of the board packet. Mr. Bernstein referred to page 147897 in the board packet and KPI 9. Ms. Wadsworth said that KPI 9 has recently received a decline due to months with lower service volume and is captured on a rolling 12-month period. We have recently implemented our community navigators and they were on new jobs 2 out of 5 positions on January 5th. We did a PDSA conducted within our Care Coordination department which is to determine gaps in the process after 30 days. We pre-allocated the two resources that we have to one of the specific sites that has the lowest compliance with all the reports. We also changed the way of the reporting that we were using to track our hospital discharges, so we actually received an MCO file of claims data and what we found is that there is a large number of individuals that are discharged without notification to our coordination department, so they are going to re-strategize and follow up with those individuals. Ms. Wadsworth will be working with the MCO contacts to try and ensure that the hospitals are contacting our Liaison department.

Ms. Wadsworth fielded questions posed by the board.

Motion: Judge Lowy moved to Approve the Mental Health Division Report for December 2022 and Mr. Hogan second. The motion carried unanimously.

CHIEF EXECUTIVE OFFICER REPORT – SERVICE PRESENTATION:

Juvenile TCOOMMI Program – Regina Walker, LPC, Director of Child and Adolescent Services presented on this program which is a partnership between the Juvenile Probation Department and Metrocare. Clients are enrolled in the program for 6 months where they will receive weekly services using a multi-service family approach.

Ms. Walker provided the success story of a 15-year-old, African American male that came to care after Assault and Theft offenses in March 2022. He received psychiatric services for 6 months, successfully completing the program without re-offending. He and the family continue to be seen by a Wraparound Program for continued enhanced parenting skills and possible transition to reunification.

Dr. Burruss said the reason why we present these stories is to provide a tangible idea of what is done daily. Last year, Metrocare saw 12,000 kids. Not all cases are this severe, but many are more severe, more difficult and more problematic. Multiply this success times 12,000 to realize what Metrocare does over the course of the year and you will begin to see that we are one of the premier children/adolescent service centers anywhere.

ACTION AGENDA

CHIEF EXECUTIVE OFFICER REPORT:

Approval of the Chief Executive Officer Report for the FY23 Key Performance Indicator through December 2022:

These reports were made part of the Board packet. Dr. Burruss called attention to the "Items for Ongoing Attention" section of the CEO Report and updated the trustees on progress that has been made on each of the items. He reported that Hilltop Securities has secured a very favorable term sheet for the Bond Anticipation Note (BAN) from Texas Capital Bank. Finalization of the BAN is expected at the February meeting. Abatement and demolition of the Hillside campus continue, and the Whiting-Turner Guaranteed Maximum Price (GMP) contract is nearing completion to also be presented at the February board meeting. The four, already-approved lease agreements between Parkland and Metrocare are only awaiting a survey that is expected by 2/6/23 and communication with the County to secure the \$9 million ARPA support for Hillside utility and site work has been productive.

Motion: Judge Lowy moved Approval of the Chief Executive Officer Report for the FY23 Key Performance Indicator through December 2022 and Mr. Hogan second. The motion carried unanimously.

Consideration to Approve the Guaranteed Maximum Price Construction contract with Whiting-Turner for the development of the Hillside Campus Behavioral Health Innovation Center: This item was tabled until the February board meeting.

FINANCE AND ADMINISTRATION REPORTS

Acceptance of the Center's Financial Statements for the period ending November 2022 (unaudited):

This report was made a part of the board packet. Dr. Burruss said this report is part of the packet and stands as is. There were no questions posed for this item.

Acceptance of the Center's Financial Statements for the period ending December 2022 (unaudited):

This report was made a part of the board packet. Dr. Burruss said we are doing well year-to-date. We are a little behind budget but there is a good explanation for this and we will almost certainly catch up. We anticipated having the \$9MM ARPA commitment from the County by now. Further, Metrocare also has access to \$7MM of County ARPA money that is \$2MM for PPE replacement and \$5MM for housing. We have invoiced but not received the money, yet. There is also still a gap in the Capital Campaign that we are working on every day. Operationally, we are doing just about what we had expected from the budget.

In response to Mr. Bernstein's question, Dr. Burruss said that we have responded to Mr. Charles Reed with the list of things that have to be submitted to the Federal Government

to explain why capital is required. We have gone through a lengthy set of questions, and all is now in the County's hands as of Friday before last.

Motion: Ms. Walkowiak moved to Accept the Financial Statements for the period ending November 2022 and December 2022. Mr. Hogan second. The motion carried unanimously.

Dr. Burruss requested to add a moment of privilege to the audit and said that we have talked before about how Metrocare has made great strides. He said the Audit continues to affirm what the team is doing operationally and there are some non-operational things that we just talked about. Operations is increasing revenue and doing fantastic work in pharmacy at the same time as we are raising salaries. We are paying what is hopefully above market to get people to stay. This is a big part of retention. He said that fiscal 2022 was a high point. DSRIP was ending while DPP and Charity Care were starting. This is one year of overlap. We're coming to understand that Charity Care Projections even better, so we update that regularly. We are on track to do everything we have talked about. We can build Hillside, the Southside Children's Center, the Special Needs Offenders Program (SNOP), and we can continue to do the housing expansion. Nothing has arisen yet that would change this and we can do it while a minimum salary of \$20/hour.

Mr. Bernstein referred to some closures around the state due to staffing issues. He said it is significant for us, but worse for the smaller centers.

Mr. Hogan gave kudos for the job being done and able to do all the projects and having them funded. At the same time raising the wages.

Mr. Brooks Love provided information on what the County is doing to raise staff's wages.

Approval of the Facilities Department Report for December 2022:

This report was made part of the Board packet. Mr. Boyd said his report was provided under the CEO's report. In reply to the foundations that are still there he said they had trouble finding the shut off valve and they spent last week digging and finally this morning they located the line for the shut off valve. They can now start to remove the slabs.

Motion: Ms. Cantu moved Approval of the Facilities Department Report for December 2022 and Ms. Rice second. The motion carried unanimously.

PROVIDER SERVICES REPORT:

Approval of the Clinical Services Division Report for December 2022:

This report was made a part of the board packet. Dr. Hunter said the numbers have not changed and provided the following highlights:

Altshuler Center for Education and Research (ACER) –It was reported that Dr. Jamaica Chapple has joined the team as the Executive Director of ACER. Dr Chapple has a PhD in supervision and counseling and is a Licensed Professional Counselor. She comes to us

from the University of North Texas System and has extensive experience in program development.

Dr. Sherwood Brown from UTSW is also joining ACER as the Medical Director of Research. Dr. Brown will be providing supervision for trainees who are engaged in research rotations.

Dr. Hunter and staff fielded questions from the board.

Motion: Ms. Rice moved Approval of the Clinical Services Report for December 2022 and Dr. Santini second. The motion carried unanimously.

Consideration and Approval of Resolution Delineating the Board's Awareness and Approval of Chief Executive Officer John W. Burruss, M.D., and/or Chief Financial Officer, Lucas Wilson, on behalf of Metrocare Services, is authorized to negotiate and execute a real estate purchase contract for the land and premises described as 3917 – 3929 Rawlins St. Dallas, Texas 75219 ("the property") with the purchase price of \$8,200,000.

Mr. Mogbo said that this resolution pertains to the purchase of the Rawlins Chateau Property for the purchase price of \$8,200,000. \$6MM of this will be finance through Texas Security Bank on a ten year note with \$2,200,000 from County ARPA funds.

Motion: Ms. Cantu moved Approval of Resolution Delineating the Board's Awareness and Approval of the Chief Executive Officer, John W. Burruss, MD., and/or Chief Financial Officer, Lucas Wilson, on behalf of Metrocare Services, authorization to negotiate and execute a real estate purchase contract for the land and premises Described as 3917 – 3929 Rawlins St., Dallas, Texas 75219 ("the property") with the purchase price of \$8,200,000. Judge Lowy second and the motion carried unanimously.

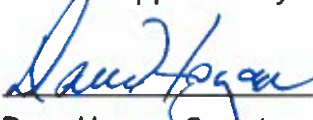
Quality and Compliance Services Report:

This report was made a part of the board packet. Ms. Laos updated board trustees that CARF re-certification would take place in late March or April, and she will provide results following its completion.

Motion: Judge Lowy moved Approval of the Quality and Compliance Services Report for December 2022 and Ms. Walkowiak second. The motion carried unanimously.

Meeting Adjournment: There being no further business to come before the Board, Mr. Bernstein adjourned the meeting at 3:07 p.m. **Next board meeting:** February 23, 2023.

Minutes approved by:



Dave Hogan, Secretary