

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES PERMIACARE

The regular monthly meeting of the Board of Trustees of PermiaCare was held January 21, 2020, at the Permian Basin Regional Planning Commission (Midland International Air and Space Port) P.O. Box 60660 2910 LaForce Blvd. Midland, Texas.

Board officers present were Gus Ortega, Chair; Barbara Yarbrough, Vice-Chair; Patricia Nelson, Treasurer; and Margaret Jones, Secretary.

Board members present were Larry Edgerton, and John Landgraf. Board members absent were Mark Dettman and LaDoyce Lambert.

Staff members present were Chris Barnhill, Chief Executive Officer; Christian Marmol, Interim Chief Financial Officer; Jill Stephens, Human Resources Director; Joshua Alaniz, Director of Resource Development; Erica Holguin, Assistant Resource Development Director; Pam Shurley, Intellectual Development and Disability Director; and Amber Pyle, Executive Assistant.

Guest present was Katie O'Shields of Eide Bailly, LLP.

I. CALL MEETING TO ORDER

Chair, Gus Ortega declared a quorum and called the meeting to order at 3:30 p.m.

II. CHAIR'S REPORT

Chair Ortega presented CEO Barnhill with an award for 24 years of service and commended him on the excellent job he has done as the new CEO. Chair Ortega then introduced Katie O'Shields of Eide Bailly, LLP.

III. PRESENTATIONS/TRAINING

Intellectual and Developmental Disability (IDD) Director Pam Shurley provided the Board education on Hab Coord, an IDD service provided to individuals in nursing facilities. Director Shurley opened by saying the majority function of an IDD authority is to monitor services delivered to IDD individuals in the community. Preadmission Screening Resident Review (PASRR) Hab Coord stems from a lawsuit brought against the State of Texas by Disability Rights dealing with the abuse of individuals with IDD on a farm in Iowa. When the individuals were returned to Texas following a raid on the farm, they were placed in Nursing Facilities across the state. The lawsuit contended that the IDD individuals were not afforded the opportunity to live in the community in the least restrictive environment. The lawsuit resulted in the expansion of IDD services for individuals housed in nursing facilities.

The most recent expansion is a service called Habilitation Coordination which uses a Hab Coordinator employed by PermianCare to provide monthly service coordination to ensure IDD individuals have continuing opportunities to explore community living options. Hab Coord is a complicated service with in-depth plans of care, constant monitoring, and an abundance of forms. Director Shurley asked if there were any questions. No questions were asked so she thanked the board for allowing her to present to them.

IV. CONSENT AGENDA

The Consent Agenda was distributed to all members prior to the meeting. Chair Ortega asked if there were any requests to remove items for discussion. Hearing none, he requested a motion approving the Consent Agenda as follows:

1. Minutes of the last meeting
2. CEO Activity Report
3. Community Relations Report

A/M/S (Landgraf/Yarbrough) (Unanimous)

Motion to approve the consent agenda as presented.

V. TREASURER'S REPORT

The Treasurer's Report for November 2019 was distributed to all members prior to the meeting and the December 2019 report was distributed at the meeting. Treasurer Nelson reviewed the reports.

A/M/S (Jones/Yarbrough) (Unanimous)

Motion to approve the Treasurer's Report as presented.

VI. QUALITY MANAGEMENT REPORT – FIRST QUARTER FY 2020

Erica Holguin reviewed the 1st Quarter FY 2020 Quality Management report, which had been distributed prior to the meeting. Mrs. Holguin discussed specific findings.

A/M/S (Landgraf/Nelson) (Unanimous)

Motion to accept the 1st Quarter FY 2020 Quality Management Report

VII. CONTRACT COMPLIANCE REPORT – FIRST QUARTER FY 2020

Todd Luzadder reviewed the 1st Quarter FY 2020 contract compliance report, which had been distributed prior to the meeting.

A/M/S (Yarbrough/Jones) (Unanimous)

Motion to accept the 1st Quarter FY 2020 Contract Compliance Report

VIII. TEXAS COUNCIL OF COMMUNITY CENTERS' REPORT

Council Representative Jones attended a meeting on January 17th and 18th. Mrs. Jones reported that she joined CEO Barnhill in meeting with Brooks Landgraf's office, Tom Craddick's office, & Kel Seliger's office. The Texas Council approved their annual audit. The council discussed Certified Community Behavioral Health Clinics (CCBHC) certification. CEO Barnhill stated PermianCare submitted our application on January 6th which kicks off a 3 to 4 month certification process. The executive team anticipate a 60-day window to train everyone in the center on what it means to become CCBHC certified. CEO Barnhill stated that a Substance Abuse and Mental Health Services Administration (SAMHSA) grant could be applied for to start the CCBHC implementation earlier. The executive team are reviewing the application and determining what barriers might exist.

IX. TEXAS COUNCIL RISK MANAGEMENT FUND'S (TCRMF) MEETINGS AND INFORMATION

In the absence of Board member Lambert, there was no Texas Council Risk Management Fund Report.

XI. OTHER BUSINESS

1. *Finance Committee* – Eide Bailly, LLP – Presentation of the Annual Financial Audit

Katie O'Shields of Eide Bailly, LLP, reported her audit partner Diane Terrell met with the Board's Finance Committee on January 13th and reviewed the annual audit report with them in detail. A copy of this annual audit was distributed to the Board prior to the meeting, and included the "Summary of Auditor's Results", on pages 95 and 96 which showed:

- An unmodified opinion was issued on the basic financial statements.
- No material weaknesses or significant deficiencies in internal control related to the financial statements.
- No instances of noncompliance with laws, regulations, contracts and grants that would be material to the financial statements.
- No material weaknesses or significant deficiencies in internal control over compliance with major federal and state programs.
- An unmodified opinion was issued on compliance with major federal and state programs.
- No findings reported relative to major federal or state award programs.

Ms. O'Shields pointed out that PermiaCare's staff did an exceptional job, and that the Board could rely on the accounting staff to provide accurate financial statements. Patricia Nelson reported that the Finance Committee had conducted a detailed review of the audit.

A/M/S (Nelson for the Finance Committee) (Unanimous)

Motion to approve Fiscal Year 2019 Financial Audit Report as presented by Eide Bailly, LLP and recommended by the Finance Committee.

2. Finance Committee - UBS-Greathouse Trust Review

This item was distributed to all members prior to the meeting and was presented to the Finance Committee at their January 13th meeting by Dan Michel and Alan Jones of UBS Financial Services, Inc.

A/M/S (Nelson for the Finance Committee) (Unanimous)

Motion to approve the review of the Greathouse Trust performance, as recommended by the Finance Committee.

3. Finance Committee – Post-Employment Benefit (OPEB) Trust Review

The Milliman Investment Performance Review was distributed to all members prior to the meeting. Interim Chief Financial Officer Marmol reviewed and discussed the report with the group. This was reviewed by the Finance Committee during their January 13th, meeting with no changes proposed.

A/M/S (Nelson for the Finance Committee) (Unanimous)

Motion to approve the review of the Post Employment Benefit (OPEB) Trust as recommended by the Finance Committee.

4. Finance Committee - Review of Form 990, Return of Organization Exempt from Income Tax

This Form 990 Tax Return for the 2018 tax year was distributed to all members prior to the meeting. Interim Chief Financial Officer Marmol presented the Form 990, verifying that the financial amounts contained within reconcile to those presented in the FY 2019 Fiscal Audit in Agenda Item 1. The Finance Committee reviewed the Form 990 in-depth at their meeting on January 13th and recommended approval.

A/M/S (Nelson for the Finance Committee) (Unanimous)

Motion to accept PermiaCare's IRS Form 990, Return of Organization Exempt from Income Tax, for the 2018 tax year as presented by staff and recommended by the Finance Committee.

5. Finance Committee – Fiscal Year 2020 GASB 54 Fund Balance Commitments

CEO Barnhill distributed the Fund Balance Commitments with the

accompanying Board Resolution and reviewed it with the group.

A/M/S (Nelson for the Finance Committee) (Unanimous)

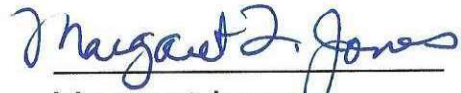
Motion to approve the Resolution, in keeping with Board Policy

4.02.03.00 Fund Balance, as proposed by staff and recommended by the Finance Committee.

There being no further business, Chair Ortega adjourned the meeting at 4:53 p.m.



Chris Barnhill,
Chief Executive Officer



Margaret Jones,
Secretary