

MINUTES

THE DEEP EAST TEXAS REGIONAL MENTAL HEALTH MENTAL RETARDATION SERVICES BOARD OF TRUSTEES MEETING

NOVEMBER 28, 1989

BOARD MEMBERS PRESENT:

Judge Allen Sturrock, Chairman
Mr. Dan Dominey, Vice Chairman
Mrs. Gaffney Phillips, Secretary
Judge Charles English, Treasurer
Ward R. Burke
Mrs. Bobbie Morgan

BOARD MEMBERS ABSENT:

Rev. Robert Carter
Nancy Speck, Ph.D.
Nancy Fuller

OTHERS PRESENT:

Jim McDermott, Ph.D.	MHMR
Susan Rushing	MHMR
Mrs. Linda Naff	MHMR
Mr. Tim Richerson	MHMR
Mrs. Sandy Vann	MHMR
David Smith	Everett Griffith, Jr. & Associates

The 207th meeting of the Board of Trustees was held in the Ward R. Burke Community Room of the Central Administration Facility, 4101 South Medford Drive, Lufkin, on Tuesday, November 28, 1989 at 4:00 P.M.

INVOCATION: Mr. Ward R. Burke gave the invocation.

CALL TO ORDER AND RECOGNITION OF GUESTS: There being a quorum present, Chairman Sturrock called the meeting to order at 4:00 P.M. He recognized David Smith of Everett Griffith, Jr. & Associates, who was in attendance to discuss the sewer system at Peavy Switch Recovery Center.

APPROVAL OF MINUTES OF PREVIOUS BOARD MEETING: There being no additions or corrections to the Minutes of the October Board Meeting, on a motion by Judge English, seconded by Mrs. Phillips, the Board unanimously approved the Minutes of the October 31st Board Meeting.

EXECUTIVE DIRECTOR'S REPORT:

1. Dr. McDermott introduced David Smith and asked him to lead a discussion regarding the various options we have to solve the sewer system problems at Peavy Switch Recovery Center. Mr. Smith reported that the soil in that location is not capable of

absorbing the sewage; therefore, it surfaces. He distributed several pages of options for the Board to review (see attached). After hearing Mr. Smith's discussion, the Board asked staff to further look into Option 4, which is the purchase of a grinder pump lift station that would be owned by the City of Hudson. If the City of Hudson is not willing to let us connect to their system, we will look into Options 1 and 2. Board members determined that Option 3 did not seem very feasible.

2. The Groveton Pallet Company will be opening soon. It already has received more orders than we expected. At the present time, we have hired twelve employees for the plant, six of them being client workers.
3. A local engineer has sent samples of tile from the old Wilson McKewen Treatment Center building to be checked for asbestos, and says that the original report shows the tile to be asbestos-free. The glue holding the tile was determined to have asbestos in it, but the entire floor surface can be covered with another floor covering that would not disturb the asbestos and would be much cheaper than having the tile removed.
4. Staff are currently writing several grants for substance abuse funds to expand that program - mainly in adolescent areas.
5. The old IBM copy machine has been donated to the Humane Society of Angelina County. They had heard that we were selling the copier and asked if we would be willing to donate it to them. We had requested bids for the sale of the copier and received only one bid in the amount of \$126.00. Therefore, we decided to donate the copier to that worthy cause.
6. Volunteer Banquets have been held for Hardin, Jasper, Newton, Tyler, Angelina, Houston, Trinity, Polk, and San Jacinto Counties. The Nacogdoches County Banquet will be held at the La Hacienda Restaurant in Nacogdoches at noon on December 1st.
7. So far, we have presented plaques of appreciation to Shelby, Nacogdoches, Sabine, and San Augustine Counties.
8. The December Board meeting has been scheduled for Thursday, December 21st. Committee meetings will begin at 3:30 P.M., and the meeting will begin at 4:00 P.M.
9. Barbara Holcomb will begin doing some preliminary planning to look at the feasibility of providing geriatric services.
10. Call on Directors for reports:

Chief Financial Officer

- a. Local Match Report: Pledge letters for FY 1990 have been received from Angelina, Hardin, Shelby, Trinity, and Tyler Counties. Houston County has paid their match in full. Board members suggested that we send statements to the County Treasurers with a copy to the County Judge and appropriate Board member.

Chief Operating Officer

- a. The ICF team that recently audited the Nacogdoches Group Home found 17 deficiencies at the Home. Although the deficiencies were minor, the report was unexpected and staff are currently making the necessary corrections.
- b. The Cornerstone program received an outstanding audit. They cited us as a model program and commended us on our staff. They found only one deficiency, and that was in serving a client longer than we should have.
- c. A meeting was held with Representative Curtis Soileau regarding the complaint from the foster family. We feel that the meeting was productive and that his office is satisfied with our actions.
- d. The Ropes equipment is being installed at Peavy Switch, and plans for the new family center have been finalized.
- e. TDMHMR has funds for a comprehensive mental health adolescent services program, and we will be writing a grant for those funds.

Director, Human Resources and Business Planning

- a. Tim asked Board members if they wanted to know each time a salary was upgraded or a position title changed if there was no change in the department's budget. He recommended that the Board approve only personnel changes that affect a department's budget. If the change being made has no impact on the budget, he feels that it is a waste of paperwork and time to request Board approval, and Board members agreed on this issue.

Mr. Burke asked how Pineywoods was doing, and Dr. McDermott reported that their RAJ funds and client fees are down from the amount budgeted. At the same time, however, they are doing a good job of keeping costs down. Revenue and expenditures at the unit are being closely monitored.

Mr. Burke also asked how the search for psychiatrists was coming along, and Dr. McDermott reported that we are making every effort we

can to find additional doctors. If we don't hire one within the next 2-3 weeks, we will contract with Jackson and Coker to assist us in this effort.

COMMITTEE RECOMMENDATIONS FOR BOARD APPROVAL

Budget and Finance Committee - Judge Charles English, Chairman

Consideration of Treasurer's Report: On a motion by Mrs. Phillips, seconded by Judge English, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the Balance Sheet, Operating Statement, Statement of Changes in Fund Balance and Reserve, Internal Advances - Accounts Receivable, Internal Advances - Accounts Payable, and Budget Summaries of Receipts and Expenditures for the month of October, 1989, be approved as submitted; and THAT copies of each report be attached to the permanent Minutes of this Board Meeting.

Consideration of Purchase of Facsimile Equipment: On a motion by Mr. Dominey, seconded by Judge English, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the bid from Copy Duplicating Products in the amount of \$3,995.00 for the purchase of facsimile equipment be accepted; THAT the Chief Executive Officer be authorized to sign the purchase order for the equipment; and THAT copies of all bids be maintained in the office of the Chief Financial Officer.

Consideration of Authorization for Bond Issue Acquisition Certificates: On a motion by Judge English, seconded by Mr. Dominey, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the Chief Executive Officer, or in his absence, the Chief Financial Officer, be authorized to sign and submit Acquisition Certificates for proceeds of the Public Property Finance Corporation of Texas (Mental Health/Mental Retardation Center Facilities Acquisition Program) Revenue Bonds, Series 1988; and THAT copies of all Acquisition Certificates be maintained in the office of the Chief Financial Officer.

Consideration of Revised Fee Schedule: On a motion by Mrs. Phillips, seconded by Mr. Dominey, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the proposed revised Fee Schedule be approved as submitted, and THAT it become effective December 1, 1989.

Program Committee - Mr. Ward R. Burke, Chairman

Consideration of Nominees to Professional Staff Organization: On a motion by Mrs. Morgan, seconded by Mrs. Phillips, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the applications for appointment and re-appointment to the Professional Staff Organization (PSO) by the individuals on the attached list be approved, and THAT the list be a part of the permanent Minutes of this meeting.

Consideration of Revised Board Policy: On a motion by Mr. Burke, seconded by Mr. Dominey, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the Board policy entitled, "Reimbursement for Travel, Lodging, Meals, and Other Related Expenses", be revised; THAT each Board member receive a copy of the revised policy; and THAT a copy of the revised Board Policy Manual be kept on file in the office of the Chief Executive Officer.

Personnel and Public Education Committee - Reverend Robert Carter, Chairman

There were no personnel matters for Board consideration.

Consideration of Personnel Matters:

The meeting was called into Executive Session to consider personnel matters brought before the Board by the Executive Director according to Article 6252-17, Section 2(g) of the Open Meetings Law. The Chairman excused guests from the meeting room at 5:45 P.M., stating that no Board action would be taken until the meeting was reopened.

Executive Session

Chairman Sturrock reopened the meeting to the public at 6:00 P.M. and stated that there were no items for Board consideration at this time.

INVITE COMMENTS FROM VISITORS: There were no comments from visitors at this time.

DESIGNATION OF DATE, TIME, AND LOCATION OF NEXT BOARD MEETINGS:

The schedule for the Board meetings for December and January was set as follows:

Thursday, December 21, 1989
Tuesday, January 23, 1990

Committee meetings will begin at 3:30 P.M., and the Board Meeting will begin at 4:00 P.M. on December 21st.

APPROVED:



Judge Allen Sturrock, Chairman



Gaffney Phillips, Secretary

DEEP EAST TEXAS REGIONAL MHMR SERVICES
REVENUE BY FUND
9/1/89 - 10/31/89

SOURCE	ANNUAL BUDGET	Y-T-D REVENUE	Y-T-D BAL REMAINING	Y-T-D OVER(UNDER)	MONTHLY BUDGET	OCTOBER REV RCPTS*	OCTOBER REV RCV'BLE	OCTOBER REVENUE	OCTOBER OVER(UNDER)
LOCAL:									
ANGELINA COUNTY	25,286	4,880	24,406	(1)	2,441	0	2,440	2,440	(1)
HARDIN COUNTY	14,532	2,422	12,110	0	1,211	0	1,211	1,211	0
HOUSTON COUNTY	6,584	0	6,584	(1,097)	549	0	0	0	(549)
JASPER COUNTY	11,595	0	11,595	(1,933)	966	0	0	0	(966)
NACOGDOCHES COUNTY	12,000	0	12,000	(2,000)	1,000	0	0	0	(1,000)
NEWTON COUNTY	3,000	0	3,000	(500)	250	0	0	0	(250)
POLK COUNTY	9,846	0	9,846	(1,641)	821	0	0	0	(821)
SABINE COUNTY	2,838	0	2,838	(473)	237	0	0	0	(237)
SAN AUGUSTINE COUNTY	2,802	0	2,802	(467)	234	0	0	0	(234)
SAN JACINTO COUNTY	4,107	0	4,107	(685)	342	0	0	0	(342)
SHELBY COUNTY	6,400	1,066	5,334	(1)	533	0	1,066	1,066	533
TRINITY COUNTY	5,127	854	4,273	(1)	427	0	854	854	427
TYLER COUNTY	7,609	1,268	6,341	0	634	0	1,268	1,268	634
CLIENT GOVERNMENTAL BENEFITS	119,628	20,210	99,418	272	9,969	10,150	0	10,150	181
CLIENT WORKSHOP FEES	0	6,062	(6,062)	6,062	0	2,347	0	2,347	2,347
COURT COMMITMENT INCOME	20,000	3,075	16,925	(258)	1,667	805	950	1,755	88
DEBT PROCEEDS	0	34,011	(34,011)	34,011	0	228	0	228	228
DHS PROTECTIVE SERVICES	5,700	0	5,700	(950)	475	0	0	0	(475)
DHS PROTECTIVE SVCS-IN HOME	148,091	14,330	133,761	(10,352)	12,341	0	14,330	14,330	1,989
DONATIONS	952	0	952	(159)	79	0	0	0	(79)
FARM INCOME	0	232	(232)	232	0	0	0	0	0
FOUNDATION GRANT	735,200	14,473	720,727	(108,060)	61,267	8,223	0	8,223	(53,044)
ICF-MR	883,842	174,460	709,382	27,153	73,554	(5,310)	98,052	92,742	19,088
INTEREST INCOME	90,908	28,809	62,099	13,658	7,576	13,960	0	13,960	6,384
KITCHEN REVENUE	7,000	780	6,220	(387)	583	295	0	295	(288)
MANAGEMENT FEES	2,000	0	2,000	(333)	167	0	0	0	(167)
MISCELLANEOUS	3,800	3,989	(189)	3,356	317	1,052	0	1,052	735
NACOGDOCHES ISD	6,740	1,376	5,364	253	562	0	688	688	126
PATIENT FEES	916,622	98,272	818,350	(54,498)	76,385	41,142	0	41,142	(35,243)
PINEYWOODS ANNEX	42,772	0	42,772	(7,129)	3,564	0	0	0	(3,564)
SALES REVENUE	53,460	0	53,460	(8,910)	4,455	0	0	0	(4,455)
SEMINAR FEES	5,000	409	4,592	(425)	417	0	0	0	(417)
STATE DEPT OF HIGHWAYS	555,644	90,362	465,282	(2,245)	46,304	(5,228)	43,819	38,591	(7,713)
SURPLUS REVENUE	20,000	0	20,000	(3,333)	1,567	0	0	0	(1,667)
VOCATIONAL SERVICES	3,000	1,666	1,334	1,166	250	0	833	833	583
WORKSHOP PRODUCTION	246,040	43,215	202,825	2,208	20,503	26,279	0	26,279	5,776
STATE:									
DHS ADULT DAY CARE	37,000	8,032	28,968	1,865	3,083	0	4,268	4,268	1,185
DHS CHILD DAY CARE	216,885	34,031	182,854	(2,117)	18,074	0	18,149	18,149	75
EARLY CHILDHOOD INTERVENTION	516,654	66,328	450,326	(19,781)	43,055	232	34,647	34,879	(8,176)
GENERAL REVENUE	3,720,913	533,222	3,187,691	(86,930)	310,076	266,611	0	266,611	(43,465)
JTPA	500	50	450	(33)	42	50	0	50	8
LELSZ	891,332	151,555	739,777	3,000	74,278	78,835	0	78,835	4,557
PROBATION DEPT.	180,000	37,300	142,700	7,300	15,000	0	23,100	23,100	8,100
RAJ	984,224	166,410	817,814	2,373	82,019	15,738	92,019	97,757	15,738
RIDER 38 (LIAISON)	80,000	29,203	50,797	15,870	6,667	0	14,604	14,604	7,937
SYETP	28,000	4,950	23,050	283	2,333	0	0	0	(2,333)
TX REHABILITATION COMM.	36,055	24,430	11,625	18,421	3,005	18,928	3,172	22,100	19,095
FEDERAL:									
CHAPTER I	32,875	1,837	26,216	1,180	2,740	1,837	0	1,837	(903)
CHAPTER I CARRYOVER	28,338	6,659	(68,894)	92,926	2,403	3,417	0	3,417	1,014
HCS	509,668	97,732	411,936	12,787	42,472	18,380	40,302	58,682	16,210
HUD GRANT	157,419	0	157,419	(26,237)	13,118	0	0	0	(13,118)
MHBG	216,639	35,196	181,443	(911)	18,053	17,598	0	17,598	(455)
TCADA	358,424	74,991	283,433	15,254	29,869	0	39,391	39,391	9,522
USDA	31,680	5,278	26,402	(2)	2,640	0	2,838	2,838	198
TOTAL	12,009,231	1,823,424	10,089,912	(82,219)	1,000,774	515,569	428,001	943,570	(57,204)

*NEGATIVE AMOUNTS REPRESENT PRIOR MONTHS' CORRECTIONS FLOWING THROUGH THE CURRENT MONTH.

DEEP EAST TEXAS REGIONAL MHMR SERVICES
EXPENDITURES BY COST CATEGORY
9/1/89 - 10/31/89

EXPENSE CATEGORY	ANNUAL BUDGET	Y-T-D EXP & ENC	Y-T-D BAL REMAINING	Y-T-D OVER(UNDER)	MONTHLY BUDGET	OCTOBER EXP & ENC	OCTOBER OVER(UNDER)
SALARIES	6,261,449	942,326	5,319,123	(101,249)	521,787	461,393	(60,394)
MERIT INCREASE	28,030	5,570	22,460	898	2,336	5,570	3,234
PHYSICIANS ON CALL	60,000	10,000	50,000	0	5,000	5,000	0
FRINGE BENEFITS:							
MEDICARE PAYROLL TAX	8,084	8,798	(714)	7,451	674	4,313	3,639
INSURANCE	472,617	64,829	407,788	(13,941)	39,385	35,350	(4,035)
RETIREMENT	477,617	68,531	409,086	(11,072)	39,801	32,969	(6,832)
WORKMAN'S COMPENSATION	83,514	7,333	76,181	(6,586)	6,960	(1,952)	(8,912)
UNEMPLOYMENT	5,907	1,883	4,024	899	492	601	109
TSA	3,750	3,750	0	3,125	313	0	(313)
TRAVEL	237,547	30,660	206,887	(8,931)	19,796	16,878	(2,918)
CONSULTANTS & PROFESSIONALS	194,307	12,721	181,586	(19,664)	16,192	7,695	(8,497)
CONTRACTS	957,182	117,299	839,883	(42,231)	79,765	67,477	(12,288)
DRUGS	36,570	2,614	33,956	(3,481)	3,048	1,628	(1,420)
FOOD	203,128	29,550	173,578	(4,305)	16,927	13,854	(3,073)
SUPPLIES	374,121	53,893	320,228	(8,461)	31,177	32,623	1,446
CONSTRUCTION IN PROGRESS	224,300	0	224,300	(37,383)	18,692	0	(18,692)
BUILDING REMODELING	118,001	11	117,990	(19,656)	9,833	11	(9,822)
BUILDING REPAIR & MAINT	58,425	9,645	48,780	(93)	4,869	4,645	(224)
BUILDING RENT	243,613	39,840	203,773	(762)	20,301	19,872	(429)
VEHICLE PURCHASE	65,000	33,683	31,317	22,350	5,417	(60)	(5,477)
VEHICLE LEASE	410	820	(410)	752	34	410	376
VEHICLE REPAIR & MAINT	46,620	8,715	37,905	945	3,885	5,471	1,586
VEHICLE OPERATION	102,135	12,920	89,215	(4,103)	8,511	7,510	(1,001)
EQUIPMENT PURCHASE	192,451	6,683	185,768	(25,392)	16,038	6,684	(9,354)
EQUIPMENT RENTAL	57,113	12,117	44,996	2,598	4,759	4,648	(111)
EQUIPMENT REPAIR & MAINT	33,952	5,626	28,326	(33)	2,829	1,452	(1,377)
DEBT RETIREMENT	175,926	26,628	149,298	(2,693)	14,661	13,395	(1,266)
INTEREST EXPENSE	74,631	13,231	61,400	793	6,219	6,725	506
POSTAGE	26,555	3,360	23,195	(1,066)	2,213	2,085	(128)
TELEPHONE	151,161	21,854	129,307	(3,340)	12,597	10,727	(1,870)
UTILITIES	199,592	30,675	168,917	(2,590)	16,633	14,931	(1,702)
INSURANCE	86,088	15,412	70,676	1,064	7,174	8,637	1,463
TX INDUSTRY FOR BLIND	31,138	5,032	26,106	(158)	2,595	2,444	(151)
CLINT TRAINING WAGE	328,578	54,757	273,821	(6)	27,382	26,220	(1,162)
CLIENT FRINGE	45,525	7,285	38,240	(303)	3,794	6,484	2,690
CLIENT ACTIVITY EXPENSE	7,940	2,201	5,739	878	662	169	(493)
COURT COMMITMENT EXPENSE	20,000	3,230	16,770	(103)	1,667	1,910	243
FOSTER CARE RESPITE	16,200	2,075	14,125	(625)	1,350	1,100	(250)
CONTINGENCY EXPENSE	0	4,070	(4,070)	4,070	0	2,124	2,124
LABORATORY FEES	3,425	430	2,995	(141)	285	48	(237)
H.B. 1154 EXPENSE	117,198	149	117,049	(19,384)	9,767	17	(9,750)
RECRUITMENT EXPENSE	35,000	926	34,074	(4,907)	2,917	926	(1,990)
PUBLIC RELATIONS/RETENTION	3,000	154	2,846	(346)	250	154	(96)
MISCELLANEOUS EXPENSES	141,431	13,414	128,017	(10,158)	11,786	7,541	(4,245)
CASH SHORT & OVER	0	0	0	0	0	0	0
TOTAL	12,009,231	1,694,700	10,314,531	(306,840)	1,000,769	839,679	(161,090)

DEEP EAST TEXAS REGIONAL MHMR SERVICES
REVENUES AND EXPENDITURES BY PROGRAM
9/1/89 - 10/31/89

EXPENSE CATEGORY	ANNUAL BUDGET	OCTOBER REVENUE	Y-T-D REVENUE	OCTOBER EXP & ENC	Y-T-D EXP & ENC	PROFIT (LOSS)

MENTAL HEALTH:						
RESIDENTIAL	3,160,261	176,486	353,724	178,791	356,290	(2,566)
CLIENT & FAMILY SUPPORT	1,909,579	166,530	300,375	131,340	259,356	41,219
CASE MANAGEMENT	282,444	21,193	41,483	23,902	47,293	(5,810)

MH SUBTOTAL	5,352,284	364,209	695,582	334,033	662,939	32,843
MENTAL RETARDATION:						
RESIDENTIAL	1,670,047	170,107	318,004	126,094	257,660	60,344
CLIENT & FAMILY SUPPORT	3,501,828	286,781	543,958	264,917	521,667	22,291
CASE MANAGEMENT	119,767	8,881	18,417	10,004	19,509	(1,092)

MR SUBTOTAL	5,291,642	465,769	880,379	401,015	798,836	81,543
MANAGEMENT & SUPPORT	1,281,962	110,592	244,263	101,631	229,925	14,338
OTHER SERVICES	83,343	3,000	3,000	3,000	3,000	0

TOTALS	12,009,231	943,570	1,823,424	839,679	1,694,700	128,724
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DEEP EAST TEXAS REGIONAL MHMR SERVICES
SUMMARY OF REVENUE AND EXPENDITURES
9/1/89 - 10/31/89

	OCTOBER	Y-T-D
REVENUE	943,570	1,823,424
EXPENDITURES & ENCUMBRANCES	(839,679)	(1,694,700)
DIFFERENCE	103,891	128,724

ANALYSIS OF DEFERRED REVENUE:

BOND ISSUE	207,717
RAJ	30,316
MEDICARE PART A OVERPAYMENTS	46,503
ICF-MR OVERPAYMENTS	3,171
TEMPLE FOUNDATION GRANT	489,144
GENERAL REVENUE	266,608
PINEYWOODS ANNEX	128,008
COUNTY REVENUE	0
LELSZ	453,097
RETIREMENT FUNDS	271
CHAPTER I	1,763
CHAPTER I CARRYOVER	6,835
DONATIONS	4,972
SSI PAYMENTS	0
MISCELLANEOUS	213
TOTAL DEFERRED REVENUE	1,638,618

ANALYSIS OF RESTRICTED INTEREST INCOME:

RESERVE OPERATING FUND	1,366
PENSION	265
BUILDING FUND	645
CONTINGENCY CD'S	4,070
TOTAL RESTRICTED INTEREST INCOME	6,346

DEEP EAST TEXAS REGIONAL MHMR SERVICES
BALANCE SHEET
OCTOBER 31, 1989

	GENERAL OPERATING FUND	GENERAL FIXED ASSETS	TOTAL
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ASSETS:			
Unrestricted Cash-General	719,171		
Restricted Cash:			
Cash from Bond Issue	125,497		
Int & Sinking Cash - Bonds	65,500		
Trust Funds - Clients	3,108		
Pension Funds	68,228		
Hardin Building Fund	9,138		
Foundation Grant	501,429		
Reserve Operating Funds	576,358		
Pineywoods Annex	129,974	1,479,232	
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Total Cash in Bank	2,198,403		2,198,403
			0
			1,525
Cash in Units	1,525		
Accts Receivable-Client Fees	699,105		
Less: Allowance for			
Uncollectible Accounts	(219,487)	479,618	479,618

Accounts Receivable - Other	810,235		810,235
Accts Rec/Internal Advances	0		0
Prepaid Expenses	51,865		51,865
Supply Inventory	103,619		103,619
Amount to be Provided under:			
Long Term Agreements	935,508		935,508
Accrued Vacation	203,605		203,605
General Fixed Assets (at Cost):			
Equipment & Furniture		737,070	737,070
Vehicles		770,220	770,220
Building		2,563,916	2,563,916
Leasehold Improvements		12,848	12,848
Land		82,315	82,315
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TOTAL ASSETS	4,784,378	4,166,369	8,950,747
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LIABILITIES & FUND EQUITY			
Liabilities:			
Accounts Payable/Internal Advance	0		0
Accounts Payable	208,322		208,322
Employee Insurance Payable	0		0
Retirement Payable	67,510		67,510
Salaries/Travel Payable	23,813		23,813
Miscellaneous Payroll Deductions	398		398
Unemployment Tax Payable	1,089		1,089
Sales Tax Payable	881		881
Cafeteria Plan Payable	0		0
Deferred Revenue	1,638,618		1,638,618
Obligation under:			
Long-Term Agreements	935,508		935,508
Accrued Vacation	203,605		203,605
Trust Fund Payable	3,108		3,108
Contingency Fund	410,538		410,538
	-----	-----	-----
Total Liabilities	3,493,390	0	3,493,390
	-----	-----	-----
Fund Equity:			
Investment in Fixed Assets		4,166,369	4,166,369
Fund Balances:			
Reserved for Hardin Building	8,493		8,493
Reserved for Encumbrances	64,392		64,392
Unreserved	1,218,103		1,218,103
	-----	-----	-----
Total Fund Equity	1,290,988	4,166,369	5,457,357
	-----	-----	-----
TOTAL LIABILITIES & FUND EQUITY	4,784,378	4,166,369	8,950,747
	=====	=====	=====

DEEP EAST TEXAS REGIONAL MHMR SERVICES
STATEMENT OF CHANGES IN UNRESTRICTED FUND BALANCE AND FIXED ASSETS
OCTOBER 31, 1989

	GENERAL OPERATING FUND	GENERAL FIXED ASSETS	TOTAL
BALANCE @ 9/30/89	1,083,917	4,126,500	5,210,417
REVENUE	943,570	0	943,570
EXPENDITURES	(839,679)	0	(839,679)
ADDITIONS TO FIXED ASSETS	0	40,170	40,170
DELETIONS OF FIXED ASSETS	0	(301)	(301)
CONVERSION OF CLIENT FEES FROM CASH BASIS TO ACCRUAL:			
CURRENT MONTH'S CASH RECEIPTS	(41,142)	0	(41,142)
CURRENT MONTH'S NET CHARGES	71,437	0	71,437
BALANCE @ 10/31/89	1,218,103	4,166,369	5,384,472

ANALYSIS OF ACCOUNTS RECEIVABLE/ACCOUNTS PAYABLE - INTERNAL ADVANCES

	0
BALANCE @ 10/31/89	0

DEEP EAST TEXAS REGIONAL MHMR SERVICES
FINANCIAL DEPOSITORIES
OCTOBER 31, 1989

DEPOSITORY	NAME OF ACCOUNT	TYPE OF ACCOUNT	BALANCE OF ACCOUNT	FDIC/ FSLIC MAX.	SECURITIES PLEDGED
NCNB Texas Nat'l, Lufkin:	General Funds	MM Checking	(199,005)		
	Payroll	MM Checking	(123)		
	Employee Medical Plan	MM Checking	1,669		
	Foundation	MM Checking	2,460		
	Pineywoods Annex	MM Checking	1,539		
	Clients' Trust Fund	MM Checking	3,108		
	Reserve Operating	2 CD's	35,861	0	945,000
Total for NCNB Texas Nat'l, Lufkin			(154,491)	0	945,000
NCNB Texas Nat'l, Austin	Bond Issue	Inv by Tx Council	125,497		125,497
	Bond Issue	Int & Sinking	65,500	0	65,500
Total for NCNB Texas Nat'l, Austin			190,997	0	190,997
Lovelady State Bank:	Chapter I	Checking	8,598		
	Pension	MM Checking	68,228	76,826	100,000
Total for Lovelady State Bank			76,826	76,826	100,000
First Bank & Trust, Diboll	Lelsz	MM Checking	53,706	53,706	500,000
First Nat'l Bank, San Augustine	Reserve Operating	1 CD	9,823	9,823	0
Commercial Nat'l Bank, Nacogdoches	Reserve Operating	1 CD	19,274	19,274	0
First Nat'l Bank, Livingston	Reserve Operating	1 CD	25,615	25,615	0
First Nat'l Bank, Newton	Reserve Funds - PRTC	1 CD	5,167	5,167	0
First Nat'l Bank, Silsbee	Hardin Building Fund	1 CD	9,138	9,138	0
First Nat'l Bank, Woodville	Reserve Operating	1 CD	6,580	6,580	0
Crockett State Bank	Reserve Operating	1 CD	13,800	13,800	0
Citizens State Bank, Center	Reserve Funds - PRTC	1 CD	15,239	15,239	0
First State Bank, Hemphill	Reserve Funds - PRTC	1 CD	9,210	9,210	0
First Nat'l Bank, Jasper	Reserve Funds - PRTC	1 CD	9,553	9,553	0
Sub-total			290,437	253,931	1,735,997

DEEP EAST TEXAS REGIONAL MHMR SERVICES
FINANCIAL DEPOSITORIES
OCTOBER 31, 1989

DEPOSITORY	NAME OF ACCOUNT	TYPE OF ACCOUNT	BALANCE OF ACCOUNT	FDIC/ FSLIC MAX.	SECURITIES PLEDGED
Sub-total from page 1			290,437	253,931	1,735,997
Bank of San Jacinto, Coldspring	Foundation	1 CD	7,000	7,000	0
Lufkin Reg. Federal Credit Union	Reserve Operating	Savings	25	25	0
United States Government:	Lelsz	Treasury Funds	404,217		404,217
	Reserve Funds - PRTC	Treasury Funds	307,384		307,384
	Foundation	Treasury Funds	491,969		491,969
	Pineywoods Annex	Treasury Funds	128,436		128,436
	General Operating	Treasury Funds	450,108		450,108
	Reserve Operating	Treasury Funds	118,827	0	118,827
Total for United States Government Securities			1,900,941	0	1,900,941
Total of All Cash in Bank			2,198,403	260,956	3,636,938

NOMINEES TO PROFESSIONAL STAFF ORGANIZATION

November 28, 1989

Board Meeting

<u>Name/Discipline(s)</u>	<u>Unit</u>
Toni Hamilton, B.S. Case Management	HCS
Calvin Dewayne Lee, C.A.D.A.C. Substance Abuse	Peavy Switch Recovery Center
Jim Louvier, B.S., C.A.D.A.C. Substance Abuse	Peavy Switch Recovery Center
Vivian B. Ellis, B.S. Rehabilitation (consultant)	Cornerstone-West
Don Jolly, B.S. Rehabilitation (consultant)	Cornerstone-North
Dede Cordes, B.S. Rehabilitation (consultant)	Cornerstone-West
Barbara Draper, C.R.T. Rehabilitation (consultant)	Pineywoods Hospital
Zerlina J. Dillard, R.N. Nursing (Associate)	Pineywoods Hospital
Gary M. Portell, R.N. Nursing (Associate)	Pineywoods Hospital
Kutia Wilson, R.N. Nursing (Associate)	Pineywoods Hospital

NOMINEES FOR REAPPOINTMENT

TO PROFESSIONAL STAFF ORGANIZATION

Gilbert Hanke Rehabilitation (consultant)	Cornerstone-West Pineywoods Hospital HCS/Foster Care/ICF-MR
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FINAL
11/28/89

IV. CHIEF EXECUTIVE OFFICER'S REPORT:

1. We donated our old IBM copy machine to the Humane Society of Angelina County. They had heard that we were selling our old copier and asked if we would like to donate it to them. We had requested bids for the sale of the copier and received only one bid in the amount of \$126.00. Therefore, we decided to donate the copier to that worthy cause.
2. Update on Managed Care planning.
3. Volunteer Banquets have been held for Hardin, Jasper, Newton, Tyler, Angelina, Houston, Trinity, Polk, and San Jacinto Counties. The Nacogdoches County Banquet will be held at the La Hacienda Restaurant in Nacogdoches at noon on December 1st.
4. So far, we have presented plaques of appreciation to Shelby, Nacogdoches, Sabine, and San Augustine Counties.
5. The December Board meeting has been scheduled for Thursday, December 21st. Committee meetings will begin at 3:30 P.M., and the Board meeting will begin at 4:00 P.M.
6. Barbara Holcomb will begin doing some preliminary planning to look at the feasibility of us providing geriatric services.
7. Call on Directors for Reports

Chief Financial Officer

- a. Local Match Report: Pledge letters for FY 1990 have been received from Angelina, Hardin, Shelby, Trinity, and Tyler Counties. Houston County has paid their match in full.

Chief Operating Officer

- a. Report on Cornerstone Audit/Retreat
- b. Status report on meeting with Representative Curtis Soileau
- c. Nacogdoches ICF Visit
- d. Update on Peavy Switch Building Project and Sewage System
- e. Discussion of Langley Boarding Home problems

Director, Human Resources and Business Planning

- a. Changes in personnel procedures that impact the Board

ENGINEERING



SURVEYING

408 NORTH THIRD STREET

EVERETT GRIFFITH, JR. & ASSOCIATES, INC.

PHONE 634-5528

P.O. BOX 1748

LUFKIN, TEXAS 75901

November 28, 1989

Deep East Texas Regional MHMR Services
4101 S. Medford Drive
Lufkin, Texas 75901

Attn: Jim McDermott, Ph. D.
Chief Executive Officer

Dear Dr. McDermott,

As we discussed last week, after a preliminary investigation of the existing sewer system at the Peavy Switch Farm we do not feel that there is a practicable way to modify the septic system in such a way that it would function adequately. There are other on-site disposal methods including pressure dosing and extended aeration systems but any method that depends upon placing water into the ground is simply not going to work well in that location.

Two options that we feel are more practicable include either construction of an on-site wastewater treatment plant or a small lift station which would pump sewage back to the City of Hudson's system.

The wastewater treatment plant could either be a completely new system, or it could involve purchase of an existing plant and completely refurbishing it with new blowers, controls, etc.

The lift station option should probably include the use of a small duplex grinder pump lift station with a two inch force main back to the City of Hudson's system. Ideally, this system would be dedicated to the City of Hudson upon completion so at that stage MHMR would have no responsibility for operation and would simply pay a monthly bill to the City.

We are enclosing preliminary cost estimates and operating costs for each of these options. On a present worth basis with the assumptions we have made, the lift station/force main option appears to be the most cost-effective. However, the package plants clearly require less initial costs, and if MHMR could get its own people licensed as operators, the operating costs could be reduced significantly.

The wastewater plant does require a permitting process which can produce unexpected results at times. Additionally, there are changes underway in EPA and Texas Water Commission requirements that are requiring greater efforts in nitrification and dechlorination. These do not appear to have any great effect at this time but we cannot know for sure until the permit process is begun. Additionally, such changes could occur in the future. Normally, future requirements which we can foresee potentially occurring would probably not require additional expenditures in excess of \$10,000.

Another area which the MHMR Board should consider is that prior to placement of the lift station or plant thought should be given to where future improvements will be made so that they can be tied in as well.

These thoughts and estimates are preliminary in nature but should be accurate enough for initial considerations. We would be pleased to work with the Board in any way. If the Board was in agreement, an initial effort should be made in some general master planning in conjunction with MHMR's architectural firm and estimates made of future sewage usage. The preliminary options could be firmed up with better estimates and a decision made as to the route to follow.

If a wastewater plant option is selected the permitting process will probably require about six months. Construction could run somewhat simultaneously with the latter part of that time-frame and could be completed probably about three months after the permit is issued.

The lift station option would be a quicker response project probably--depending on actions by the City Council of Hudson. This option would probably require about four months total time.

If we can help you in any way, please let me know.

Sincerely,


James W. Griffith, P.E.

JWG/dj

PEAVY SWITCH FARM
SANITARY SEWER IMPROVEMENTS
 Revised: November 20, 1989

Four options to handle the sewage flows include:

OPTION ONE - Purchase of a new 10,000 gpd sewage treatment plant

1.	Package plant (shipped and assembled)	\$ 30,000 ₁
2.	Excavation	2,000
3.	Sitework	4,000
4.	Contingency	<u>5,000</u>
	Total Estimated Construction Cost	\$ 41,000
	Engineering and Surveying	\$ 6,000
	Inspection	4,000
	Permit	<u>6,000</u>
	Total Estimated Fees	16,000
	Total Estimated Project Cost	\$ 57,000
	Estimated Monthly Expenses	
1.	Operation and Maintenance	\$ 400
2.	Permit Testing	150
3.	Electrical Cost	250
4.	Miscellaneous	<u>100</u>
	Total Estimated Monthly Expenses	\$ 900

OPTION TWO - Purchase of used 10,000 gpd sewage treatment plant

1.	Purchase price	\$ 5,000
2.	Dismantling and Reassembly	6,000
3.	Crane and Truck Rental	3,000
4.	Excavation (both locations)	4,000
5.	Sitework and misc. repairs	6,000
6.	Contingency	<u>5,000</u>
	Total Estimated Construction Cost	\$ 29,000 ₁
	Engineering and Surveying	\$ 4,500
	Inspection	5,500
	Permit	<u>6,000</u>
	Total Estimated Fees	\$ 16,000
	Total Estimated Project Cost	\$ 45,000
	Estimated Monthly Expenses	
1.	Operation and Maintenance	\$ 400
2.	Permit Testing	150
3.	Electrical Cost	250
4.	Miscellaneous	<u>100</u>
	Total Estimated Monthly Expenses	\$ 900

₁ If hypochlorination and/or post-aeration are required by the State, these costs might have to be adjusted upward by \$4,000 to \$6,000.

OPTION THREE - Grinder Pump Lift Station (MHMR owned)

1.	Package grinder pump lift station	\$ 15,000
2.	Sitework	4,000
3.	2" Force Main (20,000 LF)	40,000
4.	Air Relief Valves	5,000
5.	Contingency	<u>10,000</u>
	Total Estimated Construction Cost	\$ 74,000
	Engineering and Surveying	\$ 14,000
	Inspection	<u>5,000</u>
	Total Estimated Fees	\$ 19,000
	Total Estimated Project Cost	\$ 93,000
	Estimated Monthly Expenses	
1.	Operation and Maintenance	\$ 100
2.	Electrical Cost	75
3.	Sewer Charge (based on 5,000 gpd at Current Rates)	175
	Total Estimated Monthly Expenses	<u>\$ 350</u>

OPTION FOUR - Grinder Pump Lift Station (City owned)

1.	Package Grinder Pump Lift Station	\$ 15,000
2.	Sitework	4,000
3.	2" Force Main (20,000 LF)	40,000
4.	Air Relief Valves	5,000
5.	Contingency	<u>10,000</u>
	Total Estimated Construction Cost	\$ 74,000
	Engineering and Surveying	\$ 14,000
	Inspection	<u>5,000</u>
	Total Estimated Fees	\$ 19,000
	Total Estimated Project Cost	\$ 93,000
	Estimated Monthly Expenses	
1.	Sewer Charge (based on 5,000 gpd at Current Rates)	\$ 175

COMPARISON

<u>Option</u>	<u>Present Worth*</u>
One - New Package Plant	148,951
Two - Used Package Plant	136,951
Three - Grinder Pump (MHMR Owned)	128,759
Four - Grinder Pump (Hudson Owned)	110,879

*PW was figured using 20 year, 10% interest

The cost comparisons clearly indicate that the option of the grinder pump lift station is the most cost effective when considered over the life of the systems. In that case, as is shown, the best option for MHMR is for the City of Hudson to take over the lift station after construction. Even if this is not possible, then the operation and maintenance can be accomplished by MHMR for less money than the package sewage plant.

However, if MHMR can provide their own operation of the plant then the cost difference on a present worth basis narrows considerably. The package plants clearly require the lowest initial cost investment.