



The meeting was called to order by Laura Newsome, Chair, at 5:00 p.m.

### **INVOCATION- PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was recited, and the invocation was given by George Roberts.

### **VISION/MISSION**

The Vision and Mission of the Northeast Texas Public Health District was recited by all in attendance.

### **HEALTH AUTHORITY REPORT by JOSE SERPA, MD**

Dr. Serpa gave the Health Authority Report to the Board. Dr. Serpa reported on the Northeast Texas Public Health District Disease Surveillance, March 2026 report stating that 89 disease cases were being investigated. Of those, 15 were Carbapenem-resistant Enterobacteriales, (CRE) and 23 were Hepatitis C cases. The Texas Respiratory Illness Dashboard for Emergency Department visits for March is trending downward for RSV, Influenza, and Covid-19. The hospital rates are also trending downward for these respiratory diseases.

Dr. Serpa informed the Board of the of the CDC Outbreaks listed for March and April. In March and April 2026, there were cases of Salmonella linked to backyard poultry. Backyard poultry, like chickens and ducks, can carry Salmonella even if they look healthy and clean. You can get sick from touching your backyard poultry or anything in their environment and then touching your mouth or food and swallowing Salmonella. Always wash your hands with soap and water immediately after touching backyard poultry, their eggs, or anything in the area where they live and roam. Children younger than 5 years old shouldn't handle chicks, ducklings, or other backyard poultry as they are more likely to get severe Salmonella infections. Collect eggs often. Eggs that sit in the nest can become dirty or break. Throw away cracked eggs. Salmonella on the shell can more easily enter the egg through a cracked shell.

The transmission of Salmonella is through contaminated food, (undercooked poultry, raw or undercooked eggs, unpasteurized milk, produce). There can also be water contamination and instances with direct contact with animals, (reptiles, backyard poultry). The clinical presentation of Samonella infection is Diarrhea, Fever, Abdominal Cramps, Nausea/vomiting Dehydration. The duration of a Salmonella infection is 4-7 days. Diagnosis of a Salmonella infection is through a stool culture and in severe cases, a blood culture. Treatments include supportive care fluids, and antibiotics only for severe/high-risk cases.

Prevention is key to preventing a Salmonella infection. Clean and wash hands and kitchen surfaces. Avoid cross-contamination by separating foods. Cook all foods at proper temperatures and refrigerate promptly. Avoid reptiles for young children and implement thorough hand

hygiene after animal contact. If traveling internationally, remember to “Boil it, cook it, peel it, or forget it!”

The Board thanked Dr. Serpa for his report.

## **MINUTES**

Motion made by Mike McCrady to approve the minutes of March 25, 2026, regular meeting; seconded by Cynthia Ball; motion carried; approved as presented.

## **MONTHLY FINANCIAL REPORT**

For the month of March 2026, we had revenues of \$1,127,915 which was \$33,128 over budget. Expenses were \$1,066,759 which was \$35,358 over budget. Our net income for the month of March 2026 was \$61,156, which was \$5,230 under budget.

For FY 2026 YTD, we have revenues of \$6,928,724 which was \$350,826 over budget. Expenses were \$6,586,674 which was \$254,449 over budget. Our net income for the first 6 months of FY 2026 was 342,050, which was \$96,377 over budget.

Motion by Scott Williams to approve the March 2026 financial report; seconded by Cynthia Ball; motion carried; approved as presented.

## **INDEPENDENT FINANCIAL AUDIT FOR FY 2025**

A.J. Evans, CPA, of Prothro, Wilhelmi and Company, stated that the financial audit for Fiscal Year 2025 has been completed. Mr. Evans reviewed the Financial Highlights of the FY 2025 audit for the Board:

### **FINANCIAL HIGHLIGHTS**

#### **Net Position**

Total Assets: \$ 13,154,855 - \$1,079,868 increase from prior year

- Cash and cash equivalents increased by \$1.3m because outstanding accounts receivable were collected at a higher rate.
- Accounts and grants receivable decreased by \$1.367m due to a reduction in WIC grant receivables.
- Net Pension asset increased due to increase in net investment income in 2024, the measurement year.
- Accounts payable decreased due to FY25 WIC accruals being approximately \$274K lower than FY 24, as a result of reduced WIC funding.
- Unearned revenue increased due to higher deferrals of retail food establishment permit fees compared to FY 24, driven by prepayments made in anticipation of permit fee increase in FY 26.

- Long-term lease liability increased primarily due to new lease activity, net of lease terminations and principal repayments.

Total Liabilities: \$ 3,452,152 - \$41,847 increase from prior year

#### INTERNAL CONTROLS AND COMPLIANCE

Independent Auditors' Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit of Financial Statements Performed In Accordance With *Government Auditing Standards*.

*"We did not identify any deficiencies in internal controls over financial reporting. In addition, the results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards"*.

#### FEDERAL SINGLE AUDIT

Independent Auditors' Report On Compliance For Each Major Program And On Internal Control Over Compliance Required by the Uniform Guidance.

*"In our opinion, the District complied, in all material respects, with the types compliance requirements referred to above that could have a direct and material effect on each of its major federal/state programs for the year ended September 30, 2024."*

Major federal program audited:

- 10.557 Special Supplemental Food Program for Women, Infants, and Children
- 93.967 Centers for Disease Control and Prevention Collaboration with Academia to Strengthen Public Health

There was one audit finding identified to be reported in accordance with 2 CFR 200.516(a) related to timecard approval requirements.

Motion by Scott Williams to approve the Independent Financial Audit for FY 2025; seconded by Cynthia Ball; approved as presented.

#### **FY 2026 MID-YEAR BUDGET REVISION**

Lawanda Owens, Chief Financial Officer, stated a Fiscal Year 2026 mid-year budget review was conducted with projected changes as of May 1, 2026. The proposed amended budget for FY 2026 shows revenue of \$14,576,633, an overall increase of \$740,208 from the initial FY 2026 budget; expenses of \$14,429,527, an increase of \$355,888 from the initial FY 2026 budget; and net income of \$147,106, an increase of \$384,320 from the initial FY 2026 budget, which was approved by the Board on September 25, 2025.

Motion by Scott Williams to approve the FY 2026 Mid-Year Budget Revision; seconded by Mike McCrady; approved as presented.

### **REVISED TRAVEL POLICY**

Lawanda Owens, CFO addressed the Board regarding the NET Health travel policy. She stated that this policy has not been revised in several years. Because of this, the policy has not kept up with rising inflation impacting food, hotel, and incidental expenses.

Ms. Owens reviewed the current per diem for food costs at:

Breakfast \$12    Lunch \$16    Dinner \$26

Ms. Owens proposed that the per diem rates for meals paid would align with federal or state guidelines using GSA rates appropriate for travel destinations.

Motion by Scott Williams to approve the Revised Travel Policy; seconded by Cynthia Ball; approved as presented.

### **DISTRICT ORDER #2024-2/TABLED**

Motion by Cynthia Ball to table District Order #2024-2; seconded by Scott Williams; approved as presented.

### **CHIEF EXECUTIVE OFFICER REPORT**

Mr. Roberts gave his report to the Board. He mentioned the following:

1. Mr. Roberts mentioned the Employee Luncheon on Friday, May 1, at The Villa of Tyler, 11:30 – 1:00 pm.
2. Public Health Week was April 6 – 10. NET Health partnered with UT Tyler and there were many activities during the week.
3. Mr. Roberts attended an event at Christus Mother Frances on Saturday April 24 to introduce the Safe Haven Baby Box. Governor Greg Abbott was in attendance.
4. The NET Health Farmers Market will be back in full swing on Saturdays beginning May 2 – October 31 from 8am – 12pm.
5. The March of Dimes will have their walk on Saturday, May 16 at Rose Rudman Park. Healthy Me, Healthy Babies Coalition will have a booth. NET Health will have a walking team. We invite everyone to join!
6. The WIC Hygiene Closet is the 4<sup>th</sup> Wednesday of each month from 11:00 – 1:00pm.
7. The audit for WIC was concluded with a perfect score. There were no findings! Kudos to WIC!
8. The annual Doc Ballard award application process is open for 3 weeks, until May 31<sup>st</sup>.

The regular meeting of the Northeast Texas Public Health District Board of Directors adjourned at 6:38 pm, and Laura Newsome, Chair, stated the Board would immediately convene in Executive Session. Any vote or action taken will be made when the Board returns to open session.

The Board reconvened in open session at 6:52 pm, and Ms. Newsome stated that no action was taken in Executive Session.

Motion by Cynthia Ball to approve the proposed salary adjustment of 3% for the NET Health Staff, Leadership Team and CEO. The effective date of the increase will be the pay period beginning on May 3, 2026; seconded by Mike McCrady; motion carried; approved as presented. 5-0

Motion by Laura Newsome to approve the proposed FY 2026 Incentive Compensation Plan for the Leadership Team; seconded by Scott Williams; motion carried; approved as presented. 5-0


Motion by Laura Newsome to approve the proposed FY 2026 Incentive Compensation Plan for the Chief Executive Officer; seconded by Jessica Bowen; motion carried; approved as presented. 5-0

Motion by Laura Newsome to approve the Incentive Compensation Plan for the Chief Executive Officer; seconded by Mike McCrady; motion carried; approved as presented. 5-0

## **ADJOURNMENT**

The meeting adjourned at 6:54 pm.

**THE NEXT NET HEALTH BOARD MEETING IS THURSDAY, MAY 28, 2026.**

  
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Janie Jolly, Recorder

  
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Kent Boozer, Secretary  
NET Health Board of Directors