NWF Health Network

Board Meeting Minutes
April 23, 2026
10am to 12 Noon CST

Participants
Board Members:
Arthur Cullen, Keith Dean, Bruce Foster, Liz Holifield, Reggie Johns, Rendy Lovelady, Denise Myers, Teresa Roberts, Michelle Salzman, Gerald Waters

Other Attendees:
Lisa Carden, Maureen Castano, Amy Cliburn, Alfredo Cruz Aguiar, Kelly Faircloth, Rae Kerr, Michael Lee, Kristi Lock, Charles McDonald, Kate Palazesi, Courtney Stanford, Tara Taylor, Sharron Washington, Mike Watkins

I. **Welcome and Chair's Remarks** **Bambi Smith**

President Smith was unable to attend the meeting and designated meeting facilitation to Vice President Roberts, who called the meeting to order at 10:03 AM CST. It was noted that a quorum was present.

II. **Consent Agenda** **Bambi Smith**

A. Review and Approval of Minutes
   1. Board of Directors
   2. Executive Committee
   3. Finance Committee
B. Review Performance Child Protection/Behavioral Health
C. Media Coverage
D. Policy Review

Vice President Roberts asked if there were any questions about the Consent Agenda. No questions were asked. Secretary/Treasurer Cullen made a motion to accept the Consent Agenda as presented. Director Johns seconded the motion. All approved, motion passed.

III. **Review and Approval of Finance Committee Report** **Rae Kerr**

A. 25-26 FY

Circuit 1 West-AJ500
Year-end projections indicate a breakeven position with the anticipated use of all available carryforward funds. This is driven by Residential Group Care (RGC) costs, which are currently exceeding budget by $2.7 million.

Circuit 2/14 East BJ102
Currently projecting a large deficit, with RGC costs anticipated to be approximately $3.7 million over budget at year-end. This contract did not include carryforward funding to help offset the deficit.

Both AJ500 and BJ102 are significantly underfunded. NWFHN has applied for risk pool funding; however, awarded funds do not fully offset the projected deficit. As a next step, DCF has applied for back of the bill funding on behalf of all CBCs. This reflects a broader statewide issue, with total CBC deficits estimated at approximately $30 million.

CFO Kerr asked the Board if there were any questions. No questions were raised by the Board.

ME
Total available funding is $147.9 million, with adopted budget expenditures of $143.8 million. Through February 28, 2026, $88.1 million has been expended against a prorated budget of $95.4 million. A very small year-end surplus is projected.

Operational dollars for this contract are limited, with the majority of these funds directed to programs and services. CFO Kerr commended COO Stanford and the Operations Team for their work getting these dollars out into the community.

Sunshine Health
Total anticipated funding is $878,000, with budgeted expenditures at $688,000. Through February 28, 2026, $429,000 of the $466,000 appropriated budget has been spent. A surplus of approximately $233,000 is projected. This contract is green money and surplus is used to offset deficits in other areas.

Fatherhood Grant
Totals $1.1 million annually, with $500,000 carryforward from last year. CFO Kerr commended Kelly Faircloth and the Fatherhood team for their impactful work.

SAMHSA
Total available funding is $400,000. An estimated carryforward of approximately $120,000 is anticipated. A request will be submitted to carry forward remaining funds.

Facility, Indirect, and Operational Shared Budgets
All currently in budget with a surplus expected, which will help offset the deficit in the large contracts.

B. Facility Updates
Unrestricted funds are used to offset facility operating costs. The Quincy facility has a long-term lease that doesn't quite cover the costs of running the facility. This is being monitored to ensure facilities break even.

Independence Village
The 24-unit apartment complex that was destroyed by Hurricane Michael continues to show outstanding debt that impacts the NWFHN balance sheet. Approximately $1.6 million remains owed on the property, which is currently in an interest-only payment structure. General Counsel Lee continues efforts to renegotiate this note.

Vice President Roberts asked if there were any questions from the Board about the finance report. No questions were raised by the Board.

CFO Kerr brought before the Board a request for approval to refinance the Marianna facility. The Board was advised that the Finance Committee had approved to move forward and a full board vote was requested as well. The Board was provided an overview and advised that the vote would be agreement to:

- Refinance the Marianna facility
- Move the LLCs from NWF Partnership to NWF Health Network
- Move the client trust accounts from Prime Meridian/MidFlorida to Servis 1st Bank as soon as refinance is completed.

In addition, CEO Kerr and General Counsel Lee provided that all remains in progress to move all facility contracts and ownership from NWF Partnership for Stronger Families to NWF Health Network. As NWF Health Network has consistently provided financial guarantees to all contracts and property ownership placed under Partnership for stronger Families, the Board remains committed to taking sole ownership and the full transfer of all properties from NWF Partnership for Stronger Families with each property being ultimately released and removed from NWF Partnership for Stronger Families. While this has been achieved via refinancing measures for some properties, others, specifically properties in Chipley, will need to be specifically released by Partnership for Stronger Families and specifically assumed by NWF Health Network. The Board has previously provided support for this and similar support is expected by the board of NWF Partnership for Stronger Families. CFO Kerr asked if there were any questions from the Board. No questions were raised and the board continues to give its support to assuming complete ownership of and all financial liabilities related to NWF Partnership for Stronger Families' properties.

Secretary/Treasurer Cullen moved to accept the proposed refinance and changes. Director Myers seconded the motion. All approved, motion passed.

IV. **Strategic Discussions** **Mike Watkins**

A. CCYS Merger

The Board received an update on the merger and was advised the structure is a parent/subsidiary relationship. The Board was informed that NWFHN representatives appointed to the CCYS Board of Directors are CEO Watkins, Keith Dean, and Anna Bull. The Board held its first meeting with NWFHN representatives in attendance the previous day.

CEO Watkins asked if there were any questions from the Board. No questions were raised.

B. WTXCN Status

WTXCN has been selected for the architectural design phase for region 9. Final negotiations with the Texas Department of Family and Protective Services (DFPS) have been completed. Contract execution is anticipated within the next two weeks. The contract will be between DFPS and West Texas Community Network (WTXCN) and NWFHN's role is consulting support to initiate the project.

Secretary/Treasurer Cullen asked General Counsel Lee to share insight that he had previously shared in the Finance Committee meeting.

General Counsel Lee discussed with the full board the uniqueness that the specialized expertise within NWFHN is being recognized externally and has a quantitative monetary value, with multiple states seeking NWFHN's knowledge and expertise.

Secretary/Treasurer Cullen expressed appreciation for CEO Watkins, COO Stanford, and CFO Kerr and recognized their leadership and the value they bring to NWFHN and other states and entities.

C. National Child Protection Faith Summit

COO Stanford discussed the upcoming summit being held at the Museum of the Bible on May 21, 2026. The Board was advised that leading representatives in the child protection and faith communities from many other states have already registered to attend.

Vice President Roberts asked about the response from the faith community. COO Stanford advised there has been a very positive response and noted that Lutheran Services has connected with their faith-based partners for involvement. COO Stanford also spoke about the work that FC Outreach in Circuit 1 has done in the community and advised they will be a part of the summit.

D. Annual Priorities

1. NWFHN Strategic Updates **Courtney Stanford**

Townhall meetings are being held across all 18 counties. COO Stanford recognized that some board members have attended the townhalls and expressed how much it means to the team and thanked them for their continued support.

Children's Home Society, the new adoptions provider in Circuit 1, continues to do well and are projected to meet their goals this year.

DCF recently released their annual report, which shows Circuit 1 and Circuit 14 lead the state of Florida in permanency for children.

DISC Village, the new case management organization in Circuit 2, continues to perform well.

The Board was advised of an inaccurate report in the media in reference to Gadsden County that was harmful to foster parents, caregivers, and frontline workers. That report has been retracted and team members working in Gadsden County were informed of the retraction. It was noted that Gadsden County has a healthy and supported foster care community.

Director Waters asked that information be passed along to foster families about new luggage available and would provide an email address for requests to be sent.

2. Circuit 14 Update **Kelly Faircloth**

The Board was advised that performance remains high in Circuit 14. Circuit Administrator Faircloth recognized Twin Oaks and Anchorage for their work.

Targeted discussions are being held with Life Management and Apalachee on how the Mobile Response Team (MRT) can best support caregivers who call MRT so as not to disrupt placements.

Circuit 14 Behavioral Health Council meetings are ongoing, with the next meeting scheduled for June. The council brings together providers of substance use and mental health services. The purpose is to review data, identify barriers, and develop community strategies to address identified needs. Dr. Jay Reeve has provided significant guidance to the council.

Circuit Administrator Faircloth commended the Fatherhood Team for their work to help stabilize families and prevent entry into care. Secretary/Treasurer Cullen added that the Fatherhood Initiative was positively mentioned at his church the previous weekend and commended Circuit Administrator Faircloth and team for the program's impact. Circuit Administrator Faircloth credited Lyn Masslieno for being the driver of the team and an inspiration to those he works with.

Vice President Roberts expressed praise for the behavioral health council and Its collaborative efforts and commended Circuit Administrator Faircloth for her leadership.

Vice President Roberts asked if there were any questions from the Board. No questions were raised.

V. **Review Risk Management** **Mike Watkins**

A. Executive/Legislative
General Counsel Lee informed the Board that while the discussed partnerships are valuable collaborations, they do bring risks that will be monitored and mitigated.

B. Legal **Michael Lee**
The Board was advised that the organization has no active legal cases at this time.

VI. **Review Governance** **Bambi Smith**

A. Status of Directors

NWF Health Network

1. Reappointment of Member(s)
2. Proposed Member(s)

There were no reappointments or proposed members for consideration for this meeting.

VII. **Next Meeting:** June 25, 2026, at 10am CST in Pensacola
2001 N. Palafox St., Pensacola, FL 32501

VIII. **Adjourn** **Bambi Smith**

Vice President Roberts asked if there were any other topics for discussion before the meeting was adjourned. Nothing was raised by the Board.

Director Waters made a motion to adjourn the meeting. Secretary/Treasurer Cullen seconded the motion. Meeting was adjourned at 11:04 AM CST.