

**Panhandle Community Services
Board of Directors Meeting Minutes
Panhandle Community Services Central Office – 1309 SW 8th Ave. – Amarillo, TX 79101
Minutes for September 18, 2025, @ 10:00 am**

Board Members by Sector:

<u>Low Income</u>		<u>Private</u>		<u>Public</u>	
Lydia Villanueva	P	Denese Skinner	P	Judge Tim Glass	A
Janice Faggan	P	Jason Vanosdol	P	Judge Rowdy Rhoades	P
Robert Coffee	P	John Sharp	P	Judge Dan Looten	P
Amanda Quillin	P	Brian Gillispie	P	CM Esmeralda Mills	A
Teresa Lane	P	Kerry George	A	Judge Mitchell Locke	P

Guests

Chris Martinez
Judge Adam Ensey

Staff

Position/Title

Magi York	Executive Director
Dennis Garvey	Information Services Division Director
John Mejia	CFO
Lylene Springer	Transportation Division Director
Audra Rea	Family Services Division Director
Christy Hilbert	Communications Division Director
Christina Cristan	Energy Assistance Director
Benita SanMiguel	Weatherization Director
Lisa Matthyse	Executive Assistant
Cassandra Hernandez	Administrative Specialist

NOTICE – This meeting was publicized in compliance with the state open meetings law, as documented in Appendix A to these minutes. Appendix A also includes a list of the documents provided to members with the meeting notice and agenda. Appendix B includes committee meeting minutes.

Call to Order

John Sharp, Board President, called the regular business meeting to order at 10:00 A.M. Central Time (*Organizational Standard 2.4*). Mr. Sharp announced the Initial Public Comment Period. Lisa Matthyse, Executive Assistant, called Roll and determined that a quorum of directors was present (*OS 5.5*). Mr. Sharp led the Pledge of Allegiance and the recital of the Panhandle Community Services (PCS) mission statement and vision statement. Jason Vanosdol led the prayer.

Consent Agenda (*OS 5.9, OS 8.7, OS 1.3*)

Mr. Sharp stated that he would be removing the Customer Satisfaction Survey and the correspondence from the consent agenda for discussion. He asked if anyone else wanted to remove an item for discussion. No other requests to remove items from the consent agenda were made. Mr. Sharp noted that the July 30, 2025, Governance Committee Meeting Minutes were corrected to show Lydia Villanueva as absent, and these corrected minutes were included in the consent agenda. He then requested a motion to accept the consent agenda with the two items removed.

(The consent agenda and all associated reports were included in the Board Packet. Reports included the minutes from the August 21, 2025, Board of Directors Meeting, August 21, 2025, Audit and Finance Committee Meeting, August 21, 2025, Resource Development Committee Meeting, August 21, 2025, Programs Committee Meeting, August 25, 2025, Advisory Council Meeting, September 11, 2025, Governance Committee Meeting, and corrected minutes from the July 30, 2025, Governance Committee Meeting; correspondence; a list of grants received; a list of signed items presented for ratification by the Board; the Funding Applications Report; Three Things for the Board to Know Program Highlights Report (OS 5.9); the Customer Satisfaction Survey Report; and the July Financial Statements, including the Balance Sheet, Comparative Balance Sheet, Grant Summary (an organization-wide report on revenue and expenditures that compares budget to actual, categorized by program), County Funds Statement, County Funds MTD Summary, County Funds YTD Summary, Accounts Receivable Statement, and Unrestricted Funds Statement (OS 8.7).)

Motion: To accept the consent agenda with the two items removed.
Moved By: Judge Dan Looten **Second:** Lydia Villanueva
Vote: **Motion carried by voice vote**

Customer Satisfaction Survey (OS 1.3) – Magi York, Executive Director, stated that agency leadership is required to analyze the Customer Satisfaction Survey and present a report to the Board. (The analysis and survey samples were included in the Board packet.) Ms. York said that she and her director team will create a corrective action plan to try to increase the approval percentages. She will present the plan to the Board for acceptance at the November meeting. Janice Faggan, Region 1 Low-Income Sector Representative, asked if she could join the meeting to review the survey, and Ms. York agreed.

Correspondence: UCC Lien Notice – Mr. Sharp requested clarification about the letter concerning the UCC Lien Notice and Notice of Power of Attorney. Ms. York explained that she contacted our attorney after receiving the letter to confirm that PCS was not responsible for the full amount of the lien against the utility company mentioned in the letter. Ms. York stated that our lawyer confirmed that the utility company is responsible for the full amount. Moving forward, PCS will make payments directly to the law firm with the Power of Attorney until notified that the lien has been resolved. John Mejia, CFO, confirmed that the change has been implemented in the accounting department.

Motion: To accept the explanation for the Correspondence: UCC Lien Notice and the Customer Satisfaction Survey
Moved By: Jason Vanosdol **Second:** Teresa Lane
Vote: **Motion carried by voice vote**

(Judge Rowdy Rhoades entered the meeting at 10:20 AM)

Receive and Accept the 2024 Audit (OS 8.2, 8.3, 8.4)

Neil Phillips, CPA of Jarred, Gilmore & Phillips, PA, reported on Panhandle Community Service’s 2024 Audit. (A digital copy of the audit was emailed to the Board before the meeting. Bound physical copies were handed out during the meeting.) Mr. Phillips reviewed the Independent Auditor’s Report and stated that they had audited the accompanying financial statements of Panhandle Community Services (PCS) as of December 31, 2024. He mentioned that the 2023 numbers were included for comparison. Mr. Phillips referred to the second paragraph, called an unmodified opinion, which states that the auditors believe the numbers presented in the audit are a “materially accurate representation” of what happened during the year for PCS without any further modification needed.

Mr. Phillips reviewed the Basis for Opinion and stated that they audit according to generally accepted auditing standards. Since PCS has federal funds, he said they also follow government auditing standards. He also reviewed the Management Responsibilities and Auditor’s Responsibilities sections. Mr. Phillips pointed out the Supplementary Information section and noted that it states Jarred, Gilmore & Phillips audited everything in the physical copy of the audit presented to the Board.

Referring to the last paragraph on page three, Mr. Phillips stated that the auditors are required to perform additional reporting according to government auditing standards, and they chose to include that information in one packet, which he called a single audit reporting package.

Mr. Phillips referred to the Financial Statements and reported the following:

Statement of Financial Position – This is a snapshot of the organization’s assets and liabilities as of December 31, 2024. It lists assets and liabilities divided into current and non-current categories. Mr. Phillips stated that PCS had \$5.7 million in current assets and \$2.9 million in liabilities, resulting in a working capital number, or cash flow, of \$2.7 million. He mentioned that this amount is lower compared to 2023, partly due to construction expenses paid from unrestricted funds, but it remains in a good position. Mr. Phillips also reviewed net assets and gave examples of donor-restricted and non-donor-restricted funds.

Statement of Activities – This statement shows PCS's revenues and expenses from January 1 to December 31. Mr. Phillips reviewed the various types of grants in the statement and stated that the number at the bottom, \$2.7 million in net assets, is a GAAP number. He explained that part of the net assets is non-cash, such as depreciation or grant-purchased capital assets, for which, for GAAP purposes, the expense is moved out of expense and onto the balance sheet as an asset and depreciated over its useful life.

Statement of Functional Expenses – This statement takes information from the Statement of Activities and divides the expenses into natural categories, such as Emergency Assistance and Community Services. Mr. Phillips stated that Emergency Assistance includes more than just the Comprehensive Energy Assistance Program (CEAP), and there are multiple funding sources under Community Services. The total for program services was \$27,793,000 in 2024, accounting for 89.2% of total organizational services. This means that 89 cents of every dollar received by PCS in 2024 went towards PCS’s clients and its mission. Mr. Phillips stated that the federal government allows up to 15% for administration and that for non-profits, 10% is a good number. He also stated that PCS's percentage has remained consistent, noting that the 2023 percentage was 89.7%.

Statement of Cash Flows – This is a picture of the agency’s checking account. Mr. Phillips pointed to two lines, depreciation and amortization, and said this statement helps identify non-cash items to show what happened to the checking account through the year. In 2023, the checking account had \$3.4 million in it, and last year, it had \$1.9 million.

Notes to the Financial Statements – Mr. Phillips reviewed the notes in this section, stating that the numbers provide additional information to the financial statements. He reported on the concentration of credit risk, which is monies held at the bank. He reviewed the amounts covered by FDIC insurance and pledged securities, and stated that the remaining was considered unsecured at year-end. He stated that PCS also has investments in TexPool. Mr. Phillips pointed out footnote 13, Net Assets, noting that HUD Admin reserves are restricted and can only be spent in the HUD program. The funds have a different accounting rule than most other grants and are required to be carried over and shown as restricted.

Supplementary Information – Mr. Phillips stated that the Combining Schedule of Activities statement contained detailed information from the Statement of Activities and Statement of Functional Expenses, broken down by grant. The next report shows what was submitted for just the HUD program. Mr. Phillips stated that they are required to include this report and to say that they agree with the numbers that are in the submission. He also reviewed the Schedule of Expenditures of Federal and State Awards, which shows all the federal and state dollars that PCS received during the year, broken down by different programs. He reported that total expenditures for federal awards amounted to \$29.4 million and state awards totaled \$1.6 million. Mr. Phillips explained the method for determining the impact of federal dollars on the local economy and noted that PCS had an impact of \$206 million on the local economy through federal dollars that flow through the organization.

Mr. Phillips reviewed reports regarding the government auditing standards. The first is a report on internal control over accounting and compliance, and the second is a report on compliance for each major program. He stated that no issues arose that needed to be disclosed as a finding, a significant deficiency or a material weakness.

Mr. Phillips turned to the Schedule of Findings and Questioned Costs and reviewed the Summary of Auditor's Results. The summary states that the report expresses an unmodified opinion on the financial statements. Under Internal Control Over Financial Reporting, there were no material weaknesses, significant deficiencies, or matters of non-compliance. Under Federal and State Awards, there were no material weaknesses or significant deficiencies, and it states that the report is an unmodified opinion. Mr. Phillips said there were no findings to disclose.

Mr. Phillips said they tested the three major federal programs (the U.S. Department of Housing and Urban Development, the U.S. Department of Transportation, and the Corporation for National and Community Services), and one major state program, the Public Transportation Grant. He stated that PCS qualifies as a low-risk auditee, meaning PCS has gone more than two years with no findings. The final sections of the audit show that there were no financial statement findings, federal award findings or questioned costs, and no prior audit findings.

Mr. Phillips referred to the letters included with the audit packet and encouraged Board members to read them. The first letter, called a letter to those charged with governance, states that the auditors encountered no difficulties with management. The packet also includes the audit adjustment table and the management representation letter.

A copy of the Form 990 was emailed to the Board, and copies were passed out during the meeting. Mr. Phillips stated that the first page of the form is a reconciliation between the audit and the Form 990. Mr. Phillips asked that the Board also vote to receive and accept the IRS Form 990.

Discussion followed.

John Sharp requested a motion to receive and accept the audit report.

Motion:	To Receive and Accept the Audit Report	
Moved By:	Lydia Villanueva	Second: Teresa Lane
Vote:	Motion carried by voice vote	

John Sharp requested a motion to receive and accept the IRS Form 990.

Motion:	To Receive and Accept the IRS Form 990.	
Moved By:	Teresa Lane	Second: Judge Dan Looten
Vote:	Motion carried by voice vote	

Board Engagement Series: NCAP Convention (OS 5.8)

John Sharp introduced Board Member Robert Coffee, who gave a recap of the National Community Action Partnership (NCAP) 2025 Annual Convention. Mr. Coffee said the session that caught his attention was the one titled "Building Your Team: Recruit, Retain, and Motivate Talent," because the speaker was talking about recruiting people for community action who are sincere about helping others. Mr. Coffee said that he could relate to this class because he had been helping people in his community since before he joined the Board. He also mentioned David Bradley's talk on the challenges facing community action and said that Board members should not be "seat warmers" but should address the issues that may hinder us from helping people. Mr. Coffee concluded, saying he enjoys helping people and being on the Board of Directors at PCS.

After Mr. Coffee's remarks on the NCAP Convention, Mr. Sharp asked Board Members to introduce themselves to our guests.

Executive Director's Report

Ms. York reported the following:

- Bragging Rights – Ms. York congratulated Benita SanMiguel, Weatherization Director, on completing all the requirements to become a certified Quality Control Inspector. Ms. SanMiguel can now inspect homes and assist Randy McMurray, our other Quality Control Inspector. PCS is one of the few agencies in Texas with more than one inspector.
- Update on Executive Orders – Ms. York reviewed some of the implications for PCS in the event of a government shutdown. One concern is that income eligibility for CSBG services would revert from 200% of the federal poverty level back to the original 125%. She said the question becomes whether we can continue to serve people who qualified under 200%, and whether a future continuing resolution would be retroactive, allowing those expenses to be covered. There is also uncertainty about how programs like CEAP would operate if salaries and client payments cannot be charged during the shutdown. Ms. York also shared her concerns about the Retired and Senior Volunteer Program, which could be eliminated, noting that many of the programs that volunteers work in cannot afford to hire those positions. She stated that one of the strengths of PCS is that county judges contribute to the organization, which puts us ahead of many other community action agencies.
- Organizational Standards – Lisa Matthyse and Cassi Hernandez are working on completing the Community Services Block Grant Organizational Standards. Panhandle Community Services is the only Community Action Agency that has passed the organizational standards every year since its inception. Ms. York said she is proud of our staff and what we accomplish, and that no one has a Board that can compare to hers.
- Universal Intake – The Universal Intake system was introduced nearly a year ago so that PCS programs can provide "wrap-around" support to families using a single intake process for all PCS programs. It has been a difficult process, and the system is currently closed. Ms. York has tasked Amy Francis and Cindy Grimaldo with addressing the issues, and has asked Quinton Smith to create an instructional video for filling out the Universal Intake. Ms. York said she is committed to having the Universal Intake system working by October 13th.
- BoardEffect – BoardEffect has offered to reduce the annual subscription cost to \$7,500. After discussion, Board members said they would decline the offer and continue canceling the service.
- Signatures on the CSBG Letter – All county judges received a letter asking them to support PCS and CSBG at the national level. While PCS has received more signatures than any other agency in Texas, 14 judges have yet to sign. Ms. York stated that when she spoke with the judges earlier in the year, they said they would sign the letter. She encouraged Board members to personally reach out to their local judges.

Mr. Sharp asked for a motion to accept the Executive Director's report.

Motion: To accept the Executive Director's report.

Moved By: Judge Mitchell Locke

Second: Janice Faggan

Vote: Motion carried by voice vote

Approve HUD Annual and 5-Year PHA Plans for Submission

Mr. Sharp introduced Audra Rea, Division Director of Family Services, to report on the Housing and Urban Development (HUD) Annual and Five-Year Public Housing Authority (PHA) plans for submission.

Ms. Rea reported that both the annual and five-year plans are compliance requirements for the Housing Choice Voucher (HCV) program. The annual plan is submitted each year to provide a progress report on the agency's accomplishments related to the five-year plan. Ms. Rea noted that the five-year plan is also due this year. Goals and objectives have been developed in alignment with the agency's strategic plan, with a focus on expanding access to affordable housing.

Ms. Rea reviewed the five-year plan goals. One goal is to increase access to housing by 15% over the next five years, which includes issuing an average of 50 additional vouchers annually. Another goal is to enhance landlord participation by launching a comprehensive campaign to attract more landlords across the Panhandle. PCS also plans to improve quality housing standards compliance.

Ms. Rea said she has set a target of 95% of unit inspections passing on the first attempt, with the goal of reducing the time and resources spent on repeat inspections. PCS is also working to strengthen supportive services and partnerships, promote self-sufficiency among program participants, and streamline program operations through the use of technology, including moving toward a paperless system.

During the discussion, Ms. Rea stated that considerations for elderly and disabled people, and individuals who face challenges with technology, will always be part of the process. She stated that while the team must find ways to support vulnerable populations, broader solutions must also be implemented to improve effectiveness and better serve the community.

Mr. Sharp requested a motion to accept the HUD annual and five-year PHA plan for submission.

Motion: To accept the HUD annual and five-year PHA plan for submission.
Moved By: Lydia Villanueva **Second:** Amanda Quillin
Vote: **Motion carried by voice vote**

(Brian Gillispie left the meeting at 11:50 AM)

Finance Report (OS 8.7)

John Mejia, CFO, began by thanking the accounting staff and directors for the work they did in accomplishing a no-findings audit. Mr. Mejia said that most of the accounting staff have been with PCS for less than three years, and they have made significant progress during that time. He said that he and Ms. York met to discuss the areas of improvement that Neil Phillips recommended, and they are planning to implement some changes. Mr. Mejia reported that there is one opening in accounting that needs to be filled, and he is looking for a person with accounting experience, especially someone who has non-profit experience. Discussion followed.

Motion: To accept John Mejia's report.
Moved By: Jason Vanosdol **Second:** Lydia Villanueva
Vote: **Motion carried by voice vote**

Approve Revised Employee Handbook (OS 7.1)

Mr. Mejia reported that directors reviewed the handbook page by page and made a few changes, which were then sent to the attorney for review. The attorney provided some comments that were incorporated into the handbook. Mr. Mejia noted that there were no major changes, and he believes it is a solid document. The process was very productive, with the directors discussing the policies thoroughly. Mr. Mejia said the employee handbook is now ready for approval.

Motion: To approve the PCS Employee Handbook, Revised September 18, 2025.
Moved By: Denese Skinner **Second:** Teresa Lane
Vote: **Motion carried by voice vote**

Advisory Council Meeting Report (OS 1.3)

Christy Hilbert, Communications Division Director, reported on PCS's Advisory Council and Committees. Each committee is made up of low-income clients (current or former) and representatives of the low-income

community who meet to discuss the obstacles they are facing. The Advisory Council reviews input from the committees, identifies priorities and determines what should be shared with the Board. Ms. Hilbert stated that another Advisory Council report will be presented at the annual Board meeting.

The Advisory Committees identified needs, such as transportation, especially for last-minute medical or essential trips, water bill assistance, support for veterans who earn too much to qualify for current assistance, dental care, child care, youth programs, and affordable housing. One of the representatives from Childress explained that they have the highest rent in the Panhandle because many people are moving in for jobs, but there is a shortage of housing. The Advisory Council chose to prioritize transportation, stating that they want to develop a local rideshare service. Council members also identified dental care as a priority, noting that oral health affects the entire body and that dental treatment can be expensive.

Ms. Hilbert reported that we recruited low-income individuals and partner organizations to form these advisory groups, as required by the Pathways to Excellence Initiative. She said her role is to ensure their feedback is shared with the Board and the Board agrees with their priorities.

Motion:	To accept the Advisory Council report.	
Moved By:	Judge Dan Looten	Second: Jason Vanosdol
Vote:	Motion carried by voice vote	

Governance Committee Report (OS 5.5)

Denese Skinner, Governance Committee Chair, reported that the Governance Committee met on July 30 and September 11 to interview candidates for upcoming vacancies on the Board of Directors. She said the minutes for the meetings were included in the Board packet. If the Board approves these candidates today, they will be seated at the annual meeting on December 4 for terms beginning on January 1, 2026.

In July, the committee interviewed Jordan Herrera, who will succeed Ms. Skinner as the Region 2 Private Sector Representative. Ms. Herrera is the Director of Social Services and manages the Advocacy and Resource Center at Amarillo College. Ms. Skinner noted that she will be a strong asset to the Panhandle Community Services team, community, and family.

In September, the committee interviewed Chris Martinez of Pampa and Armstrong County Judge Adam Ensey. Mr. Martinez, nominated to succeed Mr. Coffee, shared his background and desire to serve. He was highly recommended by Lori Covil, and Ms. Skinner emphasized the positive impact he makes in his community.

Judge Ensey, who was nominated to succeed Judge Looten as the Region 2 Public Sector Representative, has a background in business and public service. He has served as a County Commissioner and is currently the Armstrong County Judge. He has also served on several boards, including the Panhandle Area Indigent Defense Board.

Ms. Skinner stated that the Governance Committee is presenting these nominations to the Board for consideration.

Mr. Sharp requested a motion to accept the Governance Committee Report.

Motion:	To accept the Governance Committee Report.	
Moved By:	Janice Faggan	Second: Robert Coffee
Vote:	Motion carried by voice vote	

Appoint a Nominating Committee for Board Officers

Mr. Sharp asked for volunteers to serve on the Nominating Committee to select a slate of nominees to fill the four offices on the Board: President, Vice President, Treasurer, and Secretary. The election of officers will take place at the annual meeting. Ms. Skinner asked for clarification on whether someone leaving the Board at the end of the year could serve on the committee. Ms. York confirmed that they could. After further discussion, Mr. Sharp stated that the committee would include Public Sector Representative Judge Mitchell Locke, Low-Income Sector Representative Janice Faggan, and Private Sector Representative Denese Skinner.

Final Public Comment Period

John Sharp called for public comment. No public comments were made.

The Promise of Community Action

Magi York led the Board in reciting the Promise of Community Action:


*Community Action changes people's lives, embodies the spirit of hope, improves communities,
and makes America a better place to live.
We care about the entire community, and we are dedicated to helping people
help themselves and each other.*

Motion to Adjourn

Motion: To adjourn.
Moved by: Jason Vanosdol **Second:** Lydia Villanueva
Vote: **Motion carried by voice vote**

Hearing no objections, the meeting was adjourned at 12:21 p.m. (OS 2.4).

I hereby certify that this is a true and correct copy of the minutes approved by the Panhandle Community Services Board of Directors.

Signature: 

Name: Amanda Quillin

Title: Board Secretary

PCS Board of Directors Meeting Minutes, September 18, 2025