HOUSTON RECOVERY CENTER, LGC

Minutes for Meeting of Board of Directors
November 6, 2025 at 11:00 a.m.
Ben Taub Hospital, Neuro-Psychiatric Center, 3rd Fl., Room 3.122
1502 Taub Loop, Houston, TX 77030

The undersigned, being the duly appointed Secretary of Houston Recovery Center LGC (the "Corporation"), hereby certifies that the following are true and correct Minutes of the November 6th 2025 meeting of the Board of Directors (the "Board") of the Corporation.

In a manner permitted by the Corporation's Bylaws, the meeting was called by providing all Directors with notice of the date, time, place, and purposes of the meeting more than three full days before the meeting date. In accordance with Chapter 551, Texas Government Code, which Chapter is made applicable to the Corporation by Section 431.004, Texas Transportation Code, and a notice of the meeting, was duly filed on October 30, 2025 in the same manner and location as required by law of the City of Houston, Texas (the "City").

Summarized Agenda Item	Discussion	Decision & Follow-Up
I. Call to order (Board Member)	The meeting was called to order by Board Chair Dr. Shah at approximately 11:05 a.m. at the Ben Taub Hospital, Neuro-Psychiatric Center on the third floor, conference room 3.122.	
II. Roll call, confirm presence of quorum (Chair)	Board Chair Dr. Shah recognized the acting Administrative Assistant, Stacey Cramer-Morais, as recording Secretary for the meeting, and she took roll. The roll is noted below: *Officio* · Asim Shah, M.D. – Present · Burnell Jones – Present · Scott F. Basinger, Ph.D. – Present *(last session before retirement)* · Howard Henderson, Ph.D. – Absent · Randall Houston – Present *(last session before retirement)* · Michelle Alexander, Ph.D. – Present · Sara Jahansouz Wray – Absent · David Stutts – Present · Kimberly Thompson – Absent *Ex-Officio* · David Persse, M.D. – Absent · Stephen Williams – Absent *(retired from Health & Human Services, 21 years of service, additionally retiring as Ex-Officio)* · Larry Satterwhite – Present	Board Chair Dr. Shah announced that a quorum of the Directors was present.

	· Legal Counsel, Mr. Clifton Journet – Present · Asst. Chief Patricia Cantu – Present · Susana Deltoro, Houston Recovery Center, Interim Chief Executive Officer – Present · Stacey Cramer, Houston Recovery Center Admin. Assistant – Present · Debra Villanueva, Houston Recovery Center Human Resource/ Payroll Manager – Absent · Suzanne Jarvis/Director of Data Management and Program Analytics – Absent · Mo Menissy, Houston Recovery Center, Accounting Manager – Present	
Reading of the draft Minutes	The September 24, 2025 meeting minutes were reviewed and the Board had no revisions. Dr. Scott Basinger moved to approve minutes for September 24, 2025 meeting. Mr. Burnell Jones seconded the approval of the draft Minutes. The Board unanimously accepted.	The Board unanimously approved Exh: (A) Draft Minutes for Sept. 24, 2025.
Opportunity for Public Comment	Board Chair Dr. Shah allowed an opportunity for the Board to acknowledge guests: · Captain Isaac J. Duplechain, Commander, Houston Police Department – Present	Board Administrative Assistant, Stacey Cramer, announced visitor(s) present.
Report from the Interim Chief Executive Officer *(Susana Deltoro)*	Board Chair, Dr. Asim Shah recognized the Interim Chief Executive Officer, Susana Deltoro, to provide a report for November 2025. Ms. Deltoro briefly discussed highlights related to the Sobering Center programs and projects and discussed current initiatives as the Interim CEO and thanked everyone for their support in this new role. Susana Deltoro then discussed ongoing work related to review of current vendor contracts to source potential cost savings. Ms. Deltoro discussed recent community partnership meetings to strengthen collaboration efforts and explore partnership opportunities. Ms. Deltoro discussed a recent meeting with Dr. Alicia Kowalchuk to obtain feedback on a potential self-pay sobering proposal. In addition, other departmental meetings are ongoing to align management team priorities and support leadership development across departments and focus on employee morale. Ongoing meetings with both the	Exh: (B) Interim CEO Report for Oct-Nov 2025 The Board unanimously approved the Interim CEO Report for Oct-Nov 2025.

	Finance and Program managers are ongoing to promote collaborative communication, awareness, and transparency. Thursday's of each week are spent at the Chenevert street location with Debra Villanueva (Human Resources) to ensure operational consistency, staff support, and adherence to service standards. From a strategic initiative perspective, evaluation of insurance coverage, intern development, competitive salary benchmarking was pursued along with a draft of a pilot private-pay sobering bed proposal. The CARF accreditation site survey is scheduled for January 29-30th for 2026 and ongoing final-phase meetings are ongoing with internal staff and the CARF consultant team to prepare for the site-survey. Focus areas include and final edits to documentation and compliance measures, outcome measurement, and staff readiness. Dr. Scott Basinger moved to approve the Interim CEO Report for the month of November 2025 and Burnell Jones seconded the approval and the Board unanimously accepted.	
Report from Finance Committee *(David Stutts)*	Board Chair Dr. Asim Shah recognized Randy Houston for his 5 ½ years of contribution to HRC's Board and focus on financial matters/endeavors; the Board also shared accolades to Mr. Houston for his steadfast financial leadership and wished him the best on the retirement from the HRC Board. Board Chair, Dr. Asim Shah recognized Finance Committee Chair, Mr. David Stutts, to present the Financials for the months of August and September 2025. Mr. David Stutts discussed the details of the August and September Financial Statements. Mr. Stutts then discussed details of the September 2025 Financial Statements, highlighting page 3 that lists approximately $1,462,948.06 of cash on hand and highlighted the Total Assets showing as $2,061,016.98 Mr. Stutts moved to page 4, discussing the Total Liabilities as $1,674,171.26 and the Total Equity as $386,845,72. Mr. Stutts progressed to page 5	Exh: (C) Aug. 2025 Financial Statements Exh: (D) Sept. 2025 Financial Statements The Board unanimously approved the Financial Statements for Aug. and Sept. 2025.

	discussing the Statement of Activities showing a net operating income deficit of -33,271.56 (with month previous at negative liability showing at -$52,739.04) which reflects a gain on shortfalls by $19,467.48. Mr. Stutts reiterated to the Board of the goal (that Randy Houston stated last session) of attempts to break even by year end with work being done with Leonard Kincaid (departing organization 12-2025) and interim-CEO, Susana Deltoro's efforts towards budget streamlining and prospecting efforts. Mr. Stutts emphasized a stronger focus regarding Cashflow Forecasts. He referred to recent discussion with Mo Menissy, the new Finance Manger, the importance of cash flow forecasts in projecting future directions, not just month-to-month inflows and outflows, but also year-to-year, to see overall variances and budget snapshot. David Stutts moved to approve the August and September 2025 Financial Statements (Exh. C and D respectively) and Randy Houston seconded the approval. The Board unanimously approved the August and September 2025 Financial Statements.	
Programs and Development Committee *(Scott Basinger)*	Board Chair, Dr. Asim Shah, recognized Dr. Scott Basinger for his decade-long contributions to HRC's development endeavors; the Board also shared accolades to Dr. Basinger for his contributions to the HRC Board and the Development leadership and wished him the best on his retirement. Dr. Shah took a moment to present both Randy Houston and Dr. Basinger with crystal service awards recognizing them for their unique contributions. Board Chair, Dr. Shah, then recognized Dr. Scott Basinger to discuss the Programs and Development Committee report for Nov. 2025. Dr. Basinger highlighted sections on the November 2025 Development report and noted that those line items highlighted in blue are ones that are currently submitted and that have been previously awarded. Dr. Basinger noted that HRC is nearing the hallmark of seeing/servicing over 50,000 clients	Exh: (E) The Board unanimously approved the Nov. 2025 Programs and Development activity report

	since the doors opened over a decade ago and not to let that milestone slip by un-noticed. Dr. Basinger touched on the idea of entertaining a simple celebratory event or consideration of doing "lunch and learns" in early 2026 to garner exposure and broaden community interest. Dr. Scott Basinger moved to approve the November 2025 Development Report, and Randy Houston seconded the motion. The board unanimously approved the Programs and Development report.	
III. Report from Executive Search Committee *(Burnell Jones, Michelle Alexander, Scott Basinger)*	Board Chair Dr. Shah recognized Burnell Jones for a report on the progress related to the Executive Search Committee activities in relation to Mr. Leonard Kincaid's retirement and current Advisor Capacity at HRC until the end of December. Mr. Jones stated that the executive search efforts are ongoing and currently, Susana Deltoro's efforts as Interim CEO are going smoothly. Randy Houston made a motion to approve the Board Development and Nomination Committee report and David Stutts seconded the motion. The Board unanimously approved the Executive Search Committee's report.	The Board unanimously approved the Executive Search Committee activity report.
Discussion of Agenda items for Next Board Meeting	The Board discussed reconvening in early 2026, at the Star of Hope Reed Road Cornerstone campus location. and that it would allow a nice opportunity visit the larger SOH campus. David Stutts offered to check on the Boardroom/conference room availability for proposed date of Thursday, January 8, 2026 mid-morning. Time estimates were Finance Committee 10:30 AM – 11:30 AM, then Board Session 11:30 AM – 1:00 PM *(subject to slight time adjustment, if needed).* In addition, discussion items for next session will entail a review of Interim CEO, Susana Deltoro's performance and a need for executive closed-session potentially. David Stutts made a motion to adjourn and Dr. Scott Basinger seconded the motion.	

There being no further business, the meeting adjourned at approximately 11:59 a.m.

By:

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Michelle Alexander, Board Secretary