

# **Tri-County Services Board of Trustees' Meeting**

**February 23, 2012**



Notice is hereby given that a regular meeting of the Board of Trustees of Tri-County Services will be held on Thursday, February 23, 2012. The Business Committee will convene at 9:00 a.m., the Program Committee will convene at 9:30 a.m. and the Board meeting will convene at 10:00 a.m. at 1506 FM 2854, Conroe, Texas. The public is invited to attend and offer comments to the Board of Trustees between 10:00 a.m. and 10:15 a.m.

## AGENDA

### **I. Organizational Items**

- A. Chairman Calls Meeting to Order
- B. Public Comment
- C. Quorum

### **II. Employee Recognition**

### **III. Approve Minutes - January 26, 2012**

### **IV. Executive Director's Report - Cindy Sill**

- A. DSHS
  - Substance Abuse Progress Note Review and Training
  - Forensic Lawsuit Order and DSHS Plans
  - Public Mental Health Study Update
  - Local Planning and Network Development
- B. DADS
  - Target Improvement Plan
  - Texas Home Living Waiver Slots
  - Case Management
- C. Texas Council
  - Service Access Improvement Project
- D. Texas Council Risk Management Fund Quarterly Meeting Update
- E. East Texas Behavioral Healthcare Network
  - Pharmacy
- F. 1115 Medicaid Service Transformation and Quality Waiver

### **V. Chief Financial Officer's Report - Millie McDuffey**

- A. Cost Accounting Methodology (CAM) Report for FY 2011
- B. Monthly CAM Reports
- C. FY 2011 Audit Management Letter
- D. DSHS Fiscal Monitoring Review Update
- E. DADS Fiscal Monitoring Review
- F. ICF/HCS and TxHmL Cost Reports for FY 2011

### **VI. Program Committee**

#### Action Items

- A. Approve Submission of Montgomery County United Way 2012 Grant Applications for FY 2013.....

Pages 9-10

#### Information Items

- B. Community Resources Report for January 2012.....

Pages 11-13

- C. Consumer Services Report for January 2012 ..... Pages 14-15
- D. Program Updates for January 2012 ..... Pages 16-19
- E. Program Presentation - Typical Service Activity Day at the PETC

**VII. Executive Committee**

Information Items

- A. Personnel Report for January 2012 ..... Pages 20-21

**VIII. Business Committee**

Action Items

- A. Approve January 2012 Financial Statements ..... Pages 22-34
- B. Ratify Execution of the HUD-FY 2010 Section 811 Agreement Letter for the Cleveland, Texas Project Award ..... Pages 35-50
- C. 401(a) Retirement Plan Review ..... Page 51
- D. DSHS FY 2012 Contract Amendment Request ..... Pages 52-54
- E. Approve FY 2012 Budget Revision as of January 31, 2012 ..... Pages 55-57

Information Items

- F. Board of Trustees' Unit Financial Statement for January 2012 ..... Pages 58-59
- G. Montgomery Supported Housing, Inc. Quarterly Update ..... Page 60

**IX. Executive Session in compliance with Texas Government Code Section 551.071, Consultation with Attorney**

Posted By:

Sami Tuminas  
Executive Assistant

# Tri-County Services

P.O. Box 3067  
Conroe, TX 77305

## BOARD OF TRUSTEES' MEETING

January 26, 2012

### BOARD MEMBERS PRESENT:

Len George  
Brad Browder  
Patti Atkins  
Morris Johnson  
Cecil McKnight  
Janet Qureshi  
Tracy Sorensen  
Sharon Walker

### BOARD MEMBERS ABSENT:

David Walker

### TRI-COUNTY STAFF PRESENT:

Cindy Sill, Executive Director  
Millie McDuffey, Chief Financial Officer  
Evan Roberson, Director of Organizational Support  
Don Teeler, Director of Operations  
Sandy Kelly, Director of Administrative Support  
Sami Tuminas, Executive Assistant  
Shane Burks, Coordinator of Community Resources  
Mary Lou Flynn-DuPart, Legal Counsel

### GUESTS:

Cindy Best, Empowerment Options  
Maggie Thomas, SplashTown  
Weldon Whitt, Tradition Bank  
Barbara Lowrie, Montgomery County Commissioner's Office Precinct 3  
Gene Darnell, Dean and Draper  
Bob Dean, Dean and Draper  
Cathy Stringer, ExxonMobil  
Steve Vaughan, Documation, Inc.  
David Williams, Documation, Inc.  
Carlos Taboada, Carlos Taboada & Company, P.C.

**CALL TO ORDER:** Chairman, Len George, called the meeting to order at 10:04 a.m. at 1506 FM 2854, Conroe, TX.

**PUBLIC COMMENT:** There were no public comments.

**QUORUM:** There being eight (8) members present, a quorum was established.

### RESOLUTION #01-12-01

**MOTION MADE BY:** Cecil McKnight

**SECONDED BY:** Brad Browder, with affirmative votes by Len George, Patti Atkins, Morris Johnson, Janet Qureshi, Tracy Sorensen, and Sharon Walker that it be...

### RESOLVED:

That the Board excuse the absence of David Walker.



Recognition and Program Presentation: The From the Heart 2011 program report was presented by Shane Burks for information purposes only. Len George, Chairman of the Board, and Shane Burks then presented framed thank you notes from Tri-County consumers to the volunteers and partners for From the Heart this year.

Presentation to ExxonMobil Day of Caring Volunteers.

**RESOLUTION #01-12-02**

**MOTION MADE BY:** Morris Johnson

**SECONDED BY:** Sharon Walker, with affirmative votes by Len George, Brad Browder, Patti Atkins, Cecil McKnight, Janet Qureshi, and Tracy Sorensen that it be...

**RESOLVED:**

That the Board approve the minutes of the December 8, 2011 meeting of the Board of Trustees.

The Chairman of the Board, Len George, suspended the agenda to move to Business Committee Item IX-B, Approve FY 2011 Independent Financial Audit and Carlos Taboada presented the report.

**RESOLUTION #01-12-03**

**MOTION MADE BY:** Morris Johnson

**SECONDED BY:** Patti Atkins, with affirmative votes by Len George, Brad Browder, Cecil McKnight, Janet Qureshi, Tracy Sorensen, and Sharon Walker that it be...

**RESOLVED:**

That the Board approve the FY 2011 Independent Financial Audit.

The Board of Trustees returned to the regular agenda order commencing with the Executive Director's Report.

**EXECUTIVE DIRECTOR'S REPORT:**

The Executive Director's report is on file.

Board of Trustees member Tracy Sorensen left the meeting at 10:56 a.m.

**CHIEF FINANCIAL OFFICER'S REPORT:**

The Chief Financial Officer's report is on file.

**PROGRAM COMMITTEE:**

**RESOLUTION #01-12-04**

**MOTION MADE BY:** Sharon Walker

**SECONDED BY:** Morris Johnson, with affirmative votes by Len George, Brad Browder, Patti Atkins, Cecil McKnight, and Janet Qureshi that it be...

**RESOLVED:** That the Board appoint the new Intellectual and Developmental Disabilities Planning Network Advisory Committee members, Barbara Knighton and Barbara Grogan.

**RESOLUTION #01-12-05** **MOTION MADE BY:** Sharon Walker  
**SECONDED BY:** Patti Atkins, with affirmative votes by Len George, Brad Browder, Morris Johnson, Cecil McKnight, and Janet Qureshi that it be...

**RESOLVED:** That the Board appoint the new Mental Health Planning Network Advisory Committee member, Barbara Grogan.

**RESOLUTION #01-12-06** **MOTION MADE BY:** Sharon Walker  
**SECONDED BY:** Janet Qureshi, with affirmative votes by Len George, Brad Browder, Patti Atkins, Morris Johnson, and Cecil McKnight that it be...

**RESOLVED:** That the Board approve submission of a request for reservation funding for Tenant Based Rental Assistance from the Texas Department of Housing and Community Affairs.

The 1<sup>st</sup> Quarter FY 2012 Corporate Compliance & Quality Management Report was reviewed for information purposes only.

The 2<sup>nd</sup> Quarter FY 2012 Corporate Compliance Training was reviewed for information purposes only.

The Year to Date FY 2012 Goals and Objectives Progress Report was reviewed for information purposes only.

The Community Resources Report for December 2011 was reviewed for information purposes only.

The Consumer Services Reports for November and December 2011 were reviewed for information purposes only.

The Program Updates for November and December 2011 were reviewed for information purposes only.

**EXECUTIVE COMMITTEE:**

The Personnel Reports for November and December 2011 were reviewed for information purposes only.

The Texas Council quarterly meeting verbal update was presented by Morris Johnson.

**BUSINESS COMMITTEE:**

**RESOLUTION #01-12-07**

**MOTION MADE BY:** Morris Johnson

**SECONDED BY:** Patti Atkins, with affirmative votes by Len George, Brad Browder, Cecil McKnight, and Janet Qureshi with one abstention by Sharon Walker that it be...

**RESOLVED:**

That the Board appoint Ms. Sharon Walker to serve on the Montgomery Supported Housing, Inc. Board of Directors for a term expiring in January 2013.

**RESOLUTION #01-12-08**

**MOTION MADE BY:** Morris Johnson

**SECONDED BY:** Cecil McKnight, with affirmative votes by Len George, Brad Browder, Patti Atkins, Janet Qureshi, and Sharon Walker that it be...

**RESOLVED:**

That the Board approve the November 2011 financial statements.

**RESOLUTION #01-12-09**

**MOTION MADE BY:** Morris Johnson

**SECONDED BY:** Brad Browder, with affirmative votes by Len George, Patti Atkins, Cecil McKnight, Janet Qureshi, and Sharon Walker that it be...

**RESOLVED:**

That the Board approve the December 2011 financial statements.

**RESOLUTION #01-12-10**

**MOTION MADE BY:** Morris Johnson

**SECONDED BY:** Patti Atkins, with affirmative votes by Len George, Brad Browder, Cecil McKnight, Janet Qureshi, and Sharon Walker that it be...

**RESOLVED:**

That the Board approve revisions to the Board policy on Nepotism as presented.

**RESOLUTION #01-12-11**

**MOTION MADE BY:** Morris Johnson

**SECONDED BY:** Cecil McKnight, with affirmative votes by Len George, Brad Browder, Patti Atkins, Janet Qureshi, and Sharon Walker that it be...

**RESOLVED:**

That the Board approve the Amendment to Tri-County MHMR Services 401(a) Retirement Plan Adoption Agreement as presented.

The Revenue Improvement Plan was reviewed for information purposes only.

The 1<sup>st</sup> Quarter FY 2012 Quarterly Investment Report was reviewed for information purposes only.

The Board of Trustees' November and December 2011 Unit Financials were reviewed for information purposes only.



The regular meeting of the Board of Trustees recessed at 11:46 a.m. to go into Executive Session in compliance with Texas Government Code Section 551.071, Consultation with Attorney.

The meeting of the Board of Trustees reconvened at 12:03 p.m., to go into regular session.

**RESOLUTION #01-12-12**

**MOTION MADE BY:** Morris Johnson

**SECONDED BY:** Cecil McKnight, with affirmative votes by Len George, Brad Browder, Patti Atkins, Janet Qureshi, and Sharon Walker that it be...

**RESOLVED:**

That the Board authorize the Executive Director to pursue the sale of the properties on 507 Bryant Road and 103 North Thompson in Conroe, Texas.

**RESOLUTION #01-12-13**

**MOTION MADE BY:** Morris Johnson

**SECONDED BY:** Sharon Walker, with affirmative votes by Len George, Brad Browder, Patti Atkins, Cecil McKnight, and Janet Qureshi that it be...

**RESOLVED:**

That the Board approve the CSU Construction Closeout as the December 27, 2011 letter and authorize the Executive Director to sign any final agreements, subject to attorney approval.

**RESOLUTION #01-12-14**

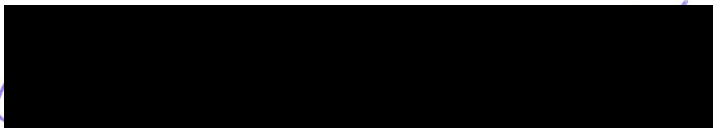
**MOTION MADE BY:** Cecil McKnight

**SECONDED BY:** Janet Qureshi, with affirmative votes by Len George, Brad Browder, Patti Atkins, Morris Johnson, and Sharon Walker that it be...

**RESOLVED:**

That the January 26, 2012 meeting of the Board of Trustees be adjourned at 12:06 p.m.

**ADJOURNMENT:**



Len George  
Chairman

Date

**ATTEST:**



Brad Browder  
Secretary

Date



## **Executive Director's Report February 23, 2012**

### Information

- Next regularly scheduled Board meeting is Thursday, March 22, 2012
- The annual Texas Council Trustee and Staff training conference is May 30<sup>th</sup>-June 1<sup>st</sup> at the Renaissance Hotel in Austin. Barbara Duren will be recognized as the 2012 Frank M. Adams Individual Award recipient so I hope several of you will plan to attend to support her selection by the Texas Council. Additionally, our staff and some of our **PETC "partners" were selected as presenters for the conference.**

### Operations

- Department of State Health Services (DSHS) – Last month DSHS conducted a mental health progress note review and training and this month they are conducting a substance abuse treatment progress note review and training. After we receive the review sample list, we must review compliance and submit our findings; the training in Houston will follow this submission.

DSHS continues to develop plans to implement the order that requires DSHS to place individuals waiting in jails for competency restoration within 21 days of the incompetency ruling. The court has issued the final order and given DSHS additional time to implement; however, they must have 50% of the individuals waiting admitted into a state hospital by May 1<sup>st</sup> and the remainder, by June 1<sup>st</sup>. Additionally, DSHS is funding 21 forensic beds at Harris County Psychiatric Center (HCPC) and this unit will open March 1<sup>st</sup>. Access to civil commitment beds is already being diminished and individuals who are admitted are being discharged sooner. To address civil commitments, DSHS is working with several community centers asking them negotiate contracts with area private psychiatric hospitals to accept civil commitments. DSHS will contract with these centers and they will in turn manage these contracts locally.

The Legislature instructed DSHS to have a study of the public mental health system conducted by a private entity and the Public Consulting Group (PCG) was selected. They have completed their first round of public hearings and their initial draft report will be published in March which will contain their broad recommendations. PCG will conduct another round of public hearings across the state to receive input on their recommendations as well as suggestions about more specific recommendations. The final report will be submitted to the Legislature prior to the 83<sup>rd</sup> session.

We received the next Local Planning and Network Development planning template recently and instructions that the plan will be due October 2012. DSHS has made a few changes in an effort to streamline the process, but this will still be a time consuming and laborious process. The procurement process must be completed in sufficient time so that any provider contracts can be effective September 1, 2013. Additionally, we have been advised that we must offer the full Medicaid rate for all services procured and we are uncertain how this will impact our response from potential providers. Centers will be able to bill for some of their contract management expenses using revised Medicaid Administrative Claims codes.

We have hired the two staff Outpatient Competency Restoration (OCR) staff; one is an internal transfer and the other is a former TCOOMMI juvenile justice staff member. Chuck Lowman and the staff have already completed many of the administrative tasks required by the contract and are now meeting with local judiciary and prosecution staff to educate them about these services. With the forensic hospital lawsuit settlement, serving eligible individuals in the community is even more critical in order to maintain state hospital bed capacity.

- Department of Aging and Disability Services (DADS) – We, along with 66% of the other centers, are not meeting our general revenue service targets and were required to submit a plan of improvement to DADS. On February 15<sup>th</sup>, we submitted our plan to reach target compliance and expect to meet our target served by May 31<sup>st</sup>. Our target is 120 and we estimate that our number served in January is 90; the final DADS number will not be available until later this month. DADS is holding all centers harmless for target achievement for FY 2012 because we all had a 27% reduction in general revenue funding and numerous individuals were re-financed into the Texas Home Living (TxHmL) waiver program and their services do not count towards the target. Our staff are confident that we will be able to serve our target number.

We received five (5) additional Texas Home Living waiver slots and these individuals who are receiving general revenue funded services will be enrolled in this program. They can select any TxHmL provider in our area; however, Tri-County will provide their case management and service plan monitoring. When enrolled, these individuals will no longer count towards our target served.

All of the IDD case management positions have been filled and we are seeing improvements in service delivery volume and billing. We expect to see continued improvement each month.

- Texas Council of Community Centers – the **Centers'** Healthcare Opportunities Workgroup (HOW) and the Council determined that improved access to mental health services was essential to successful operations in the expanding managed

care environment. Members of the HOW and the Council negotiated with MTM Services, a National Council endorsed consultant, to provide training and guidance to centers in making these improvements. The consultation will be conducted via webinars and conference calls and each participating center will have their own team to guide their improvement process. The cost for each center will be based upon the number of participating centers; the cost range is \$7,500-9,500. We have decided to participate and will be selecting our team leaders as soon as MTM provides instructions.

- Texas Council Risk Management Fund (TCRMF) – the quarterly Board and advisory committee meeting and annual training was held February 9-10<sup>th</sup>. Mr. Carlos Vargas was appointed to the Board to fill the unexpired term of Ms. Jackie Walker. A summary of the meeting and training is attached.
- East Texas Behavioral Healthcare Network (ETBHN) – Another center, West Texas Centers, Big Spring, has decided to begin purchasing their medications from the ETBHN pharmacy. The ETBHN cost analysis showed that they would save almost 48% by using our pharmacy. Other centers continue to analyze the use of the pharmacy and our business continues to expand.
- Medicaid 1115 Waiver – The Health and Human Services Commission (HHSC) submitted a Medicaid 1115 waiver application to CMS and it was approved. This is a complete change in the financing and management of acute care Medicaid reimbursable services that will be managed by public hospitals and/or public entities. There will be several regions and numerous hospitals participating. The goal of this new system is to save money, bring in additional local match resources and draw additional Federal funds into the Medicaid financing system as well as improve healthcare outcomes. In our area, Harris County Hospital District (HCHD) will be the anchor/lead agency and the surrounding county entities are trying to determine whether to be an anchor or a sub-anchor for HCHD. Mental health treatment and intervention has been identified as a key component in efforts to save money by keeping people out of area emergency rooms and providing appropriate care in outpatient settings. These plans are due to HHSC in August.



Texas Council Risk Management Fund

Board Update

February 2012

The Board of Trustees and Advisory Committee held a training session on February 9 and conducted a regular Board meeting on February 10. Following are some highlights of these sessions.

- The training session on February 9 included several presentations and group discussions. Topics included: an overview of the insurance market; a financial overview of the Fund; a discussion on Federally Qualified Health Centers (FQHCs) and integration of services; a discussion on the East Texas Behavioral Healthcare Network (ETBHN) and a possible new network consisting of centers in North and West Texas; an update on the Political Subdivision Workers' Compensation Alliance (PSWCA); an overview of the Fund's claims trends; and a presentation on ethics for center trustees and staff.
- The Fund's Executive Committee appointed Mr. Carlos Vargas, Trustee for MHMR of Nueces County, to fill the vacant position on the Fund's Board that was previously held by Jackie Walker. Mr. Vargas will fill this place on the Board until the term expires on December 31, 2013.
- A new Advisory Committee member was also welcomed at this meeting. Ms. Ginger Smith, Chief Financial Officer for the Betty Hardwick Center, replaced Jo Kincanon-Mitchell, who has retired from her position at the center.
- The Board authorized an additional capital contribution to Government Entities Mutual (GEM), the Fund's primary reinsurer, in the amount of \$375,000. This contribution will increase GEM's ability to assume risk, and will ultimately benefit the Fund through lower reinsurance costs. Based on contributed capital of \$625,000, the Fund's current member balance with GEM is approximately \$920,000 prior to the additional capital contribution.
- The Board approved an amendment to the Fund's Bylaws that makes the East Texas Behavioral Healthcare Network (ETBHN), and similar entities that may be created in the future, eligible for membership in the Fund.
- The Board approved an amendment to the Fund's Property Coverage Document that provides automatic coverage for hazardous materials cleanup up to a sublimit of \$10,000. Centers may purchase higher limits of coverage for an additional charge. This change is effective September 1, 2012.
- The Board approved a proposal to allow centers to use Fund surplus to offset their adjustments in the workers' compensation minimum contribution plan (MCP) for the current year. This is basically the same plan that was approved last year, and is implemented again this year in view of the budget cuts that centers have experienced.



during the current biennium. Each center is allowed to offset up to \$25,000 of its MCP balance due regardless of the center's surplus position with the Fund. Centers with a positive surplus balance are allowed to offset additional amounts of the MCP balance based on their contribution-to-surplus ratio. Centers that still owe under the MCP adjustments after these offsets are made will have the opportunity to pay the balance due over the rest of the 2011-2012 Fund Year, without interest. Also, centers have the option of whether to use the amount available under the MCP offset plan to reduce either their current MCP adjustment or their 2012-2013 contributions. This year's offsets will require the use of approximately \$275,000 of the Fund's \$21.3 million surplus.

- It was announced that the Fund will again sponsor an awards breakfast at the Texas Council annual conference on June 1, 2012.

The next Board of Trustees meeting will be held on May 4, 2012 in Austin. This meeting will be preceded by a Board planning session on May 3.

## **CHIEF FINANCIAL OFFICER'S REPORT**

### **February 23, 2012**

**Cost Accounting Methodology (CAM) Report** – The final CAM report is due on February 28<sup>th</sup>. We submitted the preliminary CAM at the end of January and have been working on minor issues over the last month to ensure our data is clean as possible. After the final submission, our CAM team will be reviewing the cost data and comparing to prior years, as well as with state cost averages. The costs reported in the CAM are starting to be used by both DADS and DSHS for analysis of service data.

**Monthly CAM Reports** - During the FY 2011 CAM process, we have implemented a monthly mini CAM that is sent out to all Program Managers to review the services and the cost center data. This information is reviewed on a monthly basis throughout the year and will make the FY 2012 CAM process cleaner and more efficient.

**FY 2011 Audit Management Letter** – Last month, Carlos presented the FY 2011 Audited Financial statements. He referred to the Management Letter that listed two items as completed from the FY 2010 Management letter and one item that we need to consider. This is the item listed to be considered:

- **CASH:** In 2009, we mentioned that the bank reconciliation for the Chase Operating account had carried as checks outstanding checks written in the subsequent month. This forced a reclassification to the financials in which cash and accrued liabilities were increased by the same amount. This situation continues to exist. We were informed that this is the way the software works. We do not consider this to be a deficiency in internal control. However, the Inspector General reviewed our 2009 audit in June 2011. They were concerned about the way the software works and suggested that the vendor be asked to revise its programming so that the reconciliations reflect what is customarily seen.
- **Response:** We will follow-up with Anasazi Software and determine if there is a way to fix this recommendation.

**DSHS Fiscal Monitoring Review Update** - Last month, we reported the findings and our Management Response for the DSHS Fiscal Monitoring review that was conducted on December 12 through the 15<sup>th</sup>. We have received a final report dated February 9<sup>th</sup> that shows that our responses have been reviewed and accepted with no further action required.

**DADS Fiscal Monitoring Review** – We have received notification that we will have a DADS Fiscal Monitoring visit the week of March 5<sup>th</sup>. We have a list of 7 items that need to be submitted to DADS by February 27<sup>th</sup>. And we have a list of 19 items that need to be made available when the reviewers are on site.

<p><b>Agenda Item:</b> Approve Submission of Montgomery County United Way 2012 Grant Applications for FY 2013</p> <p><b>Committee:</b> Program</p>	<p><b>Board Meeting Date</b></p> <p>February 23, 2012</p>
<p><b>Background Information:</b></p> <p>Tri-County has applied for funding through Montgomery County United Way (MCUW) for many years to meet the needs of the community which are not covered by other funding sources. This year Tri-County will be applying for three (3) grants for a total of <b>\$220,500.</b></p> <p>MCUW advised all funded partners that there would be no increases in funding for FY 2013. Additionally, MCUW also indicated that no new programs will be funded in this budget cycle.</p> <p><u>Intellectual and Developmental Disabilities Services:</u> Requesting funding for summer camp and respite for individuals with intellectual and developmental disabilities. Amount requested: <b>\$16,000.</b></p> <p><u>Psychiatric Emergency Treatment Center:</u> Requesting funding for Day Treatment Program. Amount requested: <b>\$130,000.</b></p> <p><u>Substance Abuse Treatment Program:</u> Funding requested for outpatient substance abuse treatment. Amount requested: <b>\$74,500.</b></p>	
<p><b>Supporting Documentation:</b></p> <p>Grant Summary</p>	
<p><b>Recommended Action:</b></p> <p><b>Approve Submission of the 2012 Montgomery County United Way Grant Applications for FY 2013</b></p>	

## Montgomery County United Way Grant Applications Summary

**Intellectual and Developmental Disabilities (IDD) Services:** Consumers with intellectual and developmental disabilities will have the opportunity to attend summer camp and/or request respite to give families/caregivers needed breaks from the daily services they provide in order to maintain the stability of the living environment. Although many services are available at Tri-County, there are limits to the numbers of persons served in certain programs based on current funding confines. Each month Tri-County receives requests for hundreds of hours of respite care, but there are only enough resources to provide 200 hours of respite care monthly. IDD consumers and their families, upon request, will be provided 5 days of day camp during the summer. The family will have the option of selecting a camp designed specific to the disability of the individual. Due to an abbreviated 2012 application process and an MCUW request for flat-funding to equal no more than last year's award, Tri-County has requested **\$16,000** to provide these services.

**Psychiatric Emergency Treatment Center (PETC) - Day Treatment Program:** From 2008 to 2011, the CRU/PETC received funds from MCUW to cover the costs of the Day Treatment Program (DTP) component of the CRU/PETC program. The PETC is requesting funding from the MCUW to maintain staffing in the DTP to address the level of acuity of the clients. The DTP will continue to provide a structured, intensive skills training service to clients in the program up to 6 hours a day, 7 days a week. Also addressed are behavioral issues and medication management. More than 1000 unduplicated Montgomery County residents have been served through this program with over 96% stabilized without a need for more intensive care. Due to an abbreviated 2012 application process this year and an MCUW request for flat-funding to equal no more than last year's award, Tri-County has requested **\$130,000** to continue the Day Treatment Program.

**Substance Abuse Treatment Program (SATP):** In 2009, the SATP received funding for the first time from MCUW for the purpose of providing intensive, outpatient substance abuse treatment services to adults and adolescents. In 2010, MCUW again provided assistance to help leverage state funding for substance abuse treatment. Tri-County state facility licensure allows substance abuse treatment for adults and adolescents for a total of 180 slots. Current staff include a full-time Program Manager and full-time Co-Occurring Psychiatric Substance Use Disorder (COPSD) Specialist for the adult program and a full-time Team Leader and full-time Licensed Chemical Dependency Counselor (LCDC) for the youth program. The 2011 MCUW grant allowed for the addition of two full-time LCDC interns for the substance abuse treatment program. Due to an abbreviated 2012 application process this year and an MCUW request for flat-funding to equal no more than last year's award, Tri-County has requested **\$74,500** to maintain our current staffing levels in substance abuse treatment programs.



<b>Agenda Item:</b> Community Resources Report for January 2012  <b>Committee:</b> Program	<b>Board Meeting Date</b>  February 23, 2012
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Community Resources Report for January 2012	
<b>Recommended Action:</b>  <b>For Information Only</b>	

# ***Community Resources Report***

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## **Volunteer Hours:**

<b>Location</b>	<b>January</b>
Conroe	179
Cleveland	4.5
Liberty	13
Huntsville	36.5
<b>Total</b>	<b>233</b>

## **COMMUNITY ACTIVITIES:**

2/1/12	Liberty County Community Resource Coordination Group	Dayton
2/2/12	Walker County Community Resource Coordination Group	Huntsville
2/2/12	Montgomery County Collaborative Court Grant Meeting	Conroe
2/2/12	Cleveland Chamber of Commerce Luncheon	Cleveland
2/7/12	Montgomery County Managed Assigned Counsel Board Meeting	Conroe
2/7/12	Montgomery County United Way Well Being Council Meeting	The Woodlands
2/8/12	Montgomery County United Way Funded Partners Meeting	The Woodlands
2/9/12	Huntsville Chamber of Commerce Breakfast	Huntsville
2/9/12	Texas Latino Leadership Roundtable	The Woodlands
2/8/12	Liberty/Dayton Chamber of Commerce Luncheon	Liberty
2/15/12	Montgomery County Homeless Coalition Continuum of Care Planning Board Meeting	Conroe
2/15/12	Montgomery County Homeless Coalition Board/General Meeting	Conroe
2/15/12	Montgomery County United Way Annual Meeting	The Woodlands
2/15/12	Montgomery County Patient Navigation Task Force Meeting	Conroe
2/16/12	Walker County Adult Probation Director/Staff Meeting	Huntsville
2/16/12	Montgomery County Hospital District <b>"Morbidity and Mortality" Monthly Session</b>	Conroe
2/21/12	Montgomery County Forensic Hospital Advisory Board	Conroe
2/21/12	Montgomery County Community Resource Coordination Group	Conroe
2/21/12	Montgomery County United Way Disaster Recovery Taskforce	The Woodlands
2/22/12	Montgomery County United Way Campaign Cabinet	The Woodlands

## **UPCOMING ACTIVITIES:**

3/1/12	Leadership Montgomery County Healthcare Presentation	The Woodlands
3/1/12	Cleveland Chamber of Commerce Luncheon	Cleveland
3/1/12	Conroe ISD Special Education Transitional Fair	The Woodlands
3/1/12	Walker County Community Resource Coordination Group	Huntsville
3/1/12	Huntsville Trade Expo	Huntsville
3/6/12	Jail Diversion Working Group Meeting	Conroe
3/7/12	Liberty County Community Resource Coordination Group	Dayton
3/8/12	Huntsville Chamber of Commerce Breakfast	Huntsville
3/13/12	Montgomery County Managed Assigned Counsel Board Meeting	Conroe

3/15/12	Adult Protective Services Task Force Meeting	Conroe
3/20/12	Montgomery County Community Resource Coordination Group	Conroe
3/20/12	Montgomery County Forensic Hospital Advisory Board	Conroe
3/20/12	Jail Diversion Executive Task Force Meeting	Conroe
3/20/12	Montgomery County United Way Disaster Recovery Taskforce	The Woodlands
3/30/12	Cleveland Chamber Banquet	Cleveland

<b>Agenda Item:</b> Consumer Services Report for January 2012  <b>Committee:</b> Program	<b>Board Meeting Date</b>  February 23, 2012
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Consumer Services Report for January 2012	
<b>Recommended Action:</b>  <b>For Information Only</b>	



# CONSUMER SERVICES REPORT

January 2012

<b>Crisis Services, MH Adults/Children</b>	<b>MONTGOMERY COUNTY</b>	<b>CLEVELAND</b>	<b>LIBERTY</b>	<b>WALKER COUNTY</b>	<b>TOTAL</b>
Persons Screened, Intakes, Other Crisis Services	492	38	26	48	604
Crisis and Transitional Services (SP 0, SP5)	68	0	2	8	78
Psychiatric Emergency Treatment Center (PETC) Served	45	1	2	9	57
Psychiatric Emergency Treatment Center (PETC) bed days	204	5	6	55	270
Total Contract Hospital Admissions	6	0	1	2	9
Total State Hospital Admissions	11	0	2	2	15
<b>Routine Services, MH Adults/Children</b>					
Adult Service Packages (SP 1-4)	739	90	50	124	1003
Adult Medication Services	626	58	54	87	825
Child Service Packages (SP 1.1-4)	295	12	5	48	360
Child Medication Services	175	9	4	21	209
TCOOMMI (Adult Only)	92	4	5	9	110
Adult Jail Diversion Services	26	1	0	0	27
Juvenile Detention Diversion Services	4	0	0	0	4
<b>Persons Served by Program, IDD</b>					
Number of New Enrollments for IDD Services	4	0	1	2	7
Service Coordination	392	27	32	49	500
<b>Persons Enrolled in Programs, IDD</b>					
Center Waiver Services (HCS, Supervised Living, TXHmL)	48	7	39	22	116
Contractor Provided ICF-MR	18	12	12	6	48
<b>Substance Abuse Services</b>					
Children and Youth Prevention Services	67	7	0	0	74
Youth Substance Abuse Treatment Services/COPSD	4	0	0	0	4
Adult Substance Abuse Treatment Services/COPSD	26	0	0	1	27
<b>Waiting/Interest Lists as of Month End</b>					
Department of State Health Services-Adults	256	32	39	5	332
Department of State Health Services-Children	8	2	1	2	13
Home and Community Based Services Interest List	1117	95	90	97	1399
<b>Persons Served Outside of the State Contracts</b>					
Benefit Package 3 Adult/Child	40	12	9	9	70
<b>January Served by County</b>					
Adult Mental Health Services	1244	121	93	173	1631
Child Mental Health Services	332	16	7	51	406
Intellectual and Developmental Disabilities Services	455	43	48	61	607
<b>Total Served by County</b>	<b>2031</b>	<b>180</b>	<b>148</b>	<b>285</b>	<b>2644</b>
<b>December Served by County</b>					
Adult Mental Health Services	1127	107	107	178	1519
Child Mental Health Services	308	13	4	52	377
Intellectual and Developmental Disabilities Services	441	42	48	49	580
<b>Total Served by County</b>	<b>1876</b>	<b>162</b>	<b>159</b>	<b>279</b>	<b>2476</b>
<b>November Served by County</b>					
Adult Mental Health Services	1135	115	111	165	1526
Child Mental Health Services	317	8	5	52	382
Intellectual and Developmental Disabilities Services	458	51	45	58	612
<b>Total Served by County</b>	<b>1910</b>	<b>174</b>	<b>161</b>	<b>275</b>	<b>2520</b>

<b>Agenda Item:</b> Program Updates for January 2012  <b>Committee:</b> Program	<b>Board Meeting Date</b>  February 23, 2012
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Program Updates for January 2012	
<b>Recommended Action:</b>  <b>For Information Only</b>	

# **Program Updates**

## **January 2012**

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### **MH Crisis and Admission Services**

- A. Key Statistics:
  - 1. Number of new admissions during the month: 109
  - 2. PETC average daily census: 9.3
- B. Program Comments:
  - 1. Daily census at PETC has started increasing again after several meetings with referral sources.
  - 2. Inpatient hospital admissions have remained constant but Rusk State Hospital diversion status has started increasing again.
  - 3. We have had several meetings with law enforcement in an effort to increase support for crisis assessments in natural home environments.

### **MH Adult Services**

- A. Key Statistics:
  - 1. Number of adults served during the month: 1631
  - 2. Number of adults served in Medication Services: 825
- B. Program Comments:
  - 1. The Huntsville Rural Coordinator has transferred to another Tri-County position and we have hired a replacement.
  - 2. We recruited for a vacant psychiatry position and have filled that position.
  - 3. We have restructured some existing positions in an effort to add more services and revenue generating capacity.

### **MH Child Services**

- A. Key Statistics:
  - 1. Number of children served during the month: 406
  - 2. Number of children served in Medication Services: 209
  - 3. We served 4 juveniles in Detention Diversion slots and served a total of 11 juveniles from probation in our MH Child Services.
- B. Program Comments:
  - 1. We have restructured an existing position that has enabled us to add another direct service and revenue generating position.
  - 2. We have hired several new staff into vacant positions which should allow us to increase services to our clients and increase earned revenue.

## **Criminal Justice Services**

### A. Key Statistics:

1. Number of adults served through Texas Office on Offenders with Medical and Mental Impairments (TCOOMMI): 103
2. Number of jail diversions: 5

### B. Program Comments:

1. We have devoted much effort in obtaining Outpatient Competency Restoration funding and filled two new positions.
2. We have started considering Walker County jail diversion services at the request of the local judges in that area.

## **Substance Abuse Services**

### A. Key Statistics:

1. Number of children served in prevention services: 74
2. Number of adults served in substance abuse/COPSD treatment services:
  - a. Substance Abuse Outpatient = 27
  - b. COPSD = 13
  - c. Total unique clients served = 27
3. Number of children served in substance abuse treatment services: 5

### B. Program Comments:

1. We have started assessing clients for our Huntsville Substance Abuse Program.
2. Substance Abuse Prevention has already met our annual contract target for the adolescent age group, and we are now focusing on the younger group in the remaining months.
3. Our Adult Substance Abuse services have been busy, but we have one staff vacancy we are trying to fill.

## **IDD Services**

### A. Key Statistics:

1. Total number of admissions for the month: 21
2. Total number enrolled in the Home and Community Based Services (HCS) and Texas Home Living (TxHmL) Provider Services for the month: 116
3. Total number served in all IDD services for the month: 607

### B. Program Comments:

1. We are actively opening up additional IDD services to general revenue funded clients to meet contract requirements.
2. We successfully have completed our annual DADS Review of Authority Services with great review results.
3. We continue to add many individuals to the HCS interest list each month.

## **Support Information**

- A. **Training:** The training coordinator provided annual training to MHPNAC and IDDPNAC members on February 8<sup>th</sup> and SAMA training to Lone Star nursing students working in the PETC on February 15<sup>th</sup>.
- B. **Information Services:** Network configuration changes were made at our rural clinics to reduce the impact of Laserfiche document scanning. So far, more than 50% of active mental health charts have been scanned for Huntsville and Cleveland.
- C. **Quality Management:** The Quality Management Department has developed an Action Plan to be submitted back to the Texas Department of State Health Services (DSHS) following the Progress Note workshop, which took place on January 26<sup>th</sup>.
- D. **ETBHN/Regional Authorization:** The Regional Utilization Management (UM) Director and the Administrator of UM attended the Regional UM Committee meeting via televideo to review various reports for benchmarking purposes.
- E. **Veteran Affairs:** The first Operation Resilient Families (ORF) Retreat is scheduled for February 24<sup>th</sup>.
- F. **Mental Health Planning Network Advisory Committee (MHPNAC):** The MHPNAC met on February 8<sup>th</sup> to complete annual training and discuss movement of funds between strategies.

## **Community Activities**

- A. The United Way wrap up celebration was held on January 18<sup>th</sup> at RP 4. A check was presented to the Montgomery County United Way at the meeting. This year's theme was "Teaming up for Tomorrow."

<b>Agenda Item:</b> Personnel Report for January 2012  <b>Committee:</b> Executive	<b>Board Meeting Date</b>  February 23, 2012
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Personnel Report for January 2012	
<b>Recommended Action:</b>  <b>For Information Only</b>	

# TRI-COUNTY SERVICES PERSONNEL BOARD REPORT JANUARY 2012

STAFF CLASSIFICATIONS	NEW HIRES		SEPARATED		VOLUNTARY SEPARATION		INVOLUNTARY SEPARATION		BUDGETED POSITIONS	FILLED POSITIONS	MONTHLY TURNOVER PERCENT	YEARLY TURNOVER PERCENT
	MO.	YTD.	MO.	YTD.	MO.	YTD.	MO.	YTD.				
Bachelor's												
Qualified Mental Health Professionals	3	10	2	10		7	2	3	78	68	3%	15%
Qualified Developmental Disability Professionals (State Title)	1	4		3		3			13	13	0%	23%
Licensed Staff		2	1	2		1	1	1	15	11	9%	18%
Medical												
Physicians		1		1		1			6	4	0%	25%
Advanced Practice Nurses									2	2	0%	0%
RN's		1		1				1	11	10	0%	10%
LVN's	1	1		1		1			11	8	0%	13%
Techs/Aides												
MH		2		4		3		1	15	9	0%	44%
IDD	1	5		6		5		1	41	36	0%	17%
Supervisor/Manager												
MH									13	13	0%	0%
IDD									6	6	0%	0%
Program Support		2		1				1	39	37	0%	3%
Central Administration		2		1		1			16	16	0%	6%
Business Services									15	15	0%	0%
Maintenance/Janitorial/Lawn				1		1			24	22	0%	5%
GRAND TOTALS	6	30	3	31	0	23	3	8	305	270	1%	11%
Previous YTD											1%	7%

**Agenda Item:** Approve January 2012 Financial Statements

**Board Meeting Date**

**Committee:** Business

February 23, 2012

**Background Information:**

None

**Supporting Documentation:**

January 2012 Financial Statements

**Recommended Action:**

**Approve January 2012 Financial Statements**



## January 2012 Financial Summary

Revenues for January 2012 were \$1,884,984 and operating expenses were \$1,735,334 resulting in a gain in operations of \$149,650. Capital Expenditures and Extraordinary Expenses for January were \$40,180 resulting in a gain of \$109,470. Total revenues were 102.04% of the monthly budgeted revenues and total expenses were 94.42% of the monthly budgeted expenses.

Year to date revenues are \$9,092,841 and operating expenses are \$8,734,269 leaving excess operating revenues of \$358,572. YTD Capital Expenditures and Extraordinary Expenses are \$189,939 resulting in a gain YTD of \$168,633. Total revenues are 97.64% of the YTD budgeted revenues and total expenses are 94.76% of the YTD budgeted expenses.

### **REVENUES**

YTD Revenue items that are below the budget by more than \$10,000:

Revenue Source	YTD Revenue	YTD Budget	% of Budget	\$ Variance
Case Management IDD – Title XIX	341,646	411,760	82.98%	70,114
Rehab – Title XIX	490,888	674,322	72.80%	183,434
DSHS Gen Rev - NGM	252,690	312,821	80.78%	60,131

**Case Management IDD – Title XIX** – This line item is under budget due to changes in the state system of billing, staff vacancies and turnover, and an unexpected reduction in the number of HCS clients that were originally in our revenue projections for the beginning budget.

**Rehab – Title XIX** – This line item is under budget due to staff turnover in this area, as well as a change in documentation that has been implemented for treatment plans which takes considerably more time than the past documentation requirements. Staff has been trained in this process and the amount of time required to complete should decrease. This line item was also part of the adopted improvement plan and will continue to be monitored.

**DSHS Gen Rev – NGM** – This line item reflects the reimbursement of the cost of New Generation Medication. As we have seen over the past couple of years, our expenses for all medications have continued to decrease due to the patient assistant programs that pay for medications for our consumers. As allowed by our DSHS contract, we have identified other direct services where the lapsed fund can be used. Therefore, we should see this variance decrease over the remaining part of the fiscal year.

### **EXPENSES**

YTD Individual line expense items that exceed the YTD budget by more than \$10,000:

Expense Source	YTD Expenses	YTD Budget	% of Budget	\$ Variance
No items to report				

**TRI-COUNTY SERVICES**  
**CONSOLIDATED BALANCE SHEET**  
**As of January 31, 2012**

	TOTALS COMBINED FUNDS January 2012	TOTALS COMBINED FUNDS December 2011	Increase (Decrease)
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Imprest Cash Funds	4,816	4,924	(108)
Cash on Deposit-General Fund	7,795,256	8,636,620	(841,364)
Cash on Deposit-Debt Fund	150,991	150,991	-
Accounts Receivable	1,608,684	1,496,447	112,237
Inventory	35,392	34,969	424
<b>TOTAL CURRENT ASSETS</b>	9,595,139	10,323,950	(728,811)
<b>FIXED ASSETS</b>	6,386,044	6,386,044	-
<b>OTHER ASSETS</b>	54,362	46,624	7,738
<b>TOTAL ASSETS</b>	<b>16,035,546</b>	<b>16,756,618</b>	<b>(721,073)</b>
<b>LIABILITIES, DEFERRED REVENUE, FUND BALANCES</b>			
<b>CURRENT LIABILITIES</b>	957,695	1,002,878	(45,183)
<b>NOTES PAYABLE</b>	417,673	417,673	-
<b>DEFERRED REVENUE</b>	2,578,132	3,332,860	(754,728)
<b>LONG-TERM LIABILITIES FOR</b>			
Line of Credit - Tradition Bank	1,568,427	1,568,427	-
Bond Series 2004	820,000	820,000	-
<b>EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR</b>			
General Fund	1,029,308	919,838	109,470
Debt Service Fund	(3,229)	(3,229)	-
<b>FUND EQUITY</b>			
<b>RESTRICTED</b>			
Net Assets Reserved for Debt Service	(2,802,299)	(2,802,299)	-
Reserved for Debt Retirement	1,230,000	1,230,000	-
Reserved for Debt Service	3,229	40,026	(36,797)
<b>COMMITTED</b>			
Net Assets-Property and Equipment	6,386,044	6,386,044	-
Reserved for Board Policy Requirements	879,405	879,405	-
Reserved for Equipment Reserve	354,290	354,290	-
Reserved for Inventory Reserve	32,973	32,973	-
Reserved for Operations and Programs	2,000,000	2,000,000	-
<b>ASSIGNED</b>			
Reserved for Workers Compensation	274,409	274,409	-
Reserved for Current Year Budgeted Reserve	30,830	24,664	6,166
Reserved for Insurance Deductibles	100,000	100,000	-
<b>UNASSIGNED</b>			
Unrestricted and Undesignated	178,658	178,658	-
<b>TOTAL LIABILITIES/FUND BALANCE</b>	<b>16,035,546</b>	<b>16,756,618</b>	<b>(721,073)</b>

**TRI-COUNTY SERVICES  
CONSOLIDATED BALANCE SHEET  
As of January 31, 2012**

		TOTALS	
		Memorandum Only	
	General Operating Funds	January 2012	FINAL August 2011
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Imprest Cash Funds	4,816	4,816	3,925
Cash on Deposit-General Fund	7,795,256	7,795,256	5,556,400
Cash on Deposit-Debt Fund	150,991	150,991	474,276
Accounts Receivable	1,608,684	1,608,684	1,468,854
Inventory	35,392	35,392	33,893
<b>TOTAL CURRENT ASSETS</b>	<b>9,595,139</b>	<b>9,595,139</b>	<b>7,537,348</b>
<b>FIXED ASSETS</b>	<b>6,386,044</b>	<b>6,386,044</b>	<b>6,386,044</b>
<b>OTHER ASSETS</b>	<b>54,362</b>	<b>54,362</b>	<b>36,364</b>
<b>AMOUNT TO BE PROVIDED FOR THE RETIREMENT OF LONG TERM DEBT</b>		-	1,647,673
<b>TOTAL ASSETS</b>	<b>16,035,546</b>	<b>16,035,546</b>	<b>15,607,427</b>
<b>LIABILITIES, DEFERRED REVENUE, FUND BALANCES</b>			
<b>CURRENT LIABILITIES</b>	957,695	957,695	1,081,898
<b>NOTES PAYABLE</b>	417,673	417,673	417,673
<b>DEFERRED REVENUE</b>	2,578,132	2,578,132	107,127
<b>LONG-TERM LIABILITIES FOR</b>			
Line of Credit - Tradition Bank	1,568,427	1,568,427	1,652,992
Bond Series 2004	820,000	820,000	1,230,000
<b>EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR</b>			
General Fund	1,029,308	1,029,308	860,675
Debt Service Fund	(3,229)	(3,229)	(3,229)
<b>FUND EQUITY</b>			
<b>RESTRICTED</b>			
Net Assets Reserved for Debt service-Restricted	(2,802,299)	(2,802,299)	(1,652,992)
Reserved for Debt Retirement	1,230,000	1,230,000	1,230,000
Reserved for Debt Service	3,229	3,229	477,505
<b>COMMITTED</b>			
Net Assets-Property and Equipment-Committed	6,386,044	6,386,044	6,386,044
Reserved for Board Policy Requirements-Committed	879,405	879,405	879,405
Reserved for Equipment Reserve-Committed	354,290	354,290	354,290
Reserved for Inventory Reserve-Committed	32,973	32,973	32,973
Reserved for Operations and Programs -Committed	2,000,000	2,000,000	2,000,000
<b>ASSIGNED</b>			
Reserved for Workers Compensation-Assigned	274,409	274,409	274,409
Reserved for Current Year Budgeted Reserve -Assigned	30,830	30,830	-
Reserved for Insurance Deductibles-Assigned	100,000	100,000	-
<b>UNASSIGNED</b>			
Unrestricted and Undesignated	178,658	178,658	278,658
<b>TOTAL LIABILITIES/FUND BALANCE</b>	<b>16,035,546</b>	<b>16,035,546</b>	<b>15,607,427</b>

**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**For the Month Ended January 2012**  
**and YTD as of January 2012**

<b>INCOME:</b>	<b>MONTH OF January 2012</b>	<b>YTD January 2012</b>
Local Revenue Sources	135,002	751,834
Earned Income	794,902	3,786,773
General Revenue-Contract	955,080	4,554,235
<b>TOTAL INCOME</b>	<b>1,884,984</b>	<b>9,092,841</b>
<b>EXPENSES:</b>		
Salaries	904,130	4,627,159
Employee Benefits	180,205	900,468
Medication Expense	24,093	115,792
Travel-Board/Staff	24,779	133,681
Building Rent/Maintenance	17,956	91,187
Consultants/Contracts	404,288	1,906,709
Other Operating Expenses	179,882	959,273
<b>TOTAL EXPENSES</b>	<b>1,735,334</b>	<b>8,734,269</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>149,650</b>	<b>358,572</b>
<b>CAPITAL EXPENDITURES</b>		
Capital Outlay-FF&E, Automobiles, Building	3,383	5,952
Capital Outlay-Debt Service Bonds	36,798	183,988
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>40,180</b>	<b>189,939</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>1,775,514</b>	<b>8,924,209</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>109,470</b>	<b>168,633</b>

**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**Compared to Budgeted**  
**Year to Date as of January 2012**

	YTD January 2012	APPROVED BUDGET	Increase (Decrease)
<b>INCOME:</b>			
Local Revenue Sources	751,834	700,806	51,028
Earned Income	3,786,773	3,996,432	(209,659)
General Revenue-Contract	4,554,235	4,616,112	(61,877)
<b>TOTAL INCOME</b>	<b>9,092,841</b>	<b>9,313,350</b>	<b>(220,509)</b>
<b>EXPENSES:</b>			
Salaries	4,627,159	4,703,000	(75,841)
Employee Benefits	900,468	1,039,929	(139,461)
Medication Expense	115,792	180,500	(64,708)
Travel-Board/Staff	133,681	173,307	(39,626)
Building Rent/Maintenance	91,187	91,508	(321)
Consultants/Contracts	1,906,709	1,982,081	(75,372)
Other Operating Expenses	959,273	1,055,602	(96,329)
<b>TOTAL EXPENSES</b>	<b>8,734,269</b>	<b>9,225,927</b>	<b>(491,658)</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>358,572</b>	<b>87,423</b>	<b>271,149</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	5,952	7,919	(1,967)
Capital Outlay-Debt Service Bonds	183,988	183,901	87
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>189,939</b>	<b>191,820</b>	<b>(1,881)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>8,924,209</b>	<b>9,417,747</b>	<b>(493,538)</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>168,633</b>	<b>(104,397)</b>	<b>273,030</b>

**Debt Service and Fixed Asset Fund:**

Bond Payments Receipts	183,988	183,901	87
Bond Payments Disbursements		-	-
Interest Income			
<b>Excess(Deficiency) of revenues over Expense:</b>	<b>183,988</b>	<b>183,901</b>	<b>87</b>

**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**Compared to Budget**  
**For the Month Ended January 2012**

<b>INCOME:</b>	<b>MONTH OF January 2012</b>	<b>APPROVED BUDGET</b>	<b>Increase (Decrease)</b>
Local Revenue Sources	135,002	134,640	362
Earned Income	794,902	798,629	(3,727)
General Revenue-Contract	955,080	914,058	41,022
<b>TOTAL INCOME</b>	<b>1,884,984</b>	<b>1,847,327</b>	<b>37,657</b>
<b>EXPENSES:</b>			
Salaries	904,130	934,286	(30,156)
Employee Benefits	180,205	207,576	(27,371)
Medication Expense	24,093	36,100	(12,007)
Travel-Board/Staff	24,779	34,661	(9,882)
Building Rent/Maintenance	17,956	15,900	2,056
Consultants/Contracts	404,288	396,216	8,072
Other Operating Expenses	179,882	217,411	(37,529)
<b>TOTAL EXPENSES</b>	<b>1,735,334</b>	<b>1,842,150</b>	<b>(106,816)</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>149,650</b>	<b>5,177</b>	<b>144,473</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	3,383	1,583	1,800
Capital Outlay-Debt Service Bonds	36,798	36,776	22
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>40,180</b>	<b>38,359</b>	<b>1,821</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>1,775,514</b>	<b>1,880,509</b>	<b>(104,995)</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>109,470</b>	<b>(33,182)</b>	<b>142,652</b>

**Debt Service and Fixed Asset Fund:**

Bond Payments Receipts	36,798	36,776	22
Bond Payments Disbursements		-	-
Interest Income			
<b>Excess(Deficiency) of revenues over Expenses</b>	<b>36,798</b>	<b>36,776</b>	<b>22</b>

**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**With January 2011 Comparative Data**  
**Year to Date as of January 2012**

<b>INCOME:</b>	<b>YTD January 2012</b>	<b>YTD January 2011</b>	<b>Increase (Decrease)</b>
Local Revenue Sources	751,834	1,462,261	(710,427)
Earned Income	3,786,773	4,267,675	(480,902)
General Revenue-Contract	4,554,235	4,825,530	(271,295)
<b>TOTAL INCOME</b>	<b>9,092,841</b>	<b>10,555,466</b>	<b>(1,462,625)</b>
<b>EXPENSES:</b>			
Salaries	4,627,159	4,940,282	(313,123)
Employee Benefits	900,468	1,027,200	(126,732)
Medication Expense	115,792	184,796	(69,004)
Travel-Board/Staff	133,681	153,745	(20,064)
Building Rent/Maintenance	91,187	85,706	5,481
Consultants/Contracts	1,906,709	1,951,351	(44,642)
Other Operating Expenses	959,273	918,444	40,829
<b>TOTAL EXPENSES</b>	<b>8,734,269</b>	<b>9,261,524</b>	<b>(527,255)</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>358,572</b>	<b>1,293,942</b>	<b>(935,370)</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	5,952	926,829	(920,877)
Capital Outlay-Debt Service Bonds	183,988	191,447	(7,460)
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>189,939</b>	<b>1,118,276</b>	<b>(928,337)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>8,924,209</b>	<b>10,379,800</b>	<b>(1,455,591)</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>168,633</b>	<b>175,666</b>	<b>(7,033)</b>

**Debt Service and Fixed Asset Fund:**

Bond Payments Receipts	183,988	191,447	(7,460)
Bond Payments Disbursements			-
Interest Income			-
<b>Excess(Deficiency) of revenues over Expenses</b>	<b>183,988</b>	<b>191,447</b>	<b>(7,460)</b>

**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**With January 2011 Comparative Data**  
**For the Month January 2012**

<b>INCOME:</b>	<b>MONTH OF January 2012</b>	<b>MONTH OF January 2011</b>	<b>Increase (Decrease)</b>
Local Revenue Sources	135,002	105,568	29,434
Earned Income	794,902	841,118	(46,216)
General Revenue-Contract	955,080	974,930	(19,850)
<b>TOTAL INCOME</b>	<b>1,884,984</b>	<b>1,921,616</b>	<b>(36,632)</b>
<b>EXPENSES:</b>			
Salaries	904,130	995,103	(90,973)
Employee Benefits	180,205	218,660	(38,455)
Medication Expense	24,093	45,274	(21,181)
Travel-Board/Staff	24,779	33,886	(9,107)
Building Rent/Maintenance	17,956	25,278	(7,322)
Consultants/Contracts	404,288	379,063	25,225
Other Operating Expenses	179,882	181,419	(1,537)
<b>TOTAL EXPENSES</b>	<b>1,735,334</b>	<b>1,878,683</b>	<b>(143,349)</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>149,650</b>	<b>42,933</b>	<b>106,717</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	3,383	2,676	707
Capital Outlay-Debt Service Bonds	36,798	38,113	(1,316)
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>40,180</b>	<b>40,789</b>	<b>(609)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>1,775,514</b>	<b>1,919,472</b>	<b>(143,958)</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>109,470</b>	<b>2,144</b>	<b>107,326</b>

**Debt Service and Fixed Asset Fund:**

Bond Payments Receipts	36,798	38,113	(1,316)
Bond Payments Disbursements			-
Interest Income			-
<b>Excess(Deficiency) of revenues over Expenses</b>	<b>36,798</b>	<b>38,113</b>	<b>(1,316)</b>



**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**With December 2011 Comparative Data**  
**As of January 2012**

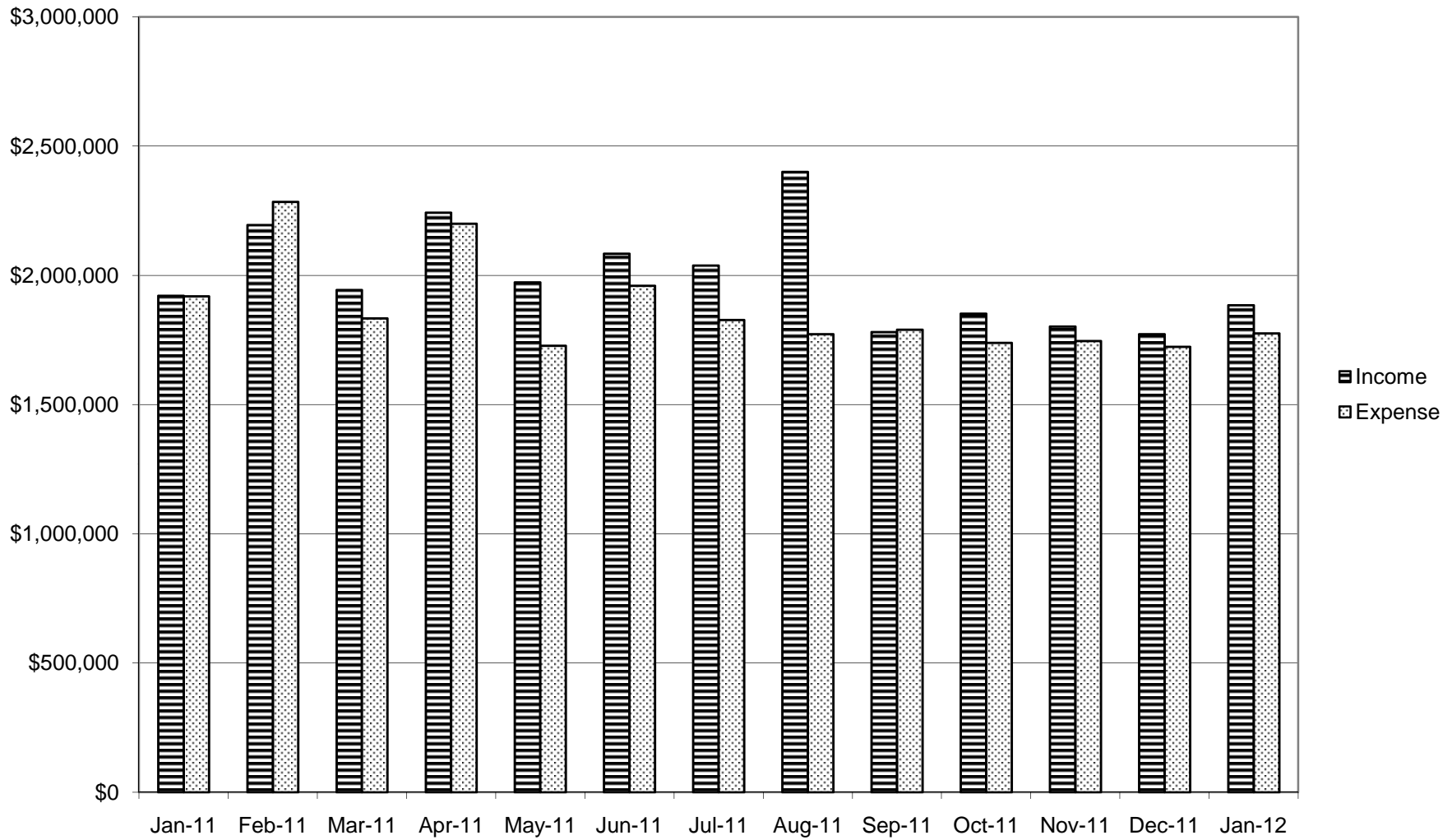
<b>INCOME:</b>	<b>MONTH OF January 2012</b>	<b>MONTH OF December 2011</b>	<b>Increase (Decrease)</b>
Local Revenue Sources	135,002	137,979	(2,977)
Earned Income	794,902	749,429	45,473
General Revenue-Contract	955,080	885,156	69,924
<b>TOTAL INCOME</b>	<b>1,884,984</b>	<b>1,772,564</b>	<b>112,420</b>
<b>EXPENSES:</b>			
Salaries	904,130	915,656	(11,526)
Employee Benefits	180,205	174,204	6,001
Medication Expense	24,093	19,363	4,730
Travel-Board/Staff	24,779	24,704	74
Building Rent/Maintenance	17,956	11,282	6,674
Consultants/Contracts	404,288	384,255	20,033
Other Operating Expenses	179,882	194,525	(14,642)
<b>TOTAL EXPENSES</b>	<b>1,735,334</b>	<b>1,723,990</b>	<b>11,344</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>149,650</b>	<b>48,575</b>	<b>101,076</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	3,383	-	3,383
Capital Outlay-Debt Service Bonds	36,798	36,798	-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>40,180</b>	<b>36,798</b>	<b>3,383</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>1,775,514</b>	<b>1,760,787</b>	<b>14,727</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>109,470</b>	<b>11,777</b>	<b>97,693</b>

<b>Debt Service and Fixed Asset Fund:</b>			
Bond Payments Receipts	36,798	36,798	-
Bond Payments Disbursements			-
Interest Income			
<b>Excess(Deficiency) of revenues over Expenses</b>	<b>36,798</b>	<b>36,798</b>	<b>-</b>

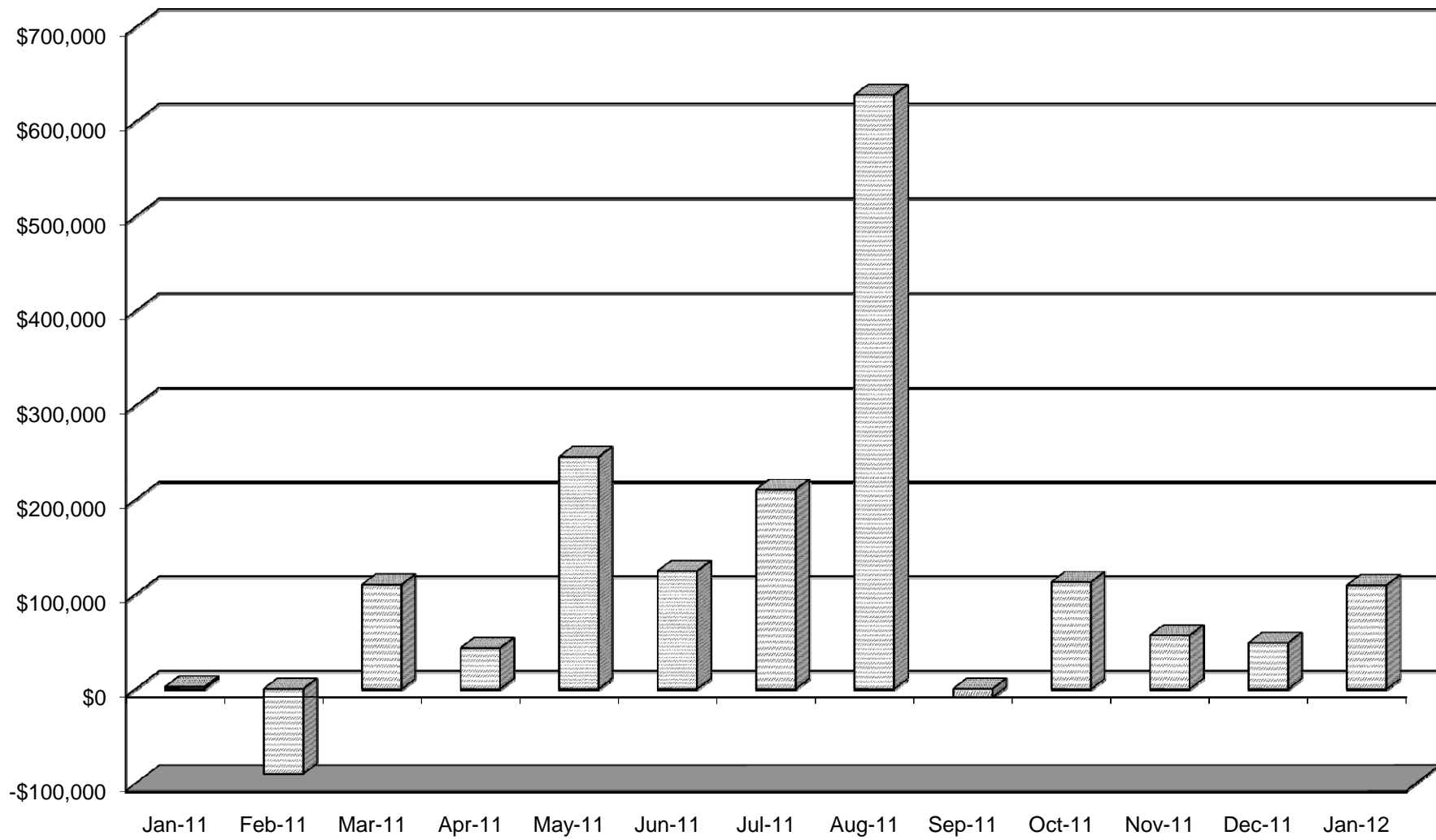
**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary by Service Type**  
**Compared to Budget**  
**As of YTD Ended January 2012**

	YTD Mental Health January 2012	YTD IDD January 2012	YTD Other Services January 2012	YTD Agency Total January 2012	YTD Approved Budget January 2012	Increase (Decrease)
<b>INCOME:</b>						
Local Revenue Sources	629,014	(1,330)	124,150	751,834	700,806	51,028
Earned Income	818,856	2,473,380	494,537	3,786,773	3,996,432	(209,659)
General Revenue-Contract	4,049,986	504,249	-	4,554,235	4,616,112	(61,877)
<b>TOTAL INCOME</b>	<b>5,497,856</b>	<b>2,976,299</b>	<b>618,687</b>	<b>9,092,842</b>	<b>9,313,350</b>	<b>(220,508)</b>
<b>EXPENSES:</b>						
Salaries	3,347,784	900,931	378,444	4,627,159	4,703,000	(75,841)
Employee Benefits	638,625	189,565	72,278	900,468	1,039,929	(139,461)
Medication Expense	110,359	-	5,433	115,792	180,500	(64,708)
Travel-Board/Staff	84,639	35,737	13,306	133,681	173,307	(39,626)
Building Rent/Maintenance	58,387	26,243	6,557	91,187	91,508	(321)
Consultants/Contracts	320,747	1,548,854	37,107	1,906,709	1,982,081	(75,372)
Other Operating Expenses	634,597	204,043	120,633	959,273	1,055,602	(96,329)
<b>TOTAL EXPENSES</b>	<b>5,195,138</b>	<b>2,905,373</b>	<b>633,758</b>	<b>8,734,269</b>	<b>9,225,927</b>	<b>(491,658)</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>302,718</b>	<b>70,926</b>	<b>(15,071)</b>	<b>358,573</b>	<b>87,423</b>	<b>271,150</b>
<b>CAPITAL EXPENDITURES</b>						
Capital Outlay-FF&E, Automobiles	4,166	1,309	476	5,952	7,919	(1,967)
Capital Outlay-Debt Service Bonds	115,445	49,407	19,137	183,988	183,901	87
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>119,611</b>	<b>50,716</b>	<b>19,613</b>	<b>189,939</b>	<b>191,820</b>	<b>(1,880)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>5,314,749</b>	<b>2,956,089</b>	<b>653,371</b>	<b>8,924,208</b>	<b>9,417,747</b>	<b>(493,538)</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>183,107</b>	<b>20,210</b>	<b>(34,684)</b>	<b>168,633</b>	<b>(104,397)</b>	<b>273,030</b>
<b>Debt Service and Fixed Asset Fund:</b>						
Bond Payments Receipts	115,445	49,407	19,137	183,988	183,901	(68,456)
Bond Payments Disbursements	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-
<b>Excess(Deficiency) of revenues over Expenses</b>	<b>115,445</b>	<b>49,407</b>	<b>19,137</b>	<b>183,988</b>	<b>183,901</b>	<b>(68,456)</b>

# TRI-COUNTY SERVICES Income and Expense



**TRI-COUNTY SERVICES**  
**Income after Expenses**



<b>Agenda Item:</b> Ratify Execution of the HUD-FY 2010 Section 811 Agreement Letter for the Cleveland, Texas Project Award	<b>Board Meeting Date</b>  February 23, 2012
<b>Committee:</b> Business	
<b>Background Information:</b>	
<p>As the Board of Trustees is aware, Tri-County has been awarded a HUD 811 project for Cleveland, Texas. This award has been posted on the HUD.gov website and we have been listed as a recipient, but the official HUD Section 811 Agreement Letter was not received until Wednesday, February 15<sup>th</sup>.</p>	
<p>The Agreement Letter has to be signed and mailed to HUD with a set of documents that our consultants are putting together by February 28<sup>th</sup>. Because HUD requires that the letter be sent via United States Postal Service, we felt that we could not get the letter to HUD by the February 28<sup>th</sup> deadline if we waited until the Board meeting for approval. Consequently, Cindy Sill spoke with Len George, Chair, who authorized her to sign this form, and we are requesting that the Board ratify the execution of this document today. This document is attached for your review.</p>	
<p>Included in the Agreement is stronger language on timelines for Owner Board Development, which must be completed within 30 days of the Award Letter, and on the use of amendment funds to construct the project.</p>	
<p>Typically, the project team (Tri-County, Consultants and Architects) will all attend a HUD orientation meeting for the project and then would begin tasks associated with the project. This orientation meeting is usually scheduled a few weeks after the HUD Award Notification Letters are mailed, but we have not yet been provided the meeting schedule.</p>	
<b>Supporting Documentation:</b>	
HUD-FY 2010 Section 811 Agreement Letter	
<b>Recommended Action:</b>	
<b>Ratify Execution of the HUD-FY 2010 Section 811 Agreement Letter for the Cleveland, Texas Project Award</b>	



**U.S. Department of Housing and Urban Development**  
Houston Field Office, Region VI  
Office of Multifamily Housing  
1301 Fannin, Suite 2200  
Houston, Texas 77002  
(713) 718-3199 - FAX (713) 718-3244  
[www.hud.gov](http://www.hud.gov)

February 14, 2012

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

Evan Roberson  
Tri-County Mental Health Mental Retardation Services  
1506 Old Montgomery Rd.  
Conroe, TX 77305-2206

Dear Roberson:

**SUBJECT: Section 811 Supportive Housing for Persons with Disabilities  
Fiscal Year 2010/2011 Agreement**

Project Name: Independence Oaks  
City and State: Cleveland, Texas  
Project No.: 114-HD048 / TS24Q101002  
No. of Units: 15 No. of Residents: 14  
Structure Type: Independent Living

I am pleased to advise you that your application to construct 15 units of housing for persons with wholly developmentally disabled and one 2 bedroom unit for a resident manager, under the Section 811 Supportive Housing for Persons with Disabilities Program has been approved.

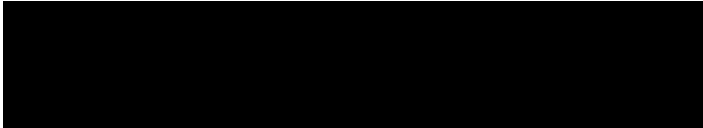
Capital Advance authority in the amount of \$1,583,800 along with Project Rental Assistance Contract (PRAC) and budget authority of \$49,700 and \$149,100 respectively have been obligated for this project.

In accordance with the provisions of the Consolidated Appropriations Act, 2010 (Pub. L. 111-117, approved December 16, 2009), the amount of the Project Rental Assistance made available for this project is based on 75 percent (rather than on 100 percent) of the current operating cost standards applicable to Section 811 projects in Cleveland, Texas. This takes into account the average tenant contribution toward rent. In addition, the term of the PRAC is 3 (three) years.

Pursuant to 31 USC Section 1552(a), no capital advance funds can be disbursed from the account after September 30, 2018. The Consolidated Appropriations Act, 2010, provides that amounts for Project Rental Assistance Contracts (PRACs) are to be disbursed by September 30, 2023. If all funds are not disbursed by HUD and expended

by the project Owner by the aforementioned time, the funds, even though obligated, will be cancelled and no further disbursements will be made. Amounts needed to maintain PRAC payments for any remaining term on the affected contracts beyond the expiration date will have to be funded from current appropriations, if available. Amounts needed to bring a project to completion will also be subjected to the availability of funds.

By signature below, I am approving the obligation of funds for the subject project. Your acceptance of this Agreement constitutes a certification and agreement by the Sponsor/Owner to the attached terms and conditions.



**Carol J. Galante**  
**Acting Assistant Secretary for Housing-**  
**Federal Housing Commissioner**

JAN 25 2012

**Date**



## TERMS AND CONDITIONS

This Agreement is subject to:

<b>ARTICLE I.</b>	<b>General Program Requirements.....</b>	<b>3</b>
<b>ARTICLE II.</b>	<b>Ownership Entity.....</b>	<b>5</b>
<b>ARTICLE III.</b>	<b>Environmental Review .....</b>	<b>5</b>
<b>ARTICLE IV.</b>	<b>Mixed Finance Development.....</b>	<b>6</b>
<b>ARTICLE V.</b>	<b>Restricted Occupancy .....</b>	<b>6</b>
<b>ARTICLE VI.</b>	<b>Site Issues .....</b>	<b>6</b>
<b>ARTICLE VII.</b>	<b>Exception to Project Size Limits.....</b>	<b>6</b>
<b>ARTICLE VIII.</b>	<b>Energy and Water Conservation .....</b>	<b>7</b>
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### **ARTICLE I. General Program Requirements**

- A. There will not be any sale, assignment, conveyance, or any other form of transfer of this Agreement, funding, the property or project, or any interest therein, except a transfer from the Sponsor to an approved single-purpose Owner organized by it.
- B. The Section 811 Capital Advance and Project Rental Assistance Contract funds available for the project identified herein may not be used in connection with any other project.



- C. HUD will **not** amend the amounts approved herein for this project **before** initial closing has occurred. **Therefore, based on HUD's review of the Firm Commitment Application, the Sponsor will be liable for the cost of any front-end cash requirement should the cost to develop the project exceed the amount specified in this Agreement.** After initial closing, HUD may consider an amendment to the Agreement, if necessary, but only for increases resulting from approved change order items during construction, subject to the availability of funds.
- D. [If the site is subject to leasehold, the lease must conform to the wording of the Lease Addendum – Section 811 as contained in Appendix 14 of the Section 811 Handbook 4571.4. If approved, by this office, the terms of the Lease Addendum may be varied only to conform to the law of the jurisdiction in which the project is located.]
- E. **Design and Cost Standards.** You must comply with HUD's Section 811 design and cost standards (24 CFR 891.120 and 891.310), Site and Neighborhood Standards of the regulations governing the Section 811 Supportive Housing for Persons with Disabilities program (24 CFR 891.125(a), (b) and (c)), Section 504 of the Rehabilitation Act of 1973 and HUD's implementing regulations at 24 CFR part 8, the Fair Housing Act and its implementing regulations at 24 CFR part 100, and where applicable, the Americans with Disabilities Act. You may receive helpful information with respect to the Fair Housing Act design and construction requirements on Fair Housing Accessibility FIRST's website at <http://www.fairhousingfirst.org>.
- F. You are required to comply with the Department's policy with respect to salary limitations for consultants. If a consultant will be used for your project, you must ensure that the maximum salary payable to the consultant will not exceed the equivalent of General Schedule 15, Step 10 base pay rates which, for FY2010, are \$129,517 annually and \$62.06 hourly.
- G. You must undertake activities to create jobs and further local economic development, particularly for low-income populations and communities. Activities must be more comprehensive than those required to meet HUD's Section 3 "local hire" requirements. You are expected to undertake activities that focus on access to skills training and partnership with community-based organizations that will develop pathways to long-term career ladders for the target population.
- H. All other applicable Federal requirements, including but not limited to, those set forth in HUD's Fiscal Year 2010 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD's FY2010 NOFAs for Discretionary Programs posted on [www.Grants.gov](http://www.Grants.gov) on June 7, 2010.

## **ARTICLE II. Ownership Entity**

- A. The formation of a legally acceptable single-entity Owner corporation within **30 days** from the date of this document is required.
- B. An attempt must be made to obtain exemption from State and/or local real and/or personal property taxes. Evidence of filing, together with the response received from the taxing authority, must be submitted with the Application for Firm Commitment in one of the following forms:
  - 1. Tax exemption
  - 2. Payment in Lieu of Taxes (PILOT)
  - 3. Tax abatement
  - 4. Ineligibility for any tax relief

**NOTE:** Eligibility for (1), (2), or (3) must be supported by a copy of the appropriate legislation or ordinance.

- C. Capitalization of the Owner Corporation in a sufficient amount to permit the Owner to meet its obligations in connection with the project is required. This includes the minimum capital investment, start-up costs, excess land costs, ineligible amenities, excessive construction costs and any other funds the Sponsor specifically commits to the project.
- D. At the time the Application for Firm Commitment is submitted, evidence that the site is under the **Owner's control** must be provided.
- E. Credit investigation clearance of the Owner's officers is required.
- F. In accordance with Federal Regulation 5350: I-01 Conforming Changes to Applicant Submission Requirements; Implementing Federal Financial Report and Central Contractor Registration Requirement Owners are required to register in the Central Contractor Registry before funds can be disbursed.

## **ARTICLE III. Environmental Review**

- A. This Section 811 Fund Reservation award constitutes preliminary approval of your site. Site approval will not occur until HUD completes its environmental review and finds the site environmentally acceptable. HUD will complete its environmental review prior to issuance of the Firm Commitment.



- B. Compliance with Environmental Assurance. You agree to assist with HUD's compliance with environmental review regulations in 24 CFR part 50 and you will:
1. Supply HUD with all available and relevant information necessary for HUD to perform for each property any environmental review required by 24 CFR part 50.
  2. Carry out mitigating measures required by HUD; and
  3. Not acquire, rehabilitate, demolish, convert, enter into or close a leasehold agreement (you can continue to perform obligations to sustain an existing leasehold or option to lease agreement), repair or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, from the time the application is submitted until HUD approval of the site is received.
- C. **Environmentally Unacceptable Sites.** If upon completion of HUD's environmental review, the site is found acceptable but only with mitigation and you cannot meet the mitigation requirements, or if HUD determines that even with mitigation, the site is unacceptable, the Section 811 Fund Reservation award will be terminated

**ARTICLE IV. Mixed Finance Development.**

**Not Applicable.**

**ARTICLE V. Restricted Occupancy**

**Not Applicable.**

**ARTICLE VI. Site Issues**

- A. **Site Change.** Although you may obtain ownership or control of a suitable site different from the site specified in the initial application, if you fail to obtain ownership or have control of the site within one (1) year of this Agreement, this Agreement and fund reservation will be canceled. This is a statutory requirement and cannot be waived.

**ARTICLE VII. Exception to Project Size Limits**

**Not Applicable.**

## **ARTICLE VIII. Energy and Water Conservation**

You are required to build to a higher standard by incorporating components of sustainable building in Section 811 developments. At a minimum, energy efficiency strategies and water conservation appliances and fixtures must be incorporated in the design, construction, and operation of all new construction and substantial (gut) rehabilitation projects.

- A. **Energy Efficiency.** Owners of new construction and substantial rehabilitation low-rise (up to 3 stories) multifamily developments **must** meet the requirements of EPA's ENERGY STAR Qualified Homes.

**NOTE:** Any state energy code requirements will take precedence over ENERGY STAR **or** ASHRAE specifications when the state code approximates or exceeds that standard.

- B. All projects must purchase and install ENERGY STAR-labeled appliances.
- C. **Water Conservation Fixtures.** Installation of water-conserving fixtures is required in all new and substantially rehabilitated developments (i.e. resource efficient plumbing and appliances such as low flow showerheads and faucet and high efficiency toilets). The materials used should be the most current WaterSense or a greater water efficiency product. More information is available at [www.epa.gov/owm/water-efficiency](http://www.epa.gov/owm/water-efficiency).
- D. **Owners of Existing Developments that do not qualify as new construction or substantial (gut) rehabilitation,** must perform pre- and post-construction energy audits and incorporate conservation techniques in their projects. Owners of existing developments must also commit to future installation of WaterSense fixtures and ENERGY STAR appliances in the project's required Operations and Maintenance plan.
- E. **Operations and Maintenance (O&M).** All Owners must develop an O&M manual that will address: a routine maintenance plan; operations and maintenance guidance for all appliances, HVAC operation, lighting equipment, paving materials and landscaping, pest control, and other systems that are part of each occupancy unit; an occupancy turnover plan that describes in detail the process of educating the tenant about proper use and maintenance of all building systems; and staff training needed to maintain the energy improvements and continue green building practices for the future. All operations and maintenance plans must commit to future installation of water-conserving fixtures and ENERGY STAR appliances. Operations and Maintenance (O&M) manual templates are available for use and customization on the Enterprise Green Communities website at <http://www.practitionerresources.org/documents.html?c=320>.
- F. **Green Development.** For green programs that require third-party certification



you must provide evidence of such certification prior to final closing. For green programs that require self-certification, you must undertake an on-site verification by an independent third party provider. Third party providers must have experience in the installation of green, energy efficient systems such as a licensed engineer who is a certified Home Energy Rater, BOP Inspector, or an equivalent designation as determined by a Verification Oversight Organization such as RESNET. The Sponsor or Owner is expected to provide HUD with the appropriate certification prior to final closing.

#### **ARTICLE IX. Conflict of Interest**

- A. This Agreement and fund reservation will be subject to cancellation, at HUD's option, in the event there comes into existence or HUD becomes aware of a pre-existing conflict of interest involving the project on the part of officers or directors of either the Sponsor or Owner organization (including affiliates).
- B. Submission of Conflict of Interest and Disclosure Certifications for **each** officer and director of both the Sponsor and Owner and Identity of Interest and Disclosure Certifications for all development team members.

**NOTE:** At any time a new development team member is added or changed, an Identity of Interest Certification must be submitted. Likewise, at any time the Sponsor or Owner changes any officers or directors, a Conflict of Interest and Disclosure Certification must be submitted for the new person(s).

#### **ARTICLE X. Milestones and Deliverables**

- A. **The Agreement and fund reservation will be canceled if construction, rehabilitation or acquisition has not commenced within 18 months from the date of this Agreement, unless limited extensions, of up to 24 months, are approved by HUD. Such extensions will be based upon HUD's determination that the Owner has established a reasonable schedule and is making sufficient progress toward the start of construction.**
- B. If two copies of this Agreement indicating acceptance are not returned **within 14 calendar days** of the date of this Agreement, or if you accept and your single-purpose Owner fails to submit an Application for Firm Commitment within the specified period, HUD may cancel this Agreement and the fund reservation.
- C. If a consultant has been or will be used, the consultant must submit its Previous Participation Certification (Form HUD-2530) **within 14 calendar days** from the date of this letter

- D. The land appraisal must be submitted within **30 calendar days** from the date of this Agreement. For projects approved for funding without site control, submission of the land appraisal is required within **30 calendar days** of HUD's notification of site approval.
- E. Form HUD-2530, Previous Participation Certification is to be submitted for all officers and directors of the Owner's board within **90 calendar days** and there must be subsequent clearance thereof.
- F. Submission of an Application for Firm Commitment in full compliance with HUD's design and cost standards and programmatic requirements within **180 calendar days** from the date of this Agreement. The design and cost standards apply to all projects regardless of the proposed operating cost level. The design must not include any prohibited features and must be cost efficient.

**ARTICLE XI. Project Funds**

- A. Drawdown of Capital Advance through LOCCS/VRS. After the formation of the Ownership entity, you are required to establish a Line of Credit Control System/Voice Response System (LOCCS/VRS) account by completing form HUD-27054, LOCCS Voice Response Access Authorization. request.
  - The LOCCS Program Area Code "CAH"
  - The three-digit program number is "105"
- B. Instructions. LOCCS/VRS Instruction and the required form can be obtain from the from the following website <http://hudatwork.hud.gov/po/f/systems/locvrs.cfm>
- C. Owners are required to obtain a Data Universal Numbering System (DUNS) number before funds can be processed through the Line of Credit Control System (LOCCS).
- D. When forwarding the banking information to Ft. Worth Accounting Center (FWAC), include the DUNS number on the banking information as well as a copy of the first page of the CCR Registration Status Screen showing the active DUNS number. . To retrieve this document:
  - 1. Visit, [www.CCR.gov](http://www.CCR.gov)
  - 2. Click on the "CCR Search" link.
  - 3. Enter appropriate DUNS number and click the "search" button.
- E. You, as the Sponsor, and the Owner, when formed, are subject to the provisions of Section 319 of Public Law 101-121 (approved October 23, 1989) (31 U.S.C.



1352) (the Byrd Amendment), which prohibits recipients of federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the federal government in connection with a specific contract, grant, or loan. In addition, the Owner, when formed, must disclose, using Standard Form LLL "Disclosure of Lobbying Activities," any funds, other than federally appropriated funds, that will be or have been used to influence federal employees, Members of Congress, and congressional staff regarding specific grants or contracts.

## **ARTICLE XII. Fair Housing**

- A. Affirmatively Furthering Fair Housing (AFFH). Section 808(e)(5) of the Fair Housing Act imposes a duty on HUD to affirmatively further the purposes of the Fair Housing Act this programs. Accordingly, you are required to take affirmative steps to further fair housing.
- B. Affirmative Fair Housing Marketing Plan (AFHMP). You must develop an AFHMP that will reach those applicants that are least likely to apply to your project to promote diversity.
- C. Limited English Proficiency. You are required to take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP). As part of your duty to affirmatively further fair housing, you should take proactive measures to inform eligible LEP persons of the housing, related activities and available language assistance.

## **ARTICLE XIII. Federal Compliance**

- A. You are required to provide a drug-free workplace. Compliance with this requirement means that you will:
  - 1. Publish a statement, notifying employees that it is unlawful to manufacture, distribute, dispense, possess or use a controlled substance in the applicant's workplace and that such activities are prohibited. The statement must specify the actions that will be taken against employees for violation of this prohibition. The statement must also notify employees that as a condition of employment under the federal award that they are required to abide by the terms of the statement and each employee must agree to notify the employer in writing of any violation of a criminal drug statute occurring in the workplace no later than five calendar days after such violation;
  - 2. Establish an on-going drug-free awareness program to inform employees about:

- (a) The dangers of drug abuse in the workplace;
  - (b) The applicant's policy of maintaining a drug-free workplace;
  - (c) Any available drug counseling, rehabilitation, or employee maintenance programs; and
  - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- 3. Notify the federal agency in writing within 10 calendar days after receiving notice from an employee of a drug abuse conviction or otherwise receiving actual notice of a drug abuse conviction. The notification must be provided in writing to HUD's Office of Departmental Grants Management and Oversight, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 3156, Washington, DC 20410-3000, along with the following information:
  - (a) The program title and award number for each HUD award covered;
  - (b) The HUD staff contact name, phone and fax numbers; and
  - (c) A grantee contact name, phone and fax numbers.
- 4. Require that each employee engaged in the performance of the federally funded award be given a copy of the drug-free workplace statement required in item (1) and notify the employee that one of the following actions will be taken against the employee within 30 calendar days of receiving notice of any drug abuse conviction:
  - (a) Institution of a personnel action against the employee, up to and including termination consistent with requirements of the Rehabilitation Act of 1973, as amended; or
  - (b) Requiring that the employee participate satisfactorily in drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement or other appropriate agency.
- B. In accordance with 24 CFR part 24, no award of federal funds may be made to applicants that are presently debarred or suspended, or proposed to be debarred or suspended, from doing business with the federal government. This requirement applies not only to you, as the Sponsor, and the Owner, when formed, but also to all lower tier covered transactions and to all solicitations for lower tier covered transactions. The prohibition includes the following:
  - 1. Having principals who, within the previous three years, have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining,



attempting to obtain, or performing a public (federal, state, or local) transaction, violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; and

2. Charges or indictments against the Sponsor, Owner and their principals by a governmental entity (federal, state and local) for commission of any of the above violations within the previous three years.
- C. You must comply with the labor standards provisions at 24 CFR 891.155(d). These include Davis-Bacon prevailing wage and reporting requirements and the overtime provisions of the Contract Work Hours and Safety Standards Act.

#### **ARTICLE XIV. Reporting Requirements**

- A. Logic Model. You, as the Sponsor will work with HUD, at the Project Planning Conference, to finalize the services or activities (Outputs) and the Outcomes in association with the Logic Model and the development timeline. The Logic Model will be developed and reported on in separate stages.
1. You (and the Owner when formed) are required to report annually on the measures achieved in developing the project based on the final Program Outcome Logic Model.
    - The final reporting requirement for the Logic Model requires the Owner to use the Total worksheet to document the activities and outcomes as well as the associated measures that have occurred during the period of performance.
    - Also, at the time of the final report, the Owner is required to respond to each of the program management evaluation questions.
  2. The second stage requires the Owner to document the services/activities made available to the residents and the expected outcomes and measures of such services. The form HUD-96010, Logic Model is to be submitted beginning one year after the date of the final Logic Model submission required in stage one. The Logic Model reporting requirement ends at the conclusion of the mortgage.
- B. For the purpose of determining your compliance with the requirements of Section 3, you must submit form HUD-60002, Section 3 Summary Report, to the Assistant Secretary for Fair Housing and Equal Opportunity in Washington, DC, or through HUD's online system at:  
<http://www5.hud.gov:63001/apps/po/e/srs/Public/form.cfm>. Form HUD-60002

shall be submitted to the Department annually, no later than January 10<sup>th</sup> or the 10<sup>th</sup> day after project completion, whichever is earlier. Section 3 regulations can be found at 24 CFR part 135, subpart E).

- C. Racial and Ethnic Data: you are required to collect racial and ethnic beneficiary data. HUD has adopted the Office of Management and Budget's Standards for the Collection of Racial and Ethnic Data. In view of these requirements, you should use form HUD-27061-H, Race and Ethnic Data Reporting Form (instructions for its use) found on [www.HUDclips.org](http://www.HUDclips.org)
- D. The Regulatory Agreement (Form HUD-92466-CA) requires the Owner to submit an annual financial statement for the project. This financial statement must be audited by an Independent Public Accountant who is a Certified Public Accountant or other person accepted by HUD and filed electronically with HUD's Real Estate Assessment Center (REAC) through the Financial Assessment Subsystem for Multifamily Housing (MF-FASS). The submission of annual financial statements is required throughout the 40-year term of the mortgage.
- E. You are required to meet the requirements of the Federal Financial Assistance Accountability and Transparency Act of 2006 as amended. As a recipient of HUD funds, you are required to report subawards made either as pass-through awards, subrecipient awards, or vendor awards. To learn more about this requirement visit [www.fsrs.gov](http://www.fsrs.gov). Also, refer to the FY 2010 Section 811 Notice of Funding Availability (NOFA) for detailed guidance.

#### **ARTICLE XV. Other Conditions**

**None.**

#### **ARTICLE XVI. Point of Contact**

To provide you and your architect with assistance in the development of a project which meets HUD's design and cost standards, immediately contact **Kenneth Pugh**, HUD's design representative, at (713) 718-3243 to discuss the design of the project.

If you have any questions regarding the requirements for submission of the Application for Firm Commitment and to obtain information about your required attendance at the Office's Project Planning Conference, please call Jerilyn Carr, Project Manager, at (713) 718-3153.

#### **ARTICLE XVII. Enclosures**

In addition, HUD has revised some of the Handbook (4571.4) procedures applicable to the submission, review and processing of Section 811 Applications for Firm Commitment



through Final Closing. A copy of Notice H 2011-18, Updated Processing Guidance for the Section 202 Supportive Housing for the Elderly and Section 811 Supportive Housing for Persons with Disabilities Programs as well as a copy of Notice H 96-102, Redesigned Section 202 Supportive Housing for the Elderly and Section 811 Supportive Housing for Persons with Disabilities Programs - Firm Commitment Processing to Final Closing i is enclosed. Please read the Notices very carefully because the revised procedures will affect not only your project funding but also your responsibilities for project completion.

**ARTICLE XVIII. Award Acceptance**

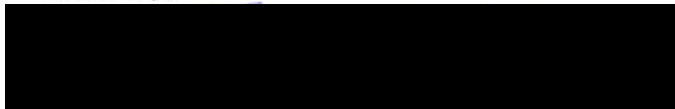
Section 811 Capital Advance Funds and PRAC funds have been obligated for your project however the availability of these funds is contingent on you executing this Agreement by no later than [insert deadline date]. By accepting this award and returning a signed copy of this Agreement to this HUD Office, you hereby certify that you will comply with all governing program requirements and statutes. Your acceptance also constitutes a certification and agreement of the terms and conditions detailed in this Agreement.

**If a consultant has been or will be used, the consultant must submit its Previous Participation Certification (Form HUD-2530) within 14 days from the date of this letter.** If the Sponsor will be the consultant submit a copy of Sponsor's resume filed immediately upon completion of the contractual arrangements. If filing Form HUD-2530 electronically, information on the APPS registration and filing process is found at HUD's web site at <http://www.hud.gov/offices/hsg/mfh/apps/appsmfhm.cfm>. Please advise this Office whether or not a consultant has been or will be used and the type of consultant by completing the following:

- ☒ Sponsor/Consultant
- ☒ Independent Professional Consultant
- ☐ No Consultant has been or will be used

We look forward to working with you toward the successful completion of this project.

Sincerely,





Raynold Richardson, Director,  
HUD Houston Multifamily Program Center

Enclosure

Please indicate by signing in the space provided whether or not you accept this Agreement including the special conditions or requirements that are specified herein, and certify to your understanding that the project must be developed in accordance with the terms set forth in this Agreement. **Return by Certified Mail - Return Receipt Requested, two signed copies of this Agreement, along with the resume for the consultant (if a consultant has been or will be used) to this Office within 14 days from the date of this letter.**

**ACCEPT:** Tri-County Services

	Executive Director	
Signature of Authorized Officer (Sponsor)	Title	Date
Cindy Sill		

Signature of Authorized Officer (Co-Sponsor)	Title	Date
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**DO NOT ACCEPT:**

Signature of Authorized Officer (Sponsor)	Title	Date
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Signature of Authorized Officer (Co-Sponsor)	Title	Date
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<b>Agenda Item:</b> 401(a) Retirement Plan Review  <b>Committee:</b> Business	<b>Board Meeting Date</b>  February 23, 2012
<b>Background Information:</b>  A representative from ISC Group will present an update of the 401(a) Retirement Plan account activity for FY 2011 and will provide a forecast for the future.	
<b>Supporting Documentation:</b>  Information to be Distributed by an ISC Representative at the Board Meeting	
<b>Recommended Action:</b>  <b>Action as Appropriate or Needed</b>	

<p><b>Agenda Item:</b> DSHS FY 2012 Contract Amendment Request</p> <p><b>Committee:</b> Business</p>	<p><b>Board Meeting Date</b></p> <p>February 23, 2012</p>
<p><b>Background Information:</b></p> <p>As briefly discussed at the January Board meeting, the 82<sup>nd</sup> Legislature included a rider (Rider 82) to the appropriation bill that allows Centers to request permission from DSHS to transfer funds between funding strategies. DSHS prepared instructions and distributed them to Centers in December, which included requirements for local input from consumers and families, advocacy organizations and stakeholders and posting of the plan on the Center website; these requirements have been fulfilled.</p> <p>We are proposing to transfer funds from Crisis Redesign (Rider 65) to Adult Mental Health, \$22,500 in FY 2012 and \$45,000 in FY 2013 and will hire another adult mental health case coordinator. The addition of this position will allow the Center to remove up to 100 individuals from the adult MH waiting list into active treatment.</p>	
<p><b>Supporting Documentation:</b></p> <p>Copy of DSHS transfer request form</p>	
<p><b>Recommended Action:</b></p> <p><b>Approve Submission of Request to DSHS to Transfer Funds from Crisis Redesign to Adult Mental Health Services</b></p>	

## Local Plan Amendment to Reallocate Funds Under Rider 82

### Summary

*What changes are you requesting in the allocation of funds?*

	Current FY 2012	Proposed FY 2012	Proposed FY2013
<b>Adult Ongoing Services</b>	\$4,281,492	\$4,303,992	\$4,326,492
<b>Child/Adolescent Ongoing Services</b>	\$ 849,344	\$ 849,344	\$ 849,344
<b>Crisis Services</b>	\$1,915,402	\$1,892,902	\$1,870,402

*What are the unmet local needs and priorities to be addressed through this amendment? Please provide current data and historical trends to justify the movement of funds.*

<b>Adult Ongoing Services</b>	Admit and serve 100 current clients on adult waiting list
<b>Child/Adolescent Ongoing Services</b>	
<b>Crisis Services</b>	Reduce funding from Rider 65, primarily intensive ongoing services

### Plan

*Describe the specific changes to be implemented through this change in funding, including proposed reductions. For each one, specify the associated dollars and the anticipated impact (e.g., changes in numbers served, outcome measures, hours of service, number of underserved due to resource limitations, etc.). Add additional rows as needed.*

Change in Funding	Change in Service/Activity	Anticipated Impact
\$+22,500	Provide additional medication and case management services to adults	Remove 100 adults from waiting list and improve their functional skills
\$-22,500	Reduce Rider 65 Intensive Ongoing Services	Reduced duration of Intensive Ongoing Rider 65 Services

### **Public Comment**

*You are required to solicit public comment on the proposal for contract amendment for 30 days. At a minimum, this must include:*

- *Posting the proposal on your website*
- *Sending the proposal to key stakeholder groups, including local consumer and advocacy groups*
- *Hosting at least one public meeting*

*In the table below, document your efforts to solicit stakeholder input.*

<b>Link to website posting</b>	Posted on website on 1/29/12
<b>Dates of public hearing(s)</b>	PNAC Meeting 2/8/12, Public Meeting 2/16/12
<b>Other</b>	Email to Stakeholders for plan comment on 1/31/12

*You are required to provide a copy of all public comments received to your Planning and Network Advisory Committee (PNAC) for consideration, and to obtain a formal recommendation from the PNAC regarding the proposed transfer of funds.*

*Did a majority of the PNAC vote to support this recommendation*    ✓ Yes 2/8/12

*Has the proposal been approved by the Board of Directors?*    ✓ Yes Board Meeting on 2/23/12



<p><b>Agenda Item:</b> Approve FY 2012 Budget Revision as of January 31, 2012</p> <p><b>Committee:</b> Business</p>	<p><b>Board Meeting Date</b></p> <p>February 23, 2012</p>
<p><b>Background Information:</b></p> <p>Periodically throughout the budget year, we adjust the budget for changes to funding or other scenarios that may have changed from the initial budget process.</p> <p>This budget revision reflects new programs awarded after the beginning of fiscal year. This revision also shows adjustments made to revenue and expenses based on YTD trends and projections through the end of the fiscal year.</p>	
<p><b>Supporting Documentation:</b></p> <p>Summary</p> <p>FY 2012 Budget Revision</p>	
<p><b>Recommended Action:</b></p> <p><b>Approve FY 2012 Budget Revision as of January 31, 2012</b></p>	

**Tri-County Services**  
**Proposed FY 2012 Revised Budget Compared to**  
**Current FY 2012 Approved Budget**

**Explanation of line items that have material changes from Proposed FY 2012 Revised Budget compared to the Current FY 2012 Approved Budget.**

**REVENUES:**

**Local Revenue** - Local Revenue is projected higher than the original budget based on increases in interest income, ETBHN contract, Community Development Block Grant and private insurance. This line also reflects decreases in client fees and CHIP income based on current trends.

**Earned Income** - This line item reflects an overall increase based on the new DSHS OCR contract, increased enrollment in Texas Home Living Program, and trends that are increased for Montgomery County Hospital District and MH Case Management. This line also reflects a decrease in IDD Case Management based on current trends, which include a large loss of HCS consumers and a decrease in Rehab revenue based on the first 5 months of this fiscal year.

**General Revenue** - This line item is projected to have a slight increase based on the renewal of the Veterans contract with DSHS received after the start of this fiscal year. It also reflects a decrease for the Substance Abuse Treatment programs.

**EXPENSES:**

**Salaries** – The salary line reflects an increase based on the new DSHS OCR contract, adjustments for year-to-date overtime expenses that are higher than originally budgeted and the addition of NGM funded positions to provide new services. We have also adjusted for the year-to-date lapse.

**Employee Benefits** – This line reflects a decrease based on the year-to-date lapse and staff changes projected for the remaining part of the fiscal year.

**Travel – Board/Staff** – This line item reflects a decrease based on year-to-date trend. We have budgeted conservatively for a possible increase in the mileage rate based on increasing fuel costs.

**Medication Expense** - This line item was decreased based on reallocation of NGM money to fund staff positions providing new services since medication expenses continue to decline.

**Building Rent/Maintenance** - This line item reflects an increase based on the approved purchase of a new roof at River Pointe 3 at the beginning of the fiscal year.

**Consultants/Contracts** - This line reflects an increase based on clinical contracts for the increase in Texas Home Living consumers since the beginning of the fiscal year, increases for Respite services and year-to-date trends for the ICF program.

**Other Operating Expenses** - This line item is budgeted to increase slightly based on trends and the addition of new programs.

**Capital Outlay-FF&E, Automobiles** - This line item has a slight increase based on the new DSHS OCR program.

**Capital Outlay - Debt Service Bonds** – This line item has a slight increase based on year-to-date.

**TRI-COUNTY SERVICES**  
**PROPOSED FY 2012 REVISED BUDGET COMPARED TO**  
**CURRENT FY 2012 APPROVED BUDGET**

	<b>PROPOSED FY 2012 REVISED BUDGET</b>	<b>CURRENT FY 2012 APPROVED BUDGET</b>	<b>Increase (Decrease)</b>
<b>INCOME:</b>			
Local Revenue Sources	1,676,038	1,643,383	32,655
Earned Income	9,597,848	9,520,624	77,223
General Revenue	11,252,313	11,246,913	5,400
<b>TOTAL INCOME</b>	<b>22,526,199</b>	<b>22,410,920</b>	<b>115,279</b>
<b>EXPENSES:</b>			
Salaries	11,253,036	11,237,457	15,579
Employee Benefits	2,354,108	2,493,298	(139,191)
Travel-Board/Staff	386,190	416,040	(29,850)
Medication Expense	373,026	433,200	(60,174)
Building Rent/Maintenance	216,315	202,815	13,500
Consultants/Contracts	4,830,290	4,706,591	123,699
Other Operating Expenses	2,474,863	2,460,950	13,913
<b>TOTAL EXPENSES</b>	<b>21,887,827</b>	<b>21,950,350</b>	<b>(62,523)</b>
<b>Excess (Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>638,372</b>	<b>460,570</b>	<b>177,802</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay - FF&E, Automobiles	24,596	19,000	5,596
Capital Outlay - Debt Services Bonds	443,543	441,570	1,973
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>468,139</b>	<b>460,570</b>	<b>7,569</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>22,355,966</b>	<b>22,410,920</b>	<b>(54,954)</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>170,233</b>	<b>-</b>	<b>170,233</b>

<b>Agenda Item:</b> Board of Trustees' Unit Financial Statement for January 2012  <b>Committee:</b> Business	<b>Board Meeting Date</b>  February 23, 2012
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  January 2012 Board of Trustees' Unit Financial Statement	
<b>Recommended Action:</b>  <b>For Information Only</b>	

# Unit Financial Statement

FY 2012

	January 12 Actuals	January 12 Budgeted	Variance	YTD Actual	YTD Budget	Variance	Percent	Budget
<b>Revenues</b>								
80103998 Allocated Revenue	\$ 2,804.00	\$ 2,804.00	\$ -	\$ 14,017.00	\$ 14,017.00	\$ -	0.00%	\$ 33,645.00
<b>Total Revenue</b>	<b>\$ 2,804.00</b>	<b>\$ 2,804.00</b>	<b>\$ -</b>	<b>\$ 14,017.00</b>	<b>\$ 14,017.00</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ 33,645.00</b>
<b>Expenses</b>								
80105030 Application Fees	\$ -	\$ -	\$ -	\$ 4.50	\$ -	\$ 4.50	#DIV/0!	\$ -
80105275 Food Items	\$ 236.14	\$ 183.00	\$ 53.14	\$ 746.36	\$ 919.00	\$ (172.64)	81.21%	\$ 2,200.00
80105320 Insurance-Worker Compensation	\$ 13.52	\$ 18.00	\$ (4.48)	\$ 56.33	\$ 94.00	\$ (37.67)	59.93%	\$ 220.00
80105388 Legal Fees	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 7,500.00	\$ 7,500.00	\$ -	100.00%	\$ 18,000.00
80105415 Miscellaneous Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
80105605 Postage-Express Mail	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	\$ -
80105715 Supplies - Office	\$ -	\$ 15.00	\$ (15.00)	\$ 53.00	\$ 75.00	\$ (22.00)	70.67%	\$ 180.00
80105750 Training	\$ -	\$ 369.00	\$ (369.00)	\$ -	\$ 1,842.00	\$ (1,842.00)	0.00%	\$ 4,425.00
80105755 Travel - Local	\$ 77.77	\$ 100.00	\$ (22.23)	\$ 360.52	\$ 500.00	\$ (139.48)	0.00%	\$ 1,200.00
80105757 Travel - Non-local Mileage/Air	\$ -	\$ 167.00	\$ (167.00)	\$ 633.11	\$ 832.00	\$ (198.89)	76.09%	\$ 2,001.00
80105758 Travel - Non-local Hotel	\$ -	\$ 376.00	\$ (376.00)	\$ 693.07	\$ 1,880.00	\$ (1,186.93)	36.87%	\$ 4,519.00
80105759 Travel - Meals	\$ -	\$ 75.00	\$ (75.00)	\$ 191.56	\$ 375.00	\$ (183.44)	51.08%	\$ 900.00
<b>Total Expenses</b>	<b>\$ 1,827.43</b>	<b>\$ 2,803.00</b>	<b>\$ (975.57)</b>	<b>\$ 10,238.45</b>	<b>\$ 14,017.00</b>	<b>\$ (3,778.55)</b>	<b>73.04%</b>	<b>\$ 33,645.00</b>
<b>Total Revenue minus Expenses</b>	<b>\$ 976.57</b>	<b>\$ 1.00</b>	<b>\$ 975.57</b>	<b>\$ 3,778.55</b>	<b>\$ -</b>	<b>\$ 3,778.55</b>	<b>-73.04%</b>	<b>\$ -</b>

<p><b>Agenda Item:</b> Montgomery Supported Housing, Inc. (MSHI) Quarterly Update</p> <p><b>Committee:</b> Business</p>	<p><b>Board Meeting Date</b></p> <p>February 23, 2012</p>
<p><b>Background Information:</b></p> <p>The Montgomery Supported Housing, Inc. (MSHI) Board held their annual meeting on January 27<sup>th</sup> to discuss operations for Independence Place since the Final Closing. In addition, the MSHI Board reviewed all expenses through Requisition 8 and discussed the annual audit.</p> <p>The Independence Place Project Rental Assistance Contract and Rent Schedule were finally received from HUD allowing McDougal Property Management to begin collecting rent funds to use for the daily operations of the apartments. Since there was a delay in receiving the agreements, McDougal Property Management was unable to collect any rent funds from HUD through the month of December. Tri-County advanced some of these funds to the property and McDougal Property Management plans to reimburse Tri-County once the property and HUD become current with the rent funds.</p> <p>The Final Requisition (Requisition 8) was received and checks have been written to finish expensing funds for the construction phase. At this point, only Tri-County reimbursement remains.</p> <p>Carlos Taboada is awaiting word from HUD regarding the possibility that MSHI would be granted an 18-month audit period (July 1, 2011 to December 31, 2012). An audit extension was requested so that we would only have to pay for one audit for this time period. Carlos is not optimistic that the extension will be granted. If an extension is not granted, Carlos Taboada and Company, P.C. was selected as the FY 2011 Auditor by the MSHI Board.</p> <p>The apartments remain full and there are 13 approved individuals on the waiting list.</p>	
<p><b>Supporting Documentation:</b></p> <p>None</p>	
<p><b>Recommended Action:</b></p> <p><b>For Information Only</b></p>	

# UPCOMING MEETINGS

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## **March 22, 2012 - Board Meeting**

- Approve Minutes from February 23, 2012 Board Meeting
- Longevity Recognition Presentations
- 2<sup>nd</sup> Quarter FY 2012 Corporate Compliance & Quality Management Report
- 3<sup>rd</sup> Quarter FY 2012 Corporate Compliance Training
- Year to Date FY 2012 Goals & Objectives Progress Report
- Community Resources Report for February 2012
- Consumer Services Report for February 2012
- Program Updates for February 2012
- Program Presentation - Rider 65 Crisis Transitional Services
- Personnel Report for February 2012
- Approve February 2012 Financial Statements
- Approve Submission of Tri-County's 990 Tax Return Prepared by Carlos Taboada & Company, P.C.
- 2<sup>nd</sup> Quarter FY 2012 Investment Report
- Board of Trustees' Unit Financial Statement for February 2012
- Other Business Committee Issues

## **April 26, 2012 - Board Meeting**

- Approve Minutes from March 22, 2012 Board Meeting
- Community Resources Report for March 2012
- Consumer Services Report for March 2012
- Program Updates for March 2012
- Annual Board & Leadership Team Training
- Personnel Report for March 2012
- Texas Council Quarterly Meeting Update
- Approve March 2012 Financial Statements
- Board of Trustees' Unit Financial Statement for March 2012
- Other Business Committee Issues