# Tri-County Services Board of Trustees' Meeting

December 9, 2010



and developmental disabilities

Notice is hereby given that a regular meeting of the Board of Trustees of Tri-County Services will be held on Thursday, December 9, 2010. The Business Committee will convene at 9:30 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

#### Item

-	_		
I.	Organ	izational	Itome
	Organ	ızatıbılar	Items

- A. Chairman Calls Meeting to Order
- B. Public Comment
- C. Quorum
- D. Program Presentation Huntsville LifeSkills Christmas Carolers
- E. Presentation of Awards to Consumer Christmas Card Contest Winners
- F. Presentation of Longevity Recognition

#### II. Approve Minutes - October 28, 2010

#### III. Executive Director's Report - Cindy Sill

- A. Department of Aging and Disabilities Services
  - 1. 2<sup>nd</sup> Quarter Payment
  - 2. HCS Service Coordination Review
  - HCS Enrollments
- B. Department of State Health Services
  - 1. FY 2010 Rider 65 Review
  - 2. Contract Amendment Update
  - 3. Crisis Stabilization Unit Progress Report
- C. East Texas Behavioral Healthcare Network (ETBHN)
  - 1. Respect Institute
  - 2. ETBHN Services
- D. From The Heart
- E. 82<sup>nd</sup> Legislative Session
- F. Texas Council Risk Management Fund Board Report

#### IV. Chief Financial Officer's Report - Millie McDuffey

- A. FY 2010 Audit
- B. Cost Accounting Methodology (CAM) Report
- C. Mid-Year Budget Revision
- D. Surplus Sale
- E. Worker's Compensation Audit
- F. 1995 Series E Bond Payoff Update

#### V. Program Committee

#### Action Items

A. Appoint New Mental Health Planning Network Advisory Committee Member\_\_\_\_\_Tab A

B. Approve Board Policy for Crisis Stabilization Unit Patient Transfers Tab B

Tri-County Services Board of Trustees' Meeting December 9, 2010 Page 2

	Information Items	
	C. Community Resources Report for October 2010	Tab C
	D. Consumer Services Report for October 2010	Tab D
	E. Program Updates for November 2010	Tab E
VI.	Executive Committee	
	Information Items	
	A. Personnel Report for October 2010	Tab F
	B. Texas Council Quarterly Meeting Update	Tab G
VII.	Business Committee	
	Action Items	
	A. Approve October 2010 Financials	Tab H
	B. Reappoint Independence Communities, Inc, Board of Directors	Tab I
	C. Reappoint Montgomery Supported Housing, Inc. Board of Directors	Tab J
	D. Approve Creation of New Reserve Fund Category	Tab K
	Information Items	
	E. October 2010 Board of Trustees' Unit Financials	Tab L
	F. Montgomery Supported Housing, Inc. Update	Tab M

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

Posted By:

Stacy Blake Executive Assistant

#### **Tri-County Services**

P.O. Box 3067 Conroe, TX 77305

#### BOARD OF TRUSTEES' MEETING October 28, 2010

None

**BOARD MEMBERS PRESENT:** 

**BOARD MEMBERS ABSENT:** 

Cecil McKnight

Len George Janet Qureshi

Patti Atkins

Patti Atkins

Brad Browder Sharon Walker

Morris Johnson

David Walker

Mark Maltsberger

#### TRI-COUNTY STAFF PRESENT:

Cindy Sill, Executive Director
Millie McDuffey, CFO
Evan Roberson, Director of Organizational Support
Don Teeler, Director of Operations
Sandy Kelly, Director of Administrative Services
Stacy Blake, Executive Assistant

Kimberly Willing, Coordinator of Community Resources Mary Lou Flynn-Dupart, Legal Counsel

#### **GUESTS PRESENT:**

Jason Umstot, Empowerment Options

CALL TO ORDER: Chairman, Cecil McKnight, called the meeting to order at 10:02 a.m. at

1506 FM 2854, Conroe, TX.

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

QUORUM: There being nine (9) members present, a quorum was established.

**RESOLUTION #10-11-01** 

MOTION MADE BY: Morris Johnson

SECONDED BY: Patti Atkins, with affirmative votes by

Cecil McKnight, Len George, Sharon Walker, Brad Browder, Janet

Qureshi, Mark Maltsberger and David Walker that it be...

**RESOLVED:** 

That the Board approve the minutes of the September 23, 2010

meeting of the Board of Trustees.

Board of Trustees' Meeting Minutes October 28, 2010 Page 2

#### **EXECUTIVE DIRECTOR'S REPORT:**

The Executive Director's report is on file.

#### CHIEF FINANCIAL OFFICER'S REPORT:

The Chief Financial Officer's report is on file.

#### PROGRAM COMMITTEE:

The East Texas Behavioral Healthcare Network Regional Planning and Network Advisory Committee FY 2011 Budget Review was reviewed for information purposes only.

The September 2010 Community Resources Report was reviewed for information purposes only.

The September 2010 Consumer Services Report was reviewed for information purposes only.

The October 2010 Program Updates for were reviewed for information purposes only.

#### **EXECUTIVE COMMITTEE:**

The Board cast the ballot for the nominees for the Texas Council Risk Management Fund Board of Trustees, Places 1, 2, and 3 as follows:

- Place 1 Mary Lou Flynn-Dupart
- Place 2 Judge Dorothy Morgan
- Place 3 Jackie Walker

The September 2010 Personnel Report was reviewed for information purposes only.

#### **BUSINESS COMMITTEE:**

**RESOLUTION #10-11-02** 

MOTION MADE BY: Morris Johnson

**SECONDED BY:** Mark Maltsberger, with affirmative votes by Cecil McKnight, Len George, Patti Atkins, David Walker, Brad

Browder, Janet Qureshi and Sharon Walker that it be...

**RESOLVED:** 

That the Board approve the September 2010 financial

statements.

**RESOLUTION #10-11-03** 

MOTION MADE BY: Morris Johnson

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

RESOLVED:

That the Board approve the purchase of a wheelchair lift from Mobility Plus for the new van for the Cleveland LifeSkills Program.

Board of Trustees' Meeting Minutes October 28, 2010 Page 3

**RESOLUTION #10-11-04** 

MOTION MADE BY: Morris Johnson

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

RESOLVED:

That the Board approve the recommendation to declare a 1996 Ford E250 wheelchair van as surplus and approve the sale to

the highest bidder.

RESOLUTION #10-11-05

MOTION MADE BY: Morris Johnson

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

**RESOLVED:** 

That the Board approve a surplus sale for miscellaneous furniture and equipment to be held in November 2010.

The 4<sup>th</sup> Quarter FY 2010 Investment Report was reviewed for information purposes only.

The September 2010 Board of Trustees' Unit Financials were reviewed for information purposes only.

The Montgomery Supported Housing Inc. update was reviewed for information purposes only.

There was no need for Executive Session.

RESOLUTION #10-11-06

**MOTION MADE BY:** Morris Johnson

**SECONDED BY:** Patti Atkins, with affirmative votes by

Cecil McKnight, Len George, Brad Browder, Sharon Walker, Janet

Qureshi, David Walker and Mark Maltsberger that it be...

RESOLVED:

That the October 28, 2010 meeting of the Board of Trustees be

adjourned at 11:20 p.m.

ADJOURNMENT:

ATTEST:

Cecil McKnight Chairman Date

Janet Qureshi/ Secretary

Date

Agenda Item: Appoint New Mental Health Planning Network

Advisory Committee Member

**Board Meeting Date** 

December 9, 2010

Committee: Program

#### **Background Information:**

The Department of Aging and Disability Services contract requires that the Planning Network Advisory Committee "...be composed of at least nine members, fifty percent of whom shall be consumers or family members of consumers..." Two Mental Health Planning Network Advisory Committee (MHPNAC) members resigned in FY 2010 (one took a new job that removed them from our service area and one moved out of state).

Staff are recommending a consumer for appointment to the MHPNAC:

#### Leelia Stewart, Consumer

- Special Interests Working on a peer level with consumers with a dual diagnosis.
- Hobbies Enjoys helping people through her own experience.

Leelia has agreed to serve on the MHPNAC for a two year term which will expire August 31, 2012.

#### **Supporting Documentation:**

None

#### **Recommended Action:**

Appoint Leelia Stewart as a Member of the Mental Health Planning Network Advisory Committee to a Two Year Term Which Expires August 31, 2012

Agenda Item: Approve Board Policy for Crisis Stabilization Unit

**Patient Transfers** 

**Board Meeting Date** 

December 9, 2010

Committee: Program

#### **Background Information:**

Tri-County Services must submit an application for Crisis Stabilization Unit (CSU) licensure to the Department of State Health Services (DSHS). This should be submitted in December 2010 or early January 2011 in preparation for the program opening. Part of the licensure application requires a Policy and a Procedure associated with transferring CSU patients to an inpatient hospital for medical treatment not available at the CSU. According to CSU licensure standards, the Board of Trustees must approve and sign the policy associated with this process and direct Tri-County to develop the detailed procedure for patient transfers.

#### **Supporting Documentation:**

Copy of Board Policy for Crisis Stabilization Unit Patient Transfers

**Recommended Action:** 

**Approve Board Policy for Crisis Stabilization Unit Patient Transfers** 

#### TRI-COUNTY SERVICES

STATE	MENT	OF F	OLI	<b>CY</b>
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Cecil McKnight, Chairman
Date
Janet Quereshi, Secretary
Date

**Original Effective Date:** December 9, 2010

Subject: Crisis Stabilization Unit (CSU) Patient Transfer Policy

Tri-County Services is a unit of local government, established by the Commissioners Courts of Liberty, Montgomery and Walker Counties which sponsor its operation and appoint its Board of Trustees. The nine (9) member Board of Trustees is responsible for the administration of Tri-County Services as defined in Texas Health and Safety Code, Chapter 534, Section 534.008.

It is the policy of Tri-County Services to comply with the Department of State Health Services (DSHS) Licensure Standards for the establishment and operation of a CSU. In compliance with these standards, the Executive Director will ensure the development of:

- A. A CSU Patient Transfer Procedure that describes the operational requirements for patient transfers between the CSU and a receiving hospital. This procedures will address the following practices:
  - 1. The receiving hospital shall comply with one of the following categories:
    - a. A private psychiatric hospital licensed under HSC, Chapter 577;
    - b. A general or special hospital licensed under HSC, Chapter 241;
    - c. A hospital operated by a federal agency; or
    - d. A chemical dependency treatment facility licensed under HSC, Chapter 464.CSU administration shall have the authority to represent the CSU during the transfer from or receipt of patients into the CSU;
  - 2. Assure that the transfer of a patient may not be predicated upon arbitrary, capricious, or unreasonable discrimination based upon race, religion, national origin, age, sex, physical condition, or economic status;

- 3. Compliance with the requirements of the Indigent Health Care and Treatment Act (HSC, 61.030-61.032 and 61.057-61.059, relating to mandated providers) and any contractual, statutory or regulatory obligations, which may apply to a patient; and
- 4. Protection and assurance of a patient's right to request transfer into the care of a physician or receiving facility of his/her own choosing; however, if a patient is transferred for economic reasons and the patient's choice is predicated upon an influence by representations made by the transferring facility administration regarding the availability of medical care and services at a reduced cost, or not cost to the patient, the physician or facility administration shall fully disclose to the patient the eligibility requirements established by the patient's chosen physician or receiving facility.

Agenda Item: Community Resources Report for October	Board Meeting Date		
	December 9, 2010		
Committee: Program	,		
Background Information:			
None			
Supporting Documentation:			
Community Resources Report for October			
Recommended Action:			

## Community Resources Report October 2010

#### **Volunteer Hours:**

Location	October
Conroe	111.5
Cleveland	9
Liberty	18
Huntsville	14.5
Total	153

#### **COMMUNITY ACTIVITIES:**

11/2	Montgomery County United Way Kick-Off – Administration Building	Conroe
11/3	Liberty County Community Resource Coordination Group	Dayton
11/4	Cleveland Chamber of Commerce Luncheon	Cleveland
	Department of Family & Protective Services Kinship Caregiver	
11/6	Community Event	Houston
11/9	Transition Fair - New Caney ISD	New Caney
11/10	Liberty County Medical Clearance Meeting	Cleveland
11/11	Huntsville Chamber of Commerce Breakfast	Huntsville
11/11	Texas Juvenile Probation Officer Basic Course	Huntsville
11/15	Aging & Disability Resource Center Meeting	Houston
11/16	Transition Fair Dayton ISD	Dayton
11/16	Montgomery County Community Resource Coordination Group	Conroe
11/16	Montgomery County United Way Disaster Recovery Taskforce Meeting	The Woodlands
11/16	Meeting State Representative Lois Kohlkorst	Huntsville
11/17	Liberty/Dayton Chamber of Commerce Luncheon	Liberty
11/17	Meeting with State Senator Tommy Williams	The Woodlands
11/17	Montgomery County United Way Campaign Cabinet Meeting	Conroe
11/17	Homeless Coalition – Board & Member Meetings	Conroe
11/18	Greater Conroe/Lake Conroe Chamber of Commerce Business Expo	Conroe
11/18	Adult Protective Services Task Force Meeting	Conroe
11/20	Homeless Walk – Heritage Park	Montgomery
11/20	Feed the Frontier Event Benefiting the Food Bank – Heritage Park	Montgomery
11/29	Montgomery County United Way Campaign Meeting/Non-Profits	The Woodlands
12/1	Liberty County Community Resource Coordination Group	Dayton
12/2	Meeting with State Senator Robert Nichols	Conroe
12/9	Huntsville Chamber of Commerce Breakfast	Huntsville

#### **UPCOMING ACTIVITIES:**

12/14	Montgomery County Community Resource Coordination Group	Conroe
12/21	Montgomery County United Way Disaster Recovery Taskforce Mtg.	The Woodlands

Agenda Item: Consumer Services Report for October 2010	Board Meeting Date		
Committee: Program	December 9, 2010		
Background Information:			
None			
Supporting Documentation:			
Consumer Services Report for October 2010			
Recommended Action:			
For Information Only			

## CONSUMER SERVICES REPORT October 2010 - FY 2011

	MONIGOMERY	CLEVELAND	LIDEDTY	WALKER	TOTAL
Crisis Services, MH Adults/Children	COUNTY	CLEVELAND	LIBERTY	COUNTY	TOTAL
Persons Screened, Intakes, Other Crisis Services	237	25	15	13	290
Crisis and Transitional Services (SP 0, SP5)	140	9	5	9	163
Crisis Residential Unit (CRU) Served	52	3	5	2	62
Crisis Residential Unit (CRU) bed days	248	23	8	5	284
Total Contract Hospital Admissions	20	3	2	2	27
Total State Hospital Admissions	29	3	5	6	43
Persons Served by Program, MH Non-Crisis					
Adult Service Packages (SP 1-4)	679	88	56	90	913
Adult Medication Services	622	66	67	70	825
Child Service Packages (SP 1.1-4)	354	17	4	52	427
Child Medication Services	176	9	1	22	208
Adult Jail Diversion Services	17	0	0	1	18
Juvenile Detention Diversion Services	4	0	0	0	4
TCOOMMI (Adult/Child)	106	8	6	9	129
Persons Served by Program, IDD					
Number of New Enrollments for IDD Services	7	0	1	1	9
Service Coordination/Case Management	337	24	39	39	439
Center Waiver Services (HCS, Supervised Living, TXHmL)	30	8	14	16	68
Contractor Provided ICF-MR	17	12	13	6	48
Autism Services	8	0	2	0	10
Substance Abuse Services					
Children and Youth Prevention Services	180	37	0	0	217
Youth Substance Abuse Treatment Services/COPSD	12	0	0	1	13
Adult Substance Abuse Treatment Services/COPSD	15	0	0	0	15
Waiting/Interest Lists	•				
Department of State Health Services-Adults	174	18	29	8	229
Department of State Health Services-Adults  Department of State Health Services-Children	13	0	0	0	13
Home and Community Based Services Interest List	933	78	74	72	1157
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Persons Served Outside of the State Contracts	25	2	40	0	50
Benefit Package 3 Adult/Child	35	2	13	8	58
October Served by County		1		1	
Adult Mental Health Services	1181	137	102	142	1562
Child Mental Health Services	388	19	8	58	473
Intellectual and Developmental Disabilities Services	409	46	55	58	568
Total Served by County	1978	202	165	258	2603
September Served by County					
Adult Mental Health Services	1193	141	127	165	1626
Child Mental Health Services	372	16	3	54	445
Intellectual and Developmental Disabilities Services	392	45	51	59	547
Total Served by County	1957	202	181	278	2618
August Served by County					
Adult Mental Health Services	1191	146	98	152	1587
Child Mental Health Services	378	16	1	54	449
Intellectual and Developmental Disabilities Services	378	38	52	58	526
Total Served by County	1947	200	151	264	2562

Agenda Item: Program Updates for November 2010	Board Meeting Date		
Committee: Program	December 9, 2010		
Background Information:			
None			
Supporting Documentation:			
Program Updates for November 2010			
Recommended Action:			
For Information Only			

## Program Updates November 2010

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

#### A. Key Statistics:

- 1. Number of new admissions during the month: 55
- 2. Average daily census of the CRU/CSU: 12

#### B. Program Comments:

- 1. The census in the Crisis Residential Unit (CRU) was higher than last month as a result of increased needs in the adults.
- 2. There was in increase in admissions and bed days at contract inpatient hospitals, partially impacted by an increase in youth admissions.
- 3. Planning meetings have begun, in conjunction with the transition of crisis staff from the CRU at the Riverpointe location to the new Crisis Stabilization Unit (CSU) facility.

#### **MH Adult Services**

#### A. Key Statistics:

- 1. Number of adults served during the month: 1554
- 2. Number of adults served in Medication Services: 825

#### B. Program Comments:

- 1. Medication Services is adjusting to an increased number of adults being admitted after being discharged from the CRU.
- 2. Our Rider 65 program is focusing on the transitional service area, to address an increasing number of adults being discharged from the CRU into ongoing rehabilitation services.

#### **MH Child Services**

#### A. Key Statistics:

- 1. Number of children served during the month: 473
- 2. Number of children served in Medication Services: 208

#### B. Program Comments:

- 1. We have implemented a walk-in clinic two days per week, to improve client services and reduce the wait for intakes.
- 2. The monthly number of children served has increased significantly from last month and is now at 250 children above our DSHS contract number of 223 for a total of 473.

#### **Criminal Justice Services**

#### A. Key Statistics:

- 1. Number of Children and Adults Served Through TCOOMMI (Texas Office on Offenders with Medical and Mental Impairments):
  - 29 Juvenile; 99 Adults
- 2. Number of Jail/Juvenile Diversions:
  - 5 Jail Diversions; 4 Juvenile Diversions

#### B. Program Comments:

- 1. Jail Diversion Services are making a few adjustments to its caseloads to reflect changes in contract requirements from TCOOMMI.
- 2. The capacity of 4 juvenile detention diversions was served.

#### **Substance Abuse Services**

#### A. Key Statistics:

- 1. Number of children served in prevention services: 383
- 2. Number of adults served in substance abuse treatment services: 15
- 3. Number of children served in substance abuse treatment services: 13

#### B. Program Comments:

- 1. The Adult Team Leader position has been filled and orientation was completed in November.
- 2. There have been efforts to identify and resolve some billing issues with DSHS for both adult and youth treatment services.
- 3. More substance abuse prevention services have been scheduled for adolescents this year, to include Magnolia and New Waverly schools.

#### **IDD Services**

#### A. Key Statistics:

- 1. Total number of admissions for the month: 36
- 2. Total number served in the HCS program for the month: 72
- 3. Total number served in all IDD services for the month: 589

#### B. Program Comments:

- 1. Home and Community Based Services (HCS) enrollments continue to increase.
- 2. Sixteen (16) individuals on the waiting list have been advised that they are now eligible for HCS enrollment.
- 3. Cleveland LifeSkills clients and staff have been relocated, temporarily, as Truman Street undergoes remodeling and renovation.

#### **Personnel Information**

- A. We have had some success in hiring bilingual applicants into direct service service positions.
- B. There has been an unusual number of staff absent due to extended illnesses in both IDD and MH services.

#### **Support Information**

- A. **Veterans' Services**: Meetings with local veteran service agencies were held in November at each of the four Tri-County service area locations.
- B. Quality Management:
  - 1. The MH Treatment Plan Audit Review was submitted to DSHS on October 28<sup>th</sup>
  - 2. Progress note training for current employees began at the end of November.
- C. **Training**: The first series of a three-part Intentional Management Supervisor Training was held on December 7<sup>th</sup> at Administration.
- D. **Information Services**: New switches were installed at Administration and the Loop.
- E. **IDDPNAC**: A meeting was held on November 11<sup>th</sup> and the IDDPNAC discussed legislative updates from the RPNAC.
- F. **MHPNAC**: The MHPNAC met on December 1<sup>st</sup> and discussed a Substance Abuse Mental Health Services Administration (SAMHSA) PowerPoint presentation on the potential changes in block grant funding.

#### **Community Activities**

A. The Tri-County website redesign is complete and ready for presentation to the Board.

Agenda Item: Personnel Report for October 2010	Board Meeting Date			
Committee: Executive	December 9, 2010			
Background Information:				
None				
Supporting Documentation:				
Personnel Report for October 2010				
Recommended Action:				
For Information Only				

## TRI-COUNTY SERVICES PERSONNEL BOARD REPORT OCTOBER 2010

STAFF	NEW HIRE	:S	SEPAR	ATED	VOLUN SEPARA		INVOLUN SEPARA		BUDGETED	FILLED	MONTHLY TURNOVER	YEARLY TURNOVER
CLASSIFICATIONS	MO.	YTD.	MO.	YTD.	MO.	YTD.	MO.	YTD.	POSITIONS	POSITIONS	PERCENT	PERCENT
Bachelor's												
Qualified Mental Health Professional	2	3	3	4		1	3	3	95	79	4%	5%
Qualified Mental Retardation Professional (State Title)		1							13	13	0%	0%
Licensed Staff									13	11	0%	0%
Medical												
Physicians									5	5	0%	0%
Advanced Practice Nurse									1	1	0%	0%
RN's	1	1							11	10	0%	0%
LVN's									13	13	0%	0%
Techs/Aides												
мн									10	10	0%	0%
IDD		1		1		1			53	51	0%	2%
Supervisor/Manager												
мн		1							12	12	0%	0%
IDD									6	6	0%	0%
Program Support			1	1	1	1			42	40	3%	3%
Central Administration		1							18	17	0%	0%
Business Services									16	16	0%	0%
Maintenance/Janitorial/Lawn		1							25	25	0%	0%
GRAND TOTALS	3	9	4	6	1	3	3	3	333	309	1%	2%
Previous YTD											5%	6%

Agenda Item: Texas Council Quarterly Board Meeting Update	Board Meeting Date
Committee: Executive	December 9, 2010
Background Information:	
The Texas Council has requested that Center representatives regarding their quarterly Board meeting. A verbal update will be	
Supporting Documentation:	
None	
Recommended Action:	
For Information Only	

Agenda Item: Approve October 2010 Financial Statements	Board Meeting Date			
Committee: Business	December 9, 2010			
Background Information:				
None				
Supporting Documentation:				
October 2010 Financial Statements				
Recommended Action:				
Approve October 2010 Financial Statements				

#### **October 2010 Financial Summary**

Revenues for October 2010 were \$1,958,082 and operating expenses were \$1,830,642 resulting in a gain in operations of \$127,440. Capital Expenditures and Extraordinary Expenses for October were \$46,184 resulting in a gain of \$81,256. Total revenues were 83.37% of the monthly budgeted revenues and total expenses were 79.80% of the monthly budgeted expenses.

Year to date revenues are \$4,128,864 and operating expenses are \$3,639,472 leaving excess operating revenues of \$489,392. YTD Capital Expenditures and Extraordinary Expenses are \$317,032 in a gain YTD of \$172,361. Total revenues are 89.72% of the YTD budgeted revenues and total expenses are 85.94% of the YTD budgeted expenses.

#### **REVENUES**

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

	YTD	YTD	% of	\$
Revenue Source	Revenue	Budget	Budget	Variance
TCOOMMI	69,144	85,550	80.82%	16,406
ICF/MR Program – Title XIX	462,239	474,083	97.50%	11,844
DSHS Gen Rev Crisis - PESC	229,061	287,744	79.61%	58,683
DSHS Gen Rev - NGM	62,821	125,126	50.21%	62,305
DSHS-SSBG - Contract Inpatient	18,800	50,000	37.60%	31,200
DSHS – SA Treatment Youth Svcs	1,740	13,712	12.69%	11,972

<u>TCOOMMI</u> – In both juvenile and adult programs, Medicaid revenue was higher than the budget projected it to be which reduces the direct TCOOMMI revenue. Also, this is a cost reimbursement program and expenses are less than expected.

<u>ICF/MR Program</u> – There have been a series of client vacancies in the homes due to hospitalization, one consumer who moved to a skilled nursing facility, HCS move outs and one consumer that passed away. As a result, the program is under budget for the year. Staff are actively recruiting to fill the vacancies in the homes and revenue will return to projected levels as soon as the beds are full.

<u>DSHS General Revenue Crisis – PESC</u> – This is a cost reimbursement program for our Crisis Residential Unit (CRU). Expenses are running under budgeted projections for the beginning of this fiscal year.

<u>DSHS General Revenue – NGM</u> – This line item has been trending under budget for the last few years. We will continue to monitor this line item to determine if the lapse trends will continue.

<u>DSHS – SSBG – Contract Inpatient</u> – This line item reflects the last month of Social Service Block Grant (SSBG) funding for Contract Inpatient services.

<u>DSHS – Substance Abuse Treatment Youth Services</u> – This is a new program for FY 2011. Services are ramping up and revenues should increase as the program gets fully operational.

#### **EXPENSES**

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

Revenue Source	YTD	YTD	% of	\$
	Expenses	Budget	Budget	Variance
Contract Hospital - Child	15,300	5,000	306.00%	10,300

<u>Contract Hospital – Child</u> – The number of children admitted to contract hospitals is higher than budgeted so far this fiscal year. We will monitor this line item to see if a mid-year budget revision may be necessary.

## TRI-COUNTY SERVICES CONSOLIDATED BALANCE SHEET As of October 31, 2010

	TOTALS COMBINED FUNDS October 2010	TOTALS COMBINED FUNDS Sept 2010	Increase (Decrease)
ASSETS			
CURRENT ACCETS			
CURRENT ASSETS Imprest Cash Funds	4,275	2,975	1,300
Cash on Deposit-General Fund	6,576,903	4,881,558	1,695,345
Cash on Deposit-Debt Fund	161,326	558,194	(396,868)
Accounts Receivable	1,463,615	1,583,180	(119,565)
Inventory	32,469	32,075	395
TOTAL CURRENT ASSETS	8,238,588	7,057,981	1,180,607
FIXED ASSETS	4,557,052	4,557,052	-
OTHER ASSETS	45,777	37,835	7,943
AMOUNT TO BE PROVIDED FOR THE			
RETIREMENT OF LONG TERM DEBT	1,720,257	2,449,809	(729,552)
TOTAL ASSETS	14,561,675	14,102,677	458,997
LIABILITIES, DEFERRED REVENUE, FUND BALANCES			
CURRENT LIABILITIES	1,217,294	1,256,501	(39,208)
NOTES PAYABLE	407,690	375,787	31,903
DEFERRED REVENUE	1,739,461	90,634	1,648,827
LONG-TERM LIABILITIES FOR			
Capital Leases-Equipment	82,567	224,022	(141,455)
Bond Series 1995	-	215,000	(215,000)
Bond Series 2004	1,230,000	1,635,000	(405,000)
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR			
General Fund	243,209	45,759	197,450
Debt Service Fund	(412,666)	(17,170)	(395,496)
FUND EQUITY			
Reserved for Fixed Assets	4,557,052	4,557,052	-
Reserved for Worker Comp	269,685	269,685	-
Reserved for Debt Service	573,993	575,364	(1,371)
Reserved for Board Policy Requirements	2,109,405	2,109,405	-
Reserved for Equipment Reserve	354,290	354,290	-
Reserved for Current Year Budgeted Reserve	12,332	-	12,332
Reserved for Inventory Reserve	32,973	32,973	-
Reserved for Operations and Programs	2,000,000	2,000,000	-
Unrestricted and Undesignated	144,390	378,374	(233,984)
TOTAL LIABILITIES/FUND BALANCE	14,561,675	14,102,677	458,999

## TRI-COUNTY SERVICES CONSOLIDATED BALANCE SHEET As of October 31, 2010

TOTALS

ASSETS  CURRENT ASSETS Imprest Cash Funds		General Operating	Debt Service	General Fixed		7120
CURRENT ASSETS   CURRENT ASSETS   Imprest Cash Funds		Funds	Funds	Assets		
CURRENT ASSETS         4,275         2,93           Imprest Cash Funds         4,275         2,93           Cash on Deposit-General Fund         6,576,903         4,881,58           Cash on Deposit-Debt Fund         1,463,615         161,326         161,326         558,11           Accounts Receivable         1,463,615         1,483,615         <					October 2010	
Imprest Cash Funds	ASSETS					
Cash on Deposit-General Fund         6,576,903         4,881,55           Cash on Deposit-Debt Fund         161,326         161,326         558,11           Accounts Receivable         1,463,615         1,483,615         1,831,11           Inventory         32,469         22,469         32,0           TOTAL CURRENT ASSETS         8,077,262         161,326         -         8,238,588         7,057,90           FIXED ASSETS         4,577,262         161,326         -         8,238,588         7,057,90           OTHER ASSETS         45,777         45,777         45,57,052         4,557,052         4,557,052           AMOUNT TO BE PROVIDED FOR THE RETIREMENT OF LONG TERM DEBT         1,720,257         1,720,257         1,720,257         1,720,257         1,4561,675         14,102,6           LIABILITIES, DEFERRED REVENUE, FUND BALANCES         1,881,584         4,557,052         1,561,675         14,102,6           LONG-TERM LIABILITIES         1,217,294         1,217,294         1,217,294         1,227,294         1,227,294         1,227,294         1,227,294         1,227,294         1,227,294         1,230,000         3,57,70         1,561,675         1,561,675         1,561,675         1,561,675         1,561,675         1,57,04         1,57,046         1,57,046	CURRENT ASSETS					
Cash on Deposit-Deth Fund	•				, -	2,975
Accounts Receivable   1.463,615   1.883,11   1.983,11	·	6,576,903	404.000			4,881,558
Inventory   12,469   32,069   32,069   32,069   32,067,062   32,067,062   32,067,067,067,067,067,067,067,067,067,067	•	4 400 045	161,326			558,194
TOTAL CURRENT ASSETS 8,077,262 161,326 - 8,238,588 7,057,91  FIXED ASSETS 4,557,052 4,557,052 4,557,052  OTHER ASSETS 45,777 45,777 37,81  AMOUNT TO BE PROVIDED FOR THE RETIREMENT OF LONG TERM DEBT TOTAL ASSETS 8,123,039 1,881,584 4,557,052 14,561,675 14,102,67  TOTAL ASSETS 8,123,039 1,881,584 4,557,052 14,561,675 14,102,67  LIABILITIES, DEFERRED REVENUE, FUND BALANCES  CURRENT LIABILITIES 1,217,294 1,217,294 1,256,51  NOTES PAYABLE 407,690 407,690 375,71  DEFERRED REVENUE 1,739,461 9,065  LONG-TERM LIABILITIES FOR 2,109,405 2,10		, ,				
Time	,		161,326	-		7,057,981
AMOUNT TO BE PROVIDED FOR THE RETIREMENT OF LONG TERM DEBT 1,720,257 1,881,584 4,557,052 1,561,675 14,102,67 14,102,		, ,	,			
AMOUNT TO BE PROVIDED FOR THE RETIREMENT OF LONG TERM DEBT TOTAL ASSETS  8,123,039 1,881,584 4,557,052 1,720,257 1,449,88 1,217,294 1,21	FIXED ASSETS			4,557,052	4,557,052	4,557,052
RETIREMENT OF LONG TERM DEBT   1,720,257   1,720,257   1,449,81   1,881,584   4,557,052   14,561,675   14,102,61   1,4102,61	OTHER ASSETS	45,777			45,777	37,835
LIABILITIES, DEFERRED REVENUE, FUND BALANCES   1,217,294   1,256,565   14,102,66   1,217,294   1,256,565   1,217,294   1,256,565   1,217,294   1,256,565   1,217,294   1,256,565   1,217,294   1,256,565   1,217,294   1,256,565   1,217,294   1,256,565   1,217,294   1,256,565   1,217,294   1,256,565   1,217,294   1,256,565   1,217,294   1,256,565   1,230,000   1,230						
CURRENT LIABILITIES   1,217,294   1,256,51						2,449,809
CURRENT LIABILITIES 1,217,294 1,256,51  NOTES PAYABLE 407,690 407,690 375,76  DEFERRED REVENUE 1,739,461 1,739,461 90,63  LONG-TERM LIABILITIES FOR Capitol Leases - 82,567 82,567 224,00  Bond Series 1995 215,00  Bond Series 2004 1,230,000 1,230,000 1,635,00  EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR General Fund 243,209 243,209 245,76  General Fund - (412,666) (412,666) (77,1)  FUND EQUITY  Reserved for Fixed Assets - 4,557,052 4,557,052 4,557,052  Reserved for Worker's Compensation 269,685 269,68  Reserved for Debt Service 573,993 575,393  Reserved for Debt Service 534,290 354,29	TOTAL ASSETS	8,123,039	1,881,584	4,557,052	14,561,675	14,102,677
DEFERRED REVENUE   1,739,461   90,63					1,217,294	1,256,501
DEFERRED REVENUE   1,739,461   90,63	NOTES DAVABLE	, , -	407.000			
LONG-TERM LIABILITIES FOR   Capitol Leases   - 82,567   82,567   224,00	NOTES PAYABLE		407,690		407,690	3/5,/8/
Capitol Leases         -         82,567         82,567         224,02           Bond Series 1995         -         -         -         215,00           Bond Series 2004         1,230,000         1,230,000         1,230,000         1,635,00           EXCESS(DEFICIENCY) OF REVENUES         0         243,209         45,70           OVER EXPENSES FOR         243,209         243,209         45,70           Debt Service Fund         -         (412,666)         (412,666)         (17,11           FUND EQUITY           Reserved for Fixed Assets         -         4,557,052	DEFERRED REVENUE	1,739,461			1,739,461	90,634
Bond Series 1995   -   -   215,00						
Bond Series 2004	•	-	82,567		82,567	224,022
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR  General Fund 243,209 243,209 45,75 Debt Service Fund - (412,666) (412,666) (17,17)  FUND EQUITY  Reserved for Fixed Assets - (4,557,052 4,557,052 4,557,052 269,685		=	-		-	215,000
OVER EXPENSES FOR         243,209         243,209         45,75           General Fund         -         (412,666)         (412,666)         (17,11           FUND EQUITY           Reserved for Fixed Assets         -         4,557,052         4,557,05	Bond Series 2004		1,230,000		1,230,000	1,635,000
Debt Service Fund         -         (412,666)         (412,666)         (17,17)           FUND EQUITY           Reserved for Fixed Assets         -         4,557,052         573,993         575,36         69,685         269,685	OVER EXPENSES FOR					
FUND EQUITY           Reserved for Fixed Assets         -         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         269,685	General Fund	243,209			243,209	45,759
Reserved for Fixed Assets         -         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         4,557,052         269,685 <td>Debt Service Fund</td> <td>-</td> <td>(412,666)</td> <td></td> <td>(412,666)</td> <td>(17,170)</td>	Debt Service Fund	-	(412,666)		(412,666)	(17,170)
Reserved for Worker's Compensation         269,685         269,685         269,685           Reserved for Debt Service         573,993         573,993         575,30           Reserved for Board Policy Requirements         2,109,405         2,109,405         2,109,405         2,109,405         2,109,405         2,109,405         354,290         354,290         354,290         354,290         354,290         354,290         354,290         354,290         354,290         2,002,000         2,002,000         2,002,000         354,290						
Reserved for Debt Service         573,993         573,993         575,36           Reserved for Board Policy Requirements         2,109,405         2,109,405         2,109,405         2,109,405         2,109,405         2,109,405         354,290         354,290         354,290         354,290         354,290         354,290         354,290         2,002,000         2,002,000         2,002,000         2,002,000         2,000,000         2,000,000         2,000,000         2,000,000         2,000,000         2,000,000         2,000,000         2,000,000         2,000,000         2,000,000         2,000,000         378,37 <td></td> <td>-</td> <td></td> <td>4,557,052</td> <td>, ,</td> <td>4,557,052</td>		-		4,557,052	, ,	4,557,052
Reserved for Board Policy Requirements       2,109,405       2,109,405       2,109,405         Reserved for Equipment Reserve       354,290       354,290       354,290         Reserved for Current Year Budgeted Reserve       12,332       12,332       -         Reserved for Inventory Reserve       32,973       32,973       32,973         Reserved for Operations and Programs       2,000,000       2,000,000       2,000,000         Unrestricted and Undesignated       144,390       378,37	•	269,685				269,685
Reserved for Equipment Reserve       354,290       354,290       354,290         Reserved for Current Year Budgeted Reserve       12,332       12,332       -         Reserved for Inventory Reserve       32,973       32,973       32,973         Reserved for Operations and Programs       2,000,000       2,000,000       2,000,000         Unrestricted and Undesignated       144,390       378,37		0.400.405	573,993		,	,
Reserved for Current Year Budgeted Reserve         12,332         -           Reserved for Inventory Reserve         32,973         32,973           Reserved for Operations and Programs         2,000,000         2,000,000           Unrestricted and Undesignated         144,390         144,390         378,37		, ,				
Reserved for Inventory Reserve         32,973         32,973         32,973         32,973           Reserved for Operations and Programs         2,000,000         2,000,000         2,000,000         2,000,000           Unrestricted and Undesignated         144,390         144,390         378,37		,			,	354,290
Reserved for Operations and Programs         2,000,000         2,000,000         2,000,000           Unrestricted and Undesignated         144,390         144,390         378,33	<u> </u>	,			,	32 072
Unrestricted and Undesignated         144,390         144,390         378,37						2,000,000
	·					378,374
TOTAL LIABILITIES/FUND BALANCE 8,123,039 1.881.584 4.557.052 14.561.675 14.102.63	TOTAL LIABILITIES/FUND BALANCE	8,123,039	1,881,584	4,557,052	14,561,675	14,102,677

# TRI-COUNTY SERVICES Revenue and Expense Summary For the Month Ended October 2010 and YTD as of October 2010

INCOME:	MONTH OF October 2010	YTD October 2010
Local Revenue Sources	140,337	484,065
Earned Income	876,370	1,732,417
General Revenue-Contract	941,376	1,912,382
TOTAL INCOME	1,958,082	4,128,864
EXPENSES:		
Salaries	981,467	1,975,559
Employee Benefits	202,415	406,806
Medication Expense	22,421	55,370
Travel-Board/Staff	29,153	61,633
Building Rent/Maintenance	17,982	23,917
Consultants/Contracts	384,372	756,787
Other Operating Expenses	192,833	359,400
TOTAL EXPENSES	1,830,642	3,639,472
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	127,440	489,392
CAPITAL EXPENDITURES		
Capital Outlay-FF&E, Automobiles, Building	1,366	239,923
Capital Outlay-Debt Service Bonds	44,819	77,109
TOTAL CAPITAL EXPENDITURES	46,184	317,032
GRAND TOTAL EXPENDITURES	1,876,826	3,956,503
Excess (Deficiency) of Revenues and Expenses	81,256	172,361

# TRI-COUNTY SERVICES Revenue and Expense Summary Compared to Budgeted Year to Date as of October 2010

INCOME:	YTD October 2010	APPROVED BUDGET	Increase (Decrease)
Local Revenue Sources	484,065	441,957	42,108
Earned Income	1,732,417	1,730,631	1,786
General Revenue-Contract	1,912,382	2,045,331	(132,949)
TOTAL INCOME	4,128,864	4,217,919	(89,055)
EXPENSES:			
Salaries	1,975,559	2,014,695	(39,136)
Employee Benefits	406,806	430,481	(23,675)
Medication Expense	55,370	139,262	(83,892)
Travel-Board/Staff	61,633	69,896	(8,263)
Building Rent/Maintenance	23,917	36,650	(12,733)
Consultants/Contracts	756,787	798,509	(41,722)
Other Operating Expenses TOTAL EXPENSES	359,400 <b>3,639,472</b>	393,116 <b>3,882,609</b>	(33,716)
TOTAL LAT ENGLO	5,055,412	3,002,003	(243,137)
Excess(Deficiency) of Revenues over	400.000	205.040	454,000
Expenses before Capital Expenditures	489,392	335,310	154,082
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	239,923	260,704	(20,781)
Capital Outlay-Debt Service Bonds	77,109	76,336	773
TOTAL CAPITAL EXPENDITURES	317,032	337,040	(20,008)
GRAND TOTAL EXPENDITURES	3,956,503	4,219,649	(263,146)
Evenes (Deficiency) of Povenues and Evenues	172,361	(4.720)	174 004
Excess (Deficiency) of Revenues and Expenses	172,361	(1,730)	174,091
Debt Service and Fixed Asset Fund:			
Bond Payments Receipts Bond Payments Disbursements	77,109	76,336 -	773 -
Interest Income Excess(Deficiency) of revenues over Expenses	77,109	76,336	773

# TRI-COUNTY SERVICES Revenue and Expense Summary Compared to Budget For the Month Ended October 2010

INCOME:	MONTH OF October 2010	APPROVED BUDGET	Increase (Decrease)
Local Revenue Sources	140,337	101,561	38,776
Earned Income	876,370	865,315	11,055
General Revenue-Contract	941,376	997,665	(56,289)
TOTAL INCOME	1,958,082	1,964,541	(6,459)
EXPENSES:			
Salaries	981,467	991,848	(10,381)
Employee Benefits	202,415	215,493	(13,078)
Medication Expense	22,421	69,631	(47,210)
Travel-Board/Staff	29,153	34,949	(5,796)
Building Rent/Maintenance	17,982	18,325	(343)
Consultants/Contracts	384,372	393,754	(9,382)
Other Operating Expenses	192,833	194,500	(1,667)
TOTAL EXPENSES	1,830,642	1,918,500	(87,858)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures  CAPITAL EXPENDITURES	127,440	46,041	81,399
Capital Outlay-FF&E, Automobiles	1,366	10,934	(9,568)
Capital Outlay-Debt Service Bonds	44,819	38,169	6,650
TOTAL CAPITAL EXPENDITURES	46,184	49,103	(2,919)
GRAND TOTAL EXPENDITURES	1,876,826	1,967,603	(90,777)
Excess (Deficiency) of Revenues and Expenses	81,256	(3,062)	84,318
Debt Service and Fixed Asset Fund: Bond Payments Receipts Bond Payments Disbursements Interest Income Excess(Deficiency) of revenues over Expenses	44,819 	38,169 - - - - 38,169	6,650 - <b>6,650</b>
Excess(Deficiency) of revenues over Expenses	44,819	38,169	6,650

# TRI-COUNTY SERVICES Revenue and Expense Summary With October 2009 Comparative Data Year to Date as of October 2010

Local Revenue Sources	INCOME:	YTD October 2010	YTD October 2009	Increase (Decrease)
Earned Income	Local Revenue Sources	484.065	283.134	200.931
Seneral Revenue-Contract		•		•
EXPENSES:   Salaries   1,975,559   1,846,120   129,439     Employee Benefits   406,806   368,927   37,879     Medication Expense   55,370   139,028   (83,658)     Travel-Board/Staff   61,633   63,377   (1,744)     Building Rent/Maintenance   23,917   43,625   (19,708)     Building Rent/Maintenance   23,917   43,625   (19,708)     Consultant/Contracts   766,787   72,1619   35,168     Other Operating Expenses   359,400   357,716   1,684     TOTAL EXPENSES   3,639,472   3,540,412   99,059     Excess(Deficiency) of Revenues over     Excess(Deficiency) of Revenues over     Excess(Deficiency) of Revenues over     Expenses before Capital Expenditures   239,923   8,217   231,706     Capital Outlay-FF&E, Automobiles   239,923   8,217   231,706     Capital Outlay-FF&E, Automobiles   239,923   8,217   231,706     Capital Outlay-FF&E, Automobiles   317,032   96,300   216,732     GRAND TOTAL EXPENDITURES   317,032   96,300   216,732     GRAND TOTAL EXPENDITURES   3,956,503   3,638,712   317,791     Debt Service and Fixed Asset Fund:     Bond Payments Receipts   77,109   90,083   (12,974)     Bond Payments Receipts   77,109   90,083   (12,974)     Bond Payments Disbursements   - 1,000   - 1,000     Total Capital Expenditures   - 1,000   - 1,000     Total Capital Expenditures   - 1,000   - 1,000     Debt Service and Fixed Asset Fund:   - 1,000   - 1,000     Bond Payments Disbursements   - 1,000   - 1,000     Total Capital Expenditures   - 1,000     Total Capital				,
Salaries         1,975,559         1,846,120         129,439           Employee Benefits         406,806         368,927         37,879           Medication Expense         55,370         139,028         (83,658)           Travel-Board/Staff         61,633         63,377         (1,744)           Building Rent/Maintenance         23,917         43,625         (19,708)           Consultants/Contracts         756,787         721,619         35,168           Other Operating Expenses         359,400         357,716         1,684           TOTAL EXPENSES         3,639,472         3,540,412         99,059           Excess(Deficiency) of Revenues over         239,923         8,217         231,706           Capital Outlay-FF&E, Automobiles         239,923         8,217         231,706           Capital Outlay-FF&E, Automobiles         77,109         90,083         (12,974)           TOTAL CAPITAL EXPENDITURES         317,032         98,300         218,732           GRAND TOTAL EXPENDITURES         3,956,503         3,638,712         317,791           Excess (Deficiency) of Revenues and Expenses         172,361         185,721         (13,360)           Debt Service and Fixed Asset Fund:         80,000         10,000         10,000	TOTAL INCOME			304,431
Employee Benefits         406,806         368,927         37,879           Medication Expense         55,370         139,028         (83,658)           Travel-Board/Staff         61,633         63,377         (1,744)           Building Rent/Maintenance         23,917         43,625         (19,708)           Consultants/Contracts         756,787         721,619         35,168           Other Operating Expenses         359,400         357,716         1,684           TOTAL EXPENSES         3,639,472         3,540,412         99,059           Excess(Deficiency) of Revenues over         Excess(Deficiency) of Revenues over         284,021         205,372           CAPITAL EXPENDITURES         239,923         8,217         231,706           Capital Outlay-FF&E, Automobiles         77,109         90,083         (12,974)           TOTAL CAPITAL EXPENDITURES         317,032         98,300         218,732           GRAND TOTAL EXPENDITURES         3,956,503         3,638,712         317,791           Excess (Deficiency) of Revenues and Expenses         172,361         185,721         (13,360)           Debt Service and Fixed Asset Fund:         8         17,109         90,083         (12,974)           Bond Payments Receipts         77,109	EXPENSES:			
Medication Expense         55,370         139,028         (83,658)           Travel-Board/Staff         61,633         63,377         (1,744)           Building Rent/Maintenance         23,917         43,625         (19,708)           Consultants/Contracts         756,787         721,619         35,168           Other Operating Expenses         359,400         357,716         1,684           TOTAL EXPENSES         3,639,472         3,540,412         99,059           Excess(Deficiency) of Revenues over         Excess(Deficiency)         284,021         205,372           CAPITAL EXPENDITURES         239,923         8,217         231,706           Capital Outlay-FF&E, Automobiles         239,923         8,217         231,706           Capital Outlay-FF&E, Automobiles         77,109         90,083         (12,974)           TOTAL CAPITAL EXPENDITURES         317,032         98,300         218,732           GRAND TOTAL EXPENDITURES         3,956,503         3,638,712         317,791           Excess (Deficiency) of Revenues and Expenses         172,361         185,721         (13,360)           Debt Service and Fixed Asset Fund:         8         17,109         90,083         (12,974)           Bond Payments Roceipts         77,109 <td< td=""><td>Salaries</td><td>1,975,559</td><td>1,846,120</td><td>129,439</td></td<>	Salaries	1,975,559	1,846,120	129,439
Travel-Board/Staff	Employee Benefits	406,806	368,927	37,879
Building Rent/Maintenance   23,917   43,625   (19,708)	Medication Expense	55,370	139,028	(83,658)
Consultants/Contracts         756,787         721,619         35,168           Other Operating Expenses         359,400         357,716         1,684           TOTAL EXPENSES         3,639,472         3,540,412         99,059           Excess(Deficiency) of Revenues over Expenses before Capital Expenditures         489,392         284,021         205,372           CAPITAL EXPENDITURES         239,923         8,217         231,706           Capital Outlay-FF&E, Automobiles         77,109         90,083         (12,974)           TOTAL CAPITAL EXPENDITURES         317,032         98,300         218,732           GRAND TOTAL EXPENDITURES         3,956,503         3,638,712         317,791           Excess (Deficiency) of Revenues and Expenses         172,361         185,721         (13,360)           Debt Service and Fixed Asset Fund:         800,000         90,083         (12,974)           Bond Payments Receipts         77,109         90,083         (12,974)           Bond Payments Disbursements interest income         -         -		61,633	63,377	(1,744)
Other Operating Expenses         359,400         357,716         1,684           TOTAL EXPENSES         3,639,472         3,540,412         99,059           Excess(Deficiency) of Revenues over Expenses before Capital Expenditures         -         -           CAPITAL EXPENDITURES         239,923         8,217         231,706           Capital Outlay-FF&E, Automobiles         239,923         8,217         231,706           Capital Outlay-Debt Service Bonds         77,109         90,083         (12,974)           TOTAL CAPITAL EXPENDITURES         317,032         98,300         218,732           GRAND TOTAL EXPENDITURES         3,956,503         3,638,712         317,791           Excess (Deficiency) of Revenues and Expenses         172,361         185,721         (13,360)           Debt Service and Fixed Asset Fund:         77,109         90,083         (12,974)           Bond Payments Receipts         77,109         90,083         (12,974)           Bond Payments Disbursements interest Income         -         -	Building Rent/Maintenance	23,917	43,625	(19,708)
Excess(Deficiency) of Revenues over   Expenses before Capital Expenditures   489,392   284,021   205,372	Consultants/Contracts	756,787	721,619	35,168
Excess (Deficiency) of Revenues over   Expenses before Capital Expenditures   489,392   284,021   205,372	Other Operating Expenses	359,400	357,716	1,684
Expenses before Capital Expenditures         489,392         284,021         205,372           CAPITAL EXPENDITURES	TOTAL EXPENSES	3,639,472	3,540,412	99,059
TOTAL CAPITAL EXPENDITURES         317,032         98,300         218,732           GRAND TOTAL EXPENDITURES         3,956,503         3,638,712         317,791           Excess (Deficiency) of Revenues and Expenses         172,361         185,721         (13,360)           Debt Service and Fixed Asset Fund:         8000         90,083         (12,974)           Bond Payments Receipts Payments Disbursements Interest Income         90,083         (12,974)	Expenses before Capital Expenditures  CAPITAL EXPENDITURES			
GRAND TOTAL EXPENDITURES  3,956,503  3,638,712  317,791  Excess (Deficiency) of Revenues and Expenses  172,361  185,721  (13,360)  Debt Service and Fixed Asset Fund:  Bond Payments Receipts 77,109 90,083 (12,974) Bond Payments Disbursements Interest Income  -		77,109	90,083	(12,974)
Excess (Deficiency) of Revenues and Expenses  172,361  185,721  (13,360)  Debt Service and Fixed Asset Fund:  Bond Payments Receipts Formula 185,721  77,109  90,083  (12,974)  Bond Payments Disbursements Interest Income	TOTAL CAPITAL EXPENDITURES	317,032	98,300	218,732
Debt Service and Fixed Asset Fund:  Bond Payments Receipts 77,109 90,083 (12,974)  Bond Payments Disbursements -  Interest Income -	GRAND TOTAL EXPENDITURES	3,956,503	3,638,712	317,791
Bond Payments Receipts 77,109 90,083 (12,974) Bond Payments Disbursements - Interest Income -	Excess (Deficiency) of Revenues and Expenses	172,361	185,721	(13,360)
Bond Payments Receipts 77,109 90,083 (12,974) Bond Payments Disbursements - Interest Income -	Dobt Sarvice and Fixed Acces Funds			
Excess(Deficiency) of revenues over Expenses	Bond Payments Receipts Bond Payments Disbursements Interest Income	<u> </u>	90,083	(12,974) - -
	Excess(Deficiency) of revenues over Expenses	77,109	90,083	(12,974)

# TRI-COUNTY SERVICES Revenue and Expense Summary With October 2009 Comparative Data For the Month October 2010

INCOME:	MONTH OF October 2010	MONTH OF October 2009	Increase (Decrease)
Local Revenue Sources	140,337	168,479	(28,142)
Earned Income	876,370	793,306	83,064
General Revenue-Contract	941,376	875,869	65,507
TOTAL INCOME	1,958,082	1,837,654	120,428
EXPENSES:			
Salaries	981,467	918,724	62,742
Employee Benefits	202,415	184,600	17,814
Medication Expense	22,421	43,087	(20,667)
Travel-Board/Staff	29,153	33,464	(4,312)
Building Rent/Maintenance	17,982	31,277	(13,295)
Consultants/Contracts	384,372	370,495	13,877
Other Operating Expenses	192,833	166,315	26,518
TOTAL EXPENSES	1,830,642	1,747,964	82,678
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	127,440	89,690	37,750
Zaponese solo e Capital Zaponatares	.2.,	00,000	0.,.00
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	1,366	4,487	(3,121)
Capital Outlay-Debt Service Bonds	44,819	45,041	(223)
TOTAL CAPITAL EXPENDITURES	46,184	49,529	(3,344)
GRAND TOTAL EXPENDITURES	1,876,826	1,797,492	79,334
Excess (Deficiency) of Revenues and Expenses	81,256	40,162	41,094
Debt Service and Fixed Asset Fund:			
Bond Payments Receipts	44,819	45,041	(223)
Bond Payments Disbursements			-
Interest Income			-
Excess(Deficiency) of revenues over Expenses	44,819	45,041	(223)

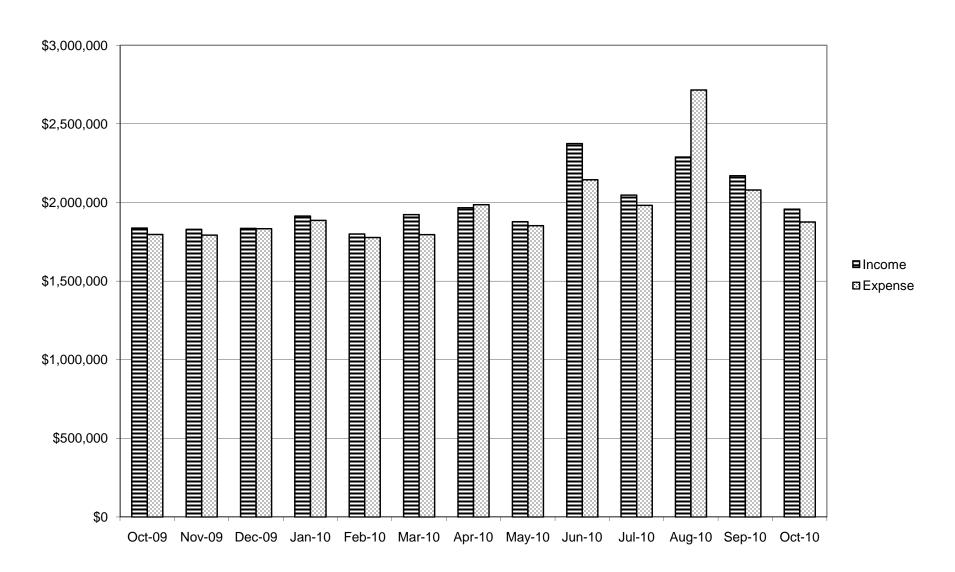
# TRI-COUNTY SERVICES Revenue and Expense Summary With September 2010 Comparative Data As of October 2010

INCOME:	MONTH OF October 2010	MONTH OF September 2010	Increase (Decrease)	
Local Revenue Sources	140,337	343,728	(203,392)	
Earned Income	876,370	856,047	20,322	
General Revenue-Contract	941,376	971,006	(29,631)	
TOTAL INCOME	1,958,082	2,170,782	(212,700)	
EXPENSES:				
Salaries	981,467	994,092	(12,625)	
Employee Benefits	202,415	204,391	(1,977)	
Medication Expense	22,421	32,949	(10,528)	
Travel-Board/Staff	29,153	32,481	(3,328)	
Building Rent/Maintenance	17,982	5,935	12,046	
Consultants/Contracts	384,372	372,415	11,957	
Other Operating Expenses	192,833	166,519	26,314	
TOTAL EXPENSES	1,830,642	1,808,782	21,860	
CAPITAL EXPENDITURES Capital Outlay-FF&E, Automobiles Capital Outlay-Debt Service Bonds TOTAL CAPITAL EXPENDITURES	1,366 44,819	238,605 32,290	(234,559) (237,239) 12,529	
	46,184	270,895	(224,710)	
GRAND TOTAL EXPENDITURES	1,876,826	2,079,677	(202,851)	
Excess (Deficiency) of Revenues and Expenses	81,256	91,105	(9,849)	
Debt Service and Fixed Asset Fund: Bond Payments Receipts Bond Payments Disbursements Interest Income	44,819	32,290	12,529	
Excess(Deficiency) of revenues over Expenses	44,819	32,290	12,529	

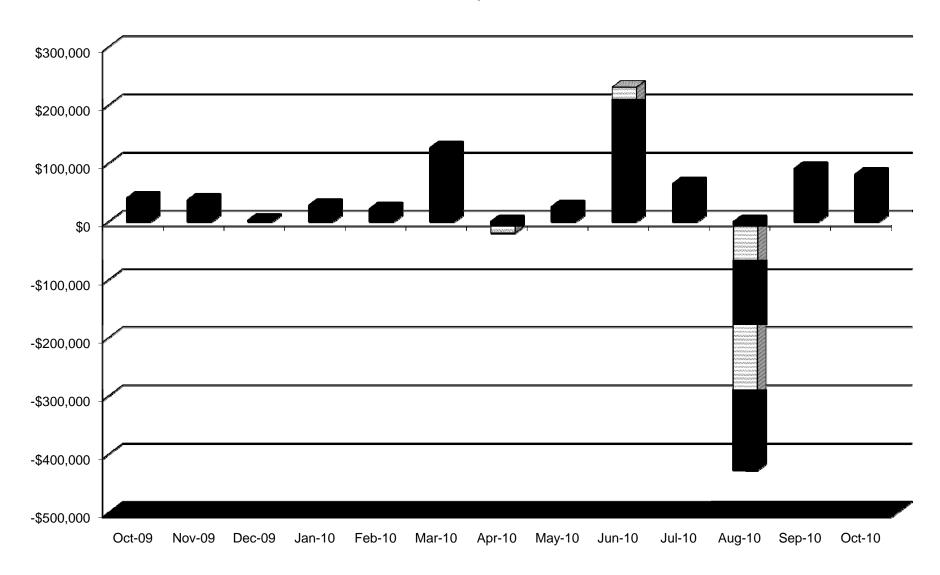
# TRI-COUNTY SERVICES Revenue and Expense Summary by Service Type Compared to Budget As of YTD Ended October 31, 2010

INCOME:	YTD Mental Health October 2010	YTD IDD October 2010	YTD Other Services October 2010	YTD Agency Total October 2010	YTD Approved Budget October 2010	Increase (Decrease)
Local Revenue Sources	467,448	(11,753)	28,369	484,064	441,957	42,107
Earned Income	529,776	1,000,365	202,276	1,732,417	1,730,631	1,786
General Revenue-Contract	1,606,422	305,960	· -	1,912,383	2,045,331	(132,948)
TOTAL INCOME	2,603,646	1,294,573	230,645	4,128,864	4,217,919	(89,055)
EXPENSES:						
Salaries	1,447,809	393.696	134,055	1,975,559	2,014,695	(39,136)
Employee Benefits	287,436	92,787	26,584	406,807	430,481	(23,674)
Medication Expense	53,664	- · ·	1,705	55,369	139,262	(83,893)
Travel-Board/Staff	38,628	15,105	7,900	61,633	69,896	(8,263)
Building Rent/Maintenance	19,315	4,602	-	23,917	36,650	(12,733)
Consultants/Contracts	130,988	612,701	13,099	756,787	798,509	(41,722)
Other Operating Expenses	215,642	98,673	45,086	359,400	393,116	(33,716)
TOTAL EXPENSES	2,193,480	1,217,563	228,429	3,639,472	3,882,609	(243,137)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	410,166	77,009	2,217	489,391	335,310	154,081
CAPITAL EXPENDITURES						
Capital Outlay-FF&E, Automobiles	239,491	432	-	239,923	260,704	(20,781)
Capital Outlay-Debt Service Bonds	52,592	19,289	5,228	77,109	76,336	773
TOTAL CAPITAL EXPENDITURES	292,083	19,721	5,228	317,032	337,040	(20,008)
GRAND TOTAL EXPENDITURES	2,485,563	1,237,284	233,657	3,956,504	4,219,649	(263,145)
Excess (Deficiency) of Revenues and Expenses	118,083	57,288	(3,011)	172,360	(1,730)	174,089
Debt Service and Fixed Asset Fund: Bond Payments Receipts	52,592	19,289	5,228	77,109	76,336	(23,744)
Bond Payments Disbursements Interest Income			- - -	-	- - -	(25,744)
Excess(Deficiency) of revenues over Expenses	52,592	19,289	5,228	77,109	76,336	(23,744)

## TRI-COUNTY SERVICES Income and Expense



## TRI-COUNTY SERVICES Income after Expenses



Agenda Item: Reappoint Independence Communities,

Inc. Board of Directors

December 9, 2010

**Board Meeting Date** 

Committee: Business

#### **Background Information:**

Mr. Leonard Peck, Jr., Ms. Barbara Duren and Mr. Len George are serving Independence Communities, Inc. (ICI) Board terms which expire in January of 2011. Mr. Peck serves as ICI Board President and Ms. Duren serves as Vice-President. Ms. Duren has served on the Board since 2002; Mr. Peck and Mr. George have both served since 2003. All three have been contacted and are willing to serve an additional two year term, which would expire in January of 2013.

#### **Supporting Documentation:**

None

#### **Recommended Action:**

Reappoint Mr. Leonard Peck, Ms. Barbara Duren and Mr. Len George to Serve an Additional Two Year Term on the Independence Communities, Inc. Board of Directors

Agenda Item: Reappoint Montgomery Supported Housing,

Inc. Board of Directors

**Board Meeting Date** 

December 9, 2010

**Committee:** Business

#### Background Information:

Mr. Len George and Mr. William (Bill) Bonito are serving Montgomery Supported Housing, Inc. Board terms which expire in January of 2011. Both have been contacted and are willing to serve an additional two year term, which would expire in January of 2013.

#### Supporting Documentation:

None

#### **Recommended Action:**

Reappoint Mr. Len George and Mr. William (Bill) Bonito to Serve an Additional Two Year Term on the Montgomery Supported Housing, Inc. Board of Directors

Agenda Item: Approve Creation of New Reserve Fund

Category

**Board Meeting Date** 

December 9, 2010

Committee: Business

## Background Information:

Per the current Board Policy the Board of Trustees can designate money to the following reserve funds:

- A. Board Policy Requirements;
- B. Reserve for Operations and Programs;
- C. Reserve for Current Year Budgeted Reserve;
- D. Reserve for Debt Service a designated fund equal to the current fiscal year's debt service; and
- E. Equipment Replacement Reserve a designated fund equal to 20% of the approximate replacement cost of capital equipment plus 1% of the cost of owned facilities and their improvements.

Staff recommends an additional reserve fund be created. This reserve fund would be called Reserve for Debt Retirement. This fund would be a designated fund equal to the total amount of long term debt owed by the center less the amount in Reserve for Debt Service which is the current fiscal year's debt service obligation.

## **Supporting Documentation:**

Draft Board Policy on Retention of Fund Balance E.24 Showing Revisions

Final Revised Board Policy on Retention of Fund Balance E.24

#### **Recommended Action:**

**Approve Creation of New Reserve Fund Category and Revision to Board Policy** 

## **DRAFT**

# TRI-COUNTY MENTAL HEALTH MENTAL RETARDATION SERVICES

STATEMENT OF POLICY	
	William E. Hall, Jr., Chairman Cecil McKnight
	Date

Original Date: February 26, 1992
Revision Date: March 22, 2007
December 9, 2010

Subject: Board Policy on Retention of Fund Balance

It is the policy of the Board of Trustees of Tri-County Mental Health Mental Retardation Services that the Center establish adequate reserve funds as a prudent business practice. The expectation is that the Center has a goal of a minimum of 120 days in designated reserves for operations. These funds are for major business changes, sufficient funds to handle fiscal emergencies such as short term cash flow problems, unanticipated reductions or loss of funding, or unanticipated losses and/or deterioration of physical assets.

The Board of Trustees can designate money to the following reserve funds:

- A. Board Policy Requirements
- B. Reserve for Operations and Programs
- C. Reserve for Current Year Budgeted Reserve

Further, the Board of Trustees will also designate money in the following funds:

- A. Reserve for Debt Service a designated fund equal to the current fiscal year's debt service; and
- B. Equipment Replacement Reserve a designated fund equal to 20% of the approximate replacement cost of capital equipment plus 1% of the cost of owned facilities and their improvements.
- C. Reserve for Debt Retirement a designated fund equal to the total amount of long term debt owed by the center less the amount in Reserve for Debt Service as stated above.

The five six designated funds may periodically be adjusted by Board Resolution when necessary and/or when excess funds are available in a fiscal year.

The five six designated funds shall be semi-permanent in nature, and that monies so designated shall be invested in U.S. Government backed securities (at least one year maturities). In order to meet the Texas Department of Aging and Disability Services (DADS) and the Texas Department of State Health Services (DSHS) matching funds requirements, interest earned on the investment of designated funds shall continue to be recognized as local revenues rather than compounding as designated fund.

#### **FINAL**

## TRI-COUNTY SERVICES

STATEMENT OF PO	OLICY	
		Cecil McKnight, Chairman
		Date
Original Date:	February 26, 1992	
<b>Revision Date:</b>	March 22, 2007	
	December 9, 2010	

Subject: Board Policy on Retention of Fund Balance

It is the policy of the Board of Trustees of Tri-County Services that the Center establish adequate reserve funds as a prudent business practice. The expectation is that the Center has a goal of a minimum of 120 days in designated reserves for operations. These funds are for major business changes, sufficient funds to handle fiscal emergencies such as short term cash flow problems, unanticipated reductions or loss of funding, or unanticipated losses and/or deterioration of physical assets.

The Board of Trustees can designate money to the following reserve funds:

- A. Board Policy Requirements
- B. Reserve for Operations and Programs
- C. Reserve for Current Year Budgeted Reserve

Further, the Board of Trustees will also designate money in the following funds:

- A. Reserve for Debt Service a designated fund equal to the current fiscal year's debt service; and
- B. Equipment Replacement Reserve a designated fund equal to 20% of the approximate replacement cost of capital equipment plus 1% of the cost of owned facilities and their improvements.
- C. Reserve for Debt Retirement a designated fund equal to the total amount of long term debt owed by the Center less the amount in Reserve for Debt Service as stated above.

The six designated funds may periodically be adjusted by Board Resolution when necessary and/or when excess funds are available in a fiscal year.

The six designated funds shall be semi-permanent in nature, and that monies so designated shall be invested in U.S. Government backed securities (at least one year maturities). In order to meet the Texas Department of Aging and Disability Services (DADS) and the Texas Department of State Health Services (DSHS) matching funds requirements, interest earned on the investment of designated funds shall continue to be recognized as local revenues rather than compounding as designated fund.

Agenda Item: October 2010 Board of Trustees' Unit	Board Meeting Date					
Financial Statement	December 0, 2010					
Committee: Business	December 9, 2010					
Background Information:						
Duong, out it in our in a tion.						
None						
Supporting Documentation:						
October 2010 Board of Trustees' Unit Financial Statement						
Recommended Action:						

## Unit Financial Statement FY 2011

Revenues	0	ctober 10 Actuals	_	ctober 10 Budgeted	v	/ariance	YTD Actual	YTD Budget	,	Variance	Percent	Budget
80103998 Allocated Revenue	\$	3,109.00	\$	3,109.00	\$	-	\$ 6,218.00	\$ 6,218.00	\$	-	0.00%	\$ 37,300.00
Total Revenue	\$	3,109.00	\$	3,109.00	\$	-	\$ 6,218.00	\$ 6,218.00	\$	-	0.00%	\$ 37,300.00
Expenses												
80105275 Food Items	\$	327.27	\$	209.00	\$	118.27	\$ 337.27	\$ 418.00	\$	(80.73)	80.69%	\$ 2,500.00
80105320 Insurance-Worker Compensation	\$	14.83	\$	34.00	\$	(19.17)	\$ 31.78	\$ 68.00	\$	(36.22)	46.74%	\$ 400.00
80105388 Legal Fees	\$	1,500.00	\$	1,500.00	\$	-	\$ 3,000.00	\$ 3,000.00	\$	-	100.00%	\$ 18,000.00
80105415 Miscellaneous Expense	\$	-	\$	-	\$	-	\$ -	\$ -	\$	-	0.00%	\$ -
80105605 Postage-Express Mail	\$	-	\$	-	\$	-	\$ -	\$ -	\$	-	0.00%	\$ -
80105715 Supplies - Office	\$	-	\$	25.00	\$	(25.00)	\$ 1.00	\$ 50.00	\$	(49.00)	2.00%	\$ 300.00
80105750 Training	\$	-	\$	375.00	\$	(375.00)	\$ -	\$ 750.00	\$	(750.00)	0.00%	\$ 4,500.00
80105755 Travel - Local	\$	293.94	\$	100.00	\$	193.94	\$ 293.94	\$ 200.00	\$	93.94	0.00%	\$ 1,200.00
80105757 Travel - Non-local Mileage/Air	\$	-	\$	334.00	\$	(334.00)	\$ -	\$ 668.00	\$	(668.00)	0.00%	\$ 4,000.00
80105758 Travel - Non-local Hotel	\$	-	\$	459.00	\$	(459.00)	\$ -	\$ 918.00	\$	(918.00)	0.00%	\$ 5,500.00
80105759 Travel - Meals	\$	-	\$	75.00	\$	(75.00)	\$ -	\$ 150.00	\$	(150.00)	0.00%	\$ 900.00
Total Expenses	\$	2,136.04	\$	3,111.00	\$	(974.96)	\$ 3,663.99	\$ 6,222.00	\$	(2,558.01)	58.89%	\$ 37,300.00
Total Revenue minus Expenses	\$	972.96	\$	(2.00)	\$	974.96	\$ 2,554.01	\$ (4.00)	\$	2,558.01	-58.89%	\$ -

Agenda Item: Montgomery Supported Housing, Inc. (MSHI)

Update

**Board Meeting Date** 

December 9, 2010

Committee: Business

## **Background Information:**

The construction on Independence Place continues to progress rapidly. The site was originally scheduled to be completed in August 2011. This timeline has officially been moved to May 1, 2011 and if construction continues with the current pace the date may be moved to April 1.

The project team continues to meet at least monthly to review the project status and discuss any outlying issues. The MSHI Board will need to interview potential management agents for the apartments and choose interior colors within the next month or so.

As always, if you have any questions about Independence Place, please contact Evan Roberson.

## **Supporting Documentation:**

Pictures from Construction in Progress

**Recommended Action:** 

For Information Only









## **UPCOMING MEETINGS**

## Merry Christmas and Happy New Year!!

## JANUARY 27, 2011 - Board Meeting

- Approve Minutes from December 9, 2010 Board Meeting
- → 1<sup>st</sup> Quarter FY 2011 Corporate Compliance and 2<sup>nd</sup> Quarter FY 2011 Corporate Compliance Training Report
- Community Resources Report for November & December 2010
- Consumer Services Report for November & December 2010
- Program Updates for December 2010 & January 2011
- Program Presentation Veterans' Services
- > 1st Quarter FY 2011 Goals & Objectives Progress Report
- Personnel Report for November & December 2010
- > Approve FY 2010 Independent Financial Audit
- Approve November 2010 Financials
- Approve December 2010 Financials
- > 1<sup>st</sup> Quarter FY 2011 Investment Report
- ➤ November & December 2010 Board of Trustees' Unit Financials
- > Montgomery Supported Housing, Inc. Update
- Other Business Committee Issues

## FEBRUARY 24, 2011 - Board Meeting

- > Approve Minutes from January 27, 2011 Board Meeting
- Community Resources Report for January 2011
- Consumer Services Report for January 2011
- Program Updates for February 2011
- Program Presentation From the Heart
- Personnel Report for January 2011
- Texas Council Quarterly Board Meeting Update
- Approve January 2011 Financials
- 401(a) Account Review
- January 2011 Board of Trustees' Unit Financials
- Montgomery Supported Housing, Inc. Update
- Other Business Committee Issues

# **Executive Director's Report December 9, 2010**

## **INFORMATION**

- Next regularly scheduled Board meeting is January 27<sup>th</sup>; as a reminder, the Board will review the FY 2010 independent audit at that meeting.
- The Center will be closed December 24 and 27<sup>th</sup> in observance of the Christmas holidays and December 31<sup>st</sup> in observance of New Year's holiday. Crisis and residential services will, of course, be operational.
- The next quarterly Texas Council and Executive Directors meetings are January 20-22<sup>nd</sup> in Austin.
- The annual Christmas party was a great success and everyone appeared to enjoy the evening. We had more than 150 in attendance.

## **OPERATIONS**

Department of Aging and Disability Services (DADS) — Someone at DADS mistakenly reduced Centers 2<sup>nd</sup> quarter payment from 30% of the annual allocation to 10%. DADS quickly corrected the problem and processed the paperwork for the remaining funds; we have received the balance due.

We have been notified that the review of our local authority Home and Community Based Services (HCS) service coordination will be January 25-26<sup>th</sup>. Local authorities assumed responsibility for the provision of service coordination to all HCS consumers throughout the state on June 1 $^{\rm st}$  so this will be our first external review of these services. Trish Janek has done an outstanding job managing these services and we do not expect any significant findings.

HCS enrollments for those receiving the "slots" released by DADS on September  $1^{\rm st}$  continue and consumers and families are selecting their providers. DADS has advised providers that they will not release the remaining "slots" for this fiscal year due to the budget shortfall for FY 2011.

 <u>Department of State Health Services (DSHS)</u> – At our FY 2010 Rider 65 program review conference call, DSHS advised us that the Center met its targets and average service hours. We served 201 individuals in the Intensive and Ongoing and 205 in Transitional Services. DSHS has still not provided the FY 2011 Performance Contract amendment addressing programmatic changes. They have sent a series of memoranda providing instructions but not the contract amendment.

Tri-County staff met with Liberty County officials, including Cleveland ER staff, Liberty ER staff, Liberty Police Captain and Cleveland Police Assistant Chief to discuss medical clearance for persons experiencing a psychiatric crisis and the crisis services available through Tri-County. It was a very productive meeting. Another meeting will be scheduled with Walker County officials as soon as possible.

We were notified by DSHS that the final recoupment for FY 2010 Children's Waiting list funding is \$5,848. As a reminder, we were unable to use all these funds because we did not have enough children on the waiting list to bring into services.

Good News – we were notified by DSHS that we would be receiving \$166,032 related to Medicaid reimbursement changes that occurred in FY 2010.

The Crisis Stabilization Unit construction continues on schedule and the DSHS 80% license inspection will be December 17<sup>th</sup>; the 100% inspection will be in January. The architect expects that contractor will turn the building over to us about February 1<sup>st</sup>. The operating license application will be submitted this week assuming that the Patient Transfer Policy is approved by the Board today. Staff are planning the closure of the crisis residential unit and move to the CSU, including moving all the furniture, fixtures and equipment and also preparing how the needs of individuals will be met during the transition.

• <u>East Texas Behavioral Healthcare Network (ETBHN)</u> – Last week, ETBHN sponsored and Tri-County hosted the "Respect Institute", led by nationally recognized speaker and trainer, Joel Slack. The Institute is designed to provide consumers with the skills and coaching necessary to transform their mental illness, treatment, and recovery experiences into educational and inspirational presentations. At the graduation, three (3) consumers shared their stories and they were truly stories of hope and inspiration.

ETBHN staff and member centers are beginning an extensive examination of opportunities for further collaboration and consolidation of services and activities that will allow all centers to be more efficient and effective. The pharmacy has been a tremendous success and is estimated to have saved centers \$15 million based upon average retail cost.

 <u>From the Heart</u> – Our annual campaign is very busy and gifts are lining the hallways. Anadarko gifts arrived yesterday in two (2) eighteen wheelers -- their generosity is overwhelming. At their annual family Christmas party, employees bring children's gifts and Tri-County consumers are the beneficiaries of these gifts as well; they will arrive on Monday. We are blessed with several corporate partners, individual donors and adopters and the individuals that we serve and their families will have brighter holidays as a result of our communities' generosity. Additionally, some of proceeds from the annual Burnham Golf Tournament were used to shop for consumers in South Liberty County.

The Conroe, Huntsville, Dayton and Woodlands Chili's restaurants are donating 10% of their December Monday and Tuesday food sales proceeds to Tri-County for From the Heart. You must use the attached flyer in order for us to receive the funds so share with your friends, colleagues and family and dine at Chili's.

Additionally, the Conroe Panda Express restaurant is donating 20% of their December 17<sup>th</sup> food sales proceeds to Tri-County. You must use a flyer there as well and once we receive it, we will send it to you electronically.

- 82<sup>nd</sup> Legislative Session The 82<sup>nd</sup> Legislative Session begins January 11<sup>th</sup> and ends May 30<sup>th</sup>. This will be a very challenging session for our elected officials. The actual budget shortfall will not be known until the State Comptroller certifies the funds available and that usually occurs early in the session. Some people are estimating that it may not be as high as earlier predicted because sales tax revenues have been increasing for a few months and the September and October receipts grew by 6%. Additionally, the Legislators must tackle redistricting and this is never a simple task; hopefully it will not be as contentious as the 2000 one. Many are predicting that the work will not be completed in the regular session and that there may be one or more special sessions needed this summer to complete all the work of the State.
- We were notified this week that DADS will implement a 2% HCS and ICF rate reduction effective February 1, 2011. We will revise budgets for these programs accordingly and send contract amendments to all providers for these programs in the coming weeks. Additionally, we received a communication from the Texas Council advising us that DSHS has not publicly released what budget reductions they proposed to State Leadership so we are unsure what to expect for mental health and substance abuse services.
- The Texas Council Risk Management Fund held its annual and quarterly meeting in Austin in November and a summary of the meeting is attached, including the announcement that Mary Lou Flynn-DuPart was elected President again.



## Board Update November 2010

The Board of Trustees and Advisory Committee held a regular Board meeting on November 12. Following are some highlights of the meeting.

- The Fund's annual meeting was conducted in conjunction with the November 12 Board meeting. Trustee elections were finalized at that time. The following trustees were reelected by member centers for three-year terms: Mary Lou Flynn-DuPart, The Gulf Coast Center; Judge Dorothy Morgan, MHMR Authority of Brazos Valley; and Jackie Walker, MHMR Services for the Concho Valley.
- ➤ The Board elected officers for the coming year: Chair, Mary Lou Flynn-DuPart, The Gulf Coast Center; Vice-Chair, Harvey Morton, Lubbock Regional MHMR Center; Secretary, Gus Harris, Spindletop MHMR Services.
- The Board's Executive Committee appointed Mr. Harry Griffin to fill a vacant position on the Fund's Board of Trustees. Mr. Griffin is a member of The Center for Health Care Services Board of Trustees and currently serves as Chairman of the Board's Finance Committee. He fills the position previously held by Saul Pullman.
- ➤ The Board approved the renewal of a consulting agreement with attorney Pam Beach for legal advisory services on behalf of Fund members.
- ➤ The Board received an almost final draft of the 2009-2010 financial audit report prepared by Holtzman Partners, LLP, the Fund's independent financial auditor. The auditors provided an unqualified opinion as to the Fund's financial position.
- ➤ The Board and Advisory Committee received an actuarial report that indicates total Fund surplus to be \$19.4 million as of August 31, 2010. This reflects an overall reduction in surplus of \$159,000 compared to August 31, 2009.
- The Fund's Budget and Finance Committee held a training session with the Fund's investment advisor, Patterson & Associates, on the afternoon before the Board meeting to review recent investment performance and current market conditions. Committee Chair Harvey Morton reported that this was a productive session and suggested that investment training be included on the Board's next training session agenda in February. The Board may also consider changes to the Fund's Investment and Cash Management Policy at the next meeting.
- ➤ It was announced that the Fund has been recognized by the Association of Governmental Risk Pools (AGRiP) for compliance with the Association's advisory standards for pool operations. AGRiP recognition is granted for a three-

year period. The Fund was initially recognized in 2007, and has recently completed a detailed application process to achieve recognition for another three years

The next Board of Trustees meeting will be held on February 11, 2011 in Austin. This meeting will be preceded by a Board training session on February 10.

# CHILI'S® CORDIALLY INVITES YOU TO TRI-COUNTY SERVICES

# Chili's proudly supports Tri-County Services!

With each flyer presented on Tri-County
Services Night, Chili's will donate 10% of the
sales you bring in to your organization. Let us
do the cooking and support your local
Tri-County Services at the same time!

Tri-County Services Night is:
Every Monday & Tuesday, for the month of
December 2010
from
11 am to 11 pm

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Chili's Conroe, Huntsville, Dayton & Chili's in The Woodlands

936-494-2535 or 281-362-9191

Please help Chili's support our local Tri-County Services in supporting individuals with mental illness and developmental disabilities!

Pepper in Some Fun!



Give Back Night flyer required with each check to receive credit for the sale. Sale cannot be included in donation amount without flyer. Offer only valid on the date and location stated above. Donations will not be given on sales made prior to or past this date.

# CHIEF FINANCIAL OFFICER'S REPORT December 9, 2010

**FY 2010 Audit** – We are getting near the end of the Independent Auditors field work that is being completed by David N. Miller, LLP. As of this time we have not been notified of any findings or recommendations. We hope to keep that going through to the end of the audit.

Cost Accounting Methodology (CAM) Report – We are continuing the process for the CAM report for the FY 2010 fiscal period. DSHS/DADS require each Center to prepare a CAM Report for the full 12 months of each fiscal year. The due date for the final report is February 28, 2011. This due date allows us to reflect the final audit numbers in the cost report. Our CAM team will be reviewing the cost data and comparing it to prior years, as well as with state cost averages. The report also includes input and review from program managers at various times to verify the accuracy of the services.

**Mid-Year Budget Revision** — We have started work on our first budget revision for fiscal year 2011. This revision will be mainly to adjust for any changes in trends that we have seen in the first three months of this fiscal year. Hopefully we will have this ready by the February Board meeting as the January Board meeting is usually a full agenda.

**Surplus Sale** – We are still in the process of coordinating our excess property that has been stored in the Bryant Road warehouses. This process has taken longer than anticipated. We had hoped to have the surplus sale in November but since that didn't happen we will delay it until February. We have been researching alternate ways of disposing of items that have a disposal cost associated with getting rid of these items and hope to have various solutions that we can implement in the future instead of waiting until our storage space is full before we dispose of these items.

**Worker's Compensation Audit** – As reported at the last Board meeting we had a Worker's Compensation audit the last week of September. The auditor was on site reviewing the payroll data and also contractor files. We anticipate hearing something any day regarding the outcome of this audit.

**1995 Series E Bond Payoff (Update)** - We have had correspondence with The Bank of New York regarding the bond reserve fund with Lehman Brothers. A document has been drawn up for the release of this reserve fund and we are waiting for all of the required signatures to complete the agreement.