Tri-County Behavioral Healthcare Board of Trustees Meeting

July 23, 2026

Tri-County Behavioral Healthcare

Healthy Minds. Meaningful Lives.

Notice is hereby given that a regular meeting of the Board of Trustees of Tri-County Behavioral Healthcare will be held on Thursday, July 23, 2026. 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 233 Sgt. Ed Holcomb Blvd. S., Conroe, Texas. The public is invited to attend and offer comments to the Board of Trustees between 10:00 a.m. and 10:05 a.m. In compliance with the Americans with Disabilities Act, Tri-County Behavioral Healthcare will provide for reasonable accommodations for persons attending the Board Meeting. To better serve you, a request should be received with 48 hours prior to the meeting. Please contact Tri-County Behavioral Healthcare at 936-521-6119.

AGENDA

I. **Organizational Items**
   - A. Chair Calls Meeting to Order
   - B. Public Comment
   - C. Quorum
   - D. Review & Act on Requests for Excused Absence

II. **Approve Minutes - May 28, 2026**

III. **Program Presentation - Essay Contest Winners**

IV. **Program Presentations - Longevity Recognition Presentations**

V. **Executive Director's Report - Evan Roberson**
   - A. Legislative Updates
   - B. Texas Council Risk Management Fund Board Opening
   - C. Ward vs. Muth
   - D. Improvement Measures

VI. **Chief Financial Officer's Report - Millie McDuffey**
   - A. FY 2026 Audit Update
   - B. FY 2027 Budget
   - C. Accounting Department Staffing
   - D. CFO Consortium Update

Cont.

VII. Program Committee

Information Items

VIII. Executive Committee

Action Items

Information Items

IX. Business Committee

Action Items

Information Items

X. Executive Session in Compliance with Texas Government Code Section 551.071 - Consultation with Attorney; and Section 551/072 - Real Property; 402 Liberty Street, Cleveland, TX 77327.

Posted By:
Ava Green - Executive Assistant

BOARD OF TRUSTEES MEETING
May 28, 2026

Board Members Present:
Gail Page
Richard Duren
Tim Cannon
Sharon Walker
Morris Johnson
Carl Williamson

Board Members Absent:
Patti Atkins
Tracy Sorensen
Jacob Paschal

Tri-County Staff Present:
Evan Roberson, Executive Director
Millie McDuffey, Chief Financial Officer
Sara Bradfield, Chief Operating Officer
Pradan Nathan, Medical Director
Kathy Foster, Director of IDD Provider Services
Yolanda Gude, Director of IDD Authority Services
Andrea Scott, Director of Medical Operations
Stephanie Ward, Director of Adult Behavioral Health
Melissa Zemencsik, Director of Child and Youth Behavioral Health
Tanya Bryant, Director of Quality Management and Support
Beth Dalman, Director of Crisis Access
Tabatha Abbott, Manager of Accounting
Ashley Bare, HR Manager
Ava Green, Executive Assistant

Legal Counsel Present: Jennifer Bryant, Jackson Walker LLP

Sheriff Representatives Present: Chief Deputy Joe Sclider

Guest(s): Mike Duncum, WhiteStone Realty Consulting & Judi Hunter, Retired PNAC Member

Call to Order: Board Vice-Chair, Gail Page, called the meeting to order at 10:03 a.m., 233 Sgt. Ed Holcomb Blvd. S., Conroe, TX 77304.

Public Comment: None

Quorum: There being six (6) Board Members present, a quorum was established.

Resolution #05-28-01 **Motion Made By:** Morris Johnson
Seconded By: Tim Cannon, with affirmative votes by Sharon Walker, Richard Duren and Carl Williamson that it be…

Resolved: That the Board approve the absence of Patti Atkins, Tracy Sorensen and Jacob Paschal.

Resolution #05-28-02 **Motion Made By:** Morris Johnson
Seconded By: Joe Sclider, with affirmative votes by Sharon Walker, Richard Duren, Carl Williamson and Tim Cannon that it be…

Resolved: That the Board approve the minutes of the April 23, 2026 meeting of the Board of Trustees.

Program Presentation: Longevity Presentations

Board Training: None at this meeting.

Executive Director's Report:
The Executive Director's report is on file.

- OIG Billing Audit Update
- Complex Placements
- Performance Measure Update

Chief Financial Officer's Report:
The Chief Financial Officer's report is on file.

- Update on FY 2024 HCS Cost Report Desk Review
- Status of FY 2025 HCS Cost Reports in STEPS System
- Annual County Funding Requests
- Fixed Asset Inventory
- CFO Consortium

Program Committee:
Resolution #05-28-03 **Motion Made By:** Richard Duren
Seconded By: Morris Johnson, with affirmative votes by Sharon Walker, Tim Cannon and Carl Williamson that it be…

Resolved: That the Board appoint Amy Wood as a New Intellectual and Developmental Disabilities Planning Network Advisory Committee Member to the Remainder of a Two-Year Term which expires August 31, 2027.

The Community Resources Report was reviewed for information purposes only.

The Consumer Services Report for April 2026 was reviewed for information purposes only.

The Program Updates Report was reviewed for information purposes only.

Executive Committee:

Resolution #05-28-04 **Motion Made By:** Tim Cannon
Seconded By: Sharon Walker, with affirmative votes by Joe Sclider, Morris Johnson, Richard Duren and Carl Williamson that it be…

Resolved: That the Board approve Michael R. "Mike" Holley as Ex Officio Veteran Representative for the Tri-County Behavioral Healthcare Board of Trustees.

Resolution #05-28-05 **Motion Made By:** Morris Johnson
Seconded By: Sharon Walker, with affirmative votes by Richard Duren, Tim Cannon and Carl Williamson that it be…

Resolved: That the Board approve revisions to Board Policy C.1, By-Laws.

The Personnel Report through April 2026 was reviewed for information purposes only.

The Texas Council Risk Management Fund Claims Summary as of April 2026 was reviewed for information purposes only.

The Texas Council Quarterly Board Meeting Update was reviewed for information purposes only.

Business Committee:

Resolution #05-28-06 **Motion Made By:** Morris Johnson
Seconded By: Richard Duren, with affirmative votes by Sharon Walker, Tim Cannon and Carl Williamson that it be…

Resolved: That the Board approve the April 2026 Financial Statements.

Resolution #05-28-07 **Motion Made By:** Morris Johnson
Seconded By: Richard Duren, with affirmative votes by Sharon Walker, Tim Cannon and Carl Williamson that it be…

Resolved: That the Board approve the Statement of Work – Audit Government with Single Audit Letter from Eide Bailly, LLP for the FY 2026 Independent Financial Audit.

Resolution #05-28-08 **Motion Made By:** Morris Johnson
Seconded By: Richard Duren, with affirmative votes by Sharon Walker, Tim Cannon and Carl Williamson that it be…

Resolved: That the Board appoint Ms. Colleen Rice to serve on the Montgomery Supported Housing, Inc. Board for a term which will expire January 2028.

The Board Unit Financial for April 2026 was reviewed for information purposes only.

The Consumer Foundation Board Meeting Update was reviewed for information purposes only.

The regular meeting of the Board of Trustees adjourned at 11:35 a.m. to go into Executive Session at 11:37 a.m. in compliance with Texas Government Code Section 551.071 – Consultation with Attorney and Section 551.072 – Real Property consisting of 402 Liberty Street, Cleveland, TX 77327.

The Executive Session of the Board of Trustees adjourned at 11:55 a.m. to go into the regular meeting.

No action was taken.

The regular meeting of the Board of Trustees adjourned at 11:55 a.m.

Adjournment:

_____

Patti Atkins Date
Chair

Attest:

_____

Jacob Paschal Date
Secretary

Agenda Item: Community Resources Report **Committee:** Program	**Board Meeting Date:** July 23, 2026
Background Information: None	
Supporting Documentation: Community Resources Report	
Recommended Action: **For Information Only**	

Community Resources Report
May 29, 2026 – July 23, 2026

Volunteer Hours:

Location	May	June
Conroe	103.5	124.50
Cleveland	5.5	0
Liberty	11.5	1.75
Huntsville	10	0
Total	**130.5**	**126.25**

COMMUNITY ACTIVITIES

5/29/26	Texas Children's Mental Health Action Day	The Woodlands
5/29/26	Walker County Juvenile Services Staffing	Huntsville
6/3/26	Child Crisis Collaborative	Conroe
6/4/26	The Woodlands Chamber Discovery Day	The Woodlands
6/8/26	Montgomery County Local Planning Meeting – Spanish	Conroe
6/8/26	Montgomery County Local Planning Meeting	Conroe
6/9/26	Walker County Local Planning Meeting	Huntsville
6/9/26	American Legion Post 411 Meeting	Conroe
6/10/26	Local Planning Meeting - Virtual	Conroe
6/11/26	Veterans' Health and Resource Fair	Dayton
6/11/26	Liberty County Local Planning Meeting	Liberty
6/11/26	Liberty County Local Planning Meeting	Cleveland
6/11/26	Preventing Mass Attacks: Examining the Impact of Targeted Violence (Lone Star and US Secret Service)	The Woodlands
6/12/26	Montgomery County Women Veteran Day Celebration	Conroe
6/15/26	Adult Mental Health First Aid - Hardin ISD	Liberty
6/16/26	Montgomery County Community Resource Collaboration Group	Conroe
6/17/26	Adult Mental Health First Aid-Lonestar College	Tomball
6/18/26	Behavioral Health Suicide Prevention Task Force Meeting	Conroe
6/18/26	Adult Mental Health First Aid for Community - Virtual	Conroe
6/19/26	Children's Books on Wheels Juneteenth Emancipation Day Event	Conroe
6/23/26	Walker County Community Resource Collaboration Group	Huntsville
6/24/26	Community Crisis Collaborative	Conroe
6/24/26	Child Fatality Review Team	Conroe
6/25/26	Emergency Montgomery County Community Resource Collaboration Group	Conroe
6/26/26	Walker County Juvenile Services Staffing	Huntsville
6/26/26	Behavioral Health Suicide Prevention Task Force Meeting – Military Subgroup	Conroe
6/30/26	Intellectual and Developmental Disabilities Caregiver Support Group	Conroe

7/7/26	Liberty County Community Coalition	Liberty
7/8/26	Central Library Community Partners Meeting	Conroe
7/9/26	Youth Mental Health First Aid -Tri-County Behavioral Healthcare Community Session	Conroe
7/12/26	Veteran Community Resource Fair	Cleveland
7/13/26	Conroe Homeless Coalition	Conroe
7/13/26	Behavioral Health Suicide Prevention Task Force Meeting – Special Needs Workgroup	Conroe
7/13/26	Walker County Budget Hearing	Huntsville
7/21/26	Montgomery County Community Resource Collaboration Group	Conroe
7/22/26	Adult Mental Health First Aid for Community - Virtual	Conroe
7/22/26	Liberty County Community Resource Fair	Liberty
7/23/26	Youth Mental Health First Aid - Liberty ISD	Liberty

UPCOMING ACTIVITIES

7/25/26	Society of Samaritans Kids Back2School Famfest	Magnolia
7/28/26	Intellectual and Developmental Disabilities Caregiver Support Group	Conroe
7/28/26	Walker County Community Resource Collaboration Group & Child Crisis Collaborative	Huntsville
7/28/26	Homeland Security and Texas Department of Public Safety Basic Threat Evaluation and Reporting at Sam Houston State University	Huntsville
7/29/26	Community Crisis Collaborative	Conroe
7/31/26	Youth Mental Health First Aid - Liberty ISD	Liberty
7/31/26	Walker County Juvenile Services Staffing	Huntsville
8/3/26	Pine Burr Meet the Teacher Resource Fair	Cleveland
8/5/26	Child Crisis Collaborative	Conroe
8/8/26	Liberty High School Mental Health & Wellness Fair	Cleveland
8/10/26	Behavioral Health Suicide Prevention Task Force Meeting – Special Needs Workgroup	Conroe
8/14/26	Youth Mental Health First Aid for CASA – Court Appointed Special Advocate	Conroe
8/18/26	Montgomery County Community Resource Collaboration Group	Conroe
8/25/26	Intellectual and Developmental Disabilities Caregiver Support Group	Conroe
8/25/26	Walker County Community Resource Collaboration Group & Child Crisis Collaborative	Huntsville
8/26/26	Community Crisis Collaborative	Conroe
8/28/26	Walker County Juvenile Services Staffing	Huntsville

Agenda Item: Consumer Services Report for May and June 2026 **Committee:** Program	**Board Meeting Date:** July 23, 2026
Background Information: None	
Supporting Documentation: Consumer Services Report for May and June 2026	
Recommended Action: **For Information Only**	

Consumer Services Report - May 2026

Crisis Services, Mental Health Adults/Children Served	Montgomery	Walker	Cleveland	Liberty	Total
Crisis Assessments and Interventions	334	25	14	11	**384**
Youth Crisis Outreach Team (YCOT)	89	9	6	2	**106**
Crisis Stabilization Unit	57	8	1	2	**68**
Crisis Stabilization Unit Bed Days	198	26	1	5	**230**
Adult Contract Hospital Admissions	34	1	3	3	**41**
Child and Youth Contract Hospital Admissions	9	2	0	0	**11**
Total State Hospital Admissions (Civil only)	0	0	0	0	**0**
Crisis Hotline Served	383	51	44		**478**
Routine Services, MH Adults/Children Served					
Adult Levels of Care (LOC 1-5, Early Onset, Transition Age Youth)	1129	215	130	112	**1586**
Adult Medication	826	144	81	73	**1124**
Texas Correctional Office Offenders with Mental and Med Impmnts	99	7	7	15	**128**
Adult Jail Diversions	1	0	1	0	**2**
Child Levels of Care (LOC 1-5, EO, Yng Chld,Yth Empwr Serv)	664	85	88	34	**871**
Child Medication	200	22	19	13	**254**
Multisystemic Therapy (MST)	9	2	1	1	**13**
School Based Clinics	85	33	26	0	**144**
Peer Support					
Child and Youth Family Partner	24	12	1	1	**38**
Adult Peer Support	13	0	0	0	**13**
First Episode Psychosis Peer/Family Partner	8	0	0	0	**8**
Veterans Served					
Veterans Served - Therapy	16	2	0	1	**19**
Veterans Served - Peer Support	9	1	0	1	**11**
Persons Served by Program, Intellec & Developmntl Disabil.					
Number of New Enrollments for IDD	30	3	2	3	**38**
Service Coordination	893	91	41	46	**1071**
Individualized Skills and Socialization (ISS)	7	17	4	15	**43**

Persons Enrolled in Programs, IDD					
Center Waiver Services (Hm Cmnty Bsd Ser, Supervised Living)	31	19	4	13	**67**
Substance Use Services, Adults and Youth Served					
Youth Substance Use Disorder Treatment	19	0	0	0	**19**
Adult Substance Use Disorder Treatment	21	1	1	0	**23**
Waiting/Interest Lists as of Month End					
HCS/TxHmL Interest List (Active-Choice in Suprts for Ind Living)	2412	175	357		**2944**
April Served					
Adult Mental Health	1509	262	186	117	**2074**
Child Mental Health	935	125	120	45	**1225**
Intellectual and Developmental Disabilities	1058	114	69	61	**1302**
Total Served	**3502**	**501**	**375**	**223**	**4601**
May Served					
Adult Mental Health	1484	236	155	125	**2000**
Child Mental Health	862	120	113	37	**1132**
Intellectual and Developmental Disabilities	1049	108	64	61	**1282**
Total Served	**3395**	**464**	**332**	**223**	**4414**

Consumer Services Report - June 2026

Crisis Services, Mental Health Adults/Children Served	Montgomery	Walker	Cleveland	Liberty	Total
Crisis Assessments and Interventions	291	24	18	13	**346**
Youth Crisis Outreach Team (YCOT)	67	7	3	3	**80**
Crisis Stabilization Unit	52	5	5	3	**65**
Crisis Stabilization Unit Bed Days	207	21	21	14	**263**
Adult Contract Hospital Admissions	17	1	5	1	**24**
Child and Youth Contract Hospital Admissions	8	1	2	0	**11**
Total State Hospital Admissions (Civil only)	0	0	0	0	**0**
Crisis Hotline Served	398	36	36		**470**
Routine Services, MH Adults/Children Served					
Adult Levels of Care (LOC 1-5, Early Onset, Transition Age Youth)	1212	242	138	109	**1701**
Adult Medication	884	174	75	65	**1198**
Texas Correctional Office Offenders with Mental and Med Impmnts	100	7	7	16	**130**
Adult Jail Diversions	7	1	1	0	**9**
Child Levels of Care (LOC 1-5, EO, Yng Chld,Yth Empwr Serv)	596	79	72	29	**776**
Child Medication	178	12	12	11	**213**
Multisystemic Therapy (MST)	8	1	1	1	**11**
School Based Clinics	75	26	23	0	**124**
Peer Support					
Child and Youth Family Partner	20	13	2	2	**37**
Adult Peer Support	17	0	0	0	**17**
First Episode Psychosis Peer/Family Partner	6	0	0	0	**6**
Veterans Served					
Veterans Served - Therapy	16	3	0	2	**21**
Veterans Served - Peer Support	11	1	0	2	**14**
Persons Served by Program, Intellec & Developmntl Disabil.					
Number of New Enrollments for IDD	20	1	7	4	**32**
Service Coordination	849	86	46	44	**1025**
Individualized Skills and Socialization (ISS)	7	17	3	14	**41**

Persons Enrolled in Programs, IDD					
Center Waiver Services (Hm Cmnty Bsd Ser, Supervised Living)	31	19	4	13	**67**
Substance Use Services, Adults and Youth Served					
Youth Substance Use Disorder Treatment	16	0	0	0	**16**
Adult Substance Use Disorder Treatment	31	1	1	0	**33**
Waiting/Interest Lists as of Month End					
HCS/TxHmL Interest List (Active-Choice in Suprts for Ind Living)	2433	173	362		**2968**
May Served					
Adult Mental Health	1484	236	155	125	**2000**
Child Mental Health	862	120	113	37	**1132**
Intellectual and Developmental Disabilities	1049	108	64	61	**1282**
Total Served	**3395**	**464**	**332**	**223**	**4414**
June Served					
Adult Mental Health	1582	264	170	126	**2142**
Child Mental Health	753	107	96	33	**989**
Intellectual and Developmental Disabilities	1029	105	67	62	**1263**
Total Served	**3364**	**476**	**333**	**221**	**4394**

Agenda Item: Program Updates **Committee:** Program	**Board Meeting Date:** July 23, 2026
Background Information: None	
Supporting Documentation: Program Updates	
Recommended Action: **For Information Only**	

Program Updates
May 29, 2026 – July 23, 2026

Crisis Services

1. Since the opening in May of 2011, the Psychiatric Emergency Treatment Center (PETC) has diverted thousands of individuals from local emergency departments and the three county jails in our service area. In February of 2025, significant changes were implemented on a county level that prevented individuals detained by law enforcement or by order from a judge or magistrate from being transported to the PETC for a crisis assessment. Without the availability of the PETC, all involuntary individuals are now transported to an emergency department for crisis assessment and intervention completed by either a hospital's contracted provider or by Tri-County's Mobile Crisis Outreach Team (MCOT) program. Some individuals may be assessed in the field by Tri-County Crisis Intervention Response Team (CIRT) or Youth Crisis Outreach Team (YCOT) staff, the number is smaller than it once was. In May and June of 2024, 46.2% of all crisis assessments and interventions were completed in medical hospitals and emergency departments, and **44.9%** completed at the PETC. During the same two-month time period of 2025, this changed to 50.5% in hospitals and emergency departments and **36.7%** at the PETC. For May and June of 2026, Tri-County provided 52.4% of these services at the hospitals and emergency departments but only **25.9%** at the PETC. While the PETC was quite successful in diverting individuals from the Emergency Departments for many years, we now see the trend rapidly shifting in the opposite direction.
2. Crisis Access Services and Mobile Crisis Outreach Teams have experienced a 33% workforce reduction since May of 2024 adding to the increased difficulties in service delivery experienced by our 24-hour crisis teams. These workforce reductions were the result of the elimination of funding provided through SAMHSA grants and later, ARPA funds.
3. In our YCOT program, we experienced vacancies with two positions on our Stabilization team and created three new positions housed out of the Cleveland facility. One of the Cleveland-based positions has been filled while interviews for the remaining four YCOT positions continue.
4. PETC Crisis has experienced several vacancies resulting in an increased amount of overtime hours for existing full-time staff and supervisors. We have hired and are training two full-time Mobile Crisis Outreach Team (MCOT) staff to fill current MCOT vacancies and plan for these two staff to begin providing services by the beginning of August.
5. The YCOT Coordinator and Director of Crisis Access attended the second YCOT Summit in Austin on May 13th – 14th to promote the ongoing development of the 16 YCOT programs across the state of Texas

Mental Health Adult Services

1. The Conroe Administrator resigned after almost four years in the position. This leaves a large role to fill on the Adult Behavioral Health services. Candidates are currently

being interviewed and due to the importance of this role the selection will be made very carefully.
2. Health and Human Services Commission (HHSC) recently partnered with the University of Texas, to create a Texas-Specific Onboarding training for fidelity to the First Episode Psychosis (FEP) model of care.
3. The First Episode Psychosis team is working collaboratively with a FEP team in Nevada to connect a client who is returning home with her family, ensuring continuity of care.
4. The Conroe Intake team has completed 1,210 intake assessments so far this fiscal year.
5. A Projects for Assistance in Transition from Homelessness (PATH) client moved into an apartment through assistance from the Salvation Army rapid rehousing program, will start working soon, has been benefiting from counseling services through Compassion United, received a bike from PATH, and is engaging in all outpatient services. Community partner collaboration at work!
6. In Cleveland we have observed a trend of a steady increase of adults coming into services through walk in in Cleveland. The Rural Clinic Coordinators in Liberty and Cleveland are working diligently to engage local community partners to raise awareness which may be contributing to this increase in request for services.
7. With the increase in temperature in the late summer months, programs are working to circumvent individuals going to the ERs for needs like water, food, and relief from the heat. Case managers are being diligent about assessing for heat-related needs and either linking individuals to resources or directly providing supplies.

Mental Health Child and Youth Services

1. Child and Youth Mental Health services is now exceeding the HHSC Child Improvement measure. The team has worked diligently to accurately capture the progress youth served are making, and through these consistent efforts, we have steadily improved this measure week after week.
2. We are making progress in hiring new Child and Youth Mental Health Specialists to ensure we are fully staffed when school resumes in August. We are also currently restructuring our caseloads in Cleveland and Conroe to ensure all kids receive appropriate services even during times of high turnover.
3. The Child and Youth Team has implemented numerous changes this summer. Some of these changes are focused on aligning with Certified Community Behavioral Health Clinic (CCBHC) requirements, while others are designed to improve client care, strengthen staff supervision, and enhance performance in meeting established quality measures.
4. We are still looking for a Wraparound Case Manager to provide wraparound services to clients in our most intensive levels of care. Our Administrator of C&Y Huntsville and Intensive Services, has been providing direct care in the interim.

Criminal Justice Services

1. The Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI) Manager was invited to participate in a presentation with TCOOMMI at the Plane State Jail in Dayton, TX as part of the Rise and Shine series to provide resources to women discharging from state jail.
2. The TCOOMMI program is anticipating an on-site review by HHSC, scheduled for August 10th-12th.

3. The Outpatient Competency Restoration (OCR) program continues to serve three individuals at this time. Two have been opined restored to competency and one opined as unrestored. The program continues to work with the local judicial system to advocate for individuals to enter this program rather than an inpatient level of care.

Substance Use Disorder Services

1. The program census has remained stable through the summer months for both youth and adults, supported by consistent walk-ins and referrals from Probation, demonstrating a consistent community need for outpatient Substance Use Disorder services.
2. Substance use trends remain relatively consistent, with a slight increase in youth using alcohol. Significant gaps in detox and inpatient level of care resources locally continue to affect stabilization and continuity of care.
3. Six youth successfully completed the program even after completion of Probation requirements, reflecting meaningful program impact and internal motivation in the participants.

Intellectual and Developmental Disability Services (IDD)

1. IDD Provider group homes are continue to search for two House Managers at this time.
2. IDD Provider services had the opportunity to test new software that Health and Human Services Commission (HHSC) is implementing on July 31st for Critical Information Management System. Based on staff experience thus far, this appears to be a positive change.
3. IDD Provider services is actively recruiting to fill a vacant direct care position in Cleveland which is impacting their ability to provide services to individuals who are waiting on care.
4. In May, the Texas Health and Human Services Commission (HHSC) implemented the manual pre-authorization process for Pre-Admission Screening and Resident Review (PASRR) IDD Habilitative Specialized Services (IHSS). As part of this implementation, LIDDAs had to begin submitting Form 1013, the PASRR Baseline Plan of Care-General Revenue for every individual who is PASRR IDD-positive and currently receiving services. All Plans of Care must be submitted by July 31, 2026. PASRR clients reside in Nursing Facilities.
5. In June, the Local Intellectual and Developmental Disability Authority (LIDDA) successfully submitted records related to the 2026 Home and Community Based Services, Quality Measuring Set (HCBS-QMS) records request comprised of randomly selected participants in the Home and Community-based Services (HCS) and Texas Home Living (TxHmL) programs. LIDDAs were required to upload all requested forms for each selected person in the random sample, including any revised versions, that were completed during the period of August 1, 2024, through December 31, 2025.
6. In July, LIDDAs received notification that Form 8647, Service Coordination Assessment and instructions were revised. This revision highlights the challenges regarding integration of LIDDA services into the agency's Electronic Health Record (EHR). Below is brief recent history of Form 8647:
    a. February 14, 2024 – IDD Services revised Form 8647, and instructions, to be used effective immediately.

b. March 15, 2024 - Form 8647 revised to add Non-Waiver CFC and to remove the "yes" or "no" question regarding acceptance of service coordination.
c. April 19, 2024 – HHSC notification to disregard an email sent in error stating Form 8647 was ready for use; it was still being updated and HAD NOT been published yet.
d. October 19, 2025 – Form 8647 revised to add House Bill 4 updates regarding determining the frequency of in-person service coordination.

Support Services

1. **Quality Management (QM):**
    a. The Administrator of Quality Management finalized a Program Survey of Continuity of Care, to include but not limited to: Utilization Review (UR), Private Psychiatric Beds (PPBs) and the Residential Treatment Center (RTC) Project.
    b. The Local Intellectual and Developmental Disability Authority (LIDDA) Complaint and Inquiry Pilot reporting has ended. HHSC will assess potential adjustment to submission timelines for consistency and schedule a webinar to begin the process of expanding this reporting to all LIDDAs. HHSC plans to have LIDDAs submitting data again sometime late summer or early fall.
    c. The Rights Protection Officer (RPO) held the annual Human Rights Committee Meeting on June 30,2026 where rights restrictions and procedures were reviewed to ensure due process and up-to-date processes are in place for the protection of those we serve.
    d. Staff prepared and submitted two record requests to two insurance companies totaling 118 charts, for records dating back to January 1, 2025.
    e. QM held the Continuous Quality Improvement Meeting (CQI) on May 19, 2026 to report progress on goals for FY26.
    f. In addition to routine and ongoing quality assurance of documentation, staff reviewed 16 progress notes prior to billing to ensure compliance. Additional training and follow-up were provided to staff and supervisors as needed.

2. **Utilization Management (UM):**
    a. Staff reviewed 10% of all discharges for the months of May and June and provided feedback to staff and supervisors as needed for quality improvement.
    b. Staff reviewed all progress notes that utilized the Co-Occurring Psychiatric and Substance Use Disorders (COPSD) Modifier for May and June and offered feedback to program staff as needed.
    c. Staff reviewed 10% of progress notes that utilized the MCOT Modifier in May and June to support continuous quality improvement.
    d. Staff continue to monitor performance measures and provide detailed reports to appropriate supervisors as needed for quality improvement. As of the time of this report, both the Adult and Child 'At Risk' Improvement Measures have met the target performance for FY 26.
    e. The Administrator of Utilization Management has continued to quality assure data in preparation to report the next round of Certified Community Behavioral Health Clinic quality measures, due by the end of September 2026.
    f. UM staff reviewed Claims Oversight Reports (CORE) for FY 26 quarter three (Q3) to monitor appropriate use of services.

g. UM staff reviewed the most recent Level of Care (LOC) Override Reports in the May and July MH QM Committee meetings for quality improvement.

3. **Training:**
    a. Staff have continued coordination and planning efforts with Sam Houston State University (SHSU) to support the onboarding and integration of incoming residents.
    b. Recruitment efforts for the Mental Health First Aid (MHFA) Coordinator position are actively progressing. Applications have been received and are currently under review to identify qualified candidates who can support the expansion and sustainability of MHFA training initiatives.
    c. The Clinical Trainer successfully completed Adult Mental Health First Aid Instructor training in May. This certification enhances the Center's capacity to meet current community training demands.
    d. The Clinical Trainer participated in the Certified Community Behavioral Health Clinic (CCBHC) Trauma-Informed Care (TIC) Committee's review process to evaluate and strengthen TIC training resources. These efforts support the consistent implementation of trauma-informed practices and development across the Center.
    e. The Clinical Trainer and Training Coordinator have joined the Conroe Crisis Response Team, expanding their role in crisis intervention efforts. Their participation supports collaborative response initiatives and enhances access to behavioral health expertise during crisis situations.

4. **Veteran Services and Veterans Counseling/Crisis:**
    a. The Military Veteran Peer Network program helped a veteran successfully graduate the Veterans Treatment Court program and has taken steps to become a peer mentor for the program. The first-hand knowledge of the program and their experience will help the mentees navigate the program successfully.

5. **Planning and Network Advisory Committee(s) (MH and IDD PNACs):**
    a. The IDD PNAC met on June 26, 2026 where they received Center updates including information on financials, performance measures and key program information. The Committee currently has nine members which includes the newest member Dr. Amy Wood.
    b. The MH PNAC met on July 8, 2026 where they reviewed preliminary Local Planning and Needs Assessment Survey Results and provided feedback for consideration of upcoming revisions to the Consolidated Local Plan, Provider Network Development Plan, Quality Management Plan and Center Needs Assessment.

Agenda Item: Year to Date FY 2026 Goals and Objectives Progress Report **Committee:** Program	**Board Meeting Date** July 23, 2026

Background Information:

The Management Team met on September 12, 2025 to update the five-year strategic plan and to develop the goals for FY 2026. The strategic plan and related goals were approved by the Board of Trustees at the September 2025 Board meeting. Subsequently, the Management Team developed objectives for each of the goals.

These goals are in addition to the contractual requirements of the Center's contracts with the Health and Human Services Commission or other contractors.

This report shows progress year to date for Fiscal Year 2026.

Supporting Documentation:

FY 2026 Year to Date Goals and Objectives Progress Report

Recommended Action:

For Information Only

Year-to-Date Progress Report

September 1, 2025 – July 23, 2026

Goal #1 – Administrative Enhancements

Objective 1: Identify children and youth who are eligible for Medicaid (income-tested) and assist at least 25% of these families with applying for Medicaid benefits.

- The team has completed training for all Child and Youth caseworkers to support families who may qualify for Medicaid in submitting applications. We are using an Information Technology (IT)-developed report that efficiently identifies clients who are likely Medicaid-eligible based on reported income and family size. Caseworkers are now providing regular updates on their outreach and assistance efforts, with the goal of achieving the 25% application-assistance target by August 31, 2026.
- The team is currently analyzing the raw data from our rural service areas to calculate the final results of these efforts. Based on the data reviewed to date, we are confident that we will achieve the overall goal of assisting at least 25% of clients identified as likely Medicaid-eligible with submitting Medicaid applications. One strong indicator of our progress is the performance of our Conroe Service Center. The data collected for clients served through this location shows that we assisted 41.4% of clients identified as likely Medicaid-eligible in applying for Medicaid. Final results will be available in August.

Goal #2 – Clinical Excellence

Objective 1: Implement a pilot program, operating under Health and Human Services (HHSC) approved guidelines, to test the effectiveness of telehealth and telephone service delivery, both in terms of services provided and client feedback, by February 28, 2026, with a report on the effectiveness of the pilot due to the Board of Trustees by the July Board of Trustees meeting.

- The team selected the client population, services, and staff to pilot this program. Relevant metrics and data were identified to track and measure the success of the program. The team has created satisfaction surveys for clients and staff to provide at the end of the program in order to get direct feedback from those that

participated. The team finalized documents such as consent forms and training documents. The team created a desk procedure, and to trained the identified staff and begin providing the service modality.

- The pilot program officially ended on June 19th and the team has reviewed the data, outcomes, and feedback from both clients and staff who participated. A cumulative final report will be provided with recommendations on how to move forward with providing an optional telehealth modality for certain groups and services at the Board meeting on July 23rd.

Objective 2: Establish a team of Intellectual and Developmental Disability, Quality Management and Information Technology managers to implement existing SmartCare forms and assessments. Further, to make a roadmap for future enhancements of Intellectual and Developmental Disabilities (IDD) electronic records with dates for delivery. Ensure staff have been trained in these new processes and have implemented them by August 31, 2026.

- Following an initial meeting in early December, an expanded interdisciplinary team consisting of administrative, Intellectual and Developmental Disability, Quality Management, and Information Technology staff has been established. The team developed an initial implementation plan and is actively working through four key IDD documents, with the goal of full electronic use of these forms by August 31, 2026.
- To date, all four forms have undergone initial review within the electronic health record. One form, the Service Coordination Assessment, is nearing readiness for final testing prior to implementation, while several other forms are currently in the initial testing phase. The team has also identified interdependencies among the forms, requiring implementation to occur in a specific, sequenced order to ensure successful rollout and staff adoption.

Objective 3: Begin a program to develop mental health peers with the goal of identifying and hiring five peers, family partners or recovery coaches by May 31, 2026.

- The team created a manual to combine all procedures for peer and family partner services across the Center. This team is also identified ways to create a unified Peer/Family Partner culture at the center, and to help the different positions feel more cohesive and supported.

- The Center has successfully hired five new peer providers across multiple programs; First Episode Psychosis, Veterans, Youth Crisis Outreach Team (YCOT), and PATH. As an ongoing project, this team will continue to have ongoing discussions around supporting peers and family partners and writing a combined Center procedure manual.

Objective 4: Evaluate current productivity standards for all clinical programs and make recommendations to the Executive Director regarding these standards and how they are measured by March 31, 2026.

- A workgroup has been formed which is reviewing how departments are currently measuring productivity. Each department is unique in terms of persons served and contract requirements, but the team is looking for ways to make the processes used to manage productivity more uniform and consistent across the Center.
- The Executive Director, along with the Chief Compliance Officer, Chief Financial Officer and Chief Operating Officer have begun a series of focused revenue meetings with Directors over our primary revenue producing areas. The group has reviewed a series of data elements and reports to focus in on management decisions which might lead to greater revenue. Thus far the team has identified new reports which need to be developed to manage staff productivity and have made a series of small adjustments.
- It should be noted that one area of concern is the difficulty of hiring Qualified Mental Health Professionals (QMHPs) in Conroe where we have 10 adult QMHP openings and 12 Child and Youth QMHP openings. Salaries are already stretched, but these salary levels do not appear to be competitive in Montgomery County.
- The team has started exploring opportunities for offering high performing staff cost neutral flexibilities that allow staff autonomy and latitude for independent decision making to promote engagement and retention, as well as encourage positive performance outcomes. Additionally, in an effort to further support staff who are considered to be underperforming, this team is discussing opportunities for increased supervisor connection, including regular coaching, training, and skill building to foster success in the role and grow staff.

Goal #3 – Community Connectedness

Objective 1: Establish an Intellectual and Developmental Disability Parent Support group by April 30, 2026.

- The team met in November with the Founder of the Neurodiversity Workgroup. The purpose was fact-finding based on experience establishing IDD support groups that continue to thrive.
- The parent support group will formally be called the Tri-County Behavioral Healthcare TCBHC IDD PSG – Tri-County Behavioral Healthcare, IDD Parent Support Group (IDD PSG), with the tagline "Parents Helping Parents."
- Team has created a draft form, "IDD Parent Support Group Participant Agreement Guidelines and Waiver," which explains in writing, the vision and core principles of the parent support group.
- Vision of the IDD PSG: to provide a compassionate, confidential, safe space for families of those diagnosed with Intellectual and Developmental Disabilities to connect, share experiences, and find strength, empowering them to navigate challenges and celebrate successes, by building a collaborative network of peer-to-peer support.
- Core Principles of the IDD PSG: confidentiality, respect and empathy, with support through shared experiences, validation, and active listening, in efforts to create a safe, empathetic space where everyone feels heard.
- The team created a flyer with a Quick Response (QR) code and landing page for participant registration for the first meeting, which has been tentatively set for April 28, 2026, from 11am to 1pm at TCBHC's main office location, with subsequent meetings being planned for Liberty, Cleveland, and Huntsville.
- The team decided to use a more inclusive name for the support group and settled on "IDD Caregiver Support Group," or IDD CSG.
- The Inaugural meeting for the IDD CSG was held on April 28, 2026, virtually and in person, and was well attended.
- The IDD CGS meets the last Tuesday of every month, from 11am to 1pm at our main office location in Conroe. Attendees are able to attend in person or virtually. Feedback has been very positive.

Objective 2: Develop a social media campaign that will be implemented no later than March 1, 2026 that will communicate important Center service data, Center success stories and educational items.

- The team started this initiative by reviewing existing data points and metrics to understand social media engagement and reach on current platforms and is in the process of developing key performance indicators that will reflect how changes made as part of this campaign impact these efforts.
- To promote consistency across posts, the team has developed a 'Brand Guide' that will serve as the standard for all social media

posts. This guide includes information on Center voice, purpose, and goals, as well as colors, fonts, styles, and formatting. The guide was further updated to ensure compliance with the Americans with Disabilities Act Web Content Accessibility Guidelines ADA WCAG 2.1 requirements for accessibility, which applies to social media. This manual will also provide guidance for how to respond to posts, including those that may be flagged for inappropriate content or to identify someone who may need immediate assistance.

- To ensure volume of posts to promote a consistent social media presence, the team is in process of completing a content calendar that will guide themes for each month around which posts will be developed and published. Content will focus on providing education, raising awareness, or promoting recruitment and retention of staff.
- Understanding the confidential nature of this work, the team has developed a series of consent forms that will allow individuals served, families, and staff to opt into or out of inclusion in social media posts, including images, testimonials, or other information.
- To guide social media efforts, a campaign document, which includes the Brand Guide, was completed and is available for review. Included in this document are strategies for continued social media presence and growth to positively promote the Center. Additionally, a content calendar has been developed to ensure consistent materials for posting, measurable goals created to ensure connection with community using social media is maintained, and establishment of roles and responsibilities for staff representing the Center through social media.
- As a result of these targeted efforts, the Center has noted an average 65% increase in social media page views across three platforms (Facebook, Instagram, and LinkedIn) and a 48% increase in engagement across two platforms (Facebook and LinkedIn) in the past year.

Objective 3: Foster community partnerships that enhance services for the individuals we support and strengthen the long-term sustainability of programs, as demonstrated through formal written collaboration agreements.

- The team has identified a comprehensive list of providers across the service area and has compiled contact information for each of these partners that allowed for introductory communication regarding the completion of formal written collaborative agreements.
- Agreement templates have been reviewed and modified to ensure language is consistent with all contract, grant, and certification

requirements for each agreement type as well as having language updated to ensure agreements are accessible for various industry providers.

- The team further reviewed existing agreements, identifying those with evergreen clauses needing follow-up to ensure that agreements continue to be correct, applicable, and signed by the appropriate authorizing party for the partner.
- Procedures are in development to guide this process moving forward to ensure partnerships and formal agreements are routinely reviewed and updated as well as having a process for the development of new collaborative relationships identified through the establishment of these agreements.
- Collaborative agreements with multiple provider types have been signed and returned and we are looking forward to continuing this progress over the coming months.

Goal #4 – Fiscal Responsibility

Objective 1: Staff will apply for at least four new or renewal of grants in FY 2026 with a focus on grants for services to fill complex care needs.

- In Fiscal Year 2026, the Center applied for three grant opportunities, the first two from Texas Veterans Commission (TVC), which were renewal grants to continue existing Veterans' services and the second a grant from Texas Health and Human Services Commission to extend the existing Projects for Assistance in Transition from Homelessness (PATH) program for an additional five years.
- The TVC grants were submitted in December with a proposal to support the continuation of a licensed clinician position to provide therapy to veterans and families. The second TVC renewal grant proposed the continuation of a Veteran Peer that has permitted the expansion of services in Montgomery and Liberty counties and the advent of service provision in Walker County. Awards would have provided funding available through August 31, 2027 with opportunity to extend funding for an additional one year, if program goals were met.
    - In May, the team was notified that the TVC grant renewal proposals were not selected for funding.
- In December, a grant application was submitted to support ongoing Projects for Assistance in Transition from Homelessness (PATH) program. The grant, which is a federal grant passed through the State, will allow continued funding for an additional five years for the existing PATH program, which supports the homeless population in connecting to needed mental health and substance

use treatment. If awarded, funding would be active starting September 2026.
    - The team has been notified that the PATH grant proposal was selected for funding, which will begin in September 2026 and will end August, 2027.
- In June, SAMHSA released several grant opportunities, including a CCBHC Improvement and Advancement (IA) grant. This grant is considered extremely competitive, but would allow $1 million each year, for up to 4 years, for expansion of CCBHC initiatives. At this time, the team has engaged a consultant to assist with writing the grant in addition to developing a proposed program design and budget. This application will be due in August and if awarded, would fund beginning in November 2026.
- Monitoring continues to identify additional federal, state, and private grant opportunities.

Objective 2: Make necessary adjustments to ensure that the Center has a least a 1% positive bottom line to be reported at the August 2026 Board meeting.

- The Management Team continues to review trends of both expenses and revenue at the Center with the goal of identifying efficiencies. While the Center has reduced many positions and cut expenses in multiple categories; thus far, the Center is tracking very close to last year's performance so additional improvement is needed to meet this goal.

Goal #5 – Professional Development

Objective 1: Implement an employee evaluation system by January 1, 2026 with the expectation that all staff who have been with the Center more than six months have received an evaluation by November 30, 2026. If 95% of eligible employees receiving an evaluation, an additional incentive holiday will be awarded to staff to be taken during the 2026 holiday season.

- The workgroup has completed development of a standardized employee performance evaluation form and the internal tracking process that will be used to monitor completion. The evaluation establishes consistent expectations across all positions while still allowing supervisors flexibility to provide meaningful feedback. It focuses on core competencies, employee accomplishments, areas for growth, and professional development planning.
- Supervisor training was held in April to review the evaluation process and expectations prior to rollout. Completion rates will be

monitored throughout the coming months to ensure completion by November 30, 2026.

Objective 2: Create a centralized management training program by March 1, 2026 that establishes consistent hiring practices and supports staff development, including performance evaluation and productivity management.

- As a part of this goal, we have determined that we will need to hire a new staff to manage the manager training program. This position has been created and it has been determined that this position would be a part of the Human Resources department.
- The management training, qualitatively different from leadership development, will be used to teach consistent managerial practices to all supervisors with a special emphasis on new or newer managers.
- This Objective has been delayed until we can get the financial status of the agency in order. In the interim, the Human Resources Department will provide some training to managers as a part of the staff evaluation training. It should be noted that revenue meetings indicate that the need for this training is high.

Agenda Item: 3rd Quarter FY 2026 Corporate Compliance and Quality Management Report **Committee:** Program	**Board Meeting Date** July 23, 2026

Background Information:

The Health and Human Service Commission's Local Mental Health Authority Grant Program includes a requirement that the Quality Management Department provide routine reports to the Board of Trustees about Quality Management Program activities.

Although Quality Management Program activities have been included in the program updates, it was determined that it might be appropriate, in light of this contract requirement, to provide more details regarding these activities.

Since the Corporate Compliance Program and Quality Management Program activities are similar in nature, the decision was made to incorporate the Quality Management Program activities into the Quarterly Corporate Compliance Report to the Board and to format this item similar to the program updates. The Corporate Compliance and Quality Management Report for the 3rd Quarter of FY 2026 are included in this Board packet.

Supporting Documentation:

3rd Quarter FY 2026 Corporate Compliance and Quality Management Report

Recommended Action:

For Information Only

Corporate Compliance and Quality Management Report
3rd Quarter, FY 2026

Corporate Compliance Activities

A. Key Statistics:
During the third Quarter of FY26, six compliance concerns were reported. All six involved documentation issues, and one also included a timekeeping concern. Two investigations have been completed, with reimbursement amounts currently pending. Investigations into the remaining four reported concerns are ongoing.

B. Committee Activities:
The Corporate Compliance Committee convened on May 26, 2026, to review and discuss several key topics, including:

1. Current trends in Corporate Compliance;
2. A final summary of 2nd Quarter reviews; and
3. Health Insurance Portability and Accountability Updates.

Quality Management Initiatives

A. Key Statistics:

1. Quality Management participated in two external audits during Quarter 3.
2. The Mental Health Quality and Utilization Management Committee met three times in Quarter 3. The Intellectual and Developmental Disabilities Quality Management and Utilization Management Committee met two times in Quarter 3.
3. The Continuous Quality Improvement Committee (CQI) met on April 24, 2026 to review status of annual goals and discuss next steps.
4. The Mental Health and the Intellectual and Developmental Disabilities Planning and Network Advisory Committee met a combined three times during Quarter 3.
5. The Grid Review Team met to update the Service Code Master, a document used as a centralized database for service details to include but not limited to: codes, definitions, cost and other specifications and details needed to ensure proper documentation and set up across the Center.
6. Staff reviewed and submitted seven record requests, totaling 67 charts.
7. Staff conducted several ongoing internal audits including documentation reviews, authorization override requests for clinically complex

individuals, and use of the Co-Occurring Psychiatric and Substance Use Modifier as well as the Mobile Crisis Outreach Team Modifier.

B. Reviews/Audits:

1. QM participated in the Office of Inspector General (OIG) Claims audit which included an in-depth review of a sample of MCO claims billed during a two-year period. The audit findings were still pending as of the end of quarter three.
2. QM participated in the Managed Care Superior Audit during Quarter 3 and received overall chart compliance of 94.17% and overall claims compliance of 95.83%.
3. Staff prepared and submitted one record request totaling 24 charts to Aetna dating back to January 2025.
4. Staff prepared and submitted one record request totaling 17 charts to Health Spring dating back to January 2025.
5. Staff prepared and submitted one record request totaling one chart to Oscar-United dating back to January 2025.
6. Staff prepared and submitted two record requests totaling 21 charts to TCHP with different dates as far back as 2024.
7. Staff prepared and submitted one record request totaling two charts to United Healthcare dating back to January 2025.
8. Staff prepared and submitted one record request totaling two charts to WellPoint dating back to January 2025.
9. Staff reviewed 124 notes that used the Co-Occurring Psychiatric and Substance Use Disorder Modifier to ensure that the intervention was used appropriately. This review indicated that the majority of staff utilizing this code are using it correctly.
10. Staff reviewed 58 notes that used the Mobile Crisis Outreach Team Modifier for quality assurance purposes. Feedback was provided to those who had utilized the modifier incorrectly.
11. Staff reviewed 81 discharges that occurred in Quarter 3 and communicated areas that were needing improvement to supervisory staff.
12. Staff reviewed 73 Mental Health Adult and Child and Youth progress notes, along with 16 Intellectual and Developmental Disabilities progress notes, as part of quality assurance efforts. Follow-up was provided to supervisors as needed to address any re-training opportunities.

Agenda Item: 4th Quarter FY 2026 Corporate Compliance Training **Committee:** Program	**Board Meeting Date** July 23, 2026

Background Information:

As part of the Center's Corporate Compliance Program, training is developed each quarter for distribution to staff by their supervisors.

This training is included in the packet for ongoing education of the Tri-County Board of Trustees on Corporate Compliance related topics.

Supporting Documentation:

4th Quarter FY 2026 Corporate Compliance Training

Recommended Action:

For Information Only

Compliance Newsletter

FY 26, Quarter 4

Newsletter Highlights

- **Message from the Compliance Team**
- **Your Compliance Team**
- **Report Compliance Concerns**

Tri-County Behavioral Healthcare

Healthy Minds. Meaningful Lives.

Compliance and Ethical Decision-making

Compliance means following the rules. Ethics means making decisions that reflect our values, even when no one is watching. The choices you make each day help define the organization's integrity and reputation. By considering both compliance requirements and ethical principles, employees help reduce risk while strengthening our workplace culture.

Common Workplace Situations

Ethical decision-making arises in many everyday situations, including:

- Accepting gifts or entertainment from vendors or clients;
- Protecting confidential or sensitive information;
- Reporting accurate financial or operational information;
- Treating others with respect and fairness; and
- Speaking up when you see behavior that may violate policy or ethical standards.

Many of the greatest ethical challenges are related to small decisions made under pressure, tight deadlines, or due to competing priorities. Asking questions and raising concerns demonstrates professionalism and accountability. If you're unsure about the right course of action, consult your manager, Human Resources, or the Compliance Department using the below listed contact information.

When we choose to do the right thing, we are supporting one another and reinforcing the values that define who we are.

If you have questions or concerns, contact the Corporate Compliance Team at (866)243-9252 or corporatecompliance@tcbhc.org

YOUR CORPORATE COMPLIANCE TEAM:

Lisa Drake
Administrator of Compliance
annalisad@tcbhc.org

Amy Foerster
Chief Compliance Officer
amyf@tcbhc.org

Ashley Bare
Human Resources Manager
ashleyba@tcbhc.org

Agenda Item: Telehealth Update **Committee:** Program	**Board Meeting Date:** July 23, 2026

Background Information:

As part of one of our Board Goals for Fiscal Year 2026, Management Team completed a small pilot study of telehealth and telephone services at Tri-County to evaluate the effectiveness of the service delivery system at our agency. The focus was to reduce barriers to accessing care, such as transportation, financial and family priorities. The team created documents, procedures, and training to ensure compliance with current regulations and ensure the services were provided consistency across the programs involved.

The pilot was completed over a four-month period, involving 26 staff members. A total of 272 services were provided during the pilot, including IDD service coordination, therapy, family partner services, skills training, and rehabilitation services. The interventions proved successful, with positive feedback received from individuals and families served, as well as from the staff who participated.

Based on the pilot findings, the team recommends adopting telehealth and telephone services as a permanent secondary service option for clients who can safely and effectively benefit from these modalities, while maintaining in-person services as the primary approach. Successful execution should include standardized staff training, appropriate client selection, and enhanced technology to support document sharing and electronic signatures, ensuring service quality, safety, and regulatory compliance.

Supporting Documentation:

Telehealth Pilot Project

Recommended Action:

For Information Only

TELEHEALTH PILOT PROJECT

Tri-County Behavioral Healthcare 2026

Prepared By:

Stephanie Ward, Yolanda Gude, Melissa Zemencsik,
Tanya Bryant, Sara Bradfield

Tri-County Behavioral Healthcare Telehealth Services Pilot Program
Fiscal Year 2026

Purpose and Rationale

This Telehealth Pilot Program was created as a result of the FY 2026 Strategic Planning initiative taken by Tri-County's Management Team to evaluate the effectiveness of telehealth service delivery in the system of care. A small group of five Management Team members (the pilot team) came together to design and implement a pilot program to focus on this initiative. The goal for this group was to complete a small-scale project to trial televideo- and telephone-based behavioral health services, with a plan to organize procedures, identify appropriate services and participants, implement the service modality on a subset of our population, and review results and findings to inform future center decisions around telehealth services.

Benefits and Limitations

The goal of providing telehealth services is to alleviate barriers the population faces in accessing care. Several of these barriers were identified in a previous Telehealth White Paper, completed in 2022, and show to be ongoing and applicable in current programming. Telehealth services aim to increase access to care by removing the barrier of transportation, and transportation-related issues such as the financial burden of the cost of fuel, cost of ride-sharing, or lack of social supports to arrange for assistance with transportation. The barrier around transportation is consistently cited among our community and in assessments such as the Non-Medical Drivers of Health.

Other financial burdens impact individuals who are responsible for providing care to a family member or friend, such as childcare, or care for a disabled child or parent. Mobility concerns with transportation to an office or community location also places an additional stressor on families seeking services.

Alternative modalities including televideo services also reduce the barrier of stigma often felt in our community. Individuals can feel vulnerable walking in to a lobby full of others to seek help, and televideo eliminates any experience of public or social anxiety.

Benefits to the center and to the staff were also considered. Telehealth services would reduce costs as the service modality eliminates travel time, fuel costs,

and wear and tear on personal or company vehicles. Services would be able to be scheduled closer together with eliminated drive-time in between appointments, allowing for more services to be provided throughout the work day. Theoretically, the show rate for telehealth would improve after eliminating the travel barriers and allowing for easier access to services by simply logging in to the telehealth platform to access the service.

All of these considerations were carefully reviewed by the pilot team in order to provide a thoughtful, targeted study focused on alleviating the greatest barriers and maximizing benefits to the individuals served.

Timeline

Planning November 2025

- The team kicked off the project on November 4th, 2025.
- Reviewed White Paper review of Telehealth study completed by Tri-County in 2022
- Identified target programs and narrowed down population
- Identified staff who would participate
- Reviewed requirements for Medicaid, Texas Administrative Code.

Drafting December 2025, January 2026

- Created Informed Consent
- Created Desk Procedure
- Created Staff Training document
- Identified Metrics
- Created Satisfaction Surveys for Clients and Staff

Training and Implementation February 2026

- Trained Staff
- Implement Services

Full Pilot February 20-June 19, 2026

- Implementation of Telehealth Services
- Data tracking
- Documentation Review
- Adjustments to staff list as needed

Data Review June 2026

- Review Outcomes
- Complete satisfaction surveys

- Provide recommendations

Considerations

As the pilot team worked through logistics of this operation, several considerations were made in order to uphold client's rights, quality of services, and to ensure staff were properly trained. The team prioritized the creation of forms to notify participants about the study so they could effectively understand what they were going to experience and to ensure clear expectations before consenting to the program.

The team drafted a consent form based off of a current telemedicine consent, which included specific information about the pilot, risks of participating, and option to contact the Rights Protection Officer with any concerns during the program (See Appendix A). The team agreed that explaining the process in clear, plain language was important to the integrity of the program, and a value held by the agency in providing trauma-informed, collaborative care. The form was also translated into Spanish as the second most used language in the community.

The pilot team identified the importance of gathering anecdotal and qualitative feedback from pilot participants. A satisfaction survey was developed for both the individuals served (See Appendix B), and the staff (See Appendix C), to obtain this information. Surveys were all translated into Spanish to accommodate preferred languages. Surveys inquired about opinions on quality of services, privacy, and satisfaction with the modality.

Target Population and Scope of Services

The team identified the programs and levels of care that would be included in this pilot based off of clinical and logistical appropriateness. The PASRR (Preadmission Screening and Resident Review) program, for example, was considered, however ultimately ruled out due to the lack of staff available to assist and facilitate televideo at the nursing facilities. The ACT (Assertive Community Treatment) team was excluded due to the complex needs that adults in the intensive level of care receive assistance for. The Substance Use Program for adults was considered, however due to previous concerns with prior televideo services in this service area, the program staff were reluctant to participate.

The project team took great care in selecting services that would ideally alleviate barriers such as transportation and financial burden.

The programs that were ultimately included in this pilot were:

- IDD Case Managers

- Child and Youth Family Partners
- Child and Youth Therapists
- Child and Youth Conroe and Rural Skills Trainers
- Wraparound Case Manager
- Adult Conroe and Rural Case Managers
- Adult Rural Therapy

Overall, 26 staff participated in some capacity with the telehealth services pilot. Four staff separated from Tri-County during the pilot, and three new staff were added to account for those programs.

Staffing and Training

As various departments from across the agency were coming together to accomplish this pilot, the team quickly identified the importance of a universal training. Different departments, programs, and staff all come from unique experiences in using telehealth as a modality, and it was important that this pilot be implemented identically across all services for the most valuable, precise outcomes.

A training PowerPoint was created by the Pilot Team to ensure staff understood the purpose of the pilot, the limits and requirements according to contract and rules and regulations, the documentation expectations, and clinical guidance. The training included clinical guidelines around determining appropriateness for the service with individuals served, and the importance of informed consent. The training walked staff through the documents to be used, and details around tasks such as sending an encrypted email with the televideo link, and how to document client consent in the electronic health record or client chart. The team reviewed how to address a crisis when providing a telehealth session so staff would be confident in case of needing to respond accordingly.

The Pilot Team provided training to the entire group of staff participants all together to ensure every staff received the same training and information. After training was provided, the team broke out into smaller groups based on their programs with their assigned Management Team Member to ask questions specific to programs and individual questions.

As the pilot officially kicked off, the pilot team was able to address any concerns or questions as they presented, however these showed to be minimal and simple to navigate due to the preparation beforehand and collaboration among the teams.

Technology and Privacy

As the pilot was underway, the team started receiving feedback around some technology disadvantages. There are multiple steps involved in sending an encrypted

email with a link to an individual to schedule a session, for example. Oftentimes encrypted emails are difficult to open due to multi-step password setup on the user's end. Documents would have to be passed through via encrypted email, and staff quickly identified that a direct portal or way for individuals to sign documents electronically would be greatly beneficial.

During the pilot, the team met with a representative from BluInk, a software company that provides HIPAA-compliant signature documentation as an attempt to consider options to eliminate technology barriers.

Metrics and Outcomes

Services Provided

The pilot program ran from February 20th through June 19th, 2026. 164 total unduplicated clients were served through the telehealth or telephone modality during this time period. A total of 272 services were provided and reviewed for this program.

The IDD department selected Type A contacts as their target service for Service Coordinators to provide via telehealth. Eight (8) IDD Staff served 119 clients through the modality. 165 total Type A contacts were provided to IDD clients over the course of this pilot.

13 individuals were served for a total of 43 mental health interventions between the youth and adult programs. This included 11 therapy sessions for three different clients, 5 Case Management services, and 26 skills training/rehab services.

Two (2) Child and Youth Certified Family Partners provided a total of 64 telephone services to 35 families.

Mileage Saved

Distance traveled was included in the data collected in this pilot, as with in-person services either the client or the staff is traveling to provide the service. Transportation was cited as a barrier this pilot wanted to consider. Televideo modality not only saves the individuals from traveling, but it would be a cost-savings to the agency as staff are paid for mileage when they travel to individual's homes to provide services.

Mileage was calculated for each client service provided during the telehealth pilot, which showed this modality saved roughly 6,831 miles of travel for either staff or clients. Considering the current reimbursement rate to staff for in-region travel reimbursement being $.725 per mile, this potentially saved the agency $4,950 over the course of the pilot.

Show Rate

The pilot team looked into the show rates for the mental health services during the pilot program timeframe. The telehealth service array documented 10 no shows or cancelations during the pilot, resulting in an 81% show rate. When reviewing the same staff during the same timeframe but with face to face services, the show rate came out to 73%. This demonstrates that offering telehealth modality may improve show rates and accessing treatment by 7%.

Satisfaction Surveys

Surveys were created using a Likert scale to assess satisfaction with responses ranging from Strongly Disagree (1) to Strongly Agree (5).

We received feedback from 12 staff. The average score was 3.89, indicating staff leaned positively towards telehealth services. Some of the feedback from Service Coordinators included concerns related to checking for health and safety; as often safety is evaluated by observing the person closely to monitor for hygiene, and changes in physical presentation. The mental health therapists provided feedback around a preference for providing counseling in person to eliminate distractions in the home and to help with the bond and focus during the session. Case managers cited how the modality would be very beneficial if the agency could accommodate a way to assist clients in signing documents, assessments, and recovery plans. Several staff stated that telehealth reduced their no shows and increased accessibility to clients who often face barriers to attending in person appointments. Several staff cited the benefit of convenience for the clients, and appreciated having the option of offering televideo to the appropriate clients.

13 individuals completed satisfaction surveys. Although written feedback was minimal, the scores were very high, indicating that those who participated in the service enjoyed it and were satisfied. The average score came out to 4.58.

"Being able to offer clients virtual sessions made a big difference for those who lack transportation. Clients very much appreciate being able to participate in therapy even if they cannot come in."- Tri-County Therapist

"An excellent and convenient way to have the session start on time." – Tri-County Person Served

Recommendations

The pilot team reflected on the implementation, conversations with staff and individuals served, and overall experience of this pilot to provide recommendations and feedback for Tri-County leadership.

The pilot team observed several positive outcomes as a result of this pilot. The option to provide services via televideo or phone were shown to be useful with specific populations who have barriers to traditional care, have the technology capability, and a private space to engage. This modality allowed staff to schedule services sooner, or provide services immediately upon request in some circumstances, due to the lack of planning and scheduling needed. The IDD program found success by being intentional in the population that was selected. By focusing on families that have previously been hard to reach, the team was able to provide needed services with less effort and back and forth with attempting to contact and schedule with busy families. This strategy helped prevent individuals from only getting B contacts without an A as required.

This pilot also brought to light several cautions for future agency consideration. There was concern brought up related to effectively evaluating health and safety on at-risk clients without being physically present. This would be a risk for higher needs clients where that would be a concern, where telehealth or telephone would not be an appropriate modality. Some staff also simply reported a preference for in-person services, citing the bond and closer relationship created during in-person sessions.

The team recommend looking into technology to assist with sending and sharing documents during a telehealth session. Staff recommended the technology be considered to allow for clients to sign documents such as consents and recovery plans so that more case management services could be completed via telehealth and the more complex interventions be saved for in-person visits.

The pilot team agreed that it would be beneficial to train all staff on the requirements, and provide the same training to all programs as was done for this pilot. This ensures consistency and delivery of all required information for staff to successfully and confidently provide the modality. Training could be incorporated into departmental training or during New Employee Orientation. The team recommends the training include a test at the end to make sure staff fully understand the rules and requirements as the modality includes more detailed and nuanced requirements than traditional in-person services. Staff would need to seek supervision on decisions around clinical effectiveness, as sometimes despite the clinical recommendation for certain groups to receive services via telehealth, the clinical presentation could change and at some point, staff might be faced with decisions around clinical appropriateness compared to client preference.

Overall, the pilot team recommends the inclusion of the telehealth and telephone service modalities as an ongoing part of the service array. The service modality is effective and beneficial to both the client and center staff when there is a specific need, but should not be used as a replacement for traditional in-person services. Telehealth services would be a secondary option when there is a client need and not used as the primary mechanism for service delivery. Staff training, and

selection of appropriate services should be carefully considered to ensure safety is effectively monitored and quality of services is maintained.

Appendix A

CONSENT FOR TELEHEALTH SERVICES

I have requested to take part in a telehealth pilot project, which will provide accessible, high quality clinical care using a two-way audio/video link with a Tri-County Behavioral Healthcare (Tri-County) clinician. This pilot project is designed to look at the benefits and uses of telehealth as a service modality. Use of telehealth for the purpose of this project is time-limited and not guaranteed to continue once the review period is ended.

I understand that:

1. I understand that some of my services will be provided through a two-way audio/video link. I know it will be equal standards to that of a face to face visit.
2. I understand that there are possible risks with the use of this technology. These may include, but are not limited to:
    - Interruption or disconnection of the audio/video link;
    - A picture that is not clear enough to meet the needs of the session;
    - The audio/video link is conducted through the Internet. There is a small change that someone could come into the session.

    If any of these risks occur, the session may be interrupted or need to stop.
3. I authorize the release of any relevant medical information that pertains to me to the healthcare provider at Tri-County, or their agents. This information may include my name, age, birth date, or other information that is necessary to conduct this telehealth session.
4. I understand that telehealth sessions will become part of my medical record kept by Tri-County. This record may be recorded and used for evaluation. I consent to such use. Any recorded images will not be used outside of the health care setting without my prior written consent.
5. I understand that I will not receive any royalties or other compensation for taking part in telehealth services.
6. I understand that I must give my informed consent to participate in services provided via telehealth and may ask that the session be stopped at any time.
7. I understand that I have the right to make a complaint and have been told how to contact someone who can help me. The contact information is listed below.
8. At the end of this project, Tri-County will review internal quality improvement to decide whether offering services using telehealth has and will continue to make a positive impact on the services we provide.

    Tri-County Behavioral Healthcare (Tri-County)
    Rights Protection Officer
    P.O. Box 3067, Conroe, TX 77305
    (936) 521-6237
    1 (866) 828-1942

    I certify that this form has been fully explained to me and that I have been provided with instructions on how to receive follow-up care or assistance in the event of a mental health crisis or in the event of an inability to communicate as a result of technological failure. I authorize Tri-

County and the clinician to provide therapeutic interventions that may be necessary to treat my current mental health condition.

Signature of Individual: _____ Date: _____

Signature of Witness: _____ Date: _____

The above release is given on behalf of _____ because the individual is a minor or has been determined to be unable to give consent.

Signature of Parent or Legal Guardian: _____Date: _____

Relationship to Individual: _____

Signature of Witness: _____ Date: _____

Appendix B

Telehealth Satisfaction Survey

As a way to continue to improve our services, please answer the following questions regarding your experience.

Name (optional):_____ Date:_____

1. I was able to communicate well with the telehealth provider.

Strongly disagree Disagree Neutral Agree Strongly agree

2. The telehealth provider was able to understand what my needs were today.

Strongly disagree Disagree Neutral Agree Strongly agree

3. I feel comfortable using the telehealth platform.

Strongly disagree Disagree Neutral Agree Strongly agree

4. The quality of care is the same over telehealth as in person.

Strongly disagree Disagree Neutral Agree Strongly agree

5. My privacy and confidentiality were respected during the session.

Strongly disagree Disagree Neutral Agree Strongly agree

6. The availability of telehealth services made it easier and faster to access the help I needed today.

Strongly disagree	Disagree	Neutral	Agree	Strongly agree

7. Overall, I am satisfied with my telehealth appointment.

Strongly disagree	Disagree	Neutral	Agree	Strongly agree

Comments:

_____
_____
_____

Thank you for participating in this survey.

Appendix C

Telehealth Satisfaction Survey- Staff Version

As a way to continue to improve our services, please answer the following questions regarding your experience.

Name (optional):_____ Date:_____

1. I was able to communicate well with my client.

Strongly disagree Disagree Neutral Agree Strongly agree

2. The use of telehealth contributed positively to my own job satisfaction.

Strongly disagree Disagree Neutral Agree Strongly agree

3. I feel comfortable using the telehealth platform.

Strongly disagree Disagree Neutral Agree Strongly agree

4. The quality of care is the same over telehealth as in person.

Strongly disagree Disagree Neutral Agree Strongly agree

5. It was easy to monitor and maintain client privacy during the session.

Strongly disagree Disagree Neutral Agree Strongly agree

6. The availability of telehealth services made it easier and faster to provide services.

Strongly disagree Disagree Neutral Agree Strongly agree

7. I was able to provide the same level of clinical intervention and skills as an in-person service.

Strongly disagree Disagree Neutral Agree Strongly agree

8. The telehealth modality has helped me to better meet my job goals and performance targets.

Strongly disagree Disagree Neutral Agree Strongly agree

9. Overall, I am satisfied providing telehealth services.

Strongly disagree Disagree Neutral Agree Strongly agree

Comments:

_____
_____
_____

Thank you for participating in this survey.

Agenda Item: Appoint Nominating Committee for FY 2027 Board Officers **Committee:** Executive	**Board Meeting Date** July 23, 2026

Background Information:

The Board Chair will select representatives for the Nominating Committee for FY 2027 Board Officers. Typically, the committee is made up of three members and includes a representative from each county. One of the members will also be designated to serve as the Chair of the committee.

The annual election of officers will occur at the August Board meeting.

Supporting Documentation:

None

Recommended Action:

Appoint Nominating Committee for FY 2027 Board Officers

Agenda Item: Appoint Executive Director Evaluation Committee **Committee:** Executive	**Board Meeting Date** July 23, 2026

Background Information:

The Board Chair will select representatives for the FY 2026 Executive Director Evaluation Committee. Typically, the committee has been made up of three members and includes a representative from each county. One of the members will also be designated to serve as the chair of the committee.

The results of the Executive Director Evaluation will be reviewed at the August Board meeting.

Supporting Documentation:

None

Recommended Action:

Appoint Executive Director Evaluation Committee

Agenda Item: Personnel Report through June 2026 **Committee:** Executive	**Board Meeting Date:** July 23, 2026
Background Information: None	
Supporting Documentation: Personnel Report through June 2026	
Recommended Action: **For Information Only**	

Personnel Report

FY26 | May & June 2026

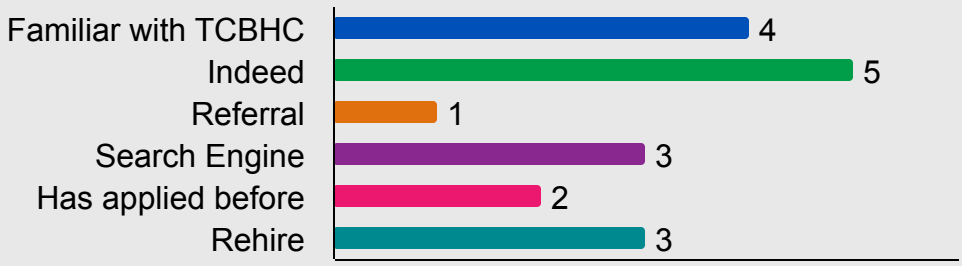
Tri-County Behavioral Healthcare
Healthy Minds. Meaningful Lives.

Overview

New Hires (May-June)	18	Total Budgeted Positions	403
New Hires (YTD)	91	Newly Created Positions	1
Separations (May-June)	26	Vacant Positions	59
Separations (YTD)	101		

Recruiting

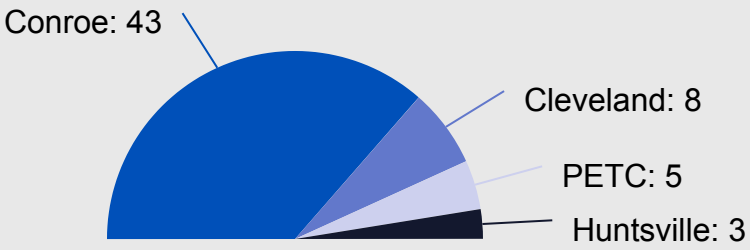
How did May & June new hires hear about TCBHC?



May & June Applicants	405
YTD Applicants	1,934

Current Openings

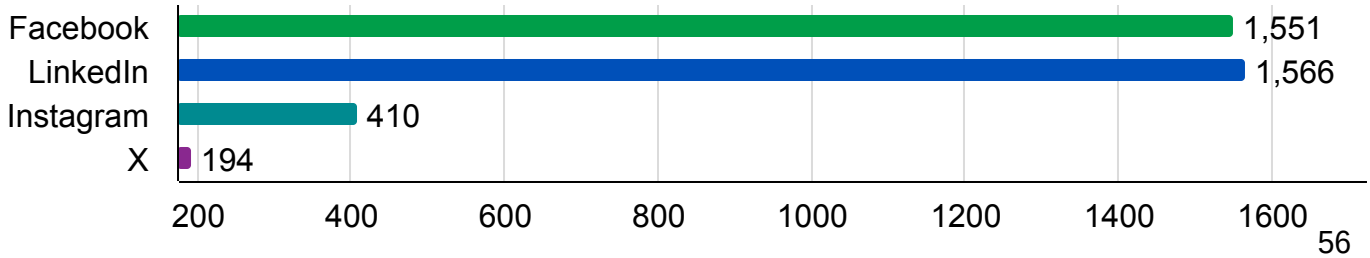
Vacancies by Location



Vacancies by Position

MH Specialist/Case Manager	36
Direct Care Provider	5
Licensed Clinician	4
Peer Provider	2
Psychiatric Nursing Assistant	2
Other	10

Social Media Followers



Exit Data

FY26 | May & June 2026

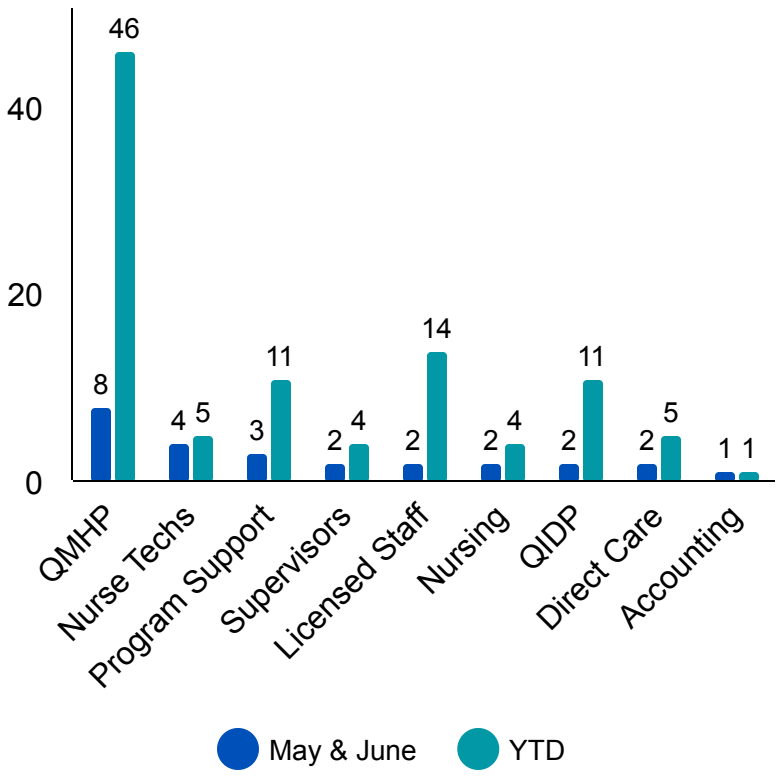
Exit Stats at a Glance

May & June Voluntary Separations	20
May & June Neutral Separations	1
May & June Reduction in Force (RIF)	0
May & June Involuntary Separations	5

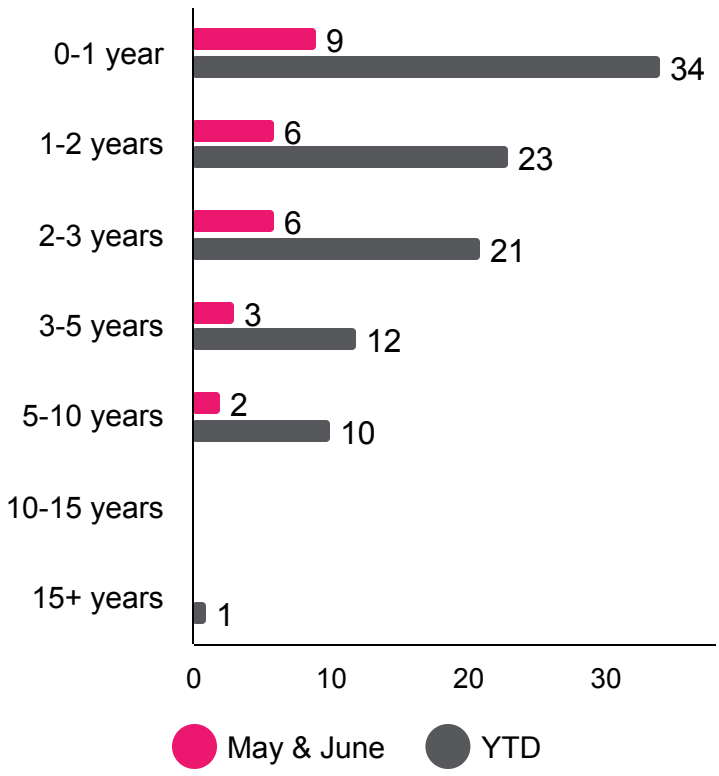
YTD Turnover

29%

Separations by Category



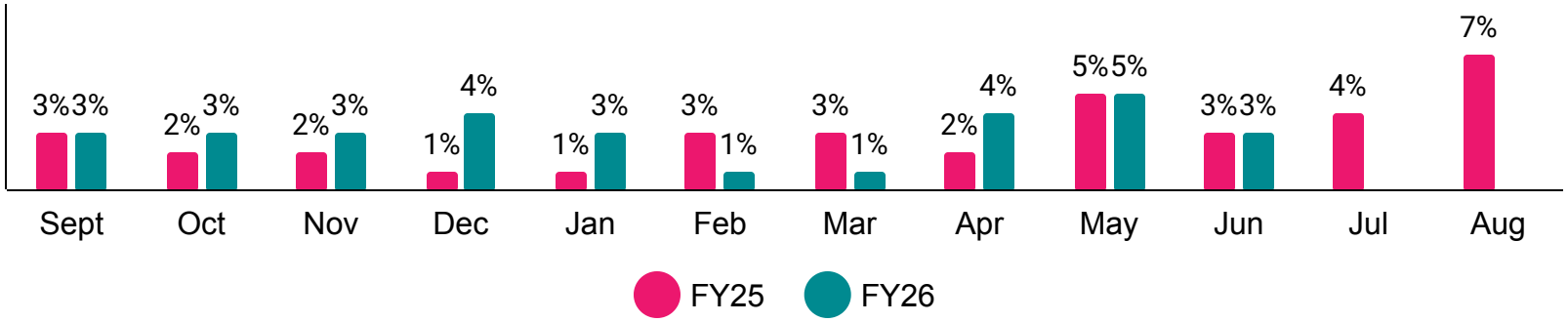
Separations by Tenure



Top Reasons for Separations

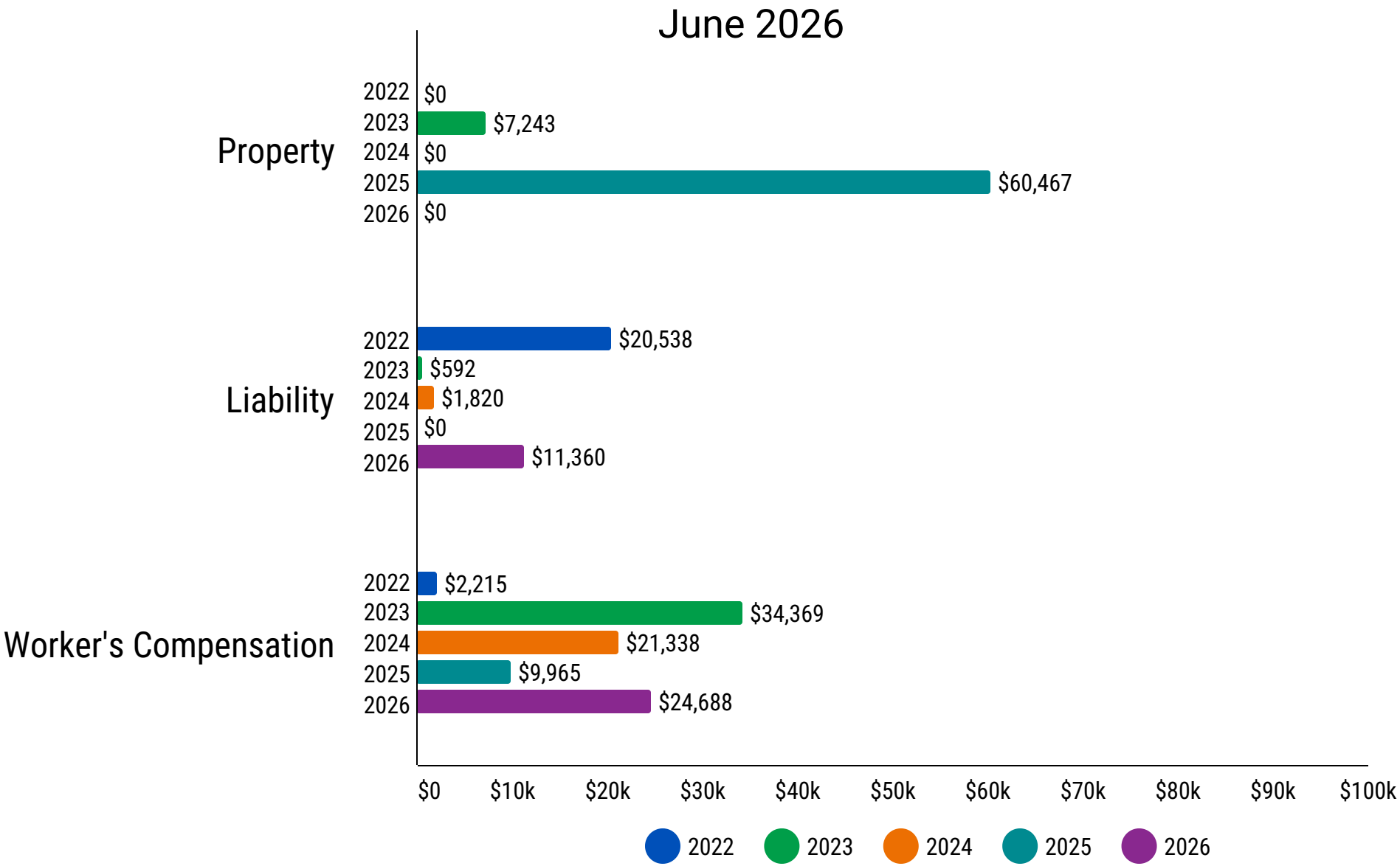
Another job | Personal/Family | Policy violation | Reduction in workforce | Return to school

Turnover Rate by Month



Agenda Item: Texas Council Risk Management Fund Claims Summary as of June 2026 **Committee:** Executive	**Board Meeting Date:** July 23, 2026
Background Information: None	
Supporting Documentation: Texas Council Risk Management Fund Claims Summary as of June 2026	
Recommended Action: **For Information Only**	

Texas Council Risk Management Fund Claims Summary



Agenda Item: Dates of Scheduled Board Meetings for Calendar Year 2027 **Committee:** Executive	**Board Meeting Date:** July 23, 2026

Background Information:

Board meetings for Calendar Year 2027 are currently scheduled as follows:

- January 28, 2027
- February 25, 2027
- March 25, 2027
- April 22, 2027
- May 27, 2027
- July 29, 2027 - 5th Thursday
- August 26, 2027
- September 23, 2027
- October 28, 2027
- December 2, 2027

Supporting Documentation:

None

Recommended Action:

For Information Only

Agenda Item: Approve May 2026 Financial Statements **Committee:** Business	**Board Meeting Date** July 23, 2026
Background Information: None	
Supporting Documentation: May 2026 Financial Statements	
Recommended Action: **Approve May 2026 Financial Statements**	

May 2026 Financial Summary

Revenues for May 2026 were $3,520,627 and operating expenses were $3,512,176 resulting in a gain in operations of $8,451. Capital Expenditures and Extraordinary Expenses for May were $224,505 resulting in a loss of $216,055. Total revenues were 98.06% of the monthly budgeted revenues and total expenses were 104.23% of the monthly budgeted expenses (difference of -6.17%).

Year to date (YTD) revenues are $29,871,877 and operating expenses are $28,949,069 leaving excess operating revenues of $922,808. YTD Capital Expenditures and Extraordinary Expenses are $1,602,206 resulting in a loss YTD of $679,398. Total revenues are 98.37% of the YTD budgeted revenues and total expenses are 101.15% of the YTD budgeted expenses (difference of -2.78%).

REVENUES

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

Revenue Source	YTD Revenue	YTD Budget	% Of Budget	$ Variance
Interest Income	$88,595	$127,000	69.76%	$38,405
Texas Correctional Office on Offenders with Medical or Mental Impairments	$530,012	$553,250	95.80%	$23,238
Title XIX Case Management Mental Health	$232,888	$329,170	70.75%	$96,281
Title XIX Case Management Intellectual and Developmental Disabilities (IDD)	$1,059,322	$1,096,283	96.63%	$36,962
Title XIX Home and Community - Based Services	$1,628,226	$1,678,833	96.99%	$50,607
Medicaid – Preadmission Screening and Resident Review	$66,351	$84,872	78.18%	$18,521
Medicaid – Regular - Title XIX	$261,206	$333,162	78.40%	$71,956
Title XIX Rehab	$1,184,194	$1,675,789	70.66%	$491,594
Directed Payment Program	$1,142,188	$1,313,523	86.96%	$171,335

Interest Income – This line item reflects the interest earned on our funds that we have on deposit in the TexPool account. We continue to be below the budgeted amount due to delays in quarterly deposits from the first half of the fiscal year. As a result, funds which would have been invested were used for operations and did not earn projected

interest. We have increased earned interest in recent months but based on our normal trend we will have fluctuations in our bank balances throughout the year.

Texas Correctional Office on Offenders with Medical or Mental Impairments - This line is for the Texas Correctional Office on Offenders with Medical & Mental Impairments. This program had a position vacant for multiple months that put this contract under budget until we do a budget revision at year end. This is a cost reimbursement program, so there is a corresponding reduction in expense.

Title XIX Case Management Mental Health - This line item continues to be under revenue for a good portion of the time ever since Coronavirus Disease (COVID) disrupted service trends. The majority of the variance, eighty-five percent, is from the Child and Youth cost centers for this fiscal year. We have multiple factors affecting this line, staff vacancies and the decrease in the Medicaid percentage for both the adult and the children's programs having a negative impact on our revenue earned.

Title XIX Case Management Intellectual and Developmental Disabilities (IDD) - This line item is on the variance report for the second month this fiscal year. Last year we saw a slight return towards pre-covid revenue in this area. For this fiscal year, we are currently below last year's numbers. We have had several position vacancies occur in this program over the last couple months and it is now finally reflected in the revenue numbers. We have been meeting on a weekly basis with our program managers and for this program we have made some restructuring decisions that will help improve future staffs ability to provide services to their caseloads more efficiently and revenue normally follows. In addition, the budget was set lower than the actual annual cost for the program and will need to be increased next Fiscal Year.

Title XIX Home and Community-Based Services - This line item is the Home and Community-based Services program that provides individualized services and supports (ISS) to persons with intellectual disabilities. This line item is very rarely on the narrative report and is one of the more consistent revenue lines. For this Fiscal Year we have had numerous individuals that had been hospitalized and out of our programs which contributed to the revenue loss. We also have a Host Home Provider on hold due to illness which stops revenue. And we have also had two consumers drop out of ISS services.

Medicaid – Preadmission Screening and Resident Review - This line item has been trending lower each month of the fiscal year until it reached the threshold for reporting on the variance report. Although the program is fully staffed right now, we did have a

vacancy the first couple of months of this fiscal year so we have had a ramp up of staff learning their job duties.

Medicaid – Regular – Title XIX – This line item represents revenue for Medicaid Card Services. Recently, we reviewed our billing rates and implemented adjustments to ensure they more closely align with actual payments received. While we anticipate these adjustments will result in lower recorded revenue in this line for the next few months, this change will ensure our reporting is much more stable and accurate following the transition period. We should not see swings in the revenue line in future fiscal periods.

Title XIX Rehab - This line item continues to be on our variance listing. Historically we could depend on certain months to be high, but over the last five years the trends are not the same as they have been for the past 25 years. We continue to have a large number of vacancies in both the Child and Youth program and the Conroe Adult program in Qualified Mental Health Professional (QMHP) level positions. In addition, this service is only billable to Medicaid and Chip which means that reduction in persons with these insurance plans significantly decreases reimbursement. Consequently, we have had good QMHP productivity months which did not result in a corresponding increase in revenue because there was not a payer for the service. The summer months historically are low for the C & Y programs so we don't anticipate that area to be higher until the fall. These trends will continue until we can recruit quality staff and the staff that we have hired are fully trained.

Directed Payment Program - This line was budgeted based on the Texas Council model given to centers for calculating our projected revenue. At the Chief Financial Officer (CFO) conference it was discussed that the Scorecard numbers are coming in lower than the model had anticipated. The explanation received was still being attributed to the Medicaid unwinding. We don't think we have seen a settling down as of this time for the Medicaid programs. We could continue to have variances in these programs that were not anticipated.

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
Advertising – Recruitment	$46,112	$20,695	222.82%	$25,417
Building Repairs and Maintenance	$241,357	$179,503	134.46%	$61,854
Contract – Non – Clinical	$876,188	$842,260	104.03%	$33,929

Fixed Assets – Construction in Progress	$167,453	$0	0	$167,453
Principal and Interest – First Financial Bank Conroe	$642,918	$629,007	102.21%	$13,911
Medication Expense	$369,524	$338,035	109.32%	$31,489
Moving Expense	$19,772	$0	0	$19,772
Payroll Salaries	$17,099,975	$16,883,988	101.28%	$215,987
Telephone – Monthly Service	$180,714	$158,512	114.01%	$22,202
Travel – Local	$279,442	$256,306	109.03%	$23,136
Utilities – Electricity	$215,564	$196,186	109.88%	$19,378

Advertising - Recruitment - This line is used for recruiting expenses, such as advertising and in this case recruiting fees for hard to fill positions. We are over budget on this line since we paid a recruiting fee for a new Psychiatrist that started in March.

Building Repairs and Maintenance - This line has been under budget all fiscal year. This month we had a variety of repairs that has put us well over budget. The majority of these repairs all occurred at the Conroe facility and included A/C compressor, elevator repair, entrance door, and an expensive hot water heater replacement.

Contract Non-Clinical - This line item has been trending within budget all year until this month. We have had some unbudgeted expenses come in for items such as the ADA compliance work for our website and contractor work to secure our IT Firewall. We have also continued some of the contracted services for the Porter location such as landscaping and janitorial longer than we had budgeted.

Fixed Assets – Construction in Progress - This line item is for things that are not paid for by the Bond financing. This month we had two charges come through for the installation of the Vehicle gate and the Pedestrian gate installed by Data Vox at the Cleveland facility.

Principal and Interest – First Financial Bank – Conroe Building - This is the loan for the Conroe facility. There is a clause in the loan that states that: "From January 20, 2021 to January 20, 2026, interest on the outstanding and unpaid balance hereof shall be computed at a per annum fixed rate equal to the lesser of (a) the Prime Rate minus 0.15%, or (b) 3.10% per annum, but in no event shall interest be greater than 4.10% per annum, nor shall interest contracted for, charged or received or plus any other charges in connection herewith which constitute interest exceed the maximum interest permitted by applicable law". We had been at the 3.10%, until January 20, 2026, when they increased our interest payment to the maximum of 4.10%.

The loan will continue to be reviewed on each five-year anniversary thereafter to determine what the interest charge will be as defined above.

Medication Expense – This line item first appeared on the variance report in April. Medication expense for May came in $23,000 less than April, but we are still over budget for the month by $3,000. These charges are from Continuity of Care services which are used for individuals discharges from contracts hospitals.

Moving Expense – This line item is for moving expenses paid for the Psychiatrist that was hired in late March as a part of her Contract.

Payroll Salaries – This line item is our payroll expenses. We are coming in slightly higher than the budgeted salary amounts. This is due to the estimate for the projected lapse used for the initial budget calculations which is based on historical numbers including frozen positions.

Telephone – Monthly Service – This line item has been reviewed for the increase in telephone monthly charges. With the change in the Cleveland facility, we have some new phone lines that have been moved to the new facility. We continue to review all phone lines and are determining if they are all still needed.

Local – Travel – This line item is the money we pay for staff using their own vehicles for Tri-County business. This line varies from month to month but is trending up overall. A portion of the increase is due to the reimbursement rate being indexed to the State of Texas approved rate per mile, which increased January 1st. We are doing reviews and internal audits to compare mileage with client notes to ensure that the times match for services and mileage claimed. We anticipate the reimbursement rate to increase as the price of fuel remains high.

Utilities – Electricity – This line item continues to be on our variance list. But we have seen the monthly cost decrease from the higher months of December, January and February.

TRI-COUNTY BEHAVIORAL HEALTHCARE
GENERAL FUND BALANCE SHEET
For the Month Ended May 2026

ASSETS	GENERAL FUND May 2026	GENERAL FUND April 2026	Increase (Decrease)
CURRENT ASSETS			
Imprest Cash Funds	2,000	2,000	-
Cash on Deposit - General Fund	6,878,216	8,445,461	(1,567,246)
Accounts Receivable	2,148,389	2,484,894	(336,505)
Inventory	511	511	-
TOTAL CURRENT ASSETS	9,029,116	10,932,867	(1,903,751)
FIXED ASSETS	22,469,928	22,469,928	-
OTHER ASSETS	352,748	266,403	86,345
TOTAL ASSETS	**31,851,791**	**33,669,198**	**(1,817,406)**
LIABILITIES, DEFERRED REVENUE, FUND BALANCES			
CURRENT LIABILITIES	1,353,246	1,102,688	250,558
NOTES PAYABLE	839,402	839,402	-
DEFERRED REVENUE	2,623,435	4,468,131	(1,844,697)
LONG-TERM LIABILITIES FOR			
First Financial Conroe Building Loan	8,165,391	8,210,982	(45,591)
Guaranty Bank & Trust Loan	1,533,630	1,539,973	(6,343)
First Financial Huntsville Land Loan	722,650	725,553	(2,903)
Lease Liability	148,006	148,006	-
SBITA Liability	608,536	608,536	-
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR			
General Fund		(463,344)	463,344
Debt Service Fund			
Capital Projects Fund			
FUND EQUITY			
RESTRICTED			
Net Assets Reserved for Debt Service	(11,178,214)	(11,233,051)	54,837
Reserved for Debt Retirement			-
COMMITTED			
Net Assets - Property and Equipment	22,469,928	22,469,928	-
Reserved for Vehicles & Equipment Replacement	613,712	613,712	-
Reserved for Facility Improvement & Acquisitions	2,303,068	2,316,448	(13,380)
Reserved for Board Initiatives	500,000	500,000	-
Reserved for 1115 Waiver Programs	-	-	-
ASSIGNED			
Reserved for Workers' Compensation	274,409	274,409	-
Reserved for Current Year Budgeted Reserve	55,500	49,333	6,167
Reserved for Insurance Deductibles	100,000	100,000	-
Reserved for Accrued Paid Time Off	(839,402)	(839,402)	-
UNASSIGNED			
Unrestricted and Undesignated	1,558,494	2,237,892	(679,398)
TOTAL LIABILITIES/FUND BALANCE	**31,851,791**	**33,669,198**	**(1,817,406)**

TRI-COUNTY BEHAVIORAL HEALTHCARE
CONSOLIDATED BALANCE SHEET
For the Month Ended May 2026

ASSETS	General Operating Fund	Debt Service Fund	Capital Projects Fund	Government Wide 2026	Memorandum Only Final August 2025
CURRENT ASSETS					
Imprest Cash Funds	2,000			2,000	2,550
Cash on Deposit - General Fund	6,878,216			6,878,216	5,587,676
Bond Reserve 2024		895,476		895,476	
Bond Fund 2024		365,224		365,224	-
Bank of New York - Capital Project Fund			905,704	905,704	
Accounts Receivable	2,148,389			2,148,389	3,700,331
Inventory	511			511	511
TOTAL CURRENT ASSETS	9,029,116	1,260,700	905,704	11,195,519	9,291,068
FIXED ASSETS	22,469,928			22,469,928	22,469,928
OTHER ASSETS	352,748			352,748	113,193
Bond 2024 - Amount to retire bond			11,535,925	11,535,925	
Bond Discount 2024			371,272	371,272	-
Total Assets	**31,851,791**	**1,260,700**	**12,812,901**	**45,925,392**	**31,874,189**
LIABILITIES, DEFERRED REVENUE, FUND BALANCES					
CURRENT LIABILITIES	1,353,246			1,353,246	1,782,090
BOND LIABILITIES			11,907,197	11,907,197	(241,960)
NOTES PAYABLE	839,402			839,402	839,402
DEFERRED REVENUE	2,623,435			2,623,435	1,638,119
LONG-TERM LIABILITIES FOR					
First Financial Conroe Building Loan	8,165,391			8,165,391	8,583,527
Guaranty Bank & Trust Loan	1,533,630			1,533,630	1,589,716
First Financial Huntsville Land Loan	722,650			722,650	749,611
Lease Liability	148,006			148,006	148,006
SBITA Liability	608,536			608,536	608,536
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR					
General Fund	-			-	(1,449,697)
Debt Service Fund				-	
Capital Projects Fund				-	
FUND EQUITY					
RESTRICTED					
Net Assets Reserved for Debt Service - Restricted	(11,178,214)			(11,178,214)	(11,679,396)
Cleveland New Build - Bond	-	1,260,700	905,704	2,166,403	-
Reserved for Debt Retirement					
COMMITTED					-
Net Assets - Property and Equipment - Committed	22,469,928			22,469,928	22,469,928
Reserved for Vehicles & Equipment Replacement	613,712			613,712	613,712
Reserved for Facility Improvement & Acquisitions	2,303,068			2,303,068	2,500,000
Reserved for Board Initiatives	500,000			500,000	500,000
Reserved for 1115 Waiver Programs	-			-	-
ASSIGNED					-
Reserved for Workers' Compensation - Assigned	274,409			274,409	274,409
Reserved for Current Year Budgeted Reserve - Assigned	55,500			55,500	-
Reserved for Insurance Deductibles - Assigned	100,000			100,000	100,000
Reserved for Accrued Paid Time Off	(839,402)			(839,402)	(839,402)
UNASSIGNED					
Unrestricted and Undesignated	1,558,494	-	-	1,558,494	3,687,589
TOTAL LIABILITIES/FUND BALANCE	**31,851,791**	**1,260,700**	**12,812,901**	**45,925,392**	**31,874,189**

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
For the Month Ended May 2026
and Year To Date as of May 2026

INCOME:	**MONTH OF May 2026**	**YTD May 2026**
Local Revenue Sources	310,333	1,371,595
Earned Income	1,182,135	12,159,585
General Revenue - Contract	2,028,159	16,340,697
TOTAL INCOME	**3,520,627**	**29,871,877**
EXPENSES:		
Salaries	2,155,550	17,099,975
Employee Benefits	397,557	3,293,440
Medication Expense	40,756	369,524
Travel - Board/Staff	43,643	313,775
Building Rent/Maintenance	79,684	291,021
Consultants/Contracts	568,258	5,044,430
Other Operating Expenses	226,728	2,536,904
TOTAL EXPENSES	**3,512,176**	**28,949,069**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**8,451**	**922,808**
CAPITAL EXPENDITURES		
Capital Outlay - FF&E, Automobiles, Building	74,488	271,940
Capital Outlay - Debt Service	150,017	1,330,267
TOTAL CAPITAL EXPENDITURES	**224,505**	**1,602,206**
GRAND TOTAL EXPENDITURES	**3,736,682**	**30,551,275**
Excess (Deficiency) of Revenues and Expenses	**(216,055)**	**(679,398)**

Debt Service and Fixed Asset Fund:		
Debt Service	150,017	1,330,267
Excess (Deficiency) of Revenues over Expenses	**150,017**	**1,330,267**

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
Compared to Budget
Year to Date as of May 2026

	YTD May 2026	APPROVED BUDGET	Increase (Decrease)
INCOME:			
Local Revenue Sources	1,371,595	1,226,072	145,523
Earned Income	12,159,585	12,806,013	(646,428)
General Revenue	16,340,697	16,333,957	6,740
TOTAL INCOME	**29,871,877**	**30,366,042**	**(494,165)**
EXPENSES:			
Salaries	17,099,975	16,883,988	215,987
Employee Benefits	3,293,440	3,471,985	(178,545)
Medication Expense	369,524	338,035	31,489
Travel - Board/Staff	313,775	292,474	21,301
Building Rent/Maintenance	291,021	224,308	66,714
Consultants/Contracts	5,044,430	5,045,320	(890)
Other Operating Expenses	2,536,904	2,450,851	86,053
TOTAL EXPENSES	**28,949,069**	**28,706,960**	**242,109**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**922,808**	**1,659,081**	**(736,273)**
CAPITAL EXPENDITURES			
Capital Outlay - FF&E, Automobiles, Building	271,940	180,941	90,998
Capital Outlay - Debt Service	1,330,267	1,316,355	13,911
TOTAL CAPITAL EXPENDITURES	**1,602,206**	**1,497,296**	**104,910**
GRAND TOTAL EXPENDITURES	**30,551,275**	**30,204,257**	**347,018**
Excess (Deficiency) of Revenues and Expenses	**(679,398)**	**161,785**	**(841,183)**

Debt Service and Fixed Asset Fund:			
Debt Service	1,330,267	1,316,355	**13,911**
Excess(Deficiency) of Revenues over Expenses	**1,330,267**	**1,316,355**	**13,911**

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
Compared to Budget
For the Month Ended May 2026

INCOME:	MONTH OF May 2026	APPROVED BUDGET	Increase (Decrease)
Local Revenue Sources	310,333	242,788	67,545
Earned Income	1,182,135	1,346,444	(164,308)
General Revenue-Contract	2,028,159	2,001,100	27,059
TOTAL INCOME	**3,520,627**	**3,590,332**	**(69,705)**
EXPENSES:			
Salaries	2,155,550	2,126,922	28,628
Employee Benefits	397,557	408,793	(11,236)
Medication Expense	40,756	37,559	3,196
Travel - Board/Staff	43,643	31,539	12,104
Building Rent/Maintenance	79,684	21,969	57,715
Consultants/Contracts	568,258	554,595	13,663
Other Operating Expenses	226,728	240,626	(13,898)
TOTAL EXPENSES	**3,512,176**	**3,422,003**	**90,173**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**8,451**	**168,328**	**(159,878)**
CAPITAL EXPENDITURES			
Capital Outlay - FF&E, Automobiles, Building	74,488	16,875	57,613
Capital Outlay - Debt Service	150,017	146,039	3,978
TOTAL CAPITAL EXPENDITURES	**224,505**	**162,914**	**61,591**
GRAND TOTAL EXPENDITURES	**3,736,682**	**3,584,918**	**151,764**
Excess (Deficiency) of Revenues and Expenses	**(216,055)**	**5,414**	**(221,469)**

Debt Service and Fixed Asset Fund:			
Debt Service	150,017	146,039	3,978
Excess (Deficiency) of Revenues over Expenses	**150,017**	**146,039**	**3,978**

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With YTD May 2025 Comparative Data
Year to Date as of May 2026

INCOME:	YTD May 2026	YTD May 2025	Increase (Decrease)
Local Revenue Sources	1,371,595	1,386,380	(14,785)
Earned Income	12,159,585	16,519,642	(4,360,057)
General Revenue-Contract	16,340,697	15,643,742	696,955
TOTAL INCOME	**29,871,877**	**33,549,764**	**(3,677,887)**
EXPENSES:			
Salaries	17,099,975	19,356,446	(2,256,471)
Employee Benefits	3,293,440	3,600,409	(306,969)
Medication Expense	369,524	402,441	(32,917)
Travel - Board/Staff	313,775	357,342	(43,567)
Building Rent/Maintenance	291,021	258,033	32,988
Consultants/Contracts	5,044,430	5,665,084	(620,655)
Other Operating Expenses	2,536,904	2,390,886	146,018
TOTAL EXPENSES	**28,949,069**	**32,030,641**	**(3,081,572)**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**922,808**	**1,519,123**	**(596,315)**
CAPITAL EXPENDITURES			
Capital Outlay - FF&E, Automobiles, Building	271,940	546,738	(274,799)
Capital Outlay - Debt Service	1,330,267	1,159,605	170,661
TOTAL CAPITAL EXPENDITURES	**1,602,206**	**1,706,344**	**(104,137)**
GRAND TOTAL EXPENDITURES	**30,551,275**	**33,736,984**	**(3,185,709)**
Excess (Deficiency) of Revenues and Expenses	**(679,398)**	**(187,220)**	**(492,178)**

Debt Service and Fixed Asset Fund:			
Debt Service	1,330,267	1,159,605	170,661
Excess (Deficiency) of Revenues over Expenses	**1,330,267**	**1,159,605**	**170,661**

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With May 2025 Comparative Data
For the Month ending May 2026

INCOME:	MONTH OF May 2026	MONTH OF May 2025	Increase (Decrease)
Local Revenue Sources	310,333	189,023	121,310
Earned Income	1,182,135	1,756,994	(574,859)
General Revenue-Contract	2,028,159	2,055,698	(27,539)
TOTAL INCOME	**3,520,627**	**4,001,714**	**(481,087)**
Salaries	2,155,550	2,426,832	(271,282)
Employee Benefits	397,557	425,606	(28,050)
Medication Expense	40,756	40,511	244
Travel - Board/Staff	43,643	47,061	(3,417)
Building Rent/Maintenance	79,684	23,141	56,544
Consultants/Contracts	568,258	601,538	(33,280)
Other Operating Expenses	226,728	257,779	(31,052)
TOTAL EXPENSES	**3,512,176**	**3,822,468**	**(310,292)**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**8,451**	**179,246**	**(170,795)**
CAPITAL EXPENDITURES	74,488	34,461	40,028
Capital Outlay - FF&E, Automobiles, Building	150,017	128,539	21,478
Capital Outlay - Debt Service	**224,505**	**163,000**	**61,505**
TOTAL CAPITAL EXPENDITURES			
GRAND TOTAL EXPENDITURES	**3,736,682**	**3,985,468**	**(248,786)**
Excess (Deficiency) of Revenues and Expenses	**(216,055)**	**16,246**	**(232,301)**

Debt Service and Fixed Asset Fund:			
Debt Service	150,017	128,539	21,478
Excess (Deficiency) of Revenues over Expenses	**150,017**	**128,539**	**21,478**

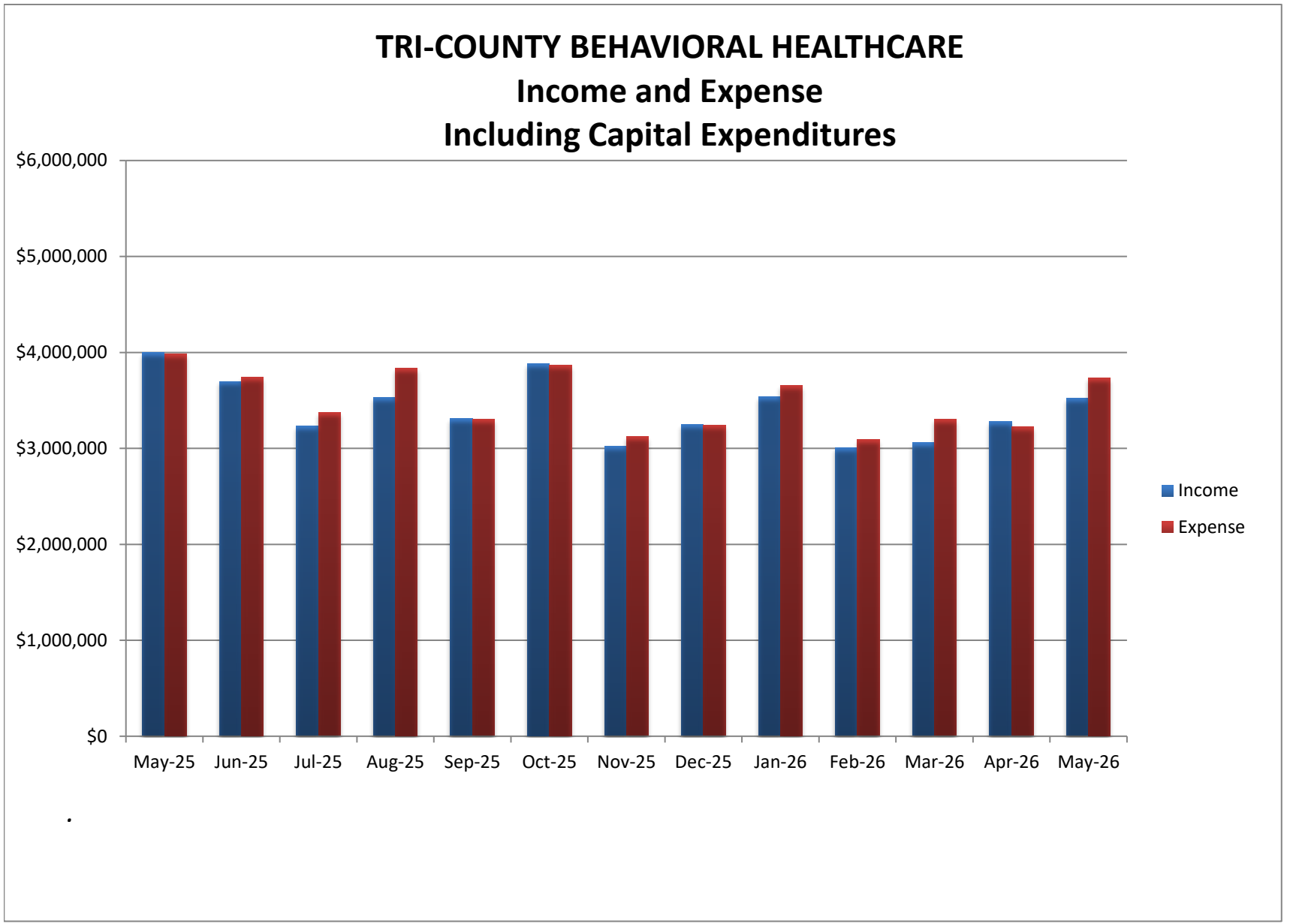
TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With April 2026 Comparative Data
For the Month Ended May 2026

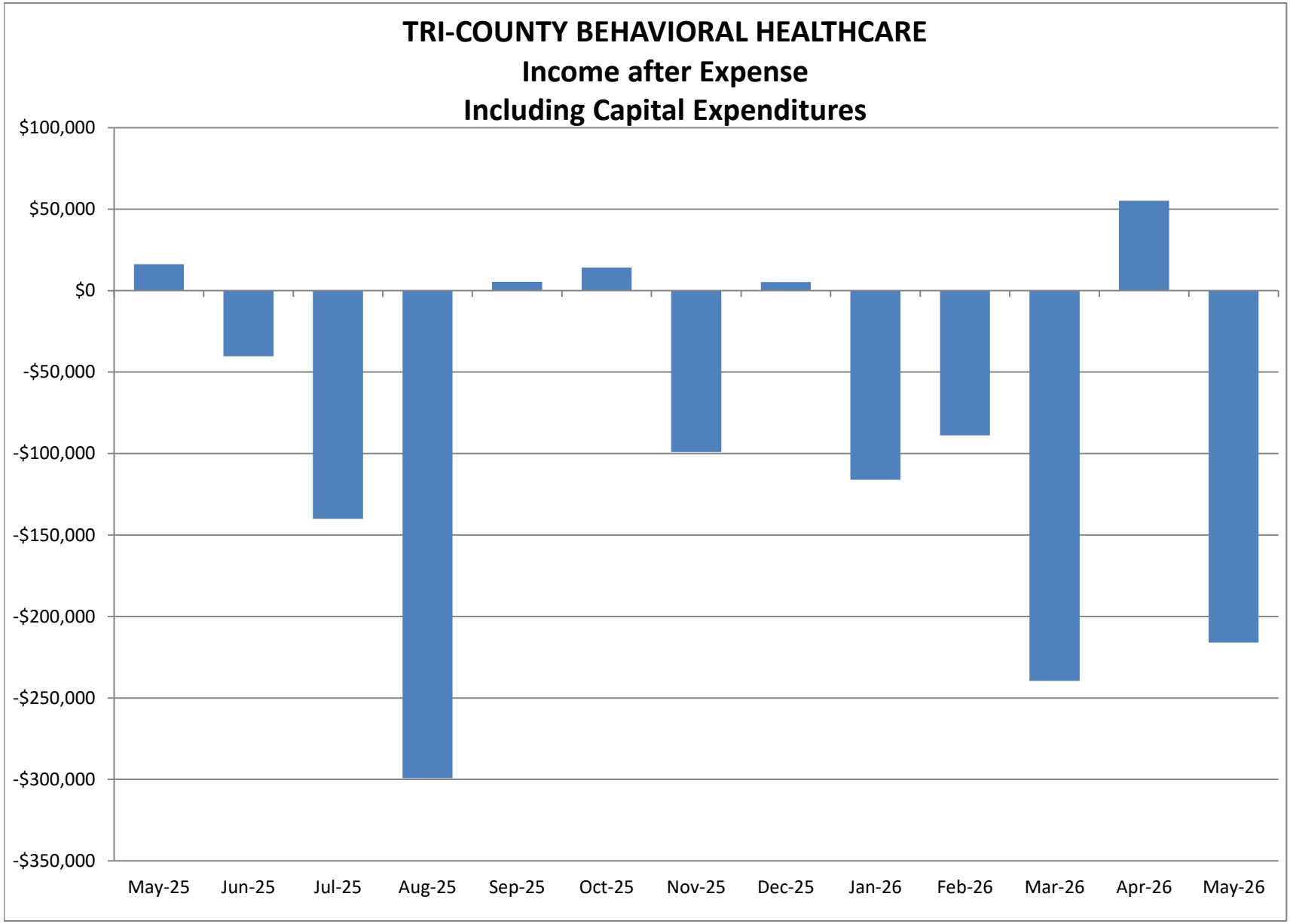
INCOME:	MONTH OF May 2026	MONTH OF April 2026	Increase (Decrease)
Local Revenue Sources	310,333	(58,101)	368,434.07
Earned Income	1,182,135	1,565,679	(383,543.54)
General Revenue-Contract	2,028,159	1,773,080	255,078.53
TOTAL INCOME	**3,520,627**	**3,280,658**	**239,969.06**
EXPENSES:			
Salaries	2,155,550	1,753,377	402,172.92
Employee Benefits	397,557	353,332	44,224.11
Medication Expense	40,756	63,687	(22,931.32)
Travel - Board/Staff	43,643	37,312	6,331.40
Building Rent/Maintenance	79,684	32,275	47,409.28
Consultants/Contracts	568,258	547,475	20,783.26
Other Operating Expenses	226,728	280,959	(54,231.49)
TOTAL EXPENSES	**3,512,176**	**3,068,418**	**443,758.16**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**8,451**	**212,240**	**(203,789.10)**
CAPITAL EXPENDITURES			
Capital Outlay - FF&E, Automobiles, Building	74,488	7,040	67,448.03
Capital Outlay - Debt Service	150,017	150,017	-
TOTAL CAPITAL EXPENDITURES	**224,505**	**157,057**	**67,448.03**
GRAND TOTAL EXPENDITURES	**3,736,682**	**3,225,476**	**511,206.19**
Excess (Deficiency) of Revenues and Expenses	**(216,055)**	**55,182**	**(271,237.13)**

Debt Service and Fixed Asset Fund:			
Debt Service	150,017	150,017	-
Excess (Deficiency) of Revenues over Expenses	**150,017**	**150,017**	**-**

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary by Service Type
Compared to Budget
Year To Date as of May 2026

INCOME:	YTD Mental Health May 2026	YTD IDD May 2026	YTD Other Services May 2026	YTD Agency Total May 2026	YTD Approved Budget May 2026	Increase (Decrease)
Local Revenue Sources	422,906	331,953	616,736	1,371,595	1,226,072	(145,523)
Earned Income	6,661,049	3,743,869	1,754,667	12,159,585	12,806,013	646,428
General Revenue-Contract	14,716,793	1,259,325	364,579	16,340,697	16,333,957	(6,740)
TOTAL INCOME	**21,800,748**	**5,335,147**	**2,735,982**	**29,871,877**	**30,366,042**	**494,165**
EXPENSES:						
Salaries	12,646,757	3,032,477	1,420,741	17,099,975	16,883,988	**215,987**
Employee Benefits	2,364,992	639,983	288,466	3,293,440	3,471,985	**(178,545)**
Medication Expense	348,103		21,421	369,524	338,035	**31,489**
Travel - Board/Staff	193,976	100,232	19,567	313,775	292,474	**21,301**
Building Rent/Maintenance	272,652	11,553	6,817	291,021	224,308	**66,714**
Consultants/Contracts	3,798,458	1,058,852	187,120	5,044,430	5,045,320	**(890)**
Other Operating Expenses	1,767,196	543,682	226,026	2,536,904	2,450,851	**86,053**
TOTAL EXPENSES	**21,392,134**	**5,386,778**	**2,170,157**	**28,949,069**	**28,706,960**	**242,109**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**408,614**	**(51,631)**	**565,825**	**922,808**	**1,659,081**	**736,273**
CAPITAL EXPENDITURES						
Capital Outlay - FF&E, Automobiles, Building	72,672	18,095	181,173	271,940	180,941	90,998
Capital Outlay - Debt Service	575,421	143,855	610,991	1,330,267	1,316,355	13,911
TOTAL CAPITAL EXPENDITURES	**648,092**	**161,950**	**792,164**	**1,602,206**	**1,497,296**	**104,910**
GRAND TOTAL EXPENDITURES	**22,040,226**	**5,548,728**	**2,962,321**	**30,551,275**	**30,204,257**	**347,018**
Excess (Deficiency) of Revenues and Expenses	**(239,478)**	**(213,581)**	**(226,339)**	**(679,398)**	**161,785**	**841,183**
Debt Service and Fixed Asset Fund:						
Debt Service	575,421	143,855	610,991	1,330,267	1,316,355	13,911
		-	-	-		-
Excess (Deficiency) of Revenues over Expenses	**575,421**	**143,855**	**610,991**	**1,330,267**	**1,316,355**	**13,911**


TRI-COUNTY BEHAVIORAL HEALTHCARE
Income and Expense
Including Capital Expenditures
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
May-25
Jun-25
Jul-25
Aug-25
Sep-25
Oct-25
Nov-25
Dec-25
Jan-26
Feb-26
Mar-26
Apr-26
May-26
Income
Expense


TRI-COUNTY BEHAVIORAL HEALTHCARE
Income after Expense
Including Capital Expenditures
$100,000
$50,000
$0
-$50,000
-$100,000
-$150,000
-$200,000
-$250,000
-$300,000
-$350,000
May-25
Jun-25
Jul-25
Aug-25
Sep-25
Oct-25
Nov-25
Dec-25
Jan-26
Feb-26
Mar-26
Apr-26
May-26

Agenda Item: Approve June 2026 Financial Statements **Committee:** Business	**Board Meeting Date** July 23, 2026
Background Information: None	
Supporting Documentation: June 2026 Financial Statements	
Recommended Action: **Approve June 2026 Financial Statements**	

June 2026 Financial Summary

Revenues for June 2026 were $3,406,475 and operating expenses were $3,247,064 resulting in a gain in operations of $159,411. Capital Expenditures and Extraordinary Expenses for June were $152,921 resulting in a gain of $6,490. Total revenues were 105.69% of the monthly budgeted revenues and total expenses were 107.76% of the monthly budgeted expenses (difference of -2.07%).

Year to date (YTD) revenues are $33,278,352 and operating expenses are $32,196,133 leaving excess operating revenues of $1,082,219. YTD Capital Expenditures and Extraordinary Expenses are $1,755,128 resulting in a loss YTD of $672,909. Total revenues are 99.07% of the YTD budgeted revenues and total expenses are 101.77% of the YTD budgeted expenses (difference of -2.70%).

REVENUES

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

Revenue Source	YTD Revenue	YTD Budget	% of Budget	$ Variance
Interest Income	$100,400	$145,000	69.24%	$44,600
Texas Correctional Office on Offenders with Medical or Mental Impairments	$594,390	$616,750	96.37%	$22,360
Title XIX Case Management - Mental Health	$260,363	$361,082	72.11%	$100,719
Title XIX Case Management - Intellectual and Developmental Disabilities	$1,189,512	$1,235,394	96.29%	$45,882
Title XIX Home and Community-Based Services	$1,799,868	$1,854,640	97.05%	$54,772
Medicaid – Preadmission Screening and Resident Review	$75,211	$93,880	80.11%	$18,669
Medicaid-Regular-Title XIX	$292,906	$365,359	80.17%	$72,453
Title XIX Rehab	$1,293,646	$1,864,300	69.39%	$570,654

Interest Income – This line item reflects the interest earned on our funds that we have on deposit mostly in the TexPool account. From the beginning of the fiscal year, when there was a delay in our quarterly deposits from HHSC, we have been under budget for the interest income. Funds that had been in our TexPool account were used for operations and therefore we did not earn the planned interest as expected.

Texas Correctional Office on Offenders with Medical or Mental Impairments – This line is for the Texas Correctional Office on Offenders with Medical & Mental

Impairments. This program had a position vacant for multiple months that put this contract under budget until we do a budget revision at year end. This is a cost reimbursement program, so there is a corresponding reduction in expense.

Title XIX Case Management - Mental Health - This line item continues to be under revenue for a good portion of the time ever since Coronavirus Disease (COVID). On a positive note, June was the highest earned for this line since the month of December this fiscal year. So hopefully we can keep the momentum going in this direction. We still have the multiple factors affecting this line, staff vacancies and the decrease in the Medicaid percentage for both the adult and the children's programs having a negative impact on our revenue earned

Title XIX Case Management - Intellectual and Developmental Disabilities (IDD) - As we talked about in the May narrative, last year we saw a slight return towards pre-covid revenue in this area. We are still below last year's numbers, but the month of June is the highest earned amount this fiscal year for this program. That is the positive news for this line. We still have some staff vacancies but hope to continue this upward trend.

Title XIX Home and Community-Based Services - This line item provides individualized services and supports (ISS) to persons with intellectual disabilities. This line item historically has very rarely been on the narrative report and is one of the more consistent revenue lines. For this fiscal year we have had numerous individuals that have been hospitalized and out of our programs which contributed to the revenue loss. We have also had two consumers drop out of ISS services. And also have a Host Home Provider on hold due to illness which stops revenue.

Medicaid - Preadmission Screening and Resident Review This line item has been trending lower each month of the fiscal year until it reached the threshold for reporting on the variance report. Although the program is fully staffed right now, we did have a vacancy the first couple of months of this fiscal year so we have had a ramp up of staff learning their job duties.

Medicaid - Regular - Title XIX - This line item represents revenue for Medicaid Card Services. In March, we reviewed our billing rates and implemented adjustments to ensure they more closely align with actual payments received. While we anticipated that these adjustments would result in lower recorded revenue in this line for a couple of months, we have seen an increase in May and June back to near normal levels. The change will ensure our reporting is much more stable and accurate going forward with less swings in the revenue earned in future fiscal periods.

Title XIX Rehab - This line item continues to be on our variance listing. Historically we could depend on certain months to be high, but over the last five years the trends are

not the same as they have been for the past 25 years. We continue to have a large number of vacancies in both the Child and Youth program and the Conroe Adult program in Qualified Mental Health Professional (QMHP) level positions. In addition, this service is only billable to Medicaid and Chip which means that reduction in persons with these insurance plans significantly decreases reimbursement. Consequently, we have had good QMHP productivity months which did not result in a corresponding increase in revenue because there was not a payer for the service. The summer months historically are low for the C & Y programs so we don't anticipate that area to be higher until the fall. These trends will continue until we can recruit quality staff and the staff that we have hired are fully trained.

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
Advertising – Recruitment	$48,362	$22,994	210.32%	$25,368
Building Repairs and Maintenance	$272,056	$199,827	136.15%	$72,229
Computer – Monthly Bandwidth	$49,319	$38,780	127.18%	$10,539
Contract – Non – Clinical	$992,938	$944,125	105.17%	$48,813
Fixed Assets – Construction in Progress	$167,453	$0	0	$167,453
Principal and Interest – First Financial Bank Conroe	$716,563	$698,674	102.56%	$17,889
Medication Expense	$415,074	$375,594	110.51%	$39,480
Moving Expense	$19,772	$0	0	$19,772
Payroll Salaries	$18,963,855	$18,546,832	102.25%	$417,022
Telephone – Monthly Service	$196,414	$175,236	112.09%	$21,178
Travel – Local	$310,322	$283,832	109.33%	$26,491
Utilities – Electricity	$239,684	$216,961	110.47%	$22,723
Vehicle – Repairs and Maintenance	$41,602	$24,432	170.28%	$17,170

Advertising - Recruitment - This line is used for recruiting expenses, such as advertising and in this case recruiting fees for hard to fill positions. We are over budget on this line since we paid a recruiting fee for a new Psychiatrist that started in March.

Building Repair and Maintenance – As you saw in May we had been under budget until these last two months for this line. May started the overage with a variety of repairs that has put us well over budget. The majority of these repairs all occurred at the Conroe facility and included A/C compressor, elevator repair, entrance door, and an expensive hot water heater replacement. June continued with another large elevator repairs, entrance door repair, A/C and plumbing repairs.

Computer – Monthly Bandwidth – This is the first month this line appears on the narrative. This expense is higher due to increased bandwidth added and the cost increasing.

Contract – Non-Clinical – This line item first appeared on the May narrative and will continue until the year end budget revision. Overage is due to unbudgeted services for ADA compliance work for our website and contractor work to secure our IT Firewall. We also have continued contracted services for the Porter location such as landscaping and janitorial where the budget ended with the funding.

Fixed Assets – Construction in Progress – This line item is for things that are not paid for by the Bond financing. No changes from the May financials.

Principal and Interest – First Financial Conroe – This is the loan for the Conroe facility. There is a clause in the loan that states that: "From January 20, 2021 to January 20, 2026, interest on the outstanding and unpaid balance hereof shall be computed at a per annum fixed rate equal to the lesser of (a) the Prime Rate minus 0.15%, or (b) 3.10% per annum, but in no event shall interest be greater than 4.10% per annum, nor shall interest contracted for, charged or received or plus any other charges in connection herewith which constitute interest exceed the maximum interest permitted by applicable law." We had been at the 3.10%, until January 20, 2026, when they increased our interest payment to the maximum of 4.10%.

The loan will continue to be reviewed on each five-year anniversary thereafter to determine what the interest charge will be as defined above.

Medications – This line item first appeared on the variance report in April. The medication cost for May decreased by $23,000. And now the expense for June has increased by $5,000. We think this will be the pattern going forward to have increases for medications, which we have also seen in our employee health plans. This line will be difficult to budget based on the current patterns.

Moving Expense – This line item is for moving expenses paid for the Psychiatrist that was hired in late March as a part of her Contract.

Payroll Salaries – This line item is our payroll expenses. We are coming in slightly higher than the budgeted salary amounts. This is due to the estimate for the projected lapse used for the initial budget calculations which is based on historical numbers including frozen positions. This month also included the PTO buy-out that occurs each year in June.

Telephone – Monthly Service - This line item has been reviewed for the increase in telephone monthly charges. With the change in the Cleveland facility, we have some new phone lines that have been moved to the new facility and had expected a refund that we still haven't yet received. We also received notices in the phone bills to expect rates to be increased up to 40%, so this is part of the expenses we are seeing. We continue to ask for explanation of the charges and for our refund, but they are notorious for not responding to these requests.

Travel Local - This line item is the money we pay for staff using their own vehicles for Tri-County business. This line varies from month to month but is trending up overall. A portion of the increase is due to the reimbursement rate being indexed to the State of Texas approved rate per mile, which increased January 1st. We are doing reviews and internal audits to compare mileage with client notes to ensure that the times match for services and mileage claimed. We anticipate the reimbursement rate to increase as the price of fuel remains high.

Utilities – Electricity – This line item continues to be on our variance list. But we have seen the monthly cost decrease from the higher months of December, January and February.

Vehicle – Repair and Maintenance – This line item is back again for being over budget. We purchased a large number of vehicles at one time a few years back and had multiple vehicles in for their required service maintenance check. We purchased many sets of tires that account for a good portion of excess expense this month.

TRI-COUNTY BEHAVIORAL HEALTHCARE
GENERAL FUND BALANCE SHEET
For the Month Ended June 2026

ASSETS	GENERAL FUND June 2026	GENERAL FUND May 2026	Increase (Decrease)
CURRENT ASSETS			
Imprest Cash Funds	2,000	2,000	-
Cash on Deposit - General Fund	7,880,258	6,878,216	1,002,043
Accounts Receivable	3,194,292	2,148,389	1,045,904
Inventory	496	511	(16)
TOTAL CURRENT ASSETS	11,077,046	9,029,116	2,047,931
FIXED ASSETS	22,469,928	22,469,928	-
OTHER ASSETS	317,623	352,748	(35,125)
TOTAL ASSETS	**33,864,597**	**31,851,791**	**2,012,805**
LIABILITIES, DEFERRED REVENUE, FUND BALANCES			
CURRENT LIABILITIES	1,345,340	1,353,246	(7,906)
NOTES PAYABLE	839,402	839,402	-
DEFERRED REVENUE	4,631,490	2,623,435	2,008,055
LONG-TERM LIABILITIES FOR			
First Financial Conroe Building Loan	8,120,538	8,165,391	(44,853)
Guaranty Bank & Trust Loan	1,527,404	1,533,630	(6,226)
First Financial Huntsville Land Loan	719,618	722,650	(3,032)
Lease Liability	148,006	148,006	-
SBITA Liability	608,536	608,536	-
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR			
General Fund	(672,909)	(679,399)	6,490
Debt Service Fund			
Capital Projects Fund			
FUND EQUITY			
RESTRICTED			
Net Assets Reserved for Debt Service	(11,124,102)	(11,178,214)	54,111
Reserved for Debt Retirement			-
COMMITTED			
Net Assets - Property and Equipment	22,469,928	22,469,928	-
Reserved for Vehicles & Equipment Replacement	613,712	613,712	-
Reserved for Facility Improvement & Acquisitions	2,303,068	2,303,068	-
Reserved for Board Initiatives	500,000	500,000	-
Reserved for 1115 Waiver Programs	-	-	-
ASSIGNED			
Reserved for Workers' Compensation	274,409	274,409	-
Reserved for Current Year Budgeted Reserve	61,667	55,500	6,167
Reserved for Insurance Deductibles	100,000	100,000	-
Reserved for Accrued Paid Time Off	(839,402)	(839,402)	-
UNASSIGNED			
Unrestricted and Undesignated	2,237,893	2,237,893	(0)
TOTAL LIABILITIES/FUND BALANCE	**33,864,597**	**31,851,791**	**2,012,805**

TRI-COUNTY BEHAVIORAL HEALTHCARE
CONSOLIDATED BALANCE SHEET
For the Month Ended June 2026

ASSETS	General Operating Fund	Debt Service Fund	Capital Projects Fund	Government Wide 2026	Memorandum Only Final August 2025
CURRENT ASSETS					
Imprest Cash Funds	2,000			2,000	2,550
Cash on Deposit - General Fund	7,880,258			7,880,258	5,587,676
Bond Reserve 2024		648,522		648,522	
Bond Fund 2024		366,430		366,430	-
Bank of New York - Capital Project Fund			908,143	908,143	
Accounts Receivable	3,194,292			3,194,292	3,700,331
Inventory	496			496	511
TOTAL CURRENT ASSETS	11,077,046	1,014,952	908,143	13,000,142	9,291,068
FIXED ASSETS	22,469,928			22,469,928	22,469,928
OTHER ASSETS	317,623			317,623	113,193
Bond 2024 - Amount to retire bond			11,535,925	11,535,925	
Bond Discount 2024			371,272	371,272	-
Total Assets	**33,864,597**	**1,014,952**	**12,815,340**	**47,694,889**	**31,874,189**
LIABILITIES, DEFERRED REVENUE, FUND BALANCES					
CURRENT LIABILITIES	1,345,340			1,345,340	1,782,090
BOND LIABILITIES			11,907,197	11,907,197	(241,960)
NOTES PAYABLE	839,402			839,402	839,402
DEFERRED REVENUE	4,631,490			4,631,490	1,638,119
LONG-TERM LIABILITIES FOR					
First Financial Conroe Building Loan	8,120,538			8,120,538	8,583,527
Guaranty Bank & Trust Loan	1,527,404			1,527,404	1,589,716
First Financial Huntsville Land Loan	719,618			719,618	749,611
Lease Liability	148,006			148,006	148,006
SBITA Liability	608,536			608,536	608,536
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR					
General Fund	(672,909)			(672,909)	(1,449,697)
Debt Service Fund				-	
Capital Projects Fund				-	
FUND EQUITY					
RESTRICTED					
Net Assets Reserved for Debt Service - Restricted	(11,124,102)			(11,124,102)	(11,679,396)
Cleveland New Build - Bond	-	1,014,952	908,143	1,923,095	-
Reserved for Debt Retirement					
COMMITTED					-
Net Assets - Property and Equipment - Committed	22,469,928			22,469,928	22,469,928
Reserved for Vehicles & Equipment Replacement	613,712			613,712	613,712
Reserved for Facility Improvement & Acquisitions	2,303,068			2,303,068	2,500,000
Reserved for Board Initiatives	500,000			500,000	500,000
Reserved for 1115 Waiver Programs	-			-	-
ASSIGNED					-
Reserved for Workers' Compensation - Assigned	274,409			274,409	274,409
Reserved for Current Year Budgeted Reserve - Assigned	61,667			61,667	-
Reserved for Insurance Deductibles - Assigned	100,000			100,000	100,000
Reserved for Accrued Paid Time Off	(839,402)			(839,402)	(839,402)
UNASSIGNED					
Unrestricted and Undesignated	2,237,893	-	-	2,237,893	3,687,589
TOTAL LIABILITIES/FUND BALANCE	**33,864,597**	**1,014,952**	**12,815,340**	**47,694,889**	**31,874,189**

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
For the Month Ended June 2026
and Year To Date as of June 2026

INCOME:	**MONTH OF June 2026**	**YTD June 2026**
Local Revenue Sources	131,757	1,503,352
Earned Income	1,490,198	13,649,783
General Revenue - Contract	1,784,520	18,125,217
TOTAL INCOME	**3,406,475**	**33,278,352**
EXPENSES:		
Salaries	1,863,879	18,963,855
Employee Benefits	361,671	3,655,110
Medication Expense	45,551	415,074
Travel - Board/Staff	36,265	350,040
Building Rent/Maintenance	32,703	323,725
Consultants/Contracts	539,161	5,583,591
Other Operating Expenses	367,834	2,904,738
TOTAL EXPENSES	**3,247,064**	**32,196,133**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**159,411**	**1,082,219**
CAPITAL EXPENDITURES		
Capital Outlay - FF&E, Automobiles, Building	154	272,094
Capital Outlay - Debt Service	152,767	1,483,034
TOTAL CAPITAL EXPENDITURES	**152,921**	**1,755,128**
GRAND TOTAL EXPENDITURES	**3,399,985**	**33,951,261**
Excess (Deficiency) of Revenues and Expenses	**6,490**	**(672,909)**

Debt Service and Fixed Asset Fund:		
Debt Service	152,767	1,483,034
Excess (Deficiency) of Revenues over Expenses	**152,767**	**1,483,034**

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
Compared to Budget
Year to Date as of June 2026

	YTD June 2026	APPROVED BUDGET	Increase (Decrease)
INCOME:			
Local Revenue Sources	1,503,352	1,317,219	186,134
Earned Income	13,649,783	14,115,637	(465,855)
General Revenue	18,125,217	18,156,358	(31,141)
TOTAL INCOME	**33,278,352**	**33,589,214**	**(310,862)**
EXPENSES:			
Salaries	18,963,855	18,546,832	417,022
Employee Benefits	3,655,110	3,827,673	(172,563)
Medication Expense	415,074	375,594	39,480
Travel - Board/Staff	350,040	324,013	26,027
Building Rent/Maintenance	323,725	246,277	77,448
Consultants/Contracts	5,583,591	5,570,855	12,736
Other Operating Expenses	2,904,738	2,791,350	113,388
TOTAL EXPENSES	**32,196,133**	**31,682,594**	**513,539**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**1,082,219**	**1,906,620**	**(824,401)**
CAPITAL EXPENDITURES			
Capital Outlay - FF&E, Automobiles, Building	272,094	214,483	57,611
Capital Outlay - Debt Service	1,483,034	1,462,395	20,639
TOTAL CAPITAL EXPENDITURES	**1,755,128**	**1,676,878**	**78,250**
GRAND TOTAL EXPENDITURES	**33,951,261**	**33,359,472**	**591,789**
Excess (Deficiency) of Revenues and Expenses	**(672,909)**	**229,742**	**(902,651)**
Debt Service and Fixed Asset Fund:			
Debt Service	1,483,034	1,462,395	**20,639**
Excess(Deficiency) of Revenues over Expenses	**1,483,034**	**1,462,395**	**20,639**

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
Compared to Budget
For the Month Ended June 2026

INCOME:	MONTH OF June 2026	APPROVED BUDGET	Increase (Decrease)
Local Revenue Sources	131,757	91,147	40,610
Earned Income	1,490,198	1,309,625	180,573
General Revenue-Contract	1,784,520	1,822,401	(37,881)
TOTAL INCOME	**3,406,475**	**3,223,172**	**183,303**
EXPENSES:			
Salaries	1,863,879	1,662,844	201,035
Employee Benefits	361,671	355,688	5,983
Medication Expense	45,551	37,559	7,991
Travel - Board/Staff	36,265	31,539	4,726
Building Rent/Maintenance	32,703	21,969	10,734
Consultants/Contracts	539,161	525,535	13,626
Other Operating Expenses	367,834	340,499	27,336
TOTAL EXPENSES	**3,247,064**	**2,975,634**	**271,430**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**159,411**	**247,538**	**(88,128)**
CAPITAL EXPENDITURES			
Capital Outlay - FF&E, Automobiles, Building	154	33,542	(33,388)
Capital Outlay - Debt Service	152,767	146,039	6,728
TOTAL CAPITAL EXPENDITURES	**152,921**	**179,581**	**(26,660)**
GRAND TOTAL EXPENDITURES	**3,399,985**	**3,155,215**	**244,771**
Excess (Deficiency) of Revenues and Expenses	**6,490**	**67,957**	**(61,468)**

Debt Service and Fixed Asset Fund:			
Debt Service	152,767	146,039	6,728
Excess (Deficiency) of Revenues over Expenses	**152,767**	**146,039**	**6,728**

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With YTD June 2025 Comparative Data
Year to Date as of June 2026

INCOME:	YTD June 2026	YTD June 2025	Increase (Decrease)
Local Revenue Sources	1,503,352	1,914,485	(411,133)
Earned Income	13,649,783	18,039,843	(4,390,060)
General Revenue-Contract	18,125,217	17,294,392	830,825
TOTAL INCOME	**33,278,352**	**$ 37,248,720**	**(3,970,368)**
EXPENSES:			
Salaries	18,963,855	21,415,269	(2,451,414)
Employee Benefits	3,655,110	3,985,885	(330,775)
Medication Expense	415,074	444,176	(29,102)
Travel - Board/Staff	350,040	404,377	(54,337)
Building Rent/Maintenance	323,725	290,556	33,169
Consultants/Contracts	5,583,591	6,207,165	(623,574)
Other Operating Expenses	2,904,738	2,744,146	160,592
TOTAL EXPENSES	**32,196,133**	**$ 35,491,574**	**(3,295,441)**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**1,082,219**	**$ 1,757,146**	**(674,927)**
CAPITAL EXPENDITURES			
Capital Outlay - FF&E, Automobiles, Building	272,094	696,595	(424,501)
Capital Outlay - Debt Service	1,483,034	1,288,145	194,889
TOTAL CAPITAL EXPENDITURES	**1,755,128**	**$ 1,984,740**	**(229,612)**
GRAND TOTAL EXPENDITURES	**33,951,261**	**$ 37,476,314**	**(3,525,053)**
Excess (Deficiency) of Revenues and Expenses	**(672,909)**	**$ (227,594)**	**(445,315)**

Debt Service and Fixed Asset Fund:			
Debt Service	1,483,034	1,288,145	194,889
Excess (Deficiency) of Revenues over Expenses	**1,483,034**	**1,288,145**	**194,889**

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With June 2025 Comparative Data
For the Month ending June 2026

INCOME:	MONTH OF June 2026	MONTH OF June 2025	Increase (Decrease)
Local Revenue Sources	131,757	528,105	(396,348)
Earned Income	1,490,198	1,520,201	(30,003)
General Revenue-Contract	1,784,520	1,650,650	133,870
TOTAL INCOME	**3,406,475**	**$ 3,698,956**	**(292,481)**
Salaries	1,863,879	2,058,823	(194,944)
Employee Benefits	361,671	385,476	(23,805)
Medication Expense	45,551	41,735	3,816
Travel - Board/Staff	36,265	47,035	(10,770)
Building Rent/Maintenance	32,703	32,523	180
Consultants/Contracts	539,161	542,081	(2,920)
Other Operating Expenses	367,834	353,261	14,573
TOTAL EXPENSES	**3,247,064**	**$ 3,460,934**	**(213,870)**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**159,411**	**$ 238,022**	**(78,611)**
CAPITAL EXPENDITURES			
Capital Outlay - FF&E, Automobiles, Building	154	149,857	(149,703)
Capital Outlay - Debt Service	152,767	128,539	24,228
TOTAL CAPITAL EXPENDITURES	**152,921**	**$ 278,396**	**(125,475)**
GRAND TOTAL EXPENDITURES	**3,399,985**	**$ 3,739,330**	**(339,345)**
Excess (Deficiency) of Revenues and Expenses	**6,490**	**$ (40,374)**	**46,864**

Debt Service and Fixed Asset Fund:			
Debt Service	152,767	128,539	24,228
Excess (Deficiency) of Revenues over Expenses	**152,767**	**128,539**	**24,228**

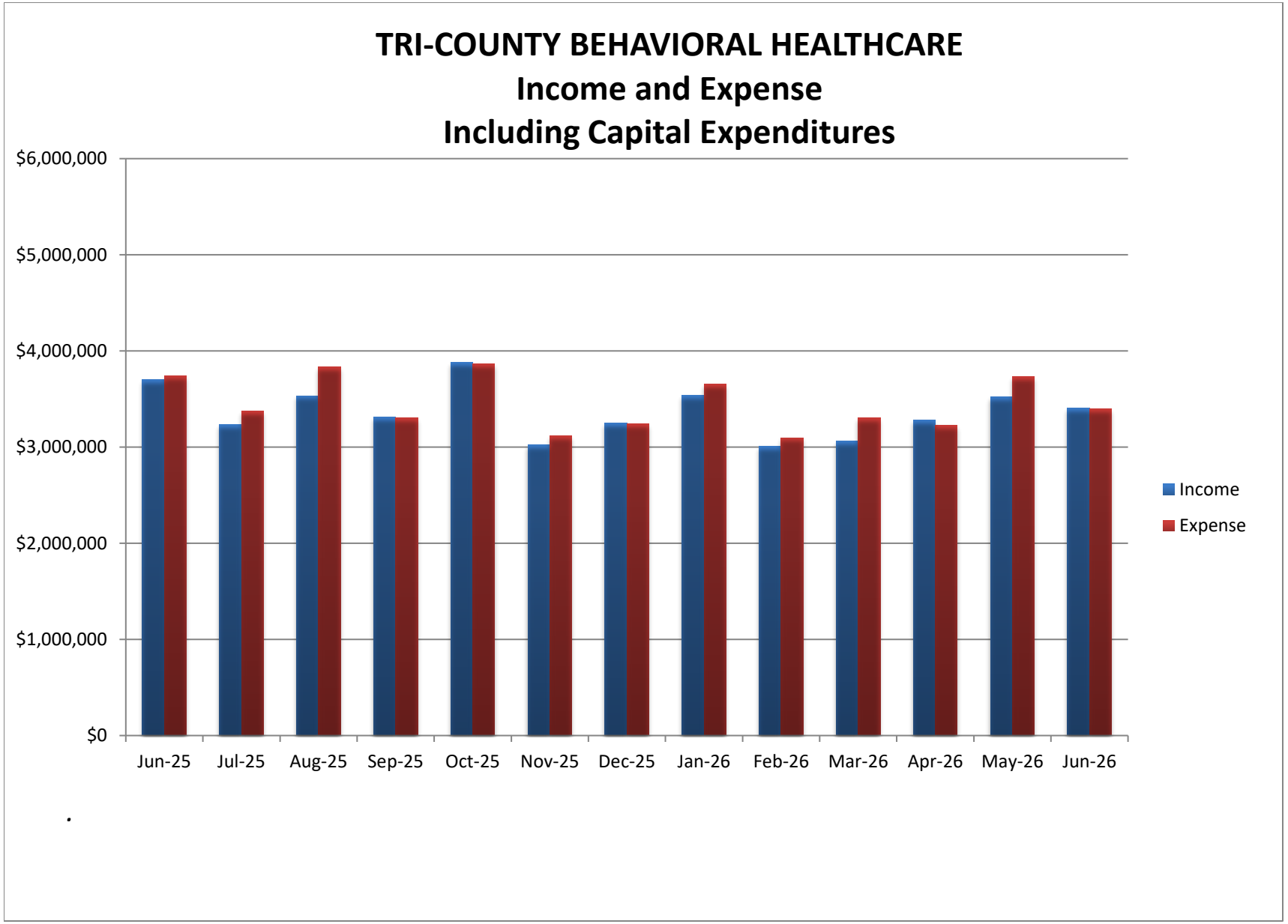
TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With May 2026 Comparative Data
For the Month Ended June 2026

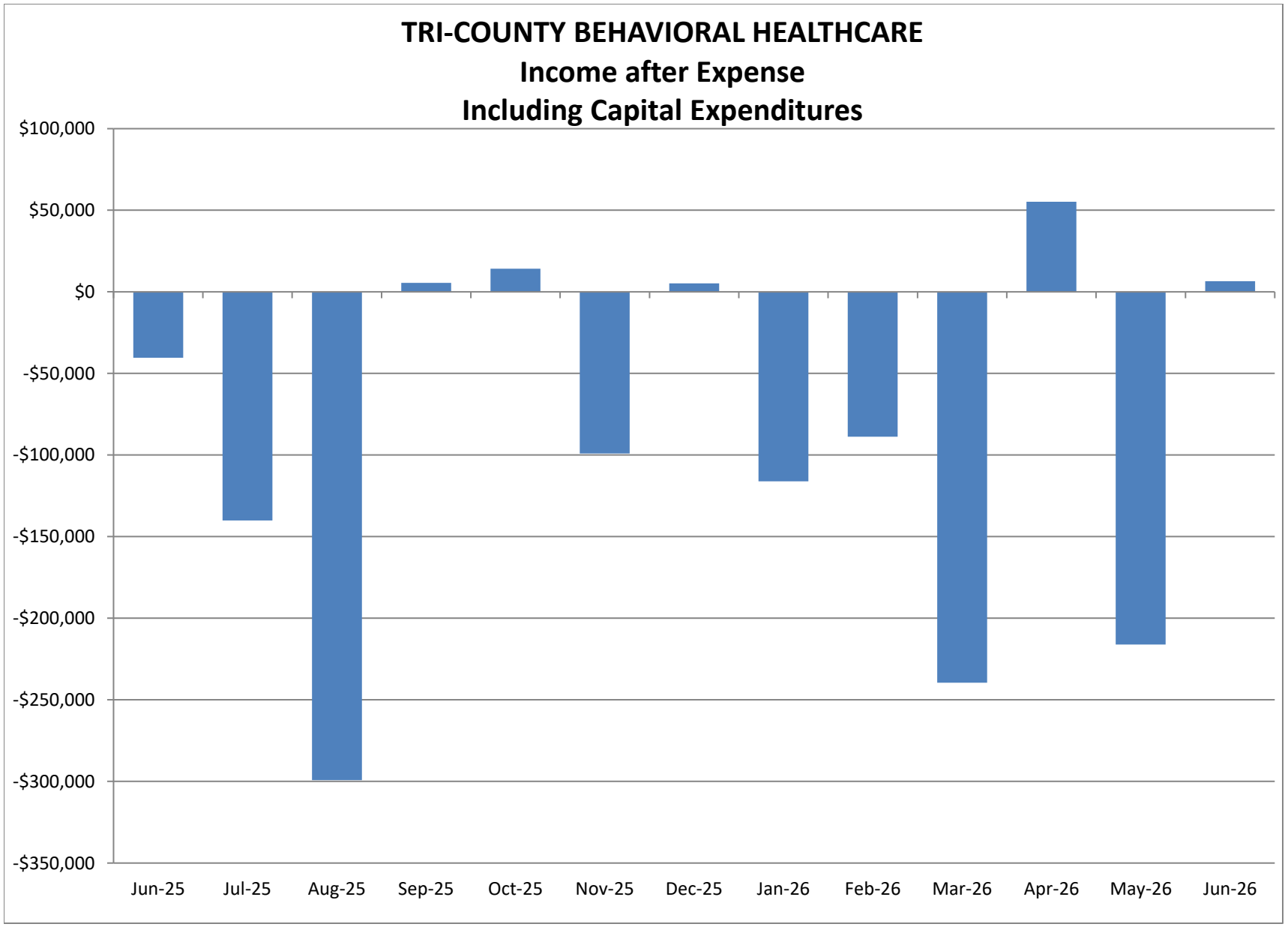
INCOME:	MONTH OF June 2026	MONTH OF May 2026	Increase (Decrease)
Local Revenue Sources	131,757	310,333	(178,575.53)
Earned Income	1,490,198	1,182,135	308,062.62
General Revenue-Contract	1,784,520	2,028,159	(243,639.14)
TOTAL INCOME	**3,406,475**	**3,520,627**	**(114,152.05)**
EXPENSES:			
Salaries	1,863,879	2,155,550	(291,670.92)
Employee Benefits	361,671	397,557	(35,886.00)
Medication Expense	45,551	40,756	4,794.85
Travel - Board/Staff	36,265	43,643	(7,378.33)
Building Rent/Maintenance	32,703	79,684	(46,980.77)
Consultants/Contracts	539,161	568,258	(29,097.48)
Other Operating Expenses	367,834	226,728	141,106.44
TOTAL EXPENSES	**3,247,064**	**3,512,176**	**(265,112.21)**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**159,411**	**8,451**	**150,960.16**
CAPITAL EXPENDITURES			
Capital Outlay - FF&E, Automobiles, Building	154	74,488	(74,334.10)
Capital Outlay - Debt Service	152,767	150,017	2,750.00
TOTAL CAPITAL EXPENDITURES	**152,921**	**224,505**	**(71,584.10)**
GRAND TOTAL EXPENDITURES	**3,399,985**	**3,736,682**	**(336,696.31)**
Excess (Deficiency) of Revenues and Expenses	**6,490**	**(216,055)**	**222,544.26**

Debt Service and Fixed Asset Fund:			
Debt Service	152,767	150,017	2,750.00
Excess (Deficiency) of Revenues over Expenses	**152,767**	**150,017**	**2,750.00**

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary by Service Type
Compared to Budget
Year To Date as of June 2026

INCOME:	YTD Mental Health June 2026	YTD IDD June 2026	YTD Other Services June 2026	YTD Agency Total June 2026	YTD Approved Budget June 2026	Increase (Decrease)
Local Revenue Sources	485,238	348,141	669,974	1,503,352	1,317,219	(186,134)
Earned Income	7,500,339	4,223,897	1,925,547	13,649,783	14,115,637	465,855
General Revenue-Contract	16,277,660	1,452,501	395,056	18,125,217	18,156,358	31,141
TOTAL INCOME	**24,263,236**	**6,024,539**	**2,990,577**	**33,278,352**	**33,589,214**	**310,862**
EXPENSES:						
Salaries	14,055,464	3,361,650	1,546,741	18,963,855	18,546,832	**417,022**
Employee Benefits	2,631,762	708,662	314,687	3,655,110	3,827,673	**(172,563)**
Medication Expense	392,541		22,534	415,074	375,594	**39,480**
Travel - Board/Staff	216,447	111,872	21,720	350,040	324,013	**26,027**
Building Rent/Maintenance	302,792	12,500	8,433	323,725	246,277	**77,448**
Consultants/Contracts	4,142,916	1,226,770	213,905	5,583,591	5,570,855	**12,736**
Other Operating Expenses	2,030,287	619,260	255,192	2,904,738	2,791,350	**113,388**
TOTAL EXPENSES	**23,772,208**	**6,040,712**	**2,383,213**	**32,196,133**	**31,682,594**	**513,539**
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	**491,028**	**(16,173)**	**607,364**	**1,082,219**	**1,906,620**	**824,401**
CAPITAL EXPENDITURES						
Capital Outlay - FF&E, Automobiles, Building	72,672	18,095	181,327	272,094	214,483	57,611
Capital Outlay - Debt Service	640,947	160,237	681,850	1,483,034	1,462,395	20,639
TOTAL CAPITAL EXPENDITURES	**713,619**	**178,332**	**863,177**	**1,755,128**	**1,676,878**	**78,250**
GRAND TOTAL EXPENDITURES	**24,485,827**	**6,219,044**	**3,246,389**	**33,951,261**	**33,359,472**	**591,789**
Excess (Deficiency) of Revenues and Expenses	**(222,591)**	**(194,505)**	**(255,812)**	**(672,909)**	**229,742**	**902,651**
Debt Service and Fixed Asset Fund:						
Debt Service	640,947	160,237	681,850	1,483,034	1,462,395	20,639
		-	-	-		-
Excess (Deficiency) of Revenues over Expenses	**640,947**	**160,237**	**681,850**	**1,483,034**	**1,462,395**	**20,639**


TRI-COUNTY BEHAVIORAL HEALTHCARE
Income and Expense
Including Capital Expenditures
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
Jun-25
Jul-25
Aug-25
Sep-25
Oct-25
Nov-25
Dec-25
Jan-26
Feb-26
Mar-26
Apr-26
May-26
Jun-26
Income
Expense


TRI-COUNTY BEHAVIORAL HEALTHCARE
Income after Expense
Including Capital Expenditures
$100,000
$50,000
$0
-$50,000
-$100,000
-$150,000
-$200,000
-$250,000
-$300,000
-$350,000
Jun-25
Jul-25
Aug-25
Sep-25
Oct-25
Nov-25
Dec-25
Jan-26
Feb-26
Mar-26
Apr-26
May-26
Jun-26

Agenda Item: Approve Recommendation for FY 2027 Employee Health Insurance, Basic Life/Accidental Death & Dismemberment, and Long-Term Disability Plans **Committee:** Business	**Board Meeting Date** July 23, 2026

Background Information:

TCBHC currently has employee health insurance coverage through Blue Cross Blue Shield (BCBS). In FY 2026, we offered a structure of three (3) plan types: one (1) Health Maintenance Organization (HMO) plan, one (1) Health Savings Account (HSA) plan, and one (1) Preferred Provider Organization (PPO) plan. Our current plans will expire on September 30, 2026. In April 2026, Benefit Solutions (per our request) gathered and presented quotes for FY 2027 employee health and supplemental insurance coverage. Our request was to find coverage options that would be similar to our current plan designs, while helping us curb rising insurance costs.

Aetna and BCBS each responded with quotes. Aetna's quote was a 13.4% increase over our current FY 2026 rates. Angle Health, Cigna and United Healthcare did not respond with a quote.

Based on the received quotes from BCBS and Aetna, it is recommended that TCBHC stay with BCBS and go with option 'Alternate Triple Option 3.' This option has an overall increase of approximately 8.3%, but allows employees to stay within the BCBS network.

Recommended FY 2027 plan options are described below:

BCBS HMO 4000:
The HMO 4000 Plan has a $4,000/$8,000 deductible structure ($4,000 for employee only and $8,000 for family coverage) and pays 80% of covered expenses after the deductible is met. Primary care office visit copays are $30 and specialist office visit copays are $50. Prescription drug co-pays are $15/$50/$90/$150/$300, depending on the medication tier. Before TCBHC contributions, the monthly premiums for this plan are $996.78 per month for employee only coverage, $2,198.03 for employee and spouse coverage, $1,897.71 for employee and children coverage, and $3,098.97 for family coverage.

BCBS HSA 3500:
The HSA 3500 has a $3,500/$7,000 deductible structure ($3,500 for employee only coverage and $7,000 for family coverage). Employees are responsible for 100% of covered medical and prescription drug expenses until the deductible is met. After the deductible is met, the plan pays 80% of covered medical expenses, and prescription drug copays apply until the maximum out-of-pocket amount is reached. Before TCBHC contributions, the monthly premiums for this plan are $1,056.69 for employee-only coverage, $2,330.13 for employee and spouse coverage, $2,011.76 for employee and children coverage, and $3,285.24 for family coverage

BCBS PPO 2500:
The PPO 2500 has a $2,500/$5,000 deductible structure ($2,500 for employee only and $5,000 for family coverage), and pays 80% of covered medical expenses after the deductible is met. Primary care office visit copays are $30, and specialist office visit copays are $50. Prescription drug copays are $15/$50/$90/$150/$300, depending on the medication tier. Before TCBHC contributions, the monthly premiums for this plan are $1,107.24 for employee-only coverage, $2,441.60 for employee and spouse coverage, $2,108.00 for employee and children coverage, and $3,442.38 for family coverage.

Ancillary Plans:
The Center also pays for Basic Life/Accidental Death and Dismemberment (AD&D) and Long-Term Disability (LTD) coverage for all full-time employees. Coverage is currently provided through The Hartford. The Hartford's renewal proposal includes a 22% increase for Basic Life/AD&D coverage and a 14% increase for LTD coverage.

The Basic Life/AD&D and LTD quotes received will be presented at the Board Meeting.

Supporting Documentation:

Tri-County Employee Health Insurance and Ancillary Plan Spreadsheets

Recommended Action:

Approve Recommendation for FY 2027 Employee Health Insurance, Basic Life/Accidental Death & Dismemberment, and Long-Term Disability Plans

Agenda Item: Ratify Health and Human Services Commission Local Mental Health Authority Performance Grant Agreement, Contract No. HHS001598600037, Amendment No. 1 **Committee:** Business	**Board Meeting Date** July 23, 2026

Background Information:

The Health and Human Services Local Mental Health Authority Performance Contract Grant Agreement is the contract for all mental health outpatient services and includes the following programs:

- Outpatient Competency Restoration;
- Community Mental Health Hospitals (CSU);
- Psychiatric Emergency Service Centers (CSU, CIRT, Rapid Crisis);
- Private Psychiatric Bedday funding (Contract Hospitals);
- Mental Health Supported Housing;
- Veterans Services;
- Mental Health PreAdmission, Screening and Resident Review (MI-PASRR);
- Education Service Center Liaison; and
- Medications for Civil Commitments.

Overall there was a small transfer in contract funding related to reassignment of Military Veteran Peer Network (MVPN) services from this contract to Texas Veterans Commission.

There was additional contract clause added to the agreement about "Surveillance, Intimidation, and related acts; outlines that contractor will not engage in stalking of legislative members or staff, family members of legislative members or staff, state agency employees, or individuals making a complaint or raising concerns regarding state agency operations or contracting."

While there are a series of other changes to the contract, none of them will have a significant impact on operations.

HHSC needed this contract back by the middle of July so staff are requesting ratification of this contract amendment.

Supporting Documentation:

Contract will be available for review at the Board meeting.

Recommended Action:

Ratify Health and Human Services Commission Local Mental Health Authority Performance Grant Agreement, Contract No. HHS001598600037, Amendment No. 1

Agenda Item: Ratify Health and Human Services Commission Contract No. HHS001586900037, Local Intellectual and Developmental Disability Authority (LIDDA) Grant Program, Amendment No. 2 **Committee:** Business	**Board Meeting Date** July 23, 2026

Background Information:
The Health and Human Services Local Intellectual and Developmental Disability Performance Contract is the contract for all IDD Authority (LIDDA) services, including:

- Eligibility Determination;
- State Supported Living Center Admission and Continuity of Care services;
- Service Coordination;
- Maintenance of the TxHmL and HCS Interest lists;
- Permanency Planning;
- IDD Crisis Intervention and Crisis Respite;
- Enhanced Community Coordination;
- PreAdmission and Resident Review (PASRR); and
- Habilitation Coordination.

Changes in the amendment include:

- Moving the Enhanced Community Coordination contract clause and associated funding to a new calendar year contract (in line with the federal funding).
- Removal of the clause that authorized the last of the Intellectual and Developmental Disabilities (IDD) ARPA funds which were for costs associated with a project to make service documentation more electronic (currently mostly on paper).
- A new requirement to "identify service members during intake and eligibility determination processes, and direct identified service members to appropriate additional services."
    - Requires the additional question: "Have you ever served in the United States Armed Forces or Texas Military Forces, regardless of length of service or type of discharge?"

HHSC needed this contract back by the middle of July so staff are requesting ratification of this contract amendment.

Supporting Documentation:
Contract will be available for review at the Board meeting.

Recommended Action:
Ratify Health and Human Services Commission Contract No. HHS001586900037, Local Intellectual and Developmental Disability Authority (LIDDA) Grant Program, Amendment No. Two

Agenda Item: Ratify Health and Human Services Commission Grant Agreement, Treatment Services Grant Program, Contract No. HHS001535500092, Amendment No. 1 **Committee:** Business	**Board Meeting Date** July 23, 2026

Background Information:

Tri-County has provided Outpatient Substance Use Disorder services for 17 years. The full grant is applied for every 5 years and the Center is awarded annual renewal grants to continue funding and/or make contract changes.

The primary reason for this contract amendment was to change the funding source for grant and to cite Block Grant Notice of Award information. In addition, the Health and Human Services Commission (HHSC) added the clause, "Note: a portion of grant funds may come from state general revenue. At the close of the fiscal year budget period, System Agency (HHSC) may provide final expenditures by method of finance."

While these contracts are always challenging to administer, we did not feel that there were any contract clauses that impact service provision in a significant way.

HHSC needed this contract back by July 15th, so Evan Roberson has signed the agreement for ratification by the Board.

Supporting Documentation:

Contract Available for Review

Recommended Action:

Ratify Health and Human Services Commission Grant Agreement, Treatment Services Grant Program, Contract No. HHS001535500092, Amendment No. 1

Agenda Item: Approve Texas Health and Human Services Commission Grant Agreement, Contract No. HHS001612400015 Projects for Assistance in the Transition from Homelessness (PATH) **Committee:** Business	**Board Meeting Date** July 23, 2026

Background Information:

The Project for Assistance in Transition from Homelessness (PATH) grant program is our outreach program to homeless populations with Severe Mental Illness who are not currently connected to mainstream mental health services, primary healthcare and substance abuse service systems. We have staff in Montgomery County that work with these individuals in the community with the goal of engaging them into outpatient services.

This year, staff applied for and received a five-year renewal of the grant, from September 1st of 2026 (Fiscal Year 2027) to August 31st of 2031, (Fiscal Year 2031) for a total five-year value of the contract at $875,475 with additional required local match in the amount of $254,765.

Changes in contract requirements from the Fiscal Year 2026 contract are minimal.

Supporting Documentation:

Contract will be available for review at the Board meeting.

Recommended Action:

Approve Texas Health and Human Services Commission Grant Agreement, Contract No. HHS001612400015 Projects for Assistance in the Transition from Homelessness (PATH)

Agenda Item: Approve Texas Health and Human Services Commission (HHSC) Medicaid Provider Agreement, Contract No. 001019628, Amendment No. 3 **Committee:** Business	**Board Meeting Date** July 23, 2026

Background Information:

A Texas Medicaid Provider Agreement is the legally binding contract between a healthcare provider (or organization) and the Texas Medicaid program that allows the provider to participate in Medicaid and receive payment for covered services provided to Medicaid members.

In Texas, the agreement is entered into through enrollment with the Texas Medicaid program, which is administered by the Texas Health and Human Services Commission (HHSC) and operationally managed by the state's Medicaid enrollment contractor.

By signing a Medicaid Provider Agreement, the provider agrees to:

- Comply with all federal and Texas Medicaid laws, rules, and policies.
- Submit only accurate and medically necessary claims.
- Maintain appropriate records supporting billed services.
- Allow audits, investigations, and reviews by HHSC, the Office of Inspector General (OIG), CMS, and other authorized entities.
- Protect patient confidentiality in accordance with HIPAA and Medicaid requirements.
- Accept Medicaid reimbursement as payment in full (except for authorized copayments or other permitted charges).
- Not discriminate against Medicaid recipients.
- Report changes in ownership, licensure, address, or other enrollment information.
- Repay any identified overpayments.

This is a five-year agreement to extend the Center’s participation in Medicaid.

There were no concerns noted with this contract.

Supporting Documentation:

Contract Available for Review

Recommended Action:

Approve Texas Health and Human Services Commission (HHSC) Medicaid Provider Agreement, Contract No. 001019628, Amendment No. 3

Agenda Item: Approve Increase in FY 2026 Contract Amendment total for Autism International Consulting and Therapy Services Contract **Committee:** Business	**Board Meeting Date:** July 23, 2026

Background Information:

The Health and Human Services Children's Autism Program grant provides focused Applied Behavioral Analysis (ABA) services for children ages 3 to 15, through contracts with local community agencies and organizations, including Local Intellectual and Developmental Disability Authorities. Focused ABA treatment is used to target specific behaviors instead of all developmental needs of the child. It is particularly useful when children have challenging behaviors and when improvements in social and adaptive skills are sought.

At Tri-County, a Board-Certified Behavioral Analyst or BCBA provides treatment on specific behaviors. We have one contractor who also provides treatment as well, Autism International. The treatment through the HHS Children's Autism Program is limited to 180 hours within a 12-month period. The length of treatments received is limited to a maximum of 720 hours during the child's lifetime.

This contract maximum will be increased from $45,000 for FY26 to $100,000 to ensure focused ABA services can continue to be delivered. This does not represent an increase in budget, but is allocation of contract funds to cover the accounts payable for this contractor.

Supporting Documentation:

Contract Available for Review at the Board Meeting

Recommended Action:

Approve an Increase in the FY 2026 Contract Amendment for Autism International Consulting and Therapy Services to Provide ABA services in an Amount Not to Exceed $100,000

Agenda Item: Review Tri-County's 2024 990 Tax Return Prepared by Eide Bailly LLP **Committee:** Business	**Board Meeting Date** July 23, 2026
Background Information: Eide Bailly LLP has completed Tri-County's 990 Tax Return for 2024 (fiscal year September 1, 2024 through August 31, 2025). The completed tax return will be available for Board member review at the July 23, 2026 Board meeting and may also be provided upon request.	
Supporting Documentation: A copy of the Tri-County Behavioral Healthcare's 2024 Form 990 Tax Return will be available for review at the Board meeting.	
Recommended Action: **For Information Only**	

Agenda Item: 3rd Quarter FY 2026 Quarterly Investment Report **Committee:** Business	**Board Meeting Date** July 23, 2026

Background Information:

This report is provided to the Board of Trustees of Tri-County Behavioral Healthcare in accordance with Board Policy on fiscal management and in compliance with Chapter 2256: Subchapter A of the Public Funds Investment Act.

Supporting Documentation:

Quarterly TexPool Investment Report

Quarterly Interest Report

Recommended Action:

For Information Only

QUARTERLY INVESTMENT REPORT
TEXPOOL FUNDS

For the Period Ending May 31st, 2026

GENERAL INFORMATION

This report is provided to the Board of Trustees of Tri-County Behavioral Healthcare in accordance with Board Policy on fiscal management and in compliance with Chapter 2256; Subchapter A of the Public Funds Investment Act.

Center funds for the period have been partially invested in the Texas Local Government Investment Pool (TexPool), organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The Comptroller of Public Accounts is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company which is authorized to operate TexPool. Pursuant to the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. ("Federated"). The Comptroller maintains oversight of the services provided. In addition, the TexPool Advisory Board, composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool, advise on investment policy and approves fee increases.

TexPool investment policy restricts investment of the portfolio to the following types of investments:

Obligations of the United States Government or its agencies and instrumentalities with a maximum final maturity of 397 days for fixed rate securities and 24 months for variable rate notes;

Fully collateralized repurchase agreements and reverse repurchase agreements with defined termination dates may not exceed 90 days unless the repurchase agreements have a provision that enables TexPool to liquidate the position at par with no more than seven days notice to the counterparty. The maximum maturity on repurchase agreements may not exceed 181 days. These agreements may be placed only with primary government securities dealers or a financial institution doing business in the State of Texas.

No-load money market mutual funds are registered and regulated by the Securities and Exchange Commission and rated AAA or equivalent by at least one nationally recognized rating service. The money market mutual fund must maintain a dollar weighted average stated maturity of 90 days or less and include in its investment objectives the maintenance of a stable net asset value of $1.00.

TexPool is governed by the following specific portfolio diversification limitations;

100% of the portfolio may be invested in obligations of the United States.

100% of the portfolio may be invested in direct repurchase agreements for liquidity purposes.

Reverse repurchase agreements will be used primarily to enhance portfolio return within a limitation of up to one-third (1/3) of total portfolio assets.

No more than 15% of the portfolio may be invested in approved money market mutual funds.

The weighted average maturity of TexPool cannot exceed 60 days calculated using the reset date for variable rate notes and 90 days calculated using the final maturity date for variable rate notes.

The maximum maturity for any individual security in the portfolio is limited to 397 days for fixed rate securities and 24 months for variable rate notes.

TexPool seeks to maintain a net asset value of $1.00 and is designed to be used for investment of funds which may be needed at any time.

STATISTICAL INFORMATION

Market Value for the Period

Portfolio Summary	March	April	May
Uninvested Balance	$1,111.82	$389.17	$203,187.09
Accrual of Interest Income	$69,671,841.45	$57,047,365.79	$76,573,290.78
Interest and Management Fees Payable	(-$125,135,718.73)	(-$117,444,137.57)	(-$117,596,744.49)
Payable for Investments Purchased	0.00	0.00	(-$370,500,311.25)
Accrued Expense & Taxes	($-50,017.32)	(-$45,597.47)	(-$133,521.15)
Repurchase Agreements	$18,831,703,000.00	$17,111,099,000.00	$15,396,978,000.00
Mutual Fund Investments	$1,017,085,200.00	$1,017,085,200.00	$1,017,085,200.00
Government Securities	$9,580,997,093.91	$10,098,658,598.62	$10,698,157,541.41
U.S. Treasury Bills	$8,148,620,242.93	$8,281,450,271.28	$8,858,028,701.55
U.S. Treasury Notes	$2,192,314,075.34	$2,111,510,040.70	$2,161,103,835.66
TOTAL	**$39,715,206,829.40**	**$38,559,361,130.52**	**$37,719,899,179.60**

Book Value for the Period

Type of Asset	Beginning Balance	Ending Balance
Uninvested Balance	$841.51	$203,187.09
Accrual of Interest Income	$73,841,617.46	$76,573,290.78
Interest and Management Fees Payable	(-$115,009,250.67)	(-$117,596,744.49)
Payable for Investments Purchased	(-$395,253,223.36)	(-$370,500,311.25)
Accrued Expenses & Taxes	(-$95,969.94)	(-$133,521.15)
Repurchase Agreements	$15,187,337,000.00	$15,187,337,000.00
Mutual Fund Investments	$19,583,816,000.00	$15,396,978,000.00
Government Securities	$10,116,253,613.40	$10,701,252,876.85
U.S. Treasury Bills	$8,167,568,004.96	$8,859,110,522.45
U.S. Treasury Notes	$2,073,403,153.59	$2,161,582,056.67
TOTAL	**$40,521,609,986.95**	**$37,724,554,556.95**

Portfolio by Maturity as of May 31st, 2026

1 to 7 days	8 to 90 day	91 to 180 days	181 + days
62.9 %	18.1 %	7.6 %	11.3 %

Portfolio by Type of Investments as of May 31st, 2026

Treasuries	Repurchase Agreements	Agencies	Money Market Funds
28.9 %	40.4 %	28.1 %	2.7 %

SUMMARY INFORMATION

On a simple daily basis, the monthly average yield was 3.67% for March, 3.66% for April, and 3.62% for May.

As of the end of the reporting period, market value of collateral supporting the Repurchase Agreements was at least 102% of the Book Value.

The weighted average maturity of the fund as of May 31st, 2026 was 46 days.

The net asset value as of May 31st, 2026 was 0.99987.

The total amount of interest distributed to participants during the period was $117,590,622.47.

TexPool interest rates did not exceed 90 Day T-Bill rates during the entire reporting period.

TexPool has a current money market fund rating of AAAm by Standard and Poor's.

During the reporting period, the total number of participants increased to 3,000.

Fund assets are safe kept at the State Street Bank in the name of TexPool in a custodial account.

During the reporting period, the investment portfolio was in full compliance with Tri-County Behavioral Healthcare's Investment Policy and with the Public Funds Investment Act.

Submitted by:

_____ _____

Evan Roberson Date
Executive Director / Investment Officer

_____ _____

Millie McDuffey Date
Chief Financial Officer / Investment Officer

_____ _____

Darius Tuminas Date
Controller / Investment Officer

_____ _____

Tabatha Abbott Date
Manager of Accounting / Investment Officer

TRI-COUNTY BEHAVIORAL HEALTHCARE
QUARTERLY INTEREST EARNED REPORT
FISCAL YEAR 2026
As Of May 31, 2026

BANK NAME	INTEREST EARNED				
	1st QTR.	2nd QTR.	3rd QTR.	4th QTR.	YTD TOTAL
Alliance Bank - Central Texas CD	$ -	$ -	$ -	$ -	$ -
First Liberty National Bank	$ 1.88	$ 1.86	$ 1.90	$ -	$ 5.64
JP Morgan Chase (HBS)	$ 5,141.76	$ 6,634.57	$ 6,132.18	$ -	$ 17,908.51
Prosperity Bank	$ 24.56	$ 16.99	$ 20.61	$ -	$ 62.16
Prosperity Bank CD (formerly Tradition)	$ 3.10	$ 2.69	$ 3.49	$ -	$ 9.28
TexPool Participants	$ 9,987.45	$ 29.00	$ 30,065.66	$ -	$ 40,082.11
First Financial Bank	$ 579.89	$ 477.92	$ 455.16	$ -	$ 1,512.97
Total Earned	$ 15,738.64	$ 7,163.03	$ 36,679.00	$ -	$ 59,580.67

Agenda Item: Board of Trustees Unit Financial Statements as of May and June 2026 **Committee:** Business	**Board Meeting Date** July 23, 2026
Background Information: None	
Supporting Documentation: May and June 2026 Board of Trustees Unit Financial Statements	
Recommended Action: **For Information Only**	

Unit Financial Statement
FY 2026
May 31, 2026

	May 2026 Budget	May 2026 Actual	Variance	YTD Budget	YTD Actual	Variance	Percent	Budget
Revenues								
Allocated Revenue	$ 2,237	$ 2,237	$ -	$ 20,134	$ 20,134	$ -	100%	$ 26,845
Total Revenue	$ 2,237	$ 2,237	$ -	$ 20,134	$ 20,134	$ -	100%	$ 26,845
Expenses								
Advertising - Public Awareness	$ -	$ -	$ -	$ -	$ 12	$ (12)	0%	$ -
Insurance-Worker Compensation	$ -	$ 2	$ (2)	$ -	$ 13	$ (13)	0%	$ -
Legal Fees	$ 1,500	$ 1,500	$ -	$ 13,500	$ 13,500	$ -	100%	$ 18,000
Training	$ 187	$ -	$ 187	$ 1,683	$ 495	$ 1,188	29%	$ 2,245
Travel - Non-local mileage	$ 146	$ -	$ 146	$ 1,313	$ 222	$ 1,091	17%	$ 1,750
Travel - Non-local Hotel	$ 375	$ 571	$ (196)	$ 3,375	$ 1,223	$ 2,152	36%	$ 4,500
Travel - Meals	$ 29	$ -	$ 29	$ 263	$ -	$ 263	0%	$ 350
Total Expenses	$ 2,237	$ 2,073	$ 164	$ 20,134	$ 15,465	$ 4,669	77%	$ 26,845
Total Revenue minus Expenses	$ -	$ 164	$ (164)	$ -	$ 4,669	$ (4,669)	23%	$ -

Unit Financial Statement
FY 2026
June 30, 2026

	June 2026 Budget	June 2026 Actual	Variance	YTD Budget	YTD Actual	Variance	Percent	Budget
Revenues								
Allocated Revenue	$ 2,237	$ 2,237	$ -	$ 22,371	$ 22,371	$ -	100%	$ 26,845
Total Revenue	$ 2,237	$ 2,237	$ -	$ 22,371	$ 22,371	$ -	100%	$ 26,845
Expenses								
Advertising - Public Awareness	$ -	$ -	$ -	$ -	$ 12	$ (12)	0%	$ -
Insurance-Worker Compensation	$ -	$ (0)	$ 0	$ -	$ 13	$ (13)	0%	$ -
Legal Fees	$ 1,500	$ 1,500	$ -	$ 15,000	$ 15,000	$ -	100%	$ 18,000
Training	$ 187	$ -	$ 187	$ 1,871	$ 495	$ 1,376	26%	$ 2,245
Travel - Non-local mileage	$ 146	$ -	$ 146	$ 1,459	$ 222	$ 1,237	15%	$ 1,750
Travel - Non-local Hotel	$ 375	$ -	$ 375	$ 3,750	$ 1,223	$ 2,527	33%	$ 4,500
Travel - Meals	$ 29	$ -	$ 29	$ 292	$ -	$ 292	0%	$ 350
Total Expenses	$ 2,237	$ 1,500	$ 737	$ 22,371	$ 16,965	$ 5,406	76%	$ 26,845
Total Revenue minus Expenses	$ -	$ 737	$ (737)	$ -	$ 5,406	$ (5,406)	24%	$ -

Agenda Item: HUD 811 Update **Committee:** Business	**Board Meeting Date** July 23, 2026

Background Information:

Each of the Housing Boards is appointed by the Board of Trustees and each organization is a component unit of Tri-County Behavioral Healthcare.

Tri-County has established a quarterly reporting mechanism to keep the Board of Trustees updated on the status of these projects.

Supporting Documentation:

Third Quarter FY 2026 HUD 811 Report

Recommended Action:

For Information Only

3rd Quarter FY 2026 HUD 811 Report

The Cleveland Supported Housing, Inc. Board (CSHI)

The CSHI Board held a meeting on-site on June 12, 2026 where they reviewed financial statements, project status reports, and voted on renewal of Directors and Officers insurance. The next meeting is scheduled September 11, 2026 where the Board will select the auditor for Fiscal Year 2026.

As of the date of the June Board meeting, the property has two vacancies. The property Manager has contacted Tri-County staff to determine whether there are any clients in need of housing who may be eligible for the available units. The property Manager reports that the residents are doing well and continue to regularly plan and participate in social activities. Property management continues to address maintenance issues as they arise.

Regarding the Balance Sheet ending on April 30, 2026, the current outstanding payable to Tri-County is $19,237. As a reminder, these projects are not developed to make large profits. As such, MDP Management will review the financial status at the end of each year and if able, will make a payment toward the payable amount at that time.

The CSHI Board currently has three members and are currently following up on one potential lead at this time. We continue to seek recommendations for additional membership as they become available. Please contact Tanya Bryant with any leads.

The Montgomery Supported Housing, Inc. Board (MSHI)

The MSHI Board held a meeting on June 9, 2026, where they reviewed financial statements, project status reports, and voted on renewal of the Directors and Officers insurance. The next meeting is scheduled September 8, 2026 where the Board will select the auditor for Fiscal Year 2026.

The current outstanding payable to Tri-County is $32,008. As a reminder, these projects are not developed to make large profits. As such, MDP Management will review the financial status at the end of each year and if able, will make a payment toward the payable amount at that time.

The property is currently at 100% occupancy with one person on the waiting list. There are no known maintenance issues outstanding at this time.

The MSHI Board currently consists of five members with the addition of one new member, Colleen Rice.

The Independence Communities, Inc. Board (ICI)

Following a review of the June meeting agenda, the Board voted to cancel the June meeting and will reconvene in September. The Directors and Officers insurance has been renewed and the next meeting is scheduled for September 8, 2026 where the Board will review and approval financials and vote to select the auditor for Fiscal Year 2026.

MDP Management has continued to communicate with Tri-County Staff as needed and is in the process of re-treating two units for bed bugs and is monitoring the situation closely at this time.

The ICI Board currently has six members.

Agenda Item: Project Update 402 Liberty Street, Cleveland, TX 77327 **Committee:** Business	**Board Meeting Date:** July 23, 2026

Background Information:

On February 13th, JLA contacted Tri-County and let us know that they were laying off their remaining staff and were going out of business. Several subcontractors for the project were not paid by JLA prior to this announcement.

A 'Payment Bond' (surety bond) was purchased from CNA in association with this project as is required for all governmental projects in Texas. Tri-County made a formal claim on the surety bond and there has been communication with CNA who will oversee the remaining portions of the project.

We continue to negotiate with CNA to pay as many vendors as possible and to protect our two-year warranty on the project.

CNA has authorized Mike Duncum to oversee the punch list for the project and that work is nearing completion.

Mike Duncum, Jennifer Bryant and staff will provide updates on the project in Executive Session.

Supporting Documentation:

None

Recommended Action:

Project Update 402 Liberty Street, Cleveland, TX 77327

UPCOMING MEETINGS

August 27, 2026 – Board Meeting

- Approve Minutes from July 23, 2026 Board Meeting
- Community Resources Report
- Consumer Services Report for July 2026
- Program Updates
- Annual Election of FY 2027 Board Officers
- Executive Director's Evaluation, Compensation & Contract for FY 2027
- Cast Election Ballot for Texas Council Risk Management Fund Board of Trustees
- Personnel Report for July 2026
- Texas Council Risk Management Fund Claims Summary for July 2026
- Approve July 2026 Financial Statements
- Approve FY 2026 Year End Budget Revision
- Approve Proposed FY 2027 Operating Budget
- Board of Trustees Unit Financial Statement for July 2026
- Project Update 402 Liberty St, Cleveland, TX

September 24, 2026 – Board Meeting

- Approve Minutes from August 27, 2026 Board Meeting
- Approve Goals and Objectives for FY 2027
- Community Resources Report
- Consumer Services Report for August 2026
- Program Updates
- Annual PNAC Reports
- FY 2026 Goals & Objectives Progress Report 4th Quarter
- 4th Quarter FY 2026 Corporate Compliance and Quality Management Report
- Annual Corporate Compliance Report and 1st Quarter FY 2027 Corporate Compliance Training
- Appoint Texas Council Representative and Alternate for FY 2027
- Board of Trustees Reappointments and Oaths of Office
- Board of Trustee Committee Appointments
- Analysis of Board Members Attendance for FY 2026 Regular and Special Called Board Meetings
- Personnel Report for August 2026
- Texas Council Risk Management Fund Claims Summary for August 2026
- Texas Council Quarterly Board Meeting Update
- Approve FY 2027 Dues Commitment and Payment Schedule for Texas Council
- Review Preliminary August 2026 Financial Statements
- 4th Quarter Investment Report – FY 2026
- Board of Trustees Unit Financial Statement for August 2026
- Project Update, 402 Liberty St, Cleveland, TX

Tri-County Acronyms	
Name	**Acronym**
Medicaid 1115 Transformation Waiver	1115
American Association on Intellectual and Developmental Disabilities	AAIDD
Applied Behavioral Analysis	ABA
Assertive Community Treatment	ACT
Americans with Disabilities Act	ADA
Attention Deficit Disorder	ADD
Attention Deficit Hyperactivity Disorder	ADHD
Activities of Daily Living	ADL
Aging and Disability Resource Center	ADRC
Adult Mental Health	AMH
Adult Needs and Strengths Assessment	ANSA
Adult Outpatient	AOP
Alternative Payment Model	APM
Advanced Practice Nurse	APN
Advanced Practice Registered Nurse	APRN
Adult Protective Services	APS
Assignment Registration and Dismissal Services	ARDS
Autism Spectrum Disorder	ASD
Austin State Hospital	ASH
Attempt to Contact	ATC
Board Certified Behavior Analyst	BCBA
Behavioral Health Suicide Prevention	BHSP
Body Mass Index	BMI
Child & Youth Services	C&Y
Cost Accounting Methodology	CAM
Child and Adolescent Needs and Strengths Assessment	CANS
Client Assignment Registration & Enrollment	CARE
Crisis Access Services	CAS
Computer Based Training & Cognitive Behavioral Therapy	CBT
Corporate Compliance	CC
Certified Community Behavioral Health Clinic	CCBHC
Charity Care Pool	CCP
Community Development Block Grant	CDBG
Community First Choice	CFC
Child Fatality Review Team	CFRT
Children's Health Insurance Program	CHIP
Crisis Intervention Response Team	CIRT

Critical Incident Stress Management	CISM
Crisis Intervention Team	CIT
Child Mental Health	CMH
Comprehensive Nursing Assessment	CNA
Continuity of Care	COC
Co-Occurring Psychiatric and Substance Use Disorders	COPSD
Novel Corona Virus Disease - 2019	COVID-19
Child Protective Services	CPS
Collaborative Problem Solving	CPS
Cognitive Processing Therapy	CPT
Community Resource Coordination Group	CRCG
Coordinated Specialty Care	CSC
Cleveland Supported Housing, Inc.	CSHI
Crisis Stabilization Unit	CSU
Day Activity and Health Services Requirements	DAHS
Department of Assistive & Rehabilitation Services	DARS
Direct Care Provider	DCP
Drug Enforcement Agency	DEA
Department of Family and Protective Services	DFPS
Determination of Intellectual Disability	DID
Doctor of Osteopathic Medicine	DO
Date of Birth	DOB
Directed Payment Program - Behavioral Health Services	DPP-BHS
Disaster Recovery Center	DRC
Department of State Health Services	DSHS
Diagnostic and Statistical Manual of Mental Disorders	DSM
Delivery System Reform Incentive Payments	DSRIP
Data Use Agreement	DUA
Dunn Behavioral Health Science Center at UT Houston	DUNN
Diagnosis	Dx
Evidence Based Practice	EBP
Early Childhood Intervention	ECI
Emergency Detention Order	EDO
Emergency Detention Warrant (Judge or Magistrate Issued)	EDW
Electronic Health Record	EHR
East Texas Behavioral Healthcare Network	ETBHN
Electronic Visit Verification	EVV
Federal Emergency Management Assistance	FEMA
First Episode Psychosis	FEP

Fair Labor Standards Act	FLSA
Family Medical Leave Act	FMLA
Family Therapy	FT
Fiscal Year	FY
Home and Community Based Services - Adult Mental Health	HCBS-AMH
Home and Community-Based Services	HCS
Health & Human Services Commission	HHSC
Health Insurance Portability & Accountability Act	HIPAA
Human Resources	HR
Housing and Urban Development	HUD
Inventory for Client and Agency Planning	ICAP
Intermediate Care Facility - for Individuals w/Intellectual Disabilities	ICF-IID
Independence Communities, Inc.	ICI
Intensive Case Management	ICM
Intellectual and Developmental Disabilities	IDD
Intellectual and Developmental Disabilities Planning Network Advisory	IDD PNAC
Individual Habilitation Plan	IHP
Illness Management and Recovery	IMR
Implementation Plan	IP
Individual Plan of Care	IPC
Initial Psychiatric Evaluation	IPE
Individual Program Plan	IPP
Individualized Skills and Socialization	ISS
Individual Transition Planning (schools)	ITP
Juvenile Detention Center	JDC
Junior Utilization Management Committee	JUM
Legally Authorized Representative	LAR
Local Behavioral Health Authority	LBHA
Licensed Chemical Dependency Counselor	LCDC
Licensed Clinical Social Worker	LCSW
Local Intellectual & Developmental Disabilities Authority	LIDDA
Leadership Montgomery County	LMC
Local Mental Health Authority	LMHA
Licensed Master Social Worker	LMSW
Licensed Marriage and Family Therapist	LMFT
Level of Care (MH)	LOC
Level of Care - Transition Age Youth	LOC-TAY
Level Of Need (IDD)	LON
Licensed Practitioner of the Healing Arts	LPHA

Licensed Professional Counselor	LPC
Licensed Professional Counselor-Supervisor	LPC-S
Local Planning and Network Development	LPND
Long Term Disability	LTD
Licensed Vocational Nurse	LVN
Medicaid Administrative Claiming	MAC
Medication Assisted Treatment	MAT
Montgomery County Hospital District	MCHD
Managed Care Organizations	MCO
Mobile Crisis Outreach Team	MCOT
Medical Director/Doctor	MD
Medicaid	MDCD
Major Depressive Disorder	MDD
Mental Health First Aid	MHFA
Management Information Services	MIS
Memorandum of Understanding	MOU
Montgomery Supported Housing, Inc.	MSHI
Multisystemic Therapy	MST
Military Veteran Peer Network	MVPN
National Alliance on Mental Illness	NAMI
New Employee Orientation	NEO
New Generation Medication	NGM
Not Guilty by Reason of Insanity	NGRI
Outpatient Competency Restoration	OCR
Office of the Inspector General	OIG
Order for Protective Custody	OPC
Outreach, Screening, Assessment and Referral (Substance Use Disorders)	OSAR
Physician's Assistant	PA
Patient Assistance Program	PAP
Pre-Admission Screening and Resident Review	PASRR
Projects for Assistance in Transition from Homelessness (PATH)	PATH
Private Contract Bed	PCB
Parent Child Interaction Therapy	PCIT
Primary Care Physician	PCP
Person Centered Recovery Plan	PCRP
Person Directed Plan	PDP
Psychiatric Emergency Treatment Center	PETC
Psychological First Aid	PFA
Protected Health Information	PHI

Public Health Providers - Charity Care Pool	PHP-CCP
Planning Network Advisory Committee	PNAC
Private Psychiatric Bed	PPB
Psychosocial Rehab Specialist	PRS
Qualified Intellectual Disabilities Professional	QIDP
Quality Management	QM
Qualified Mental Health Professional	QMHP
Residential Care Facility	RCF
Routine Case Management	RCM
Request for Proposal	RFP
Registered Nurse	RN
Regional Oversight Committee - ETBHN Board	ROC
Recovery Plan	RP
Regional Planning & Network Advisory Committee	RPNAC
Rusk State Hospital	RSH
Residential Treatment Center	RTC
Satori Alternatives to Managing Aggression	SAMA
Substance Abuse and Mental Health Services Administration	SAMHSA
San Antonio State Hospital	SASH
Supported Housing	SH
School Health Advisory Committee	SHAC
SSI Outreach, Access and Recovery	SOAR
Social Security Administration	SSA
Social Security Disability Income	SSDI
Supplemental Security Income	SSI
State Supported Living Center	SSLC
State of Texas Access Reform-Kids (Managed Medicaid)	STAR Kids
Substance Use Disorder	SUD
Texas Administrative Code	TAC
Temporary Assistance for Needy Families	TANF
Transition Aged Youth	TAY
Tri-County Behavioral Healthcare	TCBHC
Trauma Focused CBT - Cognitive Behavioral Therapy	TF-CBT
Tri-County Consumer Foundation	TCCF
Texas Correctional Office on Offenders with Medical & Mental Impair	TCOOMMI
Texas Council Risk Management Fund	TCRMF
Texas Department of Criminal Justice	TDCJ
Texas Education Agency	TEA
Trauma Informed Care-Time for Organizational Change	TIC/TOC

Texas Medicaid & Healthcare Partnership	TMHP
Treatment Adult Services (Substance Use Disorder)	TRA
Texas Resilience and Recovery	TRR
Texas Home Living	TxHmL
Treatment Youth Services (Substance Use Disorder)	TRY
Texas Veterans Commission	TVC
Texas Workforce Commission	TWC
Utilization Management	UM
United Way of Greater Houston	UW
Walker County Hospital District	WCHD
Waiver Survey & Certification	WSC
Youth Crisis Outreach Team	YCOT
Youth Empowerment Services	YES
Youth Mental Heath First Aid	YMHFA
Updated 11/17/25	