

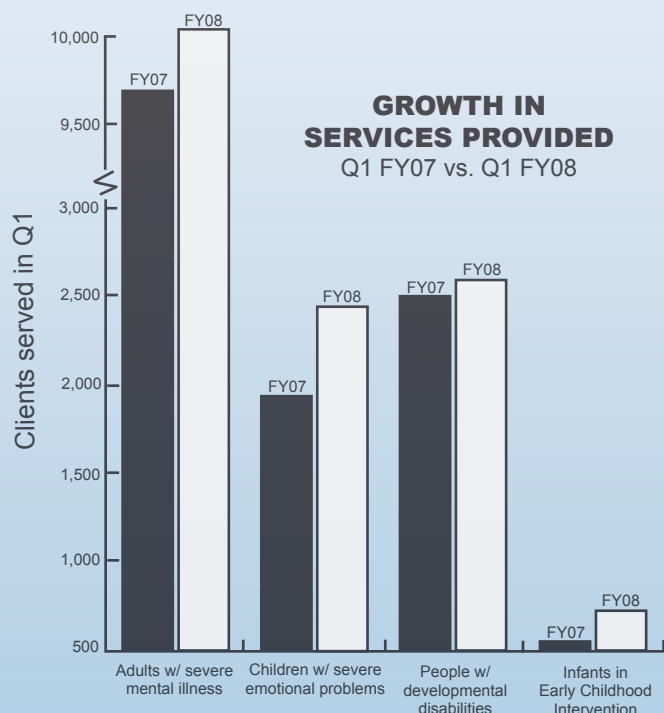


# Quarterly Report

Prepared for our Stakeholders in January 2008

First Quarter, Fiscal Year 2008

## Highlights



As the chart above shows, almost 16,000 people received services through the Center during the first quarter of FY08, a growth of 8% over the same quarter last year. In addition:

- Metrocare provided over 130,000 service encounters to our consumers during the quarter
- Metrocare finished the first quarter of FY08 with unaudited net income (memo only) of \$1.5 million
- Surveys continue to show a high level of consumer satisfaction with Metrocare services

## Our mission

*to serve our neighbors with developmental or mental health challenges by helping them find lives that are meaningful and satisfying*

**Charles M Cooper, Chairman of the Board**  
**James G Baker MD MBA, Chief Executive Officer**

## Overview

First quarter performance was impacted by two significant funding changes:

- First, the Center came to an agreement with ValueOptions regarding a new contract that reverts to the fee-for-service model preferred by most of our stakeholders. This change led to significant organizational and operational changes, and the full impact of the change will not be known until well into our second quarter. In the first month under the new contract, the Center experienced a significant shortfall in revenue.
- Second, guidance from the Department of Aging and Disability Services (DADS) that defined "program income" and its uses allowed the Center to expend state-provided general revenue before program income and retain in our fund balance any program income in excess of expenses, until our fund balance reaches sixty days.

The one-time sale of a former group home also impacted performance positively. In addition, although the Center currently maintains a short wait list for general-revenue-funded developmental disability services, management is closely monitoring the impact of rate increases given to its developmental disability provider network on December 1st before determining how aggressively the wait list can be reduced.

Also during the first quarter:

- Trustee Sue Ringle hosted **Commissioner Maurine Dickey** for a tour of our programs
- Ms Ringle also hosted a visit by Dallas **Mayor Tom Leppert**
- **Senator John Carona** featured Metrocare in his October 2nd email update
- Trustee Julie Noble met with **State Representative John Madden** to discuss Metrocare's jail diversion programming
- Contributions to our mission were provided by **Hillcrest Foundation, Harold Simmons Foundation, Rosewood Foundation and Cadbury Schweppes.**