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REGULAR BOARD MEETING MINUTES
September 24, 2026

A Regular meeting of the Board of Trustees of Metrocare Services was held on Thursday, September 24, 2026. The meeting took place at 3242 Remond Dr., Dallas, TX 75211.

Call to Order/Declaration of Quorum
Ms. Cantu Chair, called the meeting to order at 1:06pm. A quorum was confirmed with five (5) board members in attendance. No public comments were made.

Trustees present
Stacy Cantu, Ryan J. Garcia, Ivette Marquez, Crystal Garland, and Jon Karp attended the meeting in person. Jaime Walkowiak participated remotely by videoconference. Jennifer Farmer, PhD, Peter Urbanowicz and Heather Kitzman, PhD, were not present.

Staff and guests present
Metrocare Interim CEO, Tate Ringer. Metrocare Executive Team: Kelli Laos, Carolina Lasso, Carrie Parks, Tameka Cass, Ikenna Mogbo, John Bennett, and Jennifer Wadsworth; Emily Wilson, Teresa Jones-Smith.

Guests: Adrian Colon, NTBHA; Tzeggabrhan Kidane, Commissioner Daniel; Coco Salazar, Commissioner Garcia; Idalia Amaya, Judge Jenkin.; Joel Geary, Legal Counsel; Josh Gatlin (videoconference), Melissa Branch and Ron Winters, Gibbins Advisors; and Bobby Forshey, Legal Counsel (videoconference).

Chair Report: Members were reminded of the next board meeting on Thursday, October 22, 2026. They were alerted that the board self-assessment is undergoing updates and will be re-distributed for completion. Additionally, members were encouraged to utilize the OnBoard platform for reviewing board packets and submitting meeting RSVPs.

Board Liaison Report
IDD Planning Network Advisory Committee (PNAC) Report
Carolina Lasso, Chief Authority Officer, reported that the IDD PNAC met on September 22, 2026

CONSENT AGENDA
August 2026 Reports

1. Approval and Correction of August 2025 Board Meeting Minutes (Date Correction)
2. August 27, 2026, Regular Board Meeting Minutes
3. Human Resources
4. Housing Division
5. Local Intellectual and Developmental Disability
6. Office of Engagement

Motion: Mr. Garcia moved to approve the Consent Agenda and Mr. Karp seconded. The motion was approved by unanimous consent.

Chief Executive Officer

Staff Tenure Recognition

Interim Chief Executive Officer, Tate Ringer, recognized Teresa Jones-Smith for her 30 years of service. Ms. Jones-Smith shared a memorable perspective on her time at Metrocare and offered a guiding principle she imparts to her clients: "They take control of their illness, the illness does not control them."

Service Presentation

Emily Wilson, Assistant Clinical Manager, Housing.

Sierra entered the housing program in 2014 after trauma, homelessness, and limited support affected her stability. Mental and physical health challenges made employment and apartment upkeep difficult. With long-term support from Metrocare clinicians, she learned to manage tasks, work with her sleep cycle, and stay accountable. She now maintains her home, advocates for her health, and has improved following a POTS diagnosis and various treatments. Sierra is also building community connections, seeking Social Security benefits and financial independence, and credits program staff for helping her improve her life.

ACTION AGENDA

Acceptance of the Chief Executive Officer Report for the FY26 Key Performance Indicator progress through August 2026 and FY27 KPIs

Tate Ringer, Interim CEO, reviewed the FY26 KPIs, as submitted in the board materials, and reinforced the management team had made $22M in annualized operational reductions since the spring. Looking forward to FY27, management expects to present a revised budget in October for board approval to address known and anticipated turnover and corresponding revenue adjustments.

FY27 KPIs were presented with discussion. All KPIs were accepted as presented, except IDD Provider Services. Carrie Parks, Chief Provider Officer, discussed the census-based KPI for the division and that increased census does not result in additional reimbursement. During the discussion, Ms. Parks explained that Early Childhood Intervention (ECI) is an entitlement program, and as such, we are required to serve eligible children regardless of insurance coverage, funding source, or a family's ability to pay. Because of this obligation, census remains an important measure of service reach as well as program and financial impact. The KPI was changed from one combined monthly goal of 1463 to an ECI census goal of 911 and a Division census volume of 552

FY 27 Key Performance Indicator	Goal	Baseline	Division
The agency will reduce the overall employee turnover rate by 3%.	26%	29%	Human Resources
The agency will manage facility operating, maintenance, and repair expenditures to achieve fiscal year actual spending within 3% of approved budget	within 3% of approved budget	average $415,600/month	Facilities
Then agency will achieve fiscal year EBIDA within +/- 5% of approved annual budget.	+/- 5%	$4M	Finance
The Office of Engagement will secure $3.2M in funding to support the operational and programmatic needs of the organization.	3.2 mil	NA	Engagement
The Office of Engagement will secure $226,738 (5% increase) in philanthropic donations (restricted and unrestricted) to support the operational and programmatic needs of the organization.	$226,738	$215,941	Engagement

The MH Division will adhere to ACT payer mix projections in the FY 27 budget within 3.6%.	within 3.6% of projection	6.60%	Mental Health
The MH Division will manage the outpatient census to ensure adherence to payer mix projections in the FY 27 budget. (KPI active when NTBHA contract received)	pending	pending	Mental Health
The DDP Division will maintain or exceed monthly census volume across all programs.	1463	1442	IDD Provider Services
The agency will improve revenue realization through increased net collections, reduced preventable denials and timely resolution of outstanding accounts receivable.	94% <10% <5% over 90 days	87% 22% 50%	Finance
Medical Staff will provide 3153 Units of Service/Week.	3153	3153	Medical
Metrocare will increase the total number of unsheltered individuals placed into housing by 15% year over year.	876	762	Homeless/Housing
The LIDDA Division will meet and/or exceed a 90% productivity standard each month.	90%	pending	Local Intellectual and Developmental Disability Authority

Motion: Ms. Marquez moved to accept the CEO Report for August 2026 and FY27 KPIs with noted changes to the Developmental Diversity KPI, and Mr. Karp seconded. The motion passed by unanimous vote.

Acceptance of the Financial Report for August 2026

Tammy Walsh, Interim CFO, provided the August financials and discussion. August close resulted in a Net Loss of $5M favorable and unfavorable year-end adjustments; without these anomalies, the Net Loss would have been $6.5M. Favorable adjustments were Dallas County Housing Contribution under accrued by $812K and reversal of a duplicate $615,000 prepaid software expense. Offsetting these were an over accrual of Unearned Deferred Revenue of $1M, DPP true up of $697K (final for the year is $9.7M) and a Sublease Income reclassification of $400K.

Ms. Walsh reported that the primary balance sheet changes from July reflected a reconciliation of fee-for-service accounts receivable, including alignment with the aging report and reclassification of historical bad debt and write-off entries. These adjustments enhanced consistency between the balance sheet and supporting revenue cycle reports and provided clearer classification of historical bad debt activity.

Open accounts receivable improved 18% from July, reflecting $1.5 million in write-offs and concentrated collections efforts on accounts aged 90–120 days. The revised balances will be included in the year-end trial balance for the upcoming audit.

FY26 denial rate was 24% of net earned revenue. In Q1 and Q2, revenue cycle was managed by Netsmart and averaged 38.5% denial rate exacerbated by isolated anomalies noted early in the year. Q3 and Q4 after RCM was brought in-house, denial rate has averaged 9.5% with a 26% recovery rate. Further data analysis will be completed to indicate a proper bad debt expense for FY27 Budget and presented in the October Board meeting.

Motion: Mr. Karp moved to accept the Financial Reports for August 2026, and Ms. Garland seconded. The motion passed by unanimous vote.

Management and several members of the board and community reviewed RFP responses for the Financial Audit and Single Audit. Forvis Mazars, Baker Tilly, as well as Scott Singleton, Venture and Company submitted proposals. Forvis Mazars was unanimously selected due to the short timeline and the firm's historical knowledge. Forvis Mazars' proposed rate was comparable to the other proposals; $7,500 was negotiated down for an anticipated total fee of $145K. An RFP for the FY27 audit will be released in February 2027 to allow for a more appropriate timeline and potentially increase responses.

Motion: Mr. Karp moved to accept the proposal of Forvis Mazars to conduct the FY26 Financial Audit and Single Audit, and Ms. Garland seconded. The motion passed by unanimous vote.

Acceptance of the Quality Management and Compliance Services Division Reports for August 2026

Kelli Laos, Chief Operating Officer, presented the QM/Compliance Report, highlighting that this month included Q4 Health Information Management metrics.

Motion: Mr. Garcia moved to accept the Quality Management and Compliance Division Reports for August 2026, and Ms. Garland seconded. The motion passed by unanimous vote.

Acceptance of the Medical Services Division and Institutional Review Board Reports for August 2026

John Bennett, MD, Chief Medical Officer, reported that in the Clinical Services Division finished FY26 for Med Units KPI at 98.6% and that clinic teams continue to do outstanding work on seeing new patients within 7 days.

The Institutional Review Board Report stated that there is continued interest in the community to conduct research with Metrocare and that a new scientific member will be added, with a couple of psychiatrists having expressed interest.

Motion: Ms. Cantu moved to accept the Medical Services Division and Institutional Review Board Reports for August 2026, and Ms. Marquez seconded. The motion passed by unanimous vote.

Acceptance of the Clinical Services Division Report for August 2026

Jennifer Wadsworth, Chief Clinical Officer, presented the Mental Health Division report. She reported that the division spent much of August preparing for FY27 workflow changes. Additionally, the division successfully met its FY26 key performance indicators, including training more than 118 individuals in Mental Health First Aid, serving over 41,850 unique individuals and families, and achieving greater than 85% safety plan compliance during Q2, Q3, and Q4.

Motion: Ms. Cantu moved to accept the Clinical Services Division Report for August 2026, and Ms. Marquez seconded. The motion passed by unanimous vote.

Acceptance of Office of IDD Provider Services Division Report for August 2026

Carrie Parks, Chief of IDD Provider and Specialized Services, presented the Developmental Disability Program (DDP) report and reviewed program-specific performance metrics, noting that the Café did not achieve its expected goal of 48 trainees directly attributable to the changes with TWC and the café closure. Despite the challenges, the team did train 41 individuals through TWC and the Multiple Careers program with Dallas ISD. Both CCAM programs are experiencing challenges due to resignations of key BCBAs (Board Certified Behavior Analysts) who took positions with for-profit entities. BCBAs are required to oversee Registered Behavior Therapists for the agency to bill for services. As the program adapts to the staffing decreases, management will work with finance to consider revenue adjustments that may need to occur in the FY27 budget.

Motion: Mr. Garcia moved to accept the IDD Provider Services Report for August 2026, and Mr. Karp seconded. The motion passed by unanimous vote.

Executive Session

The board moved into executive session pursuant to Texas Government Code 551, Subchapter D, Texas Government Code § 551.071 – to consult with attorney regarding existing contractual obligations with creditors.

Open session closed at: 2:50 pm

Return to open session at: 3:53 pm

Action taken as result of Executive Session
In open session, the Board discussed that Gibbins' expertise is critical for negotiating with bondholders and restructuring the over $165M in debt to bondholders, Texas Capital and other creditors. Ms. Cantu called for a motion to approve a four-week extension of the Gibbins Advisors contract, as well as to grant Ms. Ringer the authority to sign for expenses not to exceed $77,000 per week.

Motion: Ms. Cantu moved to approve, and Mr. Garcia seconded. The motion passed by with a vote of 5-0-1 (one abstention).

Meeting Adjournment
There being no further business to come before the Board, Ms. Cantu adjourned the meeting at 4:26 pm.

Minutes approved by:

Ryan Garcia

Ryan J. Garcia, Secretary