BEXAR COUNTY BOARD OF TRUSTEES FOR
MENTAL HEALTH MENTAL RETARDATION SERVICES d/b/a
THE CENTER FOR HEALTH CARE SERVICES

Regular Board Meeting Minutes
6800 Park Ten Blvd, Suite 200-S
San Antonio, Texas 78213
Tuesday, June 9, 2026
6:00 P.M.

TRUSTEES PRESENT: Daniel T. Barrett, Chairman
Graciela Cigarroa, Treasurer
Shari Hromas
Roberta Krueger, M.D.
Sandee Marion
Margaret Vera

TRUSTEES ABSENT: Polly Jackson Spencer, Vice Chair
Travis Smith
Donnie Windham Whited, Ph.D., Secretary

STAFF PRESENT: Jelynne LeBlanc Jamison, President/Chief Executive Officer
Frank Garza, General Counsel
Amber Pastusek, Chief Medical Officer
Robert Guevara, Chief Financial Officer
Elizabeth Ackley, Chief Employee Experience Officer
James Chapman, Chief Compliance Officer
Allison Greer, VP of External Relations
Deirdre Murphy, Chief of Staff/Board Liaison
John Sanchez, Sr. Director of Development/Foundation
Adam Velez, Sr. Director of Contracts & Procurement
Cynthia Hinton, Executive Assistant

GUESTS PRESENT: Hunter Stanco, Morgan Stanley
Greg Chapin, Center Advisory Committee
Natalie Maple, Center Advisory Committee
Richard & Naomi Richard, Austin & Travis County

The regular meeting of the Bexar County Board of Trustees for Mental Health Mental Retardation Services d/b/a The Center for Health Care Services was held on Tuesday, June 9, 2026, at the Administrative Offices located at 6800 Park Ten Blvd, Suite 200, San Antonio, Texas 78213.

CALL MEETING TO ORDER
CERTIFICATION OF QUORUM
Mr. Barrett called the meeting to order at 6:02 p.m., with the following trustees present: Mses. Cigarroa, Hromas, Krueger, Marion, and Vera thereby establishing a quorum.

PLEDGE OF ALLEGIANCE – Led by Mr. Barrett
CITIZENS TO BE HEARD – None to be heard.

I. APPROVAL OF MINUTES – Regular Board Meeting, April 14, 2026, and Special-Called Board Meeting, August 6, 2025

Mr. Barrett asked for a motion to approve the Minutes of April 14, 2026, Regular Board Meeting, and August 6, 2025, Special-Called Board Meeting which were presented for review and approval. Judge Marion so moved for approval as presented; Dr. Krueger seconded the motion. Motion carried.

II. BOARD CHAIRMAN REPORT – *Daniel Barrett*

Mr. Barrett stated at this time that it is with great sadness but with immense pleasure to recognize Graciela Cigarroa and Shari Hromas. He thanked Ms. Cigarroa for all her hard work and knows she is going to continue with the Center's Foundation. He thanked Ms. Hromas for all she has done on the Center's Foundation Board, and it is with great sadness to see her leave. He acknowledged Ms. Cigarroa for her leadership, dedication, and service to the Center's Board of Trustees from July 2014 – June 2026. Ms. Cigarroa said she is grateful for having served this long, and thanked Ms. Jamison for her executive leadership and guidance. She looks forward to staying on the Center's Foundation Board should she get voted in and continue to serve. Mr. Barrett said CHCS gratefully acknowledges Ms. Hromas for her leadership, years of dedication, and service to the Board of Trustees from July 2024 – June 2026. Ms. Hromas said it has been an honor to have been on the Board of Trustees and looks forward to continuing the Center's Foundation Board.

III. PRESIDENT/CEO REPORT – Leadership Briefing – *Jelynne LeBlanc Jamison*

Ms. Jamison made the Board aware that CHCS has been waiting for the opportunity to visit with the OIG and CHCS has received that notice and are now scheduling with them to begin that process. CHCS has been preparing internally and knows the period they will be evaluating CHCS for is FY 2025.

She has follow-up information that had been asked for in the Executive Committee Meeting which will be shared in Executive Session, but she did want to share the Budget Assumptions with the full Board, which were presented at and approved by the Executive Committee. The FY 2027 Budget will be presented to the Finance Committee in July and to the Board on August 11. Budget Reviews will begin on Monday with all the Business Units.

FY 2027 Budget Assumptions

- Ms. Jamison stated the FY 2027 Mission and Key Focus Areas were shared with the Executive Committee and they were asked if there were any adjustments or changes the Board wanted to make. She briefly went over the 6 Key Focus Areas that the CHCS budget is planned around and to structure annual recommendations to the Board.
- Revenue estimate for DPP assumes current unit price, actual volume, and a reduction in Medicaid population due to HB1. The Budget Assumptions that CHCS is working with are coming back to the Board with a very conservative revenue estimate for the Direct Payment Program (DPP) for FY 2027. The formula that the State uses is a perspective payment methodology and uses 2 years prior. CHCS is not going to follow that financial methodology, we are going to use our current unit pricing because that program has changed every year and thinks this is more accurate for revenue planning.
- CHCS is going to follow a similar methodology for the Charity Care Pool. Revenue estimate for CCP assumes more active participants based on FY 26 payment and assumes more unfunded population. Charity Care Pool has been set at $499 million, and the State has just been implementing a cut across the board for all the participants. At the top of that revenue, it was

$34 million and is now $25 million so there will be a more conservative estimate for that projection.

- State General Revenue/Performance Contract and PPB funding will remain level for FY 27. CHCS does not anticipate an increase in the State General Revenue Performance Contract. FY 28-29 will be determined in the upcoming legislative session in January 2027. CHCS does not expect any additional dollars from our base performance contract.
- Other State Grants for services is anticipated to remain level for FY 27.
- Assumption of same level funding from University Health (UH) for Local Match required for General Revenue and assumes level funding for other contract services with UH.
- Assumption of level funding from City of San Antonio.
- No funding from Bexar County is expected.
- No increase in forecasted Patient Service Revenue.

Operational Impacts included:

- Authorized personnel to meet HHSC Performance targets, caseload standards, and reporting requirements.
- Compensation Structure – There is no projected compensation structure adjustments with a warning that CHCS will no longer be a 50th Percentile compensation organization. No changes are recommended at this point.
- Performance Pay – Tracking local comparators (City of San Antonio, all local public agencies).
- Health Insurance –Increase in claims will require CHCS to look at the plan design and will likely result in a premium increase from employees next fiscal year. Employees have had no premium increases in the last 4 years.
- Increased utilization of employee incentives; tuition reimbursement, language pay, and PTO buyback. CHCS is looking at how to leverage those for next fiscal year.

External Considerations and Impacts

- Increased unfunded patients due to Medicaid impacts. CHCS saw the role adjustments that Texas implemented a couple of years ago and anticipate seeing more impacts as they begin to implement the enrollment change, billing reduction time limit to bill back, retro billing, and the work requirements.
- Collective workforce efforts across LMHAs. Looking at workforce trends which will be shared in Executive Session.
- Loss of inpatient community beds could increase pressure on outpatient and crisis services. Talked about the loss of beds at Laurel Ridge and continues to monitor that. It is still early but so far CHCS is managing that impact.
- Children's HUB opening January 2027; transition of children services.
- Clinical AI Implementation – Recommendation will be brought to the Board in October.
- Treatment Center for Jail Diversion Plan expected early 2027 – First workgroup meeting with University of Texas out of Houston will be next week on the overall study.
- Sunset Review of HHSC – Visit is expected from the Sunset staff but have not been given a date.
- Pending OIG Review – This is no longer pending; it will be happening.
- Upcoming Legislative Session
- CHCS Board Transition – There will be new Board Members at the August Meeting.
- CHCS CEO Transition – This is now 14 months away. Ms. Jamison will be working with the Board in August on a transition plan for the CEO.
- Local community investment for the LMHA – this will be discussed in Executive Session.

Ms. Jamison stated there are changes and issues to be made aware of.

Contracts executed by the President/CEO over $50,000 and under $100,000 for the months of April 2026 and May 2026 – *Jelynne LeBlanc Jamison*
Ms. Jamison reported there were none.

CHCS Foundation Update – John Sanchez
Mr. Sanchez presented highlights to the Foundation's activities as per Ms. Cigarroa's request. Mr. Sanchez introduced himself and stated that he has been in this position for 8 months. The fund raising has been going very well and total gifts received since September 1, 2025, have been $155,000 and that is about ninety-two donors. He mentioned he had set a goal when he first started of reaching $342,000 by the end of calendar year 2026 and is about halfway to the goal. The Foundation needs to raise another $186,000 and he is expecting to surpass that because there will be an event later in the year that he hopes will get them to that point.

There have been great social media posts about the campaign held 2 weeks ago during Mental Health month in May to highlight the need for Mental Health First Aid (MHFA) programming and covering costs for people to have that service here in Bexar County specifically. Through that campaign with help from the Foundation Board with matching funds, they were able to raise $14,000 in one week's time. It is a very good accomplishment and good indicator of how people think that MHFA is important. Karen Coleman has been recognized by NATCON nationally as one of the top trainers and CHCS is glad to have her at the Center.

The 60th year anniversary is coming up October 30th. This will be held at the Boeing Center. Calendar invites will be sent out to the Board and save the dates will be coming out next month. The funds raised with that anniversary celebration will be specifically for the Diversion Center. Giving Tuesday is coming up in November and CHCS is part of the Big Give in September.

Grants too are doing well by making sure all the grants get submitted to HA, HHSC State, SAMHSA, etc. CHCS has $15 million in progress that is being applied for and is waiting for awards of $5.8 million that have already been submitted. So far this year there have been six submissions, and they are working on six more to be submitted over the summer. A $2.1 million award which is the PATH Grant has been given this year for the continuation of the assistance and transition from homelessness.

There have been committee changes at the Foundation Board level; created a Marketing & Communications Committee, so they can make people more aware of what the Center does, and the Foundation is doing to support that. They still have the Governance Committee, a MHFA Committee to project out the awareness of MHFA. He stated that he needs the Board to help with that because he will have to go into the corporate spaces to offer MHFA Training at cost.

The CHCS Foundation Board is doing well. Mr. Sanchez thanks Ms. Cigarroa for being the liaison for over 6 years, and before that she was the Board President for far longer. They are hoping to get her on the Board full-time. There is a new rule in place in the Foundation's Bylaws to create an Emeritus situation and Jane Macon is the first person to be elected. She will still be continually active as much as she wants but does not need to be at the meetings. Ms. Macon has been the biggest supporter of the Foundation, and they are honored to have her as their first Board Emeritus.

Chief Medical Officer Report – *Dr. Pastusek*
Dr. Pastusek stated there is a positive momentum for standing up a Jail Diversion Pilot. CHCS Josephine Recovery Center has been earmarked for a 16-bed wing as a potential site for this Pilot.

CHCS is prepared to move in that direction once the green light is given. She said unfortunately there was the 90th death at the jail over the weekend which triggered discussion. There has been tremendous community engagement around this topic. She thinks that call to action is there and wants it to come at that community level. It is unfortunate about the deaths, but fortunately something is happening to go in that direction for Jail Diversion. Looking at this Pilot to target the downtown district and meeting with people on what is the right crime level charge that people are comfortable with to stand this up. She has ideas about it but would like people to come with their ideas and see what everybody is comfortable with.

Mr. Barrett stated this has been needed for a long time. He said ninety deaths are unconscionable and it cannot continue to happen. Judge Sandee asked who Dr. Pastusek was working with in the District Attorney's office because it is going to have to be determined what level of crime committed to be eligible, and it is a vital component for this to work. Ms. Jamison said they have not given CHCS a person yet and are working on that. Dr. Pastusek said they are critical and are needed at the table. Ms. Jamison said the Sheriff is pulling some initial data to look at the most common low-level events that we see and then asked them to focus on the downtown district because SAPD is primarily in that district. Recommendations to the District Attorney's office will be made with that data. Discussion continued.

IV. CONSENT AGENDA

1. Review/Approve the Authority for the President/CEO to Negotiate & Execute a Contract with All Heart Initiative, for the Provision of Mental Health First Aid Instructor Services – *Adam Velez*
2. Review/Approve the Authority for the President/CEO to Execute a Contract with TTEC Digital, LLC, for the provision of Genesys Cloud Services – *Adam Velez*
3. Review/Approve the Authority for the President/CEO to Negotiate & Execute a Contract with Quest Diagnostic Clinical Laboratories, Inc, dba Quest Diagnostics, for the Provision of Laboratory Testing Services – *Adam Velez*

Mr. Barrett asked for a motion to approve the items under Consent Agenda. Judge Marion so moved; Dr. Krueger seconded. Motion carried.

V. INDIVIDUAL ITEMS FOR REPORT, DISCUSSION & APPROPRIATE ACTION

1. Board of Trustees Approval and Ratification of Five (5) New Members (Rebecca Contreras, Jessie Higgins, Greg Chapin, Frank Johnson, and Lauren Byrd) to the Center Advisory Committee (CAC) to fill five current vacancies – *Dr. Amber Pastusek*

   Dr. Pastusek reported that over the last 8 months, five (5) community members have left the CAC; one was the Vice Chair and Chair Doug Beach who retired from NAMI. She is looking to ratify the five new members and make a recommendation for current member Natalie Maples to be Chair and Jessie Higgins to be Vice Chair. Natalie Maples and Greg Chapin who were in attendance, were introduced to the Board Members. Mr. Barrett thanked them for wanting to serve. Dr. Pastusek acknowledged Ms. Cigarroa, who has been the Board Liaison for the CAC over the years, will be missed, and that will be an area to think about moving forward.

   Mr. Barrett asked for a motion to approve the five candidates. Dr. Krueger so moved; Ms. Hromas seconded. Motion carried.

2. Review and Approval of four (4) Proposed New Members (Dr. Adriana Rocha Garcia, Anthony

Medina, Fernanda Cardenas, and Graciela Cigarroa) to The Center for Health Care Services Foundation Board – *John Sanchez*

Mr. Sanchez is recommending the following individuals: Ms. Rocha Garcia is a former City Council representative and is currently in charge of CHEST; Anthony Medina who is a respected Business Development and Communication Relations professional with Cleary Zimmerman Engineering who is very connected to the engineering and construction industry here in San Antonio, and just recently came off the Girl Scouts Board; Fernanda Cardenas is the Executive Director of the Gonzaba Foundation who is well connected to the Senior Citizen community. He felt this was a big gap that the Foundation had that needed to be filled so they could address some Senior Citizen mental health initiatives; and Ms. Cigarroa to be brought on as a Foundation Board Member instead of Board Liaison, which she served as for several years. Ms. Cigarroa asked if they would have to get another Board Liaison; Mr. Sanchez said yes. Mr. Garza said that it would have to be put on agenda for discussion.

Mr. Barrett asked for a motion to approve the four candidates. Ms. Hromas so moved; Dr. Krueger seconded. Motion carried.

3. Review and Approve Acceptance of the CY 2026 First Quarter Performance Report of the Center's 401(a) and 457(b) Accounts from Morgan Stanley – Hunter Stanco

Mr. Stanco stated that performance is good this year through the end of the month and through yesterday. As of yesterday, the Moderate Conservative account is up 4%, Moderate is a little over 5%, Moderate Aggressive is up 6.5%, Aggressive is up 10%, and Conservative is positive which is a good result given that interest rates are up this year. He said those are not bad returns for five months and a few days. He thinks despite a lot of volatility around Iran and what has been a very narrow rally in semiconductor stocks and then unwound at the end of last week, that the portfolios have continued to perform very robustly.

He wanted to talk about concentration in AI space and how that is affecting things broadly and, in the economy, and specifically how it is affecting interest rates. There has been talk in the news about inflation because of the oil price increase resulting from the war in Iran. He is not disputing that happened but thinks there is more to it than that. What he sees is that we are directing an enormous number of resources toward the building, maintenance, and creation of AI data centers and physical infrastructure. It is not a small thing, it is levels of things that rise to what governments do, like during Covid. The amount of money that will go into building AI data centers this year and next year is more than a trillion dollars each year, give or take. It's hard to say exactly how the cause of these things happen is not in an obvious way. So, the price of those things goes up, the price of materials goes up, the price of everything starts to go up, and starts to affect things across the economy. He is getting worried that inflation is picking up again and he thinks there is quite a bit of evidence that is not only true, but it is accelerating and may continue, which the war in Iran does not help with that in any way.

Mr. Stanco does want to make changes in the account, mostly on the Bonds side of the portfolio, to do similar things like what was done going into 2022 to hedge against rising inflation. Shortening bond duration helps with that so bonds become more cash like and reset more quickly. Treasury Inflation-Protected Securities (TIPS) helps with that. He is not excited about Corporate Credit as he once was, so the bonds spread for corporate bonds become very tight. The marginal difference

that you get on a bond today, Microsoft vs. a government bond, is nothing at this point. A certain amount of risk is taken to not have government bonds and if we are not compensated for that risk then he sees that as a problem. He does want to tweak the bond portfolio in a meaningful way to give us a better inflation edge and a little less credit risk. This is why he brought these changes to the Finance Committee. The changes are minor to bring us closer in line with benchmark allocations except for bonds where we would be hedging inflationary concerns to a degree.

Mr. Stanco referred to the Portfolio Change Sheet and recommended changes to the following portfolios:

- Conservative (all fixed income) – Remove 10% out of the core fixed income, and add 5% each to cash & TIPS
- Moderate Conservative (mostly bonds) – Subtract 6% from the core bond exposure and add 3% each to cash & TIPS
- Moderate – Subtract 4% from the core bond exposure & add 2% each to TIPS & cash.
- Moderate Aggressive – Subtract 2% from the core bonds and add that to the TIPS & cash.

Mr. Stanco said these are minor changes in the margin and shoring up the bonds side.

Mr. Barrett stated he agrees with the recommendations and asked for a motion to approve the recommendation. Dr. Krueger so moved; Ms. Hromas seconded. Motion carried.

4. Review and Approve the Center's Financial Statements for the periods ending February 28, 2026, and March 31, 2026 – *Robert Guevara*
   a) February 2026 Financials
      - Loss for the month was ($487,000) bringing overall loss to ($4.9 million). This includes $4.2 million in Charity Care that has been recognized so far, this fiscal year.
      - Monthly personnel costs were ($646,973) below January expenses. February had 2 less payroll days.
      - Charity Care recognition YTD is $8.3 million. Approximately ($4.2 million) below the budget year to date.
      - Fund Balance Composition – Cash $4 million, A/R $19.5 million. February is the lowest month of cash that CHCS has. The line of credit has not been used this fiscal year, and he does not anticipate using it so far.
      - Fund Balance is $5.8 million, Investments in Tex Pool decreased ($2.7) million, Interest earned for the month was $15,270.
      - With all funds recognized looking at unreserved fund balance 9.15 days of operations and total profit margin is negative (7.1%). That includes recognizing Charity Care of $4.2 million.
      - Beginning Balance $7.2 million, In Flows $6.2 million, Out Flows $9 million, Ending Balance $4.5 million.
   b) March 2026 Financials
      - Loss for the month – ($626,672). Net YTD loss ($5.5 million). Of that $5.5 million, $2.7 million is related to the County in unfunded expenditures for the court system.
      - Monthly personnel costs were $538,516 above February expenses. March had 2 additional payroll days.
      - Charity Care recognition YTD is $10.6 million. Approximately ($4.1 million) below budget year to date to be recognized at year end.

- Fund Balance Composition – Cash $32.4 million, received the Charity Care payment in the month of March, A/R $20.7 million.
- Fund Balance is $5.3 million; Investments in Tex Pool increased $29.4 million; Interest earned was $27,514.
- With all funds recognized at 8.54 days of operations and total profit margin is negative (6.89%). That includes recognizing Charity Care of $4.1 million.
- Beginning Balance $4.5 million, In Flows $40.3 million, Out Flows $10.4 million, Ending Balance $34.4 million.

Mr. Barrett asked for a motion to accept the February 2026 and March 2026 Financial Statements. Dr. Krueger so moved; Ms. Hromas seconded. Motion carried.

VI. INFORMATIONAL ITEM

1. University Health Presentation on new Behavioral Health Services Plan – *Ed Banos, UH President/CEO*

There was no one available from University Health to present the information.

VII. EXECUTIVE SESSION (DISCUSSION ONLY: CLOSED TO THE PUBLIC) PURSUANT TO CHAPTER 551, TEXAS GOVERNMENT CODE: 551.071 (Consultation with General Counsel) and 551.074 (Personnel)

1. Discussion regarding candidates to consider for the veteran appointment to the CHCS Board of Directors in accordance with state law, pursuant to Section 551.071 (Consultation with attorney) and Section 551.074 (Personnel Matters).
2. Discussion regarding Interlocal Agreements with CHCS.
3. Discussion regarding Workforce Trends.

Mr. Barrett called the meeting into Executive Session at 6:59 p.m.

VIII. RECONVENE OPEN SESSION

Meeting reconvened into Open Session at 7:47 p.m.

1. Discuss and consider applicants for the Veteran appointment to the CHCS Board of Directors in accordance with Texas Health and Safety Code.

Mr. Barrett asked for a motion for the Veteran appointment. Dr. Krueger made a motion to appoint Lauro Garza as the newest appointment. Ms. Cigarroa seconded. Motion carried.

Mr. Barrett stated that the Board is also recommending that an invite is sent to Maria Carrier to the Center Advisory Committee.

2. Discussion and Appropriate Action regarding Executive Session Items.

Ms. Jamison stated that she understands the Board is directing her to begin the process to negotiate Interlocal Agreements with the CHCS Sponsoring Entities. Mr. Barrett said yes that is the motion. Ms. Vera seconded. Motion carried.

IX. REPORTS

1. **TEXAS COUNCIL OF COMMUNITY MHMR CENTERS INC. BOARD** – *Daniel T. Barrett*
   Mr. Barrett reported that starting tomorrow June 10 – 12, 2026 is Texas Council's 39th Annual Conference which will be held here in San Antonio. Ms. Jamison would like to give credit to Veronica Sanchez at Camino Real, for her support and who is providing the volunteers. CHCS is co-hosting and planning the E.D. dinner. Ms. Jamison will recognize Ms. Sanchez at that dinner.

2. **TEXAS COUNCIL RISK MANAGEMENT FUND BOARD (TCRMF)** – *Robert Guevara*
   Mr. Guevara stated the next meeting will be held on August 2, 2026.

   Mr. Barrett commented that he was recognized at the full Board. He stated that TCRMF has diverted almost $200 million in direct services from premiums saved, and thanked Mr. Guevara for serving.

3. **TEJAS HEALTH MANAGEMENT BOARD** – *Robert Guevara*
   Mr. Guevara reported the next meeting is still being planned for between August 17 – 28, 2026.

VIII. ADJOURNMENT

Mr. Barrett asked for a motion to adjourn the meeting. Dr. Krueger so moved, Judge Marion seconded. Meeting adjourned at 7:54 p.m.

Passed and approved this 11th day of August, 2026.

Daniel T. Barrett
Board Chairman

Cynthia Hinton
Executive Assistant