



**BOARD OF MANAGERS
Board of Managers - Regular Meeting
Tuesday, January 27, 2026 at 12:00 PM**

AGENDA

1. WELCOME

2. WELCOME NEW APPOINTEES TO THE BOARD OF MANAGERS: Pamela Brower and Sunil Reddy.

3. ROLL CALL OF MEMBERS

- Vishnu V. Reddy, Vice Chair
- Sylvia Tryon Oliver
- Mariana Garza
- Georgia Neblett
- Karen O'Connor Urban
- Pamela Brower
- Sunil Reddy

4. CALL TO ORDER, CONFIRMATION OF QUORUM, VERIFICATION OF MEETING POSTING, AND CLOSED MEETING NOTICE:

A. Call to order.

B. Establish quorum.

C. Confirm posting of the meeting’s public notice in compliance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

D. Notice is hereby provided that the Board of Managers may convene in closed meeting session(s) during this meeting to consider any agenda item, when permitted under the Texas Open Meetings Act, Texas Government Code Chapter 551.

5. NOTICE REGARDING BUDGET. The Hospital District’s Fiscal Year 2026 budget has been duly adopted by the Board and approved by Commissioners Court. At this meeting, the Board may discuss the budget. The budget and the required taxpayer impact statement for

Fiscal Year 2026 are available for public review on the District's official website at: https://www.nchdcc.org/public_notices/finance.php.

6. ANNOUNCEMENT ON DISCLOSURE OF CONFLICTS OF INTEREST. Any Conflicts of Interest or Appearance of a Conflict of Interest with items on this agenda shall be declared at this time. Members with conflicts will refrain from voting and are asked to refrain from discussion on such items. Conflicts discovered later in the meeting shall be disclosed at that time.

7. REGULAR SESSION

A. PUBLIC COMMENT – Opportunity for members of the public to address the Board on matters within its jurisdiction. In-person attendees must sign the “Agenda Item Request to Speak” form at least five (5) minutes before the meeting begins. Remote attendees must notify the presiding officer when called upon. Comments are limited to three (3) minutes (six [6] minutes with translator). The presiding officer may further limit the number of speakers or time allowed. The Board may act only on items listed on the agenda. Materials submitted will not be returned; at least ten (10) copies, labeled with the commenter’s name and agenda item number, must be provided for distribution.

B. CONSENT AGENDA - The Consent Agenda consists of those agenda items which are routine, administrative in nature, not in need of separate attention, and which a member of the Board has not requested be discussed separately. If requested to be discussed separately, that agenda item will be removed from the Consent Agenda by the presiding officer to the Regular Agenda and discussed as a part of the Regular Agenda at the appropriate time. All remaining items listed under the Consent Agenda will be voted upon in a single vote:

- | | |
|--|----|
| 1. Approve Board of Managers Regular Meeting minutes of November 18, 2025. | 9 |
| 2. Receive annual listing of vendors as of January 21, 2026; listing provided pursuant to Board of Managers Bylaws, §2.1.B and Texas Local Government Code, Chapter 176. | 18 |
| 3. Receive summary payment information on Nueces County health care disbursements for Fiscal Year 2026 year-to-date: | 39 |
| a. Salaries, benefits, and supplies at/for the City of Corpus Christi/Nueces County Public Health District; | |

- b. Emergency medical services provided in unincorporated areas of Nueces County;
- c. Supplemental and jail diversion program funding for Nueces Center for Mental Health and Intellectual Disabilities;
- d. Medical services provided at County correctional facilities:
 - 1. Nueces County Jail; and
 - 2. Nueces County Juvenile Detention Center;
- e. Funding for alcohol and drug abuse treatment programs:
 - 1. Cenikor (Charlie's Place); and
 - 2. Council on Alcohol and Drug Abuse;
- f. Funding for diabetes prevention and supporting programs; and
- g. Public health grants. (*Finance Committee*)

- 4. Receive summary of imputed claims information for medical and hospital services provided to the Nueces Aid Program population, consistent with the CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement, for fiscal year-to-date periods ended November 30 and December 31, 2025. (*Finance Committee*) 40
- 5. Receive fiscal year-to-date Specified Annual Percentage-related revenue reports; revenue receipts pursuant to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement, Section 5.03. (*Finance Committee*) 41
- 6. Receive statement of fiscal year-to-date deposits to and withdrawals from the Local Provider Participation Fund, made pursuant to the Board of Managers Order authorizing participation in a health care provider participation program under Texas Health and Safety Code, Chapter 298C, as amended. (*Finance Committee*) 42
- 7. Receive summary report of cumulative actual intergovernmental transfers (IGTs) made in support of local and other healthcare providers participating in Medicaid directed and supplemental payment programs sponsored by the Texas Health and Human Services Commission (HHSC), and receive estimates of provider payments resulting from the IGTs: 46

- a. Directed Payment Programs - IGTs to HHSC for Medicaid managed care payments to providers that promote Medicaid program goals and objectives:
 - 1. Aligning Technology by Linking Interoperable Systems for Client Health Outcomes Program (ATLIS);
 - 2. Comprehensive Hospital Increase Reimbursement Program (CHIRP);
 - 3. Network Access Improvement Program (NAIP); and
 - 4. Texas Incentives for Physicians and Professional Services (TIPPS); and

- b. Supplemental Payment Programs - IGTs to HHSC for Medicaid payments to hospitals, made separately from and in addition to base payments, to incentivize achievement of specified goals or to support providers serving significant numbers of uninsured or low-income patients:
 - 1. Disproportionate Share Hospital (DSH);
 - 2. Graduate Medical Education (GME);
 - 3. Hospital Augmented Reimbursement Program (HARP); and
 - 4. Hospital Uncompensated Care (UC). (*Finance Committee*)

8. Receive reports relating to Nueces Aid Program enrollment for the month-ended periods of November 30 and December 31, 2025	
a. Total Persons and Households Enrolled;	49
b. Enrollment Summary;	50
c. Denials;	52
d. Application Processing Summary; and	53
e. Enrollment by Zip Code. (<i>Finance Committee</i>)	57

C. REGULAR AGENDA -Items that are non-routine, non-administrative, or require individual attention. Each item will be considered and, if action is needed, voted on separately:

1. Finance Committee:

a. Financial Statements:

- 1. Receive and approve unaudited financial statements for the monthly and fiscal year-to-date periods ended October 31, November 30, and December 31, 2025. (***ACTION***) 60

b. Investment Report:

- 1. Receive and approve Quarterly Investment Report and ratify related investment transactions for fiscal quarter-ended December 31, 2025 pursuant to Texas Government Code, 87

§2256.023. *(ACTION)*

2. Legislative Matters:

- a. Receive and discuss reports from Legislative Consultants on legislative matters. *(INFORMATION)*
- b. Discuss and propose interim committee charges for consideration by the 90th Texas Legislature; interim charges are directives issued to legislative committees to study specific issues before the next legislative session. *(ACTION)* 117
- c. Discuss and consider approval of a Personal Services Contract with Patricia A. Shipton for consulting services to represent the Hospital District's interests before the Texas Legislature, with a contract term of January–December 2026. *(ACTION)* 120
- d. Discuss and consider approval of a Personal Services Contract with Joel J. Romo for consulting services to represent the Hospital District's interests before the Texas Legislature, with a contract term of January–December 2026. *(ACTION)* 138

3. Community Mental Health Initiatives:

- a. Receive and discuss a report and information from the Nueces Center for Mental Health and Intellectual Disabilities (MHID) regarding work performed under agreements among Nueces County, MHID, and the Hospital District, or directly between MHID and the Hospital District, for the fiscal quarter ended December 31, 2025. *(INFORMATION)*

4. CHRISTUS Spohn Board of Directors:

- a. Discuss and consider appointment of a representative to the CHRISTUS Spohn Health System Corporation Board of Directors for a three-year term commencing January 1, 2026 and ending December 31, 2028, pursuant to Article IV, Section 4.01(b) of the CHRISTUS Spohn Health System Membership Agreement. *(ACTION)* 156

5. Board of Managers Business:

- a. Elect Board of Managers officers for the term January 28 - September 30, 2026; annual officer elections pursuant to Board of Managers Bylaws, §2.2.A: 160
 - 1. Chair; and
 - 2. Vice-Chair. *(ACTION)*

- b. Chair-Elect appointment of Chairs and members to Standing Committees for the term January 28 - September 30, 2026; appointments pursuant to Board of Managers Bylaws, §2.5.A: 161
 - 1. Finance;
 - 2. Planning; and
 - 3. Quality Management. *(ACTION)*

- c. Chair-Elect's establishment of Special Committees and appoint Chairs and members to the Committees for the term January 28 - September 30, 2026 as authorized by Board of Managers Bylaws, §2.5.A. 162
 - 1. Legislative; and
 - 2. Additional Special Committees. *(ACTION)*

- d. Confirm appointment of Administrator as Board of Managers Secretary, pursuant to §281.023(b), Texas Health and Safety Code. *(ACTION)* 163

6. Administrator's Actions:

- a. Ratify Administrator's action(s) performed as part of his duties directing the affairs of the Hospital District and/or as required by the Board of Managers; duties established pursuant to Texas Health and Safety Code, §281.026(e):

- 1. Execution of Interlocal Cooperation Agreement with the Nueces Center for Mental Health and Intellectual Disabilities for the provision of opioid crisis remediation programs on behalf of the Hospital District in one or more categories approved by the Texas Opioid Abatement Fund Council; District's provision of remediation services is in connection with the required use of funds distributed by the Texas Comptroller of Public Accounts from the Texas Statewide Opioid Settlement. Agreement term: October 1, 2025 through September 30, 2026. *(ACTION)* 164

7. Administrator's Briefing:

a. Annual audit of financial statements for the fiscal year ended September 30, 2025. **(INFORMATION)**

b. Next scheduled regular meetings of the Board of Managers and Board Committees (all meeting dates, times, and locations are subject to change):

1. Legislative Committee: Tuesday, February 24, 2026, 11:15 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401; and

2. Finance Committee: Tuesday, February 24, 2026, 11:30 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401;

3. Board of Managers: Tuesday, February 24, 2026, 12:00 PM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401. **(INFORMATION)**

8. CLOSED MEETING – The Board of Managers may convene in closed session at any time during this meeting to deliberate any agenda item, as authorized by the Texas Open Meetings Act, Chapter 551, Texas Government Code. The Board reserves the right to discuss any agenda item in executive session when legally permitted, regardless of whether the item is customarily considered in open session. The presiding officer will announce the applicable statutory authority under the Act prior to each closed session. Any final action, decision, or vote will be taken in open session, either upon reconvening or at a subsequent public meeting, as required by law. The Board anticipates entering closed session on the matters identified below pursuant to Sections 551.071 and 551.074 of the Texas Government Code, as applicable.

A. Consult with legal counsel regarding CPS Energy’s proposed tax-exemption settlement agreements related to the Barney Davis and Nueces Bay Power Plants and related matters.

B. Consult with attorneys on legal issues regarding the Corpus Christi Housing Authority's workforce housing contracts, tax exemptions, potential open meetings violations, and related matters.

C. Consult with attorneys on legal matters relating to medical education and related matters.

9. OPEN MEETING - The Board will reconvene in open session following the Closed Meeting before taking action on Closed Meeting matters or adjourning.

A. Discuss and consider taking final action, decision, or vote on matters deliberated in Closed Meeting. (***ACTION AS NEEDED***)

10. **ADJOURN**

11. Public Notice Posting Receipt

DRAFT

**BOARD OF MANAGERS
NUECES COUNTY HOSPITAL DISTRICT
REGULAR MEETING
NOVEMBER 18, 2025**

The Nueces County Hospital District Board of Managers met at 12.:00 p.m., November 18, 2025 in the NCHD Board Room at 555 N. Carancahua, Suite 950 – A Corpus Christi, Texas.

HOSPITAL DISTRICT REPRESENTATIVES:

Jonny F. Hipp	Administrator/CEO
Belinda Espinoza	Asst. Administrator, Admin. Services
Donna Littlefield	Director, Accounting & Finance
Mary Esther Guerra	Assistant County Attorney
John B. Martinez	General Counsel
Adam Robison	Legal Counsel
Melissa Quintanilla	Executive Assistant/Human Resources
Carmina Hernandez Moreno	Administrative Assistant

OTHERS PRESENT:

Jenny Dorsey	Nueces County Courthouse Attorney
Shani Italiya	Corpus Christi Emergency Physician
Reyann Ali	Christus Spohn
Caitlan Chupe	Adamson & Company
John Cambron	Corpus Christi Emergency Physician
Joel Romo	Lobbyist – via Zoom
Rebecca Rios	Christus Spohn – via Zoom

**BOARD OF MANAGERS
REGULAR MEEING
MINUTES
NOVEMBER 18, 2025**

1. WELCOME

2. ROLL CALL OF MEMBERS

- Belinda Flores, Chairman
- Vishnu V. Reddy, Vice Chair
- Sylvia Tryon Oliver
- Mariana Garza
- Efrain Guerrero, Jr.
- Georgia Neblett
- Karen O'Connor Urban

3. CALL TO ORDER, CONFIRMATION OF QUORUM, VERIFICATION OF MEETING POSTING, AND CLOSED MEETING NOTICE:

A. Call to order – Belinda Flores, Chair.
The meeting was called to order at 12:10 p.m.

B. Establish quorum – Belinda Flores, Chair.
A quorum was present with five members in attendance.

- Belinda Flores, Chairman – PRESENT**
- Vishnu V. Reddy, Vice Chair - PRESENT**
- Sylvia Tryon Oliver, Member - PRESENT**
- Efrain Guerrero, Jr., Member - PRESENT**
- Georgia Neblett, Member - PRESENT**
- Karen O'Connor Urban, Member - PRESENT**
- Mariana Garza, Member - ABSENT**

C. Confirm posting of the meeting’s public notice in compliance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

D. Notice is hereby provided that the Board of Managers may convene in closed meeting session(s) during this meeting to consider any agenda item, when permitted under the Texas Open Meetings Act, Texas Government Code Chapter 551.

**BOARD OF MANAGERS
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4. **NOTICE REGARDING BUDGETS.** The Hospital District’s Fiscal Year 2025 and Fiscal Year 2026 budgets have been duly adopted by the Board of Managers and approved by Commissioners Court. At this meeting, the Board may discuss either of these budgets.

The budget and the required taxpayer impact statement for Fiscal Year 2026 are available for public review by clicking the "Annual Budget & Taxpayer Impact Statement" link on the front page District's official website at <https://www.nchdcc.org/>.

5. **ANNOUNCEMENT ON DISCLOSURE OF CONFLICTS OF INTEREST.** Any Conflicts of Interest or Appearance of a Conflict of Interest with items on this agenda shall be declared at this time. Members with conflicts will refrain from voting and are asked to refrain from discussion on such items. Conflicts discovered later in the meeting shall be disclosed at that time.

No Conflict of Interest.

6. REGULAR SESSION

A. **PUBLIC COMMENT** – Opportunity for members of the public to address the Board on matters within its jurisdiction. In-person attendees must sign the “Agenda Item Request to Speak” form at least five (5) minutes before the meeting begins. Remote attendees must notify the presiding officer when called upon. Comments are limited to three (3) minutes (six [6] minutes with translator). The presiding officer may further limit the number of speakers or time allowed. The Board may act only on items listed on the agenda. Materials submitted will not be returned; at least ten (10) copies, labeled with the commenter’s name and agenda item number, must be provided for distribution.

No one to speak in Public Comment.

B. **CONSENT AGENDA** - The Consent Agenda consists of those agenda items which are routine, administrative in nature, not in need of separate attention, and which a member of the Board has not requested be discussed separately. If requested to be discussed separately, that agenda item will be removed from the Consent Agenda by the presiding officer to the Regular Agenda and discussed as a part of the Regular Agenda at the appropriate time. All remaining items listed under the Consent Agenda will be voted upon in a single vote:

1. Approve Board of Managers Regular Meeting minutes of October 28, 2025.

**BOARD OF MANAGERS
REGULAR MEETING
MINUTES
NOVEMBER 18, 2025**

2. Receive summary payment information on Nueces County health care disbursements for Fiscal Year 2025 year-to-date:
 - a. Salaries, benefits, and supplies at/for the City of Corpus Christi/Nueces County Public Health District;
 - b. Emergency medical services provided in unincorporated areas of Nueces County;
 - c. Supplemental and jail diversion program funding for Nueces Center for Mental Health and Intellectual Disabilities;
 - d. Medical services provided at County correctional facilities:
 1. Nueces County Jail; and
 2. Nueces County Juvenile Detention Center;
 - e. Funding for alcohol and drug abuse treatment programs:
 1. Cenikor (Charlie's Place); and
 2. Council on Alcohol and Drug Abuse;
 - f. Funding for diabetes prevention and supporting programs; and
 - g. Public health grants. (*Finance Committee*)
3. Receive summary of imputed claims information for medical and hospital services provided to the Nueces Aid Program population, consistent with the CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement, for fiscal year-to-date period ending October 31, 2025. (*Finance Committee*)
4. Receive fiscal year-to-date Specified Annual Percentage-related revenue reports; revenue receipts pursuant to CHRISTUS Spohn Health System Corporation Amended and Restated Membership Agreement, Section 5.03. (*Finance Committee*)
5. Receive statement of fiscal year-to-date deposits to and withdrawals from the Local Provider Participation Fund, made pursuant to the Board of Managers Order authorizing participation in a health care provider participation program under Texas

**BOARD OF MANAGERS
REGULAR MEEING
MINUTES
NOVEMBER 18, 2025**

Health and Safety Code, Chapter 298C, as amended. (*Finance Committee*)

6. Receive summary report of cumulative actual intergovernmental transfers (IGTs) made in support of local and other healthcare providers participating in Medicaid directed and supplemental payment programs sponsored by the Texas Health and Human Services Commission (HHSC), and receive estimates of provider payments resulting from the IGTs:

- a. Directed Payment Programs - IGTs to HHSC for Medicaid managed care payments to providers that promote Medicaid program goals and objectives:
 1. Aligning Technology by Linking Interoperable Systems for Client Health Outcomes Program (ATLIS);
 2. Comprehensive Hospital Increase Reimbursement Program (CHIRP);
 3. Network Access Improvement Program (NAIP); and
 4. Texas Incentives for Physicians and Professional Services (TIPPS); and

- b. Supplemental Payment Programs - IGTs to HHSC for Medicaid payments to hospitals, made separately from and in addition to base payments, to incentivize achievement of specified goals or to support providers serving significant numbers of uninsured or low-income patients:
 1. Disproportionate Share Hospital (DSH);
 2. Graduate Medical Education (GME);
 3. Hospital Augmented Reimbursement Program (HARP); and
 4. Hospital Uncompensated Care (UC). (*Finance Committee*)

7. Receive reports relating to Nueces Aid Program enrollment for the month-ended October 31, 2025:

- a. Total Persons and Households Enrolled;
- b. Enrollment Summary;
- c. Denials;
- d. Application Processing Summary; and
- e. Enrollment by Zip Code. (*Finance Committee*)

**Consent Agenda Approved. Motion by Georgia Neblett
and seconded by Karen O'Connor Urban.
MOTION CARRIED.**

**BOARD OF MANAGERS
REGULAR MEEING
MINUTES
NOVEMBER 18, 2025**

C. REGULAR AGENDA -Items that are non-routine, non-administrative, or require individual attention. Each item will be considered and, if action is needed, voted on separately:

1. Finance Committee:

a. Financial Statements:

1. Receive and approve unaudited financial statements for fiscal year-ended September 30, 2025. (*ACTION*)

**Motion to approve by Karen O'Connor Urban
and seconded by Vishnu V. Reddy. MOTION CARRIED.**

b. Investment Report:

1. Receive and approve Quarterly Investment Report for fiscal quarter-ended September 30, 2025 and ratify related investment transactions. (*ACTION*)

**Motion to approve by Karen O'Connor Urban
and seconded by Vishnu V. Reddy. MOTION CARRIED.**

2. Legislative Matters:

- a. Receive and discuss reports from Legislative Consultants on the 89th Texas Legislature's Special Sessions and related matters. (*INFORMATION*)

Joel Romo updated legislative matters.

3. Board Appointments:

- a. Nueces County Hospital District Board of Managers: Three (3) positions with terms expiring September 30, 2025; intent letters and applications due to County Judge November 12, 2025. (*INFORMATION*)
- b. Christus Spohn Board of Trustees: One (1) position, Place 2, with term expiring December 31, 2025; applications due to County Judge December 1, 2025. (*INFORMATION*)

**BOARD OF MANAGERS
REGULAR MEEING
MINUTES
NOVEMBER 18, 2025**

4. Administrator's Actions:

a. Ratify Administrator's action(s) performed as part of his duties directing the affairs of the Hospital District and/or as required by the Board of Managers; duties established pursuant to Texas Health and Safety Code, §281.026(e):

1. Engagement of Adamson & Company, LLC to perform an audit of the Hospital District's financial statements of the governmental activities, each major fund, and the aggregate remaining fund information for the fiscal year ended September 30, 2025 (October 1, 2024 - September 30, 2025).
(ACTION)

**Motion by Sylvia Tryon Oliver and seconded by
Karen O'Connor Urban. MOTION CARRIED.**

2. Execution of Health Services Agreement for Nueces County Correctional Facilities between Nueces County, Nueces County Hospital District, and Wexford Health Sources, Inc.; initial term three (3) years commencing December 1, 2025 with an option for two (2) additional one (1)-year terms. Approved by Commissioners Court on November 5, 2025. *(ACTION)*

**Motion by Georgia Neblett and seconded by
Sylvia Tryon Oliver. MOTION CARRIED.**

5. Administrator's Briefing:

a. Next scheduled regular meetings of the Board of Managers and Board Committees (all meeting dates, times, and locations are subject to change):

1. Finance Committee: Tuesday, December 16, 2025, 11:30 AM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401;
2. Board of Managers: Tuesday, December 16, 2025, 12:00 PM in NCHD Board of Managers Meeting Room at 555 North Carancahua Street, Room 950-A, Corpus Christi, Texas 78401. *(INFORMATION)*

December 16, 2025 Meetings deferred.

**BOARD OF MANAGERS
REGULAR MEEING
MINUTES
NOVEMBER 18, 2025**

7. CLOSED MEETING – The Board of Managers may, at any point during this meeting, convene in closed session to deliberate any agenda item as permitted under the Texas Open Meetings Act, Texas Government Code Chapter 551. The Board reserves the right to discuss any listed agenda item in closed session when legally authorized, regardless of prior practice distinguishing items for public deliberation from those for executive session. The presiding officer will announce the statutory authority under the Act for each closed session item. Any final action, decision, or vote will be taken in open session either upon reconvening of this meeting or at a subsequent public meeting, as required by law. The Board anticipates entering closed session on the matters identified below pursuant to §551.071 of the Texas Government Code.

A. Consult with attorneys on matters related to Hospital District appointments to the CHRISTUS Spohn Health System Corporation's Board of Directors.

Belinda Flores, Chair, called for Closed Meeting at 12:40 p.m.

8. OPEN MEETING - The Board will reconvene in open session following the Closed Meeting before taking action on Closed Meeting matters or adjourning.

Belinda Flores, Chair, called for Open Meeting at 1:06 p.m.

A. Discuss and consider taking final action, decision, or vote on matters deliberated in Closed Meeting. (*ACTION AS NEEDED*)

No Action taken.

9. ADJOURN

**Belinda Flores, Chair, motion to adjourn.
Meeting adjourned at 1:06 p.m.**

**BOARD OF MANAGERS
REGULAR MEEING
MINUTES
NOVEMBER 18, 2025**

PRESIDING OFFICER:

Belinda Flores, Chairman

ATTEST:

Jonny F. Hipp, Secretary
Board of Managers
Nueces County Hospital District

terms, with as nearly as possible to one-third of the members' terms expiring each year.

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2. Resignations must be submitted in writing, tendered to the Nueces County Judge on behalf of the Nueces County Commissioners Court, and the Chairman of the NCHD, and state the effective date of resignation.

3. Removal of member of the Board of Managers:

A member may be removed from office pursuant to the mandates of Article V, Section 24 of the *Texas Constitution*, and Chapter 87, *et seq.*, of the *Texas Local Government Code*, as amended, and other causes defined by law, including but not limited to:

- (a) Bribery and corrupt influence (*Texas Penal Code*, Section 36, *et seq.*);
- (b) Abuse of official capacity (*Texas Penal Code*, Section 39, *et seq.*); or,
- (c) Nepotism (*Texas Government Code*, Chapter 573 *et seq.*)

B. Conflicts of Interest

1. A member shall follow the conflicts of interest law as provided in *Texas Local Government*, Chapter 171, *et seq.*, as amended.

C. Indemnity

Members of the Board of Managers shall be indemnified and held harmless to the full extent permitted by Texas and United States law at NCHD's sole expense, and such indemnification may be extended, at the discretion of the Board of Managers or as required by law, to NCHD employees and agents, from and against all suits, actions, or claims of any character, type or description brought or made for or on account of any injuries or damages, received or sustained by any person or persons or property, arising out of, or occasioned by the acts and/or omissions of the officers and members (and at the discretion of the Board or as required by law, employees and/or agents of NCHD) when performing their public duties as members (and/or employees or agents) of the NCHD Board of Managers and within the course and scope of such duties.

LOCAL GOVERNMENT CODE

TITLE 5. MATTERS AFFECTING PUBLIC OFFICERS AND EMPLOYEES

SUBTITLE C. MATTERS AFFECTING PUBLIC OFFICERS AND EMPLOYEES OF MORE
THAN ONE TYPE OF LOCAL GOVERNMENT

CHAPTER 171. REGULATION OF CONFLICTS OF INTEREST OF OFFICERS OF
MUNICIPALITIES, COUNTIES, AND CERTAIN OTHER LOCAL GOVERNMENTS

Sec. 171.001. DEFINITIONS. In this chapter:

(1) "Local public official" means a member of the governing body or another officer, whether elected, appointed, paid, or unpaid, of any district (including a school district), county, municipality, precinct, central appraisal district, transit authority or district, or other local governmental entity who exercises responsibilities beyond those that are advisory in nature.

(2) "Business entity" means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, or any other entity recognized by law.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 171.002. SUBSTANTIAL INTEREST IN BUSINESS ENTITY. (a) For purposes of this chapter, a person has a substantial interest in a business entity if:

(1) the person owns 10 percent or more of the voting stock or shares of the business entity or owns either 10 percent or more or \$15,000 or more of the fair market value of the business entity; or

(2) funds received by the person from the business entity exceed 10 percent of the person's gross income for the previous year.

(b) A person has a substantial interest in real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more.

(c) A local public official is considered to have a substantial interest under this section if a person related to the official in the first degree by consanguinity or affinity, as

determined under Chapter 573, Government Code, has a substantial interest under this section.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 1, Sec. 40(a), eff. Aug. 28, 1989; Acts 1991, 72nd Leg., ch. 561, Sec. 37, eff. Aug. 26, 1991; Acts 1995, 74th Leg., ch. 76, Sec. 5.95(27), eff. Sept. 1, 1995; Acts 1997, 75th Leg., ch. 849, Sec. 1, eff. Sept. 1, 1997.

Sec. 171.0025. APPLICATION OF CHAPTER TO MEMBER OF HIGHER EDUCATION AUTHORITY. This chapter does not apply to a board member of a higher education authority created under Chapter 53, Education Code, unless a vote, act, or other participation by the board member in the affairs of the higher education authority would provide a financial benefit to a financial institution, school, college, or university that is:

(1) a source of income to the board member; or

(2) a business entity in which the board member has an interest distinguishable from a financial benefit available to any other similar financial institution or other school, college, or university whose students are eligible for a student loan available under Chapter 53, Education Code.

Added by Acts 1989, 71st Leg., ch. 1, Sec. 41(a), eff. Aug. 28, 1989.

Sec. 171.003. PROHIBITED ACTS; PENALTY. (a) A local public official commits an offense if the official knowingly:

(1) violates Section 171.004;

(2) acts as surety for a business entity that has work, business, or a contract with the governmental entity; or

(3) acts as surety on any official bond required of an officer of the governmental entity.

(b) An offense under this section is a Class A misdemeanor.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 1, Sec. 40(a), eff. Aug. 28, 1989.

Sec. 171.004. AFFIDAVIT AND ABSTENTION FROM VOTING REQUIRED. (a) If a local public official has a substantial

interest in a business entity or in real property, the official shall file, before a vote or decision on any matter involving the business entity or the real property, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if:

(1) in the case of a substantial interest in a business entity the action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public; or

(2) in the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.

(b) The affidavit must be filed with the official record keeper of the governmental entity.

(c) If a local public official is required to file and does file an affidavit under Subsection (a), the official is not required to abstain from further participation in the matter requiring the affidavit if a majority of the members of the governmental entity of which the official is a member is composed of persons who are likewise required to file and who do file affidavits of similar interests on the same official action.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 1989, 71st Leg., ch. 1, Sec. 40(a), eff. Aug. 28, 1989.

Sec. 171.005. VOTING ON BUDGET. (a) The governing body of a governmental entity shall take a separate vote on any budget item specifically dedicated to a contract with a business entity in which a member of the governing body has a substantial interest.

(b) Except as provided by Section 171.004(c), the affected member may not participate in that separate vote. The member may vote on a final budget if:

(1) the member has complied with this chapter; and

(2) the matter in which the member is concerned has been resolved.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987. Renumbered from Sec. 171.006 and amended by Acts 1989, 71st Leg.,

ch. 1, Sec. 40(a), eff. Aug. 28, 1989.

Sec. 171.006. EFFECT OF VIOLATION OF CHAPTER. The finding by a court of a violation under this chapter does not render an action of the governing body voidable unless the measure that was the subject of an action involving a conflict of interest would not have passed the governing body without the vote of the person who violated the chapter.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987. Renumbered from Sec. 171.008 by Acts 1989, 71st Leg., ch. 1, Sec. 40(a), eff. Aug. 28, 1989.

Sec. 171.007. COMMON LAW PREEMPTED; CUMULATIVE OF MUNICIPAL PROVISIONS. (a) This chapter preempts the common law of conflict of interests as applied to local public officials.

(b) This chapter is cumulative of municipal charter provisions and municipal ordinances defining and prohibiting conflicts of interests.

Amended by Acts 1989, 71st Leg., ch. 1, Sec. 40(a), eff. Aug. 28, 1989.

Sec. 171.009. SERVICE ON BOARD OF CORPORATION FOR NO COMPENSATION. It shall be lawful for a local public official to serve as a member of the board of directors of private, nonprofit corporations when such officials receive no compensation or other remuneration from the nonprofit corporation or other nonprofit entity.

Added by Acts 1989, 71st Leg., ch. 475, Sec. 2, eff. Aug. 28, 1989.

Sec. 171.010. PRACTICE OF LAW. (a) For purposes of this chapter, a county judge or county commissioner engaged in the private practice of law has a substantial interest in a business entity if the official has entered a court appearance or signed court pleadings in a matter relating to that business entity.

(b) A county judge or county commissioner that has a substantial interest in a business entity as described by Subsection (a) must comply with this chapter.

(c) A judge of a constitutional county court may not enter a court appearance or sign court pleadings as an attorney in any matter before:

(1) the court over which the judge presides; or

(2) any court in this state over which the judge's court exercises appellate jurisdiction.

(d) Upon compliance with this chapter, a county judge or commissioner may practice law in the courts located in the county where the county judge or commissioner serves.

Added by Acts 2003, 78th Leg., ch. 227, Sec. 21, eff. Sept. 1, 2003;
Acts 2003, 78th Leg., ch. 1206, Sec. 3, eff. June 20, 2003.

LOCAL GOVERNMENT CODE

TITLE 5. MATTERS AFFECTING PUBLIC OFFICERS AND EMPLOYEES
SUBTITLE C. MATTERS AFFECTING PUBLIC OFFICERS AND EMPLOYEES OF MORE
THAN ONE TYPE OF LOCAL GOVERNMENT
CHAPTER 176. DISCLOSURE OF CERTAIN RELATIONSHIPS WITH LOCAL
GOVERNMENT OFFICERS; PROVIDING PUBLIC ACCESS TO CERTAIN
INFORMATION

Sec. 176.001. DEFINITIONS. In this chapter:

(1) "Agent" means a third party who undertakes to transact some business or manage some affair for another person by the authority or on account of the other person. The term includes an employee.

(1-a) "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

(A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;

(B) a transaction conducted at a price and subject to terms available to the public; or

(C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

(1-b) "Charter school" means an open-enrollment charter school operating under Subchapter D, Chapter 12, Education Code.

(1-c) "Commission" means the Texas Ethics Commission.

(1-d) "Contract" means a written agreement for the sale or purchase of real property, goods, or services.

(2) "Family member" means a person related to another person within the first degree by consanguinity or affinity, as described by Subchapter B, Chapter 573, Government Code.

(2-a) "Family relationship" means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code.

(2-b) "Gift" means a benefit offered by a person, including food, lodging, transportation, and entertainment accepted as a guest. The term does not include a benefit offered on account of kinship or a personal, professional, or business relationship independent of the official status of the recipient.

(2-c) "Goods" means personal property.

(2-d) "Investment income" means dividends, capital gains, or interest income generated from:

(A) a personal or business:

(i) checking or savings account;

(ii) share draft or share account; or

(iii) other similar account;

(B) a personal or business investment; or

(C) a personal or business loan.

(3) "Local governmental entity" means a county, municipality, school district, charter school, junior college district, water district created under Subchapter B, Chapter 49, Water Code, or other political subdivision of this state or a local government corporation, board, commission, district, or authority to which a member is appointed by the commissioners court of a county, the mayor of a municipality, or the governing body of a municipality. The term does not include an association, corporation, or organization of governmental entities organized to provide to its members education, assistance, products, or services or to represent its members before the legislative, administrative, or judicial branches of the state or federal government.

(4) "Local government officer" means:

(A) a member of the governing body of a local governmental entity;

(B) a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or

(C) an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor.

(5) "Records administrator" means the director, county clerk, municipal secretary, superintendent, or other person

responsible for maintaining the records of the local governmental entity or another person designated by the local governmental entity to maintain statements and questionnaires filed under this chapter and perform related functions.

(6) "Services" means skilled or unskilled labor or professional services, as defined by Section 2254.002, Government Code.

(7) "Vendor" means a person who enters or seeks to enter into a contract with a local governmental entity. The term includes an agent of a vendor. The term includes an officer or employee of a state agency when that individual is acting in a private capacity to enter into a contract. The term does not include a state agency except for Texas Correctional Industries. Added by Acts 2005, 79th Leg., Ch. 1014 (H.B. 914), Sec. 1, eff. June 18, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 226 (H.B. 1491), Sec. 1, eff. May 25, 2007.

Acts 2015, 84th Leg., R.S., Ch. 989 (H.B. 23), Sec. 1, eff. September 1, 2015.

Sec. 176.002. APPLICABILITY TO VENDORS AND OTHER PERSONS.

(a) This chapter applies to a person who is:

(1) a vendor; or

(2) a local government officer of a local governmental entity.

(b) A person is not subject to the disclosure requirements of this chapter if the person is:

(1) a state, a political subdivision of a state, the federal government, or a foreign government; or

(2) an employee or agent of an entity described by Subdivision (1), acting in the employee's or agent's official capacity.

Added by Acts 2005, 79th Leg., Ch. 1014 (H.B. 914), Sec. 1, eff. June 18, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 226 (H.B. 1491), Sec. 2, eff.

May 25, 2007.

Acts 2015, 84th Leg., R.S., Ch. 989 (H.B. 23), Sec. 2, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 989 (H.B. 23), Sec. 3, eff. September 1, 2015.

Sec. 176.003. CONFLICTS DISCLOSURE STATEMENT REQUIRED.

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

(1) the vendor enters into a contract with the local governmental entity or the local governmental entity is considering entering into a contract with the vendor; and

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor; or

(C) has a family relationship with the local government officer.

(a-1) A local government officer is not required to file a conflicts disclosure statement in relation to a gift accepted by the officer or a family member of the officer if the gift is:

(1) a political contribution as defined by Title 15,

Election Code; or

(2) food accepted as a guest.

(a-2) A local government officer is not required to file a conflicts disclosure statement under Subsection (a) if the local governmental entity or vendor described by that subsection is an administrative agency created under Section [791.013](#), Government Code.

(b) A local government officer shall file the conflicts disclosure statement with the records administrator of the local governmental entity not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of the statement under Subsection (a).

(c) Repealed by Acts 2015, 84th Leg., R.S., Ch. 989 , Sec. 9(1), eff. September 1, 2015.

(d) Repealed by Acts 2015, 84th Leg., R.S., Ch. 989 , Sec. 9(1), eff. September 1, 2015.

(e) The commission shall adopt the conflicts disclosure statement for local government officers for use under this section. The conflicts disclosure statement must include:

(1) a requirement that each local government officer disclose:

(A) an employment or other business relationship described by Subsection (a)(2)(A), including the nature and extent of the relationship; and

(B) gifts accepted by the local government officer and any family member of the officer from a vendor during the 12-month period described by Subsection (a)(2)(B) if the aggregate value of the gifts accepted by the officer or a family member from that vendor exceeds \$100;

(2) an acknowledgment from the local government officer that:

(A) the disclosure applies to each family member of the officer; and

(B) the statement covers the 12-month period described by Subsection (a)(2)(B); and

(3) the signature of the local government officer acknowledging that the statement is made under oath under penalty

of perjury.

Added by Acts 2005, 79th Leg., Ch. 1014 (H.B. 914), Sec. 1, eff. June 18, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 226 (H.B. 1491), Sec. 3, eff. May 25, 2007.

Acts 2015, 84th Leg., R.S., Ch. 989 (H.B. 23), Sec. 4, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 989 (H.B. 23), Sec. 5, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 989 (H.B. 23), Sec. 9(1), eff. September 1, 2015.

Sec. 176.006. DISCLOSURE REQUIREMENTS FOR VENDORS AND OTHER PERSONS; QUESTIONNAIRE. (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract

with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

(b) The commission shall adopt a conflict of interest questionnaire for use under this section that requires disclosure of a vendor's business and family relationships with a local governmental entity.

(c) The questionnaire adopted under Subsection (b) must require, for the local governmental entity with respect to which the questionnaire is filed, that the vendor filing the questionnaire:

(1) describe each employment or business and family relationship the vendor has with each local government officer of the local governmental entity;

(2) identify each employment or business relationship described by Subdivision (1) with respect to which the local government officer receives, or is likely to receive, taxable income, other than investment income, from the vendor;

(3) identify each employment or business relationship described by Subdivision (1) with respect to which the vendor receives, or is likely to receive, taxable income, other than investment income, that:

(A) is received from, or at the direction of, a local government officer of the local governmental entity; and

(B) is not received from the local governmental entity; and

(4) describe each employment or business relationship with a corporation or other business entity with respect to which a local government officer of the local governmental entity:

(A) serves as an officer or director; or

(B) holds an ownership interest of one percent or

more.

(d) A vendor shall file an updated completed questionnaire with the appropriate records administrator not later than the seventh business day after the date on which the vendor becomes aware of an event that would make a statement in the questionnaire incomplete or inaccurate.

(e) A person who is both a local government officer and a vendor of a local governmental entity is required to file the questionnaire required by Subsection (a)(1) only if the person:

(1) enters or seeks to enter into a contract with the local governmental entity; or

(2) is an agent of a person who enters or seeks to enter into a contract with the local governmental entity.

(f) Repealed by Acts 2015, 84th Leg., R.S., Ch. 989 , Sec. 9(3), eff. September 1, 2015.

(g) Repealed by Acts 2015, 84th Leg., R.S., Ch. 989 , Sec. 9(3), eff. September 1, 2015.

(h) Repealed by Acts 2015, 84th Leg., R.S., Ch. 989 , Sec. 9(3), eff. September 1, 2015.

(i) The validity of a contract between a vendor and a local governmental entity is not affected solely because the vendor fails to comply with this section.

Added by Acts 2005, 79th Leg., Ch. 1014 (H.B. [914](#)), Sec. 1, eff. June 18, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 226 (H.B. [1491](#)), Sec. 6, eff. May 25, 2007.

Acts 2007, 80th Leg., R.S., Ch. 226 (H.B. [1491](#)), Sec. 9, eff. May 25, 2007.

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. [1969](#)), Sec. 15.005, eff. September 1, 2009.

Acts 2015, 84th Leg., R.S., Ch. 989 (H.B. [23](#)), Sec. 6, eff. September 1, 2015.

Acts 2015, 84th Leg., R.S., Ch. 989 (H.B. [23](#)), Sec. 9(3), eff. September 1, 2015.

Sec. 176.0065. MAINTENANCE OF RECORDS. A records

administrator shall:

(1) maintain a list of local government officers of the local governmental entity and shall make that list available to the public and any vendor who may be required to file a conflict of interest questionnaire under Section 176.006; and

(2) maintain the statements and questionnaires that are required to be filed under this chapter in accordance with the local governmental entity's records retention schedule.

Added by Acts 2007, 80th Leg., R.S., Ch. 226 (H.B. 1491), Sec. 8, eff. May 25, 2007.

Redesignated and amended from Local Government Code, Section 176.011 by Acts 2015, 84th Leg., R.S., Ch. 989 (H.B. 23), Sec. 7, eff. September 1, 2015.

Sec. 176.008. ELECTRONIC FILING. The requirements of this chapter, including signature requirements, may be satisfied by electronic filing in a form approved by the commission.

Added by Acts 2005, 79th Leg., Ch. 1014 (H.B. 914), Sec. 1, eff. June 18, 2005.

Sec. 176.009. POSTING ON INTERNET. (a) A local governmental entity that maintains an Internet website shall provide access to the statements and to questionnaires required to be filed under this chapter on that website. This subsection does not require a local governmental entity to maintain an Internet website.

(b) Repealed by Acts 2013, 83rd Leg., R.S., Ch. 847, Sec. 3(b), eff. January 1, 2014.

Added by Acts 2005, 79th Leg., Ch. 1014 (H.B. 914), Sec. 1, eff. June 18, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 226 (H.B. 1491), Sec. 7, eff. May 25, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 1163 (H.B. 2702), Sec. 76, eff. September 1, 2011.

Acts 2013, 83rd Leg., R.S., Ch. 847 (H.B. 195), Sec. 3(b), eff. January 1, 2014.

Sec. 176.010. REQUIREMENTS CUMULATIVE. The requirements of this chapter are in addition to any other disclosure required by law.

Added by Acts 2005, 79th Leg., Ch. 1014 (H.B. 914), Sec. 1, eff. June 18, 2005.

Sec. 176.012. APPLICATION OF PUBLIC INFORMATION LAW. This chapter does not require a local governmental entity to disclose any information that is excepted from disclosure by Chapter 552, Government Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 226 (H.B. 1491), Sec. 8, eff. May 25, 2007.

Sec. 176.013. ENFORCEMENT. (a) A local government officer commits an offense under this chapter if the officer:

(1) is required to file a conflicts disclosure statement under Section 176.003; and

(2) knowingly fails to file the required conflicts disclosure statement with the appropriate records administrator not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of the statement.

(b) A vendor commits an offense under this chapter if the vendor:

(1) is required to file a conflict of interest questionnaire under Section 176.006; and

(2) either:

(A) knowingly fails to file the required questionnaire with the appropriate records administrator not later than 5 p.m. on the seventh business day after the date on which the vendor becomes aware of the facts that require the filing of the questionnaire; or

(B) knowingly fails to file an updated questionnaire with the appropriate records administrator not later than 5 p.m. on the seventh business day after the date on which the vendor becomes aware of an event that would make a statement in a

questionnaire previously filed by the vendor incomplete or inaccurate.

(c) An offense under this chapter is:

(1) a Class C misdemeanor if the contract amount is less than \$1 million or if there is no contract amount for the contract;

(2) a Class B misdemeanor if the contract amount is at least \$1 million but less than \$5 million; or

(3) a Class A misdemeanor if the contract amount is at least \$5 million.

(d) A local governmental entity may reprimand, suspend, or terminate the employment of an employee who knowingly fails to comply with a requirement adopted under this chapter.

(e) The governing body of a local governmental entity may, at its discretion, declare a contract void if the governing body determines that a vendor failed to file a conflict of interest questionnaire required by Section [176.006](#).

(f) It is an exception to the application of Subsection (a) that the local government officer filed the required conflicts disclosure statement not later than the seventh business day after the date the officer received notice from the local governmental entity of the alleged violation.

(g) It is an exception to the application of Subsection (b) that the vendor filed the required questionnaire not later than the seventh business day after the date the vendor received notice from the local governmental entity of the alleged violation.

Added by Acts 2015, 84th Leg., R.S., Ch. 989 (H.B. [23](#)), Sec. 8, eff. September 1, 2015.

Nueces County Hospital District
Vendor Information List - Annual Conflict of Interest Disclosure

Vendor Name	Vendor ID	Address	City	State	ZIP
3Dhealth, Inc.	2120	Department 4916	Carol Stream	IL	60122-4916
Abila	1553	P O Box 737451	Dallas	TX	75373-7451
Above All the Rest Moving	2096	7469 Skyking Drive	Corpus Christi	TX	78412
Accenture, LLP	2036	161 N. Clark Street	Chicago	IL	60601-3206
Accutronics, Inc.	1464	84 N.E. Loop 410, Suite 126	San Antonio	TX	78216
Acevedo, Felix	1833	1329 Florida Ave	Corpus Christi	TX	78415
ACRES, LLC	2091	P O Box 10616	Corpus Christi	TX	78460
Adamson & Company, LLC	2123	4101 S. Alameda Street	Corpus Christi	TX	78411
AED Service America, Inc.	2100	P O Box 360	East Granby	CT	06026
AFLAC	1488	P O Box 673025	Dallas	TX	75267-3025
Alaniz, Aaron	1970	7826 Van Zandt	Corpus Christi	TX	78413
Altex Electronics	1386	11342 IH35 North	San Antonio	TX	78233
American Association of Notaries	1668	P O Box 630601	Houston	TX	77263
American Express	1003	P O Box 6031	Carol Stream	IL	60197-6031
American Hospital Directory, Inc.	1641	Attn: Renewal 166 Thierman Lane	Louisville	KY	40207
Amistad Community Health Center	2054	Attn: Chief Executive Officer 1533 S. Brownlee Blvd	Corpus Christi	TX	78404-3131
Aransas County Treasurer	2093	2840 Hwy 35 N	Rockport	TX	78382
Ascentis Corporation	1989	P O Box 7410949	Chicago	IL	60674-0949
Bea Garza	1660	Bea's Catering Service 5222 Bromley Ct	Corpus Christi	TX	78413
Benavides, Christopher	2057	7130 Everhart Road, #34	Corpus Christi	TX	78413
BIC - Berkley Southwest	1702	P O Box 639814	Cincinnati	OH	45263-9814
BJ's Brewhouse & Restaurants	2068	5037 SPID	Corpus Christi	TX	78411
Borden, Tristan	2121	1722 Craig Street	Corpus Christi	TX	78404
Branscomb, PC	1567	802 N. Carancahua, Suite 2300	Corpus Christi	TX	78401
Brown, Johnny	2082	11601 Cripple Creek Drive	Corpus Christi	TX	78410
Burns Tire & Auto, LLC	1937	1302 Leopard Street	Corpus Christi	TX	78401
Campos, Francisco	1953	7546 Ranch View Drive	Corpus Christi	TX	78414
CCSW, Inc.	1016	P O Box 2189	Corpus Christi	TX	78403
CDW Government, Inc	1741	75 Remittance Drive Suite 1515	Chicago	IL	60675-1515
CenturyLink	1644	P O Box 4300	Carol Stream	IL	60197-4300
Chick-fil-A	2051	4741 S.Padre Island Drive	Corpus Christi	TX	78411
Christus Spohn Health System	1677	613 Elizabeth Street, Suite 300	Corpus Christi	TX	78404
City of Corpus Christi	1189	A/R - Nueces County Customer P O Box 9257	Corpus Christi	TX	78469-9257
	1570	P O Box 9277	Corpus Christi	TX	77469-9277
City of Robstown	1288	P O Box 872 101 East Main Ave	Robstown	TX	78380
CLK Architects & Associates	2018	615 N. Upper Broadway, Suite 1250	Corpus Christi	TX	78401-0750
Coastal Bend Wellness Foundation	2020	Attn: Chief Executive Officer 2882 Holly Road	Corpus Christi	TX	78415-4106
Comdata	1859	P O Box 845738	Dallas	TX	75285-5738
Commerce Bank - Commercial Cards	2087	P O Box 808009	Kansas City	MO	64180-8009
Corner Bakery Cafe	2017	4938 S. Staples, Suite D12	Corpus Christi	TX	78411
Corpus Christi - Nueces County	1881	Attn: Immunization Clinic 1702 Home Road	Corpus Christi	TX	78416
Corpus Christi Caller-Times #1255	1273	P O Box 742699	Cincinnati	OH	45274-2699
CRB POETS Restaurant LLC	1938	4825 Saratoga	Corpus Christi	TX	78413
Cusimano Law Firm, PLC	2101	3015 19th Street	Metairie	LA	70002
Czech-Mex Bakery & Cafe	1865	711 N. Carancahua, Suite 150	Corpus Christi	TX	78401
Dell Marketing L.P.	1166	C/O Dell USA L.P. P O Box 676021	Dallas	TX	75267-6021

Nueces County Hospital District
Vendor Information List - Annual Conflict of Interest Disclosure

Vendor Name	Vendor ID	Address	City	State	ZIP
Deluxe Corporation	1895	Lockbox 229 P O Box 7247	Philadelphia	PA	19170-0001
Department of Information Resources	1907	Telecommunications Services Division P O Box 12728	Austin	TX	78711
DigiCert, Inc.	1798	P O Box 840695	Dallas	TX	75284-0695
Dr. H. Boyd Hall Community Foundation	2117	405 N. Tanchua Street	Corpus Christi	TX	78401
Dr. Hector P. Garcia Memorial Foundation	2111	P O Box 10307	Corpus Christi	TX	78460-0307
Driscoll Children's Hospital	1936	3533 S. Alameda Street	Corpus Christi	TX	78411
Driscoll Children's Hospital Development	2115	Foundation 221 S. Shoreline Blvd	Corpus Christi	TX	78401
DUO Security LLC	2107	123 N. Ahley St. Suite 200	Ann Arbor	MI	48104
ERF Tower II, Inc.	1934	P O Box 2277	San Antonio	TX	78298-2277
Everest Coffee	1630	1401 SPID	Corpus Christi	TX	78416
Experian Health, Inc.	1431	P O Box 846133	Los Angeles	Ca	90084-6133
Fedex	1021	P O Box 660481	Dallas	TX	75266-0481
Free Conferencing Corporation	1867	P O Box 41069	Long Beach	Ca	90853-1069
Freedom Solutions Group, LLC	1730	P O Box 779261	Chicago	IL	60677-9261
Frost National Bank	1436	P O Drawer 749	Corpus Christi	TX	78403-0749
Galvan, Autumn	2052	206 E. Vanderbilt Dr	Corpus Christi	TX	78415
Galvez, Danny	2126	9501 Huntington Drive	Corpus Christi	TX	78410
Gannett Texas/New Mexico LocaliQ	1015	P O Box 631667	Cincinnati	OH	45263-1667
Gonzales, Rudy	2040	734 Chase Drive	Corpus Christi	TX	78412
Gonzalez, Jose A.	2124	4933 Princeton Dr	Corpus Christi	TX	78411
Gulf Coast Graphics and Signs	1462	838 SPID	Corpus Christi	TX	78416
Gulf Coast Paper Co., Inc.	1148	P O Box 4227	Victoria	TX	77903
Hagerty Consulting, Inc.	2070	Attn: Accounts Receivable 1618 Orrington Ave, Suite 201	Evanston	IL	60201
Halo-Flight	1395	1843 FM 665	Corpus Christi	TX	78415
Hanson Professional Services, Inc.	1948	1525 South 6th Street	Springfield	IL	62703
Health Forum	1935	P O Box 92416	Chicago	IL	60675-2416
Healthcare Compliance Pros	2031	90 W. 500 S. #157	Bountiful	UT	84010
HEB	1691	3500 Leopard St	Corpus Christi	TX	78408
Hester's Cafe	2114	1714 Alameda	Corpus Christi	TX	78404
HFMA	2048	P O Box 4237	Carol Stream	IL	60122-4237
Hi-Ho Restaurant	2055	3703 Morgan Avenue	Corpus Christi	TX	78405
Higginbotham Insurance Agency, Inc.	1647	P O Box 870	Corpus Christi	TX	78403
High, Randall	2108	6901 Saratoga Blvd, #1327	Corpus Christi	TX	78414
Home Depot	1430	4038 South Port Ave	Corpus Christi	TX	78415
Howard's BBQ & Catering	1845	1002 Antelope Street	Corpus Christi	TX	78401
IHS Global Inc.	1538	P O Box 847193	Dallas	TX	75284-7193
Indigent Healthcare Solutions, Ltd	2127	Attn: Kelley Astolos 3011 Armory Drive, Suite 300	Nashville	TN	37204
Internal Revenue Svc - United States Treasury	1113	RAIVS Team, Stop 6716 AUSC	Austin	TX	73301
Ionigenix, LLC	2118	209 Sunray Creek Drive	Katy	TX	77493
Jason's Deli	1032	6000 S. Staples, Suite 300	Corpus Christi	TX	78413
King & Spalding LLP	1777	P O Box 116133	Atlanta	GA	30368-6133
Las Palmas Mexican Cafe	2074	555 N. Carancahua Street	Corpus Christi	TX	78401
League of Women Voters Corpus Christi	2113	P O Box 8276	Corpus Christi	TX	78468
Level 3 Communications, LLC	2025	P O Box 910182	Denver	CO	80291-0182
Lincoln National Life Insurance Co.	1441	Employer Services (SH-20) Attn: Groupnet Processing P O Box 7804	Fort Wayne	IN	46801-7804
Malek, Inc.	1247	P O Box 679	Corpus Christi	TX	78403
Martinez Reilly, PLLC	2098	310 Bayshore Dr	Corpus Christi	TX	78412

Nueces County Hospital District
Vendor Information List - Annual Conflict of Interest Disclosure

Vendor Name	Vendor ID	Address	City	State	ZIP
Martinez, Nathan	1998	7026 Winter Park Place	Corpus Christi	TX	78413
Martinez, Roland Jr.	1893	5802 Everhart, #7A	Corpus Christi	TX	78413
McKibben, Martinez, Jarvis & Wood, LLP	1495	555 N. Carancahua, Suite 1100	Corpus Christi	TX	78401-0841
McMahan Services, LTD.	2102	6610 Leopard Street	Corpus Christi	TX	78409
Meeder Public Funds, Inc.	2106	6125 Memorial Drive	Dublin	OH	43017
MiCTA	1990	4352 Bay Road #207	Saginaw	MI	48603
Milum Corporation	1413	P O Box 7771	Horseshoe Bay	TX	78657
Modern Healthcare	1342	Crain Communications P O Box 37222	Boone	IA	50037
Morgan Stanley	2080	7600 Broadway, Suite 100	San Antonio	TX	78209
MyBinding.com	2058	C/O City National Bank P O Box 527823	Miami	FL	33152-7823
NAACP Corpus Christi	2110	P O Box 60715	Corpus Christi	TX	78466
Navarro, Trista	2116	4933 Prinston Drive	Corpus Christi	TX	78411
Nueces Center for Mental Health and Nueces County	1267 1420	P O Box 71029 NC Clerk: Treasury Div. P O Box 583	Corpus Christi Corpus Christi	TX TX	78467 78403
Nueces County Appraisal District	1045	201 N. Chaparral, Suite 206	Corpus Christi	TX	78401
Nueces County District Clerk	1608	901 Leopard Street, #313	Corpus Christi	TX	78401
Nueces County Emergency Svc District #1	1762	5241 CR 73	Robstown	TX	78380
Nueces County Emergency Svc District #2	1968	337 Yorktown Blvd	Corpus Christi	TX	78418
Nueces County Emergency Svc District #4	1274	P O Box 260176	Corpus Christi	TX	78426
Nueces County Emergency Svc District #6	1854	c/o Gavanda Cadena 901 Hercules	Bishop	TX	78343
Nueces County Juvenile Department	1643	2310 Gollihar	Corpus Christi	TX	78415
Nueces County Tax Assessor-Collector	1147	Nueces County Courthouse 901 Leopard, Suite 301	Corpus Christi	TX	78401
Nueces County Treasury	1046	P O Box 583	Corpus Christi	TX	78403
NYLIAC	1444	75 Remittance Dr., Suite 3021	Chicago	IL	60675-3021
Occupational Health Centers of the Southwest	1795	P O Box 9005	Addison	TX	75001-9005
Office Depot Credit Plan	1796	Dept 56 - 4621141026 P O Box 78004	Phoenix	AZ	85062-8004
Owl Labs, Inc	2078	DEPT 0557 P O Box 120557	Dallas	TX	75312-0557
Park Fowler & Co., PLLC	2003	4639 Corona Drive, Suite 100	Corpus Christi	Texas	78411
Printing Dynamics	2021	3833 Apollo Road	Corpus Christi	TX	78413
Prints Charming Royal Tees	2075	5702 South Staples St, C1	Corpus Christi	TX	78413
Puente, Vicky	1995	3725 Amanda Lane	Robstown	TX	78380
Quincy Management, Inc.	2067	555 N. Carancahua St, Suite 200	Corpus Christi	TX	78401
Raven Tech Systems, LLC	2109	P O Box 9518	Corpus Christi	TX	78469
Ray West Warehouses, Inc.	1390	P O Box 456	Corpus Christi	TX	78403
Revize Software Systems	2053	150 Kirts Blvd, Suite B	Troy	MI	48084
Ricoh USA, Inc.	1947	P O Box 650016	Dallas	TX	75265-0016
Romo, Joel	2090	c/o Texana Public Affairs 2720 Bluebonnet Blvd	Brenham	TX	77833
Sames Ford	2041	4721 Ayers Street	Corpus Christi	TX	78415
Scott, Carol A	1092	338 Bermuda Place	Corpus Christi	TX	78411
Script Care, Ltd	1379	P O Box 4356 Dept 2262	Houston	TX	77210-4356
Shaffer's Muffler & Automotive	1585	7014 South Padre Island Drive	Corpus Christi	TX	78412
SHI Government Solutions, Inc.	1715	P O Box 847434	Dallas	TX	75284-7434
Shipton, Patricia A.	2092	919 Congress Avenue, Suite 1100	Austin	TX	78701
Soto, Jose	2089	2214 Meadowwalk Dr	Corpus Christi	TX	78414
South Coastal AHEC	2112	400 Mann Street, Suite 600	Corpus Christi	TX	78401
Southern Sky Technologies	2105	7649 Kings Lk	Corpus Christi	TX	78413

Nueces County Hospital District
Vendor Information List - Annual Conflict of Interest Disclosure

<u>Vendor Name</u>	<u>Vendor ID</u>	<u>Address</u>	<u>City</u>	<u>State</u>	<u>ZIP</u>
SSI Group, LLC	1813	Dept #2455 P O Box 11407	Birmingham	AL	35246-2455
Stamps.com	stamps.c...	12959 Coral Tree Place	Los Angeles	CA	90066
Staples Business Advantage	1599	P O Box 660409	Dalls	TX	75266-0409
Sugarbakers	2015	2766 Santa Fe Street	Corpus Christi	TX	78404
T X Public Affairs LLC	2119	919 Congress Ave, Suite 730	Austin	TX	78701-2444
TAC - Unemployment Fund	1458	P O Box 487	San Antonio	TX	78292-0487
TAC Risk Management Pool	1062	P O Box 2426	San Antonio	TX	78298-9900
TASB, Inc.	1882	P O Box 975112	Dallas	TX	75397-5112
Taste at 555	2079	555 N. Carancahua, Suite 020	Corpus Christi	TX	78401
Teaching Hospitals of Texas	1233	1210 San Antonio Street, Suite 204	Austin	TX	78701
Texas Comptroller of Public Accounts	1747	Texas SmartBuy Membership Program P O Box 13186	Austin	TX	78711-3186
Texas Hospital Association	1231	P O Box 2756	San Antonio	TX	78299
Texas Social Security Program	1629	Employees Retirement System of Texas Attn: Finance Division P O Box 13207	Austin	TX	78711-3207
Texas State Directory Press	1138	1800 Nueces St	Austin	TX	78701
Texas Tim's Network Services	2103	930 McDonald Street, Unit 2	Corpus Christi	TX	78418
Texas Windstorm Insurance Association	2024	P O Box 843146	Dallas	TX	75284-3146
Their Day Foundation	2104	P O Box 270171	Corpus Christi	TX	78427
TMF - Health Quality Institute	1251	3107 Oak Creek Drive, Suite 200	Austin	TX	78727-3107
Transamerica Employee Benefits	1963	P O Box 653005	Dallas	TX	75265-3005
Tri DataCom, LLC	1619	P O Box 71442	Corpus Christi	TX	78467-1442
Trophy Land, Inc.	1336	5301 Everhart Road, #D2	Corpus Christi	TX	78411
TXCPA	2125	14131 Midway Rd, Suite 850	Addison	TX	75001
Tyler, Lee	2130	5540 Oso Parkway, #19	Corpus Christ	TX	78413
U. S. Dept of Homeland Security	1850	Citizenship & Immigration Services Financial Operations P O Box 5000	Williston	VT	05495-5000
United Corpus Christi Chamber of Commerce	1310	602 N. Staples, Suite 150	Corpus Christi	TX	78401
Vest, Larry	2097	1922 Sunnycrest Street	Corpus Christi	TX	78418
Villarreal, Victor A.	2059	5500 Saratoga Blvd, Apt 186	Corpus Christi	TX	78413
Volkman, Robert	1667	222 Lakeside Drive	Corpus Christi	TX	78418
Walmart	1492	1821 SPID	Corpus Christi	TX	
Wexford Health Sources, Inc.	2128	P O Box 72264	Cleveland	OH	44192
Wood, Boykin & Wolter	1499	615 N. Upper Broadway, Suite 1100	Corpus Christi	TX	78401-0748
Wood, Eric	1806	4430 Loveland Pass Ct	Corpus Christi	TX	78413
Wright National Flood Insurance Company	1835	P O Box 33070	St. Petersburg	FL	33733-8070
Xerox Business Solutions Southwest	1613	P O Box 674911	Dallas	TX	75267-4911

Nueces County Hospital District
 County Health Care Department Expenditures
 Cash Disbursements Relating to
 Fiscal Year 2025

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct+	Fiscal YTD	Budget 2025	Balance
County Healthcare Services																
Health Dept - County	0.00	0.00	0.00	441,324.00	0.00	0.00	441,270.00	0.00	0.00	294,180.00	0.00	0.00	588,360.00	1,765,134.00	1,765,296.00	162.00
Mental Health Wellness	0.00	38,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	38,000.00	38,000.00	0.00
Mobile Medical Clinic	0.00	0.00	0.00	0.00	0.00	0.00	3,439.37	0.00	0.00	2,659.91	0.00	0.00	0.00	6,099.28	60,000.00	53,900.72
Emergency Medical Services	0.00	0.00	0.00	147,000.00	0.00	0.00	119,400.00	4,200.00	0.00	0.00	130,500.00	123,600.00		524,700.00	650,000.00	125,300.00
NC MHID - Fund Matching	0.00	0.00	242,280.00	0.00	0.00	242,280.00	0.00	0.00	242,286.00	0.00	0.00	242,283.00		969,129.00	969,129.00	0.00
NC MHID - Jail Programs	268,474.68	200,466.20	262,360.10	219,616.53	195,517.94	247,747.48	91,385.80	158,297.87	171,948.57	176,997.87	168,990.38	145,972.02		2,307,775.44	2,550,000.00	242,224.56
NC Juvenile Center	0.00	0.00	62,453.40	0.00	0.00	0.00	164,842.14	0.00	0.00	176,736.82	0.00	0.00	69,967.64	474,000.00	474,000.00	0.00
Nueces County Jail Infirmary Svcs	0.00	0.00	0.00	0.00	940,086.28	0.00	0.00	0.00	0.00	2,758,698.95	0.00	1,521,114.96		5,219,900.19	5,202,850.00	(17,050.19)
Cenikor	0.00	0.00	0.00	0.00	0.00	0.00	30,000.00	0.00	0.00	15,000.00	0.00	0.00	15,000.00	60,000.00	60,000.00	0.00
Council on Alcohol & Drug Abuse	0.00	0.00	0.00	0.00	0.00	0.00	25,000.00	0.00	0.00	0.00	0.00	0.00	25,000.00	50,000.00	50,000.00	0.00
Diabetes Program - County	0.00	0.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	16,227.71	0.00	0.00	30,193.12	47,920.83	50,000.00	2,079.17
HALO-Flight Funding	0.00	0.00	0.00	0.00	0.00	0.00	15,000.00	0.00	0.00	0.00	0.00	0.00		15,000.00	15,000.00	0.00
County Public Health Grants	0.00	0.00	0.00	60,000.00	85,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		145,000.00	230,000.00	85,000.00
Totals	268,474.68	238,466.20	567,093.50	867,940.53	1,222,104.22	490,027.48	890,337.31	162,497.87	414,234.57	3,440,501.26	299,490.38	2,032,969.98	728,520.76	11,622,658.74	12,114,275.00	491,616.26

**Nueces County Hospital District
Imputed Claims Experience for Calendar Year 2025
As if Adjudicated January 1, 2025 through December 30, 2025**

Service	Claims	Billed	Contract Amt.	Co Insurance	Net
ER	1,603	17,907,025	1,277,033	43,485	1,233,548
ASU	80	4,882,875	473,803	2,696	471,108
Clinic	6,330	2,538,455	779,725	28,488	751,236
Obs	31	1,614,901	374,981	30,645	344,336
OP	18,263	46,650,274	11,866,145	592,395	11,273,750
Subtotal	26,307	73,593,530	14,771,687	697,710	14,073,978
IP	505	48,897,050	2,243,900	17,151	2,226,748
SNF	-	-	-	-	-
RX	102,282	27,106,945	11,691,509	373,976	11,317,533
Physician	25,213	49,671,164	5,892,895	226,003	5,666,892
Total	154,307	199,268,689	34,599,990	1,314,839	33,285,151

NOTE:

The Revised and Restated Indigent Care Agreement was terminated effective September 30, 2012. After that date, the District no longer makes payment to CHRISTUS Spohn for providing health care services to the Nueces Aid Indigent population. Under the terms of the Membership Agreement amended and restated effective November 18, 2015, CHRISTUS Spohn has committed to continue to provide health care services to the Nueces Aid Indigent population and, and at the request of the District, continues to submit informational claims to the District to permit the District to monitor the volume of health care services furnished to the Nueces Aid Indigent population.

Nueces County Hospital District
 Spohn Corporate Member Revenue Analysis
 Fiscal Year 2026

Member Revenue % 17.0%

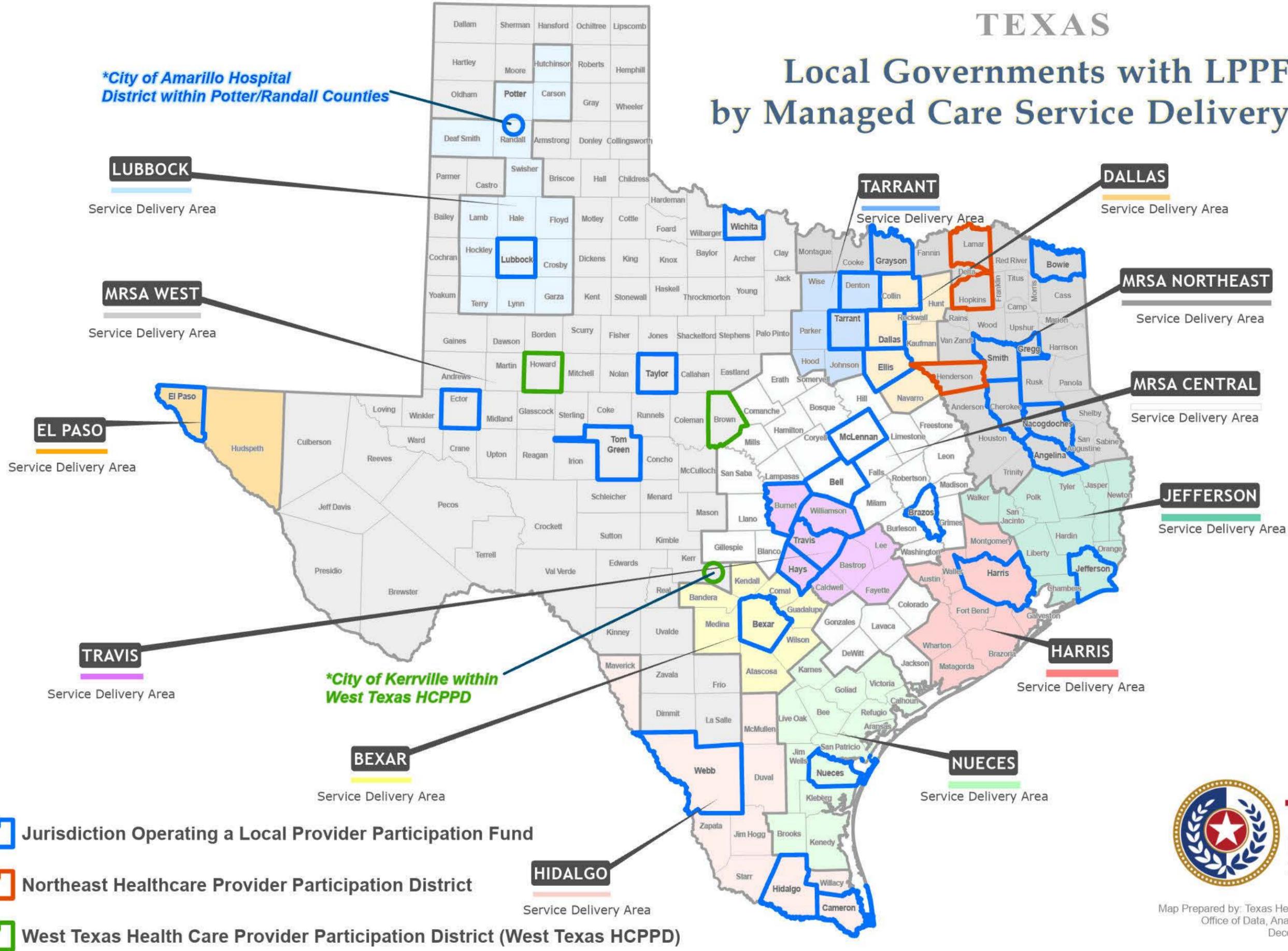
	October	November	December	January	February	March	April	May	June	July	August	September	Totals
<u>Membership Revenue Deposits</u>													
Week 1	1,511,157.21	2,417,944.61	1,630,641.06	1,526,816.31									7,086,559.19
Week 2	1,403,285.99	2,163,527.85	2,308,254.99	1,672,309.25									7,547,378.08
Week 3	1,495,552.66	2,470,202.03	2,292,403.21	2,104,939.01									8,363,096.91
Week 4	2,559,686.42	holiday	2,039,849.68										4,599,536.10
Week 5	1,904,908.74		2,125,558.12										4,030,466.86
Subtotal	8,874,591.02	7,051,674.49	10,396,707.06	5,304,064.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31,627,037.14

TEXAS

Local Governments with LPPFs by Managed Care Service Delivery Area

**City of Amarillo Hospital
District within Potter/Randall Counties*

**City of Kerrville within
West Texas HCPPD*



- ▭ Jurisdiction Operating a Local Provider Participation Fund
- ▭ Northeast Healthcare Provider Participation District
- ▭ West Texas Health Care Provider Participation District (West Texas HCPPD)



Map Prepared by: Texas Health and Human Services Commission,
Office of Data, Analytics and Performance. MRL.
December 18, 2025

Texas Local Provider Participation Fund (LPPF) Programs

January 27, 2026

Overview

The Texas Local Provider Participation Fund (LPPF) is a locally administered financing mechanism authorized under Texas law that permits counties, hospital districts, and certain multi-jurisdictional entities to impose mandatory assessments on participating hospitals. Funds collected through an LPPF are used to finance the non-federal share of Medicaid supplemental and directed payment programs, thereby leveraging federal matching funds. These supplemental and directed payment programs are established, administered, and overseen by the Texas Health and Human Services Commission.

Purpose

LPPFs exist to support Medicaid payments without relying on state general revenue or local property taxes. By pooling hospital assessments locally and transferring them to the state through intergovernmental transfers (IGTs), local governments enable hospitals to receive significantly higher Medicaid reimbursements.

How LPPFs Work

Hospitals within an authorized jurisdiction are assessed a uniform mandatory payment, typically based on net patient revenue. These payments are deposited into a segregated Local Provider Participation Fund. The local government then transfers funds to the Texas Health and Human Services Commission to serve as the non-federal share for Medicaid payments. Federal matching funds are drawn down and redistributed back to hospitals through approved Medicaid payment programs.

Programs Supported

LPPF-supported funds are commonly used for Medicaid supplemental and directed payment programs, including uncompensated care payments and uniform rate enhancements. These programs are designed to support hospitals that serve a large share of Medicaid and uninsured patients.

Benefits

LPPFs allow local dollars to leverage substantial federal Medicaid funding, strengthen the financial stability of safety-net hospitals, and avoid increasing property taxes. They provide local control over healthcare financing while supporting access to care.

Legal Framework

The Nueces County Hospital District's LPPF is authorized under Texas Health and Safety Code, Chapter 298C, and is implemented pursuant to approval by the Board of Managers of the associated Health Care Provider Participation Program. Funds deposited into the LPPF are restricted to authorized health care-related purposes and may not be used to expand

Medicaid eligibility. The program is subject to applicable federal oversight to ensure compliance with Medicaid financing requirements.

Policy Considerations

Key considerations include the financial impact of mandatory assessments on participating hospitals; the administrative and compliance complexity associated with operating an LPPF; and reliance on ongoing state legislative authority and federal policy. While many LPPFs are subject to statutory sunset provisions requiring periodic legislative renewal, the Nueces County Hospital District LPPF is not subject to a sunset provision.

Summary

LPPFs are a central component of Texas’s Medicaid financing strategy, enabling local governments and hospitals to maximize federal Medicaid funding while maintaining local control and minimizing taxpayer impact.

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Nueces County Hospital District
 Nueces LPPF Activity
 Fiscal Year 2026

	October	November	December	January	February	March	April	May	June	July	August	September	Totals
Beginning Balance	36,037,687.34	88,352,681.09	46,775,249.76	46,889,995.07	46,950,948.37	46,950,948.37	46,950,948.37	46,950,948.37	46,950,948.37	46,950,948.37	46,950,948.37	46,950,948.37	36,037,687.34
Deposits													
Christus Spohn	20,140,043.00												20,140,043.00
CCMC													0.00
CC Rehab													0.00
Driscoll	31,555,659.00												31,555,659.00
PAM Specialty													0.00
PAM Rehab													0.00
S. TX Surgical													0.00
Oceans Behavioral	625,158.00												625,158.00
Subtotal	52,320,860.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	52,320,860.00
Interest	302,419.15	249,184.61	151,883.76										703,487.52
Transfers In	1,538,911.28	91,314.97		627,998.64									2,258,224.89
Total Deposits	54,162,190.43	340,499.58	151,883.76	627,998.64	0.00	55,282,572.41							
Inter-Governmental Transfers													
UC			(37,138.45)										(37,138.45)
DSRJP													0.00
CHIRP		(41,917,930.91)											(41,917,930.91)
TIPPS													0.00
DSH													0.00
HARP				(386,050.81)									(386,050.81)
GME				(180,994.53)									(180,994.53)
ATLIS	(1,847,196.68)												(1,847,196.68)
Total IGT's	(1,847,196.68)	(41,917,930.91)	(37,138.45)	(567,045.34)	0.00	(44,369,311.38)							
Transfers Out													0.00
Bank Fees													0.00
Ending Balance	88,352,681.09	46,775,249.76	46,889,995.07	46,950,948.37									

Texas HHSC Medicaid Supplemental and Directed Payment Programs January 27, 2026

White Paper Overview

Introduction

Texas Health and Human Services Commission (HHSC) administers a complex set of Medicaid Supplemental Payment Programs and Directed Payment Programs designed to support access, quality, and financial stability within the Medicaid delivery system. These programs operate alongside base Medicaid reimbursement and are especially critical for safety-net providers.

Policy Rationale

Base Medicaid reimbursement frequently does not fully reflect the cost of care for high-need, low-income, rural, or complex patient populations. Supplemental and Directed Payment Programs allow Texas to strategically deploy federal and non-federal funds to sustain provider capacity, encourage quality improvement, and advance statewide health system goals.

Supplemental Payment Programs

Supplemental Payment Programs provide payments outside of managed care base rates and are generally administered directly by HHSC. These programs typically rely on intergovernmental transfers or other non-federal funding sources to draw federal matching dollars. Key programs include Disproportionate Share Hospital (DSH), Uncompensated Care (UC), Graduate Medical Education (GME), Hospital Augmented Reimbursement Program (HARP), and ATLIS.

Directed Payment Programs

Directed Payment Programs operate through Medicaid managed care organizations under HHSC direction. HHSC requires MCOs to make additional payments to specific provider types using approved methodologies tied to access, quality, and value-based performance. These programs require CMS approval and are authorized under federal managed care regulations.

Governance and Oversight

Both supplemental and directed payment programs involve significant financial oversight, annual approvals, reporting requirements, and audit considerations. For hospital districts and public providers, these programs are central to financial planning, uncompensated care strategy, and legislative engagement.

Comparison of Supplemental vs. Directed Payment Programs

	Supplemental Payment Programs	Directed Payment Programs
Payment Pathway	Paid directly by HHSC outside base rates	Paid through Managed Care Organizations
Federal Authority	State Plan and 1115 Waiver	42 CFR §438.6 (Managed Care Directed Payments)
Funding Mechanism	Often lump-sum; relies on IGT/LPPF	Capitation rate adjustments and directed terms
Primary Purpose	Offset uncompensated care and structural costs	Incentivize access, quality, and performance
Examples	DSH, UC, GME, HARP, AT LIS	CHIRP, RAPPS, TIPPS, DPP-BHS, QIPP
Typical Recipients	Hospitals and teaching institutions	Hospitals, physicians, rural and behavioral health providers

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Nueces County Hospital District
 Medicaid Payment Programs/Directed Payment Programs
 Estimated Provider Payments & IGT History
 FY2012 to Present

Provider	DSRIP	UC	DSH	UHRIP	NAIP	CHIRP	TIPPS	GME	HARP	ATLIS	TOTALS	
Christus Spohn - Corpus Christi	393,023,597	631,245,067	271,742,566	54,617,146	170,149,575	154,656,045	3,631,000	11,231,560	29,660,912	280,728	1,720,238,194	41%
Christus Spohn Rural (Alice/Beeville/Kleberg)	48,398,858	232,053,127	0	14,571,054	0	32,524,241	0	0	855,522	822,463	329,225,267	8%
Corpus Christi Medical Center	121,850,134	185,194,436	0	47,168,955	0	196,406,090	0	9,201,795	13,805,248	18,480,851	592,107,508	14%
Driscoll Childrens Hospital	314,822,705	34,401,665	0	0	0	881,668,876	2,062,491	24,811,717	139,139,725	33,265,056	1,430,172,235	34%
Detar Hospital	24,949,804	47,723,156	0	15,076,184	0	0	0	0	0	0	87,749,145	2%
North Bay General Hospital	0	0	0	503,238	0	0	0	0	0	0	503,238	0%
South Texas Surgical Hospital	0	0	0	889,769	0	0	0	0	0	0	889,769	0%
Corpus Christi Rehab Hospital	0	0	0	286,797	0	0	0	0	0	173,631	460,428	0%
PAM Specialty Hospital	0	0	0	1,330	0	0	0	0	0	502,192	503,522	0%
PAM Rehab Hospital	0	0	0	141,201	0	1,429,773	0	0	0	639,691	2,210,665	0%
Zoom Rehabilitation Inc.	0	0	0	0	0	0	0	0	0	173,631	173,631	0%
Oceans Behavioral Hospital	0	0	0	0	0	43,294	0	0	0	0	43,294	0%
Nueces County Health Dept	21,809,410	0	0	0	0	0	0	0	0	0	21,809,410	1%
TOTALS	924,854,508	1,130,617,451	271,742,566	133,255,675	170,149,575	1,266,728,319	5,693,492	45,245,071	183,461,407	54,338,242	4,186,086,305	100%

* Estimated Receipts for Entities (IGT + FMAP), Subject to HHSC Review and Administrative Fees

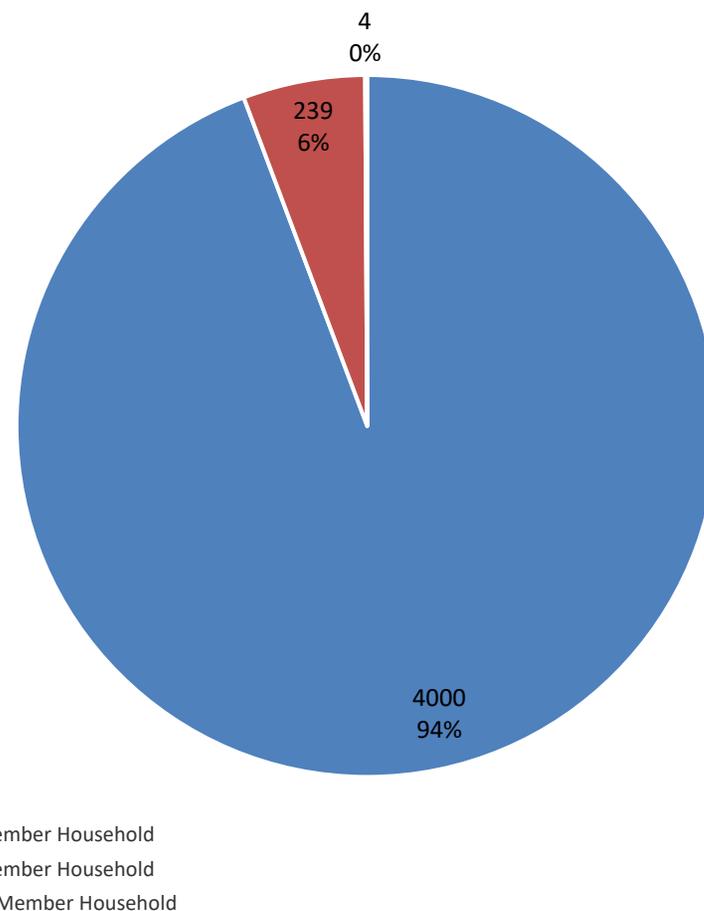
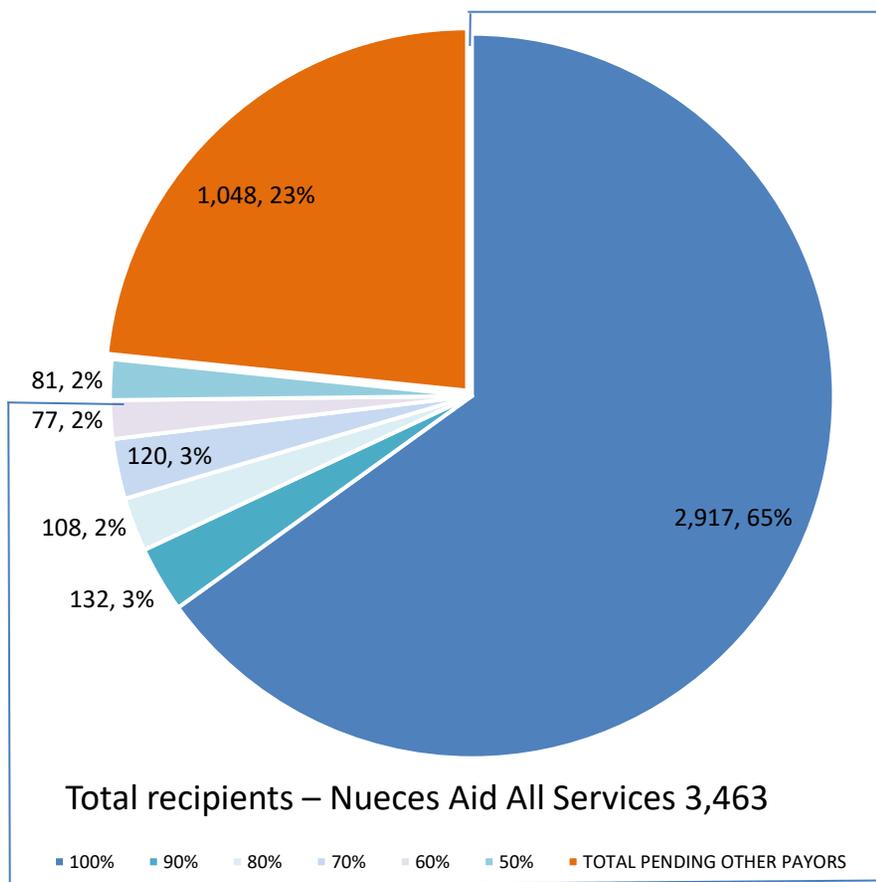
IGT Source	DSRIP	UC	DSH	UHRIP	NAIP	CHIRP	TIPPS	GME	HARP	ATLIS	TOTALS
Nueces County Hospital District	338,074,018	367,446,676	96,250,465	58,389,165	67,074,478	160,387,066	0	12,201,652	67,546,715	13,743,862	1,181,114,097
Nueces LPPF	27,902,997	73,719,780	7,478,253	0	0	331,501,660	1,755,600	4,534,217	5,466,437	7,986,001	460,344,945
TOTALS	365,977,014	441,166,456	103,728,718	58,389,165	67,074,478	491,888,726	1,755,600	16,735,869	73,013,152	21,729,863	1,641,459,042

December 2025

Nueces Aid Program Enrollment

Total Enrolled
4,483

Total Households
4,243

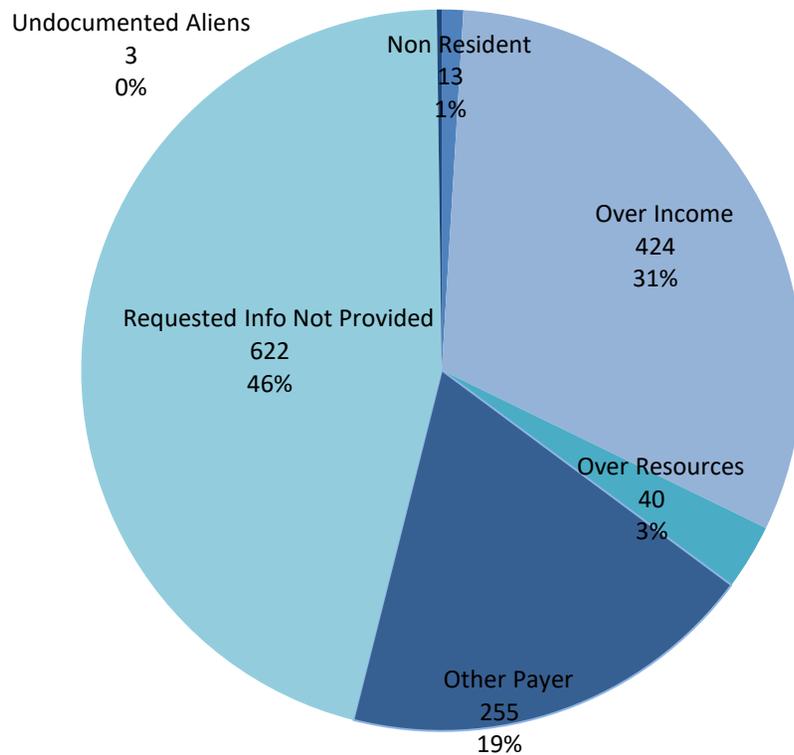


- 1 Member Household
- 2 Member Household
- >=3 Member Household

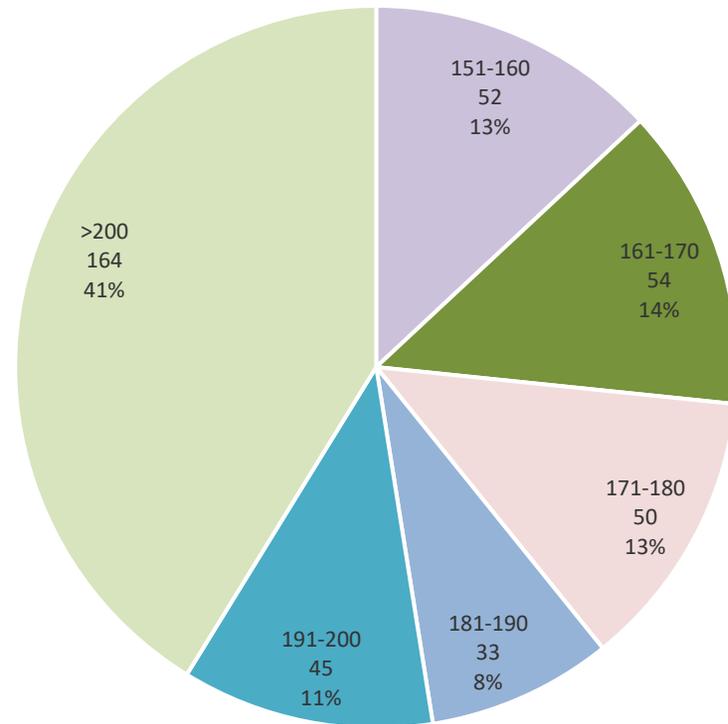
NUECES AID DENIALS

Calendar Year 2025
January-December

Denial Reasons



Comparison of Over Income Case to 2025 HHS Poverty Guidelines



**Nueces Aid Program
Application Processing Summary Calendar Year 2025**

	Jan	Feb	Mar	Apr	May	Jun*	Jul	Aug	Sep	Oct	Nov	Dec	YTD 2025	Comments
TOTAL APPLICATIONS	857	770	820	864	772	646	828	821	769	903	513	675	9,238	
- Approved	741	653	721	746	666	512	703	692	658	772	426	561	7,851	
%	86.5%	84.8%	87.9%	86.3%	86.3%	79.3%	84.9%	84.3%	85.6%	85.5%	83.0%	83.1%	85.0%	Since FY 1999, the denial rate is based on all denied individuals in the household.
- Denied	116	117	99	118	106	134	125	129	111	131	87	114	1,387	
%	13.5%	15.2%	12.1%	13.7%	13.7%	20.7%	15.1%	15.7%	14.4%	14.5%	17.0%	16.9%	15.0%	
APPROVALS BY PLAN TYPE														
NUECES AID - All Services														
100%	536	463	486	50	454	440	491	490	437	675	365	479	5,366	
%	72.3%	70.9%	67.4%	6.7%	68.2%	85.9%	69.8%	70.8%	66.4%	87.4%	85.7%	85.4%	68.3%	
90%	13	21	21	20	24	25	10	24	22	17	18	22	237	
%	1.8%	3.2%	2.9%	2.7%	3.6%	4.9%	1.4%	3.5%	3.3%	2.2%	4.2%	3.9%	3.0%	
80%	25	9	11	28	11	15	18	19	19	22	6	12	195	
%	3.4%	1.4%	1.5%	3.8%	1.7%	2.9%	2.6%	2.7%	2.9%	2.8%	1.4%	2.1%	2.5%	
70%	17	10	17	20	24	11	22	15	20	30	12	22	220	The percentage of approvals by plan option is calculated by dividing the number for each plan option by the total number of approved applications.
%	2.3%	1.5%	2.4%	2.7%	3.6%	2.1%	3.1%	2.2%	3.0%	3.9%	2.8%	3.9%	2.8%	
60%	14	10	15	18	10	10	11	11	9	11	11	16	146	
%	1.9%	1.5%	2.1%	2.4%	1.5%	2.0%	1.6%	1.6%	1.4%	1.4%	2.6%	2.9%	1.9%	
50%	8	10	13	8	10	15	12	17	13	17	14	10	147	
%	1.1%	1.5%	1.8%	1.1%	1.5%	2.9%	1.7%	2.5%	2.0%	2.2%	3.3%	1.8%	1.9%	
TOTAL	613	523	563	144	533	516	564	576	520	772	426	561	6,311	
%	82.7%	80.1%	78.1%	19.3%	80.0%	100.8%	80.2%	83.2%	79.0%	100.0%	100.0%	100.0%	80.4%	
HOUSEHOLDS BY SIZE - APPROVED														
1 Member Household	661	589	648	681	604	551	565	629	586	682	446	600	7,242	The percentage for each size household is calculated by dividing the number of households in the category by the total number of approved households.
%	94.3%	94.8%	94.6%	95.4%	95.1%	85.7%	92.6%	90.9%	94.2%	94.2%	93.9%	93.6%	93.3%	
2 Member Household	40	32	37	33	31	86	45	61	36	42	26	41	510	
%	5.7%	5.2%	5.4%	4.6%	4.9%	13.4%	7.4%	8.8%	5.8%	5.8%	5.5%	6.4%	6.6%	
3 or > Member Household	0	0	0	0	0	6	0	2	0	0	3	0	11	Households pending other payors are not included.
%	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%	0.0%	0.3%	0.0%	0.0%	0.6%	0.0%	0.1%	
TOTAL HOUSEHOLDS APPROVED	701	621	685	714	635	643	610	692	622	724	475	641	7,763	

**Nueces Aid Program
Application Processing Summary Calendar Year 2025**

	Jan	Feb	Mar	Apr	May	Jun*	Jul	Aug	Sep	Oct	Nov	Dec	YTD 2025	Comments
NCHD DENIALS - Reasons for Denials														
Non Resident %	0 0.0%	1 0.9%	0 0.0%	2 1.7%	1 0.9%	1 0.7%	2 1.6%	0 0.0%	1 0.9%	3 2.3%	1 1.1%	1 0.9%	13 0.9%	The percentage for each denial reason is calculated by dividing the number of
Over Income %	43 37.1%	45 38.5%	22 22.2%	43 36.4%	32 30.2%	36 26.9%	40 32.0%	44 34.1%	31 27.9%	35 26.7%	23 26.4%	30 26.3%	424 30.6%	individuals for each reason by the total number of individuals denied.
Over Resources %	2 1.7%	2 1.7%	1 1.0%	0 0.0%	0 0.0%	3 2.2%	3 2.4%	4 3.1%	4 3.6%	9 6.9%	6 6.9%	6 5.3%	40 2.9%	
Other Payer %	32 27.6%	16 13.7%	18 18.2%	27 22.9%	17 16.0%	13 9.7%	23 18.4%	21 16.3%	26 23.4%	32 24.4%	9 10.3%	21 18.4%	255 18.4%	
Requested Info Not Provided %	39 33.6%	53 45.3%	58 58.6%	46 39.0%	55 51.9%	50 37.3%	57 45.6%	60 46.5%	49 44.1%	51 38.9%	48 55.2%	56 49.1%	622 44.8%	
Undocumented Aliens %	0 0.0%	0 0.0%	0 0.0%	0 0.0%	1 0.9%	1 0.7%	0 0.0%	0 0.0%	0 0.0%	1 0.8%	0 0.0%	0 0.0%	3 0.2%	Note: UA code eff 08/01/01
TOTAL DENIALS	116	117	99	118	106	104	125	129	111	131	87	114	1,357	
HOUSEHOLDS BY SIZE - DENIED														
1 Member Household %	92 86.8%	97 90.7%	87 93.5%	97 89.8%	92 92.9%	80 80.0%	111 79.9%	105 81.4%	90 88.2%	103 85.8%	78 94.0%	90 87.4%	1122 87.0%	The denial percentage for each size household is calculated by dividing the
2 Member Household %	11 10.4%	10 9.3%	6 6.5%	11 10.2%	7 7.1%	16 16.0%	28 20.1%	23 17.8%	12 11.8%	12 10.0%	4 4.8%	11 10.7%	151 11.7%	number for each household size by the total number of denied households.
3 or > Member Household %	3 2.8%	0 0.0%	0 0.0%	0 0.0%	0 0.0%	4 4.0%	0 0.0%	1 0.8%	0 0.0%	5 4.2%	1 1.2%	2 1.9%	16 1.2%	Households pending other payors are not included.
TOTAL HOUSEHOLDS DENIED	106	107	93	108	99	100	139	129	102	120	83	103	1,289	
PENDING APPLICATIONS														
Pending documentation	81	77	79	69	81	72	110	89	91	91	72	86	83	The YTD number for incomplete applications is the average of the monthly incomplete applications.
TANF	11	17	19	20	24	15	18	10	19	27	7	22	17	
SSI-SSID	52	59	68	77	51	54	59	56	63	86	33	52	59	
Other Payor	65	54	71	47	52		62	50	56	57	37	46	54	
* - Due to software conversion, some statistics may be inaccurate in June.														

**NCHD
Eligibility History**

	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec	CY Total	Avg		
2018																
NCHD	5,630	5,708	5,674	5,613	5,471	5,481	5,492	5,438	5,396	5,467	5,673	5,235	66,278	5,523	-6%	
Pend	1,488	1,483	1,398	1,386	1,349	1,336	1,324	1,317	1,337	1,327	1,313	1,270	16,328	1,361	-1%	
Total	7,118	7,191	7,072	6,999	6,820	6,817	6,816	6,755	6,733	6,794	6,986	6,505	82,606	6,884	-5%	
% of PY	97%	99%	97%	96%	93%	93%	93%	94%	94%	94%	98%	93%	95%	95%		
2019																
NCHD	5,277	5,181	5,075	5,024	4,957	4,961	4,996	4,943	4,970	5,064	4,944	4,821	60,213	5,018	-9%	
Pend	1,294	1,260	1,289	1,305	1,274	1,281	1,330	1,356	1,339	1,357	1,330	1,277	15,692	1,308	-4%	
Total	6,571	6,441	6,364	6,329	6,231	6,242	6,326	6,299	6,309	6,421	6,274	6,098	75,905	6,325	-8%	
% of PY	92%	90%	90%	90%	91%	92%	93%	93%	94%	95%	90%	94%	92%	92%		
2020																
NCHD	4,963	4,955	4,903	4,731	5,132	4,698	4,198	3,660	3,260	3,604	3,752	3,868	51,724	4,310	-14%	
Pend	1,268	1,243	1,218	1,141	1,187	1,106	1,043	968	861	899	923	945	12,802	1,067	-18%	
Total	6,231	6,198	6,121	5,872	6,319	5,804	5,241	4,628	4,121	4,503	4,675	4,813	64,526	5,377	-15%	
% of PY	95%	96%	96%	93%	101%	93%	83%	73%	65%	70%	75%	79%	85%	85%		
2021																
NCHD	3,806	3,678	3,567	3,521	3,667	3,852	3,953	4,080	4,142	4,091	3,948	3,863	46,168	3,847	-11%	
Pend	932	921	922	964	981	1,014	1,052	1,028	1,039	1,060	1,070	1,076	12,059	1,005	-6%	
Total	4,738	4,599	4,489	4,485	4,648	4,866	5,005	5,108	5,181	5,151	5,018	4,939	58,227	4,852	-10%	
% of PY	76%	74%	73%	76%	74%	84%	95%	110%	126%	114%	107%	103%	90%	90%		
2022																
NCHD	3,781	3,711	3,738	3,755	3,805	3,869	3,910	3,945	4,042	3,987	3,884	3,785	46,212	3,851	0%	
Pend	1,093	1,061	1,110	1,113	1,144	1,150	1,147	1,183	1,191	1,191	1,181	1,171	13,735	1,145	14%	
Total	4,874	4,772	4,848	4,868	4,949	5,019	5,057	5,128	5,233	5,178	5,065	4,956	59,947	4,996	3%	
% of PY	103%	104%	108%	109%	106%	103%	101%	100%	101%	101%	101%	100%	103%	103%		
2023																
NCHD	3,767	3,186	3,727	3,611	3,614	3,599	3,565	3,548	3,566	3,598	3,613	3,545	42,939	3,578	-7%	
Pend	1,145	1,677	1,148	1,157	1,173	1,161	1,177	1,181	1,183	1,185	1,186	1,166	14,539	1,212	6%	
Total	4,912	4,863	4,875	4,768	4,787	4,760	4,742	4,729	4,749	4,783	4,799	4,711	57,478	4,790	-4%	
% of PY	101%	102%	101%	98%	97%	95%	94%	92%	91%	92%	95%	95%	96%	96%		
2024																
NCHD	3,523	3,573	3,563	3,596	3,605	3,597	3,643	3,650	3,629	3,646	3,546	3,464	43,035	3,586	0%	
Pend	1,161	1,185	1,175	1,171	1,177	1,157	1,180	1,182	1,177	1,183	1,159	1,121	14,028	1,169	-4%	
Total	4,684	4,758	4,738	4,767	4,782	4,754	4,823	4,832	4,806	4,829	4,705	4,585	57,063	4,755	-1%	
% of PY	95%	98%	97%	100%	100%	100%	102%	102%	101%	101%	98%	97%	99%	99%		
2025																
NCHD	3,494	3,407	3,380	3,397	3,375	3,424	3,461	3,463	3,489	3,526	3,459	3,435	41,310	3,443	-4%	
Pend	1,113	1,106	1,129	1,147	1,140	1,141	1,135	1,103	1,100	1,098	1,049	1,048	13,309	1,109	-5%	
Total	4,607	4,513	4,509	4,544	4,515	4,565	4,596	4,566	4,589	4,624	4,508	4,483	54,619	4,552	-4%	
% of PY	98%	95%	95%	95%	94%	96%	95%	94%	95%	96%	96%	98%	96%	96%		



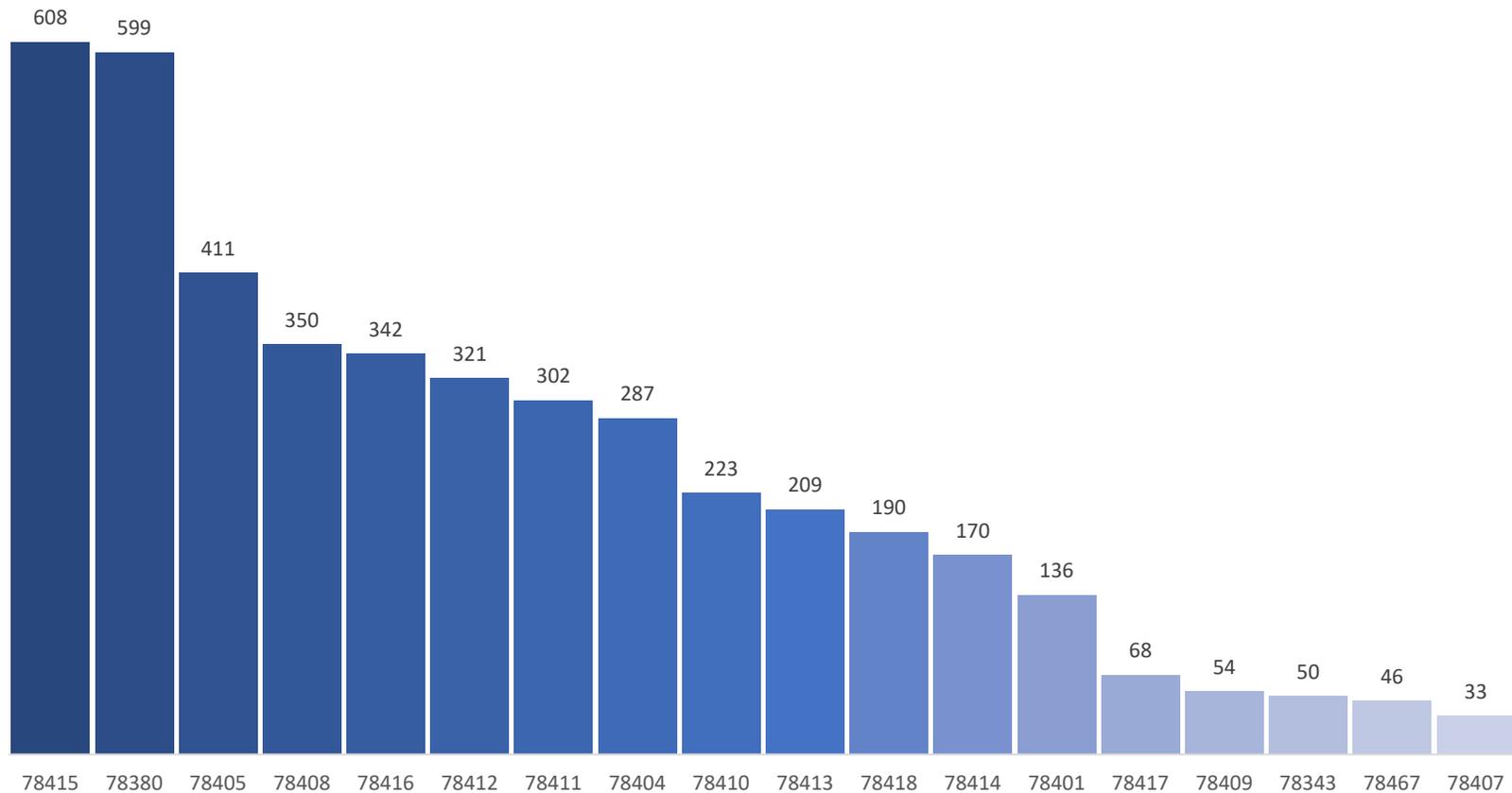
**Annual Comparative Enrollment Report
Calendar Year 2025**

Month	Enrollment		Increase/(Decrease)	
	2025	2024	%	Enrollees
Jan	4,607	4,684	-1.64%	-77
Feb	4,513	4,758	-5.15%	-245
Mar	4,509	4,738	-4.83%	-229
Apr	4,544	4,767	-4.68%	-223
May	4,515	4,782	-5.58%	-267
June	4,565	4,754	-3.98%	-189
Jul	4,596	4,823	-4.71%	-227
Aug	4,566	4,832	-5.50%	-266
Sep	4,589	4,806	-4.52%	-217
Oct	4,624	4,829	-4.25%	-205
Nov	4,508	4,705	-4.19%	-197
Dec	4,483	4,585	-2.22%	-102



Nueces County Hospital District

Enrollment by Zipcode as of December 2025

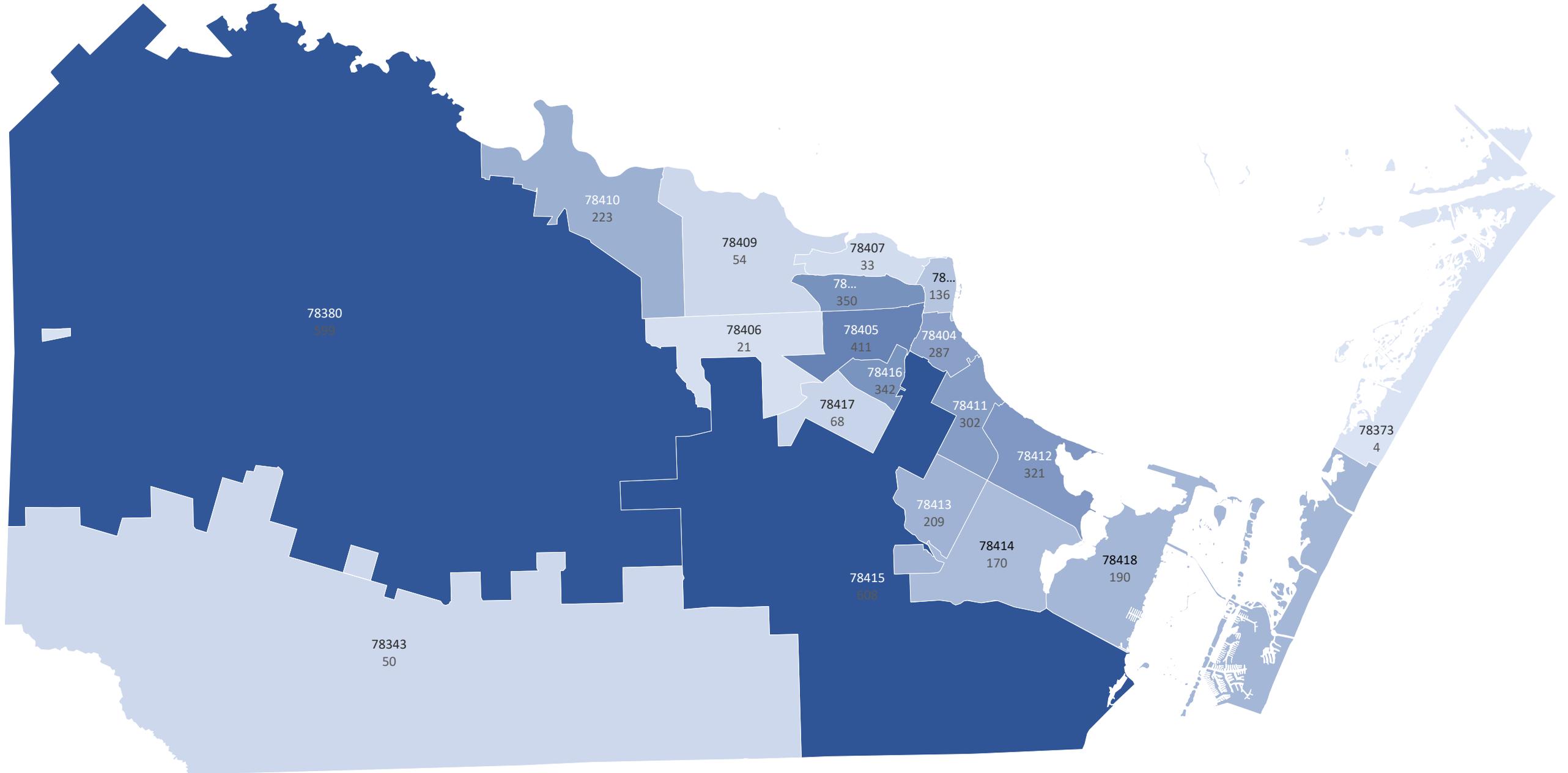


**Nueces County Hospital District
Enrollment by Zip Code
As of 12/31/2025**

Zip Code	Description	Members	% to Total
78415	CC:FM 665 to CR 61 to County Line to Weber & Crosstown	608	14%
78380	Robstown	599	13%
78405	CC:19th to Port Ave to Agnes, includes HPG	411	9%
78408	CC:Hwy 358 to Lipan Between I-37 & Agnes	350	8%
78416	CC:Hwy 358 to Old Brownsville to Tarlton to Weber, includes Molina	342	8%
78412	CC:Airline to Hwy 358 to Ennis Joslin to Ocean Drive	321	7%
78411	CC:Ocean Drive to So Staples to Hwy 358 to Weber to Kostoryz	302	7%
78404	CC:Six Points	287	6%
78410	CC:Annville and Calallen	223	5%
78413	CC:Weber to Holly rd to So Staples to Oso Pkwy	209	5%
78418	CC:Flour Bluff	190	4%
78414	CC:So Staples to Holly Rd to Cayo Del Oso to Oso Creek	170	4%
78401	CC:Downtown and Cargo Docks	136	3%
78417	CC:Old Brownsville to Ayers to Saratoga	68	2%
78409	CC:Hwy 44 to Up River Rd to Rand Morgan E to Hwy 358	54	1%
78343	Bishop + FM 665 to CR 107 W to CR 57E	50	1%
78467	CC: Leopard St Between S. Staples and Sam Rankin	46	1%
78407	CC: I-37 Up River Rd to South Port Ave to Joe Fulton Corridor	33	1%
	Subtotal	4,399	98%
	Total	4,483	



Nueces County Hospital District Enrollment Map



UNAUDITED

Nueces County Hospital District
 Combined Balance Sheet - All Fund Types & Account Groups
 As of 10/31/2025
 (In Whole Numbers)

	General Fund	Special Revenue Fund	Trust Fund	General Fixed Assets	General Long Term Debt	TOTAL
Assets						
Cash & Cash Equivalents	100,216,214	50,734,227	16,972	0	0	150,967,413
Investments	8,916,983	15,494,338	0	0	0	24,411,320
Accrued Interest	0	204,002	57	0	0	204,060
Taxes Receivable, Net of Allowance	34,219,005	0	0	0	0	34,219,005
Other Receivables	0	0	0	0	0	0
Due from Other Funds	5,986	0	0	0	0	5,986
Prepaid Expenditures	162,336	0	0	0	0	162,336
Restricted Cash & Cash Equivalents - LPPF	88,352,681	0	0	0	0	88,352,681
Fixed Assets	0	0	0	14,234,966	0	14,234,966
Am't to be Provided for Retirement of LT Debt	0	0	0	0	45,322	45,322
Total Assets	231,873,205	66,432,567	17,029	14,234,966	45,322	312,603,089
Liabilities						
Accounts Payable	5,020,600	0	0	0	0	5,020,600
Accrued Payroll & Related Liabilities	339,837	0	0	0	0	339,837
Intergovernmental Transfer Obligations	88,352,681	0	0	0	0	88,352,681
Due to Other Funds	0	3,879	2,107	0	0	5,986
Deferred Revenue	34,219,005	0	0	0	0	34,219,005
Long Term Paid Time Off	0	0	0	0	45,322	45,322
Total Liabilities	127,932,123	3,879	2,107	0	45,322	127,983,431
Fund Equity						
Fund Balance	66,169,904	0	14,922	14,234,966	0	80,419,792
Committed to:						
Intergovernmental Transfers	37,771,178	0	0	0	0	37,771,178
Indigent Care	0	63,477,826	0	0	0	63,477,826
Opioid Abatement	0	2,948,850	0	0	0	2,948,850
Assigned to:						
County Health Care	0	2,012	0	0	0	2,012
Total Fund Equity	103,941,082	66,428,688	14,922	14,234,966	0	184,619,658
Total Liabilities & Fund Equity	231,873,205	66,432,567	17,029	14,234,966	45,322	312,603,089

Nueces County Hospital District
 Statement of Revenues and Expenditures - All Governmental and Trust Funds
 General Fund
 From 10/1/2025 Through 10/31/2025
 (In Whole Numbers)

	Current Period Actual	Current Year Actual
Revenues		
Taxes	10,237,711	10,237,711
Penalties & Interest - Taxes	24,926	24,926
Spohn Corporate Member Revenue	8,874,591	8,874,591
Investment Income	337,233	337,233
Other Income	165	165
Total Revenues	19,474,625	19,474,625
Current Expenditures		
Intergovernmental Transfers	5,516,590	5,516,590
Emergency Residency Support	237,292	237,292
County Healthcare Funding	1,093,595	1,093,595
Salaries	143,431	143,431
Benefits	63,341	63,341
Legal & Professional Fees	98,563	98,563
Purchased Services	202,427	202,427
Supplies & Materials	851	851
Rent & Leases	11,710	11,710
Utilities	4,606	4,606
Insurance	2,638	2,638
Administrative & General	13,546	13,546
Total Current Expenditures	7,388,591	7,388,591
Excess of Revenues Over Expenditures Before Sources/Uses	12,086,035	12,086,035
Excess of Revenues Over Expenditures After Sources & Uses	12,086,035	12,086,035
Fund Balance, Beginning of Year		91,855,047
FUND BALANCE, END OF YEAR		103,941,082

Nueces County Hospital District
Statement of Revenues and Expenditures - All Governmental and Trust Funds
Special Revenue Fund
From 10/1/2025 Through 10/31/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Year Actual
Revenues		
Investment Income	240,133	240,133
Total Revenues	240,133	240,133
Current Expenditures		
Legal & Professional Fees	1,162	1,162
Total Current Expenditures	1,162	1,162
Excess of Revenues Over Expenditures Before Sources/Uses	238,972	238,972
Excess of Revenues Over Expenditures After Sources & Uses	238,972	238,972
Fund Balance, Beginning of Year		66,189,716
FUND BALANCE, END OF YEAR		66,428,688

Nueces County Hospital District
Statement of Revenues and Expenditures - All Governmental and Trust Funds
Trust Fund
From 10/1/2025 Through 10/31/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Year Actual
Revenues		
Investment Income	57	57
Total Revenues	57	57
Current Expenditures		
Benefits	511	511
Administrative & General	10	10
Total Current Expenditures	521	521
Excess of Revenues Over Expenditures Before Sources/Uses	(463)	(463)
Excess of Revenues Over Expenditures After Sources & Uses	(463)	(463)
Fund Balance, Beginning of Year		15,386
FUND BALANCE, END OF YEAR		14,922

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
General Fund
From 10/1/2025 Through 10/31/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
Revenues						
Taxes	10,237,711	7,958,595	2,279,116	10,237,711	7,958,595	2,279,116
Penalties & Interest - Taxes	24,926	32,830	(7,904)	24,926	32,830	(7,904)
Spohn Corporate Member Revenue	8,874,591	7,933,337	941,254	8,874,591	7,933,337	941,254
Investment Income	337,233	95,471	241,762	337,233	95,471	241,762
Other Income	165	0	165	165	0	165
Total Revenues	<u>19,474,625</u>	<u>16,020,233</u>	<u>3,454,392</u>	<u>19,474,625</u>	<u>16,020,233</u>	<u>3,454,392</u>
Current Expenditures						
Intergovernmental Transfers	5,516,590	3,949,209	(1,567,381)	5,516,590	3,949,209	(1,567,381)
Emergency Residency Support	237,292	237,292	0	237,292	237,292	0
County Healthcare Funding	1,093,595	1,335,349	241,754	1,093,595	1,335,349	241,754
Salaries	143,431	245,068	101,637	143,431	245,068	101,637
Benefits	63,341	96,329	32,988	63,341	96,329	32,988
Legal & Professional Fees	98,563	74,296	(24,267)	98,563	74,296	(24,267)
Purchased Services	202,427	219,152	16,725	202,427	219,152	16,725
Supplies & Materials	851	2,178	1,327	851	2,178	1,327
Rent & Leases	11,710	13,254	1,544	11,710	13,254	1,544
Repairs & Maintenance	0	1,171	1,171	0	1,171	1,171
Utilities	4,606	8,541	3,935	4,606	8,541	3,935
Insurance	2,638	4,046	1,408	2,638	4,046	1,408
Administrative & General	13,546	18,853	5,307	13,546	18,853	5,307
Capital Outlay	0	130,000	130,000	0	130,000	130,000
Extraordinary	0	417	417	0	417	417
Total Current Expenditures	<u>7,388,591</u>	<u>6,335,155</u>	<u>(1,053,436)</u>	<u>7,388,591</u>	<u>6,335,155</u>	<u>(1,053,436)</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>12,086,035</u>	<u>9,685,078</u>	<u>2,400,957</u>	<u>12,086,035</u>	<u>9,685,078</u>	<u>2,400,957</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>12,086,035</u>	<u>9,685,078</u>	<u>2,400,957</u>	<u>12,086,035</u>	<u>9,685,078</u>	<u>2,400,957</u>
Fund Balance, Beginning of Year				91,855,047	0	91,855,047
FUND BALANCE, END OF YEAR				<u>103,941,082</u>	<u>9,685,078</u>	<u>94,256,004</u>

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
Tobacco Settlement Fund
From 10/1/2025 Through 10/31/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
Revenues						
Investment Income	7	0	7	7	0	7
Total Revenues	7	0	7	7	0	7
Excess of Revenues Over Expenditures Before Sources/Uses	7	0	7	7	0	7
Excess of Revenues Over Expenditures After Sources & Uses	7	0	7	7	0	7
Fund Balance, Beginning of Year				2,005	0	2,005
FUND BALANCE, END OF YEAR				2,012	0	2,012

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
Opioid Settlement Fund
From 10/1/2025 Through 10/31/2025
(In Whole Numbers)

UNAUDITED

	<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Current Period Budget Variance</u>	<u>Current Year Actual</u>	<u>YTD Budget</u>	<u>YTD Budget Variance</u>
Revenues						
Investment Income	<u>10,337</u>	<u>3,529</u>	<u>6,808</u>	<u>10,337</u>	<u>3,529</u>	<u>6,808</u>
Total Revenues	<u>10,337</u>	<u>3,529</u>	<u>6,808</u>	<u>10,337</u>	<u>3,529</u>	<u>6,808</u>
Current Expenditures						
Purchased Services	<u>0</u>	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>100,000</u>	<u>100,000</u>
Total Current Expenditures	<u>0</u>	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>100,000</u>	<u>100,000</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>10,337</u>	<u>(96,471)</u>	<u>106,808</u>	<u>10,337</u>	<u>(96,471)</u>	<u>106,808</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>10,337</u>	<u>(96,471)</u>	<u>106,808</u>	<u>10,337</u>	<u>(96,471)</u>	<u>106,808</u>
Fund Balance, Beginning of Year				2,938,513	0	2,938,513
FUND BALANCE, END OF YEAR				<u>2,948,850</u>	<u>(96,471)</u>	<u>3,045,321</u>

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
Indigent Care Fund
From 10/1/2025 Through 10/31/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
Revenues						
Investment Income	229,789	78,090	151,699	229,789	78,090	151,699
Total Revenues	229,789	78,090	151,699	229,789	78,090	151,699
Current Expenditures						
Legal & Professional Fees	1,162	3,000	1,838	1,162	3,000	1,838
Total Current Expenditures	1,162	3,000	1,838	1,162	3,000	1,838
Excess of Revenues Over Expenditures Before Sources/Uses	228,628	75,090	153,538	228,628	75,090	153,538
Excess of Revenues Over Expenditures After Sources & Uses	228,628	75,090	153,538	228,628	75,090	153,538
Fund Balance, Beginning of Year				63,249,198	0	63,249,198
FUND BALANCE, END OF YEAR				63,477,826	75,090	63,402,736

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
General Fund
From 10/1/2025 Through 10/31/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Year Actual	Total Budget	Total Budget Remaining	% Remaining
Revenues					
Taxes	10,237,711	10,237,711	40,492,442	(30,254,731)	(75)%
Penalties & Interest - Taxes	24,926	24,926	400,662	(375,736)	(94)%
Spohn Corporate Member Revenue	8,874,591	8,874,591	95,200,000	(86,325,409)	(91)%
Investment Income	337,233	337,233	1,110,676	(773,443)	(70)%
Other Income	165	165	150,000	(149,835)	(100)%
Total Revenues	19,474,625	19,474,625	137,353,780	(117,879,155)	(86)%
Current Expenditures					
Intergovernmental Transfers	5,516,590	5,516,590	135,159,558	129,642,968	96 %
Emergency Residency Support	237,292	237,292	3,198,125	2,960,833	93 %
County Healthcare Funding	1,093,595	1,093,595	14,506,894	13,413,299	92 %
Salaries	143,431	143,431	2,235,457	2,092,026	94 %
Benefits	63,341	63,341	1,121,884	1,058,543	94 %
Legal & Professional Fees	98,563	98,563	891,500	792,937	89 %
Purchased Services	202,427	202,427	1,561,000	1,358,573	87 %
Supplies & Materials	851	851	26,000	25,149	97 %
Rent & Leases	11,710	11,710	159,000	147,290	93 %
Repairs & Maintenance	0	0	14,000	14,000	100 %
Utilities	4,606	4,606	102,400	97,794	96 %
Insurance	2,638	2,638	48,500	45,862	95 %
Administrative & General	13,546	13,546	226,000	212,454	94 %
Capital Outlay	0	0	210,000	210,000	100 %
Extraordinary	0	0	5,000	5,000	100 %
Total Current Expenditures	7,388,591	7,388,591	159,465,318	152,076,727	95 %
Excess of Revenues Over Expenditures Before Sources/Uses	12,086,035	12,086,035	(22,111,538)	34,197,573	(155)%
Other Financing Sources & Uses					
Operating Transfers In	0	0	(700,000)	(700,000)	100 %
Total Other Financing Sources & Uses	0	0	(700,000)	(700,000)	100 %
Excess of Revenues Over Expenditures After Sources & Uses	12,086,035	12,086,035	(21,411,538)	33,497,573	(156)%
Fund Balance, Beginning of Year	91,855,047	91,855,047	0	91,855,047	0 %
FUND BALANCE, END OF YEAR	103,941,082	103,941,082	(21,411,538)	125,352,620	(585)%

Nueces County Hospital District
Combined Balance Sheet - All Fund Types & Account Groups
 As of 11/30/2025
 (In Whole Numbers)

UNAUDITED

	General Fund	Special Revenue Fund	Trust Fund	General Fixed Assets	General Long Term Debt	TOTAL
Assets						
Cash & Cash Equivalents	80,532,136	50,964,625	17,022	0	0	131,513,783
Investments	2,943,521	15,498,018	0	0	0	18,441,539
Accrued Interest	0	197,105	54	0	0	197,159
Taxes Receivable, Net of Allowance	30,885,240	0	0	0	0	30,885,240
Other Receivables	0	0	0	0	0	0
Due from Other Funds	7,687	0	0	0	0	7,687
Prepaid Expenditures	107,223	0	0	0	0	107,223
Restricted Cash & Cash Equivalents - LPPF	46,775,250	0	0	0	0	46,775,250
Fixed Assets	0	0	0	14,243,366	0	14,243,366
Amnt to be Provided for Retirement of LT Debt	0	0	0	0	45,322	45,322
Total Assets	161,251,057	66,659,748	17,076	14,243,366	45,322	242,216,568
Liabilities						
Accounts Payable	5,106,499	0	0	0	0	5,106,499
Accrued Payroll & Related Liabilities	322,559	0	0	0	0	322,559
Intergovernmental Transfer Obligations	46,775,250	0	0	0	0	46,775,250
Due to Other Funds	0	5,041	2,646	0	0	7,687
Deferred Revenue	30,885,240	0	0	0	0	30,885,240
Long Term Paid Time Off	0	0	0	0	45,322	45,322
Total Liabilities	83,089,548	5,041	2,646	0	45,322	83,142,557
Fund Equity						
Fund Balance	68,220,650	0	14,430	14,243,366	0	82,478,445
Committed to:						
Intergovernmental Transfers	9,940,859	0	0	0	0	9,940,859
Indigent Care	0	63,694,171	0	0	0	63,694,171
Opioid Abatement	0	2,958,517	0	0	0	2,958,517
Assigned to:						
County Health Care	0	2,019	0	0	0	2,019
Total Fund Equity	78,161,509	66,654,707	14,430	14,243,366	0	159,074,012
Total Liabilities & Fund Equity	161,251,057	66,659,748	17,076	14,243,366	45,322	242,216,568

Nueces County Hospital District
Statement of Revenues and Expenditures - All Governmental and Trust Funds
General Fund
From 11/1/2025 Through 11/30/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Year Actual
Revenues		
Taxes	3,287,238	13,524,949
Penalties & Interest - Taxes	17,264	42,189
Spohn Corporate Member Revenue	7,051,674	15,926,266
Investment Income	339,841	677,074
Other Income	25	190
Total Revenues	10,696,042	30,170,668
Current Expenditures		
Intergovernmental Transfers	34,979,713	40,496,304
Emergency Residency Support	237,292	474,583
County Healthcare Funding	890,924	1,984,518
Salaries	112,777	256,207
Benefits	60,698	124,040
Legal & Professional Fees	26,733	125,297
Purchased Services	135,007	337,434
Supplies & Materials	1,150	2,001
Rent & Leases	11,710	23,420
Utilities	4,619	9,225
Insurance	2,638	5,276
Administrative & General	3,954	17,501
Capital Outlay	8,400	8,400
Total Current Expenditures	36,475,615	43,864,206
Excess of Revenues Over Expenditures Before Sources/Uses	(25,779,573)	(13,693,538)
Excess of Revenues Over Expenditures After Sources & Uses	(25,779,573)	(13,693,538)
Fund Balance, Beginning of Year		91,855,047
FUND BALANCE, END OF YEAR		78,161,509

Nueces County Hospital District
Statement of Revenues and Expenditures - All Governmental and Trust Funds
Special Revenue Fund
From 11/1/2025 Through 11/30/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Year Actual
Revenues		
Investment Income	227,181	467,314
Total Revenues	227,181	467,314
Current Expenditures		
Legal & Professional Fees	1,162	2,324
Total Current Expenditures	1,162	2,324
Excess of Revenues Over Expenditures Before Sources/Uses	226,019	464,991
Excess of Revenues Over Expenditures After Sources & Uses	226,019	464,991
Fund Balance, Beginning of Year		66,189,716
FUND BALANCE, END OF YEAR		66,654,707

Nueces County Hospital District
Statement of Revenues and Expenditures - All Governmental and Trust Funds
Trust Fund
From 11/1/2025 Through 11/30/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Year Actual
Revenues		
Investment Income	54	111
Total Revenues	54	111
Current Expenditures		
Benefits	539	1,050
Administrative & General	7	17
Total Current Expenditures	546	1,067
Excess of Revenues Over Expenditures Before Sources/Uses	(492)	(956)
Excess of Revenues Over Expenditures After Sources & Uses	(492)	(956)
Fund Balance, Beginning of Year		15,386
FUND BALANCE, END OF YEAR		14,430

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
General Fund
From 11/1/2025 Through 11/30/2025
(In Whole Numbers)

UNAUDITED

	<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Current Period Budget Variance</u>	<u>Current Year Actual</u>	<u>YTD Budget</u>	<u>YTD Budget Variance</u>
Revenues						
Taxes	3,287,238	4,062,063	(774,825)	13,524,949	12,020,658	1,504,291
Penalties & Interest - Taxes	17,264	25,894	(8,630)	42,189	58,724	(16,535)
Spohn Corporate Member Revenue	7,051,674	7,933,333	(881,659)	15,926,266	15,866,670	59,596
Investment Income	339,841	114,684	225,157	677,074	210,155	466,919
Other Income	25	0	25	190	0	190
Total Revenues	<u>10,696,042</u>	<u>12,135,974</u>	<u>(1,439,932)</u>	<u>30,170,668</u>	<u>28,156,207</u>	<u>2,014,461</u>
Current Expenditures						
Intergovernmental Transfers	34,979,713	36,372,380	1,392,667	40,496,304	40,321,589	(174,715)
Emergency Residency Support	237,292	237,292	0	474,583	474,584	1
County Healthcare Funding	890,924	1,275,596	384,672	1,984,518	2,610,945	626,427
Salaries	112,777	171,964	59,187	256,207	417,032	160,825
Benefits	60,698	87,321	26,623	124,040	183,650	59,610
Legal & Professional Fees	26,733	74,292	47,559	125,297	148,588	23,291
Purchased Services	135,007	136,396	1,389	337,434	355,548	18,114
Supplies & Materials	1,150	2,166	1,016	2,001	4,344	2,343
Rent & Leases	11,710	13,250	1,540	23,420	26,504	3,084
Repairs & Maintenance	0	1,167	1,167	0	2,338	2,338
Utilities	4,619	8,533	3,914	9,225	17,074	7,849
Insurance	2,638	4,042	1,404	5,276	8,088	2,812
Administrative & General	3,954	18,833	14,879	17,501	37,686	20,185
Capital Outlay	8,400	80,000	71,600	8,400	210,000	201,600
Extraordinary	0	417	417	0	834	834
Total Current Expenditures	<u>36,475,615</u>	<u>38,483,649</u>	<u>2,008,034</u>	<u>43,864,206</u>	<u>44,818,804</u>	<u>954,598</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>(25,779,573)</u>	<u>(26,347,675)</u>	<u>568,102</u>	<u>(13,693,538)</u>	<u>(16,662,597)</u>	<u>2,969,059</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>(25,779,573)</u>	<u>(26,347,675)</u>	<u>568,102</u>	<u>(13,693,538)</u>	<u>(16,662,597)</u>	<u>2,969,059</u>
Fund Balance, Beginning of Year				91,855,047	0	91,855,047
FUND BALANCE, END OF YEAR				<u>78,161,509</u>	<u>(16,662,597)</u>	<u>94,824,106</u>

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
Tobacco Settlement Fund
From 11/1/2025 Through 11/30/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
Revenues						
Investment Income	7	0	7	14	0	14
Total Revenues	7	0	7	14	0	14
Excess of Revenues Over Expenditures Before Sources/Uses	7	0	7	14	0	14
Excess of Revenues Over Expenditures After Sources & Uses	7	0	7	14	0	14
Fund Balance, Beginning of Year				2,005	0	2,005
FUND BALANCE, END OF YEAR				2,019	0	2,019

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
Opioid Settlement Fund
From 11/1/2025 Through 11/30/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
Revenues						
Investment Income	9,667	3,408	6,259	20,004	6,937	13,067
Total Revenues	9,667	3,408	6,259	20,004	6,937	13,067
Current Expenditures						
Purchased Services	0	100,000	100,000	0	200,000	200,000
Total Current Expenditures	0	100,000	100,000	0	200,000	200,000
Excess of Revenues Over Expenditures Before Sources/Uses	9,667	(96,592)	106,259	20,004	(193,063)	213,067
Excess of Revenues Over Expenditures After Sources & Uses	9,667	(96,592)	106,259	20,004	(193,063)	213,067
Fund Balance, Beginning of Year				2,938,513	0	2,938,513
FUND BALANCE, END OF YEAR				2,958,517	(193,063)	3,151,580

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
Indigent Care Fund
From 11/1/2025 Through 11/30/2025
(In Whole Numbers)

UNAUDITED

	<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Current Period Budget Variance</u>	<u>Current Year Actual</u>	<u>YTD Budget</u>	<u>YTD Budget Variance</u>
Revenues						
Investment Income	<u>217,507</u>	<u>78,184</u>	<u>139,323</u>	<u>447,297</u>	<u>156,274</u>	<u>291,023</u>
Total Revenues	<u>217,507</u>	<u>78,184</u>	<u>139,323</u>	<u>447,297</u>	<u>156,274</u>	<u>291,023</u>
Current Expenditures						
Legal & Professional Fees	<u>1,162</u>	<u>3,000</u>	<u>1,838</u>	<u>2,324</u>	<u>6,000</u>	<u>3,677</u>
Total Current Expenditures	<u>1,162</u>	<u>3,000</u>	<u>1,838</u>	<u>2,324</u>	<u>6,000</u>	<u>3,677</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>216,345</u>	<u>75,184</u>	<u>141,161</u>	<u>444,973</u>	<u>150,274</u>	<u>294,699</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>216,345</u>	<u>75,184</u>	<u>141,161</u>	<u>444,973</u>	<u>150,274</u>	<u>294,699</u>
Fund Balance, Beginning of Year				63,249,198	0	63,249,198
FUND BALANCE, END OF YEAR				<u>63,694,171</u>	<u>150,274</u>	<u>63,543,897</u>

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
General Fund
From 11/1/2025 Through 11/30/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Year Actual	Total Budget	Total Budget Remaining	% Remaining
Revenues					
Taxes	3,287,238	13,524,949	40,492,442	(26,967,493)	(67)%
Penalties & Interest - Taxes	17,264	42,189	400,662	(358,473)	(89)%
Spohn Corporate Member Revenue	7,051,674	15,926,266	95,200,000	(79,273,734)	(83)%
Investment Income	339,841	677,074	1,110,676	(433,602)	(39)%
Other Income	25	190	150,000	(149,810)	(100)%
Total Revenues	<u>10,696,042</u>	<u>30,170,668</u>	<u>137,353,780</u>	<u>(107,183,112)</u>	<u>(78)%</u>
Current Expenditures					
Intergovernmental Transfers	34,979,713	40,496,304	135,159,558	94,663,255	70 %
Emergency Residency Support	237,292	474,583	3,198,125	2,723,542	85 %
County Healthcare Funding	890,924	1,984,518	14,506,894	12,522,376	86 %
Salaries	112,777	256,207	2,235,457	1,979,250	89 %
Benefits	60,698	124,040	1,121,884	997,844	89 %
Legal & Professional Fees	26,733	125,297	891,500	766,203	86 %
Purchased Services	135,007	337,434	1,561,000	1,223,566	78 %
Supplies & Materials	1,150	2,001	26,000	23,999	92 %
Rent & Leases	11,710	23,420	159,000	135,580	85 %
Repairs & Maintenance	0	0	14,000	14,000	100 %
Utilities	4,619	9,225	102,400	93,175	91 %
Insurance	2,638	5,276	48,500	43,224	89 %
Administrative & General	3,954	17,501	226,000	208,499	92 %
Capital Outlay	8,400	8,400	210,000	201,600	96 %
Extraordinary	0	0	5,000	5,000	100 %
Total Current Expenditures	<u>36,475,615</u>	<u>43,864,206</u>	<u>159,465,318</u>	<u>115,601,112</u>	<u>72 %</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>(25,779,573)</u>	<u>(13,693,538)</u>	<u>(22,111,538)</u>	<u>8,418,000</u>	<u>(38)%</u>
Other Financing Sources & Uses					
Operating Transfers In	0	0	(700,000)	(700,000)	100 %
Total Other Financing Sources & Uses	<u>0</u>	<u>0</u>	<u>(700,000)</u>	<u>(700,000)</u>	<u>100 %</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>(25,779,573)</u>	<u>(13,693,538)</u>	<u>(21,411,538)</u>	<u>7,718,000</u>	<u>(36)%</u>
Fund Balance, Beginning of Year					
	103,941,082	91,855,047	0	91,855,047	0 %
FUND BALANCE, END OF YEAR	<u><u>78,161,509</u></u>	<u><u>78,161,509</u></u>	<u><u>(21,411,538)</u></u>	<u><u>99,573,047</u></u>	<u><u>(465)%</u></u>

Nueces County Hospital District
Combined Balance Sheet - All Fund Types & Account Groups
 As of 12/31/2025
 (In Whole Numbers)

	General Fund	Special Revenue Fund	Trust Fund	General Fixed Assets	General Long Term Debt	TOTAL
Assets						
Cash & Cash Equivalents	90,795,664	48,218,328	17,069	0	0	139,031,060
Investments	5,894,650	18,415,655	0	0	0	24,310,305
Accrued Interest	0	253,501	53	0	0	253,554
Taxes Receivable, Net of Allowance	26,493,590	0	0	0	0	26,493,590
Other Receivables	0	0	0	0	0	0
Due from Other Funds	10,427	0	0	0	0	10,427
Prepaid Expenditures	182,499	0	0	0	0	182,499
Restricted Cash & Cash Equivalents - LPPF	46,889,995	0	0	0	0	46,889,995
Fixed Assets	0	0	0	14,243,366	0	14,243,366
Am't to be Provided for Retirement of LT Debt	0	0	0	0	45,322	45,322
Total Assets	170,266,825	66,887,484	17,122	14,243,366	45,322	251,460,119
Liabilities						
Accounts Payable	6,133,562	0	0	0	0	6,133,562
Accrued Payroll & Related Liabilities	345,591	0	0	0	0	345,591
Intergovernmental Transfer Obligations	46,889,995	0	0	0	0	46,889,995
Due to Other Funds	0	5,041	5,386	0	0	10,427
Deferred Revenue	26,493,590	0	0	0	0	26,493,590
Long Term Paid Time Off	0	0	0	0	45,322	45,322
Total Liabilities	79,862,738	5,041	5,386	0	45,322	79,918,487
Fund Equity						
Fund Balance	71,059,790	0	11,736	14,243,366	0	85,314,892
Committed to:						
Intergovernmental Transfers	19,344,297	0	0	0	0	19,344,297
Indigent Care	0	63,912,285	0	0	0	63,912,285
Opitoid Abatement	0	2,968,133	0	0	0	2,968,133
Assigned to:						
County Health Care	0	2,025	0	0	0	2,025
Total Fund Equity	90,404,087	66,882,443	11,736	14,243,366	0	171,541,632
Total Liabilities & Fund Equity	170,266,825	66,887,484	17,122	14,243,366	45,322	251,460,119

Nueces County Hospital District
 Statement of Revenues and Expenditures - All Governmental and Trust Funds
 General Fund
 From 12/1/2025 Through 12/31/2025
 (In Whole Numbers)

	Current Period Actual	Current Year Actual
Revenues		
Taxes	4,303,832	17,828,781
Penalties & Interest - Taxes	19,341	61,531
Spohn Corporate Member Revenue	10,396,707	26,322,973
Investment Income	294,939	972,013
Other Income	436	626
Total Revenues	15,015,255	45,185,923
Current Expenditures		
Intergovernmental Transfers	1,043,586	41,539,889
Emergency Residency Support	237,292	711,875
County Healthcare Funding	1,128,582	3,113,100
Salaries	137,755	393,963
Benefits	70,840	194,879
Legal & Professional Fees	18,523	143,820
Purchased Services	109,348	446,782
Supplies & Materials	1,259	3,260
Rent & Leases	11,710	35,130
Repairs & Maintenance	1,200	1,200
Utilities	4,590	13,816
Insurance	2,638	7,914
Administrative & General	5,353	22,854
Capital Outlay	0	8,400
Total Current Expenditures	2,772,677	46,636,883
Excess of Revenues Over Expenditures Before Sources/Uses	12,242,578	(1,450,960)
Excess of Revenues Over Expenditures After Sources & Uses	12,242,578	(1,450,960)
Fund Balance, Beginning of Year		91,855,047
FUND BALANCE, END OF YEAR		90,404,087

UNAUDITED

Nueces County Hospital District
Statement of Revenues and Expenditures - All Governmental and Trust Funds
Special Revenue Fund
From 12/1/2025 Through 12/31/2025
(In Whole Numbers)

	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Revenues		
Investment Income	<u>227,736</u>	<u>695,050</u>
Total Revenues	<u>227,736</u>	<u>695,050</u>
Current Expenditures		
Legal & Professional Fees	<u>0</u>	<u>2,324</u>
Total Current Expenditures	<u>0</u>	<u>2,324</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>227,736</u>	<u>692,727</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>227,736</u>	<u>692,727</u>
Fund Balance, Beginning of Year		66,189,716
FUND BALANCE, END OF YEAR		<u>66,882,443</u>

UNAUDITED

Nueces County Hospital District
Statement of Revenues and Expenditures - All Governmental and Trust Funds
Trust Fund
From 12/1/2025 Through 12/31/2025
(In Whole Numbers)

	<u>Current Period Actual</u>	<u>Current Year Actual</u>
Revenues		
Investment Income	<u>53</u>	<u>164</u>
Total Revenues	<u>53</u>	<u>164</u>
Current Expenditures		
Benefits	2,740	3,790
Administrative & General	<u>7</u>	<u>24</u>
Total Current Expenditures	<u>2,747</u>	<u>3,814</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>(2,694)</u>	<u>(3,649)</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>(2,694)</u>	<u>(3,649)</u>
Fund Balance, Beginning of Year		15,386
FUND BALANCE, END OF YEAR		<u>11,736</u>

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
General Fund
From 12/1/2025 Through 12/31/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
Revenues						
Taxes	4,303,832	4,199,254	104,578	17,828,781	16,219,912	1,608,869
Penalties & Interest - Taxes	19,341	31,096	(11,755)	61,531	89,820	(28,289)
Spohn Corporate Member Revenue	10,396,707	7,933,333	2,463,374	26,322,973	23,800,003	2,522,970
Investment Income	294,939	82,200	212,739	972,013	292,355	679,658
Other Income	436	0	436	626	0	626
Total Revenues	15,015,255	12,245,883	2,769,372	45,185,923	40,402,090	4,783,833
Current Expenditures						
Intergovernmental Transfers	1,043,586	14,059,479	13,015,893	41,539,889	54,381,068	12,841,179
Emergency Residency Support	237,292	237,292	0	711,875	711,876	1
County Healthcare Funding	1,128,582	1,239,596	111,014	3,113,100	3,850,541	737,441
Salaries	137,755	171,962	34,207	393,963	588,994	195,031
Benefits	70,840	95,482	24,642	194,879	279,132	84,253
Legal & Professional Fees	18,523	74,292	55,769	143,820	222,880	79,060
Purchased Services	109,348	134,263	24,915	446,782	489,811	43,029
Supplies & Materials	1,259	2,166	907	3,260	6,510	3,250
Rent & Leases	11,710	13,250	1,540	35,130	39,754	4,624
Repairs & Maintenance	1,200	1,167	(33)	1,200	3,505	2,305
Utilities	4,590	8,533	3,943	13,816	25,607	11,791
Insurance	2,638	4,042	1,404	7,914	12,130	4,216
Administrative & General	5,353	18,833	13,480	22,854	56,519	33,665
Capital Outlay	0	0	0	8,400	210,000	201,600
Extraordinary	0	417	417	0	1,251	1,251
Total Current Expenditures	2,772,677	16,060,774	13,288,097	46,636,883	60,879,578	14,242,695
Excess of Revenues Over Expenditures Before Sources/Uses	12,242,578	(3,814,891)	16,057,469	(1,450,960)	(20,477,488)	19,026,528
Excess of Revenues Over Expenditures After Sources & Uses	12,242,578	(3,814,891)	16,057,469	(1,450,960)	(20,477,488)	19,026,528
Fund Balance, Beginning of Year				91,855,047	0	91,855,047
FUND BALANCE, END OF YEAR				90,404,087	(20,477,488)	110,881,575

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
Tobacco Settlement Fund
From 12/1/2025 Through 12/31/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Period Budget	Current Period Budget Variance	Current Year Actual	YTD Budget	YTD Budget Variance
Revenues						
Investment Income	7	0	7	20	0	20
Total Revenues	7	0	7	20	0	20
Excess of Revenues Over Expenditures Before Sources/Uses	7	0	7	20	0	20
Excess of Revenues Over Expenditures After Sources & Uses	7	0	7	20	0	20
Fund Balance, Beginning of Year				2,005	0	2,005
FUND BALANCE, END OF YEAR				2,025	0	2,025

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
Opioid Settlement Fund
From 12/1/2025 Through 12/31/2025
(In Whole Numbers)

UNAUDITED

	<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Current Period Budget Variance</u>	<u>Current Year Actual</u>	<u>YTD Budget</u>	<u>YTD Budget Variance</u>
Revenues						
Investment Income	9,616	3,287	6,329	29,620	10,224	19,396
Total Revenues	<u>9,616</u>	<u>3,287</u>	<u>6,329</u>	<u>29,620</u>	<u>10,224</u>	<u>19,396</u>
Current Expenditures						
Purchased Services	0	100,000	100,000	0	300,000	300,000
Total Current Expenditures	<u>0</u>	<u>100,000</u>	<u>100,000</u>	<u>0</u>	<u>300,000</u>	<u>300,000</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>9,616</u>	<u>(96,713)</u>	<u>106,329</u>	<u>29,620</u>	<u>(289,776)</u>	<u>319,396</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>9,616</u>	<u>(96,713)</u>	<u>106,329</u>	<u>29,620</u>	<u>(289,776)</u>	<u>319,396</u>
Fund Balance, Beginning of Year				2,938,513	0	2,938,513
FUND BALANCE, END OF YEAR				<u>2,968,133</u>	<u>(289,776)</u>	<u>3,257,909</u>

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
Indigent Care Fund
From 12/1/2025 Through 12/31/2025
(In Whole Numbers)

UNAUDITED

	<u>Current Period Actual</u>	<u>Current Period Budget</u>	<u>Current Period Budget Variance</u>	<u>Current Year Actual</u>	<u>YTD Budget</u>	<u>YTD Budget Variance</u>
Revenues						
Investment Income	218,113	78,278	139,835	665,410	234,552	430,858
Total Revenues	<u>218,113</u>	<u>78,278</u>	<u>139,835</u>	<u>665,410</u>	<u>234,552</u>	<u>430,858</u>
Current Expenditures						
Legal & Professional Fees	0	3,000	3,000	2,324	9,000	6,677
Total Current Expenditures	<u>0</u>	<u>3,000</u>	<u>3,000</u>	<u>2,324</u>	<u>9,000</u>	<u>6,677</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>218,113</u>	<u>75,278</u>	<u>142,835</u>	<u>663,086</u>	<u>225,552</u>	<u>437,534</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>218,113</u>	<u>75,278</u>	<u>142,835</u>	<u>663,086</u>	<u>225,552</u>	<u>437,534</u>
Fund Balance, Beginning of Year				63,249,198	0	63,249,198
FUND BALANCE, END OF YEAR				<u>63,912,285</u>	<u>225,552</u>	<u>63,686,733</u>

Nueces County Hospital District
Statement of Revenues and Expenditures - Actual v. Budget
General Fund
From 12/1/2025 Through 12/31/2025
(In Whole Numbers)

UNAUDITED

	Current Period Actual	Current Year Actual	Total Budget	Total Budget Remaining	% Remaining
Revenues					
Taxes	4,303,832	17,828,781	40,492,442	(22,663,661)	(56)%
Penalties & Interest - Taxes	19,341	61,531	400,662	(339,131)	(85)%
Spohn Corporate Member Revenue	10,396,707	26,322,973	95,200,000	(68,877,027)	(72)%
Investment Income	294,939	972,013	1,110,676	(138,663)	(12)%
Other Income	436	626	150,000	(149,374)	(100)%
Total Revenues	<u>15,015,255</u>	<u>45,185,923</u>	<u>137,353,780</u>	<u>(92,167,857)</u>	<u>(67)%</u>
Current Expenditures					
Intergovernmental Transfers	1,043,586	41,539,889	135,159,558	93,619,669	69 %
Emergency Residency Support	237,292	711,875	3,198,125	2,486,250	78 %
County Healthcare Funding	1,128,582	3,113,100	14,506,894	11,393,794	79 %
Salaries	137,755	393,963	2,235,457	1,841,494	82 %
Benefits	70,840	194,879	1,121,884	927,005	83 %
Legal & Professional Fees	18,523	143,820	891,500	747,680	84 %
Purchased Services	109,348	446,782	1,561,000	1,114,218	71 %
Supplies & Materials	1,259	3,260	26,000	22,740	87 %
Rent & Leases	11,710	35,130	159,000	123,870	78 %
Repairs & Maintenance	1,200	1,200	14,000	12,800	91 %
Utilities	4,590	13,816	102,400	88,584	87 %
Insurance	2,638	7,914	48,500	40,586	84 %
Administrative & General	5,353	22,854	226,000	203,146	90 %
Capital Outlay	0	8,400	210,000	201,600	96 %
Extraordinary	0	0	5,000	5,000	100 %
Total Current Expenditures	<u>2,772,677</u>	<u>46,636,883</u>	<u>159,465,318</u>	<u>112,828,435</u>	<u>71 %</u>
Excess of Revenues Over Expenditures Before Sources/Uses	<u>12,242,578</u>	<u>(1,450,960)</u>	<u>(22,111,538)</u>	<u>20,660,578</u>	<u>(93)%</u>
Other Financing Sources & Uses					
Operating Transfers In	0	0	(700,000)	(700,000)	100 %
Total Other Financing Sources & Uses	<u>0</u>	<u>0</u>	<u>(700,000)</u>	<u>(700,000)</u>	<u>100 %</u>
Excess of Revenues Over Expenditures After Sources & Uses	<u>12,242,578</u>	<u>(1,450,960)</u>	<u>(21,411,538)</u>	<u>19,960,578</u>	<u>(93)%</u>
Fund Balance, Beginning of Year					
	78,161,509	91,855,047	0	91,855,047	0 %
FUND BALANCE, END OF YEAR	<u><u>90,404,087</u></u>	<u><u>90,404,087</u></u>	<u><u>(21,411,538)</u></u>	<u><u>111,815,625</u></u>	<u><u>(522)%</u></u>

Sec. 2256.023. INTERNAL MANAGEMENT REPORTS. (a) Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of investment transactions for all funds covered by this chapter for the preceding reporting period.

(b) The report must:

(1) describe in detail the investment position of the entity on the date of the report;

(2) be prepared jointly by all investment officers of the entity;

(3) be signed by each investment officer of the entity;

(4) contain a summary statement of each pooled fund group that states the:

(A) beginning market value for the reporting period;

(B) ending market value for the period; and

(C) fully accrued interest for the reporting period;

(5) state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;

(6) state the maturity date of each separately invested asset that has a maturity date;

(7) state the account or fund or pooled group fund in the state agency or local government for which each individual investment was acquired; and

(8) state the compliance of the investment portfolio of the state agency or local government as it relates to:

(A) the investment strategy expressed in the agency's or local government's investment policy; and

(B) relevant provisions of this chapter.

(c) The report shall be presented not less than quarterly to the governing body and the chief executive officer of the entity within a reasonable time after the end of the period.

(d) If an entity invests in other than money market mutual funds, investment pools or accounts offered by its depository bank

in the form of certificates of deposit, or money market accounts or similar accounts, the reports prepared by the investment officers under this section shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the governing body by that auditor.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.
Amended by Acts 1997, 75th Leg., ch. 1421, Sec. 12, eff. Sept. 1, 1997.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1004 (H.B. 2226), Sec. 9, eff. June 17, 2011.

Sec. 2256.024. SUBCHAPTER CUMULATIVE. (a) The authority granted by this subchapter is in addition to that granted by other law. Except as provided by Subsection (b) and Section 2256.017, this subchapter does not:

(1) prohibit an investment specifically authorized by other law; or

(2) authorize an investment specifically prohibited by other law.

(b) Except with respect to those investing entities described in Subsection (c), a security described in Section 2256.009(b) is not an authorized investment for a state agency, a local government, or another investing entity, notwithstanding any other provision of this chapter or other law to the contrary.

(c) Mortgage pass-through certificates and individual mortgage loans that may constitute an investment described in Section 2256.009(b) are authorized investments with respect to the housing bond programs operated by:

(1) the Texas Department of Housing and Community Affairs or a nonprofit corporation created to act on its behalf;

(2) an entity created under Chapter 392, Local Government Code; or

(3) an entity created under Chapter 394, Local Government Code.

Added by Acts 1995, 74th Leg., ch. 402, Sec. 1, eff. Sept. 1, 1995.

Amended by:

NUECES CNTY HOSPITAL DISTRICT

Quarterly Investment Report

AS OF DECEMBER 31, 2025



M E E D E R

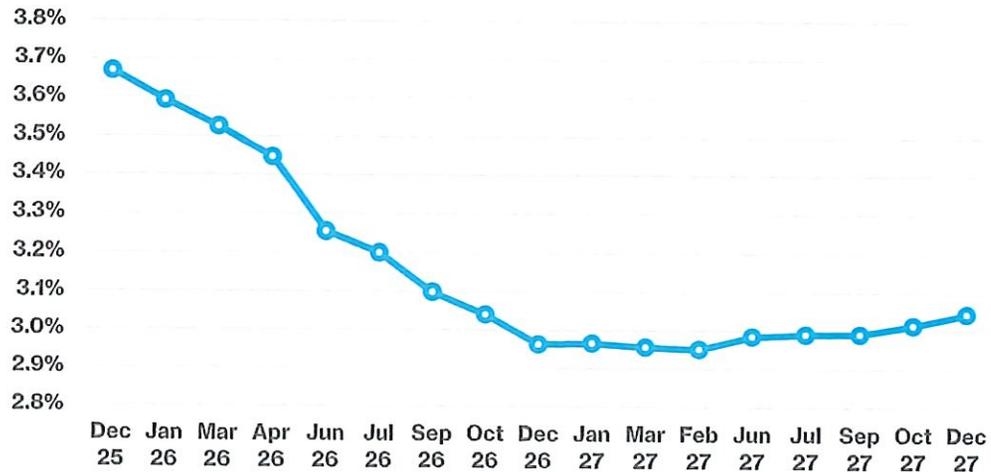
PUBLIC FUNDS

OBSERVATIONS AND EXPECTATIONS

- The futures market is pricing in a December 2025 .25% cut with about a 90% probability
- Q3 GDP is projected by the Atlanta Federal Reserve to have grown 3.9%
- Q4 GDP is expected to be lower due to the longest government shutdown on record
- The labor market has softened by many economic metrics in the second half of 2025
- U.S. Treasury rates were generally lower for the month of November

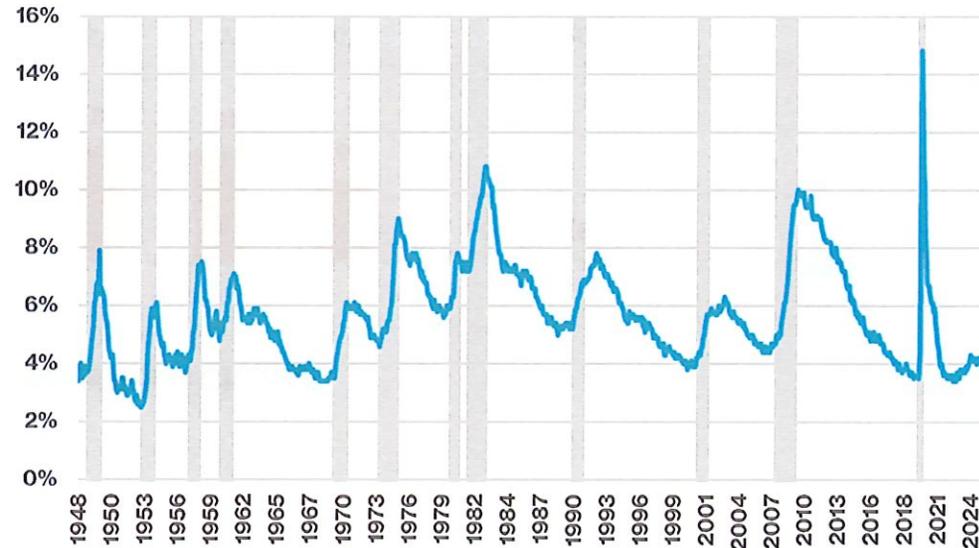
- The Fed Funds futures market is expecting the Fed Funds rate to end 2026 at about 2.95% and 2027 at approximately 3.05%. The Fed is expecting fewer cuts than the market is pricing in.
- The Fed is observing both of their mandates (employment and inflation) closely to determine the path of Fed Funds. They say the risk is more tilted to slower job growth.

Fed Funds Futures Yields



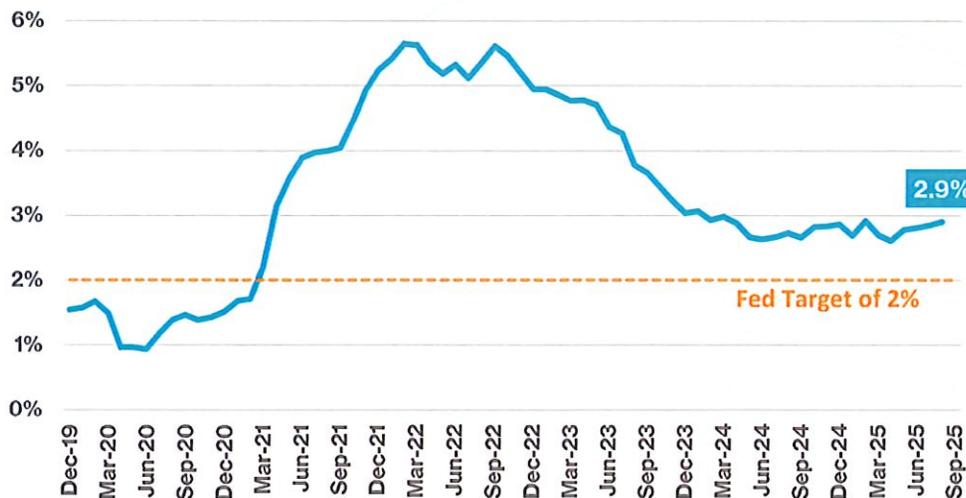
- The current unemployment rate of 4.4% has moved up from earlier this year but remains low by historical standards.
- Lower immigration during 2025 has clouded the conclusions from lower nonfarm payrolls.
- Economists estimate not as many jobs are needed as compared to the previous few years to keep the unemployment rate low.

U.S. Unemployment Rate



SOURCE: BLOOMBERG

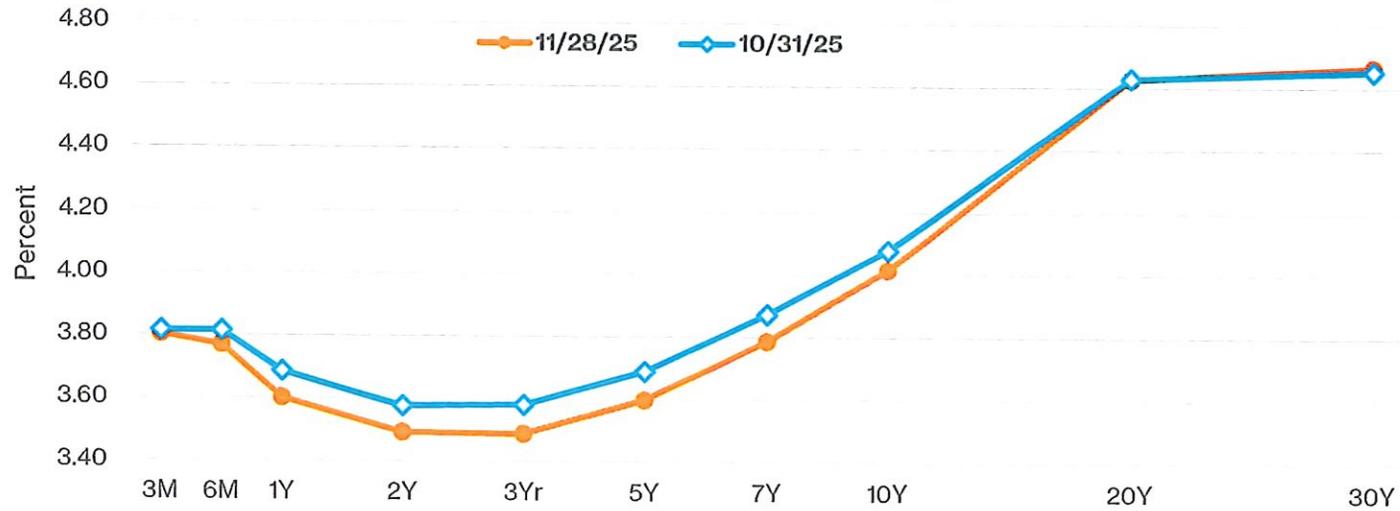
Core PCE YoY



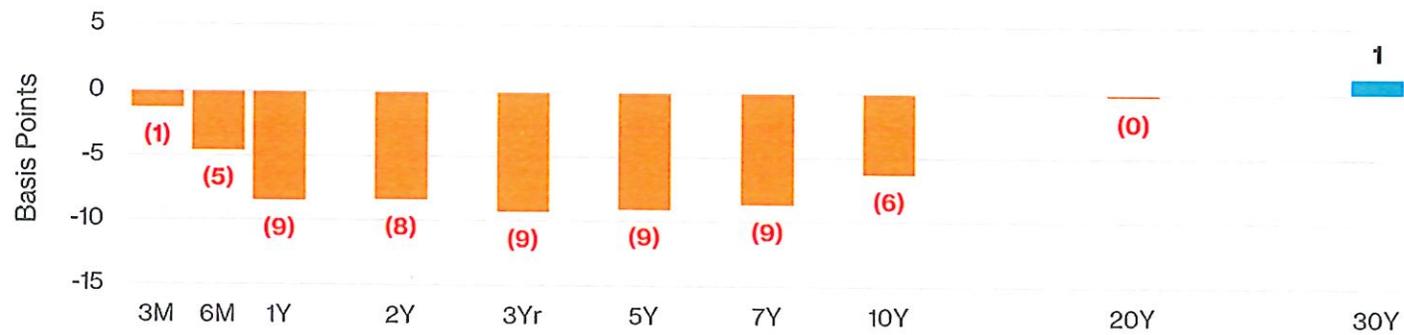
- Core Personal Consumption Expenditure YoY is the Fed's preferred inflation gauge.
- Core excludes food and energy components, which generally make the series less volatile.
- Core PCE YoY is currently at 2.9% and has been above the Fed's 2% target for 55 consecutive months.

SOURCE: BLOOMBERG

U.S. Treasury Yield Curve Change



Basis Point Change





Compliance Certification

The undersigned acknowledge they have reviewed this quarterly investment report for the period ending December 31, 2025. Officials designated as investment officers by this entity's Investment Policy attest that all investments comply with the Texas Public Funds Investment Act and this entity's Investment Policy.

Jonny Hipp, Administrator & CEO

Belinda Espinoza, Assistant Administrator

Donna Littlefield, Director of Accounting/Finance

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Portfolio Statistics

3.90

Weighted Average Yield to Maturity

0.13

Weighted Average Maturity (Years)

0.09

Portfolio Effective Duration (Years)

0.08

Weighted Average Life (Years)

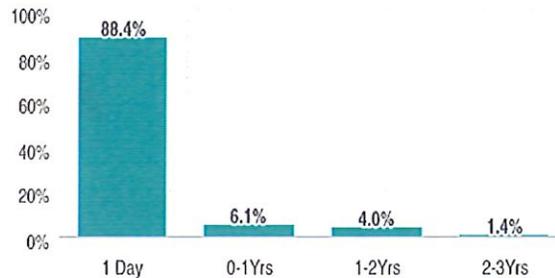
AA+

Average Credit Rating

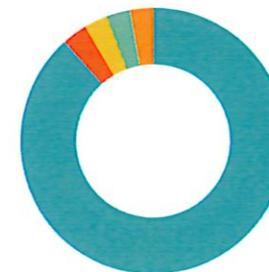
Portfolio Position

Par Value	\$210,360,755
Principal Cost	\$209,964,298
Book Value	\$210,137,439
Market Value	\$210,224,404
Unrealized Gain/Loss	\$86,966
Accrued Interest	\$253,554

Maturity Distribution



Sector Allocation



● LGIP	88.36%
● Municipal Bonds	3.06%
● U.S. Treasuries	2.88%
● U.S. Agencies	2.81%
● Commercial Paper	2.80%
● Bank Deposits	0.07%
● Money Market Funds	0.01%

Quarterly Portfolio Summary

This quarterly report is prepared in compliance with the Investment Policy and the Strategy of this entity and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

Portfolio as of September 30, 2025

BEGINNING BOOK VALUE	\$197,962,381.33
BEGINNING MARKET VALUE	\$198,056,014.99
UNREALIZED GAIN/(LOSS)	\$93,633.66
WEIGHTED AVERAGE MATURITY (YEARS)	0.14
WEIGHTED AVERAGE YIELD	4.24

Portfolio as of December 31, 2025

ENDING BOOK VALUE	\$210,137,438.80
ENDING MARKET VALUE	\$210,224,404.32
INVESTMENT INCOME FOR THE PERIOD	\$2,370,726.64
UNREALIZED GAIN/(LOSS)	\$86,965.52
CHANGE IN UNREALIZED GAIN/(LOSS)	(\$6,668.14)
WEIGHTED AVERAGE MATURITY (YEARS)	0.13
WEIGHTED AVERAGE YIELD	3.90

Quarterly Portfolio Summary By Fund

PORTFOLIO MARKET VALUE BY FUND	09/30/2025	12/31/2025	CHANGE	INTEREST EARNED
GENERAL	95,957,434.22	96,689,239.03	731,804.81	972,012.98
INDIGENT CARE	63,103,474.45	63,657,943.39	554,468.95	665,421.31
OPIOID SETTLEMENT FUND	2,938,513.01	2,968,133.15	29,620.14	29,620.14
RESTRICTED CASH	36,037,687.34	46,889,995.07	10,852,307.73	703,487.52
TOBACCO SETTLEMENT	2,004.86	2,025.18	20.32	20.32
TRUST-EMPLOYEE HEALTH BENEFITS	16,901.11	17,068.50	167.39	164.37
TOTAL	198,056,014.99	210,224,404.32	12,168,389.34	2,370,726.64

Portfolio Overview

SECURITY TYPE	PAR VALUE	MARKET VALUE	BOOK VALUE	% OF PORTFOLIO	DAYS TO MATURITY	YIELD
Bank Deposits	150,758.60	150,758.60	150,758.60	0.07%	1	1.68
LGIP	185,752,928.35	185,752,928.35	185,752,928.35	88.36%	1	3.84
Money Market Funds	17,068.50	17,068.50	17,068.50	0.01%	1	3.62
Commercial Paper	6,000,000.00	5,893,875.00	5,888,795.84	2.80%	168	4.15
U.S. Treasuries	6,000,000.00	6,053,789.07	5,995,230.70	2.88%	548	4.16
U.S. Agencies	6,000,000.00	5,912,880.00	5,913,834.73	2.81%	640	3.95
Municipal Bonds	6,440,000.00	6,443,104.80	6,418,822.08	3.06%	266	5.19
TOTAL	210,360,755.45	210,224,404.32	210,137,438.80	100.00%	48	3.90
CASH AND ACCRUED INTEREST						
Purchased Accrued Interest		4,993.33	4,993.33			
TOTAL CASH AND INVESTMENTS	210,360,755.45	210,229,397.65	210,142,432.13		48	3.90
TOTAL EARNINGS						
		CURRENT QUARTER				
		2,370,726.64				

Summary by Type

SECURITY TYPE	# OF SECURITIES	PAR VALUE	BOOK VALUE	% OF PORTFOLIO	YIELD	DAYS TO FINAL MATURITY
GENERAL						
Bank Deposits	2	132,327.60	132,327.60	0.06	1.68	1
LGIP	2	90,663,036.43	90,663,036.43	43.07	3.82	1
Commercial Paper	2	6,000,000.00	5,888,795.84	2.80	4.15	168
TOTAL	6	96,795,364.03	96,684,159.87	45.99	3.84	11
INDIGENT CARE						
LGIP	3	45,248,169.52	45,248,169.52	21.50	3.89	1
U.S. Treasuries	2	6,000,000.00	5,995,230.70	2.91	4.16	547
U.S. Agencies	2	6,000,000.00	5,913,834.73	2.84	3.96	643
Municipal Bonds	2	6,440,000.00	6,418,822.08	3.12	5.19	266
TOTAL	9	63,688,169.52	63,576,057.03	30.28	4.05	139
OPIOID SETTLEMENT FUND						
LGIP	1	2,968,133.15	2,968,133.15	1.41	3.82	1
TOTAL	1	2,968,133.15	2,968,133.15	1.41	3.82	1
RESTRICTED CASH						
Bank Deposits	1	18,431.00	18,431.00	0.01	1.68	1
LGIP	1	46,871,564.07	46,871,564.07	22.27	3.82	1
TOTAL	2	46,889,995.07	46,889,995.07	22.30	3.82	1
TOBACCO SETTLEMENT						
LGIP	1	2,025.18	2,025.18	0.00	3.82	1
TOTAL	1	2,025.18	2,025.18	0.00	3.82	1
TRUST-EMPLOYEE HEALTH BENEFITS						
Money Market Funds	1	17,068.50	17,068.50	0.01	3.62	1
TOTAL	1	17,068.50	17,068.50	0.01	3.62	199



Summary by Type

SECURITY TYPE	# OF SECURITIES	PAR VALUE	BOOK VALUE	% OF PORTFOLIO	YIELD	DAYS TO FINAL MATURITY
GRAND TOTAL	20	210,360,755.45	210,137,438.80	100.00	3.90	48



Position Statement

CUSIP	DESCRIPTION	TRADE DATE SETTLED DATE	PAR VALUE	PRINCIPAL COST PURCHASED INTEREST	TOTAL COST	YIELD TO MATURITY	MATURITY DATE	DAYS TO MATURITY	MARKET PRICE MARKET VALUE	UNREALIZED GAIN/LOSS BOOK VALUE	% OF MV	MOODY'S S&P RATING
GENERAL												
BANK DEPOSITS												
664027221	Frost Bank Public Fund Checking Account	12/31/2025 12/31/2025	5,246.09	5,246.09 0.00	5,246.09	1.68		1	1.00 5,246.09	0.00 5,246.09	0.00	NA NA
664053079	Frost Bank Public Fund Checking Account	12/31/2025 12/31/2025	127,081.51	127,081.51 0.00	127,081.51	1.68		1	1.00 127,081.51	0.00 127,081.51	0.06	NA NA
BANK DEPOSITS TOTAL			132,327.60	132,327.60 0.00	132,327.60	1.68		1	1.00 132,327.60	0.00 132,327.60	0.06	NA
LGIP												
TEXPOOL	TexPool	12/31/2025 12/31/2025	71,318,739.20	71,318,739.20 0.00	71,318,739.20	3.82		1	1.00 71,318,739.20	0.00 71,318,739.20	33.93	AAA
TXPOOL	TEXPOOL	12/31/2025 12/31/2025	19,344,297.23	19,344,297.23 0.00	19,344,297.23	3.82		1	1.00 19,344,297.23	0.00 19,344,297.23	9.20	NA
LGIP TOTAL			90,663,036.43	90,663,036.43 0.00	90,663,036.43	3.82		1	1.00 90,663,036.43	0.00 90,663,036.43	43.13	AAA
COMMERCIAL PAPER												
06743VES5	BARCLAYS CPITAL 05/26/26	07/24/2025 07/24/2025	3,000,000.00	2,891,625.00 0.00	2,891,625.00	4.41	05/26/2026	146	98.46 2,953,725.00	5,079.17 2,948,645.83	1.41	NA A-1
55607LG99	MACQUARIE BNK 07/09/26	12/12/2025 12/12/2025	3,000,000.00	2,933,816.67 0.00	2,933,816.67	3.89	07/09/2026	190	98.01 2,940,150.00	(0.00) 2,940,150.00	1.40	P-1 A-1
COMMERCIAL PAPER TOTAL			6,000,000.00	5,825,441.67 0.00	5,825,441.67	4.15		168	98.23 5,893,875.00	5,079.16 5,888,795.84	2.80	A-1
GENERAL TOTAL			96,795,364.03	96,620,805.70 0.00	96,620,805.70	3.84		11	1.00 96,689,239.03	5,079.16 96,684,159.87	45.99	AA+
INDIGENT CARE												
LGIP												
LOGIC	LOGIC	12/31/2025 12/31/2025	26,725,720.42	26,725,720.42 0.00	26,725,720.42	3.94		1	1.00 26,725,720.42	0.00 26,725,720.42	12.71	AAA
TEXSTAR	TexSTAR	12/31/2025 12/31/2025	13,221,180.72	13,221,180.72 0.00	13,221,180.72	3.82		1	1.00 13,221,180.72	0.00 13,221,180.72	6.29	AAA
TEXPOOL	TexPool	12/31/2025 12/31/2025	5,301,268.38	5,301,268.38 0.00	5,301,268.38	3.82		1	1.00 5,301,268.38	0.00 5,301,268.38	2.52	AAA
LGIP TOTAL			45,248,169.52	45,248,169.52 0.00	45,248,169.52	3.89		1	1.00 45,248,169.52	0.00 45,248,169.52	21.52	AAA
U.S. TREASURIES												
91282CKA8	US TREASURY 4.125 02/15/27	02/26/2025 02/26/2025	3,000,000.00	3,001,875.00 0.00	3,001,875.00	4.09	02/15/2027	411	100.65 3,019,453.14	18,383.95 3,001,069.19	1.44	Aa1 AA+



Position Statement

CUSIP	DESCRIPTION	TRADE DATE SETTLE DATE	PAR VALUE	PRINCIPAL COST PURCHASED INTEREST	TOTAL COST	YIELD TO MATURITY	MATURITY DATE	DAYS TO MATURITY	MARKET PRICE MARKET VALUE	UNREALIZED GAIN/LOSS BOOK VALUE	% OF MV	MOODY'S S&P RATING
91282CLX7	US TREASURY 4.125 11/15/27	11/27/2024 11/27/2024	3,000,000.00	2,990,742.19 0.00	2,990,742.19	4.24	11/15/2027	684	101.14 3,034,335.93	40,174.42 2,994,161.51	1.44	Aa1 AA+
U.S. TREASURIES												
TOTAL			6,000,000.00	5,992,617.19 0.00	5,992,617.19	4.16		548	100.90 6,053,789.07	58,558.37 5,995,230.70	2.88	AA+
U.S. AGENCIES												
3133EMKSO	FED FARM CR BNKS 0.530 12/16/26	12/11/2025 12/11/2025	3,000,000.00	2,908,650.00 0.00	2,908,650.00	3.62	12/16/2026	350	97.07 2,912,100.00	(1,734.73) 2,913,834.73	1.39	Aa1 AA+
3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26	07/24/2025 07/24/2025	3,000,000.00	3,000,000.00 4,993.33	3,004,993.33	4.28	07/10/2028	922	100.03 3,000,780.00	780.00 3,000,000.00	1.43	Aa1 AA+
U.S. AGENCIES												
TOTAL			6,000,000.00	5,908,650.00 4,993.33	5,913,643.33	3.95		640	98.57 5,912,880.00	(954.73) 5,913,834.73	2.81	AA+
MUNICIPAL BONDS												
592041WJ2	MET GOVT NASH- VILLE & DAVIDS 4.053 07/01/26 '26	08/11/2023 08/11/2023	4,075,000.00	3,951,975.75 0.00	3,951,975.75	5.19	07/01/2026	182	100.01 4,075,444.18	21,573.40 4,053,870.77	1.94	WR A
016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '25	11/08/2023 11/08/2023	2,365,000.00	2,364,858.10 0.00	2,364,858.10	5.20	02/15/2027	411	100.11 2,367,660.63	2,709.32 2,364,951.31	1.13	Aaa AAA
MUNICIPAL BONDS												
TOTAL			6,440,000.00	6,316,833.84 0.00	6,316,833.84	5.19		266	100.05 6,443,104.80	24,282.72 6,418,822.08	3.06	A+
INDIGENT CARE												
TOTAL			63,688,169.52	63,466,270.55 4,993.33	63,471,263.88	4.05		139	63,657,943.39	81,886.36 63,576,057.03	30.28	AA+
OPIOID SETTLEMENT FUND												
LGIP												
TEXPOOL	TexPool	12/31/2025 12/31/2025	2,968,133.15	2,968,133.15 0.00	2,968,133.15	3.82		1	1.00 2,968,133.15	0.00 2,968,133.15	1.41	AAA
LGIP TOTAL			2,968,133.15	2,968,133.15 0.00	2,968,133.15	3.82		1	1.00 2,968,133.15	0.00 2,968,133.15	1.41	AAA
OPIOID SETTLEMENT FUND TOTAL			2,968,133.15	2,968,133.15 0.00	2,968,133.15	3.82		1	2,968,133.15	0.00 2,968,133.15	1.41	AAA
RESTRICTED CASH												
BANK DEPOSITS												
664043316	Frost Bank Public Fund Checking Account	12/31/2025 12/31/2025	18,431.00	18,431.00 0.00	18,431.00	1.68		1	1.00 18,431.00	0.00 18,431.00	0.01	NA NA
BANK DEPOSITS												
TOTAL			18,431.00	18,431.00 0.00	18,431.00	1.68		1	1.00 18,431.00	0.00 18,431.00	0.01	NA

Position Statement

CUSIP	DESCRIPTION	TRADE DATE SETTLE DATE	PAR VALUE	PRINCIPAL COST PURCHASED INTEREST	TOTAL COST	YIELD TO MATURITY	MATURITY DATE	DAYS TO MATURITY	MARKET PRICE MARKET VALUE	UNREALIZED GAIN/LOSS BOOK VALUE	% OF MV	MOODY'S S&P RATING
LGIP												
TEXPOOL	TexPool	12/31/2025 12/31/2025	46,871,564.07	46,871,564.07 0.00	46,871,564.07	3.82		1	1.00 46,871,564.07	0.00 46,871,564.07	22.30	AAA
LGIP TOTAL			46,871,564.07	46,871,564.07 0.00	46,871,564.07	3.82		1	1.00 46,871,564.07	0.00 46,871,564.07	22.30	AAA
RESTRICTED CASH TOTAL			46,889,995.07	46,889,995.07 0.00	46,889,995.07	3.82		1	0.00 46,889,995.07	0.00 46,889,995.07	22.30	AAA
TOBACCO SETTLEMENT												
LGIP												
TEXPOOL	TexPool	12/31/2025 12/31/2025	2,025.18	2,025.18 0.00	2,025.18	3.82		1	1.00 2,025.18	0.00 2,025.18	0.00	AAA
LGIP TOTAL			2,025.18	2,025.18 0.00	2,025.18	3.82		1	1.00 2,025.18	0.00 2,025.18	0.00	AAA
TOBACCO SETTLEMENT TOTAL			2,025.18	2,025.18 0.00	2,025.18	3.82		1	0.00 2,025.18	0.00 2,025.18	0.00	AAA
TRUST-EMPLOYEE HEALTH BENEFITS												
MONEY MARKET FUNDS												
825252406	INVESCO TREA- SURY;INST	12/31/2025 12/31/2025	17,068.50	17,068.50 0.00	17,068.50	3.62		1	1.00 17,068.50	0.00 17,068.50	0.01	Aaa AAA
MONEY MARKET FUNDS TOTAL			17,068.50	17,068.50 0.00	17,068.50	3.62		1	1.00 17,068.50	0.00 17,068.50	0.01	AAA
TRUST-EMPLOYEE HEALTH BENEFITS TOTAL			17,068.50	17,068.50 0.00	17,068.50	3.62		1	0.00 17,068.50	0.00 17,068.50	0.01	AAA
GRAND TOTAL			210,360,755.45	209,964,298.15 4,993.33	209,969,291.48	3.90		48	86,965.52 210,137,438.80	86,965.52 210,137,438.80	100.00	AA+

Cash Reconciliation Report

GENERAL						
POST DATE	IDENTIFIER	DESCRIPTION	PAR VALUE	FINAL MATURITY	PRINCIPAL	AMOUNT
BUY						
12/12/2025	55607LG99	MACQUARIE BNK 07/09/26	3,000,000.00	07/09/2026	2,933,816.67	-2,933,816.67
BUY TOTAL			3,000,000.00		2,933,816.67	-2,933,816.67
POST DATE	IDENTIFIER	DESCRIPTION	PAR VALUE	FINAL MATURITY	PRINCIPAL	AMOUNT
MATURITY						
11/21/2025	62479LYM1	MUFG Bank, Ltd., New York Branch 0.0 11/21/2025	-3,000,000.00	11/21/2025	-3,000,000.00	3,000,000.00
11/25/2025	05253AYR5	Australia and New Zealand Banking Group Limited 0.0 11/25/2025	-3,000,000.00	11/25/2025	-3,000,000.00	3,000,000.00
MATURITY TOTAL			-6,000,000.00		-6,000,000.00	6,000,000.00
INDIGENT CARE						
POST DATE	IDENTIFIER	DESCRIPTION	PAR VALUE	FINAL MATURITY	PRINCIPAL	AMOUNT
BUY						
12/11/2025	3133EMKSO	FED FARM CR BNKS 0.530 12/16/26	3,000,000.00	12/16/2026	2,908,650.00	-2,916,379.17
BUY TOTAL			3,000,000.00		2,908,650.00	-2,916,379.17
POST DATE	IDENTIFIER	DESCRIPTION	PAR VALUE	FINAL MATURITY	PRINCIPAL	AMOUNT
COUPON						
11/17/2025	91282CLX7	US TREASURY 4.125 11/15/27	0.00	11/15/2027	0.00	61,875.00
12/16/2025	3133EMKSO	FED FARM CR BNKS 0.530 12/16/26	0.00	12/16/2026	0.00	7,950.00
COUPON TOTAL			0.00		0.00	69,825.00
POST DATE	IDENTIFIER	DESCRIPTION	PAR VALUE	FINAL MATURITY	PRINCIPAL	AMOUNT
MATURITY						
10/31/2025	8923A0XX6	Toyota Credit De Puerto Rico, Inc 0.0 10/31/2025	-3,000,000.00	10/31/2025	-3,000,000.00	3,000,000.00
MATURITY TOTAL			-3,000,000.00		-3,000,000.00	3,000,000.00

Transaction Statement

INDIGENT CARE									
	TRADE DATE	SETTLE DATE	CUSIP	DESCRIPTION	PAR VALUE	PRINCIPAL COST	PURCHASED INTEREST	TOTAL	PURCHASE YIELD
BUY									
	12/11/2025	12/11/2025	3133EMKS0	FED FARM CR BNKS 0.530 12/16/26	3,000,000.00	2,908,650.00	7,729.17	(2,916,379.17)	3.62
BUY TOTAL					3,000,000.00	2,908,650.00	7,729.17	(2,916,379.17)	3.62

	TRADE DATE	SETTLE DATE	CUSIP	DESCRIPTION	PAR VALUE	BOOK VALUE	TOTAL	NET REALIZED GAIN/LOSS
MATURITY								
	10/31/2025	10/31/2025	8923A0XX6	Toyota Credit De Puerto Rico, Inc 0.0 10/31/2025	(3,000,000.00)	3,000,000.00	3,000,000.00	0.00
MATURITY TOTAL					(3,000,000.00)	3,000,000.00	3,000,000.00	0.00

GENERAL									
	TRADE DATE	SETTLE DATE	CUSIP	DESCRIPTION	PAR VALUE	PRINCIPAL COST	PURCHASED INTEREST	TOTAL	PURCHASE YIELD
BUY									
	12/12/2025	12/12/2025	55607LG99	MACQUARIE BNK 07/09/26	3,000,000.00	2,933,816.67	0.00	(2,933,816.67)	3.89
BUY TOTAL					3,000,000.00	2,933,816.67	0.00	(2,933,816.67)	3.89

	TRADE DATE	SETTLE DATE	CUSIP	DESCRIPTION	PAR VALUE	BOOK VALUE	TOTAL	NET REALIZED GAIN/LOSS
MATURITY								
	11/21/2025	11/21/2025	62479LYM1	MUFG Bank, Ltd., New York Branch 0.0 11/21/2025	(3,000,000.00)	3,000,000.00	3,000,000.00	0.00
	11/25/2025	11/25/2025	05253AYR5	Australia and New Zealand Banking Group Limited 0.0 11/25/2025	(3,000,000.00)	3,000,000.00	3,000,000.00	0.00
MATURITY TOTAL					(6,000,000.00)	6,000,000.00	6,000,000.00	0.00

Amortization Schedule

CUSIP	DESCRIPTION	PAR VALUE	PRINCIPAL COST	ORIGINAL PREMIUM OR DISCOUNT	BEGINNING BOOK VALUE	CURRENT PERIOD AMORT	ENDING BOOK VALUE	TOTAL AMORTIZATION	UNAMORTIZED BALANCE
GENERAL									
05253AYR5	Australia and New Zealand Banking Group Limited 0.0 11/25/2025	3,000,000.00	2,867,202.50	(132,797.50)	2,979,879.17	20,120.83	0.00	132,797.50	0.00
06743VES5	BARCLAYS CPITAL 05/26/26	3,000,000.00	2,891,625.00	(108,375.00)	2,916,062.50	32,583.33	2,948,645.83	57,020.83	(51,354.17)
55607LG99	MACQUARIE BNK 07/09/26	3,000,000.00	2,933,816.67	(66,183.33)	0.00	6,333.33	2,940,150.00	6,333.33	(59,850.00)
62479LYM1	MUFG Bank, Ltd., New York Branch 0.0 11/21/2025	3,000,000.00	2,904,413.33	(95,586.67)	2,981,810.00	18,190.00	0.00	95,586.67	0.00
TOTAL		12,000,000.00	11,597,057.50	(402,942.50)	8,877,751.67	77,227.50	5,888,795.84	291,738.34	(111,204.16)
INDIGENT CARE									
016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '25	2,365,000.00	2,364,858.10	(141.90)	2,364,940.38	10.93	2,364,951.31	93.21	(48.69)
3133EMKSO	FED FARM CR BNKS 0.530 12/16/26	3,000,000.00	2,908,650.00	(91,350.00)	0.00	5,184.73	2,913,834.73	5,184.73	(86,165.27)
3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26	3,000,000.00	3,000,000.00	0.00	3,000,000.00	0.00	3,000,000.00	0.00	0.00
592041WJ2	MET GOVT NASHVILLE & DAVIDS 4.053 07/01/26 '26	4,075,000.00	3,951,975.75	(123,024.25)	4,043,131.05	10,739.72	4,053,870.77	101,895.03	(21,129.23)
8923A0XX6	Toyota Credit De Puerto Rico, Inc 0.0 10/31/2025	3,000,000.00	2,900,393.33	(99,606.67)	2,988,850.00	11,150.00	0.00	99,606.67	0.00
91282CKA8	US TREASURY 4.125 02/15/27	3,000,000.00	3,001,875.00	1,875.00	3,001,309.11	(239.92)	3,001,069.19	(805.81)	1,069.19
91282CLX7	US TREASURY 4.125 11/15/27	3,000,000.00	2,990,742.19	(9,257.81)	2,993,375.07	786.44	2,994,161.51	3,419.32	(5,838.49)
TOTAL		21,440,000.00	21,118,494.36	(321,505.64)	18,391,605.61	27,631.90	18,327,887.51	209,393.15	(112,112.49)
GRAND TOTAL		33,440,000.00	32,715,551.86	(724,448.14)	27,269,357.28	104,859.40	24,216,683.35	501,131.48	(223,316.65)



Accrued Interest Schedule

IDENTIFIER	DESCRIPTION	SETTLE DATE	PAR VALUE	PRINCIPAL COST	BEGINNING ACCRUED INTEREST	PURCHASED INTEREST	CURRENT PERIOD ACCRUAL	INTEREST RECEIVED	ENDING ACCRUED INTEREST
GENERAL									
06743VES5	BARCLAYS CPITAL 05/26/26	2025-07-24	3,000,000.00	2,891,625.00	0.00	0.00	0.00	0.00	0.00
664053079	Frost Bank Public Fund Checking Account	2025-12-31	127,081.51	127,081.51	0.00	0.00	5,970.00	5,970.00	0.00
664027221	Frost Bank Public Fund Checking Account	2025-12-31	5,246.09	5,246.09	0.00	0.00	67.08	67.08	0.00
55607LG99	MACQUARIE BNK 07/09/26	2025-12-12	3,000,000.00	2,933,816.67	0.00	0.00	0.00	0.00	0.00
TXPOOL	TEXPOOL	2025-12-31	19,344,297.23	19,344,297.23	0.00	0.00	264,852.04	264,852.04	0.00
TEXPOOL	TexPool	2025-12-31	71,318,739.20	71,318,739.20	0.00	0.00	623,896.36	623,896.36	0.00
TOTAL			96,795,364.03	96,620,805.70	0.00	0.00	894,785.48	894,785.48	0.00

INDIGENT CARE									
016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '25	2023-11-08	2,365,000.00	2,364,858.10	15,714.11	0.00	30,745.00	0.00	46,459.11
3133EMKSO	FED FARM CR BNKS 0.530 12/16/26	2025-12-11	3,000,000.00	2,908,650.00	0.00	(7,729.17)	883.33	7,950.00	662.50
3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26	2025-07-24	3,000,000.00	3,000,000.00	28,890.00	0.00	32,100.00	0.00	60,990.00
LOGIC	LOGIC	2025-12-31	26,725,720.42	26,725,720.42	0.00	0.00	273,918.77	273,918.77	0.00
592041WJ2	MET GOVT NASHVILLE & DAVIDS 4.053 07/01/26 '26	2023-08-11	4,075,000.00	3,951,975.75	41,289.94	0.00	41,289.94	0.00	82,579.88
TEXPOOL	TexPool	2025-12-31	5,301,268.38	5,301,268.38	0.00	0.00	65,171.26	65,171.26	0.00
TEXSTAR	TexSTAR	2025-12-31	13,221,180.72	13,221,180.72	0.00	0.00	131,544.15	131,544.15	0.00
91282CKA8	US TREASURY 4.125 02/15/27	2025-02-26	3,000,000.00	3,001,875.00	15,805.03	0.00	30,937.50	0.00	46,742.53
91282CLX7	US TREASURY 4.125 11/15/27	2024-11-27	3,000,000.00	2,990,742.19	46,742.53	0.00	31,199.46	61,875.00	16,066.99
TOTAL			63,688,169.52	63,466,270.55	148,441.60	(7,729.17)	637,789.41	540,459.18	253,501.00

OPIOID SETTLEMENT FUND									
TEXPOOL	TexPool	2025-12-31	2,968,133.15	2,968,133.15	0.00	0.00	29,620.14	29,620.14	0.00
TOTAL			2,968,133.15	2,968,133.15	0.00	0.00	29,620.14	29,620.14	0.00

RESTRICTED CASH									
664043316	Frost Bank Public Fund Checking Account	2025-12-31	18,431.00	18,431.00	0.00	0.00	5,465.60	5,465.60	0.00
TEXPOOL	TexPool	2025-12-31	46,871,564.07	46,871,564.07	0.00	0.00	698,021.92	698,021.92	0.00



Accrued Interest Schedule

IDENTIFIER	DESCRIPTION	SETTLE DATE	PAR VALUE	PRINCIPAL COST	BEGINNING ACCRUED INTEREST	PURCHASED INTEREST	CURRENT PERIOD ACCRUAL	INTEREST RECEIVED	ENDING ACCRUED INTEREST
TOTAL			46,889,995.07	46,889,995.07	0.00	0.00	703,487.52	703,487.52	0.00
TOBACCO SETTLEMENT									
TEXPOOL	TexPool	2025-12-31	2,025.18	2,025.18	0.00	0.00	20.32	20.32	0.00
TOTAL			2,025.18	2,025.18	0.00	0.00	20.32	20.32	0.00
TRUST-EMPLOYEE HEALTH BENEFITS									
825252406	INVESCO TREASURY;INST	2025-12-31	17,068.50	17,068.50	80.32	0.00	164.37	191.24	53.45
TOTAL			17,068.50	17,068.50	80.32	0.00	164.37	191.24	53.45
GRAND TOTAL			210,360,755.45	209,964,298.15	148,521.92	(7,729.17)	2,265,867.24	2,168,563.88	253,554.45



Earnings by Fund

CUSIP	DESCRIPTION	ENDING PAR VALUE	BEGINNING BOOK VALUE	ENDING BOOK VALUE	FINAL MATURITY	COUPON RATE	YIELD	INTEREST EARNED	NET AMORTIZATION/ ACCRETION INCOME	NET REALIZED GAIN/LOSS	ADJUSTED INTEREST EARNINGS
GENERAL											
05253AYR5	Australia and New Zealand Banking Group Limited 0.0 11/25/2025	0.00	2,979,879.17	0.00	11/25/2025	0.00	4.54	0.00	20,120.83	0.00	20,120.83
06743VES5	BARCLAYS CPITAL 05/26/26	3,000,000.00	2,916,062.50	2,948,645.83	05/26/2026	0.00	4.41	0.00	32,583.33	0.00	32,583.33
55607LG99	MACQUARIE BNK 07/09/26	3,000,000.00	0.00	2,940,150.00	07/09/2026	0.00	3.89	0.00	6,333.33	0.00	6,333.33
62479LYM1	MUFG Bank, Ltd., New York Branch 0.0 11/21/2025	0.00	2,981,810.00	0.00	11/21/2025	0.00	4.42	0.00	18,190.00	0.00	18,190.00
664027221	Frost Bank Public Fund Checking Account	5,246.09	5,179.01	5,246.09	12/31/2025	3.83	1.68	67.08	0.00	0.00	67.08
664053079	Frost Bank Public Fund Checking Account	127,081.51	183,939.29	127,081.51	12/31/2025	3.83	1.68	5,970.00	0.00	0.00	5,970.00
TEXPOOL	TexPool	71,318,739.20	51,159,735.01	71,318,739.20	12/31/2025	5.34	3.82	623,896.36	0.00	0.00	623,896.36
TXPOOL	TEXPOOL	19,344,297.23	35,724,974.91	19,344,297.23	12/31/2025	5.32	3.82	264,852.04	0.00	0.00	264,852.04
TOTAL		96,795,364.03	95,951,579.89	96,684,159.87		5.00	3.84	894,785.48	77,227.50	0.00	972,012.98
INDIGENT CARE											
016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '25	2,365,000.00	2,364,940.38	2,364,951.31	02/15/2027	5.20	5.20	30,745.00	10.93	0.00	30,755.93
3133EMKS0	FED FARM CR BNKS 0.530 12/16/26	3,000,000.00	0.00	2,913,834.73	12/16/2026	0.53	3.62	883.33	5,184.73	0.00	6,068.06
3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26	3,000,000.00	3,000,000.00	3,000,000.00	07/10/2028	4.28	4.28	32,100.00	0.00	0.00	32,100.00
592041WJ2	MET GOVT NASHVILLE & DAVIDS 4.053 07/01/26 '26	4,075,000.00	4,043,131.05	4,053,870.77	07/01/2026	4.05	5.19	41,289.94	10,739.72	0.00	52,029.66
8923A0XX6	Toyota Credit De Puerto Rico, Inc 0.0 10/31/2025	0.00	2,988,850.00	0.00	10/31/2025	0.00	4.59	0.00	11,150.00	0.00	11,150.00
91282CKA8	US TREASURY 4.125 02/15/27	3,000,000.00	3,001,309.11	3,001,069.19	02/15/2027	4.13	4.09	30,937.50	(239.92)	0.00	30,697.58
91282CLX7	US TREASURY 4.125 11/15/27	3,000,000.00	2,993,375.07	2,994,161.51	11/15/2027	4.13	4.24	31,199.46	786.44	0.00	31,985.91
LOGIC	LOGIC	26,725,720.42	26,451,801.65	26,725,720.42	12/31/2025	0.00	3.94	273,918.77	0.00	0.00	273,918.77
TEXPOOL	TexPool	5,301,268.38	5,082,651.29	5,301,268.38	12/31/2025	5.34	3.82	65,171.26	0.00	0.00	65,171.26
TEXSTAR	TexSTAR	13,221,180.72	13,089,636.57	13,221,180.72	12/31/2025	5.30	3.82	131,544.15	0.00	0.00	131,544.15
TOTAL		63,688,169.52	63,015,695.12	63,576,057.03		2.62	4.06	637,789.41	27,631.90	0.00	665,421.31
OPIOID SETTLEMENT FUND											
TEXPOOL	TexPool	2,968,133.15	2,938,513.01	2,968,133.15	12/31/2025	5.34	3.82	29,620.14	0.00	0.00	29,620.14



Earnings by Fund

CUSIP	DESCRIPTION	ENDING PAR VALUE	BEGINNING BOOK VALUE	ENDING BOOK VALUE	FINAL MATURITY	COUPON RATE	YIELD	INTEREST EARNED	NET AMORTIZATION/ ACCRETION INCOME	NET REALIZED GAIN/LOSS	ADJUSTED INTEREST EARNINGS
TOTAL		2,968,133.15	2,938,513.01	2,968,133.15		5.34	3.82	29,620.14	0.00	0.00	29,620.14
RESTRICTED CASH											
664043316	Frost Bank Public Fund Checking Account	18,431.00	12,965.40	18,431.00	12/31/2025	3.83	1.68	5,465.60	0.00	0.00	5,465.60
TEXPOOL	TexPool	46,871,564.07	36,024,721.94	46,871,564.07	12/31/2025	5.34	3.82	698,021.92	0.00	0.00	698,021.92
TOTAL		46,889,995.07	36,037,687.34	46,889,995.07		5.33	3.82	703,487.52	0.00	0.00	703,487.52
TOBACCO SETTLEMENT											
TEXPOOL	TexPool	2,025.18	2,004.86	2,025.18	12/31/2025	5.34	3.82	20.32	0.00	0.00	20.32
TOTAL		2,025.18	2,004.86	2,025.18		5.34	3.82	20.32	0.00	0.00	20.32
TRUST-EMPLOYEE HEALTH BENEFITS											
825252406	INVESCO TREASURY;INST	17,068.50	16,901.11	17,068.50	12/31/2025	3.58	3.62	164.37	0.00	0.00	164.37
TOTAL		17,068.50	16,901.11	17,068.50		3.58	3.62	164.37	0.00	0.00	164.37
GRAND TOTAL		210,360,755.45	197,962,381.33	210,137,438.80		4.36	3.90	2,265,867.24	104,859.40	0.00	2,370,726.64

Projected Cashflows

For the Period January 01, 2026 to June 30, 2026

CUSIP	DESCRIPTION	POST DATE	TRANSACTION TYPE	AMOUNT
GENERAL				
MAY 2026				
06743VES5	BARCLAYS CPITAL 05/26/26	05/26/2026	Final Maturity	3,000,000.00
MAY 2026 TOTAL				3,000,000.00
JUL 2026				
55607LG99	MACQUARIE BNK 07/09/26	07/09/2026	Final Maturity	3,000,000.00
JUL 2026 TOTAL				3,000,000.00
GENERAL TOTAL				6,000,000.00
INDIGENT CARE				
JAN 2026				
592041WJ2	MET GOVT NASHVILLE & DAVIDS 4.053 07/01/26 '26	01/02/2026	Coupon	82,579.88
JAN 2026 TOTAL				82,579.88
FEB 2026				
016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '25	02/09/2026	Coupon	59,440.33
91282CKA8	US TREASURY 4.125 02/15/27	02/17/2026	Coupon	61,875.00
FEB 2026 TOTAL				121,315.33
APR 2026				
592041WJ2	MET GOVT NASHVILLE & DAVIDS 4.053 07/01/26 '26	04/01/2026	Coupon	41,289.94
APR 2026 TOTAL				41,289.94
MAY 2026				
91282CLX7	US TREASURY 4.125 11/15/27	05/15/2026	Coupon	61,875.00
MAY 2026 TOTAL				61,875.00
JUN 2026				
3133EMKS0	FED FARM CR BNKS 0.530 12/16/26	06/16/2026	Coupon	7,950.00

Projected Cashflows

For the Period January 01, 2026 to June 30, 2026

CUSIP	DESCRIPTION	POST DATE	TRANSACTION TYPE	AMOUNT
JUN 2026 TOTAL				7,950.00
JUL 2026				
3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26	07/10/2026	Coupon	64,200.00
JUL 2026 TOTAL				64,200.00
AUG 2026				
91282CKA8	US TREASURY 4.125 02/15/27	08/17/2026	Coupon	61,875.00
AUG 2026 TOTAL				61,875.00
INDIGENT CARE TOTAL				441,085.15
GRAND TOTAL				6,441,085.15

Change in Value

IDENTIFIER	ISSUER PAR VALUE	YIELD	TRADE DATE MATURITY DATE	INTEREST ACCRUAL INTEREST RECEIVED	BEGINNING BOOK VALUE BEGINNING MARKET VALUE	PURCHASES/ ADDITIONS	REDEMPTIONS	CHANGE IN BOOK VALUE CHANGE IN MARKET VALUE	ENDING BOOK VALUE ENDING MARKET VALUE
GENERAL									
62479LYM1	MUFG Bank, Ltd., New York Branch 0.0 11/21/2025 0.00	4.42	02/26/2025 11/21/2025	0.00 0.00	2,981,810.00 2,982,297.00	0.00	(3,000,000.00)	(2,981,810.00) (2,982,297.00)	0.00 0.00
05253AYR5	Australia and New Zealand Banking Group Limited 0.0 11/25/2025 0.00	4.54	11/27/2024 11/25/2025	0.00 0.00	2,979,879.17 2,981,001.00	0.00	(3,000,000.00)	(2,979,879.17) (2,981,001.00)	0.00 0.00
664027221	Frost Bank Public Fund Checking Account 5,246.09	1.68	12/31/2025	67.08 67.08	5,179.01 5,179.01	67.08	0.00	67.08 67.08	5,246.09 5,246.09
TEXPOOL	TexPool 71,318,739.20	3.82	12/31/2025	623,896.36 623,896.36	51,159,735.01 51,159,735.01	20,159,004.19	0.00	20,159,004.19 20,159,004.19	71,318,739.20 71,318,739.20
TXPOOL	TEXPOOL 19,344,297.23	3.82	12/31/2025	264,852.04 264,852.04	35,724,974.91 35,724,974.91	11,449,640.80	(27,830,318.48)	(16,380,677.68) (16,380,677.68)	19,344,297.23 19,344,297.23
664053079	Frost Bank Public Fund Checking Account 127,081.51	1.68	12/31/2025	5,970.00 5,970.00	183,939.29 183,939.29	124,929.83	(181,787.61)	(56,857.78) (56,857.78)	127,081.51 127,081.51
06743VES5	BARCLAYS CPITAL 05/26/26 3,000,000.00	4.41	07/24/2025 05/26/2026	0.00 0.00	2,916,062.50 2,920,308.00	0.00	0.00	32,583.33 33,417.00	2,948,645.83 2,953,725.00
55607LG99	MACQUARIE BNK 07/09/26 3,000,000.00	3.89	12/12/2025 07/09/2026	0.00 0.00	0.00 0.00	2,933,816.67	0.00	2,940,150.00 2,940,150.00	2,940,150.00 2,940,150.00
TOTAL		3.84		894,785.48 894,785.48	95,951,579.89 95,957,434.22	34,667,458.57	(34,012,106.09)	732,579.98 731,804.81	96,684,159.87 96,689,239.03
INDIGENT CARE									
8923A0XX6	Toyota Credit De Puerto Rico, Inc 0.0 10/31/2025 0.00	4.59	02/05/2025 10/31/2025	0.00 0.00	2,988,850.00 2,989,359.00	0.00	(3,000,000.00)	(2,988,850.00) (2,989,359.00)	0.00 0.00
TEXPOOL	TexPool 5,301,268.38	3.82	12/31/2025	65,171.26 65,171.26	5,082,651.29 5,082,651.29	3,106,740.57	(2,888,123.48)	218,617.09 218,617.09	5,301,268.38 5,301,268.38
TEXSTAR	TexSTAR 13,221,180.72	3.82	12/31/2025	131,544.15 131,544.15	13,089,636.57 13,089,636.57	131,544.15	0.00	131,544.15 131,544.15	13,221,180.72 13,221,180.72
LOGIC	LOGIC 26,725,720.42	3.94	12/31/2025	273,918.77 273,918.77	26,451,801.65 26,451,801.65	273,918.77	0.00	273,918.77 273,918.77	26,725,720.42 26,725,720.42
592041WJ2	MET GOVT NASHVILLE & DAVIDS 4.053 07/01/26 '26 4,075,000.00	5.19	08/11/2023 07/01/2026	41,289.94 0.00	4,043,131.05 4,076,903.03	0.00	0.00	10,739.72 (1,458.85)	4,053,870.77 4,075,444.18
3133EMKSO	FED FARM CR BNKS 0.530 12/16/26 3,000,000.00	3.62	12/11/2025 12/16/2026	883.33 7,950.00	0.00 0.00	2,908,650.00	0.00	2,913,834.73 2,912,100.00	2,913,834.73 2,912,100.00



Change in Value

IDENTIFIER	ISSUER PAR VALUE	YIELD	TRADE DATE MATURITY DATE	INTEREST ACCRUAL INTEREST RECEIVED	BEGINNING BOOK VALUE BEGINNING MARKET VALUE	PURCHASES/ ADDITIONS	REDEMPTIONS	CHANGE IN BOOK VALUE CHANGE IN MARKET VALUE	ENDING BOOK VALUE ENDING MARKET VALUE
016249FQ2	ALIEF TEX INDPT SCH DIST 5.200 02/15/27 '25 2,365,000.00	5.20	11/08/2023 02/15/2027	30,745.00 0.00	2,364,940.38 2,367,724.48	0.00	0.00	10.93 (63.86)	2,364,951.31 2,367,660.63
91282CKA8	US TREASURY 4.125 02/15/27 3,000,000.00	4.09	02/26/2025 02/15/2027	30,937.50 0.00	3,001,309.11 3,017,460.93	0.00	0.00	(239.92) 1,992.21	3,001,069.19 3,019,453.14
91282CLX7	US TREASURY 4.125 11/15/27 3,000,000.00	4.24	11/27/2024 11/15/2027	31,199.46 61,875.00	2,993,375.07 3,030,937.50	0.00	0.00	786.44 3,398.43	2,994,161.51 3,034,335.93
3133ETPN1	FED FARM CR BNKS 4.280 07/10/28 '26 3,000,000.00	4.28	07/24/2025 07/10/2028	32,100.00 0.00	3,000,000.00 2,997,000.00	0.00	0.00	0.00 3,780.00	3,000,000.00 3,000,780.00
TOTAL		4.06		637,789.41 540,459.18	63,015,695.12 63,103,474.45	6,420,853.49	(5,888,123.48)	560,361.91 554,468.95	63,576,057.03 63,657,943.39

**OPIOID SETTLEMENT
FUND**

TEXPOOL	TexPool 2,968,133.15	3.82	12/31/2025	29,620.14 29,620.14	2,938,513.01 2,938,513.01	29,620.14	0.00	29,620.14 29,620.14	2,968,133.15 2,968,133.15
TOTAL		3.82		29,620.14 29,620.14	2,938,513.01 2,938,513.01	29,620.14	0.00	29,620.14 29,620.14	2,968,133.15 2,968,133.15

RESTRICTED CASH

664043316	Frost Bank Public Fund Checking Account 18,431.00	1.68	12/31/2025	5,465.60 5,465.60	12,965.40 12,965.40	5,465.60	0.00	5,465.60 5,465.60	18,431.00 18,431.00
TEXPOOL	TexPool 46,871,564.07	3.82	12/31/2025	698,021.92 698,021.92	36,024,721.94 36,024,721.94	52,429,627.36	(41,582,785.23)	10,846,842.13 10,846,842.13	46,871,564.07 46,871,564.07
TOTAL		3.82		703,487.52 703,487.52	36,037,687.34 36,037,687.34	52,435,092.96	(41,582,785.23)	10,852,307.73 10,852,307.73	46,889,995.07 46,889,995.07

**TOBACCO
SETTLEMENT**

TEXPOOL	TexPool 2,025.18	3.82	12/31/2025	20.32 20.32	2,004.86 2,004.86	20.32	0.00	20.32 20.32	2,025.18 2,025.18
TOTAL		3.82		20.32 20.32	2,004.86 2,004.86	20.32	0.00	20.32 20.32	2,025.18 2,025.18

Change in Value

IDENTIFIER	ISSUER PAR VALUE	YIELD	TRADE DATE MATURITY DATE	INTEREST ACCRUAL INTEREST RECEIVED	BEGINNING BOOK VALUE BEGINNING MARKET VALUE	PURCHASES/ ADDITIONS	REDEMPTIONS	CHANGE IN BOOK VALUE CHANGE IN MARKET VALUE	ENDING BOOK VALUE ENDING MARKET VALUE
TRUST-EMPLOYEE HEALTH BENEFITS									
825252406	INVESCO TREASURY;INST 17,068.50	3.62	12/31/2025	164.37 191.24	16,901.11 16,901.11	167.39	0.00	167.39 167.39	17,068.50 17,068.50
TOTAL		3.62		164.37 191.24	16,901.11 16,901.11	167.39	0.00	167.39 167.39	17,068.50 17,068.50
GRAND TOTAL		3.90		2,265,867.24 2,168,563.88	197,962,381.33 198,056,014.99	93,553,212.87	(81,483,014.80)	12,175,057.47 12,168,389.34	210,137,438.80 210,224,404.32

Disclosure

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**Nueces County Hospital District
Proposed Interim Charges
90th Texas Legislative Session
January 16, 2026**

Study of Physician and Mental Health Workforce Shortages in Rural Areas and Regional Population Centers of Texas, with Emphasis on the Coastal Bend and South Texas

Background

Texas continues to experience persistent and worsening shortages of physicians in **rural areas and regional population centers**, particularly in **the Coastal Bend and South Texas**, where large geographic catchment areas depend on a limited number of safety-net hospitals, regional health systems, and publicly supported facilities. These shortages affect access to primary care, specialty services, behavioral health, obstetrical care, and emergency services, with significant implications for population health, hospital sustainability, Medicaid access, workforce participation, and regional economic development.

In addition, **the Coastal Bend and South Texas face limited access to state-supported inpatient and outpatient mental health facilities**, resulting in prolonged emergency department boarding, increased pressure on county jails, law-enforcement involvement in behavioral health crises, and delayed or foregone treatment for individuals with serious mental illness. The Legislature should examine whether current state mental-health infrastructure, facility placement, and workforce capacity adequately serve regions with large rural catchment areas and growing behavioral-health needs.

During the interim, the Legislature should examine the scope, causes, and potential solutions to physician and mental-health workforce shortages outside of major metropolitan areas, with focused attention on regions that serve extensive rural populations.

HOUSE OF REPRESENTATIVES

Committee on Public Health

Interim Charge 1: Physician Workforce Distribution

Study the current supply, geographic distribution, and specialty mix of physicians practicing in **rural areas and regional population centers**, including those located in **the Coastal Bend and South Texas**. Analyze Health Professional Shortage Area (HPSA) designations, trends over the

**Nueces County Hospital District
Proposed Interim Charges
90th Texas Legislative Session
January 16, 2026**

past decade, and projected workforce needs based on population growth, aging, physician retirement, and changing patterns of health-care delivery in these regions.

Interim Charge 2: Graduate Medical Education Expansion in Rural-Serving Regions

Examine opportunities to expand state-supported graduate medical education, including funding for additional primary care and high-need specialty residency positions at safety-net hospitals and teaching facilities that serve **the Coastal Bend, South Texas, and surrounding rural areas**. Review existing federal and state funding mechanisms and statutory authority under the Texas Health and Safety Code and Texas Government Code. Assess the workforce return on investment associated with placing residency programs in regional population centers that function as hubs for large rural catchment areas.

HOUSE OF REPRESENTATIVES

Committee on Higher Education

Interim Charge 3: Medical School Placement and Regional Training Capacity

Evaluate the feasibility and potential impact of establishing one or more new medical schools, branch campuses, or longitudinal clinical training hubs focused on primary care and high-need specialty physician training in **regional population centers serving the Coastal Bend and South Texas**. Assess coordination, approval, and oversight authority under the Texas Education Code, including the role of the Texas Higher Education Coordinating Board, and evaluate anticipated workforce outcomes, start-up and operating costs, and implementation timelines for these regions.

**Nueces County Hospital District
Proposed Interim Charges
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SENATE

Committee on Health and Human Services

Interim Charge 4: Licensure, Access, and Care Delivery in Rural-Serving Regions

Review physician licensure requirements, alternative entry-to-practice pathways, and telemedicine policies affecting physician supply and patient access in **rural areas and regional population centers**, with particular emphasis on **the Coastal Bend and South Texas**. Evaluate regulatory barriers and opportunities related to licensure, supervision, telehealth, and reimbursement under the Texas Occupations Code, Texas Government Code, and Texas Health and Safety Code.

Interim Charge 5: State-Supported Mental Health Facility Capacity

Study the availability, geographic distribution, and capacity of **state-supported mental health facilities**, including state hospitals and community-based inpatient and outpatient services, serving **the Coastal Bend and South Texas**. Evaluate whether current facility placement, bed capacity, and staffing levels adequately meet regional demand, particularly for individuals experiencing acute psychiatric crises. Examine the impacts of limited state-supported capacity on emergency departments, county jails, law enforcement, and local health systems, and identify potential options to expand or realign mental-health infrastructure in rural-serving regions.

PERSONAL SERVICES CONTRACT

THIS CONTRACT FOR PERSONAL SERVICES is entered into by and between Nueces County Hospital District (the “Hospital District” or “District”) and Patricia A. Shipton, (the “Contractor”) for the provision of personal services as described herein.

WITNESSETH

WHEREAS, the Hospital District is a body politic and corporate and a political subdivision of the State of Texas, established and created pursuant to the Texas Constitution, Article IX, Section 4 and the Texas Health and Safety Code (the “Health Code”), Chapter 281, and operated in accordance with the Health Code and other applicable laws of the State of Texas;

WHEREAS, pursuant to the collective authorities of the Health Code, §281.047 and §281.048, the Board of Managers of the Hospital District (the “Board”) has, and at the time of approval or ratification of this Contract had, full power and authority to manage, control, administer, and to adopt rules governing operation of the District;

WHEREAS, pursuant to Health Code, §281.026, the Hospital District’s Administrator (the “Administrator”) performs duties required by the Board and supervises the work and activities of the Hospital District;

WHEREAS, Local Government Code, §262.024, provides for the procurement of personal services;

WHEREAS, the Hospital District desires to contract for personal consulting services relating to Texas legislative, regulatory, agency, departmental, and state-provided funding matters when the Legislature is not in Session as described in Attachment B - Services to be Provided by Contractor; and

WHEREAS, notwithstanding the foregoing recital, the Hospital District’s primary objective under this Contract is to identify state-provided funding and the secondary objectives are to represent the Hospital District’s interests when the Legislature is not in Session, each as described in Attachment B - Services to be Provided by Contractor.

NOW, THEREFORE, the Hospital District and the Contractor, in consideration of the mutual covenants and agreements herein contained, do hereby mutually agree as follows:

**ARTICLE 1
SCOPE OF SERVICES TO BE PROVIDED BY
HOSPITAL DISTRICT AND CONTRACTOR**

Hospital District hereby agrees to perform those tasks and services described in Attachment A, which is attached hereto and made a part thereof this Contract.

Contractor hereby agrees to perform those tasks and services described in Attachment B, which is attached hereto and made part thereof of this Contract.

**ARTICLE 2
CONTRACT PERIOD**

This Contract shall begin on January 1, 2026 and shall terminate at the close of business on December 31, 2026, unless extended by supplemental agreement duly executed by the Contractor and the Hospital District prior to the date of termination, as provided in Article 9 - Supplemental Agreements, or otherwise terminated, as provided in Article 16 - Termination. Any work performed or cost incurred after the date of termination shall be ineligible for reimbursement.

**ARTICLE 3
COMPENSATION AND METHOD OF PAYMENT**

The maximum amount payable under this Contract is Thirty Thousand Dollars (\$30,000), unless modified as provided in Article 9 - Supplemental Agreements. Maximum amount payable is not inclusive of any reimbursable expenses as set-out below.

Notwithstanding any other provision of this Contract, the Hospital District's obligation to make payments under this Contract is expressly contingent upon the availability of legally appropriated and budgeted funds for the services to be performed. In the event such funds are not appropriated, budgeted, or otherwise made available for any fiscal period, the Hospital District shall have no obligation to make further payments under this Contract, and the Contract may be terminated or suspended without penalty or further obligation, except for payment for services satisfactorily performed prior to the date funds became unavailable.

Payments will be made monthly at Two Thousand Five Hundred Dollars (\$2,500) per month through December of 2026. Both parties agree and recognize that any reduction in payment should reflect a proportional reduction in expected monthly hours worked by Contractor.

The Contractor shall prepare and submit to the Hospital District monthly invoices and progress reports stating the status and description of the work accomplished during the billing period; the invoices and reports shall be sent directly to the Administrator, the District's representative under this Contract.

If requested by the Hospital District, the Contractor shall execute and submit all necessary accounting and/or legal reporting forms (i.e., Internal Revenue Form W-9-Request for Taxpayer Identification Number, Texas Ethics Commission Form 1295-Certificate of Interested Parties, etc.) as statutorily required or requested by Hospital District, prior to the remittance of any payments by the Hospital District for work.

The Hospital District reserves the right to withhold payment pending verification of satisfactory work.

The Hospital District will NOT pay reasonable expenses incurred relative to the Contractor's duties, including travel expenses, long-distance telephone calls, special mailing, and delivery expenses.

The Hospital District assumes no liability for work performed or costs incurred prior to the effective date of this Contract, or during periods when work is suspended, or after the Contract completion date.

No compensation paid under this Contract is contingent upon the passage, defeat, amendment, or outcome of any legislation, appropriation, rule, regulation, interim charge, or other governmental action.

**ARTICLE 4
WORK AUTHORIZATIONS**

[Specifically Excluded]

**ARTICLE 5
PROGRESS**

The Contractor shall, from time to time during the progress of the work, confer with the Hospital District. The Contractor shall prepare and present such information as may be pertinent and necessary, or as may be requested by the District to evaluate features of the work. Upon request by the District, the Contractor shall make presentations to the Board, District staff, and as otherwise directed by the District.

At the request of the Hospital District or the Contractor, conferences shall be held at the Contractor's office, the District's office, or at other locations as may be designated by the District. These conferences shall also include an evaluation of the Contractor's services and work when requested by the District.

The Contractor shall report to the Administrator for purposes of this Contract. If the Contractor has questions on directions, or on any of the tasks and services to be performed in Attachment A or B, the Contractor should seek clarity through the Administrator.

The Contractor shall promptly advise the Hospital District, through the Administrator, in writing of events which have a significant impact upon the progress of work, including:

1. problems, delays, or adverse conditions which will materially affect the ability to attain Contract objectives, prevent the meeting of time schedules and goals, or preclude the attainment of project work units by established time periods; this disclosure will be accompanied by a statement of the action taken, or contemplated, and any District assistance needed to resolve the situation; and
2. favorable developments or events which would enable meeting the work schedule goals sooner than anticipated.

ARTICLE 6 SUSPENSION

The Hospital District may suspend the work, but not terminate the Contract, by giving written notice a minimum of two (2) calendar days prior to the date of suspension. The two (2)-day notice may be waived if approved in writing by the parties.

The work will be reinstated and resumed in full force and effect within ten (10) calendar days of receipt of written notice from the Hospital District to resume the work. The ten (10) day notice may be waived if approved in writing by both parties.

If the Hospital District suspends the work, the Contract period, as determined in Article 2 - Contract Period, is not affected and the Contract will terminate on the date specified unless the Contract is amended as provided in Article 9 - Supplemental Agreements.

[Remainder of page intentionally left blank.]

**ARTICLE 7
ADDITIONAL WORK**

If the Contractor determines that any work it has been directed to perform is beyond the scope of this Contract and constitutes extra work, it shall promptly notify the Hospital District through the Administrator in writing. In the event the District determines that such work constitutes extra work and exceeds the maximum amount payable, the District shall so advise the Contractor and a supplemental agreement may be executed, as provided in Article 9 - Supplemental Agreements.

The Contractor shall not perform any additional work or incur any additional costs prior to the execution, by all parties, of a supplemental agreement. The Hospital District shall not be responsible for actions by the Contractor or any costs incurred by the Contractor relating to additional work not directly associated with the performance of the work authorized in this Contract or as amended.

**ARTICLE 8
CHANGES IN WORK**

If the Hospital District finds it necessary to request changes to previously satisfactorily completed work or parts thereof which involve changes to the original scope of services or character of work under the Contract, the Contractor shall make such revisions if requested and as directed by the District. This will be considered additional work and paid for as specified under Article 7- Additional Work.

The Contractor shall make such revisions to the work to correct errors appearing therein, when required to do so by the Hospital District. No additional compensation will be paid for the correction of errors.

**ARTICLE 9
SUPPLEMENTAL AGREEMENTS**

The terms of this Contract may be modified by supplemental agreement if the Hospital District determines that there has been a significant change in the scope, complexity, or character of the service to be performed, or the duration of the work. Additional compensation, if appropriate, shall be identified as provided in Article 3 - Compensation and Method of Payment.

Any supplemental agreement must be executed by both parties within the Contract period specified in Article 2 - Contract Period.

No claim for extra work done shall be made by the Contractor until full execution of the supplemental agreement and authorization to proceed is issued by the Hospital District. The District reserves the right to withhold payment pending verification of satisfactory work performed.

**ARTICLE 10
PUBLIC INFORMATION ACT**

All data, and other documents created or collected under the terms of this Contract are the exclusive property of the Hospital District and shall be furnished to the District upon request. All documents prepared by the Contractor and all documents furnished to the Contractor by the District shall be delivered to the Administrator upon completion or termination of this Contract. The Contractor, at its own expense, may retain copies of such documents or any other data which it has furnished the District under this Contract. Release of information will be in accordance with the Texas Public Information Act.

**ARTICLE 11
SUBCONTRACTING**

The Contractor shall not assign, subcontract, or transfer any portion of the work under this Contract. All work under this Contract shall be performed by Contractor personally.

**ARTICLE 12
EVALUATION OF WORK**

The Hospital District and its authorized representatives shall have the right at all reasonable times to review or otherwise evaluate the work performed or being performed hereunder. If a review or evaluation is being made on the premises of the Contractor, the Contractor shall provide all reasonable facilities and assistance for the safety and convenience of the District representatives in the performance of their duties. If funds by other agencies or entities are to be used for payment of the services under this Contract, the Contractor's services and work may be subject to periodic review and approval by other agencies or entities, including city, county, state, and/or federal agencies.

[Remainder of page intentionally left blank.]

**ARTICLE 13
SUBMISSION OF REPORTS**

All applicable study reports shall be submitted in preliminary form for review by the Hospital District before a final report is issued. The District's comments on the Contractor's preliminary report shall be addressed in the final report.

All reports, whether preliminary or final, shall be submitted to the Administrator. The Administrator is responsible for disseminating the information to the Board and as appropriate within the Hospital District.

Unless during an open meeting pursuant to Texas Government Code Chapter 551 of the Board, Contractor shall not convey any information received from any member of the Board to any other member of the Board.

Contractor shall conduct all communications related to legislative, regulatory, or policy matters in a manner designed to avoid any violation of the Texas Open Meetings Act, Texas Government Code Chapter 551, and shall coordinate with the Administrator when uncertainty exists regarding the appropriate method or timing of such communications.

If contacting a member of the Board by email, Contractor shall send a copy under separate email to each of the other members of the Board and Administrator to avoid any potential Open Meetings Act (OMA) Texas Government Code Chapter 551 violations.

**ARTICLE 14
COMPUTER DOCUMENTS AND INFORMATION EXCHANGE**

All computer files must be compatible with the Hospital District's computer systems without conversion or modifications.

All graphics media provided by the Contractor shall be delivered to the Hospital District.

**ARTICLE 15
VIOLATION OF CONTRACT TERMS/BREACH OF CONTRACT**

Violation of the Contract terms or breach of Contract by the Contractor shall be grounds for termination of the Contract and any increased cost arising from the Contractor's default, breach of Contract, or violation of Contract terms shall be paid by the Contractor. This Contract shall not

be considered as specifying the exclusive remedy for any default, but all remedies existing at law and in equity may be availed of by either party and shall be cumulative.

ARTICLE 16 TERMINATION

This Contract shall terminate at the close of business on December 31, 2026 unless extended as provided in Article 9 - Supplemental Agreements.

This Contract may be terminated before the stated termination date by any of the following conditions:

1. By mutual agreement and consent, in writing, of parties;
2. By the Hospital District, by notice in writing to the Contractor as a consequence of failure by the Contractor to perform the services set forth herein in a satisfactory manner;
3. By any party, upon the failure of the other party to fulfill its obligations as set forth herein;
4. By the Hospital District, for reasons of its own and not subject to the mutual consent of the Contractor upon not less than thirty (30) calendar days written notice to the Contractor; and
5. By written notice from the Hospital District upon satisfactory completion of all services and obligations described herein.
6. By the Hospital District, upon written notice, if Contractor commits a material violation of Chapter 305, Texas Government Code, or is subject to a final enforcement action by the Texas Ethics Commission arising from activities performed under this Contract.

Should the Hospital District terminate this Contract as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to the Contractor. In determining the value of the work performed by the Contractor prior to termination the District shall be the sole judge. Compensation for work at termination will be based on a percentage of the work completed at that time. Should the District terminate this Contract under Item 4 of the above paragraph, the amount charged during the thirty (30) calendar day notice period shall not exceed the amount charged during the preceding thirty (30) calendar days.

If the Contractor defaults in the performance of this Contract or if the Hospital District terminates this Contract for fault on the part of the Contractor, the District will give consideration to the actual

costs incurred by the Contractor in performing the work to the date of default, the amount of work which was satisfactorily completed to the date of default, the value of the work which is usable to the District, the cost to the District of employing another to complete the work required and the time required to do so, and other factors which affect the value to the District of the work performed at the time of default.

The termination of this Contract and payment of an amount in settlement as prescribed above shall extinguish all rights, duties, and obligations of the Hospital District and the Contractor under this Contract, except the obligations set forth in Articles 10, 12, 17, 18, 19, and 20 of this Contract. If the termination of this Contract is due to the failure of the Contractor to fulfill its Contract obligations, the District may take over the project and prosecute the work to completion. In such case, the Contractor shall be liable to the District for any additional cost occasioned to the District.

ARTICLE 17 COMPLIANCE WITH LAWS

The Contractor shall comply with all applicable Federal, State, and local laws, statutes, codes, ordinances, rules, and regulations, and the orders and decrees of any court, or administrative bodies or tribunals, in any manner affecting the performance of this Contract, including, without limitation licensing laws and regulations. In particular, Contractor represents he/she shall comply with Chapter 305 of the Texas Government Code, including reporting requirements regarding conflict of interest. When required, the Contractor shall furnish the Hospital District with satisfactory proof of its compliance.

Contractor shall remain in full compliance with all requirements of Chapter 305, Texas Government Code, throughout the term of this Contract. Contractor shall promptly notify the Hospital District, in writing, of any failure to timely file a required registration or report, any notice of noncompliance, or any investigation or enforcement action initiated by the Texas Ethics Commission relating to Contractor's activities under this Contract.

It is expressly understood by the Contractor, that from the date of award of this Contract to one (1) year after termination or expiration of Contract's term, the Contractor is prohibited from providing gifts of any form to any Board member, the Administrator, any District official, or any District employee.

[Remainder of page intentionally left blank.]

**ARTICLE 18
INDEMNIFICATION**

THE CONTRACTOR SHALL SAVE HARMLESS THE HOSPITAL DISTRICT AND ITS OFFICERS AND EMPLOYEES FROM ALL CLAIMS AND LIABILITY DUE TO ACTIVITIES OF ITSELF, ITS AGENTS, OR EMPLOYEES PERFORMED UNDER THIS CONTRACT AND WHICH ARE CAUSED BY OR RESULT FROM ERROR, OMISSION, OR NEGLIGENT ACT OF THE CONTRACTOR OR OF ANY PERSON EMPLOYED BY THE CONTRACTOR. THE CONTRACTOR SHALL ALSO SAVE HARMLESS THE HOSPITAL DISTRICT FROM ANY AND ALL EXPENSE, INCLUDING, BUT NOT LIMITED TO, ATTORNEY FEES WHICH MAY BE INCURRED BY THE HOSPITAL DISTRICT IN LITIGATION OR OTHERWISE RESISTING SAID CLAIM OR LIABILITIES WHICH MAY BE IMPOSED ON THE HOSPITAL DISTRICT AS A RESULT OF SUCH ERROR, OMISSION, OR NEGLIGENT ACTIVITY BY THE CONTRACTOR.

**ARTICLE 19
CONTRACTOR'S RESPONSIBILITY**

The Contractor shall be responsible for the accuracy of its work and shall promptly make necessary revisions or corrections resulting from its errors, omissions, or negligent acts without compensation.

**ARTICLE 20
RETENTION, AVAILABILITY OF RECORDS AND AUDIT REQUIREMENTS**

The Contractor shall maintain all books, documents, papers, accounting records, and other evidence pertaining to cost incurred and shall make such materials available at its office during the Contract period and for four (4) years from the date of final payment under this Contract or until pending litigation has been completely and fully resolved, whichever occurs last. The Hospital District or any of its duly authorized representatives shall have access during normal business hours to any and all books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purpose of making audits, examinations, excerpts, transcriptions, and for checking the amount of work performed by the Contractor.

[Remainder of page intentionally left blank.]

**ARTICLE 21
SUCCESSORS AND ASSIGNS**

The Contractor and the Hospital District do hereby bind themselves, their successors, executors, administrators, and assigns to each other party of this Contract and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this Contract.

The Contractor shall not assign, subcontract, or transfer its interest in this Contract without the prior written consent of the Hospital District.

**ARTICLE 22
SEVERABILITY**

In the event any one or more of the provisions contained in this Contract, for any reason, shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and; this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

**ARTICLE 23
PRIOR CONTRACT SUPERSEDED**

This Contract constitutes the sole agreement of the parties hereto and supersedes any prior understandings or written or oral contracts between the parties respecting the subject matter defined herein.

**ARTICLE 24
AUTHORITY TO ACT AS LOBBYIST**

Contractor warrants that she is registered as a lobbyist as required under Chapter 305 of the Texas Government Code; that Contractor is authorized by law to act as a lobbyist for the Hospital District; that there is no legal or ethical impediment to Contractor acting as a lobbyist for the District; and that Contractor shall immediately communicate to the District in writing any change in Contractor's' status as a registered lobbyist or authority to lawfully and ethically act as a lobbyist for the District.

[Remainder of page intentionally left blank.]

**ARTICLE 25
CONFIDENTIALITY**

During and after the Term of this Contract, Contractor agrees to strictly maintain the confidentiality of all information pertaining to the Hospital District and its personnel not open to the public under the Texas Public Information Act (Tex. Gov't Code Ann., Chapter 552) and will not use any such information to the detriment of the District or its officers or employees at any time. In the event any member of the public or media requests information pertaining to the District or its personnel from the Contractor, Contractor shall immediately direct the requesting party to the custodian of public information designated by the District and shall also immediately notify the District of the request.

**ARTICLE 26
CONFLICT OF INTEREST**

Contractor affirms and warrants that she has no conflict of interest regarding the services to be provided under this Contract that would affect the representation undertaken herein. Contractor warrants that all representation within the last three (3) calendar years, by Contractor of an interest adverse to or conflicting with any interest of the Hospital District or any of its departments, boards, employees or appointed and officials, has been fully disclosed in writing to the District. Contractor must provide the District with a list of any clients or business associates of the Contractor any of Contractor's employees or subcontractors which may have any interest in District projects or legislation covered under this Contract. This list shall include the nature of the interest the client or business has in the District project or legislation. Contractor has an obligation to update the list as new clients, associates or interests develop. Such notice should be given 3 business days after Consultants obtain the additional information.

**ARTICLE 27
INDEPENDENT CONTRACTOR RELATIONSHIP**

Nothing herein shall be construed as creating a relationship of employer and employee between the Parties. The Contractor shall be deemed at all times to be an independent contractor. The Hospital District shall not be subject to any obligations or liabilities of the Contractor incurred in the performance of this Contract. The Contractor expressly agrees to indemnify and hold harmless the District, its agents, officers, and employees, for any and all liabilities and obligations incurred due to any breach of contract or negligent acts or omissions or other defalcations on the part of Contractor.

**ARTICLE 28
NOTICES**

All notices from one party to another, required under this Contract, shall be personally delivered or mailed to such party at the following respective address:

HOSPITAL DISTRICT

Jonny F. Hipp, Administrator
Nueces County Hospital District
555 N. Carancahua, Suite 950
Corpus Christi, TX 78401

CONTRACTOR

Patricia A. Shipton
919 Congress Ave., Suite 1030
Austin, Texas 78701

VENUE AND GOVERNING LAW

Venue shall be in Nueces County, Texas. This Contract shall be construed under and in accord with the law of the State of Texas.

IN WITNESS WHEREOF, the parties hereto have executed this Contract for Personal Services effective January 1, 2026.

NUECES COUNTY HOSPITAL DISTRICT

CONTRACTOR

By: _____
Jonny F. Hipp
Administrator/CEO

By: _____
Patricia A. Shipton

Date: _____

Date: _____

List of Attachments:

Attachment A – Services to be provided by Hospital District

Attachment B – Services to be provided by Contractor

[Remainder of page intentionally left blank.]

ATTACHMENT A

SERVICES TO BE PROVIDED BY HOSPITAL DISTRICT

1. Provide overall direction and day-to-day coordination, clarification, and information about the Hospital District's Texas legislative, regulatory, agency, and departmental, and state-funding objectives when the Legislature is not in Session.

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ATTACHMENT B

SERVICES TO BE PROVIDED BY CONTRACTOR

The Hospital District's primary objective under this Contract is to identify state-provided funding as described below. The secondary objectives are to represent the interests of the Hospital District.

When the Texas Legislature is not in Session:

A. Primary Objectives:

1. Research and identify state regulatory, agency, department, and other state-provided funding opportunities relating to graduate medical education and recruitment and retention of physicians.
2. Research and identify state regulatory, agency, department, and other state-provided funding opportunities relating to public health services, mental health services, mental health facilities, and emergency medical services.
3. Research and identify state regulatory, agency, department, and other state-provided funding opportunities relating to diversion of persons from jails and other detention facilities, including, but not necessarily limited to the following programs or services: Crisis Intervention, Jail Diversion, Mobile Crisis Outreach, Jail-Based Competency Restoration, Walk-In Crisis Intervention, and Forensic Assertive Community Treatment.
4. Assist with preparation of proposed interim charges for the next legislative session, including identification of relevant legislative committees, policy framing, drafting of supporting background materials, and advising on timing, submission, and procedural considerations.
5. Assist with preparation of proposed legislation for the next legislative session, including development of bill concepts, policy rationales, and supporting materials, and review of draft legislation prepared by legislative offices for consistency with the District's objectives.

B. Secondary Objectives:

1. Represent the interests and concerns of the Hospital District to lawmakers in both houses of the Legislature and their staff.
2. Represent the interests and concerns of the Hospital District to Texas regulators, agencies, departments, and state entities providing funding and their heads and staff.
3. Monitor proposed rules and persuade state regulators, agencies, and departments to write and support rules that benefit the Hospital District.

4. Monitor proposed legislation, amendments, budget, and rule-making discussions relevant to the Hospital District.
5. Monitor of legislative committee hearings, interim committee meetings, rule-making hearings, studies underway, and notices of legislation being proposed that are relevant to the Hospital District.
6. Inform heads and staff of state regulators, agencies, and departments as needed regarding the Hospital District's priorities.
7. Utilize existing relationships with lawmakers and their staff, as well as state regulatory agency, and departments heads and staff, to further the interests of the Hospital District.
8. Provide guidance on defeating, supporting, or amending regulatory, agency, and department rule proposals as necessary to preserve and protect the interests of the Hospital District.
9. Provide updates to the Hospital District on issues of interest or concern to the District.
10. Assist and advise the Board and Administrator with preparation of verbal and written comments on rules proposed by state regulators, agencies, and departments and consult regarding the District's communication efforts.
11. Provide briefings as needed to the Board and Administrator regarding any action taken at interim committee meetings, rule-making hearings, studies underway, and notice of legislation or action being proposed that affects the interests of the Hospital District.
12. Monitor interim committee meetings, rule-making hearings, and studies underway relating to public health services, mental health services, and emergency medical services.
13. Monitor interim committee meetings, rule-making hearings, and studies underway relating to the Hospital District including, but not necessarily limited to the following programs and services: graduate medical education and recruitment and retention of physicians.
14. Monitor interim committee meetings, rule-making hearings, and studies underway relating to diversion of persons from jails and other detention facilities, including, but not necessarily limited to the following programs or services: Crisis Intervention, Jail Diversion, Mobile Crisis Outreach, Jail-Based Competency Restoration, Walk-In Crisis Intervention, and Forensic Assertive Community Treatment.

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15. Monitor interim committee meetings, rule-making hearings, and studies underway relating to the Hospital District including, but not necessarily limited to the following: Indigent Health Care, Legislative Expansions and Mandates Affecting Hospital Districts, Intergovernmental Transfers, Hospital District Property Taxes , Hospital District Finances, Use of Hospital District Funds, Eminent Domain, Board appointments, terms, qualifications for office, and removal, Medicaid, Medicaid Supplemental Payment Programs, Supplemental Payment Programs sponsored by the Texas Health and Human Services Commission, Tax Increment Financing, Bonds and Certificates of Obligation, Alternative Debt Financing Methods, and Sale of Real Property.

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[END OF AGREEMENT]

PERSONAL SERVICES CONTRACT

THIS CONTRACT FOR PERSONAL SERVICES is entered into by and between Nueces County Hospital District (the “Hospital District” or “District”) and Joel J. Romo, (the “Contractor”) for the provision of personal services as described herein.

WITNESSETH

WHEREAS, the Hospital District is a body politic and corporate and a political subdivision of the State of Texas, established and created pursuant to the Texas Constitution, Article IX, Section 4 and the Texas Health and Safety Code (the “Health Code”), Chapter 281, and operated in accordance with the Health Code and other applicable laws of the State of Texas;

WHEREAS, pursuant to the collective authorities of the Health Code, §281.047 and §281.048, the Board of Managers of the Hospital District (the “Board”) has, and at the time of approval or ratification of this Contract had, full power and authority to manage, control, administer, and to adopt rules governing operation of the District;

WHEREAS, pursuant to Health Code, §281.026, the Hospital District’s Administrator (the “Administrator”) performs duties required by the Board and supervises the work and activities of the Hospital District;

WHEREAS, Local Government Code, §262.024, provides for the procurement of personal services;

WHEREAS, the Hospital District desires to contract for personal consulting services relating to Texas legislative, regulatory, agency, departmental, and state-provided funding matters when the Legislature is not in Session as described in Attachment B - Services to be Provided by Contractor; and

WHEREAS, notwithstanding the foregoing recital, the Hospital District’s primary objective under this Contract is to identify state-provided funding and the secondary objectives are to represent the Hospital District’s interests when the Legislature is not in Session, each as described in Attachment B - Services to be Provided by Contractor.

NOW, THEREFORE, the Hospital District and the Contractor, in consideration of the mutual covenants and agreements herein contained, do hereby mutually agree as follows:

ARTICLE 1
SCOPE OF SERVICES TO BE PROVIDED BY
HOSPITAL DISTRICT AND CONTRACTOR

Hospital District hereby agrees to perform those tasks and services described in Attachment A, which is attached hereto and made a part thereof this Contract.

Contractor hereby agrees to perform those tasks and services described in Attachment B, which is attached hereto and made part thereof of this Contract.

ARTICLE 2
CONTRACT PERIOD

This Contract shall begin on January 1, 2026 and shall terminate at the close of business on December 31, 2026, unless extended by supplemental agreement duly executed by the Contractor and the Hospital District prior to the date of termination, as provided in Article 9 - Supplemental Agreements, or otherwise terminated, as provided in Article 16 - Termination. Any work performed or cost incurred after the date of termination shall be ineligible for reimbursement.

ARTICLE 3
COMPENSATION AND METHOD OF PAYMENT

The maximum amount payable under this Contract is Thirty Thousand Dollars (\$30,000), unless modified as provided in Article 9 - Supplemental Agreements. Maximum amount payable is not inclusive of any reimbursable expenses as set-out below.

Notwithstanding any other provision of this Contract, the Hospital District's obligation to make payments under this Contract is expressly contingent upon the availability of legally appropriated and budgeted funds for the services to be performed. In the event such funds are not appropriated, budgeted, or otherwise made available for any fiscal period, the Hospital District shall have no obligation to make further payments under this Contract, and the Contract may be terminated or suspended without penalty or further obligation, except for payment for services satisfactorily performed prior to the date funds became unavailable.

Payments will be made monthly at Two Thousand Five Hundred Dollars (\$2,500) per month through December of 2026. Both parties agree and recognize that any reduction in payment should reflect a proportional reduction in expected monthly hours worked by Contractor.

The Contractor shall prepare and submit to the Hospital District monthly invoices and progress reports stating the status and description of the work accomplished during the billing period; the invoices and reports shall be sent directly to the Administrator, the District's representative under this Contract.

If requested by the Hospital District, the Contractor shall execute and submit all necessary accounting and/or legal reporting forms (i.e., Internal Revenue Form W-9-Request for Taxpayer Identification Number, Texas Ethics Commission Form 1295 - Certificate of Interested Parties, etc.) as statutorily required or requested by Hospital District, prior to the remittance of any payments by the Hospital District for work.

The Hospital District reserves the right to withhold payment pending verification of satisfactory work.

The Hospital District will NOT pay reasonable expenses incurred relative to the Contractor's duties, including travel expenses, long-distance telephone calls, special mailing, and delivery expenses.

The Hospital District assumes no liability for work performed or costs incurred prior to the effective date of this Contract, or during periods when work is suspended, or after the Contract completion date.

No compensation paid under this Contract is contingent upon the passage, defeat, amendment, or outcome of any legislation, appropriation, rule, regulation, interim charge, or other governmental action.

ARTICLE 4 WORK AUTHORIZATIONS

[Specifically Excluded]

ARTICLE 5 PROGRESS

The Contractor shall, from time to time during the progress of the work, confer with the Hospital District. The Contractor shall prepare and present such information as may be pertinent and necessary, or as may be requested by the District to evaluate features of the work. Upon request by the District, the Contractor shall make presentations to the Board, District staff, and as otherwise directed by the District.

Page 3 of 18

At the request of the Hospital District or the Contractor, conferences shall be held at the Contractor's office, the District's office, or at other locations as may be designated by the District. These conferences shall also include an evaluation of the Contractor's services and work when requested by the District.

The Contractor shall report to the Administrator for purposes of this Contract. If the Contractor has questions on directions, or on any of the tasks and services to be performed in Attachment A or B, the Contractor should seek clarity through the Administrator.

The Contractor shall promptly advise the Hospital District, through the Administrator, in writing of events which have a significant impact upon the progress of work, including:

1. problems, delays, or adverse conditions which will materially affect the ability to attain Contract objectives, prevent the meeting of time schedules and goals, or preclude the attainment of project work units by established time periods; this disclosure will be accompanied by a statement of the action taken, or contemplated, and any District assistance needed to resolve the situation; and
2. favorable developments or events which would enable meeting the work schedule goals sooner than anticipated.

ARTICLE 6 SUSPENSION

The Hospital District may suspend the work, but not terminate the Contract, by giving written notice a minimum of two (2) calendar days prior to the date of suspension. The two (2)-day notice may be waived if approved in writing by the parties.

The work will be reinstated and resumed in full force and effect within ten (10) calendar days of receipt of written notice from the Hospital District to resume the work. The ten (10) day notice may be waived if approved in writing by both parties.

If the Hospital District suspends the work, the Contract period, as determined in Article 2 - Contract Period, is not affected and the Contract will terminate on the date specified unless the Contract is amended as provided in Article 9 - Supplemental Agreements.

[Remainder of page intentionally left blank.]

**ARTICLE 7
ADDITIONAL WORK**

If the Contractor determines that any work it has been directed to perform is beyond the scope of this Contract and constitutes extra work, it shall promptly notify the Hospital District through the Administrator in writing. In the event the District determines that such work constitutes extra work and exceeds the maximum amount payable, the District shall so advise the Contractor and a supplemental agreement may be executed, as provided in Article 9 - Supplemental Agreements.

The Contractor shall not perform any additional work or incur any additional costs prior to the execution, by all parties, of a supplemental agreement. The Hospital District shall not be responsible for actions by the Contractor or any costs incurred by the Contractor relating to additional work not directly associated with the performance of the work authorized in this Contract or as amended.

**ARTICLE 8
CHANGES IN WORK**

If the Hospital District finds it necessary to request changes to previously satisfactorily completed work or parts thereof which involve changes to the original scope of services or character of work under the Contract, the Contractor shall make such revisions if requested and as directed by the District. This will be considered additional work and paid for as specified under Article 7- Additional Work.

The Contractor shall make such revisions to the work to correct errors appearing therein, when required to do so by the Hospital District. No additional compensation will be paid for the correction of errors.

**ARTICLE 9
SUPPLEMENTAL AGREEMENTS**

The terms of this Contract may be modified by supplemental agreement if the Hospital District determines that there has been a significant change in the scope, complexity, or character of the service to be performed, or the duration of the work. Additional compensation, if appropriate, shall be identified as provided in Article 3 - Compensation and Method of Payment.

Any supplemental agreement must be executed by both parties within the Contract period specified in Article 2 - Contract Period.

No claim for extra work done shall be made by the Contractor until full execution of the supplemental agreement and authorization to proceed is issued by the Hospital District. The District reserves the right to withhold payment pending verification of satisfactory work performed.

**ARTICLE 10
PUBLIC INFORMATION ACT**

All data, and other documents created or collected under the terms of this Contract are the exclusive property of the Hospital District and shall be furnished to the District upon request. All documents prepared by the Contractor and all documents furnished to the Contractor by the District shall be delivered to the Administrator upon completion or termination of this Contract. The Contractor, at its own expense, may retain copies of such documents or any other data which it has furnished the District under this Contract. Release of information will be in accordance with the Texas Public Information Act.

**ARTICLE 11
SUBCONTRACTING**

The Contractor shall not assign, subcontract, or transfer any portion of the work under this Contract. All work under this Contract shall be performed by Contractor personally.

**ARTICLE 12
EVALUATION OF WORK**

The Hospital District and its authorized representatives shall have the right at all reasonable times to review or otherwise evaluate the work performed or being performed hereunder. If a review or evaluation is being made on the premises of the Contractor, the Contractor shall provide all reasonable facilities and assistance for the safety and convenience of the District representatives in the performance of their duties. If funds by other agencies or entities are to be used for payment of the services under this Contract, the Contractor's services and work may be subject to periodic review and approval by other agencies or entities, including city, county, state, and/or federal agencies.

[Remainder of page intentionally left blank.]

**ARTICLE 13
SUBMISSION OF REPORTS**

All applicable study reports shall be submitted in preliminary form for review by the Hospital District before a final report is issued. The District's comments on the Contractor's preliminary report shall be addressed in the final report.

All reports, whether preliminary or final, shall be submitted to the Administrator. The Administrator is responsible for disseminating the information to the Board and as appropriate within the Hospital District.

Unless during an open meeting pursuant to Texas Government Code Chapter 551 of the Board, Contractor shall not convey any information received from any member of the Board to any other member of the Board.

Contractor shall conduct all communications related to legislative, regulatory, or policy matters in a manner designed to avoid any violation of the Texas Open Meetings Act, Texas Government Code Chapter 551, and shall coordinate with the Administrator when uncertainty exists regarding the appropriate method or timing of such communications.

If contacting a member of the Board by email, Contractor shall send a copy under separate email to each of the other members of the Board and Administrator to avoid any potential Open Meetings Act (OMA) Texas Government Code Chapter 551 violations.

**ARTICLE 14
COMPUTER DOCUMENTS AND INFORMATION EXCHANGE**

All computer files must be compatible with the Hospital District's computer systems without conversion or modifications.

All graphics media provided by the Contractor shall be delivered to the Hospital District.

**ARTICLE 15
VIOLATION OF CONTRACT TERMS/BREACH OF CONTRACT**

Violation of the Contract terms or breach of Contract by the Contractor shall be grounds for termination of the Contract and any increased cost arising from the Contractor's default, breach of Contract, or violation of Contract terms shall be paid by the Contractor. This Contract shall not

be considered as specifying the exclusive remedy for any default, but all remedies existing at law and in equity may be availed of by either party and shall be cumulative.

ARTICLE 16 TERMINATION

This Contract shall terminate at the close of business on December 31, 2026 unless extended as provided in Article 9 - Supplemental Agreements.

This Contract may be terminated before the stated termination date by any of the following conditions:

1. By mutual agreement and consent, in writing, of parties;
2. By the Hospital District, by notice in writing to the Contractor as a consequence of failure by the Contractor to perform the services set forth herein in a satisfactory manner;
3. By any party, upon the failure of the other party to fulfill its obligations as set forth herein;
4. By the Hospital District, for reasons of its own and not subject to the mutual consent of the Contractor upon not less than thirty (30) calendar days written notice to the Contractor; and
5. By written notice from the Hospital District upon satisfactory completion of all services and obligations described herein.
6. By the Hospital District, upon written notice, if Contractor commits a material violation of Chapter 305, Texas Government Code, or is subject to a final enforcement action by the Texas Ethics Commission arising from activities performed under this Contract.

Should the Hospital District terminate this Contract as herein provided, no fees other than fees due and payable at the time of termination shall thereafter be paid to the Contractor. In determining the value of the work performed by the Contractor prior to termination the District shall be the sole judge. Compensation for work at termination will be based on a percentage of the work completed at that time. Should the District terminate this Contract under Item 4 of the above paragraph, the amount charged during the thirty (30) calendar day notice period shall not exceed the amount charged during the preceding thirty (30) calendar days.

If the Contractor defaults in the performance of this Contract or if the Hospital District terminates this Contract for fault on the part of the Contractor, the District will give consideration to the actual

costs incurred by the Contractor in performing the work to the date of default, the amount of work which was satisfactorily completed to the date of default, the value of the work which is usable to the District, the cost to the District of employing another to complete the work required and the time required to do so, and other factors which affect the value to the District of the work performed at the time of default.

The termination of this Contract and payment of an amount in settlement as prescribed above shall extinguish all rights, duties, and obligations of the Hospital District and the Contractor under this Contract, except the obligations set forth in Articles 10, 12, 17, 18, 19, and 20 of this Contract. If the termination of this Contract is due to the failure of the Contractor to fulfill its Contract obligations, the District may take over the project and prosecute the work to completion. In such case, the Contractor shall be liable to the District for any additional cost occasioned to the District.

ARTICLE 17 COMPLIANCE WITH LAWS

The Contractor shall comply with all applicable Federal, State, and local laws, statutes, codes, ordinances, rules, and regulations, and the orders and decrees of any court, or administrative bodies or tribunals, in any manner affecting the performance of this Contract, including, without limitation licensing laws and regulations. In particular, Contractor represents he/she shall comply with Chapter 305 of the Texas Government Code, including reporting requirements regarding conflict of interest. When required, the Contractor shall furnish the Hospital District with satisfactory proof of its compliance.

Contractor shall remain in full compliance with all requirements of Chapter 305, Texas Government Code, throughout the term of this Contract. Contractor shall promptly notify the Hospital District, in writing, of any failure to timely file a required registration or report, any notice of noncompliance, or any investigation or enforcement action initiated by the Texas Ethics Commission relating to Contractor's activities under this Contract.

It is expressly understood by the Contractor, that from the date of award of this Contract to one (1) year after termination or expiration of Contract's term, the Contractor is prohibited from providing gifts of any form to any Board member, the Administrator, any District official, or any District employee.

[Remainder of page intentionally left blank.]

**ARTICLE 18
INDEMNIFICATION**

THE CONTRACTOR SHALL SAVE HARMLESS THE HOSPITAL DISTRICT AND ITS OFFICERS AND EMPLOYEES FROM ALL CLAIMS AND LIABILITY DUE TO ACTIVITIES OF ITSELF, ITS AGENTS, OR EMPLOYEES PERFORMED UNDER THIS CONTRACT AND WHICH ARE CAUSED BY OR RESULT FROM ERROR, OMISSION, OR NEGLIGENT ACT OF THE CONTRACTOR OR OF ANY PERSON EMPLOYED BY THE CONTRACTOR. THE CONTRACTOR SHALL ALSO SAVE HARMLESS THE HOSPITAL DISTRICT FROM ANY AND ALL EXPENSE, INCLUDING, BUT NOT LIMITED TO, ATTORNEY FEES WHICH MAY BE INCURRED BY THE HOSPITAL DISTRICT IN LITIGATION OR OTHERWISE RESISTING SAID CLAIM OR LIABILITIES WHICH MAY BE IMPOSED ON THE HOSPITAL DISTRICT AS A RESULT OF SUCH ERROR, OMISSION, OR NEGLIGENT ACTIVITY BY THE CONTRACTOR.

**ARTICLE 19
CONTRACTOR'S RESPONSIBILITY**

The Contractor shall be responsible for the accuracy of its work and shall promptly make necessary revisions or corrections resulting from its errors, omissions, or negligent acts without compensation.

**ARTICLE 20
RETENTION, AVAILABILITY OF RECORDS AND AUDIT REQUIREMENTS**

The Contractor shall maintain all books, documents, papers, accounting records, and other evidence pertaining to cost incurred and shall make such materials available at its office during the Contract period and for four (4) years from the date of final payment under this Contract or until pending litigation has been completely and fully resolved, whichever occurs last. The Hospital District or any of its duly authorized representatives shall have access during normal business hours to any and all books, documents, papers, and records of the Contractor which are directly pertinent to this Contract for the purpose of making audits, examinations, excerpts, transcriptions, and for checking the amount of work performed by the Contractor.

[Remainder of page intentionally left blank.]

**ARTICLE 21
SUCCESSORS AND ASSIGNS**

The Contractor and the Hospital District do hereby bind themselves, their successors, executors, administrators, and assigns to each other party of this Contract and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this Contract.

The Contractor shall not assign, subcontract, or transfer its interest in this Contract without the prior written consent of the Hospital District.

**ARTICLE 22
SEVERABILITY**

In the event any one or more of the provisions contained in this Contract, for any reason, shall be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and; this Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

**ARTICLE 23
PRIOR CONTRACT SUPERSEDED**

This Contract constitutes the sole agreement of the parties hereto and supersedes any prior understandings or written or oral contracts between the parties respecting the subject matter defined herein.

**ARTICLE 24
AUTHORITY TO ACT AS LOBBYIST**

Contractor warrants that he is registered as a lobbyist as required under Chapter 305 of the Texas Government Code; that Contractor is authorized by law to act as a lobbyist for the Hospital District; that there is no legal or ethical impediment to Contractor acting as a lobbyist for the District; and that Contractor shall immediately communicate to the District in writing any change in Contractor's status as a registered lobbyist or authority to lawfully and ethically act as a lobbyist for the District.

[Remainder of page intentionally left blank.]

**ARTICLE 25
CONFIDENTIALITY**

During and after the Term of this Contract, Contractor agrees to strictly maintain the confidentiality of all information pertaining to the Hospital District and its personnel not open to the public under the Texas Public Information Act (Tex. Gov't Code Ann., Chapter 552) and will not use any such information to the detriment of the District or its officers or employees at any time. In the event any member of the public or media requests information pertaining to the District or its personnel from the Contractor, Contractor shall immediately direct the requesting party to the custodian of public information designated by the District and shall also immediately notify the District of the request.

**ARTICLE 26
CONFLICT OF INTEREST**

Contractor affirms and warrants that he has no conflict of interest regarding the services to be provided under this Contract that would affect the representation undertaken herein. Contractor warrants that all representation within the last three (3) calendar years, by Contractor of an interest adverse to or conflicting with any interest of the Hospital District or any of its departments, boards, employees or appointed and officials, has been fully disclosed in writing to the District. Contractor must provide the District with a list of any clients or business associates of the Contractor any of Contractor's employees or subcontractors which may have any interest in District projects or legislation covered under this Contract. This list shall include the nature of the interest the client or business has in the District project or legislation. Contractor has an obligation to update the list as new clients, associates or interests develop. Such notice should be given 3 business days after Consultants obtain the additional information.

**ARTICLE 27
INDEPENDENT CONTRACTOR RELATIONSHIP**

Nothing herein shall be construed as creating a relationship of employer and employee between the Parties. The Contractor shall be deemed at all times to be an independent contractor. The Hospital District shall not be subject to any obligations or liabilities of the Contractor incurred in the performance of this Contract. The Contractor expressly agrees to indemnify and hold harmless the District, its agents, officer, and employees, for any and all liabilities and obligations incurred due to any breach of contract or negligent acts or omissions or other defalcations on the part of Contractor.

**ARTICLE 28
NOTICES**

All notices from one party to another, required under this Contract, shall be personally delivered or mailed to such party at the following respective address:

HOSPITAL DISTRICT

Jonny F. Hipp, Administrator
Nueces County Hospital District
555 N. Carancahua, Suite 950
Corpus Christi, TX 78401

CONTRACTOR

Joel J. Romo
P.O. Box 114
Chappell Hill, Texas 77426

**ARTICLE 29
VENUE AND GOVERNING LAW**

Venue shall be in Nueces County, Texas. This Contract shall be construed under and in accord with the law of the State of Texas.

IN WITNESS WHEREOF, the parties hereto have executed this Contract for Personal Services effective January 1, 2026.

NUECES COUNTY HOSPITAL DISTRICT

CONTRACTOR

By: _____
Jonny F. Hipp
Administrator/CEO

By: _____
Joel J. Romo

Date: _____

Date: _____

List of Attachments:

Attachment A – Services to be provided by Hospital District

Attachment B – Services to be provided by Contractor

[Remainder of page intentionally left blank.]

ATTACHMENT A

SERVICES TO BE PROVIDED BY HOSPITAL DISTRICT

1. Provide overall direction and day-to-day coordination, clarification, and information about the Hospital District's Texas legislative, regulatory, agency, and departmental, and state-funding objectives when the Legislature is not in Session.

[Remainder of page intentionally left blank.]

ATTACHMENT B

SERVICES TO BE PROVIDED BY CONTRACTOR

The Hospital District's primary objective under this Contract is to identify state-provided funding as described below. The secondary objectives are to represent the interests of the Hospital District.

When the Texas Legislature is not in Session:

A. Primary Objectives:

1. Research and identify state regulatory, agency, department, and other state-provided funding opportunities relating to graduate medical education and recruitment and retention of physicians.
2. Research and identify state regulatory, agency, department, and other state-provided funding opportunities relating to public health services, mental health services, mental health facilities, and emergency medical services.
3. Research and identify state regulatory, agency, department, and other state-provided funding opportunities relating to diversion of persons from jails and other detention facilities, including, but not necessarily limited to the following programs or services: Crisis Intervention, Jail Diversion, Mobile Crisis Outreach, Jail-Based Competency Restoration, Walk-In Crisis Intervention, and Forensic Assertive Community Treatment.
4. Assist with preparation of proposed interim charges for the next legislative session, including identification of relevant legislative committees, policy framing, drafting of supporting background materials, and advising on timing, submission, and procedural considerations.
5. Assist with preparation of proposed legislation for the next legislative session, including development of bill concepts, policy rationales, and supporting materials, and review of draft legislation prepared by legislative offices for consistency with the District's objectives.

B. Secondary Objectives:

1. Represent the interests and concerns of the Hospital District to lawmakers in both houses of the Legislature and their staff.
2. Represent the interests and concerns of the Hospital District to Texas regulators, agencies, departments, and state entities providing funding and their heads and staff.
3. Monitor proposed rules and persuade state regulators, agencies, and departments to write and support rules that benefit the Hospital District.

4. Monitor proposed legislation, amendments, budget, and rule-making discussions relevant to the Hospital District.
5. Monitor of legislative committee hearings, interim committee meetings, rule-making hearings, studies underway, and notices of legislation being proposed that are relevant to the Hospital District.
6. Inform heads and staff of state regulators, agencies, and departments as needed regarding the Hospital District's priorities.
7. Utilize existing relationships with lawmakers and their staff, as well as state regulatory agency, and departments heads and staff, to further the interests of the Hospital District.
8. Provide guidance on defeating, supporting, or amending regulatory, agency, and department rule proposals as necessary to preserve and protect the interests of the Hospital District.
9. Provide updates to the Hospital District on issues of interest or concern to the District.
10. Assist and advise the Board and Administrator with preparation of verbal and written comments on rules proposed by state regulators, agencies, and departments and consult regarding the District's communication efforts.
11. Provide briefings as needed to the Board and Administrator regarding any action taken at interim committee meetings, rule-making hearings, studies underway, and notice of legislation or action being proposed that affects the interests of the Hospital District.
12. Monitor interim committee meetings, rule-making hearings, and studies underway relating to public health services, mental health services, and emergency medical services.
13. Monitor interim committee meetings, rule-making hearings, and studies underway relating to the Hospital District including, but not necessarily limited to the following programs and services: graduate medical education and recruitment and retention of physicians.
14. Monitor interim committee meetings, rule-making hearings, and studies underway relating to diversion of persons from jails and other detention facilities, including, but not necessarily limited to the following programs or services: Crisis Intervention, Jail Diversion, Mobile Crisis Outreach, Jail-Based Competency Restoration, Walk-In Crisis Intervention, and Forensic Assertive Community Treatment.

[Remainder of page intentionally left blank.]

15. Monitor interim committee meetings, rule-making hearings, and studies underway relating to the Hospital District including, but not necessarily limited to the following: Indigent Health Care, Legislative Expansions and Mandates Affecting Hospital Districts, Intergovernmental Transfers, Hospital District Property Taxes, Hospital District Finances, Use of Hospital District Funds, Eminent Domain, Board appointments, terms, qualifications for office, and removal, Medicaid, Medicaid Supplemental Payment Programs, Supplemental Payment Programs sponsored by the Texas Health and Human Services Commission, Tax Increment Financing, Bonds and Certificates of Obligation, Alternative Debt Financing Methods, and Sale of Real Property.

[Remainder of page intentionally left blank.]

[END OF AGREEMENT]



CONNIE SCOTT
NUECES COUNTY JUDGE

RECEIVED
DEC 29 2025 *jm*
NCHD-ADMINISTRATION

December 17, 2025

Nueces County Hospital District
ATTN: Mr. Jonny Hipp
555 N. Carancahua St., Ste. 950
Corpus Christi, Texas 78401

Re: Nueces nominee for appointment to Christus Spohn Health System Board of Trustees, Place 2

Dear Mr. Hipp:

Ms. Cindy Barrera was nominated for appointment to the Christus Spohn Board of Trustees at the Nueces County Commissioners Court meeting on December 17, 2025.

Enclosed please find a copy of the letter sent to Ms. Barrera notifying her of her nomination.

We look forward to continuing to work with you and your board members.

Respectfully,

A handwritten signature in blue ink that reads "Connie Scott".

Connie Scott
Nueces County Judge

CS.tcc

Enc.

NUECES COUNTY

APPLICATION FOR APPOINTMENT TO BOARD OR COMMISSION

Name:

Cindy Barrera

Home Address:

6737 Stuyvesant Court

City:

Corpus Christi

Phone:

361-834-1483

Email Address:

cindy.barrera@frostbank.com

Residence in Nueces County:

Precinct 4

Current Employer:

Frost Bank

Dates of Employment:

2016-01-04 to 2025-12-01

Have you served on any board, commission or committee or as an elected official in Nueces County?

Yes

Please list position and dates of service:

Nueces County Development Commission (NCDC)

Do you or an immediate family member* have any professional or financial relationship that may present a potential conflict of interest for this board, commission or similar body? (i.e., employment, contracts, financial investment)

No

If you answered yes, please explain below:

Do you or an immediate family member* have any professional or financial relationship that may present a potential conflict of interest for this board, commission or similar body? (i.e., employment, contracts, financial investment)

No

If you answered yes, please explain below:

Educational Background:

HS Diploma

Certifications:

Certified Wealth Strategist, Certified Trust Financial Advisor

Professional and Community Affiliations/Positions Held (Include Present appointments to Boards, Commissions, Advisory Board or Committee):

Chair of United Corpus Christi Chamber of Commerce, Executive Board of The Pink Connection

Explain why you are interested in serving on this Board or Commission and what experience you bring that would assist in decision making and future actions of this Board or Commission:

I am seeking to serve on the Nueces County Spohn Board because I am deeply committed to strengthening the health and well-being of our community. With more than twenty years of volunteer and board service across numerous local organizations, I bring a long record of collaboration, stewardship, and community-centered leadership. While my previous service has not been primarily focused on health initiatives, I have always cared about the well-being of our community, and that unquestionably includes ensuring we have a strong, accessible, and continuously improving healthcare system. I am drawn to this role because I believe in CHRISTUS Spohn's mission to provide high-quality, compassionate care to all, and I want to help support and advance that mission. My experience working with diverse community partners, combined with a genuine dedication to service and a fresh, committed perspective on healthcare needs, positions me to contribute meaningfully to the Board's efforts to maintain and enhance the care our community depends on.

I hereby certify that the foregoing answers are true. I further certify, should I be considered for appointment to a board, commission, advisory board or committee I will disclose in this application whether I am an employee of the governmental entity of which I seek appointment, I will disclose all appointments that may result in conflicting loyalties, and I will disclose if a family member is an employee of the governmental entity that I seek appointment. Also, should I be appointed to a board, commission, advisory board or committee, and should a conflict of interest exist or develop about a specific matter, I will disclose the conflict of interest upon discovery and recuse myself from the deliberations and action involved. Conflicts of interest include but are not limited to: a direct or indirect financial interest by me or a member of my family, and other interest, which impairs my ability to participate fairly in the deliberations and actions in question. *I hereby affirm that I meet the minimum qualifications and residency requirements for this board or commission.

Applicant:

Cindy Barrera

2025-12-01

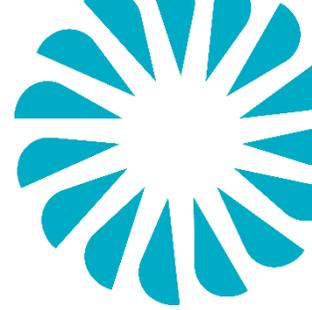
*Immediate family member definition: spouse, child, spouse of child, mother, father, aunt, uncle, grandparent

APPLICATION AND RESUME MUST BE SUBMITTED TO THE COUNTY JUDGE: EMAIL OR USPS TO

Email to: county.boards@nuecesco.com

MAILING ADDRESS: 901 Leopard Street, Suite 303 Corpus Christi, Texas 78401

Information provided in "Application for Appointment to Board or Commission" is subject to public disclosure under the Texas Public Information Act or other applicable law. Pursuant to Section 552.1175 of the Texas Government Code a peace officer, county jailer, commissioned security officer, and certain others with law enforcement or prosecution related responsibilities may restrict access to certain personal information. A form requesting restriction of access can be obtained through the County Judge's office.



Cindy Barrera is a Vice President of Business Development with Frost Wealth Advisors. She joined Frost in 2016 and has been in the financial industry for 26 years.

Cindy has earned the Certified Wealth Strategist® designation and the Certified Trust and Financial Advisor designation. She also holds her Texas General Lines for Life, Accident, Health and HMO and Property and Casualty insurance licenses. Cindy uses over 25 years of experience and expertise in asset and portfolio management, financial planning, family governance, business succession planning and other wealth management issues to advise and serve her clients. She also has a passion for providing financial literacy and ongoing financial education to clients, students at local schools and universities, as well as professional groups at local, state, and national meetings and conferences. Cindy is an active member of the Corpus Christi Estate Planning Council.

In addition to her work at Frost, Cindy is committed to serving the community where she lives and works. Currently, she is the Past Chair of the Board of the United Corpus Christi Chamber of Commerce. She also serves on the executive board of the Pink Connection. Cindy served as a 2024 Co-Chair for Cattle Barons Ball "Viva La Cure" benefiting the American Cancer Society, raising over \$900,000. One of her favorite recent accomplishments is serving as the Committee Chair for Lemonade Day of the Coastal Bend where over 500 students in 2024 and over 1000 students in 2025 took part in Financial Literacy and Entrepreneurial lessons and hosted Lemonade Stands throughout the community. She is also an active volunteer for the Triumph Over Kid Cancer Foundation.

Cindy has previously served as the Chairwoman of the Nueces County Development Commission. In 2023, she was Chair of the United Corpus Christi Chamber of Commerce Economic Empowerment Committee. She has also had previous appointments to the Corpus Christi Independent School District Advisory Council, CCISD's District of Innovation Committee and the Corpus Christi Police Department Reorganization Team. She has previously served on Corpus Christi Education Foundation Executive Board, Veterans Memorial HS Volleyball Booster Club Board, Del Mar College Foundation Board, Corpus Christi Chapter of the Hispanic Women's Network of Texas Board, Kaffie Middle School and Robert Wilson PTA Board, Cindy has also previously chaired committees for the Texas State Aquarium and the Hispanic Chamber of Commerce. She has also been a longtime volunteer for the American Cancer Society.

Awards Include:

- 2025 HER Industry Leader for The Bend Magazine
- Ready or Not Best Dressed Honoree in 2024
- NAACP Corporate Partner of the Year Honoree in 2024
- American Heart Association Woman of Impact in 2022
- Citgo Latino Leader in 2019
- Corpus Christi Chamber of Commerce 40 Under 40 in 2007
- Hispanic Women's Network of Texas Estrella Award for Business in 2002

Cindy's proudest accomplishment is being a mother to her two children, Ashleigh (26) who is a Business Banker for Frost Bank in San Antonio and Luke (14) who is an 8th grader at Kaffie Middle School and a member of the Cross Country, Golf and Track Teams. Cindy is also a dog mom to her two Golden Retrievers, Luna, and Rey. Her second proudest accomplishment is being a 17-year cancer survivor, an annual milestone that she always looks forward to celebrating.

D. Scope of Board and/or Member Authority

1. The Board of Managers and/or individual Board Members have no authority to act on behalf of NCHD, unless said authority is designated by the Board after concurrence by a majority vote of a quorum;
2. The Board of Managers shall:
 - (a) Act as trustee for public health care funds and related public health care services in Nueces County; and
 - (b) Determine the need for and establish all general policies to be implemented in the operation of the NCHD.

E. Public Statements

Because each Board Member is but one-seventh of the Board of Managers, no member is authorized to speak for the Board of Managers; however, policy and statements of official positions of the Board of Managers can be made only after concurrence by a majority vote of a quorum, and shall be issued by the Chairman and, at the direction of the Board, the Administrator. Alternatively, a board member may issue a public statement on behalf of NCHD only after the concurrence by a majority vote of a quorum.

2.2 Officers

A. Election of Officers

1. The Chairman and Vice-Chairman shall be elected by a majority of a quorum for a one-year term at the regularly scheduled September board meeting, and take office at the start of the fiscal year in October.
2. Nominations for officers will be accepted from board members.

B. Scope of Authority as Officer

1. The authority of officers is limited to that provided by law, these Bylaws or by the Board of Managers after concurrence by the majority vote of a quorum;
2. The Chairman shall:

2.5 Committees: Standing and Special

- A. The NCHD shall have standing committees and, as needed, special committees. Committees, whether standing or special, shall consist of NCHD board members and one Chairman appointed by the NCHD Chairman. The standing committees of the NCHD are the Quality Improvement Committee, the Finance Committee, and the Planning Committee.
- B. Special or ad hoc committees shall be appointed only as needed and after concurrence by the majority vote of a quorum. Special committees will be limited in scope of duties and time assignment by the NCHD Board.
- C. Chairmen and members of standing committees shall be appointed and take office during the first regular meeting of the Board following the election of NCHD officers, and thereafter, new appointments shall be promptly made when vacancies arise.
- D. Committees shall act only as provided by law, these Bylaws or as instructed by the Board with respect to specific matters.
- E. At a committee meeting, a majority of voting committee members shall constitute a quorum.
- F. Each meeting shall have an agenda published by the committee chair, but any committee member may place an item on the agenda. The minutes of each meeting shall be submitted to the Board.
- G. Unless otherwise specified, committees shall meet on an as-needed basis and at the direction of the Committee Chairman or the NCHD Chairman.

2.6 Special Appointments

On an as-needed basis, certified public accounting firms and special legal counsel may be appointed by the NCHD Board. Special legal counsel shall work in conjunction with the Nueces County Attorney's office.

ARTICLE 3: MEETINGS AND RECORDS

3.1 Meetings:

NCHD shall follow the *Texas Open Meetings Act, Texas Government Code, Chapter 551 et seq.*, as amended. *Roberts Rules of Order* shall govern the conduct of all NCHD meetings, except and unless contravened by these Bylaws or Texas state or federal law.

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2003, 78th Leg., ch. 198, Sec. 2.211, eff. Sept. 1, 2003.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 206 (S.B. 534), Sec. 2, eff. September 1, 2009.

Sec. 281.0222. QUALIFICATIONS FOR OFFICE. (a) This section applies only to the El Paso County Hospital District.

(b) The El Paso County Commissioners Court may not appoint a person to the board of hospital managers of the district if the person is:

- (1) an employee of El Paso County;
- (2) a district employee; or
- (3) related within the third degree of consanguinity or affinity, as determined under Subchapter B, Chapter 573, Government Code, to a member of the commissioners court or to a person described by Subdivision (1) or (2).

Added by Acts 2011, 82nd Leg., R.S., Ch. 841 (H.B. 3462), Sec. 2, eff. June 17, 2011.

Sec. 281.023. OFFICERS. (a) The board shall elect from among its members:

- (1) a chairman; and
- (2) a vice-chairman to preside in the chairman's absence.

(b) The board shall appoint a board member or the administrator to serve as secretary.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989.

Sec. 281.024. COMPENSATION. A board member serves without compensation.

Acts 1989, 71st Leg., ch. 678, Sec. 1, eff. Sept. 1, 1989.

Sec. 281.025. RECORD OF BOARD MEETING. (a) The board shall require the secretary to keep a suitable record of each board meeting.

(b) The presiding member shall read and sign the record after the meeting, and the secretary shall attest to the record.

Memorandum

To: Board of Managers
From: Jonny F. Hipp, Administrator
Date: February 20, 2025
Re: Authorization to Enter into an Interlocal Cooperation Agreement with Nueces Center for Mental Health & Intellectual Disabilities for Opioid Crisis Remediation Services

Purpose:

The purpose of this memorandum is to seek authorization for the Administrator to enter into an Interlocal Cooperation Agreement with the Nueces Center for Mental Health & Intellectual Disabilities (“NCMHID”) to provide opioid crisis remediation services in one or more categories approved by Texas Opioid Abatement Fund Council (“O AFC”). This agreement will support compliance with payment requirements and ensure effective allocation of funds for opioid-related initiatives.

Background:

The O AFC has approved strategies for opioid crisis remediation services as published in 34 Texas Administrative Code §16.201. Published regulations in 34 Texas Administrative Code §16.222 require hospital district recipients of money from the Texas Comptroller to spend it in one or more categories approved by the O AFC. The Hospital District received **\$2,277,014.24** of related funds from the Comptroller in August 2024.

The Hospital District does not provide clinical services. NCMHID is the best situated governmental entity within Nueces County to provide the opioid crisis remediation services in one or more categories approved by O AFC for opioid crisis remediation. Use of NCMHID affords use of the Interlocal Cooperation Act thereby avoiding the procuring the services through competitive processes. The Texas Comptroller’s office has advised that the Hospital District may contract with other entities to provide the services.

Justification:

Entering into this agreement with NCMHID will provide the following benefits:

1. **Compliance with Funding Requirements:** Participation in approved remediation categories ensures compliance with state and federal funding stipulations.
2. **Cost-Effectiveness:** Collaborative service delivery will lead to more efficient use of funds while addressing community needs through the provision of services in one or more categories approved by the Texas Opioid Abatement Fund Council.

Recommendation:

It is recommended that the Administrator be authorized to negotiate and execute the Interlocal Cooperation Agreement with NCMHID. The agreement will be subject to review by legal counsel to ensure compliance with all relevant laws and regulations.

This authorization will enable timely implementation of opioid crisis remediation services, ensuring that the community receives necessary support while satisfying funding and payment requirements.

Action Requested:

Approval is requested by the Administrator to:

1. Enter into an Interlocal Cooperation Agreement with NCMHID to provide the opioid crisis remediation services on behalf of the Hospital District.
2. Ensure that services provided align with one or more categories approved by the OAFD.
3. Work with legal counsel to finalize the agreement and address compliance measures.

Please let me know if additional information or further clarification is required.

Gary F. Wipp

**INTERLOCAL COOPERATION AGREEMENT
BETWEEN NUECES COUNTY HOSPITAL DISTRICT
AND**

NUECES CENTER FOR MENTAL HEALTH AND INTELLECTUAL DISABILITIES

This Interlocal Cooperation Agreement (“Agreement”), effective as of the date of the last signature below, is entered into by and between the **Nueces County Hospital District** (“Hospital District” or “District”), a political subdivision and special district of the State of Texas created pursuant to Article IX, Section 4 of the Texas Constitution and Chapter 281, Texas Health and Safety Code and the **Nueces Center for Mental Health and Intellectual Disabilities** (“Mental Health Agency”), a local mental health authority authorized to provide mental health and substance abuse services under the Texas Mental Health Code, Chapter 534, Texas Health and Safety Code. Hospital District and Mental Health Agency shall collectively be referred to as the “Parties” or individually as a “Party”.

This Agreement is executed pursuant to authorities of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, to facilitate governmental functions in which the Parties are mutually interested.

WITNESSETH

WHEREAS, the Hospital District approved settlement of its claims against Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., Janssen Pharmaceutica, Inc. in *In Re: Texas Opioid Litigation*, MDL No. 2018-63587 before the 152nd District Court in Harris County (“**Opioid Litigation**”)

WHEREAS, the Parties desire to enter into an agreement to operationalize the Hospital District distributions from the Texas Opioid Abatement Fund Council (the “Council”) by arranging for the Mental Health Agency to provide services of one or more of the eligible opioid abatement strategies or remediation uses within Nueces County; and

WHEREAS, the Hospital District has received opioid settlement funds to be utilized in a manner that shall effectively mitigate the adverse consequences resulting from the actions of the named defendants in the Opioid Litigation (“**Opioid Settlement Funds**”).

WHEREAS, the Mental Health Agency operates programs that assist individuals affected by opioid abuse described in the Scope of Services, attached and incorporated herein as Exhibit “A”;

WHEREAS, the Parties have authority to enter an interlocal contract to facilitate governmental functions, as defined by §791.003 pursuant to Chapter 791 of the Texas Government Code;

WHEREAS, the Hospital District is authorized to use funds made available to the district from sources other than a tax levy to fund health care services pursuant to Texas Health and Safety Code §281.094. The Hospital District has determined that providing funding for Mental Health Agency’s services is an appropriate health care expenditure by the Hospital District for the purpose

of providing prevention, intervention, treatment, evaluation and administrative services to residents of Nueces County affected by opioid abuse;

NOW, THEREFORE, for and in consideration and exchange of mutual covenants and conditions contained herein the Hospital District and the Mental Health Agency agree as follows:

ARTICLE I – PURPOSE

The purpose of this Agreement is to operationalize a distribution of opioid settlement funds in the amount of **\$2,277,014.24** received by the Hospital District from the Council pursuant to Section 403.508(a)(2), Texas Government Code by contracting with the Mental Health Agency to provide services relating to one or more eligible opioid abatement strategies categorized under 34 Texas Administrative Code §16.201(b) each as delineated in “Exhibit E” of the “Texas Term Sheet,” an intrastate agreement between the State of Texas and litigating subdivisions resulting from the Global Opioid Settlement, and administered by the Council (the “Term Sheet Exhibit”). The Term Sheet Exhibit is attached hereto and incorporated by reference.

ARTICLE II – AUTHORITY

This Agreement is entered into under the authority of:

- The Interlocal Cooperation Act, Chapter 791, Texas Government Code, which permits local governments and special districts to contract with each other for the provision of governmental services.
- The Texas Term Sheet of the Global Opioid Settlement, which provides funding and guidance for opioid-related abatement strategies and remediation uses.
- The Council’s statutory opioid abatement strategies, which define allowable abatement strategies and remediation uses of opioid settlement distributions.

ARTICLE III – SCOPE OF SERVICES

3.1 Services Provided

The Mental Health Agency shall perform one or more Hospital District-designated opioid-related abatement strategies and remediation uses from the Scope of Work Exhibit “A” attached hereto, including but not limited to:

1. **Medication-Assisted Treatment (MAT)** – Providing evidence-based treatments such as buprenorphine, methadone, and naltrexone to individuals with opioid use disorder.
2. **Behavioral Health and Counseling Services** – Including individual and group therapy, cognitive behavioral therapy (CBT), trauma-informed care, and co-occurring disorder treatment.
3. **Peer Support and Recovery Services** – Offering peer-led recovery coaching, harm reduction strategies, and support groups.
4. **Crisis Intervention and Stabilization** – Providing emergency mental health and substance use disorder crisis services, including detoxification and crisis residential stabilization.

5. **Prevention and Education Programs** – Conducting community outreach, public education, and school-based prevention programs focused on opioid use disorder awareness and prevention.
6. **Overdose Prevention and Harm Reduction** – Distributing naloxone (Narcan) and providing training on overdose response and harm reduction strategies.
7. **Coordinated Care and Case Management** – Connecting individuals to housing, employment, and other supportive services to address social determinants of health.
8. **Reentry and Justice-Involved Services** – Providing mental health and substance use services for individuals transitioning from incarceration.
9. **Other Approved Programs** – Any additional services mutually agreed upon by the Parties and consistent with the Texas Opioid Abatement Fund guidelines and as maybe described in Scop of Services/Scope of Work Exhibit “A” attached hereto.”.

3.2 Service Locations

The Mental Health Agency shall provide services at locations within Nueces County, Texas, unless specified otherwise in the Term Sheet Exhibit. If specified otherwise, the locations shall be as in the Term Sheet Exhibit.

3.3 Eligibility for Services

Services under this Agreement shall be provided to persons and entities according to the Term Sheet Exhibit.

ARTICLE IV – TERM AND TERMINATION

4.1 Term and Renewal

The initial term of this Agreement shall be for a period of one (1) year, effective as of October 01, 2025, and shall terminate at the close of business on September 30, 2026. Thereafter, the term of the Agreement shall run each fiscal year (i.e., from October 01 of the then current year to September 30 of the following year) and shall automatically renew for additional one-year terms unless either party terminates the Agreement as provided in Section 4.2.

4.2 Termination

- Either Party may terminate this Agreement with or without cause by providing 90 days’ written notice to the other Party.
- Immediate termination may occur if either Party materially breaches the Agreement or if distributions for the services provided hereunder are discontinued. The non-breaching Party shall provide breaching Party with 30 day prior written notice of termination.

If at any time during the term of this Agreement, Hospital District in its sole discretion, determines that the welfare or safety of a participant in Mental Health Agency’s program

may be in jeopardy, Hospital District may immediately suspend this Agreement, including but not limited to the obligation to pay, upon giving notice to Mental Health Agency.

Violation of the contract terms or breach of this Agreement by Mental Health Agency or Hospital District shall be grounds for termination. This agreement shall not be considered as specifying the exclusive remedy for any default, but all remedies existing at law and in equity may be availed of by either party and shall be cumulative.

- If the Agreement is terminated, the Parties agree to coordinate and cooperate in transference of the services to a party designated by the Hospital District.

Hospital District shall pay Mental Health Agency for work completed up to the termination date of this Agreement.

- 4.3 Notwithstanding any provisions contained in this Agreement, the obligations of the Hospital District under this Agreement are expressly contingent upon the availability of funding for each item and obligation for the Term of the Agreement. Mental Health Agency shall have no right of action against Hospital District in the event Hospital District is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding for any item or obligation from any source utilized to fund this Agreement or failure to budget or authorize funding for this Agreement during the current or future fiscal years. In the event that Hospital District is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding or if funds become unavailable, Hospital District at its sole discretion, may terminate this Agreement by written notice to Mental Health Agency.

ARTICLE V – COMPENSATION (FUNDING AND PAYMENT)

5.1 Funding Sources

The Hospital District funding for services provided under this Agreement may be derived from:

- Council distributions to the Hospital District.
- Other local, state, or federal funding sources as available.

5.2 Payment Terms

- The Hospital District agrees to compensate the Mental Health Agency for services rendered during the period of this agreement and as set forth in Exhibit A (Payment Schedule), attached hereto and incorporated by reference.
- The Mental Health Agency shall submit descriptive invoices monthly to the Hospital District's Administrator/Chief Executive Officer. Invoices must include/be accompanied by information deemed by the Hospital District to be necessary for adequate fiscal control concerning all Services rendered by Mental Health Agency under this agreement, including, but not limited to, appropriate performance measures, the dates the Services

were performed, receipts, time sheet (if applicable, which shall include hours worked and the applicable hourly rate)

- Each invoice received for payment from Mental Health Agency, shall be reviewed by the Hospital District to monitor financial compliance by Mental Health Agency under this agreement and for approval by the Hospital District .
- Hospital District’s payment of approved invoices submitted by Mental Health Agency shall be made within 30 days of receipt of said invoice.
- Funds provided by the Hospital District under this agreement shall be expended by Mental Health Agency only for the purposes described in this Agreement. Funds received by Mental Health Agency under this Agreement may not be used for any other purpose including staff bonuses or performance payments, entertainment, gifts or legal expenses.
- Upon written notice by Hospital District to Mental Health Agency, notifying Mental Health Agency of an overpayment by Hospital District, Mental Health Agency shall refund said overpayment to Hospital District within 10 days from their receipt of said notice of overpayment by Hospital District.
- Hospital District may withhold all or part of any payments to Mental Health Agency to offset reimbursement for any overpayments that Mental Health Agency has not refunded to Hospital District. Hospital District may take repayment from funds available under this Agreement in amounts necessary to fulfill Mental Health Agency’s repayment obligations as applicable.

ARTICLE VI – RESPONSIBILITIES OF THE PARTIES

6.1 Responsibilities of Mental Health Agency

The Mental Health Agency shall:

1. Ensure all services comply with federal, state, and local laws, including the Council guidelines.
2. Ensure the services and activities contemplated in this Agreement are performed in a professional manner and in accordance with the terms and conditions of this Agreement, and in a manner consistent with generally accepted business practices.
3. Employ properly licensed and trained professionals to deliver services.
4. Maintain accurate records of service delivery and quarterly submit required reports to the Hospital District. See Performance Measures/Metrics Exhibit “B” attached hereto as a means of measuring, reporting the effectiveness of the services provided for herein.
5. Cooperate in any audits or program evaluations conducted by the Hospital District or regulatory agencies.

6.2 Responsibilities of Hospital District

The Hospital District shall:

1. Administer use of the Council distributions used to fund this Agreement.
2. Provide funding in accordance with Article V of this Agreement.

ARTICLE VII – COMPLIANCE AND RECORDS

7.1 Confidentiality and HIPAA Compliance

Both Parties agree to comply with all applicable confidentiality laws, including:

- The Health Insurance Portability and Accountability Act (HIPAA)
- 42 C.F.R. Part 2 (Confidentiality of Substance Use Disorder Patient Records)
- Texas Health and Safety Code, Chapter 611 (Mental Health Records)
- Texas Health and Safety Code Section 181, et seq ; and **All other laws and regulations that pertain to the privacy of medical records and medical information.**

7.2 Records Retention and Requirements

Mental Health Agency shall comply with all federal, state, and local laws and ordinances applicable to County and to Mental Health Agency for the work or services provided under this Agreement .

Hospital District may conduct at a minimum, two (2) monitoring visits to Mental Health Agency’s facility to determine performance and compliance with the terms of this Agreement.

Mental Health Agency shall maintain, books, records, and other documents relating to the receipt and disbursement of funds under this Agreement . Mental Health Agency must maintain a receipts and disbursements ledger and a general ledger with an income and expense account for each line item. Paid invoices revealing method of payment, date paid and evidence of goods or services received shall be maintained and produced upon request by Hospital District.

Mental Health Agency shall allow any duly authorized representative of County, at all reasonable times, to have access to and the right to inspect, copy, audit, and examine all books, records, and other documents of closeout procedures respecting this Agreement, until final settlement and conclusion of all issues arising out of this activity are completed.

All records related to services under this Agreement shall be maintained by Mental Health Agency for at least seven (7) years following the termination of the parties agreement or as required by law.

As often and in such form as Hospital District may require, Mental Health Agency shall furnish to Hospital District information deemed by Hospital District to be pertinent to matters covered by this Agreement.

ARTICLE VIII – DESIGNATION OF REPRESENTATIVES

- 8.1 Hospital District hereby designates Belinda Espinoza (“**Hospital District’s Designated Representative**”), as its representative under this Agreement. Hospital District’s Designated Representative shall be the primary point of contact for Mental Health Agency unless the Hospital District’s Designated Representative delivers to Mental Health Agency a written notice designating another individual to act as Hospital District’s Designated Representative.
- 8.2 Mental Health Agency hereby designates Mark Hendrix (“**Mental Health Agency’s Designated Representative**”) as its designated representative under this Agreement and the primary point of contact for Hospital District unless the Mental Health Agency’s Designated Representative delivers to Hospital District a written notice designating another individual to act as Mental Health Agency’s Designated Representative.

ARTICLE IX– DISPUTE RESOLUTION

In the event of a dispute, the Parties shall first attempt resolution through informal discussions. If unresolved, the matter may be submitted to mediation before judicial intervention.

ARTICLE X RELATIONSHIP OF PARTIES

- 10.1 The Hospital District shall not be liable for any expense of Mental Health Agency, and in no event shall employees of Mental Health Agency ever be deemed to be employees of Hospital District. Mental Health Agency and Hospital District shall have and retain the exclusive right of control over its employees and contractors assigned to perform services under this Agreement in accordance with the applicable laws of the State of Texas. It is understood and agreed among the parties that Mental Health Agency and the Hospital District, in satisfying the conditions of this Agreement, have acted independently, and assume no responsibilities or liabilities to third parties in connection with these actions.
- 10.2 Nothing contained herein shall be deemed or construed by the Parties hereto, or by any third party as creating the relationship of principal and agent, partners, joint venturers or any similar relationship between the Parties hereto. Mental Health Agency and Hospital District agree that Mental Health Agency is an independent entity, that Mental Health Agency shall be responsible to all Parties for its respective acts and omissions, and that Hospital District

shall in no way be responsible therefore, and that neither has authority to bind the other, or hold out to third Parties that it has the authority to bind the other.

ARTICLE XI NOTICES

11.1 All notices or other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered personally in hand or sent by certified mail or registered mail, return receipt requested, postage prepaid addressed to the proper party at the following address or to any such other address as the Parties hereto may hereafter designate in writing in advance by the parties in accordance herewith or five (5) days after being deposited in the United States Postal Service:

For the Hospital District:

Nueces County Hospital District
Attn: Administrator/Chief Executive Officer
555 N. Carancahua, Suite 950
Corpus Christi, Texas 78401-0835

For the Mental Health Agency:

Nueces Center for Mental Health and Intellectual Disabilities
Attn: Chief Executive Officer
1630 S. Brownlee Blvd.
Corpus Christi, Texas 78404-3134

Notice of changes of address by either Party must be made in writing and delivered (or mailed, registered or certified mail, postage prepaid) to the other Party's address contained in this Article within five (5) business days of such change.

ARTICLE XII – MISCELLANEOUS PROVISIONS

12.1 Amendments

This Agreement may be amended by mutual consent of both parties. In order to be effective, any amendment to the Agreement must be in writing, dated subsequent to the date of the Agreement and signed by both parties after approval by the respective governing bodies at a publicly noticed meeting.

12.2 Assignment:

A Party may not transfer, pledge or otherwise assign this Agreement, any interest in and to it, or any claim arising under it, without the prior written consent of the applicable non-

assigning Party and any purported assignment without such consent shall be void and unenforceable.

12.3 Governing Law and Venue

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and venue shall be in Nueces County, Texas.

12.4 Changes in The Law

Changes in applicable local, state and federal rules, regulations or laws occurring during the term of this Agreement shall be automatically incorporated into this Agreement without written amendment, as of the effective date of the rule, regulation or law.

12.5 Use of Current Revenues

Each party hereto paying for the performance of governmental functions or services hereunder must make those payments from current revenues available to the paying party.

12.6 Waiver of Performance.

a. No waiver by Hospital District of a breach of any of the terms, conditions, covenants or guarantees of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, condition, covenant or guarantee herein contained. Further, any failure of Hospital District to insist in any one or more cases upon the strict performance of any of the covenants of this Agreement or to exercise any option herein contained, shall not be construed as a waiver of relinquishment for the future of that covenant or option. In fact, no waiver, change, modification or discharge by either party of any provision of this Agreement shall be deemed to have been made or shall be effective unless expressed in writing and signed by the Party to be charged.

b. No act or omission of Hospital District shall in any manner impair or prejudice any right, power, privilege, or remedy available to Hospital District under this Agreement, by law or in equity.

c. No representative or agent of Hospital District may waive the effect of the provisions of this section.

12.7 Severability

In the event that any provision of this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, then that invalidity, illegality or unenforceability of the Agreement shall be deemed stricken and deleted and construed as if such invalid, illegal or unenforceable provision had never been contained herein, but shall not affect the remaining provisions of this Agreement which shall remain in full force and effect.

12.8 Waiver of Defenses

Neither the Hospital District nor the Mental Health Agency waives any defenses assertible by either party including governmental immunity, or immunity from liability, or defense afforded under law of any of the Parties or their officers, employees, representatives, and agents as a result of the execution of this Agreement and the performance of the covenants contained herein.

12.9 Captions

The Captions contained in this Agreement are for convenience of reference only, and in no way limit or enlarge the terms and/or conditions of this Agreement.

12.10 Governing Body Approval

This Contract must be approved by the governing bodies of both parties in accordance with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code.

12.11 Parties Bound

This Agreement shall be binding on and inure to the benefit of the Parties and their respective legal representatives, successors and assigns, except as otherwise expressly provided for in this Agreement. Representatives of each of the Parties represent that the execution and performance of this Agreement has been duly authorized by its governing authority and does not require the consent or approval of any other person which has not been obtained. Additionally, the individual executing this Agreement on behalf of each of the Parties represents, warrants, assures, and guarantees that the individual has full legal authority to execute this Agreement on behalf of the Party and to bind said Party to all terms, performances and provisions herein contained.

12.12 Notifications

The Hospital District shall promptly notify the Mental Health Agency if the Council amends its list of eligible strategies, the categorization of strategies, or the ranking of strategies within each category that affect the services provided by the Agency during the term this Agreement.

12.13 Entire Agreement

This Contract including all Exhibits and any attachments constitutes the entire agreement between the Parties relating to such matter and supersedes all other negotiations and agreements, whether written or oral. No prior agreement or understanding between the parties pertaining to any such matter contained herein shall be effective.

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IN WITNESS WHEREOF, the Parties have executed this Agreement and effective as of the date of the last signature.

NUECES COUNTY HOSPITAL DISTRICT

By: Jonny F. Hipp
Jonny F. Hipp
Administrator/Chief Executive Officer

Date: 11/18/25

NUECES CENTER FOR MENTAL HEALTH AND INTELLECTUAL DISABILITIES

By: Mike Davis
Mike Davis
Chief Executive Officer

Date: 11/17/2025