Bluebonnet Trails Community Services

ANNUAL FINANCIAL REPORT

YEAR ENDED AUGUST 31, 2024

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INTRODUCTORY SECTION

BLUEBONNET TRAILS COMMUNITY SERVICES
Certificate of Board Approval
Year Ended August 31, 2024

I, Judge Roxanne Nelson, Chair of the Board of Trustees of Bluebonnet Trails Community Services, do hereby certify that this accompanying audit report for fiscal year ended August 31, 2024, from Scott Singleton Fincher & Co, PC was reviewed and approved at a meeting of the Board of Trustees held on the 29th day of May, 2025.

R Nelson

Judge Roxanne Nelson
Chair of the Board of Trustees

May 29, 2025

To the Board of Trustees of Bluebonnet Trails Community Services and Other Interested Parties,

Presented herein is the Annual Financial Report for Bluebonnet Trails Community Mental Health and Mental Retardation Center d/b/a Bluebonnet Trails Community Services (the Center) for the fiscal year ending August 31, 2024. This report provides the Board of Trustees, the State of Texas, the sponsoring county governments of Bastrop, Burnet, Caldwell, Fayette, Lee, Gonzales, Guadalupe, and Williamson Counties, recipients of services, and those interested in the operations of the Center with detailed information concerning the financial condition and services provided by the organization.

The Center's leadership team is responsible for the accuracy of the presented data and the completeness and fairness of the presentation. The Center establishes, implements and adheres to an internal control framework to protect the assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with generally accepted accounting principles (GAAP). This internal control framework is designed to ensure the financial statements of the Center are free of material misstatement. To the best knowledge of the executive managers of the Center, the enclosed data is accurate in all material respects and fairly represents the financial position and results of the operations of the Center. All disclosures necessary to ensure an accurate depiction of the Center's financial affairs have been included. This report is comprised of three parts:

- This transmittal letter.
- A report of the Center's financial operations including a Management and Discussion Analysis (MD&A), basic financial statements, and supplementary and statistical information. In addition to the independent auditors' report on the Center's basic financial statements, the MD&A presents an overview and analysis to complement and explain the financial statements which have been prepared in accordance with the generally accepted accounting principles for governments as prescribed by the Governmental Accounting Standards Board (GASB).
- A statistical report considering the financial environment in which the Center operates.

The Center's financial statements have been audited by Scott, Singleton, Fincher & Company, P.C., a licensed certified public accounting firm. This is the eighth year for the Center to contract with Scott, Singleton, Fincher & Company, P.C. for the annual independent audit.

The purpose of the independent audit is to provide reasonable assurance that the financial statements of the Center for the year beginning September 1, 2023, and ending August 31, 2024, are free of material misstatement. The independent audit has examined, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit assessed the accounting procedures utilized by Center management and the veracity of the overall presentation of the financial statements.

Based upon the audit, the independent auditor concludes that there is reasonable basis for rendering an unqualified opinion that the financial statements of the Center for the year ending August 31, 2024 have been fairly presented in conformity with GAAP.

The independent auditor's report is presented as the first component of the financial section of this report. The independent audit of the financial statements of the Center is part of a broad, federal and state mandated *"single audit"* designed to meet the special needs of grantor agencies. The practice standards governing single audit engagements require the independent auditor to report not only on the fair representation of financial statements, but also on the internal controls and compliance with legal requirements with special emphasis on internal controls and legal requirements involving the administration of local, state and federal funding awards.

Acknowledgement

For this annual financial review, the Center appreciates the expertise and professionalism of Scott, Singleton, Fincher & Company, P.C., as the licensed certified public accounting firm conducting the annual audit. Our Center is indebted to the exceptional work of our Chief Financial Officer, Director of Accounting, Accounting Staff, Director of Financial Planning and Analysis and our Business Support Staff for preparing, analyzing and providing appropriate oversight of the Center's finances. These efforts support the strategic planning of Bluebonnet Trails Community Services, resulting in our clinical, operational and financial success.

This Center is unable to achieve our goals or meet the expectations of our funders, community and partners without the encouragement, guidance and diligent governance of our exemplary Board of Trustees. I thank our Board members for their high expectations for professionalism, compassion and insistence that quality services be accessible throughout the Bluebonnet Trails Community Services system of care.

Above all, it is extraordinary what the staff of Bluebonnet Trails Community Services accomplish each day supporting babies, children, youth, adults and families. My sincere thanks goes to our dedicated and talented staff who serve our communities.

This letter, with the following financial review, captures the continued success, dedication and tenacity of Bluebonnet Trails Community Services and the outstanding efforts of our excellent staff, partners and Board Members in service to others.

Respectfully submitted,

M Maples

Mike Maples
Chief Executive Officer

BLUEBONNET TRAILS COMMUNITY SERVICES
Listing of Officials
August 31, 2024

Board of Trustees

Judge Roxanne Nelson	Chair
Judge Tom Bonn	Vice-Chair
Barbara Bogart	Secretary
Shannon McBride	Trustee
Shirley Hester	Trustee
John Raeke	Trustee
Judge Michael York	Trustee
Frank Saenz	Trustee
Sheriff Arnold Zwicke	Ex-Officio
Sheriff Calvin Boyd	Ex-Officio
Sheriff Mike Gleason	Ex-Officio

Executive Staff

Andrea Richardson	Chief Executive Officer
Paul Sisler	Chief Financial Officer
Dr. Mark Janes	Chief Medical Officer
Tiffany Guerrero	Chief Administrative Officer
Mike Maples	Chief Health Programs Officer
Amy Bodkins	Chief Human Resources Officer

FINANCIAL SECTION

SCOTT, SINGLETON, FINCHER AND COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

4815-A KING STREET
TELEPHONE 903-455-4765
FAX 903-455-5312
GREENVILLE, TEXAS 75401

Member of:
Governmental Audit Quality Center

Members of:
American Institute of
Certified Public Accountants

Texas Society of
Certified Public Accountants

Independent Auditor's Report

To the Board of Trustees
Bluebonnet Trails Community Services

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bluebonnet Trails Community Services, as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise Bluebonnet Trails Community Services' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Bluebonnet Trails Community Services, as of August 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bluebonnet Trails Community Services and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bluebonnet Trails Community Services' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bluebonnet Trails Community Services' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Bluebonnet Trails Community Services' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6-11 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Bluebonnet Trails Community Services' basic financial statements. The schedule of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Texas Grant Management Standards (TxGMS), is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2025, on our consideration of Bluebonnet Trails Community Services' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Bluebonnet Trails Community Services' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bluebonnet Trails Community Services' internal control over financial reporting and compliance.

Scott, Singleton, Fincher and Company, PC

Greenville, Texas
May 29, 2025

REQUIRED SUPPLEMENTARY INFORMATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Bluebonnet Trails Community Mental Health and Mental Retardation Center dba Bluebonnet Trails Community Services (the "Center"), we offer readers of the Center's financial statements this narrative overview and analysis of the financial activities of the Center for the fiscal year ended August 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The assets of the Center exceeded its liabilities at the close of the most recent fiscal year by $48,199,680 (net position). This compares to the previous year when assets exceeded liabilities by $49,530,629. Center's total net position (government-wide) decreased by $1,330,949.

- As of the close of the current fiscal year, the Center's governmental funds reported ending fund balance of $24,113,050 a decrease from the prior year of $1,148,062.

- At the end of the current fiscal year, unassigned fund balance for the General Fund was $17,634,257 or 20.15% of General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Center's basic financial statements which have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to these basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Center's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Center's assets and liabilities, with the difference between the two reported as *net position.* Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Center is improving or declining.

The *statement of activities* presents information showing how the Center's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, the accrual basis of accounting is used, which is similar to the accounting used by most private-sector companies. Some revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. One such example is earned but unused vacation leave, which is expensed at the time it is accrued, but the cash flow occurs at the time the leave is taken.

In the Statement of Net Position and Statement of Activities, the Center combines its *governmental activities*. Most of the Center's basic services are reported here, including the Mental Health Adult Program, Mental Health Child and Adolescent Program, Developmental Disabilities Program, Primary Care Program, Early Childhood Intervention Program, Substance Abuse Program, and General Administration.

The government-wide financial statements are on pages 13 and 14 of this report.

Fund financial statements. The fund financial statements provide detailed information about the most significant funds – *not the Center as a whole.* A fund is a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The Center, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Center can be divided into two categories: governmental funds and proprietary funds.

- **Governmental funds –** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which requires the recognition of revenue when earned, only so long as the funds are collectible within the period or soon enough afterwards to be used to pay liabilities of the current period.

  The governmental fund financial statements provide a detailed short-term view of the Center's general government operations and the basic services it provides. Governmental fund information helps you determine the amount of financial resources that can be spent in the near future to finance the Center's programs.

  We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliations on page 16 and 18.

  Each year the Center adopts a budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

  The governmental fund financial statements are on pages 15 through 20 of this report.

- **Proprietary funds –** When the Center charges the various programs for the use of fixed assets – these costs are generally reported in a proprietary fund. Proprietary funds are reported in the same way that all activities are reported in the government-wide financial statements. The Center's Internal Service Fund reports the same information as the governmental activities in the government-wide financial statements, but provides more detail and additional information such as cash flow statements. The Center operates an Internal Service Fund to purchase and replenish fixed assets for the Center's various programs. Additionally, the Internal Service Fund is used to account for capital assets and any related debt. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

  The proprietary fund financial statements are on pages 21 through 23 of this report.

Notes to the financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 24 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information* that is required by the Texas Health and Human Services Commission's *Guidelines for Annual Compliance Audits of Community MHMR Centers*. The supplementary information can be found in the Statistical Section beginning on page 39 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Center's assets exceeded liabilities by $48,199,680 at the close of the most recent fiscal year, which is a decrease of $1,330,949 over last year's net position of $49,530,629.

The largest portion of the Center's net position (56%) represents its investment in capital assets, net of related debt (e.g., land, buildings, leasehold improvements, furniture and equipment, computers, vehicles, leases, and subscription-based information technology arrangements).

The remaining balance of the Center's net position (44%) represents the unrestricted financial resources available for future operations.

Statement of Net Position
Government-Wide

	2024	2023
Current and other assets	$ 30,886,148	$ 31,518,866
Capital assets, net	30,466,237	29,595,505
Total assets	61,352,385	61,114,371
Current and other liabilities	6,466,725	6,257,754
Long-term liabilities	6,685,980	5,325,988
Total liabilities	13,152,705	11,583,742
Net investment in capital assets	26,952,565	27,225,756
Unrestricted	21,247,115	22,304,873
Total net position	$ 48,199,680	$ 49,530,629

Governmental activities decreased the Center's net position by $1,330,949. Key elements of this decrease are as follows:

Statement of Activities
Government-Wide

	2024	2023
Revenues		
Program revenues		
Charges for services	$ 29,612,601	$ 32,767,957
Operating grants and contributions	53,656,769	49,000,426
Capital grants and contributions	-	-
General revenues		
Unrestricted investment earnings	1,042,804	1,028,409
Change in estimate for MAC recoupment	-	1,373,941
Gain on disposal of capital assets	33,182	23,659
Total revenues	84,345,356	84,194,392
Expenses		
Mental Health Adult	44,889,737	43,158,244
Mental Health Child	20,171,909	17,583,563
Physical Care	3,181,169	3,271,384
Developmental Disabilities	7,417,905	7,572,677
Early Childhood Intervention	4,195,833	4,720,340
Substance Abuse	5,702,779	4,212,387
Interest	116,973	114,513
Total expenses	85,676,305	80,633,108
Change in net position	(1,330,949)	3,561,284
Net position, beginning	49,530,629	45,969,345
Net position, ending	$ 48,199,680	$ 49,530,629

Governmental Fund Financial Analysis

As noted earlier, the Center uses fund accounting to ensure and demonstrate compliance with finance–related legal requirements. The focus of the Center's governmental funds is to provide information on near-term inflows, outflows, and balances of resources available for spending. Such information is useful in assessing the Center's financing requirements.

Revenues and other financing sources for the Center's governmental fund were $86,361,388 while total expenditures were $87,509,450. The change in fund balance was a decrease of $1,148,062.

In particular, unassigned fund balance may serve as a useful measure of the Center's net resources available for spending at the end of the fiscal year. At the end of the current fiscal year, unassigned fund balance of the General Fund was $17,634,257 while total fund balance was $24,113,050. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 20.15% of total General Fund expenditures.

General Fund Budgetary Highlights

Differences between the original FY 2024 budget and the final FY 2024 budget can be briefly summarized as follows:

- Revenue increased for private psychiatric hospital stays as the Center received an increase in funding for these services.
- Medicaid earned revenues decreased due to the COVID 19 era emergency declarations ending and the Medicaid eligibility unwinding that started in April 2023. The effects became clearer in October 2023 and throughout the remainder of FY 2024.
- Salaries and benefits expenses increased with the implementation of a 5% cost of living increase effective 9/1/23, expansion of the career ladder, new grant related positions and filling of some vacant positions.
- Contracted residential expenses increased with two new therapeutic youth respite programs, the expansion of the state hospital step down program and the implementation of a residential withdrawal management program.
- Contracted clinical expenses increased with the expansion of the 988 Suicide & Crisis Lifeline services, additional nursing and psychiatric services at the Diversion Center, and nursing services for the new youth respite and residential withdrawal management programs.

Capital Assets and Debt Administration

Capital Assets

The Center's investment in capital assets for its governmental activities as of August 31, 2024 is $30,466,237 net of accumulated depreciation and amortization. This investment in capital assets includes land, buildings, leasehold improvements, furniture and equipment, computer equipment, vehicles, as well as right-of-use leased and SBITA assets.

Capital Assets
(net of accumulated depreciation/amortization)

	2024	2023
Land	$ 2,141,148	$ 869,144
Construction in progress	218,336	2,231,888
Buildings	29,761,536	28,633,767
Leasehold improvements	4,014,040	3,744,183
Furniture, fixtures, and equipment	740,455	706,490
Computer hardware and software	2,701,193	2,407,402
Vehicles	2,171,313	2,471,670
Telecommunications equipment	79,862	79,862
Right-of-use leased buildings	3,505,217	1,748,009
Right-of-use leased equipment	157,422	157,422
Right-of-use leased vehicles	1,899,050	1,607,044
Right-of-use SBITA assets*	832,629	832,629
Less: accumulated depreciation/amortization	(17,755,964)	(15,894,005)
Total capital assets, net	$ 30,466,237	$ 29,595,505

*FY2023 balances reflect adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.*

Long-term Obligations

The Center's long-term obligations consist of accrued compensated absences, lease obligations, and SBITA obligations. A summary of outstanding obligations at year end follows:

Long-Term Obligations

	2024	2023
Lease obligations	$ 3,147,542	$ 1,814,803
SBITA obligations*	366,130	554,946
Compensated absences	3,172,308	2,956,239
	$ 6,685,980	$ 5,325,988

*FY2023 balances reflect adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.*

Economic Factors and Next Year's Budgets and Rates

The Center's finances are dependent upon the health of the state and national economy as approximately twenty-six percent (26%) of the gross revenues financing Center operations are derived from general revenue allocations from the state and federal government.

The Center's sustainability planning focuses on maintaining the Center's standing as a Certified Community Behavioral Health Clinic (CCBHC). This status is a key factor in receiving state and federal grant program funding, allowing for the diversity of funding streams and growth in programs and services to persons in our communities. The Center is working with the Texas Council of Community Centers to develop a statewide strategy to sustain CCBHC principles and methodologies through a network of Texas community centers. The CCBHC designation allows community centers to participate in the Directed Payment Program for Behavioral Health Services (DPP-BHS), a vital program for strengthening and expanding access to care and offering sustainability of valuable services supporting our communities.

Request for Information

This financial report is designed to provide a general overview of Center's finances and accountability of the money it receives. If you have questions about this report or need additional financial information, contact Bluebonnet Trails Community Services, Attn: Director of Accounting Services, 1009 N. Georgetown St., Round Rock, Texas 78664. Or you may email your request to cara.mehrens@bbtrails.org.

BASIC FINANCIAL STATEMENTS

BLUEBONNET TRAILS COMMUNITY SERVICES
Statement of Net Position
August 31, 2024

		Governmental Activities
ASSETS		
Cash and cash equivalents	$	17,433,753
Investments		772,920
Accounts receivable, net		4,459,614
Receivables from other governments		4,913,376
Prepaid expenses		1,508,471
Advances for Intergovernmental Transfers		1,292,677
Deposits		45,337
Investment in Tejas Behavioral Health Management Association		460,000
Capital assets, net:		
Nondepreciable		2,359,484
Depreciable		28,106,753
Total Assets	**$**	**61,352,385**
LIABILITIES		
Accounts payable	$	1,856,189
Accrued payroll		1,730,344
Accrued expenses		954,155
Unearned revenue		1,926,037
Compensated absences - due in one year		793,077
Lease obligations - due in one year		619,792
SBITA obligations - due in one year		137,418
Compensated absences - due in more than one year		2,379,231
Lease obligations - due in more than one year		2,527,750
SBITA obligations - due in more than one year		228,712
Total Liabilities		**13,152,705**
NET POSITION		
Net investment in capital assets		26,952,565
Unrestricted		21,247,115
Total Net Position	**$**	**48,199,680**

BLUEBONNET TRAILS COMMUNITY SERVICES
Statement of Activities
Year Ended August 31, 2024

	Expenses			Program Revenues			Net (Expense) Revenue and Changes in Net Position
Function / Programs	Expenses	Administration Allocation	Expenses after Allocation of Administration	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:							
Mental Health Adult	$ 38,826,318	$ 6,063,419	$ 44,889,737	$ 14,545,206	$ 32,299,605	$	$ 1,955,074
Mental Health - Child and Adolescent	17,447,216	2,724,693	20,171,909	8,740,933	10,568,397		(862,579)
Primary Care	2,751,477	429,692	3,181,169	587,369	387,888		(2,205,912)
Developmental Disabilities	6,415,942	1,001,963	7,417,905	2,472,767	4,532,942		(412,196)
Early Childhood Intervention	3,629,087	566,746	4,195,833	1,924,389	2,271,943		499
Substance Abuse	4,932,484	770,295	5,702,779	1,341,937	3,595,994		(764,848)
Administration	11,556,808	(11,556,808)					
Interest	116,973		116,973				(116,973)
Total Governmental Activities	**$ 85,676,305**	**$ -**	**$ 85,676,305**	**$ 29,612,601**	**$ 53,656,769**	**$ -**	**(2,406,935)**
General Revenues							
Investment earnings							1,042,804
Gain on disposal of capital assets							33,182
Total General Revenues							**1,075,986**
Change in Net Position							**(1,330,949)**
Net Position - Beginning							**49,530,629**
Net Position - Ending							**$ 48,199,680**

BLUEBONNET TRAILS COMMUNITY SERVICES
Balance Sheet - Governmental Funds
August 31, 2024

		General		Total Governmental Funds
ASSETS				
Cash and cash equivalents	$	17,111,565	$	17,111,565
Investments		772,920		772,920
Accounts receivable, net		4,459,614		4,459,614
Receivables from other governments		4,913,376		4,913,376
Prepaid items		1,508,471		1,508,471
Advances for Intergovernmental Transfers		1,292,677		1,292,677
Deposits		45,337		45,337
Investment in Tejas Behavioral Health Management Association		460,000		460,000
Total Assets	**$**	**30,563,960**	**$**	**30,563,960**
LIABILITIES				
Accounts payable	$	1,840,374	$	1,840,374
Accrued payroll		1,730,344		1,730,344
Accrued expenses		954,155		954,155
Unearned revenue		1,926,037		1,926,037
Total Liabilities		**6,450,910**		**6,450,910**
FUND BALANCES				
Nonspendable:				
Prepaid items		2,801,148		2,801,148
Deposits		45,337		45,337
Investment in Tejas Behavioral Health Management Association		460,000		460,000
Assigned:				
Compensated absences		3,172,308		3,172,308
Unassigned		17,634,257		17,634,257
Total Fund Balances		**24,113,050**		**24,113,050**
Total Liabilities and Fund Balances	**$**	**30,563,960**	**$**	**30,563,960**

The accompanying notes are an integral part of these financial statements.

BLUEBONNET TRAILS COMMUNITY SERVICES
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
August 31, 2024

Total Fund Balances	**$**	**24,113,050**
Amounts reported for governmental activities in the statement of net position are different because:		
Long-term liabilities, such as accrued compensated absences, are not due and payable in the current period and therefore are not reported in the governmental funds.		(3,172,308)
Long-term leased assets, net $3,147,542 and long-term liabilities related to lease obligations ($3,147,542) are not due and payable in the current period and therefore are not reported in the governmental funds.		-
Long-term right-of-use SBITA assets, net $366,130 and long-term liabilities related to lease obligations ($366,130) are not due and payable in the current period and therefore are not reported in the governmental funds.		-
An internal service fund is used by management to charge the costs of capital assets to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		27,258,938
Net position - governmental activities	**$**	**48,199,680**

The accompanying notes are an integral part of these financial statements.

BLUEBONNET TRAILS COMMUNITY SERVICES
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds
Year Ended August 31, 2024

	General	Total Governmental Funds
REVENUES		
Local funds	$ 28,399,050	$ 28,399,050
State programs	30,347,911	30,347,911
Federal programs	24,522,409	24,522,409
Investment earnings	1,042,804	1,042,804
Total Revenues	**84,312,174**	**84,312,174**
EXPENDITURES		
Current:		
Mental Health Adult	38,322,931	38,322,931
Mental Health - Child and Adolescent	17,223,225	17,223,225
Primary Care	2,716,153	2,716,153
Developmental Disabilities	6,333,573	6,333,573
Early Childhood Intervention	3,582,496	3,582,496
Substance Abuse	4,869,160	4,869,160
Administration	11,390,434	11,390,434
Capital Outlay	2,049,214	2,049,214
Debt service - principal	905,291	905,291
Debt service - interest	116,973	116,973
Total Expenditures	**87,509,450**	**87,509,450**
Excess of Revenues Over Expenditures	(3,197,276)	(3,197,276)
Other Financing Sources (Uses)		
Transfers out	-	-
Issuance of lease obligations	2,049,214	2,049,214
Total Other Financing Sources	**2,049,214**	**2,049,214**
Net Change in Fund Balance	**(1,148,062)**	**(1,148,062)**
Fund Balance, September 1	**25,261,112**	**25,261,112**
Fund Balance, August 31	**$ 24,113,050**	**$ 24,113,050**

The accompanying notes are an integral part of these financial statements.

BLUEBONNET TRAILS COMMUNITY SERVICES
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities
Year Ended August 31, 2024

Net change in fund balances - total governmental funds	**$**	**(1,148,062)**
Amounts reported for governmental activities in the statement of activities are different because:		
Payment of long-term liabilities is an expenditure in the governmental funds, while increases are only recorded as an increase to long-term liabilities in the statement of net position. This is the net decrease in accrued compensated absences.		(216,069)
An internal service fund is used by management to charge the costs of capital assets to individual funds. The change in net position of the internal service fund is reported with governmental activities in the statement of activities.		33,182
The issuance of long-term liabilities for lease and SBITA obligations provide current resources in governmental funds but are recorded as a liability in the statement of net position. The change in net position is the difference between the liabilities issued ($2,049,214) less the principal paid for the year $905,291.		(1,143,923)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is capitalized and depreciated/amortized over their useful lives. Thus, net position is decreased by the amount by which depreciation and amortization ($905,291) exceeded capital outlay $2,049,214 in the current period.		1,143,923
Change in net position of governmental activities	**$**	**(1,330,949)**

The accompanying notes are an integral part of these financial statements.

BLUEBONNET TRAILS COMMUNITY SERVICES
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended August 31, 2024

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
LOCAL REVENUES				
City and County Governments	$ 994,264	$ 994,264	$ 994,264	$ -
Patient Fees	1,173,347	1,425,358	1,425,358	-
Contract Revenue	2,284,265	2,431,353	2,180,909	(250,444)
Medicare	209,211	139,403	139,403	-
Medicaid	8,448,102	6,834,407	6,644,917	(189,490)
YES Waiver	988,470	631,758	631,758	-
Medicaid 1115 Waiver - Charity Care Pool	9,950,223	11,012,105	11,386,675	374,570
Medicaid 1115 Waiver - Directed Payment Program	4,503,388	4,503,388	4,503,388	-
Miscellaneous Income and Contributions	246,495	347,102	492,378	145,276
Total Local Revenues	**28,797,765**	**28,319,138**	**28,399,050**	**79,912**
STATE PROGRAM REVENUES				
General Revenue - Mental Health Adult	18,525,160	17,451,393	18,783,424	1,332,031
General Revenue - Mental Health Child	1,198,423	1,198,423	1,198,423	-
General Revenue - Developmental Disabilities	3,200,867	3,200,066	3,455,886	255,820
Early Childhood Intervention	1,302,710	1,302,710	1,302,710	-
Autism Services	538,648	456,762	441,724	(15,038)
Substance Abuse Programs - state portion	917,215	917,215	917,215	-
Community Mental Health Grant Program (HB13)	1,191,772	1,191,771	1,191,771	-
Mental Health Grant Program for Justice-Involved Individuals (SB292)	516,325	553,326	516,325	(37,001)
TCOOMMI	738,153	758,410	745,335	(13,075)
IDD Outpatient MH Services Learning Collaborative	300,000	300,000	300,000	-
Multi-Systemic Therapy	675,000	589,802	589,802	-
Youth Crisis Outreach Team Grant Program	-	260,352	260,352	-
Supporting Mental Health and Resiliency in Texans	-	-	362,656	362,656
Parenting Awareness and Drug Risk Education Services	-	-	282,288	282,288
Total State Program Revenues	**29,104,273**	**28,180,230**	**30,347,911**	**2,167,681**
FEDERAL PROGRAM REVENUES				
Mental Health Block Grants	5,887,891	8,086,606	8,086,606	-
Social Services Block Grant	141,166	141,166	141,166	-
Temporary Assistance for Needy Families	349,403	349,380	295,533	(53,847)
Early Childhood Intervention	984,753	968,757	866,320	(102,437)
Medical Assistance Program (MAC)	1,714,159	2,411,627	2,631,148	219,521
Substance Abuse Block Grants	1,637,803	1,821,157	1,727,884	(93,273)
Money Follows the Person	156,519	156,519	156,519	-
Transportation Grants	246,165	238,091	238,975	884
SAMHSA Projects of Regional and National Significance	2,818,856	3,649,947	3,676,293	26,346
SAMHSA CCBHC-IA	1,000,000	1,078,955	1,131,886	52,931
Coronavirus State and Local Fiscal Recovery Funds	5,362,133	5,537,686	5,135,527	(402,159)
Veteran's SSG Fox Suicide Prevention	372,954	340,570	338,264	(2,306)
Early Psychosis Intervention Network	-	-	61,120	61,120
Rural Communities Opiod Response Program	-	-	6,000	6,000
Nurse-led Expanded SUD Training and Education	-	-	29,168	29,168
Total Federal Program Revenues	**20,671,802**	**24,780,461**	**24,522,409**	**(258,052)**
Investment Earnings	480,000	1,042,799	1,042,804	5
Total Revenues	**$ 79,053,840**	**$ 82,322,628**	**$ 84,312,174**	**$ 1,989,546**

The accompanying notes are an integral part of these financial statements.

BLUEBONNET TRAILS COMMUNITY SERVICES
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Year Ended August 31, 2024

	Budgeted Amounts		Actual	Variance with Final
	Original	**Final**	**Amounts**	**Budget**
EXPENDITURES				
Current				
Salaries	$ 41,724,931	$ 42,761,817	$ 42,423,089	$ 338,728
Fringe Benefits	10,314,612	10,103,397	10,461,973	(358,576)
Contracted and Professional Fees	17,318,830	19,508,420	20,871,117	(1,362,697)
Travel	276,472	367,510	367,716	(206)
Building/Equipment Rental and Leasing	142,563	945,047	134,775	810,272
Repairs and Maintenance	947,067	1,330,522	1,346,195	(15,673)
Equipment	1,000,000	1,697,748	1,506,047	191,701
Drugs and Medications	400,000	369,339	369,339	-
Utilities	836,000	897,776	897,776	-
Telecommunications	927,956	968,534	968,534	-
Gas and Oil	175,000	116,946	116,370	576
Supplies	322,993	503,946	504,634	(688)
Client Support	638,797	783,652	783,012	640
Insurance, Fees and Premiums	986,519	1,128,406	1,107,819	20,587
Capital Use Fees	1,130,848	1,139,662	1,226,989	(87,327)
Other	1,451,382	1,352,587	1,352,587	-
Capital outlay	-	-	2,049,214	(2,049,214)
Debt service principal	459,186	(116,973)	905,291	(1,022,264)
Debt service interest	116,973	116,973	116,973	-
Total Expenditures	**79,170,129**	**83,975,309**	**87,509,450**	**(3,534,141)**
Excess of Revenues Over Expenditures	**(116,289)**	**(1,652,681)**	**(3,197,276)**	**(1,544,595)**
Other Financing Sources (Uses)				
Transfers out	-	-	-	-
Issuance of lease obligations	-	-	2,049,214	2,049,214
Total Other Financing Sources	-	-	2,049,214	2,049,214
Net Change in Fund Balance	**(116,289)**	**(1,652,681)**	**(1,148,062)**	**504,619**
Fund Balance, September 1	25,261,112	25,261,112	25,261,112	-
Fund Balance, August 31	**$ 25,144,823**	**$ 23,608,431**	**$ 24,113,050**	**$ 504,619**

The accompanying notes are an integral part of these financial statements.

BLUEBONNET TRAILS COMMUNITY SERVICES
Statement of Net Position - Proprietary Fund
August 31, 2024

	Governmental Activities Internal Service Fund
ASSETS	
Current assets	
Cash and cash equivalents	$ 322,188
Total current assets	322,188
Noncurrent assets	
Capital assets, net:	
Nondepreciable	2,359,484
Depreciable	24,593,081
Total noncurrent assets	26,952,565
Total Assets	**27,274,753**
LIABILITIES	
Current liabilities:	
Accounts payable	15,815
Total current liabilities	15,815
Total Liabilities	**15,815**
NET POSITION	
Investment in capital assets	26,952,565
Unrestricted	306,373
Total Net Position	**$ 27,258,938**

The accompanying notes are an integral part of these financial statements.

BLUEBONNET TRAILS COMMUNITY SERVICES
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Fund
Year Ended August 31, 2024

	Governmental Activities Internal Service Fund
OPERATING REVENUES	
Charges for services/user fees	$ 1,226,989
Total operating revenues	1,226,989
OPERATING EXPENSES	
Depreciation	1,226,989
Total operating expenses	1,226,989
Operating income	**-**
NONOPERATING EXPENSES	
Gain on sale of capital assets	33,182
Net income before transfers	**33,182**
Transfers in	-
Change in net position	**33,182**
Net position - beginning	27,225,756
Net position - ending	**$ 27,258,938**

The accompanying notes are an integral part of these financial statements.

BLUEBONNET TRAILS COMMUNITY SERVICES
Statement of Cash Flows - Proprietary Fund
Year Ended August 31, 2024

	Governmental Activities Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from user fees charged to the General Fund	$ 1,226,989
Net cash provided by operating activities	**1,226,989**
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers in from the General Fund	-
Net cash used by noncapital financing activities	**-**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(1,152,726)
Proceeds from the sale of capital assets	63,217
Net cash used by capital and related financing activities	**(1,089,509)**
Net change in cash and cash equivalents	137,480
Cash and cash equivalents - beginning	184,708
Cash and cash equivalents - ending	**$ 322,188**
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ -
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	1,226,989
Net cash provided by operating activities	**$ 1,226,989**

The accompanying notes are an integral part of these financial statements.

Note 1: Reporting Entity

Bluebonnet Trails Community MHMR Center dba Bluebonnet Trails Community Services (the Center) is a tax-exempt agency of the State of Texas, and a unit of local government as defined in Chapters 101 and 102 of the Texas Civil Practice and Remedies Code (the Texas Tort Claims Act) and a local government, as defined by section 791.003, of the Texas Government Code. The Center is designated as the local mental retardation authority under Texas Health and Safety Code, Section 534.001. Initial funding for the Center began in November, 1996. In September of 1997, the Texas Department of Mental Health and Mental Retardation (TDMHMR) designated the Center as the local mental health and mental retardation authority for Bastrop, Burnet, Caldwell, Fayette, Lee and Williamson Counties. On September 1, 2000, TDMHMR designated the Center the local mental health and mental retardation authority for Guadalupe and Gonzales Counties as well. An independent Board of Trustees governs the Center. The Commissioners Court of each county served by the Center appoints one Trustee to the eight member Board in order to provide local stewardship over the resources and the activities of the Center.

In determining how to define the financial reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in the Governmental Accounting Standards Board Statements No. 14, 39, and 61. These statements define the reporting entity as the primary government and those component units for which the primary governments is financially accountable. In addition, component units may be included in the reporting entity based on the nature and significance of the relationship with the primary government, or based on being closely related or financially integrated with the primary government. Based on this criteria, there are no component units required to be included with the Center's financial statements.

Note 2: Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support to external users. The Center does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to consumers or responsible third parties who purchase, use, or directly benefit from services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*. Administrative expenses are allocated among the Center's programs, based on each program's proportionate share of total expenses.

Separate financial statements are provided for governmental and proprietary funds.

Note 3: Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 150 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Grant revenues are recognized only as grant expenditures are incurred to the extent that the expenditures are allowable and eligible for reimbursement. Grant revenue, patient fees and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Center.

The Center allocates indirect expenses primarily comprised of central governmental services to operating functions and programs benefiting from those services. Central services include overall management, accounting, financial reporting, payroll, procurement contracting and oversight, investment and cash management, personnel services, and other central administrative services. Allocations are charged to programs based on use of central services determined by various allocation methodologies.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Center's internal service fund are fees charged to the General Fund for use of capital assets. Operating expenses include cost of services and depreciation expense on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Center reports the following major governmental fund:

> The *general fund* is the Center’s primary operating fund and accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Additionally, the Center reports the following fund type:

> The *internal service fund* is a proprietary fund type used by management to charge the costs of capital assets to individual funds.

Note 3: Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

GASB 87, *Leases* – The Center has implemented the provisions of GASB 87, *Leases*. Under GASB 87, the Center recognizes a right-of-use lease asset (an intangible asset) and a corresponding lease liability at the commencement of the lease term. The lease liability is measured at the present value of lease payments expected to be made during the lease term. Future lease payments are discounted using the Center's estimated incremental borrowing rate at the time of the contract. Lease payments in the General Fund are recorded as expenditures for principal and interest on the lease liability. In the government-wide statement of activities, the Center recognizes amortization of the principal payment on the lease liability as an outflow of resources.

GASB 96, *Subscription-Based Information Technology Arrangements (SBITA)* - Effective September 1, 2022, the Center adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITA). A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

Under GASB 96, the Center recognizes a right-of-use subscription asset (an intangible asset) and a corresponding subscription liability at the commencement of the subscription term when the subscription asset is placed into service. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate specified in the agreement. If the interest rate is not specified, the Center uses its estimated incremental borrowing rate at the time of the contract. Subscription payments in the General Fund are recorded as expenditures for principal and interest on the subscription liability. In the government-wide statement of activities, the Center recognizes amortization of the principal payment on the subscription liability as an outflow of resources. There was no effect on beginning net position as a result of adopting this new standard.

Note 4: Assets, Liabilities and Net Position or Equity

Cash and cash equivalents – For purposes of the statement of cash flows, cash equivalents include amounts in demand deposits as well as short-term investments (certificates of deposit) with a maturity date of three months or less when acquired by the Center.

Investments – Investments are stated at fair value. The investments in local government investment pools are stated at net asset value per share which approximates fair value.

Interfund Receivables and Payables – Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to / from other funds" (i.e. the current portion of interfund loans) or "advances to / from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to / from other funds".

Note 4: Assets, Liabilities and Net Position or Equity - continued

Accounts Receivable – Accounts receivable from patients and insurance companies for services rendered are reduced by the amount of such billings deemed by management to be ultimately uncollectible. The Center provides for an amount of uncollectible patient fees using the reserve method based on past history. The allowance for uncollectible accounts in the General Fund as of August 31, 2024, is $1,196,426. Accounts receivable from cost reimbursement contracts are determined to be 100% collectible based on past collection history from various granting agencies.

Advances and Prepaid Items – Advances for intergovernmental transfer represent advance payments of funds that will be used to furnish matching funds for the 1115 direct payment program that will be received in future periods. Prepaids represent payments to vendors for costs applicable to future accounting periods. Prepaid items are similarly reported in both government-wide and governmental fund financial statements.

Deferred Inflows/Outflows of Resources – Deferred inflows of resources represent the acquisition of resources that apply to a future period and so will not be recognized as an inflow of resources (revenue) until that time. Deferred outflows of resources represent a consumption of resources that applies to a future period and so will not be recognized as an outflow of resources (expense) until that time. The Center has no items considered to be deferred inflows or deferred outflows of resources at year-end.

Non-Profit Investment – Investment in Tejas Behavioral Health Management Association (TBHMA) represents an investment held on the cost basis of accounting in TBHMA, an independent managed care company, and Tejas Next Health, Inc. Both entities are non-profit 501(c)3 corporations.

Tejas Behavioral Health Management Association (TMHA) was formed through an interlocal agreement between three founding community center members: Austin Travis County Integral Care, Bluebonnet Trails Community Services, and The Center for Health Care Services. Over time, Hill Country MHDD Centers and Tropical Texas Behavioral Health have been added as members. TMHA is governed by the members, with each member having one vote. Tejas reported net income of $622,661 for the year ending August 31, 2024. Member contributions to TMHA totaled $-0- during FY 2024.

Tejas Next Health, Inc., has THMA as its sole member. Tejas Next Health, Inc., reported net income of $473,201 for the year ending August 31, 2024. Member contributions to Tejas Next Health, Inc. totaled $-0- during FY 2024.

The carrying amount represents the Center's investment in the non-profit at August 31, 2024. Financial statements for Tejas may be obtained from the Director of Business Operations, 801 S. Highway 183, #2354, Leander, Tx 78641.

Capital Assets – Capital assets, which include property, plant and equipment, are reported in the government-wide and proprietary fund financial statements. Capital assets are defined by the Center as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Capital assets also include intangible right-of-use intangible leased and SBITA assets which are recorded at implementation cost plus the net present value of the future contractual payment obligations. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Note 4: Assets, Liabilities and Net Position or Equity - continued

Estimated useful lives, in years, for depreciable and amortizable assets are as follows:

Building and improvements	10 - 40 years
Furniture and equipment	7 - 20 years
Vehicles	4 years
Computer equipment	3 - 5 years
Right-of-use leased assets	Lease term
Right-of-use SBITA assets	Shorter of subscription term or useful life

Long-Term Obligations – In the government-wide financial statements, long-term debt is reported as liabilities and premiums and discounts are reported as deferred charges and amortized over the term of the related debt.

The governmental fund financial statements recognize the proceeds of debt and related premiums along with the issuance of lease and subscription-based information technology (SBITA) obligations as other financing sources of the current period. Issuance costs are reported as expenditures.

Compensated Absences – The Center provides compensated absence or vacation benefits to its employees. Compensated absences may be accumulated up to a maximum of 376 hours, depending on the employees' length of service. Compensated absences are vested and, upon termination, paid at the current salary. Actual compensated absences benefits paid during the year are recorded as expenditures in the general fund. The Center records its liability for accrued compensated absences as a liability in the governmental activities column of the statement of net position.

Compensated absences are not expensed at the time of usage. Instead, the liability is reduced when leave is taken or paid out. For governmental fund financial reporting purposes, expenditures for compensated absences are recognized in the period in which the related payments are made.

Line of Credit – The Center maintains a $3,000,000 line of credit which matures on May 1, 2025, and carries an interest rate of 9.75%. The Center did not utilize this line of credit during the year.

Fund Balance – In the fund financial statements, governmental funds reported the following classifications of fund balance:

> *Nonspendable* – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable at August 31, 2024 are nonspendable in form. The Center has not reported any amounts that are legally or contractually required to be maintained intact.
>
> *Restricted* – this includes amounts that can be spent only for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments. The Center has no restricted fund balances at year-end.
>
> *Committed* – includes amounts that can be used only for specific purposes determined by a formal action of the Board of Trustees. The Board of Trustees is the highest level of decision making authority for the Center. Commitments may be established, modified, or rescinded only through a formal resolution of the Board of Trustees.

Note 4: Assets, Liabilities and Net Position or Equity - continued

Assigned – includes general fund amounts constrained for a specific purpose by a governing board or by an official that has been delegated authority to assign amounts.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund.

When both restricted and unrestricted resources are available for use, it is the Center's policy to use restricted resources first, then unrestricted resources as they are needed. Additionally, the Center would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

Minimum fund balance policy – The Board of Trustees directs that fiscal policies should achieve and maintain an unassigned fund balance in the General Fund for at least four and up to six months of operations.

Source of Funds – Some funds from federal and other state sources represent fee for service reimbursements, as well as project grants. The funds that are specifically for the individual patient service reimbursements are reported as local funds.

Tax-Exempt Status – The Internal Revenue Service has issued a determination letter dated December 6, 2006, stating that the Center qualifies as an organization described in Section 501(c)(3) of the Internal Revenue Code and, accordingly, is exempt from federal income taxes.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 5: Stewardship, Compliance, and Accountability

The Center's annual budget for the General Fund is prepared based on estimated expenditures provided on a unit basis summarized by program category. The budget is submitted to the Board of Trustees. The budget must have the Board of Trustees' approval and that of the Texas Health and Human Services Commission (HHSC) for services relating to mental health and for services relating to developmental disabilities. All annual appropriations lapse at fiscal year-end.

Contract/budget negotiations are scheduled by HHSC at which time contract performance measures and funding amounts are negotiated. The contract and/or budget is revised to incorporate any modifications agreed upon and is resubmitted to HHSC. The final budget is approved by HHSC.

The budget for the General Fund is prepared using the current financial resources measurement focus and the modified accrual basis of accounting consistent with generally accepted accounting principles for a governmental fund. Budgetary control is maintained at the program level. The Center's management may transfer budgeted amounts within and among programs according to budgeting and expenditure guidelines of HHSC for Community Mental Health and Mental Retardation Centers.

Note 6: Deposits and Investments

Cash and time deposits

Custodial credit risk – deposits. The Center's cash deposits were fully secured at August 31, 2024, by federal deposit insurance and by pledged securities held by the Center's agent in the Center's name. Such total collateralization and insurance coverage is required by the Rules of the Commissioner of the Health and Human Services Commission (HHSC) and the Board of Trustees of the Center.

Investments

The Center's investment policies and types of investments are governed by the Public Funds Investment Act (PFIA). These policies authorize the Center to invest in 1) certificates of deposit; 2) obligations of the United States, its agencies and instrumentalities; 3) repurchase agreements; 4) commercial paper; 5) money market or other mutual funds; and 6) investment pools. The Center may not invest in the aggregate more than 80 percent of its monthly average fund balance, excluding bond proceeds, reserves and other funds held for debt service, in money market mutual funds.

As August 31, 2024, the Center had the following investments and maturities:

Investment Type	Fair Value	Percentage of Total	Credit Rating	Weighted Avg Days to Maturity
TexPool	$ 632,418	81.82%	AAAm	36 days
TexPool Prime	140,501	18.18%	AAAm	36 days
	$ 772,920	100.00%		

Interest rate risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Center manages its exposure to declines in fair values by limiting the maximum allowable stated maturity of any individual investment owned by the Center to two years unless approved by the Board of Trustees.

Credit risk – This is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. State law and Center policy limits investments in public funds investment pools and money market mutual funds to those rated no lower than AAA or AAAm or an equivalent rating by at least one nationally recognized rating service. TexPool manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 90 days. At August 31, 2024, the Center was not significantly exposed to credit risk. The Center's investments are rated as to credit quality as shown in the above table.

Concentration of credit risk – This is the risk of loss attributed to the magnitude of the Center's investment in a single issuer. At year end, the Center's exposure to concentration of credit risk is shown in the table on the previous page as the percentage of each investment type.

Under the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accounts. The State Comptroller is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool. The reported value of the pool is the same as the fair value of the pool shares. TexPool is subject to annual review by an independent auditor consistent with the Public Funds Investment Act. Audited financial statements of the Pool are available at First Public, 12008 Research Blvd., Austin, Texas 78759.

Note 6: Deposits and Investments - continued

Investments – continued

In addition, TexPool is subject to review by the State Auditor's Office and by the Internal Auditor of the Comptroller's Office.

Investments, when applicable, are stated at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Throughout the year and at year-end, the Center had no investments subject to the fair market value hierarchy required by generally accepted accounting principles.

Note 7: Receivables from Other Governments

Receivables from other governments are for reimbursement of expenditures and fees for service provided under various programs and grants. All amounts are expected to be collected within the next year. A summary of these receivables as of August 31, 2024, are as follows:

	Amount
Austin-Travis Integral Care	$ 2,623
Bastrop County	58,350
Burke Center	72,515
Capital Metropolitan Transportation Authority	10,995
Central Counties Center for MHMR Services	876
Community Health Centers	11,874
Texas Department of Family and Protective Services	82,000
HHSC - Autism Services	55,896
HHSC - Disability Services	28,060
HHSC - Early Childhood Intervention	254,341
HHSC - Hospital Transition Pilot Program	662,258
HHSC - Mental Health Programs	1,746,340
HHSC - Substance Use Disorder Programs	43,114
Other Counties	39,041
Medicaid Administrative Claiming	1,209,214
Metrocare Services	2,128
Independent School Districts (Marble Falls and Prairie Lea)	8,312
SAMHSA	250,759
Texas Department of Criminal Justice	196,121
Texas Department of Transportation	11,059
Texas A&M University	3,500
U.S Department of Veterans Affairs	46,694
Williamson County	117,307
Receivables from Other Governments	$ 4,913,376

BLUEBONNET TRAILS COMMUNITY SERVICES
Notes to the Financial Statements
Year Ended August 31, 2024

Note 8: Capital Assets

Capital asset activity is recorded in the government-wide financial statements and the internal service fund. A summary of changes in capital asset balances for the year ended August 31, 2024, is as follows:

Governmental Activities:	Beginning Balance	Additions	Deletions	Reclass	Ending Balance
Nondepreciable assets:					
Land	$ 2,141,148	$ -	$ -	$ -	$ 2,141,148
Construction in progress	959,884	386,222		(1,127,770)	218,336
Total nondepreciable assets	3,101,032	386,222	-	(1,127,770)	2,359,484
Depreciable/amortizable assets:					
Buildings	28,633,766	-		1,127,770	29,761,536
Leasehold improvements	3,744,183	269,857			4,014,040
Furniture, fixtures, and equipment	706,490	33,965			740,455
Computer hardware and software	2,407,402	293,791			2,701,193
Vehicles	2,471,670		(300,357)		2,171,313
Telecommunications equipment	79,862				79,862
Right-of-use leased buildings*	1,748,009	1,757,208			3,505,217
Right-of-use leased equipment*	157,422				157,422
Right-of-use leased vehicles*	1,607,044	292,006			1,899,050
Right-of-use SBITA assets**	832,629				832,629
Total depreciable assets	42,388,477	2,646,827	(300,357)	1,127,770	45,862,717
Less accumulated depreciation/amortization:					
Buildings	8,011,456	774,546			8,786,002
Leasehold improvements	1,226,411	245,095			1,471,506
Furniture, fixtures, and equipment	312,461	69,317			381,778
Computer hardware and software	2,145,809	103,118			2,248,927
Vehicles	2,158,311	30,998	(270,321)		1,918,988
Telecommunications equipment	64,202	3,915			68,117
Right-of-use leased buildings*	1,119,088	296,679			1,415,767
Right-of-use leased equipment*	85,605	44,932			130,537
Right-of-use leased vehicles*	492,979	374,864			867,843
Right-of-use SBITA assets**	277,683	188,816			466,499
Total accumlated depreciation/amortization	15,894,005	2,132,280	(270,321)	-	17,755,964
Total capital assets, net	$ 29,595,504	$ 900,769	$ (30,036)	$ -	$ 30,466,237

*Right-of-use leased assets, $5,561,689, less accumulated amortization, $2,414,147, resulting net book value, $3,147,542.

**Right-of-use SBITA assets, $832,629, less accumulated amortization, $466,499, resulting net book value, $366,130.

**Beginning balances and current year activity reflected in accordance with adoption of GASB 96.

Note 8: Capital Assets - continued

In the government-wide financial statements, depreciation expense of $1,226,989 and amortization expense of $905,291 totaling $2,132,280 was charged to the Center's programs as follows:

Governmental Activities:		
Mental Health Adult	$	983,622
Mental Health - Child and Adolescent		442,063
Developmental Disabilities		69,715
Early Childhood Intervention		162,562
Substance Abuse		91,951
Primary Care		124,975
Administration		257,392
Total depreciation and amortization expense	$	2,132,280

Note 9: Long-Term Liabilities

Long-term liability activity is recorded in the government-wide financial statements. Retirements of compensated absences are typically paid out of the general fund. A summary of changes in long-term liabilities for the year ended August 31, 2024, is as follows:

Governmental Activities:	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Direct Borrowing:					
Lease obligations	$ 1,814,803	$ 2,049,214	$ 716,475	$ 3,147,542	$ 619,792
SBITA obligations*	554,946	-	188,816	366,130	137,418
Other:					
Compensated absences	2,956,239	2,310,375	2,094,306	3,172,308	793,077
Total long-term liabilities	$ 5,325,988	$ 4,359,589	$ 2,999,597	$ 6,685,980	$ 1,550,287

The Center has entered into lease agreements for real estate with total combined monthly payments ranging from $32,277 to $19,138 per month over the next twelve fiscal years, with an estimated incremental borrowing rate of 3.25% to 8.5%. Terms of existing agreements expire on various dates over the next twelve fiscal years.

The Center has entered into lease agreements for vehicles with total combined monthly payments ranging from $31,831 to $2,157 per month over the next five fiscal years, with an estimated incremental borrowing rate of 3.25% to 9.75%. Terms of existing agreements expire on various dates over the next five fiscal years.

Note 9: Long-Term Liabilities – Continued

The Center has entered into lease agreements for equipment with total combined monthly payments of $3,883 per month over the next two fiscal years, with an estimated incremental borrowing rate of 3.5%. Terms of existing agreements expire on in March 2025.

Lease payments are reflected as principal and interest payments in the financial statements. There were no material variable payments that were not included in the measurement of the lease liability. There are no material residual value guarantees or termination penalties that were not previously included in the measurement of the lease liability.

Future debt service requirements for lease obligations as of August 31, 2024, are as follows:

Year Ending	Principal	Interest	Total
2025	$ 619,792	$ 123,885	$ 743,677
2026	488,530	92,753	581,283
2027	399,264	70,094	469,358
2028	226,765	53,390	280,155
2029	164,543	43,931	208,474
2030-2034	898,577	135,287	1,033,864
2035-2036	350,071	9,632	359,703
Total	$ 3,147,542	$ 528,972	$ 3,676,514

The Center has entered into subscription-based information technology agreements (SBITA) with total combined annual payments ranging from $26,888 per year in fiscal year 2023 to $6,763 per year ending in May 2027. SBITA obligations are recorded at the present value of the remaining lease payments using an estimated incremental borrowing rate of 5.5%. Terms of existing agreements expire on various dates over the next four fiscal years. SBITA payments are reflected as principal and interest payments in the financial statements.

Future debt service requirements for subscription-based information technology (SBITA) obligations as of August 31, 2024, are as follows:

Year Ending	Principal	Interest	Total
2025	$ 137,418	$ 16,708	$ 154,126
2026	151,660	9,229	160,889
2027	77,052	1,376	78,428
2028	-	-	-
2029	-	-	-
2030	-	-	-
Total	$ 366,130	$ 27,313	$ 393,443

Note 10: Interfund Transfers

Transfers were made to use unrestricted revenues collected in the General Fund for the acquisition and maintenance of capital additions accounted for in the Internal Service Fund in accordance with budgetary authorizations. For the year ending August 31, 2024, the General Fund transferred $- to the Internal Service Fund for that purpose.

Note 11: Retirement Plan

The Center maintains a 401(a) defined contribution retirement plan that is administered by ISC Group, Inc. The name of the plan is the Bluebonnet Trails Community Center Retirement Plan. All salaried employees are eligible for the plan after 90 days of employment. The Center contributes 7% of the employee's salary to the plan each year. Participants start to vest in the employer's contribution at the completion of two years of service with 100% vesting occurring after five years. Forfeited contributions are used to reduce Center contributions. For the year ended August 31, 2024, the Center contributed $2,393,837 net of forfeitures of $223,616 to the plan. Employer contributions in the amount of $208,802 were due to the plan at year end.

The Center offers a Section 403(b) tax sheltered annuity program for its employees. Employees may enter the program at any time but must contribute a minimum of 3% up to the maximum allowed by law. Employees contributed $332,675 to the plan for the year ended August 31, 2024. The plan is administered by the ISC Group, Inc. Eligible employees must be at least 18 years of age and achieve six months of service to be eligible to participate in the plan.

Note 12: Deferred Compensation Plan

The Center has a Section 457 deferred compensation plan that is administered by ISC Group, Inc. Vesting in the plan is immediate. Participating employees must make a minimum contribution of 5% of their salary. Loans are not available in the plan. Employees made contributions of $1,977,280 to the plan for the year ended August 31, 2024.

Note 13: Concentrations of Credit Risk

The Center enters into contracts with the Texas Health and Human Services Commission (HHSC) for the delivery of mental health services, disability services, substance use disorder services and early childhood services. These contracts represent a significant portion of the Center's total revenues. At year-end, these contracts have been continued through August 31, 2025. The Center's overall exposure to credit risk is contingent upon future funding by the State.

Note 14: Risk Management

The Center is exposed to various risks of loss related to general liability, torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, doctors' malpractice and natural disasters. The Center's workers compensation, property, liability and automobile physical damage losses are covered under a partially self-funded insurance pool managed by the Texas Council Risk Management Fund (TCRMF). Under these policies, the Center could be assessed for additional premiums if losses exceed specified amounts. Management estimates that any additional assessments for these claims would not be material to the financial statements. The Center has not accrued any estimated liabilities for this contingency in the accompanying financial statements.

There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding the maximum amounts to be paid by the pool in any of the past three fiscal years.

Note 15: Commitments and Contingencies

The Center has participated in a number of federal and state assisted grant programs. These programs are subject to financial and compliance audits by the grantors or their representatives and regulatory authorities. The purpose of these audits is to ensure compliance with conditions relating to the granting of funds and other reimbursement regulations. The Center's management believes that any liability for reimbursement which may arise as a result of these audits is not believed to be material to the financial position of the Center. The Center is subject to certain penalties in the event that performance targets are not met.

On September 1, 2018, the Center transitioned to a new electronic health record billing system. As a result of this change, management identified an error in the calculation of the Medicaid enrollment percentage used to prepare reimbursement invoices submitted to HHSC for Medicaid Administrative Claiming (MAC). The new billing system calculated a lower Medicaid enrollment percentage than the previous system. Center staff, at the direction of management, performed a more detailed review of the calculation by service code and determined that the percentage calculated by the new billing system was correct. Following this determination, management notified HHSC of the error in August of 2019, and submitted a schedule of the changes in the Medicaid percentage for each quarterly MAC claim reimbursement beginning in 2012 up through 2019. MAC claims are submitted through a state-wide system for all community centers using software known as Fairbanks.

In 2019, Management estimated a contingency amount that may due back to HHSC in the amount of $1,373,941 based on applying the change in the Medicaid percentage back to 2012. Management requested that HHSC apply the new Medicaid percentage through the Fairbanks system in order to determine any amount that may need to be repaid. In FY2019, the Center recorded this liability in the General Fund. In fiscal year 2020, the claim reclassified as a long-term liability. Accordingly, it was moved out of the governmental fund statements to the government-wide full accrual statements where it remained through fiscal years 2022. During this time, Center management has been in discussion with HHSC about the matter. HHSC has not provided information related to any amount that may be due back to HHSC. Accordingly, the Center has determined that is unlikely this amount will be recouped by HHSC. And, the Center has recorded a change in estimate reducing the long-term liability on the government-wide financial statements to $-0- in FY2023.

Note 16: Patient Assistance Program

Consumers periodically receive prescription medications through a program known as the Patient Assistance Program (PAP). These prescriptions are provided at no cost to the consumer. These items do not meet the criteria for recognition on the Center's financial statements; however, they do provide significant assistance to the consumers the Center serves. Management estimates that consumers received prescription medications through this program valued at approximately $5,016,125 during the year ending August 31, 2024.

Note 17: Clinic Facility – Seguin, Texas

The Center, along with Community Health Centers of South Central Texas, Inc. (CHCSCT), a Federally Qualified Health Center, operate a joint project to provide physical and mental health services in one location at a clinic facility located in Seguin, Texas. The clinic facility was constructed with a federal grant award in the amount of 5 million dollars made to Community Health Centers of South Central Texas, Inc. by the U.S. Department of Health and Human Services - Health Resources and Services Administration (HRSA). The facility was constructed on land owned by the Center prior to the grant award. Title to the land contains a deed restriction stating that the property will always be used to serve individuals with mental and intellectual developmental disabilities.

Note 17: Clinic Facility – Seguin, Texas – Continued

The notice of federal award to CHCSCT provides for a federal continuing interest in the property which has been reflected on the public record in Guadalupe County, Texas. This continuing interest in the property specifies that the property may not be: 1) used for any purpose inconsistent with the federal statute or program regulations governing the grant award to CHCSCT; 2) mortgaged or otherwise used as collateral without the written permission of HRSA or its designee; or 3) sold or transferred to another party without the written permission of HRSA or its designee.

The Center and CHCSCT have entered into a memorandum of understanding (MOU) that specifies that the clinic facility is co-owned by the two entities. The MOU further specifies that should either entity decide to leave the facility, the remaining entity shall retain full ownership of the facility and shall abide by the warranty deed restrictions for the acreage upon which the facility resides. The Center carries the value of this property at cost, which consists of the cost basis of the land.

Note 18: Medicaid Cost Report Reconciliation – Charity Care Program (CCP)

In FY 2023, Community Centers statewide began participating in a state-wide Medicaid 1115 waiver program identified as the Charity Care Pool (CCP). As a part of the CCP program, all Centers file a cost report based on the cost of the program and the services provided. The Center's cost report will be considered as a part of a statewide reconciliation process for the cost of CCP services. The cost report reconciliation will result in a settlement of an amount due to the Center. The results of the final reconciliation will not be known for several months after the report release date. Due to the uncertainty associated with this estimate and the effects of the statewide reconciliation, management has determined that an estimate is not possible at year-end. Revenues associated with this program are recorded as revenues when actually received. The amount received in FY 2024 was $11,386,675.

STATISTICAL SECTION (UNAUDITED)

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedule of Revenue and Expenditures by Source of Funds (Unaudited)
General Fund
Year Ended August 31, 2024

Fund Source	Total Revenue	Total Mental Health Adult Expenditures	Total Mental Health Child and Adolescent Expenditures	Total Mental Health Crisis Expenditures	Total Developmental Disabilities Expenditures	Total Other Services Expenditures	Total Center Expenditures	Excess Revenue over Expenditures
Objects of Expense:								
Salaries	$ 42,634,168	$12,257,784	$ 6,896,696	$ 7,352,843	$ 4,166,608	$11,960,237	$42,634,168	$ -
Employee Benefits	10,461,974	2,932,479	1,688,278	1,701,531	1,146,715	2,992,972	10,461,974	-
Professional and Consultant Services	20,863,192	2,896,681	1,850,989	11,161,765	705,788	4,247,968	20,863,192	-
Training and Travel	614,738	163,010	98,693	85,316	75,167	192,552	614,738	-
Capital Outlay	939,601	199,743	182,283	191,097	63,791	302,687	939,601	-
Non-Capitalized Equipment	1,762,656	438,412	249,275	415,058	141,047	518,863	1,762,656	-
Pharmaceutical Expense	367,716	187,205	94,545	72,222	2	13,742	367,716	-
Pharmaceutical Expenses (PAP Only)	5,016,125	4,564,674	451,451	-	-	-	5,016,125	-
Other Operating Expense	7,774,207	1,798,147	1,007,631	2,179,255	772,750	2,016,425	7,774,207	-
Total Expenditures	$ 90,434,377	$25,438,135	$12,519,840	$23,159,087	$ 7,071,868	$22,245,447	$90,434,377	$ -
Method of Finance:								
General Revenue - MH	$ 13,890,305	$ 6,208,946	$ 1,234,330	$ 6,447,029	$ -	$ -	$13,890,305	$ -
General Revenue - IDD	2,617,207				2,617,207		2,617,207	-
Permanency Planning	21,433				21,433		21,433	-
Crisis and behavioral Support (CIS)	208,110				208,110		208,110	-
Behavioral Crisis Respite In/Out of Home	256,209				256,209		256,209	-
Crisis Services	1,855,742			1,855,742			1,855,742	-
Other General Revenue - MH	2,955,906	551,325	589,802	1,814,779			2,955,906	-
Other General Revenue - IDD	559,222				559,222		559,222	
Project Private Beds	4,200,800			4,200,800			4,200,800	-
TANF	208,237	49,976	158,261				208,237	-
Title XX - Social Services Block Grant	141,166	141,166					141,166	-
Mental Health Block Grant	448,091	333,164	114,927				448,091	-
New Generation Medications							-	
Other State Agencies	6,752,742			-	675,522	6,077,220	6,752,742	-
Other Federal Funds	43,542,471	13,368,940	9,208,243	6,390,384	2,508,728	12,066,176	43,542,471	-
Required local match	8,424,581	4,564,674	451,451	2,450,353		958,103	8,424,581	-
Additional local funds	4,352,155	219,944	762,826		225,437	3,143,948	4,352,155	-
Total Expended Sources	$ 90,434,377	$25,438,135	$12,519,840	$23,159,087	$ 7,071,868	$22,245,447	$90,434,377	$ -

BLUEBONNET TRAILS COMMUNITY SERVICES
Reconciliation of Total Revenues to Fourth Quarter Financial Report (Unaudited)
Year Ended August 31, 2024

	Revenues									
		Care Report III		Additions			Deletions			Audited Financial Statements
LOCAL REVENUES										
City and County Governments	$	994,264	$	-		$	-		$	994,264
Patient Fees, Insurance, Reimbursements		1,425,358					-			1,425,358
Contract Revenue		2,143,118		37,791	(c)					2,180,909
Title XVII - Medicare		139,403								139,403
YES Waiver		631,758								631,758
Title XIX - Medicaid		6,870,408					(225,491)	(f)		6,644,917
Medicaid 1115 Waiver - Charity Care Pool		11,386,675								11,386,675
Medicaid 1115 Waiver - Directed Payment Program		4,138,615		364,773	(c)					4,503,388
Transfers from reserves		1,543,161					(1,543,161)	(g)		-
Pharmaceutical Expense (PAP only)		5,016,125					(5,016,125)	(a)		-
Miscellaneous income, contributions, interest		472,504		19,874	(c)					492,378
Total Local Revenues		34,761,389		422,438			(6,784,777)			28,399,050
STATE PROGRAM REVENUES										
General Revenue - Mental Health Adult		18,783,424								18,783,424
General Revenue - Mental Health Child		1,198,423								1,198,423
General Revenue - Developmental Disabilities		3,518,700		93,705	(f)		(156,519)	(f)		3,455,886
Early Childhood Intervention		2,256,325					(953,615)	(f)		1,302,710
Autism Services		436,547		5,177	(c)					441,724
Substance Abuse Programs		2,636,749					(1,719,534)	(f)		917,215
Community Mental Health Grant Program		1,191,771								1,191,771
Mental Health Grant Program for Justice-Involved Individuals		516,325								516,325
TCOOMMI		745,335								745,335
IDD Outpatient MH Services Learning Collaborative		300,000								300,000
Multi-Systemic Therapy		589,802								589,802
Youth Crisis Outreach Team Grant Program		260,352								260,352
Supporting Mental Health and Resiliency in Texans		362,656								362,656
Parenting Awareness and Drug Risk Education Services		282,288								282,288
Transportation Grants		238,975					(238,975)	(f)		-
Total State Program Revenues		33,317,672		98,882			(3,068,643)			30,347,911
FEDERAL PROGRAM REVENUES										
Mental Health Block Grant		8,044,231		42,375	(c)					8,086,606
Social Services Block Grant-Title XX		141,166								141,166
Temporary Assistance for Needy Families		208,237		87,296	(f)					295,533
Early Childhood Intervention		-		866,320	(f)					866,320
Medicaid Administrative Claiming		2,441,658		189,490	(f)					2,631,148
Substance Abuse Programs		-		1,727,884	(f)					1,727,884
Money Follows the Person		-		156,519	(f)					156,519
Opioid STR		-		-	(f)					-
Transportation Grants		-		238,975	(f)					238,975
SAMHSA Projects of Regional and National Significance		-		3,676,293	(f)					3,676,293
SAMHSA CCBHC-IA		-		1,131,886	(f)					1,131,886
Community Development Block Grant		-								-
Coronavirus Relief Finds		-								-
Coronavirus State and Local Fiscal Recovery Funds		-		5,135,527	(f)					5,135,527
Nurse-led Expanded SUD Training and Education		-		29,168	(f)					29,168
Veteran's SSG Fox Suicide Prevention		-		338,264	(f)					338,264
Early Psychosis Intervention Network		-		61,120	(f)					61,120
Rural Communities Opiod Response Program				6,000	(f)					6,000
Other Federal Programs		10,477,217					(10,477,217)	(f)		-
Total Federal Program Revenues		21,312,509		13,687,117			(10,477,217)			24,522,409
Investment Earnings		1,042,804								1,042,804
Total Revenues	$	90,434,374	$	14,208,437		$	(20,330,637)		$	84,312,174

BLUEBONNET TRAILS COMMUNITY SERVICES
Reconciliation of Total Expenditures to Fourth Quarter Financial Report (Unaudited)
Year Ended August 31, 2024

Function	Expenditures: Care Report III	Additions		Deletions		Audited Financial Statements
Personnel	$ 42,634,169	$		$ (211,080)	(c)	$ 42,423,089
Employee Benefits	10,461,973					10,461,973
Professional and Consultant Services	20,863,191	7,926	(e)			20,871,117
Training and Travel	369,339			(1,623)	(e)	367,716
Capital Outlay	939,605	2,049,214	(d)	(939,601)	(b)	2,049,218
Non-Capitalized Equipment	1,762,656			(256,609)	(d)	1,506,047
Pharmaceutical Expense	367,664	1,675	(e)			369,339
Pharmaceutical Expense (PAP only)	5,016,125			(5,016,125)	(a)	-
Capital Use Fees		1,226,989	(b)			1,226,989
Debt service principal						-
Debt service interest						-
Other Operating Expense	8,019,655	246,497	(e)	(32,186)	(e)	8,233,962
Total Expenditures	$ 90,434,377	$ 3,532,301		$ (6,457,224)		$ 87,509,450

(a) Free medicine used
(b) Capital assets are maintained in an internal service fund on the audited financial statements. A capital use fee is charged to the General Fund, which is not included in Report III, for recording depreciation and debt service expenditures.
(c) Adjustment for compensated absences.
(d) GASB 87/GASB adjustment.
(e) Reclassification/Adjustment

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedule of Indirect Costs (Unaudited)
Year Ended August 31, 2024

	Total Costs	Non - allowable Costs	Depreciation	Total Adjusted Costs	Direct Costs	Indirect Costs
Personnel	$ 42,634,169	$ -	$ -	$ 42,634,169	$ 38,125,011	$ 4,509,158
Fringe benefits	10,461,973	-	-	10,461,973	9,594,921	867,052
Professional and Consultant Services	20,871,117	-	-	20,871,117	20,196,786	674,331
Training and Travel	367,716	-	-	367,716	346,181	21,535
Capital Usage Fees	1,226,989	(1,226,989)	-	-	-	-
Depreciation	-	-	1,226,989	1,226,989	1,074,736	152,253
Non-capitalized equipment	1,506,047	-	-	1,506,047	722,130	783,917
Pharmaceutical expense	369,339		-	369,339	369,339	-
Other operating expenses	10,072,100	(220,688)	-	9,851,412	6,668,642	3,182,770
					-	
Total expenses	$ 87,509,450	$ (1,447,677)	$ 1,226,989	$ 87,288,762	$ 77,097,746	$ 10,191,016

Indirect costs	$ 10,191,016
Direct costs	$ 77,097,746
Indirect cost rate	13.22%

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedule of Leases in Effect (Unaudited)
Year Ended August 31, 2024

Lessor	Location	Termination	Monthly Amount
Georgetown Healthcare Foundation	711 North College, Georgetown	Monthly	$ 5,100
RCT Holdings LLC	404 Carlos Parker Blvd., Taylor	4/30/2026	4,100
Welltower OM Group, LLC	1401 Medical Parkway, Cedar Park	3/31/2026	14,144
HHSC	Bulding 785, Austin State Hospital	Monthly	180
HHSC	Lease 781, Austin State Hospital	Monthly	49
John Cannan	110 Golden Oaks, Georgetown	1/1/2026	2,600
John Cannan	112 Golden Oaks, Georgetown	1/1/2026	2,600
High Meadow Assisted Living, LLC	211 Meadow Lake, Seguin	7/31/2025	4,800
Enterprise fleet Management Trust. LLC	P. O. Box 80089, Kansas City, MO	Various	38,706

BLUEBONNET TRAILS COMMUNITY SERVICES

Schedule of Space Occupied in a State-Owned Facility (Unaudited)

Year Ended August 31, 2024

	Building	Cost	
Location	Utilization	Monthly	Annual
None			

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedule of Insurance in Force (Unaudited)
Year Ended August 31, 2024

Insurer	Policy Period	Coverage		Limits or Amounts
Texas Council Risk Management Fund	9-1-23 to 9-1-24	Automobile Liability Physical Damage	$	1,000,000 per occurrence
Texas Council Risk Management Fund	9-1-23 to 9-1-24	Workers' Compensation		Statutory
Texas Council Risk Management Fund	9-1-23 to 9-1-24	Errors and Omissions		1,000,000
Texas Council Risk Management Fund	9-1-23 to 9-1-24	General Liability		1,000,000
Texas Council Risk Management Fund	9-1-23 to 9-1-24	Excess Liability		2,000,000
Texas Council Risk Management Fund	9-1-23 to 9-1-24	Professional Liability		3,000,000 aggregate
Texas Council Risk Management Fund	9-1-23 to 9-1-24	Property includes Boiler and Machinery		44,769,548
Texas Council Risk Management Fund	9-1-23 to 9-1-24	Sexual or Physical Abuse or Molestation		300,000
Texas Council Risk Management Fund	9-1-23 to 9-1-24	Crime		10,000
ASSURANT American Bankers Insurance Company of Florida	01/20/23 to 01/20/24	Flood		1,000,000
Admiral Insurance Group	12/13/23 to 12/13/24	Primary care		3,000,000 aggregate
Corvus Insurance	06/09/24 to 06/09/25	Cyber Liability		3,000,000 aggregate

BLUEBONNET TRAILS COMMUNITY SERVICES

Schedule of Bond Coverage (Unaudited)

Year Ended August 31, 2024

Title	Surety Company	Scope of Coverage	Bond Amount
None			

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedules of Professional and Consulting Fees (Unaudited)
Year Ended August 31, 2024

Name	Type of Service	Amount
Abbie Payton	Contr. Clin. SHL	$ 1,400
Access Nurse	Contr. Clin. Nursing	8,608
Amazin Grace Day Hab	Contr. Clin. Day Hab.	57,295
Amber Chavez	Contracted Respite	720
Amergis	Contr. Clin. Nursing	861,891
Amy H. Nebrat	Contr. Clin. Speech	6,220
Andrea Robledo	Contracted Respite	600
Andrew Hsiau	Contracted Respite	120
Angela D. Jackson	Contracted Admin Miscellaneous	10,400
Angie Mcmahan	Contracted Respite	1,100
Annabelle M. Icaro	Contracted Respite	500
Arturo Kalifa	Contr. Clin. SHL/Respite	8,825
Ascension Seton	Contracted Residential	25,475
Austin Oaks Hospital	Contracted Residential	4,375
Avail Solutions Inc.	Contr. Clin. Crisis OC	2,319,688
Bastrop Medical Clinic	Contracted Admin Miscellaneous	360
Be Still Counseling	Contracted Admin Miscellaneous	955
Beate Donnelly Hinze	Contr. Clin. SHL/Respite	8,620
Best Speech Therapy	Contr. Clin. Speech	7,866
Blanca Orduna	Contracted Respite	1,560
Blessed Beginnings	Contr. Clin. SHL	39,735
Blessings Day Hab	Contr. Clin. Day Hab.	25,710
Breeka Lashay Aldridge	Contr. Clin. SHL	1,248
Brittany D. Pena	Contr. Clin. Counseling	98,134
Brown & Brown Absence Services	Contracted Admin Miscellaneous	11,250
Camp Blessing Tx	Contracted Respite	7,500
Camp C.A.M.P.	Contracted Respite	19,200
Camp Cummins	Contr. Clin. Day Hab.	2,445
Camp Summit	Contracted Respite	3,555
Canyon Creek Hospital	Contracted Residential	340,800
Capital Day Hab	Contr. Clin. Day Hab.	25,308
Carina G Hanson	Contracted Respite	1,500
Carly Moore	Contr. Clin. BHS. Supp.	6,623
Carma Health	Contr. Clin. Psychiatric Services	19,300
Carole Brandon Garrett	Contr. Clin. Phys. Thx	2,363
Carrie Turner-Gray	Contracted Respite	1,490
Charlotte Labots-Misbeek	Contracted Respite	90
Chayah Ministries	Contr. Clin. Animal Thx	535
Cherri Storey	Contr. Clin. SHL/Respite	12,211
Chloe Guillory	Contracted Admin Miscellaneous	550
Christi MacWilliams	Contr. Clin. Rec. Thx	11,480
Christina Vanderkamp	Contracted Respite	1,025
Christopher Aldridge	Contracted Respite	800
Christopher Orton	Contracted Admin Miscellaneous	1,154
City Of Round Rock	Contracted Respite	1,430
Clarity Child Guide Center	Contracted Residential	5,850
Clinical Pathology Laboratories, Inc.	Contracted Lab Services	5,701

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedules of Professional and Consulting Fees (Unaudited)
Year Ended August 31, 2024

Name	Type of Service	Amount
Cold Shower Design,	Contracted Admin IT Svcs	$ 8,813
Colleen Johnson	Contracted Respite	440
Communication By Hand	Contr. Clin. Interpreter	17,912
Community Health Centers	Contr. Clin. Prim Care	141,675
Cynthia Giesen	Contracted Respite	400
Dale Marie Sims	Contr. Clin. SHL/Respie	1,835
David T Eaton III	Contr. Clin. Rec. Thx	95,600
Decade Day Service	Contr. Clin. Day Hab.	770
Deidre Boyd	Contracted Respite	1,280
Diana Marie Ingroum	Contr. Clin. SHL/Respite	5,332
Dianne K. Henline	Contracted Respite	915
Disa Global	Contr. Lab Srvc Drug Screen	14,722
Down Home Ranch	Contr. Clin. Day Hab./Respite	22,564
Dream A Dream Therapy	Contracted Respite	1,625
East Texas Behavioral Health Network	Contr. Clin. Psychiatric Services	690,257
East Texas Behavioral Health Network	Contracted Admin Miscellaneous	37,392
Ericka Williams-Shaw	Contracted Respite	2,130
Falon Bridwell	Contr. Clin. Rec. Thx	8,460
Fred Lane Johnson	Contracted Admin Miscellaneous	1,750
Freda Kay Rhodes	Contracted Respite	400
Georgetown Behavioral Health Hospital	Contracted Residential	1,922,650
Haynette Miller	Contracted Respite	2,370
Hearts Therapeutic Riding	Contr. Clin. SHL	860
Higginbotham Insurance	Contracted Admin Miscellaneous	24,271
Hill Country MHDD	Contracted Admin Training	3,700
Honey Bee Therapies	Contr. Clin. Rec. Thx	22,554
Hopeful Acres	Contr. Clin. SHL	3,788
Inclusion Therapies	Contr. Clin. Rec. Thx	28,692
James Leach Inc	Contr. Clin. Day Hab.	4,234
Janet Goldman-Hayat	Contr. Clin. Rec. Thx	24,134
Jeniffer Carrera	Contr. Clin. SHL/Respite	2,700
Jenna K Fitzgerald	Contr. Clin. Counseling	88,035
Jennifer Lopez	Contr. Clin. BHS. Supp.	920
Jennifer M Knotts	Contr. Clin. SHL	18,386
Jessica J. Santos	Contracted Admin Miscellaneous	39
Joch Psychological	Contr. Clin. Psychologist	20,300
Justin Weir Boytim	Contracted Admin Miscellaneous	80,368
Kanessa Aldridge	Contracted Respite	700
Karen Rivera	Contracted Respite	675
Karen Sacratini	Contracted Respite	1,545
Karrie Dashnaw	Contracted Admin Miscellaneous	39
Katherine Burgett	Contracted Respite	115
Kayla Nicole Preiss	Contracted Respite	1,128
Kaylie Perkins	Contracted Respite	420
Kenmar Residential Services	Contr. Clin. Day Hab.	5,600
Kierdis Contreras	Contracted Respite	1,240
Kroll Associates	Contracted Admin IT Svcs	40,221
Krystal Dawn Allan	Contr. Clin. SHL/Respite	2,725

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedules of Professional and Consulting Fees (Unaudited)
Year Ended August 31, 2024

Name	Type of Service	Amount
Krystal Lofton	Contracted Admin Training	$ 500
La Tosha Clark	Contr. Clin. SHL	270
Laura Christine Hill	Contr. Clin. Counseling	60,369
Lauren Reynaga	Contr. Clin. Rec. Thx	4,879
Leenayvia Rodriguez	Contr. Clin. Counseling	94,191
Leigh Lessenberry McCann	Contr. Clin. Psychologist	54,600
Leonel De La Garza	Contracted Admin Miscellaneous	3,423
Leslie S. Rios	Contracted Respite	80
Lifetime Living	Contr. Clin. Day Hab.	12,851
Lisa Kalifa	Contr. Clin. SHL/Respite	3,225
Marci Tarvin	Contracted Respite	1,500
Marcie Ochsner	Contr. Clin. Phys. Thx	5,190
Margie Saucedo	Contr. Clin. SHL	2,350
Matthew Williams	Contr. Clin. Psychologist	5,500
Maureen S. Burrows	Contr. Clin. Psychiatric Services	63,840
Maxim HC Staffing	Contr. Clin. Nursing	1,287,037
Melinda D. Silva	Contracted Respite	1,500
Melissa Vivanco	Contracted Admin Miscellaneous	39
Monica M. Davis	Contracted Respite	1,500
Moxfive	Contracted Admin IT Svcs	52,085
My Little Things	Contr. Clin. SHL	540
Myndfit MH	Contr. Clin. Rec. Thx	14,415
Necole Rivers	Contr. Clin. Psychologist	15,370
New Roads	Contr. Clin. Psychologist	7,150
Nexustek	Contracted Admin IT Svcs	5,541
Nora Lakisha Carter	Contracted Respite	1,960
North America Security Services	Contracted Residential	2,437,231
North American HCM	Contracted Admin Miscellaneous	5,775
Norvell Luke	Contracted Respite	40
Parents As Teachers	Contracted Admin Miscellaneous	27,600
Pro Health Medical	Contr. Clin. Nursing	65,119
Quest Diagnostics	Contracted Lab Services	27,255
Quisitive	Contracted Admin IT Svcs	45,000
Redbud Telecom	Contracted Admin IT Svcs	12,100
Relias LLC	Contracted Admin Training	4,200
Respite Haus	Contr. Clin. Day Hab./SHL	9,526
RNB Consulting, LLC	Contracted Admin Miscellaneous	87,960
Road Toward Success	Contr. Clin. Day Hab.	5,284
Rock	Contr. Clin. Animal Thx	16,450
Rock Springs Hospital	Contracted Residential	1,242,800
Rosa Elena Puentes	Contracted Respite	460
S&S Extravaganza	Contracted Respite	1,351
Safire	Contr. Clin. Day Hab.	4,628
Sandra Torres	Contracted Respite	660
Sarah Fry FPMHNP	Contr. Clin. Psychiatric Services	170,415
Scott, Singleton, Fincher & Co, PC	Contracted Admin Audit	48,000
Sharon V Munroe	Contracted Admin Training	500
Southwestern Music	Contr. Clin. Animal Thx	23,309

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedules of Professional and Consulting Fees (Unaudited)
Year Ended August 31, 2024

Name	Type of Service	Amount
Stephanie Degrate	Contracted Admin Miscellaneous	$ 200
Sylvia Segovia	Contracted Respite	1,500
Tamika Ellis	Contracted Respite	720
Tara Schubert	Contr. Clin. Rec. Thx	2,072
Tejas Behavioral Health Management	Contracted Admin IT Svcs	65,041
Texas A& M University System	Contr. Clin. Nursing	53,531
Texas Council of Community Centers	Contracted Admin Training	35,000
Texas Department Of Criminal Justice	Contracted Admin Miscellaneous	970
Texas Laurel Ridge Hospital	Contracted Residential	147,200
The ARC Of The Capital Area	Contr. Clin. Day Hab.	35,245
The Hope Project Of Central Texas	Contr. Clin. SHL	23,235
The Social Care of Life	Contr. Clin. Day Hab./Respite	8,585
The University Of Texas At Austin	Contr. Clin. Prim Care	103,629
Theresa Williams	Contracted Respite	5,010
Trenton Kowalczuk	Contr. Clin. Rec. Thx	7,531
TWG Investments	Contracted Residential	2,463,291
Uruchapak Nakkaew	Contracted Admin Miscellaneous	49
Victoria Lawdermilk	Contracted Respite	480
Virginia Douglas	Contr. Clin. SHL/Respite	2,000
Virginia F Harmel	Contr. Clin. SHL/Respite	2,695
Walter Ricketts, Jr.	Contracted Respite	800
Westways Staffing	Contr. Clin. Nursing	268,622
William Mcmahan	Contracted Respite	95
Workers Assistance Program	Contracted Admin Miscellaneous	22,226
Youth Advocate Program	Contr. Clin. SHL	46,680

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedule of Legal Services (Unaudited)
Year Ended August 31, 2024

Name	City	Type of Service	Amount
King & Spalding LLP	Atlanta, GA	General Counsel	$ 7,200
Lewis Brisbois	Houston, TX	General Counsel	4,877
Luccia & Evans, LLP	Houston, TX	General Counsel	83
Mullen Coughlin LLP	Devon, PA	General Counsel	27,140

SINGLE AUDIT SECTION

SCOTT, SINGLETON, FINCHER AND COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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GREENVILLE, TEXAS 75401

Member of:
Governmental Audit Quality Center

Members of:
American Institute of
Certified Public Accountants

Texas Society of
Certified Public Accountants

Independent Auditor's Report on Internal Control Over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

To the Board of Trustees
Bluebonnet Trails Community Services

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bluebonnet Trails Community Services, as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise Bluebonnet Trails Community Services' basic financial statements, and have issued our report thereon dated May 29, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bluebonnet Trails Community Services' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bluebonnet Trails Community Services' internal control. Accordingly, we do not express an opinion on the effectiveness of Bluebonnet Trails Community Services' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bluebonnet Trails Community Services' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Scott, Singleton, Fincher and Company, PC

Greenville, Texas
May 29, 2025

SCOTT, SINGLETON, FINCHER AND COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

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Texas Society of
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Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and Texas Grant Management Standards

To the Board of Trustees
Bluebonnet Trails Community Services

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited Bluebonnet Trails Community Services' compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement,* Texas Grant Management Standards (TxGMS) and the Texas Health and Human Services Commission's *Guidelines for Annual Financial and Compliance Audits of Community MHMR Centers* that could have a direct and material effect on each of Bluebonnet Trails Community Services' major federal and state programs for the year ended August 31, 2024. Bluebonnet Trails Community Services' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Bluebonnet Trails Community Services complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended August 31, 2024.

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); Texas Grant Management Standards; and the Texas Health and Human Services Commission's *Guidelines for Annual Financial and Compliance Audits of Community MHMR Centers*. Our responsibilities under those standards, the Uniform Guidance, TxGMS, and the Texas Health and Human Services Commission's *Guidelines for Annual Financial and Compliance Audits of Community MHMR Centers* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Bluebonnet Trails Community Services and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of Bluebonnet Trails Community Services' compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Bluebonnet Trails Community Services' federal and state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Bluebonnet Trails Community Services' compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, TxGMS, and the Texas Health and Human Services Commission's *Guidelines for Annual Financial and Compliance Audits of Community MHMR Centers* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Bluebonnet Trails Community Services' compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, TxGMS, and the Texas Health and Human Services Commission's *Guidelines for Annual Financial and Compliance Audits of Community MHMR Centers* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Bluebonnet Trails Community Services' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of Bluebonnet Trails Community Services' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, TxGMS, and the Texas Health and Human Services Commission's *Guidelines for Annual Financial and Compliance Audits of Community MHMR Centers* but not for the purpose of expressing an opinion on the effectiveness of Bluebonnet Trails Community Services' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance, Texas Grant Management Standards, and the *Guidelines for Annual Financial and Compliance Audits of Community MHMR Centers*. Accordingly, this report is not suitable for any other purpose.

Scott, Singleton, Fincher and Company, PC

Greenville, Texas
May 29, 2025

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedule of Expenditures of Federal and State Awards
Year Ended August 31, 2024

State Awards	Pass-through Entity Identifying Number		Expenditures
Texas Health and Human Services Commission (HHSC)			
General Revenue - Mental Health Adult	HHS001324500005	$	10,496,176
Crisis Services	HHS001324500005		1,651,932
Veterans Support Services	HHS001324500005		99,286
Veterans Counselor Program	HHS001324500005		100,000
Supportive Housing	HHS001324500005		344,489
Psychiatric Emergency Service Center	HHS001324500005		1,855,742
Private Psychiatric Beds	HHS001324500005		4,200,800
Total General Revenue - Mental Health Adult			**18,748,425**
General Revenue - Mental Health Child	HHS001324500005		1,198,423
Mental Health First Aid Grant Program	HHS000176600001		35,000
IDD Outpatient Mental Health Services Learning Collaborative	HHS000776900001		300,000
Community Mental Health Grant Program	HHS000477100029		1,191,771
Mental Health Grant Program for Justice-Involved Individuals	HHS000406600001		516,325
Youth Crisis Outreach Team Grant Program	HHS001442900001		260,352
Supporting Mental Health and Resiliency in Texas	HHS001513400001		362,656
General Revenue - Developmental Disabilities	HHS000994300001		2,617,207
IDD Crisis Intervention Specialists FY2024	HHS000994300001		208,110
IDD Crisis Respite Services FY2024	HHS000994300001		256,209
Permanency Planning	HHS000994300001		21,433
COVID-19 ARPA Workforce Challenges	HHS000994300001	(1)	147,499
Nursing Facility Specialized Services	HHS000994300001		93,705
Total General Revenue - Intellectual & Developmental Disabilities			**3,344,163**
General Revenue - Substance Abuse (SA/TRA)	HHS000663700045		87,602
General Revenue - Substance Abuse (SA/TRA)	HHS000663700177		16,458
General Revenue - Substance Abuse (SA/TRF)	HHS000663700220		14,529
General Revenue - Substance Abuse (SA/TRY)	HHS000663700229		42,687
General Revenue - Substance Abuse (SA/TRF)	HHS000663700239		36,880
General Revenue - Substance Abuse (SA/OSR)	HHS000782500013		667,163
Parenting Awarenessand Drug Risk Education Services	HHS001433900001		282,288
COVID-19 Employment Apprenticeship Pilot Services	HHS001329600001		111,723
Multisystemic Therapy Grant Program	HHS001285300001		589,802
Early Childhood Intervention Comprehensive Services	HHS000640200023		1,299,009
Early Childhood Intervention Respite Services	HHS000640200023		3,700
Children's Autism Grant Program	HHS000693900010		397,933
Children's Autism Grant Program	HHS000693900017		43,791
Total Texas Health and Human Services Commission			**29,550,680**
Total Expenditures of State Awards		**$**	**29,550,680**

(1) Received $260,100 for ARPA Workforce Challenges, expended $147,499

See the accompanying notes to the Schedule of Expenditures of Federal and State Awards.

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedule of Expenditures of Federal and State Awards
Year Ended August 31, 2024

Federal Awards	Federal ALN Number	Pass-through Entity Identifying Number	Total Center Expenditures	Total Subrecipient Expenditures
U.S. Department of Education				
Passed through Texas Health and Human Services Commission:				
Special Education - Grants for Infants and Families	84.181	HHS000640200023	$ 700,090	$ -
Special Education - Grants to States (IDEA, Part B)	84.027	HHS000640200023	66,960	
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325	HHS000640200023	3,025	
Total U.S. Department of Education			**770,075**	
U.S. Department of Agriculture				
Passed through Texas Health and Human Services Commission:				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	HHS000640200023	46,656	
Total U.S. Department of Agriculture			**46,656**	
U.S. Department of Health and Human Services				
Direct Awards				
Certified Community Behavioral Health Clinic Expansion Grants	93.696	Direct Award	1,131,886	
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Direct Award	243,731	
Block Grants for Community Mental Health Services (CMHC Service Restoration)	93.958	Direct Award	188,957	
Total Direct Awards			**1,564,574**	
Passed through Texas Health and Human Services Commission				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	HHS000363100001	322,113	
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	HHS001277500001	3,110,449	
Every Student Succeeds Act/Preschool Development Grants	93.434	HHS000640200023	49,589	
Temporary Assistance for Needy Families (TANF)	93.558	HHS001324500005	208,237	
Temporary Assistance for Needy Families (TANF)	93.558	HHS000640200023	87,296	
Social Services Block Grant	93.667	HHS001324500005	141,166	
Medicaid Admistrative Claiming - Medical Assistance Program	93.778	HHS000537900308	2,244,451	
Medicaid Admistrative Claiming - Medical Assistance Program (ECI)	93.778	HHS000537900308	197,207	
Habilitation Coordination - Medical Assistance Program	93.778	HHS000994300001	189,489	
Money Follows the Person Rebalancing Demonstration	93.791	HHS000994300001	156,519	
Block Grants for Community Mental Health Services	93.958	HHS000866900001	3,141,390	
Block Grants for Community Mental Health Services	93.958	HHS001324500005	675,311	
Block Grants for Community Mental Health Services	93.958	2016-049419-001	947,886	
Block Grants for Community Mental Health Services	93.958	HHS000176600001	135,500	
Block Grants for Community Mental Health Services	93.958	HHS001222700001	1,500,000	
COVID-19 Block Grants for Community Mental Health Services (MH/COVID)	93.958	HHS001108400005	934,311	
Block Grants for Community Mental Health Services	93.958	HHS001375500004	563,250	
Block Grants for Prevention and Treatment of Substance Abuse (SA/COPSD)	93.959	HHS000663700125	46,543	
Block Grants for Prevention and Treatment of Substance Abuse (SA/COPSD)	93.959	HHS000663700211	19,438	
Block Grants for Prevention and Treatment of Substance Abuse (SA/OSR)	93.959	HHS000782500013	378,696	
Block Grants for Prevention and Treatment of Substance Abuse (SA/TRF)	93.959	HHS000663700220	89,539	
Block Grants for Prevention and Treatment of Substance Abuse (SA/TRF)	93.959	HHS000663700239	174,571	
Block Grants for Prevention and Treatment of Substance Abuse (SA/TRA)	93.959	HHS000663700045	480,035	
Block Grants for Prevention and Treatment of Substance Abuse (SA/TRA)	93.959	HHS000663700177	197,951	
Block Grants for Prevention and Treatment of Substance Abuse (SA/TRY)	93.959	HHS001040100002	95,474	
Block Grants for Prevention and Treatment of Substance Abuse (SA/TRY)	93.959	HHS000663700229	235,583	
Total Passed through HHSC			**16,321,994**	
Passed through Texas A&M University Health Science Center				
Rural Telemedicine Grants	93.211	M2301051	6,000	
Nurse Education, Practice Quality and Retention Grants	93.359	M2002385	10,054	
Mental and Behavioral Health Education and Training Grants	93.732	M2303898	29,168	
Total Passed through Texas A&M University Health Science Center			**45,222**	
Passed through University of Texas				
Mental Health Research Grants	93.242	UTA20-001213	61,120	
Total Passed through University of Texas			**61,120**	
Total U.S. Department of Health and Human Services			**$ 17,992,910**	**$ -**

See the accompanying notes to the Schedule of Expenditures of Federal and State Awards.

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedule of Expenditures of Federal and State Awards
Year Ended August 31, 2024

Federal Awards - CONTINUED	Federal ALN Number	Pass-through Entity Identifying Number	Total Center Expenditures	Total Subrecipient Expenditures
U.S. Department of Transportation				
Passed through Texas Department of Transportation:				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	51016011422	$ 94,636	$ -
Passed through Capital Metropolitan Transit Authority:				
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	TX-2022-008-BBT	144,341	
Total U.S. Department of Transportation			**238,977**	
U.S. Department of the Treasury				
Passed through Williamson County, Texas				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	5,135,527	1,382,045
Total United States Department of the Treasury			**5,135,527**	**1,382,045**
U.S. Department of Veterans Affairs				
Staff Sergeant Parker Gordon Fox Suicide Prevention Grant Program	64.055	Direct Award	338,264	
Total U.S. Department of Veterans Affairs			**338,264**	
Total Expenditures of Federal Awards			**24,522,409**	**1,382,045**
Total Expenditures of Federal and State Awards			**$ 54,073,089**	**$ 1,382,045**

ALN 20.513 - $238,977
ALN 93.243 - $3,676,293
ALN 93.558 - $295,533
ALN 93.778 - $2,631,147
ALN 93.958 - $8,086,605
ALN 93.959 - $1,717,830

See the accompanying notes to the Schedule of Expenditures of Federal and State Awards.

BLUEBONNET TRAILS COMMUNITY SERVICES
Notes to the Schedule of Expenditures of Federal and State Awards
Year Ended August 31, 2024

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards (the "Schedule") includes the federal and state award activity of Bluebonnet Trails Community Services (the "Center") under programs of the federal and state governments for the year ended August 31, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Texas Grant Management Standards (TxGMS). Because the Schedule presents only a selected portion of the operations of the Center, it is not intended to and does not present the financial position, changes in financial position, or cash flows of the Center.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, the cost principles contained in the Uniform Guidance and Texas Grant Management Standards (TxGMS), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of the financial statements.

Expenditures reported for the Medical Assistance Program (Medicaid; Title XIX) ALN/CFDA 93.778 represent expenditures incurred during the audit period that the Center anticipates will be reimbursed through invoices submitted to the Texas Health and Human Services Commission. Due to the timing of the submission of these invoices, actual reimbursements received during the year will differ from these amounts.

3. INDIRECT COST RATE

The Center has contracted with the respective granting agencies for indirect cost rates. Allowable indirect costs for each award are determined by the related terms and conditions developed by the awarding agency for each program. The Center did not elect to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

4. NATURE OF ACTIVITIES

The Center receives various grants to cover costs of specified programs. Final determination of eligibility of costs will be made by the grantors. Should any costs be found ineligible, the Center will be responsible for reimbursing the grantors for these amounts.

5. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal and state award programs are reported in the Center's basic financial statements in the General Fund. State award programs presented in the accompanying Schedule of Federal and State Awards do not include funds received from the Texas Correctional Office on Offenders with Medical or Mental Impairments (TCOOMMI) in the amount of $745,335. These revenues have been excluded from the Schedule of Expenditures of Federal and State Awards by specific request of the funding agency. These revenues are included in total state program revenues in the basic financial statements. These state programs excluded from the accompanying schedule are not considered financial assistance as defined in Texas Grant Management Standards (TxGMS).

The Center received a lump sum reimbursement of state general revenue in FY24 in the total amount of $51,896 for substance abuse program costs that were incurred in FY23. This reimbursement was received well after the end of FY23, and this amount was recognized as revenue in FY24. These costs are excluded from the Schedule this year, as the expenditures do not relate to the current period.

5. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (continued):

A reconciliation of the Schedule of Federal and State Awards to the financial statements is as follows:

State expenditures per schedule:	$	29,550,679
FY2023 COVID-19 expenditures SA/TRY HHS000663700229		18,655
FY2023 COVID-19 expenditures SA/TRY HHS00104010002		3,950
FY2023 COVID-19 expenditures SA/TRA HHS000663700045		14,565
FY2023 COVID-19 expenditures SA/TRA HHS000663700177		4,772
FY2023 COVID-19 expenditures SA/TRF HHS000663700220		1,368
FY2023 COVID-19 expenditures SA/TRF HHS000663700239		5,315
FY2023 COVID-19 expenditures SA/COPSD HHS000663700211		1,210
FY2023 COVID-19 expenditures SA/COPSD HHS000663700125		2,061
TCOOMMI program		745,335
State revenues per basic financial statements	$	30,347,910

6. STATE AWARD GUIDELINES

State awards are subject to HHSC's *Guidelines for Annual Financial and Compliance Audits of Community MHMR Centers*. Such guidelines are consistent with those required under the Single Audit Act of 1996, the Uniform Guidance, Texas Grant Management Standards (TxGMS), and *Government Auditing Standards*, issued by the Comptroller General of the United States.

BLUEBONNET TRAILS COMMUNITY SERVICES
Schedule of Findings and Questioned Costs
Year Ended August 31, 2024

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP (unmodified, qualified, adverse or disclaimer):	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	______ yes __x__ no
Significant deficiency(ies) identified?	______ yes __x__ none reported
Noncompliance material to financial statements noted?	______ yes __x__ no

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	______ yes __x__ no
Significant deficiency(ies) identified?	______ yes __x__ none reported
Type of auditor's report issued on compliance for major federal programs (unmodified, qualified, adverse or disclaimer):	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	_____ yes __x__ no

State Awards

Internal control over major programs:	
Material weakness(es) identified?	______ yes __x__ no
Significant deficiency(ies) identified?	______ yes __x__ none reported
Type of auditor's report issued on compliance for major state programs (unmodified, qualified, adverse or disclaimer):	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Texas Grant Management Standards?	______ yes __x__ no

Section I – Summary of Auditor's Results (continued)

Identification of major federal programs:

ALN Number(s)	Name of Federal Program or Cluster
84.181	Special Education - Grants for Infants and Families originating from U.S. Department of Education passed through the Texas Health and Human Services Commission
93.558	Temporary Assistance for Needy Families originating from U.S. Department of Health and Human Services passed through the Texas Health and Human Services Commission
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities originating from U.S. Department of Transportation passed through the Texas Department of Transportation and the Capital Metropolitan Transit Authority
21.027	Coronavirus State and Local Fiscal Recovery Funds originating from U.S. Department of the Treasury passed through Williamson County, Texas

Dollar threshold used to distinguish between Type A and Type B federal programs: $750,000

Auditee qualified as low-risk auditee? x yes ___ no

Identification of major state programs:

ALN Number(s)	Name of State Program or Cluster
N/A	State General Revenue – Mental Health (Behavioral Health) Adult Services passed through the Texas Health and Human Services Commission
N/A	State General Revenue – Mental Health (Behavioral Health) Child Services passed through the Texas Health and Human Services Commission
N/A	State General Revenue – Intellectual and Developmental Disabilities Services passed through the Texas Health and Human Services Commission
N/A	State General Revenue – Early Childhood Intervention passed through the Texas Health and Human Services Commission
N/A	Texas Department of Health and Human Services – Multisystem Therapy Grant Program passed through the Texas Health and Human Services Commission

Dollar threshold used to distinguish between Type A and Type B state programs: $886,520

Auditee qualified as low-risk auditee? x yes ___ no

Section II – Financial Statement Findings

This section should identify the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting.

No findings were noted.

Section III – Federal Award Findings and Questioned Costs

This section identifies the audit findings required to be reported by the 2 CFR 200.561(a) (for example, significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and material abuse).

No findings were noted.

Section IV – State Award Findings and Questioned Costs

This section identifies the audit findings required to be reported by Texas Grant Management Standards (for example, significant deficiencies, material weaknesses, material instances of noncompliance, including questioned costs, and material abuse).

No findings were noted.

Bluebonnet Trails Community Services

BLUEBONNET TRAILS COMMUNITY SERVICES

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE FISCAL YEAR ENDING AUGUST 31, 2024

The summary schedule of prior audit findings reports the status of all audit findings included in the prior audit's schedule of findings and questioned costs. The summary schedule also includes audit findings reported in the prior audit's summary schedule of prior auditing findings except audit findings listed as corrected in accordance with 2 CFR 200.511(b)(1), or no longer valid or not warranting further action in accordance with paragraph 2 CFR 200.511(b)(3).

No findings were noted in fiscal year 2023 or fiscal year 2022.