Notice of Public Meeting
of the Board of Directors of the
PERMIAN BASIN BEHAVIORAL HEALTH CENTER

Date of Meeting: November 17, 2026
3:00 PM

Notice is hereby given, pursuant to Chapter 551, Texas Government Code, that the Board of Directors of Permian Basin Behavioral Health Center will hold a regular meeting, open to the public, on November 17, 2026, at 3:00 p.m. at 900 Don Evans Way, Midland, Texas at which time and place the following items will be considered and acted upon:

I. Call to order – Mr. Tippin

II. Comments from public (limit 3 minutes per person) where individuals may address the Board of Permian Basin Behavioral Health Center related to items on the present agenda.

III. Consent Agenda:

   a. October 27, 2026 minutes

IV. Recognition of Newly Appointed Board Members; Election of Board Officers

V. Community Mental Health Update – Dr. Caples
   a. Midland Health & Medical Center Health System
   b. Regional Medical Facilities
   c. Collaborative Care Update

VI. PBBHC Operations Update – Gran Shinwar
   a. October Census, Admissions, Discharges
   b. Quality & Patient Safety Update
   c. Workforce & Ramp Update

VII. PBBHC Medical Director & Residency Update – Dr. Jain
   a. Clinical Services & Patient Care
   b. Psychiatry Residency Program

VIII. PBBHC Financial Update – Fernando Acosta/Alan Berry
   a. Update on Financial Reporting & Month-End Readiness
      i. October Financials

IX. Consider and Act Upon the Following Matters
   a. FY 2027 Operating & Capital Budget – Fernando Acosta
      i. Consider and take action to approve Fiscal Year 2027 Operating and Capital Budget

X. Fundraising Update – Mr. Tippin

XI. Consider and act on any foregoing matters as may properly come before the meeting.

XII. Adjourn – Mr. Tippin

The Board of Director may go into Executive Session, if necessary, pursuant to the application of Subchapter D, Chapter 551, Texas Government Code, Texas Open Meetings Act, on those matters above in which an exception to the requirement that a meeting be open to the public applies.

Financial Pro Forma, Cash Flow, and Capital Requirements (Adjusted 11.10.26)

Annual Summary	FY'27	FY'28	FY'29	FY'30
Operating Beds	144	186	200	200
IP ADC	79	156	169	177
Occupancy	40%	78%	85%	89%
Total Net Rev	$28.3M	$55.7M	$60.7M	$65.1M
Expenses				
Direct Labor & Benefits	$16.92M	$30.48M	$34.09M	$37.59M
Supplies	$1.31M	$2.59M	$2.81M	$2.94M
Purchased Services	$1.27M	$1.63M	$1.69M	$1.73M
Phys/APP Expense	$4.13M	$6.33M	$6.60M	$6.60M
Audit, Legal,& Consulting	$0.28M	$0.15M	$0.15M	$0.15M
Marketing – Advertisements	$0.10M	$0.10M	$0.10M	$0.10M
I.T., Security, Mgmt. Fees	$4.79M	$5.51M	$5.61M	$5.61M
Utilities	$3.58M	$3.58M	$3.58M	$3.58M
Other	$0.78M	$0.79M	$0.79M	$0.79M
Outpatient Expense	$0.24M	$0.85M	$0.85M	$0.86M
Total Expenses	**$33.40M**	**$52.01M**	**$56.27M**	**$59.95M**
EBITDAR $	**-$5,09M**	**$3.71M**	**$4.40M**	**$5.13M**
EBITDAR %	**-18%**	**7%**	**7%**	**8%**
Initial Cash Flow	**-$7.87M**	**$2.72M**	**$9.92M**	**$14.95M**
Partner Capital Contribution	**$9.27M**	**$3.08M**	**$0.00M**	**$0.00M**
Adjusted Cash Flow	**$1.40M**	**$5.80M**	**$9.92M**	**$14.95M**
Depreciation	**$7.08M**	**$7.08M**	**$7.08M**	**$7.08M**
Net Income $	**-$12.17**	**-$3.37M**	**-$2.68M**	**-$1.95M**
Net Income %	**-43%**	**-6%**	**-4%**	**-3%**
PPD Average	**FY'27**	**FY'28**	**FY'29**	**FY'30**
IP Net Rev	$768	$812	$833	$831
Total Net Rev	$982	$979	$983	$1,007
Total Expenses	$1,158	$914	$912	$928
EBITDAR $	-$176	$65	$71	$79

Key Takeaways

- ***Total Net Revenue grows*** *from $28.3M in FY'27 to $65.1M in FY'30*
- ***EBITDAR %*** *turns positive in FY'28, improving from -18% in FY'27 to 8% in FY'30*
- ***Expenses PPD*** *decline from $1,158 in FY'27 to $928 in FY'30*
- ***Depreciation*** *on $255M of assets is projected to be $7M annually*
- ***$12M Partner Capital Contribution*** *allows for positive cash flow during facility ramp up period (FY'27–'28)*

Capital Structure & Support Needed

- Initial Startup Capital (FY'27): $ 4M
- Capital Contribution Bridge: $12M

- **Total Capital Required: $16M**