FY27 Budget

Presented to the Finance Committee and Board of Directors

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The FY27 Budget has been developed, as in previous years, using historical data, trends, current events, prior year utilization, and department input.

The budget process is extensive, and the intent is to analyze, establish goals, and control spending.

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FY27 Budget: General Assumptions

- The Medicaid Waiver revenue includes an estimated provider rate decrease as approved by the Joint Budget Committee (JBC).
- The FYE 6/30/2026 budget included a 1.6% Across The Board (ATB) Medicaid rate increase that was subsequently rescinded by the JBC in October 2025. In addition, the JBC approved a 2% ATB rate reduction for all Medicaid Waiver and State funded Intellectual and Developmental Disabilities services.

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FY27 Budget: Assumptions

- **State** Revenue (includes Early Intervention and State Supported Living Services): The budget for Early Intervention is based on the approved FYE26/27 budget.
- **Medicaid** Revenue (includes Home and Community Based Services (HCBS), Intellectual and Developmental Disabilities (I/DD), and Supported Living Services (SLS):
  - The HCBS rates for the Medicaid programs include a 1.6% decrease, which was effective October 2025, via a JBC supplemental; and a 2% decrease effective July 2026 which was included in the Long Bill.
  - The expenses for the HCBS Medicaid funded programs are determined based on prior utilization, enrollment, trends, and contracts. Current year contracts have been adjusted for the 2% rate reductions.
- **Other** Revenue: Jefferson County Mill Levy revenue is based on the existing calendar year 2026 contract.
- **Health Insurance** Expenses: Costs include a 7% renewal for the second 6 months of the fiscal year and are based on current enrollment.

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FY27 Budget: Summary with Prior Year Comparison

	FY25-26 BUDGET	FY26-27 BUDGET
REVENUE	$ 41,595,952	$ 40,136,898
EXPENSES		
PERSONNEL	$ 24,279,369	$ 23,911,734
OPERATING	9,710,059	9,807,790
PURCHASE OF SERVICES	4,430,810	4,032,970
COMMUNITY FUNDED PROGRAMS	3,039,161	2,122,770
TOTALS	$ 41,459,399	$ 39,875,264
OPERATING SURPLUS (DEFICIT)	$ 136,552	$ 261,634

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FY27 Budget: Revenue with Prior Year Comparison

REVENUE SOURCE	FY25-26 BUDGET	FY26-27 BUDGET	PERCENT CHANGE	DOLLAR CHANGE
MEDICAID REVENUE	$ 14,353,779	$ 13,781,900	-4.0%	(571,879)
JEFFERSON COUNTY	13,274,053	12,357,661	-6.9%	(916,392)
STATE PROGRAM	10,241,201	10,342,290	1.0%	101,089
SUPPORTED LIVING SERVICES	860,277	772,333	-10.2%	(87,944)
ROOM AND BOARD	1,032,129	976,224	-5.4%	(55,905)
DONATIONS AND GRANTS	762,130	720,397	-5.5%	(41,733)
RENTAL REVENUE	403,372	499,839	23.9%	96,467

FY27 Budget: Revenue with Prior Year Comparison
(cont'd)

REVENUE SOURCE	FY25-26 BUDGET	FY26-27 BUDGET	PERCENT CHANGE	DOLLAR CHANGE
HUD SUBSIDIES	263,460	240,604	-8.7%	(22,856)
MISCELLANEOUS	20,000	20,000	0.0%	-
INTEREST	300,000	350,000	16.7%	50,000
PRIVATE PAY	21,464	7,000	-67.4%	(14,464)
UNREALIZED GAIN/(LOSS) ON INVESTMENT	-	-	0.0%	-
TOTAL EXTERNAL REVENUE	41,531,866	40,068,248	-3.5%	(1,463,618)
INTERNAL REVENUE	64,086	68,650	7.1%	4,564
TOTAL REVENUE	$ 41,595,952	$ 40,136,898	-3.5%	(1,459,054)

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FY27 Budget: Revenue YoY Variance Explanations

- **Supported Living Services (SLS)**:
  - Budget is based on prior year enrollment and utilization.
- **Rental Revenue**:
  - Increased budget is related to a full twelve months of the lease with a Day Care center at the Walters facility.
- **Interest**:
  - Increase is based on favorable interest rates on operating cash.

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Scope +/- 10% +/- $25,000

FY27 Budget: Expense with Prior Year Comparison

EXPENSES DEPARTMENT/SECTION/UNIT	FY25-26 BUDGET	FY26-27 BUDGET	PERCENT CHANGE	DOLLAR CHANGE
RESIDENTIAL				
PERSONNEL	5,825,515	5,576,221	-4.3%	(249,294)
OPERATING	1,906,086	1,945,820	2.1%	39,734
PURCHASE OF SERVICES	4,430,810	4,032,970	-9.0%	(397,840)
TOTALS	12,162,411	11,555,011	-5.0%	-607,400
EARLY INTERVENTION				
PERSONNEL	7,336,875	7,428,714	1.3%	91,839
OPERATING	3,346,321	3,532,660	5.6%	186,339
TOTALS	10,683,196	10,961,374	2.6%	278,178
DAY PROGRAM				
PERSONNEL	2,956,484	2,789,411	-5.7%	(167,073)
OPERATING	1,857,261	1,734,818	-6.6%	(122,443)
TOTALS	4,813,745	4,524,229	-6.0%	(289,516)

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FY27 Budget: Expense with Prior Year Comparison
(cont'd)

EXPENSES DEPARTMENT/SECTION/UNIT	FY25-26 BUDGET	FY26-27 BUDGET	PERCENT CHANGE	DOLLAR CHANGE
EMPLOYMENT SERVICES				
PERSONNEL	736,662	895,175	21.5%	158,513
OPERATING	69,718	82,118	17.8%	12,400
TOTALS	806,380	977,293	21.2%	170,913
ADMINISTRATION & DEVELOPMENT				
PERSONNEL	3,427,286	3,497,206	2.0%	69,920
OPERATING	1,743,782	1,780,191	2.1%	36,409
TOTALS	5,171,068	5,277,397	2.1%	106,329
QUALITY ASSURANCE/NURSING				
PERSONNEL	853,302	936,886	9.8%	83,584
OPERATING	25,576	49,468	93.4%	23,892
TOTALS	878,878	986,354	12.2%	107,476

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FY27 Budget: Expense with Prior Year Comparison
(cont'd)

EXPENSES DEPARTMENT/SECTION/UNIT	FY25-26 BUDGET	FY26-27 BUDGET	PERCENT CHANGE	DOLLAR CHANGE
SUPPORTED LIVING SERVICES				
PERSONNEL	1,472,816	1,126,168	-23.5%	(346,648)
OPERATING	207,525	215,344	3.8%	7,819
TOTALS	1,680,341	1,341,511	-20.2%	(338,830)
BEHAVIORAL HEALTH				
PERSONNEL	746,595	781,551	4.7%	34,956
OPERATING	288,317	254,877	-11.6%	(33,440)
	1,034,912	1,036,427	0.1%	1,515
THERAPEUTIC RECREATION				
PERSONNEL	605,743	583,751	-3.6%	(21,992)
OPERATING	184,128	142,520	-22.6%	(41,608)
TOTALS	789,871	726,270	-8.1%	(63,601)

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FY27 Budget: Expense with Prior Year Comparison
(cont'd)

EXPENSES DEPARTMENT/SECTION/UNIT	FY25-26 BUDGET	FY26-27 BUDGET	PERCENT CHANGE	DOLLAR CHANGE
TERMINAL				
PERSONNEL	191,985	189,784	-1.1%	(2,201)
OPERATING	77,063	64,376	-16.5%	(12,687)
TOTALS	269,048	254,161	-5.5%	(14,887)
COMMUNITY PROGRAMS				
PERSONNEL	126,107	106,868	-15.3%	(19,239)
OPERATING	4,282	5,598	30.7%	1,316
COMMUNITY FUNDED PROGRAMS	3,039,161	2,122,770	-30.2%	(916,392)
	3,169,550	2,235,236	-29.5%	-934,315
SUMMARY				
PERSONNEL	$ 24,279,369	$ 23,911,734	-1.5%	(367,635)
OPERATING	9,710,059	9,807,790	1.0%	97,731
PURCHASE OF SERVICES	4,430,810	4,032,970	-9.0%	(397,840)
COMMUNITY FUNDED PROGRAMS	3,039,161	2,122,770	-30.2%	(916,391)
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TOTALS	$ 41,459,399	$ 39,875,264	-3.8%	(1,584,135)

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FY27 Budget: Expense YoY Variance Explanations

- **Employment Services**:
  - Personnel: In the current year two new employment specialist positions were added to accommodate increased demand.
- **Supported Living Services (SLS)**:
  - Personnel: The decrease is due to the restructuring of the department, repurposing of positions, and adjustments made for utilization.
- **Behavioral Health**:
  - Operating: Decrease is related to a reduction in computer hardware costs based on DDRC's IT agency wide replacement schedule.
- **Therapeutic Recreation**:
  - Operating: Decrease is related to a reduction in computer hardware costs based on DDRC's IT agency wide replacement schedule.
- **Community Programs**:
  - Community Funded Programs: Decrease is due to the change in the Jefferson County Mill Levy contract for calendar year 2026.

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Scope +/- 10% +/- $25,000

Thank You!

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