

PROPOSED
FY 2026
BUDGET PRESENTATION

BUDGET GUIDELINES

REVENUES

- Revenues are budgeted based on Contracts and Drivers.
- We will meet all targets and metrics that have been assigned a monetary impact.
- New grant opportunities will continue to be pursued. Each opportunity will be reviewed to ensure it provides the funding needed for the services and is not unnecessarily over-complicated or requires too much match funding.
- DPP-BHS and PHP-CCP funding is budgeted to the extent needed to balance the operating budget. 69% of expected funding is budgeted for FY26. In FY25, 100% of expected funding was budgeted and 95% was budgeted in FY24.
- Notable changes to the Revenue budget include the addition of the Jefferson County Diversion Facility pass-through funding and an HHSC Autism Grant. The ECI contract is a net reduction due to the transfer of Galveston services to Bay Area Rehab Center and the addition of services in Jasper County.

BUDGET GUIDELINES

EXPENSES

- Expenses are budgeted based on Contracts and Drivers.
- Expenses will continue to be tightly monitored.
 - Travel/Training Expenses - Out of town trainings/conferences except those 100% funded by grants/contracts will be limited. Participation in critical out-of-town meetings for TCRMF, Texas Council consortia will be allowed for one participant per event if virtual option not available.
 - Purchasing – Purchasing is restricted to maintenance, repairs, high-priority items, and fully-grant funded items only. Special projects will continued to be postponed unless 100% funded by grant/contract.
 - Special Events – No special events are included in this fiscal year budget.

BUDGET GUIDELINES

REDUCTION IN EXPENSES

- Closing Center-Operated Group Home –
 - This is the only group home still operated by Spindletop. Services at all other five homes owned by the Center are provided by contractors.
 - There are two residents in the home that will be relocated to fill vacancies at other homes/providers.
 - The house will be sold, and funds will be deposited into reserve account.
 - The generator purchased for home utilizing grant funds will be moved to one of the other homes owned by the Center.

BUDGET GUIDELINES

REDUCTION IN EXPENSES

- Staffing and Compensation – Total Expenses Reduction including fringe – (\$4,738,203)
 - Vacancies – 65.75 FTE were removed from the budget based upon whether the program could operate fully without the position and whether the position had a funding source. Most of the vacancies were frozen in FY25 and had been vacant for the entire fiscal year. The total reduction in expenses for the elimination of vacancies is (\$4,044,615).
 - Reduction In Force (RIF) – 13.40 FTE were removed from the budget by eliminating positions that were currently staffed. 11.40 FTEs are Galveston ECI staff, staff from the group home that is closing, and administration. 2.00 FTE are the result of downsizing in two programs. All staff impacted by this RIF are eligible to apply for vacant positions within the Center. The total reduction in expenses for the RIF of filled positions is (\$923,424).
 - Additions – 3 FTE were added to the budget. 2 FTE are required, fully funded positions for the new autism grant. 1 FTE is to accommodate for increased volume in a program. The total increase in expenses for the additions is \$229,836.

BUDGET GUIDELINES

REDUCTION IN EXPENSES

- Staffing and Compensation –
 - Career Ladders – Career ladders will continue and were budgeted at a 25% participation rate which is in line with the actual participation in FY25.
 - Performance Awards – Possibility if the Center has a large surplus at the end of the FY26 fiscal year.
 - Employee Health Plan – The plan implemented in FY25 is a Reference Based Pricing (RBP) and Captive model with Imagine 360 and Mutual of Omaha. The Center has seen a decrease of 12% in actual health benefit and pharmacy expenses. The renewal for FY26 includes an increase in premiums, a portion of which will be passed on to employees.

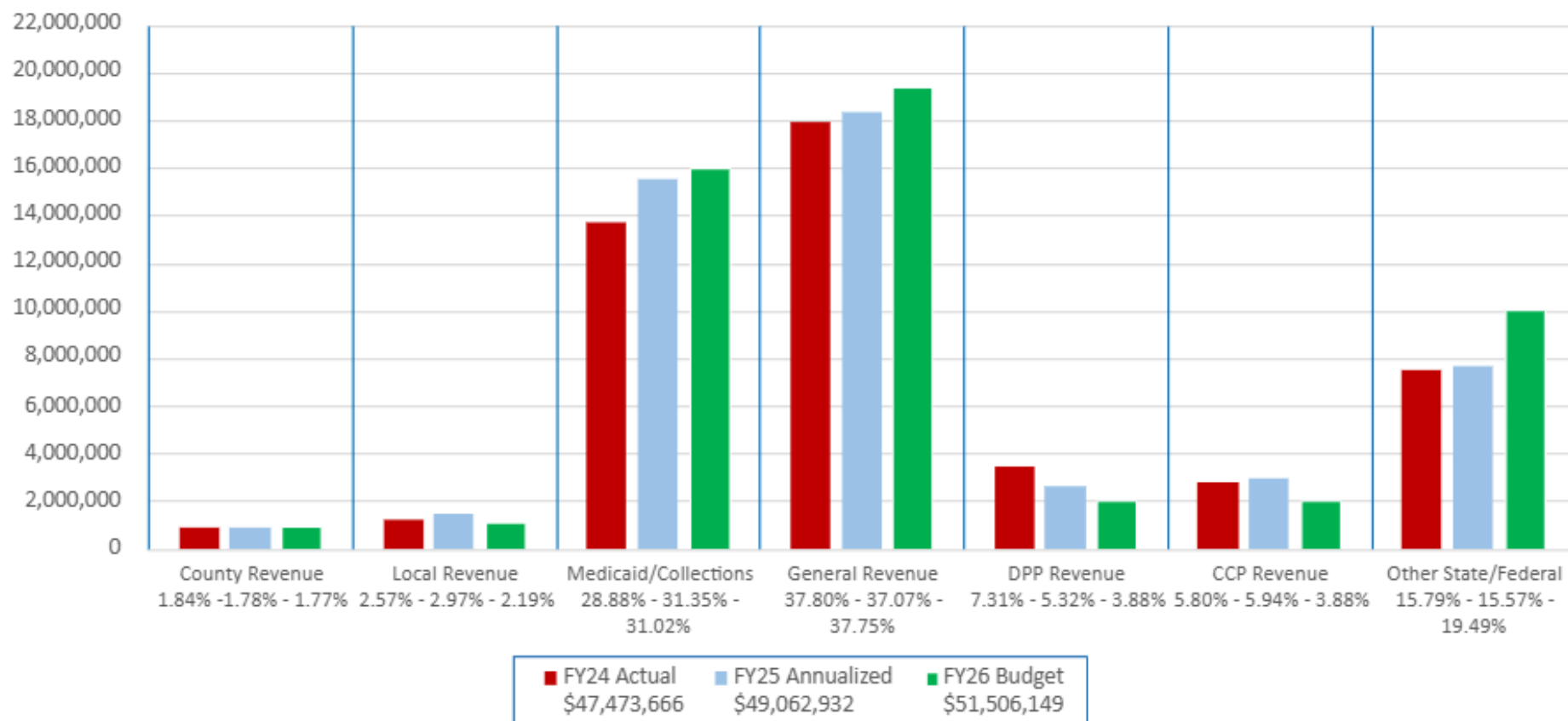
PROPOSED FY26 BUDGET

Spindletop Center

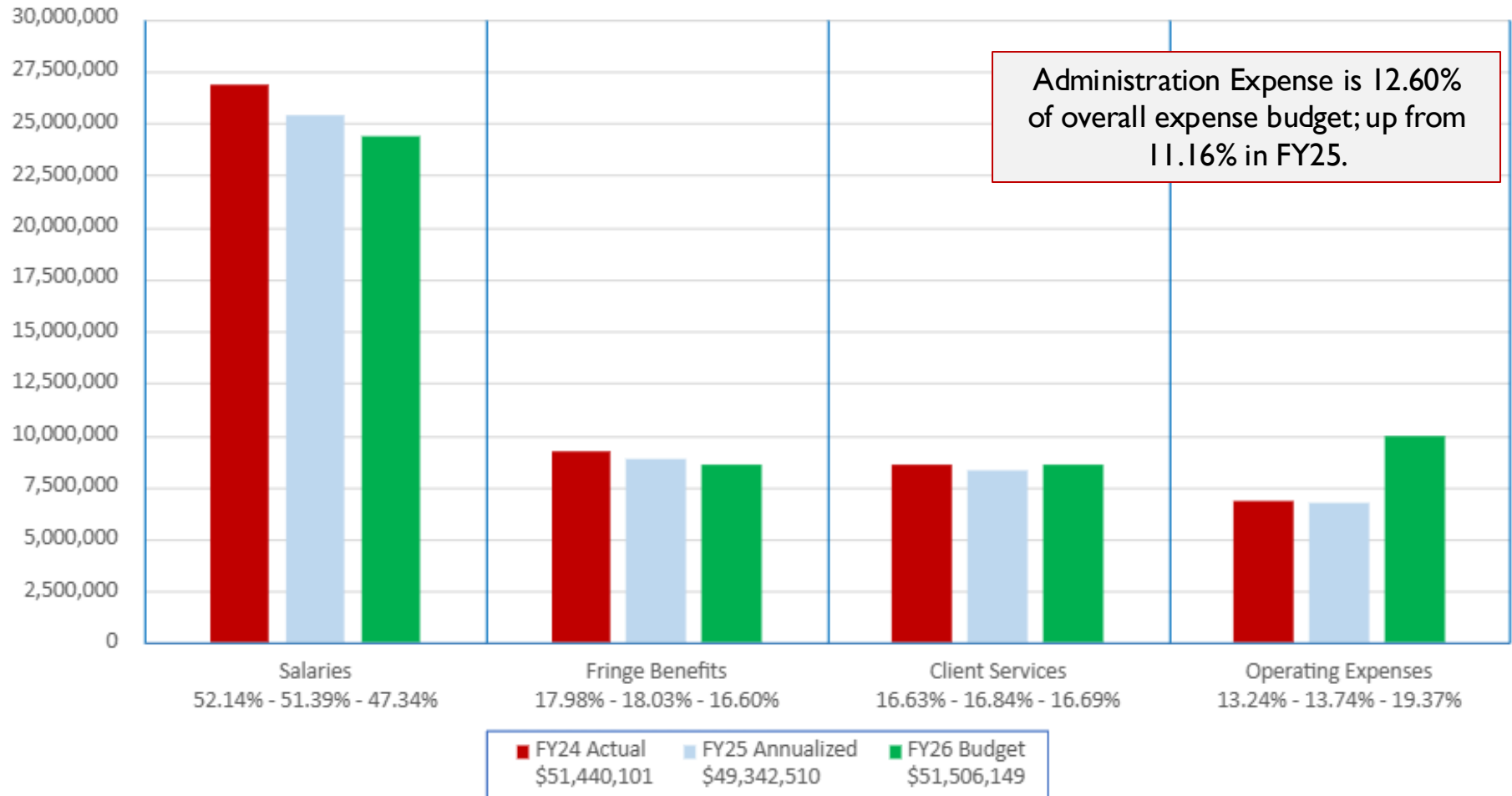
Proposed FY26 Budget - pending Board Approval

	Actual FY 2024	Budget FY 2025	Annualized FY 2025	Budget FY 2026	Annualized FY25 to Budget FY26
County Revenue	875,286	921,530	878,056	914,074	4%
Other Local Revenue	1,220,878	1,309,431	1,467,570	1,128,778	-23%
Medicaid/Medicare/Other Client Collections	13,711,636	15,686,125	15,479,502	15,978,617	3%
General Revenue	17,945,432	19,193,446	18,306,004	19,444,029	6%
Directed Payment Program (DPP)	3,472,043	3,000,000	2,627,872	2,000,000	-24%
Charity Care Provider (CCP)	2,753,086	2,700,000	2,931,225	2,000,000	-32%
Other State/Federal Contracts/Grants	7,495,305	9,457,754	7,687,374	10,040,650	31%
Total Revenue	47,473,666	52,268,285	49,377,603	51,506,149	4%
Salaries	26,819,456	25,930,121	25,357,206	24,382,114	-4%
Fringe	9,251,490	8,531,923	8,894,164	8,547,507	-4%
Client Services	8,556,244	9,325,778	8,311,204	8,598,491	3%
Operating Expenses	6,812,911	8,480,463	6,779,936	9,978,037	47%
Total Expenses	51,440,101	52,268,285	49,342,510	51,506,149	4%
Total Excess Revenue over Expenses	(3,966,435)	0	35,093	0	

OPERATING REVENUES

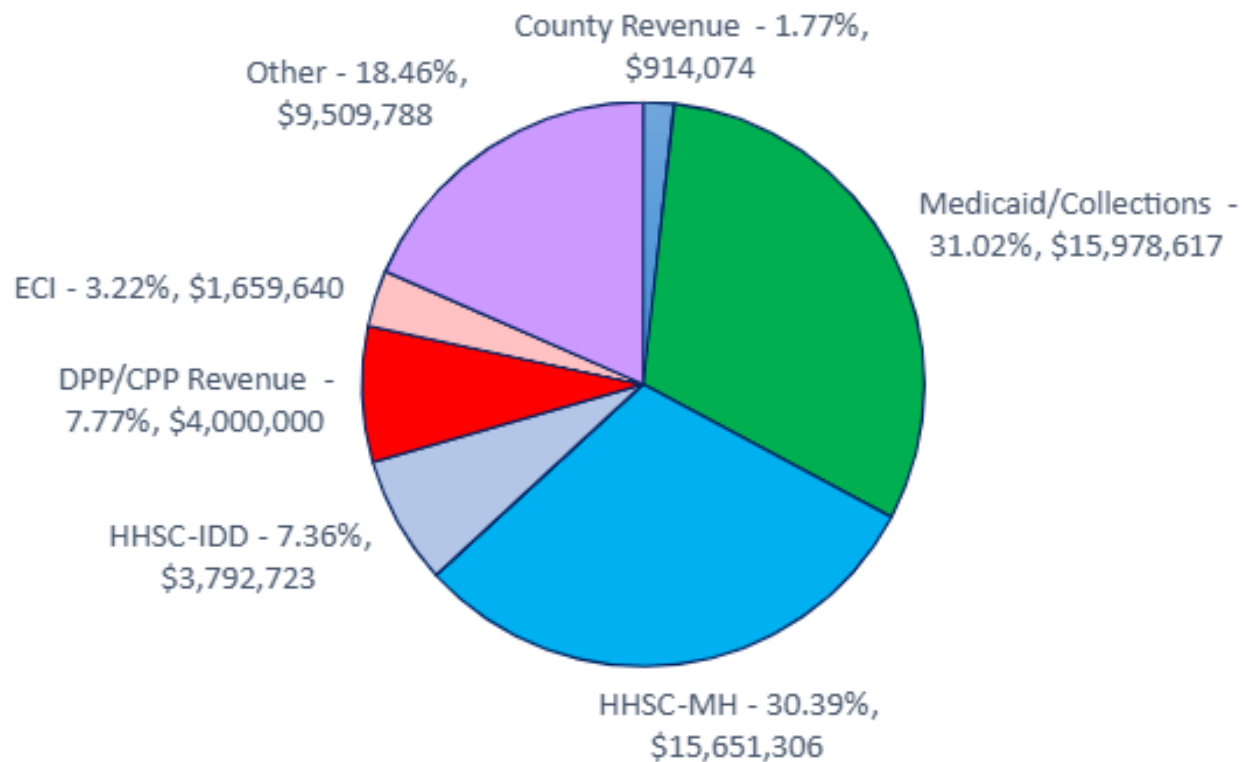


OPERATING EXPENSES



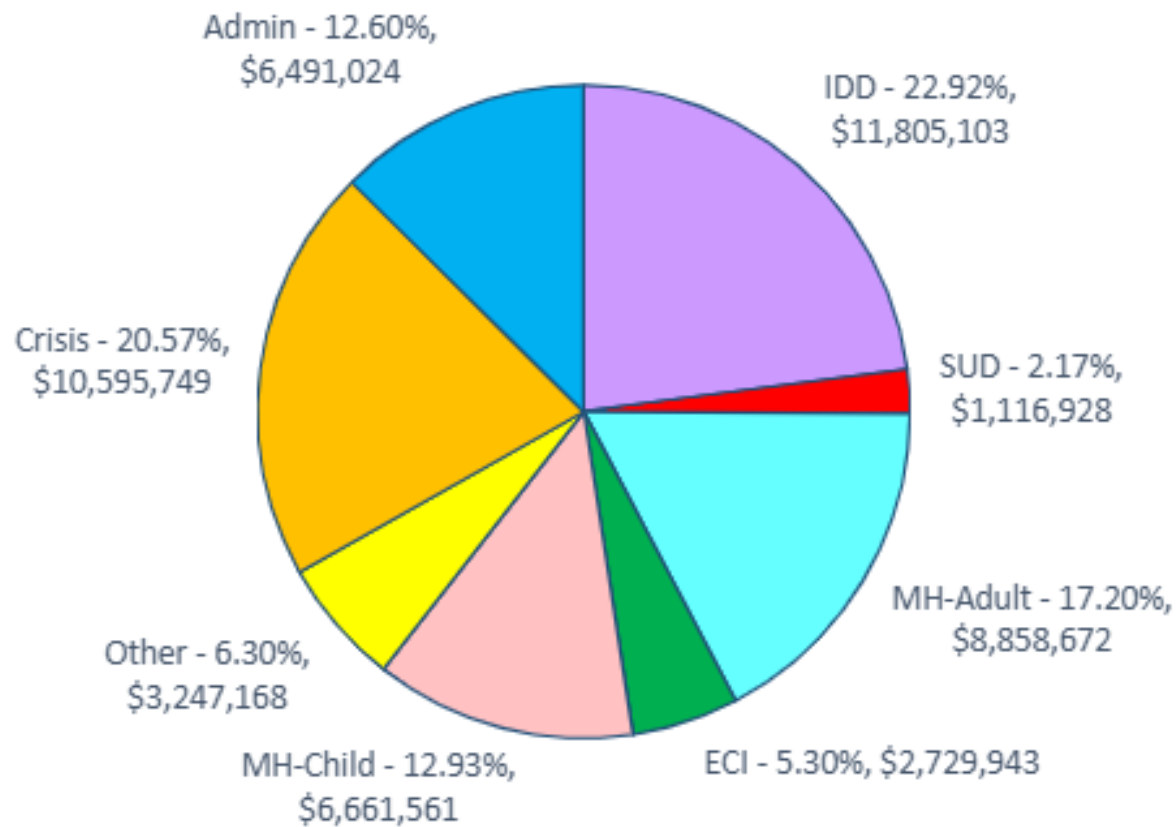
REVENUE BY SOURCE

\$51,506,149



EXPENSE BY PROGRAM

\$51,506,149



Spindletop Center
Proposed FY26 Budget - *pending Board Approval*

Acct #	Description	Actual FY 2024	Budget FY 2025	Annualized FY 2025	Budget FY 2026	Annualized FY25 to Budget FY26
REVENUES:						
70050	COUNTY GOVERNMENT	603,820	651,530	628,816	664,080	6%
70140	COUNTY JAIL SVCS	271,466	270,000	249,240	249,994	0%
70150	CLIENT COLLECTIONS	(96,916)	157,483	238,544	211,533	-11%
70200	PRIVATE INSURANCE	404,877	600,139	533,224	572,901	7%
71000	MEDICARE	60,133	53,100	62,402	61,050	-2%
71050	MEDICAID - MH CASE MANAGEMENT	718,969	866,640	560,770	628,170	12%
71055	MEDICAID - ECI	795,839	799,423	848,818	721,702	-15%
71060	MEDICAID - IDD SC/TCM	855,715	900,000	907,352	1,104,075	22%
71062	MEDICAID - PASRR	215,621	265,000	257,664	270,000	5%
71100	MEDICAID - REHAB SERVICE	1,326,470	2,327,578	2,391,392	2,377,982	-1%
71150	MEDICAID - PROVIDER SERVICES	807,301	923,716	841,612	890,106	6%
71160	MEDICAID - CHEMICAL DEPENDENCY	23,579	24,100	11,790	9,200	-22%
71190	MEDICAID - YES WAIVER	196,748	160,000	193,172	193,000	0%
71200	MEDICAID - ADMINISTRATIVE CLAIMING	1,770,873	1,860,000	1,757,716	2,235,548	27%
71300	MEDICAID - HCS	6,199,901	6,392,329	6,546,612	6,303,588	-4%
71310	MEDICAID - TXHML	432,526	356,617	328,434	399,763	22%
72100	UNITED WAY	7,458	9,000	10,834	6,000	-45%
72170	PRIVATE PROVIDER CONTRACTS	82,354	149,320	82,610	85,771	4%
72200	MISCELLANEOUS INCOME	1,045,188	1,061,111	1,297,240	967,008	-25%
72500	ECI - CONTRACT	2,092,998	2,165,707	2,174,916	1,658,340	-24%
72500	ECI - RESPITE	0	1,000	0	1,000	0%

Spindletop Center
Proposed FY26 Budget - *pending Board Approval*

Acct #	Description	Actual FY 2024	Budget FY 2025	Annualized FY 2025	Budget FY 2026	Annualized FY25 to Budget FY26
REVENUES:						
73000	SUD BLOCK GRANTS	381,667	242,696	232,710	260,971	12%
73100	CRIMINAL JUSTICE - TDCJ	274,083	300,000	236,898	344,000	45%
73200	TWC/DARS	18,033	900	576	300	-48%
73500	OTHER GRANTS	4,023,028	6,053,951	4,439,458	7,052,039	59%
74300	TCOOMMI	705,496	693,500	602,816	724,000	20%
74500	DPP REVENUE	3,472,043	3,000,000	2,627,872	2,000,000	-24%
74600	CCP REVENUE	2,753,086	2,700,000	2,931,225	2,000,000	-32%
76010	GENERAL REVENUE- MH	6,301,684	6,388,990	6,371,676	6,318,993	-1%
76002	GENERAL REVENUE- IDD	3,598,821	3,687,896	3,688,640	3,632,108	-2%
76002	GENERAL REVENUE- IDD - ECC	94,911	48,870	49,616	96,677	95%
76003	GENERAL REVENUE- MH CRISIS	565,173	612,993	612,996	565,173	-8%
76004	GENERAL REVENUE - PESC	3,155,427	3,208,894	3,130,310	3,155,426	1%
76009	GENERAL REVENUE - MH SUPPORT SVCS	411,697	412,495	329,318	412,495	25%
76013	GENERAL REVENUE - PPB	2,077,350	3,056,115	2,391,020	3,356,000	40%
76100	MENTAL HEALTH BLOCK GRANT	951,040	951,040	901,598	951,040	5%
76100	MENTAL HEALTH BLOCK GRANT - MHFA	111,650	111,650	111,650	236,650	112%
76150	TITLE XX/TANF	389,135	389,135	389,136	389,135	0%
76200	PATH	260,835	266,394	262,854	266,394	1%
77100	PASRR (GR)	27,709	58,974	67,190	63,938	-5%
78100	INTEREST	85,878	90,000	76,886	70,000	-9%
Total Revenues		47,473,666	52,268,285	49,377,603	51,506,149	4%

Spindletop Center

Proposed FY26 Budget - pending Board Approval

Acct #	Description	Actual FY 2024	Budget FY 2025	Annualized FY 2025	Budget FY 2026	Annualized FY25 to Budget FY26
EXPENSES:						
80000	SALARIES & WAGES	26,685,125	25,838,883	25,280,540	24,341,181	-4%
80020	INCENTIVE PAY	134,331	91,238	76,666	40,933	-47%
80100	FRINGE BENEFITS	9,251,490	8,531,923	8,894,164	8,547,507	-4%
80200	CONTRACTS - MEDICAL PROFESSIONALS	4,305,990	4,981,323	4,074,358	4,003,528	-2%
80250	CONTRACTS - RESIDENTIAL	3,277,815	3,545,716	3,430,490	3,647,910	6%
80275	LABORATORY SERVICES	22,074	33,200	10,144	13,240	31%
80300	MEDICATIONS	239,905	235,809	292,308	320,187	10%
80325	REHABILITATIVE SERVICES	209,639	173,525	185,216	207,250	12%
80330	CLIENT SERVICES	267,297	149,391	167,676	226,954	35%
80335	SUPPORTED HOUSING	233,524	206,814	151,012	179,423	19%
80500	CONTRACTS - IT SERVICES	(439,736)	861,191	855,890	2,230,725	161%
80510	HOUSEKEEPING	-	-	-	-	0%
80520	MAINTENANCE	171,136	168,174	121,400	130,459	7%
80530	MOTOR POOL	47,234	42,575	43,796	40,570	-7%
80900	TRAVEL	143,532	264,401	143,468	131,720	-8%
81000	TRAINING	216,405	118,898	69,436	115,237	66%
81100	OFFICE SUPPLIES	178,989	155,341	150,360	248,134	65%

Spindletop Center
Proposed FY26 Budget - pending Board Approval

Acct #	Description	Actual FY 2024	Budget FY 2025	Annualized FY 2025	Budget FY 2026	Annualized FY25 to Budget FY26
EXPENSES:						
81200	OTHER CONSUMABLES	544,370	357,432	238,506	193,222	-19%
81300	RECRUITING	263,175	22,914	6,818	6,127	-10%
81450	CONTRACTS - SERVICE AGMTS	2,384,957	2,751,856	2,454,556	2,204,814	-10%
81500	EQUIPMENT PURCHASE (CAPITALIZED)		-	-	-	0%
81600	EQUIPMENT EXPENSE	18,026	15,307	19,382	17,180	-11%
81700	BUILDING RENOVATIONS (CAPITALIZED)	506,316	484,226	279,964	-	-100%
81800	BUILDING EXPENSE	425,618	429,741	241,978	266,232	10%
81900	VEHICLE PURCHASE (CAPITALIZED)	31,200	129,688	25,000	-	-100%
82000	VEHICLE EXPENSE	143,181	243,136	122,348	114,933	-6%
82100	GASOLINE/FUEL	135,728	138,274	98,106	104,623	7%
82200	TELECOMMUNICATIONS	411,020	340,986	343,886	246,549	-28%
82300	UTILITIES	565,819	551,492	565,390	535,996	-5%
82400	INSURANCE	894,383	1,001,322	962,688	958,536	0%
83200	MARKETING	14,042	46,055	914	17,500	1815%
83300	MISCELLANEOUS	157,516	357,454	36,050	2,415,478	6600%
Total Expenses		51,440,101	52,268,285	49,342,510	51,506,149	4%
Total Excess Revenue over Expenses		(3,966,435)	0	35,093	0	

OPERATING REVENUES & EXPENSES BY PROGRAM

Spindletop Center Proposed FY26 Budget - pending Board Approval

	MH Adult	MH Child	Substance Use	Crisis	ECI	IDD	All other	Admin	Budget FY26
County Revenue	95,417	-	-	154,577	-	-	-	664,080	914,074
Other Local Revenue	-	-	6,000	-	-	487,273	255,595	379,910	1,128,778
Medicaid/Medicare/Client Collections	1,987,885	3,516,972	70,375	563,982	1,119,189	8,458,468	72,102	189,644	15,978,617
General Revenue	6,126,815	1,812,539	-	7,360,302	-	3,792,723	351,650	-	19,444,029
Directed Payment Program (DPP)	-	-	-	-	-	-	-	2,000,000	2,000,000
Charity Care Provider (CCP)	-	-	-	-	-	-	-	2,000,000	2,000,000
Other State/Federal Contracts/Grants	1,481,000	1,042,087	1,068,971	2,905,324	1,659,640	84,245	1,424,383	375,000	10,040,650
Total Revenue	9,691,117	6,371,598	1,145,346	10,984,185	2,778,829	12,822,710	2,103,730	5,608,634	51,506,149
Salaries	5,359,044	4,066,582	565,559	1,620,564	1,557,885	4,589,274	1,726,361	4,896,846	24,382,114
Fringe	1,873,154	1,420,200	195,583	565,065	545,260	1,611,206	604,226	1,732,813	8,547,507
Client Services	491,441	216,150	7,141	3,639,409	1,000	4,021,123	12,228	210,000	8,598,491
Operating Expenses	1,135,032	958,629	348,646	4,770,712	625,799	1,583,500	904,354	(348,634)	9,978,037
Total Expenses	8,858,672	6,661,561	1,116,928	10,595,749	2,729,943	11,805,103	3,247,168	6,491,024	51,506,149
Total Excess Revenue over Expenses	832,446	(289,963)	28,418	388,436	48,886	1,017,607	(1,143,438)	(882,391)	0

WAGES & BENEFITS

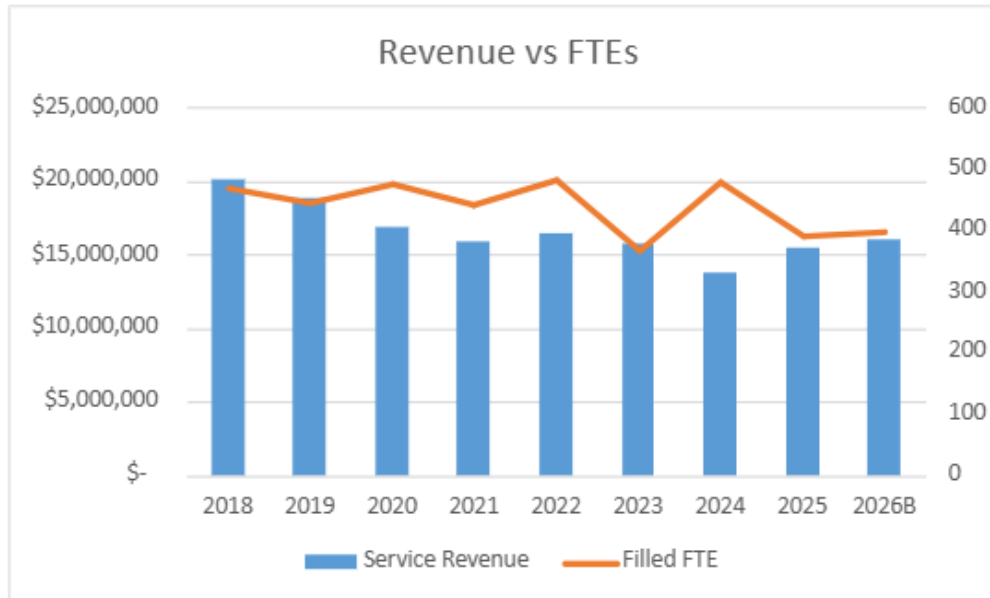
	Budget FY25	Annualized FY25	Budget FY26	Budget FTE FY25	Actual FTE FY25	Budget FTE FY26
Regular Pay						
Current Filled Positions	\$ 23,493,384	\$ 20,670,359	\$ 21,842,799	435.72	389.90	397.97
Current Open Positions (FY25 - 8.80%; FY26 - 8.04%)	3,848,733	7,078,512	2,113,271	101.73	129.05	46.90
Current Positions	27,342,117	27,748,872	23,956,070	537.45	518.95	444.87
less Salary Lapse (FY25 - 0.68%; FY26 - 0.00%)	(2,645,834)	(2,668,483)	-			
Sub-total Regular Pay	24,696,283	25,080,389	23,956,070	537.45	518.95	444.87
Additional Pay - includes On-Call & OT Pay	529,036	276,817	221,941			
Allowance for Career Ladder - 25% achievement - 3%	704,802	-	204,102			
Total Wage Expenses	25,930,121	25,357,206	24,382,114			
Fringe Benefits	8,531,923	8,894,164	8,547,507			
Fringe Benefit % of Wages	32.90%	35.08%	35.06%			
Total Wage & Benefits Expenses	\$ 34,462,044	\$ 34,251,370	\$ 32,929,621			

Changes from FY25 to FY26 include-		
	FTE	Amt w/Fringe
Additions:		
New Positions	3.00	229,836
	3.00	229,836
Subtractions:		
Deleted Vacant Positions	(65.75)	(4,044,615)
Deleted Filled Positions	(13.40)	(923,424)
	(79.15)	(4,968,039)
Net Change	(76.15)	(4,738,203)

BUDGETED POSITIONS AND SALARY LAPSE

Fiscal Year	Budgeted FTEs	Actual Year End FTEs	Year End Filled FTEs	Year End Vacant FTEs	Actual Lapse %	Lapsed Salary
2018	549.11	554.24	471.26	82.98	14.97%	\$ 3,267,464
2019	513.82	545.40	457.97	87.43	16.03%	\$ 4,616,834
2020	583.50	615.13	476.98	138.15	22.46%	\$ 4,973,369
2021	541.61	537.22	444.22	93.00	17.31%	\$ 4,253,800
2022	566.90	575.00	482.99	92.01	19.05%	\$ 4,128,533
2023	555.48	565.92	367.92	198.00	34.99%	\$ 4,890,446
2024	570.65	591.44	479.40	112.04	18.94%	\$ 5,079,580
2025	537.45	518.95	389.90	129.05	24.87%	\$ 7,078,512
Expected 2026	444.87	444.87	397.97	46.90	10.54%	\$ 2,113,271

SERVICE REVENUES TRENDS



Service Revenue			
Fiscal Year	Service Revenue	\$ Chg	Filled FTE
2018	\$ 20,054,194	0	471
2019	\$ 18,831,754	-6.10%	446
2020	\$ 16,862,661	-10.46%	477
2021	\$ 15,912,433	-5.64%	444
2022	\$ 16,512,639	3.77%	483
2023	\$ 15,788,512	-4.39%	368
2024	\$ 13,711,636	-13.15%	479
2025	\$ 15,479,502	12.89%	390
2026B	\$ 15,978,617	3.22%	398

RESERVE ACCOUNTS

FY26 Projections	Beginning Balance	Expected Net Changes	Ending Balance
Special Project Reserve Account	\$ 887,312		\$ 787,312
Outflow - Capital expenditures		100,000	
Reserves Account	\$ 8,046,060		\$ 9,926,453
Inflow - Additional DPP funds above budgeted		830,393	
Inflow - Additional CPP funds above budgeted		700,000	
Inflow - Sale of Sul Ross house		350,000	

Fiscal Year	Reserve Account Year End
2017	2,660,524
2018	8,468,903
2019	10,489,850
2020	22,287,711
2021	22,955,930
2022	18,984,935
2023	11,850,158
2024	8,931,274
2025	8,046,060
Expected 2026	9,926,453



QUESTIONS