DIRECT CARE AND TREATMENT

FY2027 Operating Budgets

The recommended operating budgets for FY2027 are attached and include the following:

- FTE counts based on FY2026 staffing plans plus approved mid-year adjustments
- Negotiated bargaining unit increases
- An average rate for overtime (3-5%)
- Vacancy factor between 7-10% depending on the service line (based on FY26 actual vacancy data)
- Non-personnel expense targets based on actual spending trends and cost of living adjustments built on the Consumer Price Index (CPI) for food, drugs and utilities

General Fund (Fund 1000) Appropriations fund the majority of DCT's operations, including: MHSATS, CBS, FMHP, MSOP, MNIT and DCT Support Services. These programs receive an up-front appropriation and must operate within allocated amounts plus any allowable balance forward. A portion of the balance forward is being used to cover the cost of un-funded negotiated bargaining unit increases. The remaining balance forward is being used to fund operational initiatives prioritized by the Executive Team.

Outpatient Services (Fund 2000) and the MN State Operated Community Services (MSOCS - Fund 4350) programs are revenue based and must operate within receipts collected. Balances within these funds carry forward from year to year.

The Systems Account was established for MNIT and other IT projects expenditures. Balances in the systems account carry forward from year to year. For FY27 the systems account will be used for EHR enhancements and other IT projects. MNIT costs that were paid from this account in FY26 have shifted to the General Fund.

FY2027 spending will be monitored closely to ensure it remains within budget. Executive Directors will be responsible for providing corrective action plans if expenditures exceed budget. Financial Reports will be presented to the Board quarterly.

FY2027 Operating Budgets

(Dollars in Thousands)

	Fund 1000 - Appropriates Svcs				
	Personnel	**Non-Personnel**	**Total**	**FY26 Budget**	**% Change**
Operating Expense					
MHSATS	$ 170,040	$ 23,000	$ 193,040	$ 184,103	4.9%
CBS	$ 14,453	$ (2,345)	$ 12,108	$ 11,740	3.1%
Forensic	$ 156,679	$ 10,000	$ 166,679	$ 156,738	6.3%
MSOP	$ 109,321	$ 21,750	$ 131,071	$ 124,722	5.1%
Support Services	$ 67,028	$ 14,631	$ 81,659	$ 78,013	4.7%
MNIT	$ -	$ 28,414	$ 28,414	$ 24,700	15.0%
Total	**$ 517,521**	**$ 95,450**	**$ 612,971**	$ 580,016	5.7%
Available Resources					
Total Appropriations			$ 602,805		
Balance Forward			$ 11,000		
Total			**$ 613,805**		
Fund Balance			**$ 834**		

	Fund 2000 - Outpatient Svcs				
	Personnel	**Non-Personnel**	**Total**	**FY26 Budget**	**% Change**
Operating Expense					
Dental Services	$ 5,057	$ 2,416	$ 7,473	$ 6,258	19.4%
Ambulatory Services	$ 1,751	$ 237	$ 1,988	$ 1,800	10.4%
Total	$ 6,808	$ 2,653	$ 9,461	$ 8,058	17.4%
Available Resources					
Estimated Receipts			$ 940		
Prior Year MA Cost Settle-up			$ 5,000		
Balance Forward			$ 2,800		
Cash Flow from Fund 1000			$ 1,500		
			$ 10,240		
Fund Balance			**$ 779**		

Fund Balance represents approx. 30 days cash on hand

FY2027 Operating Budgets

(Dollars in Thousands)

Fund 2001 - Systems Account

	Personnel	Non-Personnel	Total	FY26 Budget	% Change
Operating Expense					
EHR Enhancements	$ -	$ 3,000	$ 3,000	$ -	100.0%
IT Projects	$ 1,186	$ 6,103	$ 7,289	$ -	100.0%
Total	$ 1,186	$ 9,103	$ 10,289	$ -	
Available Resources					
Balance Forward			$ 21,000		
Fund Balance			**$ 10,711**		

Fund Balance to be used for add'l Tech Projects

Fund 4350 - MSOCS

	Personnel	Non-Personnel	Total	FY26 Budget	% Change
Operating Expense					
MSOCS Operations	$ 182,720	$ 27,865	$ 210,585	$ 191,680	9.9%
CBS Lease Property	$ -	$ 270	$ 270	$ 214	26.2%
Total	$ 182,720	$ 28,135	$ 210,855	$ 191,894	9.9%
Available Resources					
Estimated Receipts			$ 224,163		
Interest			$ 1,500		
Balance Forward			$ 32,818		
			$ 258,481		
Fund Balance			**$ 47,626**		

Fund Balance represents approx. 80 days cash on hand