

Bay-Arenac Behavioral Health Authority
Report to Board of Directors
September 22, 2025
ORIGINAL Budget - Fiscal Year 2025/26

FY 24/25 FINAL Revenue Budget	\$ 79,569,361	FY 24/25 FINAL Expense Budget	\$ 79,181,534	
Net Decrease in Medicaid Subcontract Revenue	(4,993,107)	Net Decrease in Personnel Costs	(155,230)	Force reduction off-set with health insurance increase
Decrease in Grant Revenue	(61,890)	Decrease in Community Hospitalization	(600,000)	Utilize Crisis Residential Unit
		Decrease in Residential Services	(500,000)	Vacant bed days
		Decrease in CLS Services	(80,000)	Reduction for duplicative services/more than one Provider
		Decrease in Outpatient Therapy	(130,000)	Related to GF exceptions
		Decrease in Vocational Services	(170,000)	Moving from cost settled to fee-for-service contracts
		Reduction to Healthy Michigan	(1,500,000)	CLS and Residential Costs
		Decrease in Behavioral Tech Services (Autism)	(1,500,000)	Stricter eligibility criteria & potential consolidation of Providers
		Decrease in Ancillary Services	(300,000)	Stricter eligibility criteris for children receiving ABA services
		Decrease in contract clinician costs	(50,000)	Reduction to contract for therapy services
		Decrease in grant related costs	(18,500)	Related to a grant that ended off-set with full year cost of new grant
		Increase in transportation/leases	51,189	Full year expense related to leased vehicles
		Misc Decreases	(378,912)	
FY 25/26 FINAL Revenue Budget	<u>\$ 74,514,364</u>	FY 25/26 FINAL Expense Budget	<u>\$ 73,850,081</u>	

BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
Fiscal Year 2025-26 Operating Budget
Original Budget

ACCOUNT	DESCRIPTION	FY 25-26 Original Budget	Percent of Total	FY 24-25 Final Budget
44100	OBRA.....	265,874	0.4%	265,874
40220	General Fund	1,626,054	2.2%	1,626,054
42110	P.A. 423/Client Fees.....	390,134	0.5%	390,134
43910	SSI.....	73,824	0.1%	73,824
40110	Medicaid - PIHP.....	69,086,505	92.7%	74,079,612
44000	Grants.....	371,035	0.5%	432,925
47106-47206	County of Arenac - General.....	104,812	0.1%	104,812
47109-47209	County of Bay - General.....	682,242	0.9%	682,242
48000	Interest.....	263,797	0.4%	263,797
49600-49700	Miscellaneous Revenue.....	450,017	0.6%	450,017
45000-46000	Miscellaneous Revenue From Partnership.....	1,200,070	1.6%	1,200,071
TOTAL REVENUE		74,514,364	100.0%	\$79,569,361

BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
Fiscal Year 2025-26 Operating Budget
Original Budget

ACCOUNT	DESCRIPTION	FY 25-26 Original Budget	Percent of Total	FY 24-25 Final Budget
60000	Salary (Direct & Indirect).....	14,817,816	20.1%	15,220,565
61000	Fringe Benefits.....	4,870,925	6.6%	4,623,405
60000-61000	Salary (direct & Indirect) + Fringe Benefits	19,688,741	26.7%	19,843,971
80100	Board Per Diem.....	29,100	0.0%	29,100
80120	Board conference and travel.....	10,431	0.0%	10,431
	TOTAL PERSONNEL SERVICES	\$19,728,271	26.7%	\$19,883,501
71200	Consumer food, clothing, etc.....	1,523	0.0%	1,523
71210	Consumer activities.....	7,039	0.0%	7,039
71220	Public Transportation.....	16,190	0.0%	16,190
72100	Contract physician costs.....	1,420,739	1.9%	1,470,739
72800	Staff travel, service related.....	85,803	0.1%	84,265
73200	Transportation.....	197,800	0.3%	146,611
74200	Grant specific cost.....	10,000	0.0%	28,500
74300	Nongrant expense.....	0	0.0%	0
75100	Professional Services - Other.....	193,989	0.3%	191,973
78000	Facility Allocation.....	221,493		221,493
78100	Rental Space.....	31,626	0.0%	31,626
78200	Rental Equipment.....	5,285	0.0%	5,285
78300	R & M Supplies.....	90,255	0.1%	90,255
78400	Janitorial services.....	71,681	0.1%	71,681
78500	Public Utilities.....	99,522	0.1%	99,522
78700	Communications.....	136,120	0.2%	136,120
79200	Prior Fiscal Year Expense.....	(0)	0.0%	(13,516)
80300	Consumer compensation.....	3,360	0.0%	3,360
80320	Consumer conference and travel.....	569	0.0%	569
81000	Temporary staffing cost.....	0	0.0%	0
81200	Staff conference and travel.....	67,186	0.1%	67,482
81220	Staff development and training.....	56,217	0.1%	56,880
81240	Staff recruitment expenses.....	7,172	0.0%	7,172
81260	Employee health services.....	5,796	0.0%	5,796
81900	Supply Allocation.....	30,648	0.0%	30,648
82000	Operating Supplies.....	118,973	0.2%	119,706
82100	Mobile communications.....	125,596	0.2%	124,931
82200	Office Supplies.....	51,218	0.1%	51,337
82300	Postage.....	16,473	0.0%	16,547
82900	Computer/Communication Related Exp.....	0	0.0%	0
83000	Community Education.....	36	0.0%	36
83100	Consumer info and printing.....	5,599	0.0%	5,599
83300	Public relations and advert.....	4,725	0.0%	4,725
84000	Legal and consulting.....	40,470	0.1%	40,470
84100	Accounting and audit.....	35,000	0.0%	35,000
85000	Purchased services.....	22,378	0.0%	22,378
86000	Software license maintenance.....	746,895	1.0%	746,895
87000	Subscriptions and publications.....	0	0.0%	0
87100	Memberships and Dues.....	21,315	0.0%	21,315
88000	Licensing and accreditation.....	24,810	0.0%	24,810
89100	General & Professional liab insurance.....	69,208	0.1%	69,208
92100	Local Funds Paid to State.....	214,867	0.3%	214,867
93000	Interest Expense.....	7,690	0.0%	7,690
94000	Gain/Sale on Capital Asset.....	(12,604)	0.0%	(12,604)
	BABH Contractual Healthcare Costs	49,705,167	67.3%	54,879,930
	SUBTOTAL EXPENDITURES	\$53,957,830	73.1%	\$59,134,053
95000	DEPRECIATION EQUIPMENT.....	160,324	0.2%	160,324
78250	MINOR EQUIPMENT.....	3,656	0.0%	3,656
	TOTAL EXPENDITURES	\$73,850,081	100%	\$79,181,534

BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY
Fiscal Year 2025-26 Operating Budget
Original Budget

SETTLEMENT ACTIVITY	FY 25-26 Original Budget
NET SURPLUS BEFORE SETTLEMENT	\$ 664,283
<u>Current Year Savings</u>	
Net Medicaid	-
General Fund Savings	-
General Fund Lapse	-
TOTAL FUND BALANCE INCREASE/(DECREASE)	\$ 664,283
Restricted	-
Unrestricted, FY25 Increase	1,305,965
Unrestricted, FY25 Usage (General Fund services)	(641,682)
TOTAL FUND BALANCE INCREASE/(DECREASE)	\$ 664,283
UNRESTRICTED FUND BALANCE 10/1/25	\$ 6,468,606
Budgeted Increase to Unrestricted Fund Balance	1,305,965
Budgeted Usage of Unrestricted Fund Balance	(641,682)
Requested Usage of Funds Restricted for Capital Purposes	
TOTAL UNRESTRICTED FUND BALANCE 9/30/26	\$ 7,132,889

