Heart of Texas
Council of Governments

FY 2025-2026 Budget

Indirect Cost and Release
Time Benefits Calculations

Heart of Texas
Council of Governments

FY 2025-2026 Budget

The Heart of Texas Council of Governments (HOTCOG) annual budget is a fiscal and program plan designed to guide the operations of the staff from October 1, 2025 through September 30, 2026. The annual budget process is intended to allow for the review of existing agency operations based on levels of service, regional objectives and board policies as well as plans for serving our member governments in the future.

The budget process for HOTCOG is inherently different than that for local governments because of the unpredictability of agency revenues. Federal and state grants have traditionally adjusted throughout the program year requiring continual change to respond to the budget demands. This problem of resource funding creates a situation of "dynamic budgeting," requiring a flexible and responsive budget process.

HOTCOG's financial plan is controlled at the fund and grant level with management authorized to make transfers of budgeted amounts between object class levels within a fund or grant, within restrictions imposed by grantor agencies. The Executive Committee approves the financial plan for revenue and expenditures in all funds. The financial plan for the Special Revenue Funds is made on a project (grant) basis, spanning more than one year. Appropriations for all projects in the Special Revenue Funds lapse at the end of a contract period which may not coincide with the fiscal year-end of HOTCOG. The appropriations for the General Fund lapse at the fiscal year-end. Although the financial plans are reviewed and approved by HOTCOG's Executive Committee, they are not considered legally adopted annual budgets or appropriations.

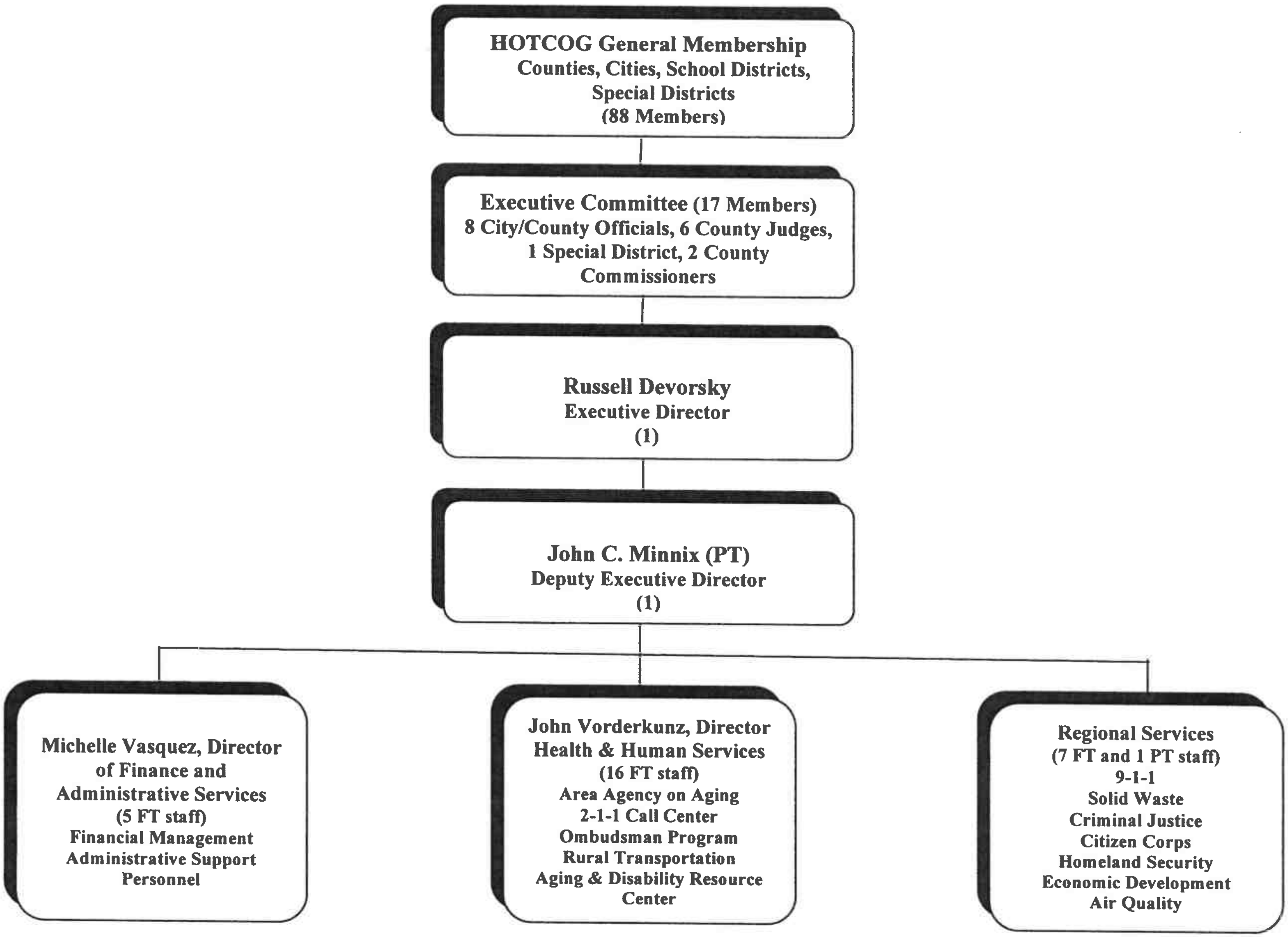
HOTCOG
FY 2025-2026 BUDGET HIGHLIGHTS

(1) Please note HOTCOG has not received all of the "official" funding level notices from state and federal agencies. The estimated revenues on pages 4 and 5 are based on a combination of official funding notices and estimated planning figures. Currently a $15,445 General Fund Net Surplus is being projected for the year.

(2) On page 9 under Indirect Costs, HOTCOG's indirect cost rate is projected to be 55.22%. For fiscal year 2025-2026, HOTCOG's Federal Cognizant Agency, U.S. Department of Commerce, Economic Development Administration (EDA), and U.S. Department of Interior, Washington, D.C. will review and approve the indirect cost rate that is computed on salaries and release time/benefits only. HOTCOG's current rate is 62.58%. In addition, HOTCOG's Release Time and Benefit rate is projected to be 55.73%, the same as the current year's rate of 50.72%. The increase in the Indirect rate is due to the past years carryforward computation.

(3) Under General Budget Notes on page 12, the proposed budget contains a 2.0% cost of living adjustment (COLA) increase for all employees. Normally HOTCOG's COLA is figured as measured by the Department of Labor's Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) and is the same increase that was received by Social Security recipients in 2025 which was 2.5%. However, because of grant and contract funding limitations, HOTCOG can only budget a 2.0% increase.

HEART OF TEXAS COUNCIL OF GOVERNMENTS
ORGANIZATIONAL CHART



Estimated Fiscal Year 2025-2026 HOTCOG Revenue
And Comparison with Fiscal Year 2024-2025 Revenue

Grant / Contract	Fiscal Year 2025-2026	Fiscal Year 2024-2025	Gain/ (Loss)
Texas Department Of Health & Human Services (HHSC)			
Aging Services-Title III	1,747,811	2,428,386	-28%
Aging Services-ADRC	176,989	185,902	-5%
Texas Department Of Health & Human Services (HHSC)			
211/Childcare	6,014	6,014	0%
211/Operations	420,434	420,434	0%
Texas Commission on Environmental Quality			
Solid Waste Planning	115,000	115,000	0%
Air Quality Planning	254,367	254,367	0%
Texas Department of Agriculture			
TxCDBG-Community & Economic Development	12,476	11,406	9%
Commission on State Emergency Communications			
9-1-1 Emergency Communications Operations/Program	1,344,557	1,983,374	-32%
Texas Department of Transportation			
Section 5311 Transportation - Federal	907,688	873,672	4%
Section 5311 Transpotation-State	411,523	403,185	2%
Regional Planning	40,000	20,000	100%
Bus and Bus Facilities Purchasing Program	-	590,528	-100%
Governor's Division of Criminal Justice			
Criminal Justice - Planning/Coordination	33,796	33,796	0%
Criminal Justice - Juvenile Justice Alternatives	29,928	30,341	-1%
Criminal Justice- Regional Law Enforcement Trng	65,275	65,275	0%
Criminal Justice- SART-Crisis Intervention	20,558	20,899	-2%
Economic Development Administration			
Economic Development Fund	70,000	70,000	0%

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Governor's Division of Emergency Management			
Homeland Security Planning	184,499	180,382	NM
HL Security Enhanced Communications/ENS	67,391	63,172	7%
Regional Communications Infrastructure	710,439	710,439	0%
Bomb Making Materials Awareness	50,805	50,805	0%
Citizens Corp Planning	28,930	26,179	11%
Total Federal/State Administered Grants	$ 6,698,480	$ 8,543,556	-22%
Local Revenue			
Miscellaneous Income	6,000	6,000	0%
Interest Income	15,000	15,000	0%
Membership Dues	61,902	62,032	0%
Rent-Workforce Building	484,336	484,336	0%
HOTEDD Management Fee	18,061	17,535	3%
Local Govt. Program Match	93,493	37,792	147%
Local Govt. Program Income and Inkind Match	660,000	605,700	9%
Sub-total Local Revenue	$ 1,338,792	$ 1,228,395	9%
Total Estimated Revenue	$ 8,037,272	$ 9,771,951	-18%

HOTCOG
Fiscal Program Summary
For Fiscal Year 2025-2026

Sources of Revenue

The concept of "cooperative federalism" in which all units of governments, Federal, State, and Local, share responsibility in solving regional problems, is evident in the analysis of HOTCOG's sources of revenue. The primary sources of revenue for HOTCOG budgeted during the coming fiscal year 2025-2026 are (1) **Local Revenues** ($1,354,685) which accounts for 16.86%; and (2) **Federal/State Administered Grants** ($6,698,480) which accounts for 83.34% of total revenue.

1) Local Revenues - ($1,354,685)

(a) Local Government Annual Dues ($61,902)

Dues for cities and counties are assessed on the basis of $.16 per capita. School districts pay dues based on student enrollment. With enrollment up to 500, $40; with enrollment of 500 to 2,500, $80; with enrollment of 2,500 to 10,000, $160; with enrollment over 10,000, $475. Special Districts pay $160 and subscribing members pay $50. HOTCOG currently has 88 member governments - 6 counties, 53 cities, 25 school districts, 3 institutions of higher education and 1 special district.

(b) Local Government Program Match ($142,493)

(c) Rent – Workforce Building ($484,336)

(d) HOTEDD Management Fee ($18,061)

(e) Interest Income ($12,093)

(f) Miscellaneous Income ($24,800)

(g) Local Governments Program Income and Inkind Match ($611,000)

2) Federal/State Administered Grants ($6,698,480)

Federal agencies allocate funds to the State of Texas for reallocation to local governments. These funds are passed through the State to HOTCOG from the U.S. Department of Commerce; Justice; Transportation; Health and Human Services and the Department of Homeland Security. Additionally, funds are received directly from the State as a result of actions taken by the Texas Legislature. The funds are for Criminal Justice Planning, Juvenile Justice Alternatives, Regional Law Enforcement Training, Air Quality and Solid Waste

Planning. Funds are also received from the State for planning and implementation of a Regional 9-1-1 Emergency Communications System, to operate a 2-1-1 answering center and to operate a rural transportation system.

GRANT MANAGEMENT DEFINITIONS

PASS-THROUGH - Funds administered by HOTCOG which are passed through - and are of direct benefit - to local governments, community based organizations and program participants.

INKIND/PROGRAM INCOME - Contributed services provided primarily by governmental entities. These "inkind" contributions do not require the expenditure of cash by HOTCOG. "Program Income" are funds received as donations from participants who participate in the Aging and Transportation programs. Also, program income can be generated from services provided by the various grant programs. These funds are required as local match on grantor funds to carry out the basic work programs.

INDIRECT COSTS - Costs for agency-wide internal administrative services which benefit all of the grant programs (executive management, accounting, personnel, facilities management, insurance, legal fees, audit services, etc.) are included in these funds. A cost pool is used for these expenditures because they are not readily assignable or allocated to any particular grant or contract. These costs are allocated as a percentage of total salaries and release time/benefits to all of HOTCOG's grant programs.

HOTCOG applies an indirect cost rate to each grant to pay for these costs that are accumulated in an indirect cost pool. This rate is a fixed percentage with a possible carry-forward within the fund. These carry-forwards or differences between the estimated costs and actual costs, when they become known, are includable as an adjustment in a subsequent proposal plan. That rate is 55.22% and is computed on salaries and benefits. HOTCOG has an agreement with the Heart of Texas Economic Development District (HOTEDD) for the coming fiscal year providing fiscal services for an amount of $63,214 that will be charged in lieu of the indirect rate.

HOTCOG's Federal Cognizant Agency, the Department of Economic Development (EDA) through the U.S. Department of Interior, will review and approve our Indirect Cost Rate Certificate for FY2026. HOTCOG is required to develop an indirect proposal and retain it with related supporting documentation for audit. In addition, HOTCOG will provide a copy of the proposal as requested by any state or federal agency for their information and review.

HOTCOG is required annually to certify that its Indirect Costs for the fiscal year do not exceed 15% of total expenditures as defined in Section 391.0115(e) of the State of Texas Local Government Code. For fiscal year 2025-2026 Indirect Costs as a percentage of total expenditures is projected at 11.73% as seen in the computation on the next page:

Total Expenditures	$ 8,666,963
Less Adjusted Indirect Cost	(854,851)
Less Equipment	(524,800)
Total Expenditures	7,287,312
Total Expenditures	7,287,312
Adjusted Indirect Cost	(854,851)
Indirect Costs as a % of Total Expenditures	11.73%

ADMINISTRATION - It is widely accepted that costs associated with the administration expenses are the executive management of an agency, program or other entity. Therefore, administrative costs are the expenses associated with the management function.

DIRECT COSTS - Direct costs are those that can be identified specifically with a particular grant or cost objective. These costs are charged directly to grants or contracts. Below are the costs and their accepted bases of allocation that HOTCOG currently direct charges to grants or contracts.

- **Salaries/Benefits** - Percent of time and effort devoted specifically to the execution of grant programs.
- **Travel** - Those costs incurred specifically for the execution of grant programs.
- **Supplies** - Those supplies other than desk top supplies, such as pens, pencils, paper clips, etc., needed specifically for the execution of grant programs.
- **Space** - Square feet of space occupied.
- **Telephone Line** - Number of instruments.
- **Long Distance** - Actual costs incurred.
- **Copier/Printing** - Actual copies made and other printing needed specifically for the execution of grant programs.
- **Postage** - Actual costs incurred.

Heart of Texas Council of Governments
Summary of Fund Availability and Proposed
FY 2025-2026 Program Expenditures

Fund Availability			
Local			
HOTCOG Dues	$ 61,902		
Local Govt./HOTEDD Program Match	142,493		
Rent-Workforce Building	484,336		
HOTEDD Management Fee	18,061		
Interest Income	12,093		
Miscellaneous Income	24,800		
Local Govt. Program Income and Inkind Match	611,000		
		1,354,685	
Federal/State			
Federal/State Administered Grants	6,698,480		
		6,698,480	
Total Available Funds		8,053,165	
Less: Program Income/Inkind Match		550,000	
Net Available Funds for FY 2025-2026		7,503,165	
Less: Delegate Agency/Contractual Costs		3,348,162	
Net Available Operating Funds FY 2025-2026			$ 4,155,003
Program Expenditures			
Council Management and Administration		1,214,629	
Aging Services		4,353,952	
Regional Services		3,111,021	
Total Proposed Dept. Expenditures		8,679,602	
Less: Transfers to Indirect Cost Pool		989,065	
Total Proposed Expenditures		7,690,537	
Less: Program Income/Inkind Match		550,000	
Net Proposed Expenditures for FY 2025-2026		7,140,537	
Less: Delegate Agency/Contractual Costs		3,348,162	
Net Proposed Operating Expenditures FY 2024-2025			$ 3,792,374
Transfers Out-(Due to HOTEDD)			(347,183)
Net Surplus			$ 15,445

Heart of Texas Council of Governments
Summary of Revenues and Expenditures
Proposed FY 2025-2026 Line Item Expenditures

Revenue			
Local	1,317,792		
Federal/State Administered	6,698,480		
Other	24,250		
Total Revenue			$ 8,040,522
Line Item Expenditures			
Salaries	1,528,124		
Benefits	851,634		
Travel	73,730		
Equipment	524,800		
Supplies	38,350		
Space	309,600		
Communications	45,542		
Copier/Printing	7,500		
Computer	13,661		
Postage	7,550		
Audit	35,500		
Other	251,744		
Indirect	925,851		
Debt Service-WF Bldg	-		
Insurance/Maintenance/Other-WF Bldg	92,000		
Management Fees	63,214		
Program Income/Inkind Match	550,000		
Delegate Agency/Contracual Costs	3,348,162		
Total Proposed Expenditures		8,666,963	
Less: Transfers for Indirect Cost Pool		989,065	
Net Proposed Expenditures			$ 7,677,896
Transfers Out-(Due to HOTEDD)			(347,183)
Net Surplus			$ 15,445

Number of Employees: 31

HOTCOG
General Budget Notes

Salary

The Texas Legislature directed Council of Governments to establish salary classification schedules similar to State Government. HOTCOG has developed a salary range schedule for each position responding to this requirement. That salary schedule is included in this budget document and does include a 2.0% cost of living salary adjustment for the fiscal year.

The Executive Director's salary is established as an exempt position and the salary is set on an annual basis by the HOTCOG Executive Committee. The 2.0% cost of living adjustment has been included for the Executive Director in this budget.

Holidays

HOTCOG observes 13 holidays per year. Those holidays are:

New Year's Day
Martin Luther King, Jr., Day
President's Day
Good Friday
Memorial Day
Juneteenth Day
Independence Day
Labor Day
Veterans Day
Thanksgiving (2)
Christmas (2)

Sick Leave/Vacation

Employees earn 12 days of sick leave per year and can accrue up to 45 days. Employees earn vacation leave as follows:

- One to three years service - 12 days per year
- Three to ten years service - 15 days per year
- Ten or more years service - 20 days per year

Total number of vacation days which may be accrued is 45 days. Employees are compensated for any unused accrued vacation days upon separation from HOTCOG.

Medical/Dental/Visual/Disability and Other Insurance

HOTCOG pays the premium for medical, dental, visual, life and disability insurance for each eligible employee which on average is $792 per month. The employee may add dependents to the medical/dental and visual plan at his or her own expense. Monthly dependent premiums are as follows:

	Health	Dental	Vision
* Child(ren)	$742	$27	$6
* Spouse	$896	$27	$6
* Family	$1,665	$70	$11

HOTCOG's health insurance renewal is on 1/1/26 so these are our current rates. The medical/prescription plan is through Curative Insurance and is a PPO, Preferred Provider Organization plan which provides quality health care through an approved network of medical care facilities and physicians to choose from. Office visit charges are covered at 100% with $0 co-pay per-visit for PCP and Specialist. The medical and out of pocket deductible is $0. In addition, the plan features a prescription card program that enables employees to obtain prescriptions at $0 or minimal cost to the employee. (It should be noted that employees pay $50.00 a month towards their premium for the Curative insurance coverages). HOTCOG pays the premium for dental and vision on each employee as well as a life insurance policy which includes accidental death and dismemberment through Guardian Insurance Company. HOTCOG also pays the premium for worker's compensation and unemployment insurance for each employee.

Social Security

HOTCOG employees are covered by the Social Security System. Employees pay the required percentage of gross salary into the system with HOTCOG paying an amount as required by current law which is 7.65% of gross salary.

Retirement

HOTCOG participates in the Texas County & District Retirement System (TCDRS). Employees are required to save and contribute 4% of their gross salary with HOTCOG matching that at 250% or 10% for a total savings rate of 14%. HOTCOG's fiscal year employer contribution rate is 8.11%. TCDRS currently guarantees a 7% return on savings.

Depository of HOTCOG Funds

Extraco Banks, Waco, Texas

General Counsel

Haley & Olson, P.C., Waco, Texas

Auditors

We are currently in the process of selecting our auditors for this fiscal year.

Fiscal Year
October 1, 2025 to September 30, 2026

Heart of Texas Council of Governments

Job Classification Schedule

HOTCOG JOB CLASSIFICATION COMPARISON WITH THE STATE FY 2025-2026			
HOTCOG JOB TITLE	**HOTCOG SALARY GROUP/RANGE**	**STATE JOB TITLE**	**STATE SALARY GROUP/RANGE 9/1/2025-9/1/2027**
Executive Director	B29 - 101,860 - 172,272	Director IV	B29 - 101,860 - 172,272
Deputy Executive Director of Administration	B27 - 84,182 - 142,374	Director II	B27 - 84,182 - 142,374
Director of Administration & Finance	B25 - 69,572 - 114,099	Director I	B26 - 76,530 - 129,430
Health and Human Services Division Director	B25 - 69,572 - 114,099	Director I	B26 - 76,530 - 129,430
Assistant Director of Finance	B23 - 61,184 - 99,658	Accountant VI	B23 - 61,184 - 99,658
Human Resource Manager	B20 - 51,158 - 81,351	Human Resource Spec IV	B20 - 51,158 - 81,351
Regional Planning-Economic Dev. Manager	B20 - 51,158 - 81,351	Program Specialist IV	B20 - 51,158 - 81,351
Transportation Manager	B20 - 51,158 - 81,351	Program Specialist IV	B20 - 51,158 - 81,351
Contract Quality Assurance Specialist	B20 - 51,158 - 81,351	Budget Analyst II	B20 - 51,158 - 81,351
Homeland Security Manager	B19 - 48,244 - 76,028	Emerg. Mgmt. Program Coord.	B19 - 48,244 - 76,028
Manager, Special Programs - Aging	B18 - 45,521 - 71,055	Program Specialist II	B18 - 45,521 - 71,055
Managing Local Ombudsman	B17 - 42,976 - 64,469	Ombudsman I	B17 - 42,976 - 64,469
Call Center Manager 211	B17 - 42,976 - 64,469	Human Services Specialist VII	B17 - 42,976 - 64,469
9-1-1/ GIS Coordinator	B17 - 42,976 - 64,469	Program Specialist 1	B17 - 42,976 - 64,469
9-1-1 Coordinator	B17 - 42,976 - 64,469	Program Specialist 1	B17 - 42,976 - 64,469
Criminal Justice Planner	B17 - 42,976 - 64,469	Planner I	B17 - 42,976 - 64,469
Environmental Dev. Planner	B17 - 42,976 - 64,469	Planner I	B17 - 42,976 - 64,469
Emergency Preparedness Planner	B17 - 42,976 - 64,469	Planner I	B17 - 42,976 - 64,469
Emergency Preparedness Planner (PT)	B17 - 42,976 - 64,469	Planner I	B17 - 42,976 - 64,469
Accountant	B16 - 40,918 - 61,130	Accountant II	B16 - 40,918 - 61,130
Senior Care Coordinator	B16 - 40,918 - 61,130	Human Services Specialist VI	B16 - 40,918 - 61,130
Senior Benefits Counselor	B16 - 40,918 - 61,130	Human Services Specialist VI	B16 - 40,918 - 61,130
Sr. Program Coord/Dementia Care Specialist	B16 - 40,918 - 61,130	Human Services Specialist VI	B16 - 40,918 - 61,130
ADRC Housing Resource Navigator	B16 - 40,918 - 61,130	Human Services Specialist VI	B16 - 40,918 - 61,130
ADRC Referral Specialist	B16 - 40,918 - 61,130	Human Services Specialist VI	B16 - 40,918 - 61,130
Rural Public Transportation Coordinator	A15 - 38,976 - 58,045	Customer Service Rep IV	A15 - 38,976 - 58,045
Information & Referral Specialist (3)	B15 - 38,976 - 58,045	Human Services Specialist V	B15 - 38,976 - 58,045
Transit Dispatching/Scheduling Technician	A13 - 35,439 - 52,388	Customer Service Rep III	A13 - 35,439 - 52,388
Transportation Admin Assistant	A13 - 35,439 - 52,388	Administrative Assistant III	A13 - 35,439 - 52,388
Receptionist/Admin Tech	A13 - 35,439 - 52,388	Administrative Assistant III	A13 - 35,439 - 52,388

HOTCOG Departmental
Program Descriptions and Budgets

Council Management
and
Administrative Services Department

Council Management

Responsibility: Russell Devorsky, Executive Director

Council Management is the operation of the Executive Director's Office, including staff support to the Executive Committee. The primary mission of the Executive Director's office is to carry out in an efficient and effective manner those programs and policies established by the Executive Committee. To meet the objectives of the Council, the Executive Committee has designated the Executive Director as the chief administrator and executive officer for the Council. The Executive Director's Office develops and maintains overall agency program management, including internal and external processes, procedures and guidelines necessary for the appropriate administration and management of the agency's fiscal and personnel resources. Official minutes, resolutions, bylaws and appointment activities of the Executive Committee are also maintained by the Executive Director's Office.

Administrative Services

Responsibility: Michelle Vasquez, Director Finance and Administration

Council Administration is responsible for agency fiscal management and administration of internal activities, including purchasing, personnel, insurance, communications, facilities management, accounting, retirement system, budgeting, grant administration, records maintenance, equipment maintenance, mail, office supply control, computer management and operation of the copier and postage systems.

Heart of Texas Council of Governments
General Fund Budget

Revenue		
Membership Dues	$ 61,902	
Local Govt. Program Match	32,493	
Rent-Workforce Building	484,336	
HOTEDD Management Fee	18,061	
Interest Income	(4,400)	
Miscellaneous	6,000	
Total Revenue		$ 598,392
Expenditures		
Supplies	250	
Equipment	9,800	
Semi and Annual Meetings	8,500	
Executive Director Expenses	6,000	
Executive Committee Travel	3,300	
Grant Matching Contributions	10,200	
Public Relations	1,000	
Other Costs	41,500	
Debt Service-WF Bldg	-	
Insurance/Maintenance/Other-WF Bldg	92,000	
Management Fees	63,214	
Total Expenditures		$ 235,764
Transfers Out-(Due to HOTEDD)		$ (347,183)
Net Surplus		$ 15,445

Heart of Texas Council of Governments
Indirect Cost Pool Budget

Revenue		
Indirect Cost Grant Contributions	$ 925,851	
HOTEDD Admin/Fiscal Contracts	63,214	
Total Revenue		$ 989,065
Expenditures		
Salaries	448,245	
Benefits	249,810	
Travel	10,000	
Supplies	5,000	
Legal Fees	500	
Audit	35,500	
Space Costs	112,800	
Communications	3,048	
Copies/Printing	6,000	
Computer Costs	13,661	
Postage	6,500	
Insurance/Bonding	6,000	
Dues/Subscriptions/Publications	17,000	
Other Costs/Miscellaneous	4,000	
Prior Period Carry Forward	71,000	
Total Expenditures		$ 989,065

Number of Employees: 7

Notes on Indirect Cost Pool Revenue

The Indirect Cost rate for Fiscal Year 2025-2026 has been computed as follows:

Adjusted Gross Salaries	$	1,524,822	
Release Time/Benefits		849,794	
Total Salaries and RT/Benefits		2,374,616	
Less: Indirect Salaries & RT/Benefits		698,055	
Adjusted Salaries & RT/Benefits		1,676,563	(B)
Total Indirect Revenue		989,065	
Less: HOTEDD Admin/Fiscal Contracts		(63,214)	
Adjusted Indirect Contributions	$	925,851	(A)
Indirect Cost Rate: (A) divided by (B)		55.22%	

*Note:
The indirect cost rate is a fixed percentage, thus from year to year there are possible carry-forwards within the fund. These carry-forwards or differences between the estimated costs and actual costs, when they become known, are includable as an adjustment in a subsequent proposed plan.
This year HOTCOG's Indirect Cost Proposal was submitted on 5/29/25 in hopes of having the rates approved before the start of the fiscal year (10/1/25).
The Department of the Interior uses actual costs from the 2024 audit report. By doing this, the carryforward will be a plug figure to back into the projected fixed rates according to calculations from the Department of the Interiors' spreadsheets.

Heart of Texas Council of Governments
FY 2024 Carryforward and FY 2026 Computation
Indirect Cost Rate

Title/Description	Year Ending Amounts
FY 2024 Direct Salaries and Fringes Base	1,639,035
FY 2024 Indirect Cost Rate	58.48%
FY 2024 Recoverable Indirect Costs	$958,508
FY 2024 Indirect Costs	920,786
FY 2022 Under-recovery Carryforward to FY 2024	53,385
FY 2024 Indirect Cost Pool	974,171
Less: FY 2024 Recoverable Indirect Costs	(958,508)
FY 2024 Over-recovery Carryforward to FY 2026	(15,663)
FY 2026 Indirect Costs	920,786
FY 2026 Indirect Cost Pool	$905,123
FY 2026 Direct Salaries and Fringes Base (actual)	1,639,035
FY 2026 Indirect Cost Rate	55.22%

Notes on Indirect Cost Pool Expenditures

Salaries/Benefits - $698,055

To budget costs for the salaries and benefits of 7.0 employees in the Executive Director's Office and Administrative Services Department.

Travel - $10,000

- Three Texas Association of Regional Councils Boards and Executive Directors meetings to be attended by the Executive Director, Administrative staff and COG Officers.
- One National Association of Regional Councils annual Federal Briefing held in Washington, D.C. to be attended by the Executive Director and COG Officers.
- One National Association of Regional Councils regular annual meeting to be held during the year at a location yet to be determined. To be attended by the Executive Director and COG Officers.
- Other trips as required that provide information and training for staff in the Executive Office, Administrative Services Department and COG Officers.

Supplies - $5,000

This covers such items as pens, pencils, tape, legal pads, staples, paper clips, etc... In addition, it is for stationery, purchase orders, checks and any other miscellaneous items.

Legal Fees - $500

To cover costs for legal counsel throughout the fiscal year.

Audit - $35,500

Based on the estimated cost for HOTCOG's annual audit.

Space Costs - $112,800

This cost center is based on total rent, utilities and janitorial services. The cost for space is 7.0 for employees and other space not directly chargeable to the grant.

Communications - $3,048

Based on line charge for telephones used, and long distance toll charges and other telephones not directly chargeable to the grants.

Copier/Printing - $6,000

Based on a .02 cents per copy charge for 200,000 copies estimated to make. The .02 cents charge is based on total estimated HOTCOG copies divided into total copier cost, maintenance, supplies and per copy costs. Outside printing of special jobs such as annual reports, brochures, and other printing needs....$2,000.

Computer Cost - $13,661

Based on the estimated cost for computer supplies, maintenance contracts, internet connection and computer training for staff.

Postage - $6,500

Total estimated from past usage and the yearly rental on the postage machine.

Insurance/Bonding - $6,000

The following is a list of insurance coverages HOTCOG pays premiums on:

Policy Amts.	
	1 Notary Fee
5,000,000	Office Personal Property Form Replacement
5,000,000	Comprehensive General Liability-Personal Injury, Fire, Premises Medical Payments, etc.
1,000,000	Comprehensive Auto Liability-Excess/Coverage
500,000	Public Employees Blanket Bond-Honesty Form
5,000,000	Public Official & Employees Liability Insurance

Dues/Subscriptions/Publications - $17,000

The following is a list of dues, subscriptions and publications:

- Government Information Services - Subscription
- Single Audit Information Services - Subscription
- National Association of Counties - Subscription
- General Services Commission - Subscription
- Local/State Funding Report - Subscription
- Federal Grant & Contracts Weekly - Subscription
- Texas Register - Subscription
- Federal Register - Subscription

- Newspapers, Periodicals, Publications and other Subscriptions
- National Association of Development Organizations - Dues
- National Association of Regional Councils – Dues
- Texas Association of Regional Councils – Dues
- State of Texas purchasing co-op – Dues
- Texas Municipal League - Dues

Other Costs - $4,000

Miscellaneous costs such as temporary help and any other out of the ordinary expenditures, such as food costs for meetings not allowed by grant/contracts.

PRIOR PERIOD INDIRECT COST POOL ADJUSTMENT – $71,000

This amount is from the Carry-forward and Indirect Cost Computation when using a fixed indirect cost rate percentage.

Heart of Texas Council of Governments
Release Time/Benefit Pool

Revenue			
Release Time/Benefit Contributions		$ 849,794	
Total Revenue			$ 849,794
Expenditures			
Release Time			
Sick Leave	46,036		
Vacation	72,342		
Holidays	83,674		
Administrative Leave	6,437		
Total Release Time		208,489	
Benefits			
F.I.C.A.	132,598		
Health/Dental/Vision/Life/AD&D	305,760		
Disability Ins.	8,500		
Workman's Compensation	7,390		
Unemployment Insurance	3,989		
Retirement Contributions	144,768		
Prior Period Carry Forward	38,300		
Total Benefits		641,305	
Total Expenditures			$ 849,794

Notes on Release Time/Benefits Pool Revenue

The Release Time/Benefits rate for Fiscal Year 2025-2026 has been computed as follows:

Gross Salaries	$	1,733,310	
Less: Release Time	$	(208,489)	
Adjusted Gross Salaries	$	1,524,822	(B)
Total RT/Benefits Contributions	$	849,794	(A)

Employee Release Time and Benefit rate: (A) divided by (B) 55.73%

*Note:
The release time/benefit rate is a fixed percentage, thus from year to year there are possible carry-forwards within the fund. These carry-forwards or differences between the estimated costs and actual costs, when they become known, are includable as an adjustment in a subsequent proposed plan.
This year HOTCOG's Release Time Benefits Proposal was submitted on 5/29/25 in hopes of having the rates approved before the sart of the fiscal year (10/1/25).
The Department of the Interior uses actual costs from the 2024 audit report.
By doing this, the carryforward will be a plug figure to back into the projected fixed rates according to calculations from the Depart of Interiors' spreadsheets.

Heart of Texas Council of Governments

FY 2024 Carryforward and FY 2026 Rate Computation

Fringe Benefits Rate

Title/Description	Year Ending Amounts
FY 2024 Total Salaries	1,532,058
FY 2024 Fringe Benefit Rate	52.32%
FY 2024 Recoverable Fringe Benefits	$801,573
FY 2024 Fringe Benefits (actual)	782,634
FY 2022 Under-recovery Carryforward to FY 2024	90,191
FY 2024 Fringe Benefits Pool	872,825
Less: FY 2024 Recoverable Fringe Benefits	(801,573)
FY 2024 Under-recovery Carryforward to FY 2026	71,252
FY 2026 Fringe Benefits	782,634
FY 2026 Fringe Benefits Pool	$853,886
FY 2026 Total Salaries	1,532,058
FY 2026 Fringe Benefits Rate	55.73%

Notes on Release Time/Benefits Pool Expenditures

<u>Sick Leave</u> - $46,036

Based on an average of 7 days taken per employee.

<u>Vacation</u> - $72,342

Based on an average of 11 days taken per employee.

<u>Holidays</u> - $83,674

Based on HOTCOG observing 13 holidays per year.

<u>Administrative Leave</u> - $6,437

Based on average of 1 day taken per employee for jury duty, emergency leave or military leave.

<u>F.I.C.A.</u> - $132,598

F.I.C.A. taken on gross salaries of $1,528,124. HOTCOG will pay 7.65% for the employer's portion of F.I.C.A. for fiscal year 2025-2026.

<u>Health/Dental/Vision/Life/AD&D Insurance</u> - $305,760

Based on $694 average per covered employee per month. This plan also includes a $50,000 life insurance policy and a $50,000 policy for accidental death and dismemberment for eligible employees. After retirement age, the life insurance policy amount is reduced.

<u>Long-Term Disability Insurance</u> - $8,500

Based on .51 cents per $100 of gross wages on $1,528,124. This coverage starts 91 days after the employee is disabled and pays 66 2/3% of the gross wages at the time of disability up until retirement age based upon year of birth. After retirement age, the benefit is reduced.

<u>Workman's Compensation</u> - $7,390

Based on .41 cents per $100 of gross wages on $1,528,124. All HOTCOG employees are determined to be Clerical-Office in nature.

<u>Unemployment Insurance</u> - $3,989

Based on 1.30% of the first $9,000 of the employees' gross wages.

<u>Retirement Contributions</u> - $144,768

Based on HOTCOG contributing 8.11% of gross wages on $1,528,124 into TCDRS for each employee.

<u>Prior Period Benefit Pool Adjustment</u> – $38,300

This amount is from the carry-forward as adjusted when using a fixed benefit rate percentage.

Health and Human Services Division

Responsibility: John Vorderkunz, Director of Health & Human Services

The Health & Human Services Division of the Heart of Texas Council of Governments (HOTCOG) coordinates and develops social service programs in the six-county HOTCOG region. Services are provided to seniors of all ages, persons with disabilities, caregivers, and the public in Bosque, Falls, Freestone, Hill, Limestone, and McLennan counties.

Services are provided by the following departments:

- Area Agency on Aging of the Heart of Texas (AAA)
- Heart of Texas Aging and Disability Resource Center (ADRC)
- Heart of Texas HTCG 211 Call Center (HTCG 211)
- Heart of Texas Rural Transit District (HOTRTD)

Some services are provided directly by the departments utilizing HOTCOG employees. Other services are provided utilizing sub-recipients and contractors to provide additional services that complement services provided directly by HOTCOG personnel.

Area Agency on Aging of the Heart of Texas (AAA)

The AAA is 1 of 28 *designated* Area Agencies on Aging by the Texas Health and Human Services Commission (HHSC) to provide advocacy, access, and assistance to *social services* throughout the state. AAA specifically serves a six-county region which includes Bosque, Falls, Freestone, Hill, Limestone, and McLennan counties.

AAA <u>directly</u> administers the following programs:

- Information, Referral & Assistance
- Benefits Counseling
- Care Coordination
- Caregiver Support Coordination
- Evidence-Based Classes
- Long-Term Care Ombudsman services
- Outreach

Information, Referral & Assistance Program

Individuals contacting the AAA inquiring about services begin the process of assistance which

- assessing the needs of the inquirer,
- evaluating appropriate resources,
- assessing appropriate response modes,
- identifying organizations capable of meeting those needs, and
- providing information about the organizations to help the inquirer make an informed choice.

When services are unavailable the AAA:

- helps the inquirer locate alternative resources,
- actively participates, when necessary, in linking the inquirer to appropriate service providers; and
- follows up on those referrals to ensure the service was provided.

Benefits Counseling Program

The Benefits Counseling program primarily provides financial related assistance and Medicare/Medicaid related help to clients through Legal Assistance (one-on-one) and Legal Awareness (groups) events.

Legal Assistance - Provides *individualized* "one-on-one" counseling and assistance to persons age 60 and older and Medicare recipients of any age to help them better understand the complexities of specific programs.

- Counseling and assistance are available regarding public and private benefits, legal documents (advance directives), insurance information, preventive health related services, and representation for administrative hearings and appeals.

- The complexities of laws, rules and regulations governing legal, health and financial issues can be overwhelming.

- Legal Assistance provides free individualized help on a variety of matters, including applications for governmental services, choices of health or prescription insurance coverage and choices of how an individual wants to be treated as they near the end of their life.

- Legal Assistance can also provide an advocate to assist or represent an older person in an appeal or hearing when that person believes they have been wrongfully denied a service or benefit.

Legal Awareness - Provides information to groups of people to help them better understand the complexities of Medicare, Medicaid, and other government programs.

- Serves as an information link for all ages through educational events and workshops

- Encourages the establishment of community resource centers

- Fosters the creation of regional community partnerships that encourage and support greater public awareness

- Trains volunteers working throughout our communities to assist with outreach and services

Care Coordination Program

The Care Coordination program empowers senior citizens age 60 and older to maintain their independence, freedom, and dignity by identifying needs and arranging social services required for living independently. The program is broad based and includes a variety of related service opportunities.

Services are provided utilizing a case manager who assesses the social service needs with the client age 60 and older and the caregiver (if applicable) to plan, arrange, coordinate, and follow-up on needed services.

Services that can be provided for the care recipient (no caregiver involved) are personal assistance, homemaker, home repairs/modifications, and health maintenance.

- Personal Assistance - Assistance which may include bathing, dressing, toileting, transfer, light house cleaning, and meal preparation.
- Homemaker - Assistance which includes light house cleaning, meal preparation, and shopping.
- Home Repair/Modification – Minor home repairs such as grab bars and modifications that improve accessibility, structure and safety of the home for low-income homeowners age 60 and older who are living in unsafe and/or unhealthy environments.
- Health Maintenance – Durable medical equipment that assist the client to be more independent and assist them with their activities of daily living such as a walker, cane, transfer bench, raised toilet seat, etc.

Caregiver Support Coordination Program

The Caregiver Support Coordination program empowers senior citizens age 60 and older to maintain their independence, freedom, and dignity by identifying needs and arranging social services required for living independently specifically through the utilization of a caregiver who can be a family member, non-family member, compensated or not compensated. The program is broad based and includes a variety of related service opportunities.

Services are provided utilizing a case manager who assesses the social service needs when a family caregiver or other caregiver is involved to plan, arrange, coordinate and follow-up on services exclusively for the caregiver *in support of the care recipient who is age 60 and older.*

Services that can be provided when a caregiver is involved are home repair/modification, health maintenance, and respite.

- Home Repair/Modification – Repairs and modifications to homes that improve accessibility, structure, safety, and weatherization of the home where a low-income care recipient age 60 and older is living in unsafe and/or unhealthy environments.
- Health Maintenance - Durable medical equipment that enables the age 60 and older client to be more independent and assists them with their activities of daily living. Services provided included vision, dental, and hearing assistance.

- Respite - Short-term relief for caregivers that is provided in the client's home environment on a temporary basis (3 months maximum) while the caregiver is unavailable or needs relief. The service allows the caregiver to take care of themselves, so they are better able to sustain care for their elderly client or loved one over an extended period.

Evidence-Based Programs

The following evidence-based classes are coordinated by AAAHOT staff and taught by contracted instructors or facilitators:

- A Matter of Balance – managing falls and preventing the risk of falling
- Caregiver Stress Busting – dealing with caregiver stress concerning *general chronic-related illness*
- Caregiver Stress Busting – dealing with caregiver stress concerning *Alzheimer's or* related dementia illness
- Reach-TX – *personalized individual* program to manage your health and well-being in caring for Alzheimer's diseases or related dementia

The classes are offered to age 60 and older individuals and their caregivers.

The programs test models or interventions with practical applications that provide proven health benefits to participants. Each of the programs contributes to a network of strong community programming specifically designed for seniors and their caregivers to help them retain or regain better health conditions. Reach-TX is a personalized program for individuals as compared to A Matter of Balance and the two Caregiver Stress Busting classes which are group classes.

Long-Term Care Ombudsman Program

A long-term care ***ombudsman*** *is a person who is specially trained and certified to protect the health, safety, rights, and welfare of individuals who live in nursing and assisted living facilities. Ombudsmen listen to residents' concerns and, with resident consent, investigate, problem-solve, and help resolve concerns. They support residents' rights, privacy, and confidentiality.*

Long-term Care Ombudsmen:
- Listen
- Help resolve concerns that affect residents
- Respect resident choices and independence
- Promote resident-directed care
- Protect resident rights
- Support resident and family councils
- Help residents when a facility plans to discharge them
- Inform government agencies and the public about the interests and needs of residents
- Advocate for resident-focused laws and regulations

Outreach

The AAA provides outreach interactions throughout the HOTCOG region identifying potential participants or their caregivers to encourage them to use AAA services and benefits.

Contracted Services

The AAA contracts with providers in the community and ensures that a locally based system of services is provided to maintain personal independence through supportive services, transportation, caregiver education and training, and senior center activities.

The AAA administers the Nutrition programs through a subrecipient agreement:

Nutrition Services

Contractors provide meals in congregate settings and provide home-delivered meals to improve the health and well-being of persons age 60 and older within the service area.

In addition to providing meals, the contractors provide:

- Annual nutritional education sessions are provided at all congregate meal sites and for all home-delivered meal recipients.
- In an emergency or during a disaster the nutrition providers ensure that all home-delivered meal clients receive a self-stable meal.
- Nutrition providers refer their clients to AAA and/or community-based services for coordination of direct services.

Heart of Texas Aging and Disability Resource Center (ADRC)

The Heart of Texas Aging and Disability Resource Center (ADRC) is 1 of 25 designated ADRCs by HHSC to *provide information and assistance to individuals needing assistance and seeking social services throughout the state*. The ADRC specifically serves Bosque, Falls, Freestone, Hill, Limestone, and McLennan counties.

The primary purpose of an ADRC is to help individuals live within their community and to remain there if support systems are in place to assist them. The objective is to help the individual understand appropriate and available options, so he/she can make self-directed decisions about his/her personal healthcare, housing, transportation, or other LTSS options without being overwhelmed.

An ADRC provides information and assistance to individuals, including those with multiple, complex needs, about local programs, and resources as they relate to aging or living with a disability, to older individuals, individuals of any age with disabilities, family caregivers, veterans, and families with children with special needs, all without regard to income levels.

An ADRC provides visible, trusted, comprehensive and streamlined access to LTSS options by utilizing a "virtual no wrong door" model of information exchange, person and family-centered planning, and service provision.

The ADRC is part of a "blended" operation in the Health & Human Services Division of HOTCOG. The ADRC takes all incoming calls and personal contacts seeking assistance, reviews the case, and routes them as appropriate to the ADRC, the AAA or the HTCG 211 if the individual can be helped within our organization. If not, the individual is provided information and referred to appropriate coalition partners or community partners/providers based on the need and available resources. The database used by the ADRC for available services/resources is the statewide database maintained by each of the HTCG 211's as part of the Texas Information Referral Network.

The ADRC is part of a five-member broad-based operating partner's coalition that strengthens existing long-term services and support systems in the Heart of Texas service area. The operating partners in the coalition are:

- Area Agency on Aging of the Heart of Texas
- Heart of Texas Region Behavioral Health Center
- Heart of Central Texas Independent Living Center (HOCTIL)
- Vocational Rehabilitation Services (a program of the Texas Workforce Commission)
- Heart of Texas 211 (HTCG 211)

HOTCOG serves as the Lead Agency/Fiscal Agent and has responsibility as contract administrator for the ADRC.

Heart of Texas HTCG 211 Call Center (HTCG 211)

HTCG 211 Call Center is 1 of 25 *designated* Area Information Centers, by the Texas Information and Referral Network (TIRN) and HHSC to provide information and referral assistance for social services anywhere in Texas.

HTCG 211 is part of the statewide network that provides a "free" helpline answered by trained specialists who assist callers in their service area along with statewide callers regardless of the caller's age, ethnicity, gender, disability, or any other criteria by referring them to the community provider and/or agency *that can best meet their social service needs.*

- HTCG 211 annually provides *referral information and assistance* to callers of all ages seeking assistance for food, clothing, shelter, utility bill payment assistance, medical assistance, affordable childcare, eldercare, disaster relief, and much more.

- The statewide helpline is answered 24 hours a day, 7 days a week by certified Information-Referral Specialists.

- HTCG 211 is operational 5 days per week from 8 to 5 Monday through Friday. Calls received after normal work week hours, weekends, and holidays are routed to and answered by our Subcontractor, United Way Greater Houston located in Houston, Texas.

- All 25 designated Area Information Centers for TIRN utilize the same statewide database and have full access to all service information for every county in Texas.

- Calls at each 211 are received from within the local service area as well as those rolled over from outside the local service area due to heavy statewide calling patterns.

- HTCG 211 plays an important role during disasters by informing statewide callers of valuable information regarding FEMA, food distribution centers, warming and cooler centers, shelters, and much more. Callers can call each day following the disaster to find mass-feeding locations and mass-food distribution centers.

HTCG 211 customarily takes between 45,000 – 55,000 calls per year from those seeking assistance, with half of the calls coming from outside the HOTCOG six-county region.

Heart of Texas Rural Transit District (HOT RTD)

The Heart of Texas Rural Transit District (HOT RTD) is 1 of the Rural Transit Districts (RTD) designated by the Texas Department of Transportation (TxDOT) to provide transportation services throughout the state. HOT RTD provides demand response transportation to the public including transportation for seniors age 60 and older and to the disabled of any age. The RTD is operated "in-house" by HOTCOG, administered by COG employees, utilizing contract employee drivers.

The HOT RTD provides public transportation services in Bosque, Falls, Freestone, Hill, and Limestone counties. McLennan County is not part of the HOTRTD service area. Service in McLennan County is provided by the McLennan County Transit District. However, transportation into or out of McLennan County can be provided by HOTRTD if the trip originates from or terminates in one of our five rural counties.

Shared ride service is provided using a fleet of twenty-three (23) vans and small buses assigned by TxDOT to HOTCOG. Shared ride service is considered "origin to destination" meaning the vehicle comes to the passenger instead of the passenger going to the vehicle and multiple riders may be on the same vehicle.

No fixed routes are currently being utilized. The individual calls for transportation services makes an appointment, and the RTD vehicle picks the client up at the appointed time and carries the rider to their destination. Return transportation is provided in a similar fashion if arranged as part of the trip.

Trips are categorized as General Public or Elderly Persons and/or Persons with Disabilities.

- ***General Public – Section 5311***

Section 5311 federal funds through the Rural Public Transportation Grant Program, a federal assistance program administered by TxDOT, are used to enhance the access of persons of any age living in rural areas to health care, shopping, education, recreation, public services, and employment by encouraging the maintenance, development, improvement, and use of passenger transportation systems. A portion of this funding authorizes grants and contracts for transportation research, technical assistance, training, and related support services in non-urbanized areas.

Heart of Texas Council of Governments
Health and Human Services Department Budget

Revenue		
Aging Services-Title III	$ 1,747,811	
Aging Services-ADRC	176,989	
211/Childcare	6,014	
211/Operations	420,434	
Section 5311 Transportation-Federal	907,688	
Section 5311 Transportation-State	411,523	
Transportation Regional Planning	40,000	
Bus and Bus Facilities Purchasing Program	-	
Local Match	93,493	
Local Govt. Program Income and Inkind Match	550,000	
Total Revenues		$ 4,353,952
Expenditures		
Salaries	720,423	
Benefits	401,497	
Travel	34,500	
Equipment	12,000	
Supplies	17,000	
Space	120,200	
Communications	34,438	
Copier/Printing	1,000	
Postage	800	
Other Costs	66,226	
Indirect Costs	619,560	
Program Income/Inkind Match	550,000	
Delegate Agency/Contractual Costs	1,776,309	
Total Expenditures		$ 4,353,952

Number of Employees: 16

REGIONAL SERVICES DIVISION

Responsibility: Russell Devorsky – Executive Director (14 years)

9-1-1 Emergency Communications
Responsibility: Kristine Hill (25 years), Sarah Wines (25 years)

HOTCOG is responsible for the 9-1-1 program in five of the six counties within the region (McLennan County provides its own 9-1-1 service). The 9-1-1 system capabilities provided by the COG program include delivery of the call, the caller's name, location information, the responding agencies, and the telephone number, to the appropriate public safety answering point (PSAP). HOTCOG collaborates with network consultants and equipment vendors to maintain a robust network capable of sending and receiving digital information beyond the caller's name and location information. Regularly scheduled conference calls are held to discuss projects and planning for the future of the regional networks to include ongoing project deliverables and discussions for upcoming activities, Text-to-9-1-1 is available within the region as an alternate means of communicating with 9-1-1 for callers unable to make a regular voice call or as an option for a person with a hearing or speech disability. HOTCOG has an Enterprise Geospatial Management System (EGDMS) allowing for the routing of 9-1-1 calls based on location and derived from our Region's GIS data, a critical component of NG9-1-1 success.

Specific responsibilities of the 9-1-1 program staff include:

- Work closely with local telephone companies, database service providers, and cities/counties that are served by HOTCOG's program to ensure efficient and effective Next Generation 9-1-1 services in the region;
- Provide technical assistance during addressing maintenance and network /equipment upgrades;
- Provide GIS services and maps used by local governments when responding to emergencies;
- Provide dispatcher training opportunities;
- Distribute Public Education items to the Region to educate the public on the proper use of 9-1-1;
- Coordinate 9-1-1 Advisory Committee meetings;
- Process and submit payables related to the provision of 9-1-1 service;
- Maintain MSAG and database for each of the 5 counties; and
- Develop and submit biennial Strategic Plan to the Commission on State Emergency Communications.

Criminal Justice Planning
Wayne Stovall (Manager – 2 Years)
Responsibility: Lana Gudgel (Planner - 6 years)

HOTCOG coordinates criminal justice planning and implementation activities within the six-county region. As part of the coordination, HOTCOG staff assists counties with developing plans and strategies that address the region's needs.

In addition, the HOTCOG Criminal Justice program offers an extensive and TCOLE-certified training program for continuing education of law enforcement personnel.

Specific responsibilities of the Criminal Justice staff include:

- Serve as support to the Criminal Justice Advisory Committee (CJAC), assist them in prioritizing projects for funding, and deliver approved recommendations to the Office of the Governor Criminal Justice Division (CJD);
- Facilitate the development of county community plans and a regional strategic plan addressing mental health, substance abuse, and law enforcement issues.
- Provide technical assistance to Criminal Justice Division (CJD) grantees and potential applicants throughout the year;
- Facilitates meetings of the Criminal Justice Advisory Committee (CJAC) at least two times a year to consider matters pertinent to criminal justice funding and prioritize applications submitted to the Office of the Governor Criminal Justice Division;
- Report activities to Criminal Justice Division (CJD) on a quarterly and biannual basis;
- Prepare and submit grant applications to fund the regional Criminal Justice program, including the purchase of services through the Juvenile Justice and Delinquency Prevention program, the regional law enforcement training program, and funding for HOTCOG planning activities;
- Under HOTCOG Juvenile Justice and Delinquency program grant, create and maintain contracts with each of the six counties to reimburse the Juvenile Probation Departments for eligible expenses on a pro-rata basis;
- Facilitates meetings of the Law Enforcement Training Advisory Committee (LETAC) at least two times a year to consider matters pertinent to the training program's content and implementation;
- Develop and maintain law enforcement course offerings for Criminal Justice training;
- Monitor completion of classes and arrange for appropriate TCOLE accreditation of participants; and
- Maintain records and satisfy training requirements to continue TCOLE certification of the training program.
- Meets with the leaders and individuals of regional law enforcement agencies to determine their departmental needs and ways to meet those needs;
- Staff provides courses for dispatcher certification training;

- Host law enforcement and dispatch training in locations throughout the region. – From January 2024 to date, HOTCOG has provided 205 officers, jailers, and telecommunicators TCOLE training classes for a total of 5824 contact hours. Agencies in Region 31 / Out of Region/ unaffiliated 21

Recent improvements to the Criminal Justice program include:

- Staff created subcommittees for Bosque, Falls, Freestone, Limestone, and Hill Counties for the Heart of Texas Regional Sexual Assault Response Team (SART), to make meetings and completion of protocols easier for the team.
- Staff created a survey to assist with the updating of the Community Plans which inform the Regional Strategic Plan.
- Staff added the TCOLE Advanced Instructor Course to the training schedule: The class has been well received by the region, with both classes reaching the maximum number of attendees registered.
- After performing a needs analysis, grant application training was identified as a training gap. Staff responded by contracting with Law Enforcement Grants 101 to provide grant application training for the region.
- Staff contracted with Step up Texas to bring the Policing Trauma course to the region's first responder to help address the vicarious trauma our first responders experience daily.
- To help our agencies prepare for possible critical incidents in the region, staff contracted with New Mexico Tech and FEMA to bring the Planning for School Bombing Incident and Recovery from School Bombing Incident for Educators to the region free of charge. Staff also attended the Response to Bombing Incidents and Prevention of Bombing Incidents courses and received Trainer certifications in both classes. The trainer certification will allow staff to conduct these training courses in the region, making them more accessible to the region's first responders.
- In furtherance of the efforts to increase the region's first responders' ability to respond to critical incidents, staff has applied for the State Crisis Intervention Grant Program with the plan to create a regional crisis intervention team to respond as a secondary response to critical incidents to address the mental health issues associated with any critical incident. This team will not only deal with the first responder's mental health issues but victims/witness as well.
- The Law Enforcement Training Program underwent a TCOLE Audit in February and passed with no serious deficiencies. As a result, TCOLE has renewed the Training Provider contract with HOTCOG for an additional 5 years.
- Staff completed a TCOLE approved lesson plan for the Advance Report Writing class and hosted this class in Fairfield for 10 area law enforcement officers/jailers.
- At the request of several regional agencies, staff have started working a TCOLE approved lesson plan for the Investigative Interview Course to be

added to the training program in FY 2025.

- The BMMAP was added to the program in 2023 and continues to operate, to date the program has trained 50 individuals in the awareness program.
- At the request of several regional agencies, staff have started working a TCOLE approved lesson plan for the Investigative Interview Course to be Communications Training Officer added to the training program in FY 2025.
- BMMAP was added to the program in 2023 and continues to operate. To date the program has trained over 50 individuals in the awareness program. This program hosted the New Mexico Tech Institute training Homemade Explosives: Awareness, Recognition, and Response training, free of charge for all first responders.
- The Crisis Intervention Team was added to the program in 2025; this program was developed to help bring additional resources to the rural communities in the region. The team is currently working on the creation of pocket resource guides for all 6 counties that will help first responders find the resources needed to assist in a variety of areas to include, mental health assistance, SANE / SAFE program assistance for victims of sexual assaults, as well as victim services, emergency housing and responding to calls that involve persons with developmental delays, such as Autism. This program has already provided additional training for first responders on interactions with people who are autistic, Crisis Intervention and traumatic-informed care.
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<u>Homeland Security and Emergency Preparedness Planning</u>
Responsibility: Wayne Stovall (Manager – 2 years)
Andy Davis (Planner – 18 mos.)
Harold Ferguson (Planner - 17 years)

HOTCOG receives funds from the Public Safety Office under the Office of the Governor to assist communities in disaster preparedness and grants. The major focus of this program is to assist city and county governments in the six county HOTCOG region in the development and maintenance of emergency plans, implementing and sharing emergency preparedness programs and resources, and management of grants and other projects that enhance regional emergency preparedness.

Specific responsibilities of the Homeland Security and Emergency Preparedness Program include:

- Serve as support and guidance to the Emergency Preparedness Advisory Committee (EPAC) and its subcommittees, including assisting them in prioritizing projects for Homeland Security Grants and other opportunities;

- Distribute grant and additional information to emergency personnel, officials, and the public regarding emergency management through materials and by visiting locations within the region;
- Assist sub-grantees in administering Homeland Security Grant funded projects and meeting grant eligibility requirements;
- Administer regional projects selected by the Emergency Preparedness Advisory Committee (EPAC) to serve the region as a whole through HOTCOG management, such as the Regional Emergency Notification System, Bomb Materials Awareness Program, and the Citizen Corps Program;
- Contract, manage, and provide user training for the regional emergency notification system (ENS);
- Coordinate, foster, and expand the Citizens Corps of volunteer emergency services support teams by providing training and support of the Citizen Corps Program (CCP) and Community Emergency Response Teams (CERT);
- Assist the six counties and their jurisdictions with development of emergency plans and submission to required reporting mechanisms;
- Assist jurisdictions in the six counties with the regional threat assessment, implementation plan, and stakeholder preparedness report;
- Develop and maintain an emergency management plan for the HOTCOG's internal functionality;
- Host annual communication focus group meetings to facilitate communication and interoperability protocols, including the development of communication plans so that networks and communications lines are established prior to an event;
- Host basic radio user training classes and communication tabletop exercises;
- Develop and offer, either through train-the-trainer instruction or by creating new training tools, classroom and/or online training in emergency-preparedness related topics, including the administration of emergency preparedness grants, reporting tools, and other mandated coursework.

Recent examples of COG Staff working with the local jurisdictions, emergency managers, and first responders throughout the region to meet their needs and provide assistance which included but are not limited to:

- Assisted multiple jurisdictions through the planning process to update their emergency response and action plans;
- Hosted multiple grant workshops to assist agencies with 2026 Homeland Security Grant Applications;
- Facilitated an Emergency Communications Sub-Committee of EPAC to address emerging communications technology and interoperability needs of our member governments.
- Supported Regional Emergency Operations Centers (EOC) during severe weather incidents and wildfires.
- Procured through the State Emergency Radio Infrastructure Grant (SERI)communications infrastructure equipment including but not limited to (Communications Towers, Repeaters a Microwave Links, Standby Generators, and Dispatch Consoles and Software)

- Our regions, Threat and Hazard Identification and Risk Assessment (THIRA) and SPR was updated and submitted.
- Expanded the Regional Citizens Corps Program to additional communities including the City of Waco and Waco ISD with future teams in Falls and Freestone Counties still to come.
- We expanded the use of the Emergency Notification System (ENS) by training additional jurisdictions on it's use and created additional user groups within the jurisdictions for information and intelligence sharing.
- Worked with the Texas DPS Intelligence and Counterterrorism Division to review and establish additional Tier 1 & 2 critical infrastructure for our region.
- Staff participated in the Department of Homeland Security National Special Events Data Call (NSEDC) – giving an accurate picture of our robust regional activities to our State and Federal partners.

Community Development / Regional Review Committee / Economic Development

Responsibility: Dorthy Jackson (9 years)
Falen Bohannon (11 years)
The Heart of Texas Council of Governments (HOTCOG) provides comprehensive community and economic development support to units of general local government. Much of the support goes to communities in non-entitlement areas. This includes serving as a regional data center from resources such as the Texas State Data Center network, U.S. Census Bureau, and other local resources.

Community Development Responsibilities

- Support the State Planning Regional Directors (who replaced the former Regional Review Committee).
- Coordinate with the Texas Department of Agriculture on the approved Texas Community Development Block Grant (TxCDBG) scoring criteria.
- Organize workshops and training sessions for local government officials, tailored to regional needs.
- Operate a Census Information Data Center to serve the Heart of Texas region.
- Provide administrative and technical assistance to local jurisdictions, including responding to calls for help and offering training sessions such as:
  - Annual training for elected officials
  - Topic-specific seminars
- Deliver guidance on Texas Community Development Programs, application processes, program eligibility, fair housing compliance, infrastructure financing, and community needs assessments.
- Offer strategic planning assistance to local governments on a case-by-case basis.
- Research broadband funding opportunities and support grant development as available.

- Provide Open Records and Public Information Act training (per the Texas Attorney General's office), free of charge to newly elected public officials upon request.
- Assist communities in preparing and administering grants under the General Land Office (GLO) Resilient Communities Program.
- Host fair housing education events for community leaders, including faith-based organizations, in accordance with HUD and TDA guidelines.

Economic Development

HOTCOG provides staff support to the Heart of Texas Economic Development District, Inc. (HOTEDD), a stand-alone nonprofit governed by a Board of Directors and serving the same six counties as HOTCOG. HOTEDD promotes coordinated regional economic development and marketing activities. HOTCOG staff prepare and maintain the Comprehensive Economic Development Strategy (CEDS), a requirement of the Economic Development Administration (EDA) for regional project funding.

Economic Development Responsibilities

- Support the HOTEDD Board of Directors and its subcommittees.
- Prepare, maintain, and implement the region's CEDS.
- Collect, maintain, and disseminate federal, state, and local economic data; participate in regional forums and programs.
- Offer technical assistance in areas such as:
  - Grant writing
  - Community and economic project development
  - Business and industry retention/recruitment
  - Demographic data support
- Conduct research and produce base studies analyzing the region's demographic, geographic, and economic profile.
- Assist counties and communities in preparing economic development initiatives, including grant and project proposals.
- Maintain strong communication with regional officials and economic development professionals.
- Administer regional marketing programs, including digital media and website outreach.
- Stay current with best practices in economic development through ongoing training and professional development.
- Offer economic development training opportunities for regional stakeholders.

Revolving Loan Fund and Business Support

HOTEDD operates a Revolving Loan Fund, which has issued six loans to date:

- Red Caboose Winery – Bosque County (Paid in full)
- Chick-a-Doodles – Limestone County (Paid in full)

- Net 1 Connect – Moody, McLennan County (Defaulted; in foreclosure)
- Moody Hardware – Moody, McLennan County (Closed out)
- KNV Inc. – Falls County (via SMRF program)
- Rosebud's Artisan Alley – Falls County (SMRF loan paid in full)

HOTCOG also administers the Small Micro Revolving Fund (SMRF) granted by the Texas Department of Agriculture to Falls County, which provides capital to small and micro-enterprises.

Solid Waste Management and Planning
Responsibility: Falen Bohannon (11 years)

HOTCOG is responsible for assisting local governments and the private sector in implementing and maintaining the goals and objectives set forth in the Regional Solid Waste Management Plan.

Specific responsibilities of the Solid Waste Management staff include:

- Serve as support to the Solid Waste Advisory Committee and assist them in prioritizing Solid Waste projects for funding by the Texas Commission on Environmental Quality (TCEQ);
- Administer the Regional Solid Waste Grant Program and conduct on-site grant performance monitoring;
- Amend the regional plan every four years;
- Provide technical assistance to local governments and the private sector;
- Maintain a solid waste regional resource center;
- Maintain an inventory of closed municipal solid waste landfills in the Heart of Texas region;
- Provide information to landowners and the public record regarding the status of closed landfills;
- Conduct workshops and educational outreach and training programs; and
- Coordinate the review of municipal solid waste facility permit applications.

Air Quality Management and Planning
Responsibility: Falen Bohannon (11 years)

HOTCOG is responsible for implementing and maintaining Air Quality goals and work processes according to our contract with the Texas Commission on Environmental Quality.

Specific responsibilities of the Air Quality staff include:

- Admin and assist with implementation of Work Plan

- Maintain relationship with contracted air quality consultants, who will produce much of the work products required by the TCEQ contract;
- Fulfill TCEQ reporting requirements.

Heart of Texas Council of Governments
Regional Services Department Budget

Revenue		
Community Emergency Response Teams (Citizen Corp)	$ 28,930	
Solid Waste Planning	115,000	
Air Quality Planning	254,367	
Community Economic Development	12,476	
9-1-1 Emergency Communications Operations/Program	1,344,557	
Criminal Justice - Planning/Coordination	33,796	
Criminal Justice - Juvenile Justice Alternatives	29,928	
Criminal Justice-Regional Law Enforcement Trng	65,275	
Criminal Justice-Crisis Intervention	20,558	
Homeland Security Planning	184,499	
Homeland Security Enhanced Communications/ENS	67,391	
HLS Regional Communications Infrastructure	710,439	
HLS Bomb Making Materials Awareness	50,805	
Economic Development Fund	70,000	
HOTEDD Program Match	110,000	
Interest Income	13,000	
Total Revenues		$ 3,111,021
Expenditures		
Salaries	359,456	
Benefits	200,327	
Travel	29,230	
Equipment	512,800	
Supplies	16,100	
Space	76,600	
Communications	8,056	
Copier/Printing	500	
Postage	250	
Other Costs	26,718	
Indirect Costs	309,130	
Program Income/Inkind Match	-	
Delegate Agency/Contractual Costs	1,571,853	
Total Expenditures		$ 3,111,021

Number of Employees: 8

ACTION MEMORANDUM

HEART OF TEXAS
COUNCIL OF GOVERNMENTS
EXECUTIVE COMMITTEE

August 28, 2025

SUBJECT: HOTCOG FY2025-2026 Budget

INFORMATION:

The HOTCOG FY2025-2026 Budget is presented to the Executive Committee for review. This budget is based on the latest figures available in each grant program. *(the Budget document is under separate cover)*

RECOMMENDED ACTION:

It is recommended that the Heart of Texas Council of Governments Executive Committee approve the FY2025-2026 HOTCOG Budget and recommend that the budget be approved and adopted at the Semi-Annual Business Meeting August 28, 2025.