Our Mission:
Promoting safe, healthy and thriving communities

BCDHHS is dedicated to supporting and sustaining healthy communities that strengthen individuals and families while promoting human dignity and hope for the future.
Our Goals for Today:

- Support Commissioners’ understanding of HHS budget at the agency level

- Discuss identified strategic topics in the PowerPoint
  - Use the key discussions to identify the tools and further work for the public hearing on October 27th
Key Considerations in Reviewing these Budgets

1. Long-term goals of stable and sustainable Housing and Human Services
2. Managing our personnel to withstand potential future downturns
3. Ensure our investments in the community align with our strategic goals
1. Kestrel is a major project for HHS in 2016. The Kestrel project will drive a significant amount of work and fiscal discipline in 2016.

2. The Human Services budget is largely continuation funding with the most significant increase associated with merit.

3. BCHHA operations are in a stable phase and the budget reflects a largely continuation funding.
Agenda

- Housing Authority Budget Overview
- Human Services Budget Overview
Boulder County Housing Authority

611 units of affordable housing throughout Boulder County
# BCHA Structure - 2016

## Operating Fund

<table>
<thead>
<tr>
<th>General Admin</th>
<th>North Properties</th>
<th>South Properties</th>
<th>Rural Dev</th>
</tr>
</thead>
<tbody>
<tr>
<td>JC Kitchen</td>
<td>1327 Emery</td>
<td>602 Geneseo</td>
<td>CEO</td>
</tr>
<tr>
<td>S F H</td>
<td>1410 Emery</td>
<td>821 E Cleveland</td>
<td>ESPLUS</td>
</tr>
<tr>
<td></td>
<td>902 Emery</td>
<td>Prime Haven</td>
<td>CIP</td>
</tr>
<tr>
<td></td>
<td>Bloomfield PI</td>
<td>Walter Self</td>
<td>Unclassified</td>
</tr>
<tr>
<td></td>
<td>Cambridge</td>
<td>Avalon</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Catamaran Ct</td>
<td>Beaver Creek</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cottonwood Ct</td>
<td>Lilac Place</td>
<td></td>
</tr>
<tr>
<td></td>
<td>E Saint Clair</td>
<td>Lydia Morgan</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Eagle Place</td>
<td>Regal Court I</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Meadows</td>
<td>Regal Court II</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rees</td>
<td>Hillelde</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Summer</td>
<td>Regal Square</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Wedgewood</td>
<td>Sunnyside</td>
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## Grant Fund

<table>
<thead>
<tr>
<th>Wx</th>
<th>REHAB</th>
<th>HCV</th>
<th>TBRA</th>
<th>Housing &amp; Comm Ed</th>
<th>Housing Stabilization</th>
<th>CDBG-DR</th>
<th>FSS HUD</th>
<th>MFPH</th>
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</thead>
<tbody>
<tr>
<td></td>
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<td></td>
<td>CompCons</td>
<td>CHFA HBE</td>
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<td>NW</td>
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<td>ARF Blkr</td>
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<td></td>
<td>CDBG Lgnt</td>
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<td></td>
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<td>HC BOCC</td>
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<td></td>
<td></td>
<td>PDFC</td>
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</tbody>
</table>

## COMPONENT UNITS

<table>
<thead>
<tr>
<th>Low Income Housing</th>
<th>Low Income Housing, Tax Credit, Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Josephine Commons</td>
</tr>
<tr>
<td>Bedlire</td>
<td>Carr</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Aspinwall 72 Units</td>
</tr>
<tr>
<td></td>
<td>505 Geneseo</td>
</tr>
<tr>
<td></td>
<td>517 Geneseo</td>
</tr>
<tr>
<td></td>
<td>608 F Chester</td>
</tr>
<tr>
<td></td>
<td>Dover</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### 2015 Successes

- Housing portfolio is strong with low vacancy
- Increased affordable housing stock with completion of Aspinwall in Lafayette
- $2.3 million in developer fees – reinvested in increasing affordable housing stock and maintaining current housing stock

### 2016 Opportunities

- Kestrel development project adding another 195 affordable housing units upon completion
- BCHA’s partnering with DHHS to integrate programming, including short-term emergency housing
- $2,582,123 CDBG-DR round 2 funding
- Higher rent allowances – 79% of maximum (excluding component units)
- Land Donation in Lafayette
2016 Risks

Real estate risk in financing and constructing Kestrel

Changes in Federal funding
- HUD support for the planned growth of the Housing Choice Voucher Program
- HOME program funding for TBRA

Remediation: $1,500 per unit for tests & $10,000 per unit for insurance deductible
- 2016 budget has $309,145 set aside for non-routine maintenance costs

2013 flood support structures scaling back and ending (2016 / 2017)
2016 Assumptions

- Kestrel development project approved and funded
  - Low income housing tax credit formed in early 2016
  - LIHTC completion by the end of Q1 2017

- 97% Occupancy Rate of rental properties

- 2% inflation rate
BCHA Revenues $20,880,484 w/ component units

- Grant Revenues ($12,928,328)
- Tenant Rental Income ($5,980,611)
- Housing Choice Voucher Administrative Fees ($571,200)
- Program Revenue & Fees ($503,023)
- Interest Income ($499,839)
- Transfers In ($234,596)
- Management Fee Income ($162,887)
BCHA Grant and Program Revenues
$13,937,600

- Housing Choice Vouchers ($7,496,200)
- Weatherization ($2,545,816)
- CDBG-DR & HB1002 ($2,112,749)
- Housing Stabilization Program ($752,000)
- Tenant Based Rental Assistance ($415,743)
- Housing & Community Education ($205,195)
- Other: Rehab ($197,773), FSS Program Coordinator Grant ($192,124), Josephine Commons Kitchen ($20,000)

TOTAL GRANT & PROGRAM REVENUES
$13,937,600
BCHA Expenses $22,915,726 w/ component units

- Client Services/Expense ($9,486,496)
- Direct Salary & Benefits ($3,712,668)
- Depreciation ($2,137,856)
- Contractual Services ($2,044,748)
- Direct Non-payroll Expenses ($1,896,044)
- Interest Expense ($1,326,730)
- Indirect Salary & Benefits ($694,800)
- Weatherization Operational ($510,635)
- Other: Indirect Non-payroll Expenses ($409,121), Non-Routine ($320,569), Legal & Other Fees ($178,576), Management Fees ($162,887), Transfer Out ($34,596)
Client Services/ Direct Expenditures
$9,486,496

- HAP Rent and Utility Expense ($7,038,000)
- HSP Rent and Utility Expense ($1,566,993)
- TBRA Rent Expense ($415,743)
- CDBG-DR Temporary Rent Assistance ($345,760)
- Short Term Housing Rent Expense ($120,000)
### BCHA 2016 Operating Budget

<table>
<thead>
<tr>
<th></th>
<th>Excluding Component Units</th>
<th>MFPH</th>
<th>Tax Credit Property Josephine Commons</th>
<th>Tax Credit Property Aspinwall</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Revenues</strong></td>
<td>18,250,257</td>
<td>263,064</td>
<td>694,738</td>
<td>1,672,425</td>
<td>20,880,484</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>18,173,316</td>
<td>147,846</td>
<td>381,759</td>
<td>713,622</td>
<td>19,416,543</td>
</tr>
<tr>
<td><strong>Net Operating Income</strong></td>
<td>76,941*</td>
<td>115,218</td>
<td>312,979</td>
<td>958,802</td>
<td>1,463,941</td>
</tr>
<tr>
<td><strong>Less Non-Op Cash Expenditures</strong></td>
<td>535,504</td>
<td>79,704</td>
<td>206,119</td>
<td>540,000</td>
<td>1,361,327</td>
</tr>
<tr>
<td><strong>Less Depreciation</strong></td>
<td>741,577</td>
<td>35,514</td>
<td>489,753</td>
<td>871,011</td>
<td>2,137,856</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>-1,200,140</td>
<td>0</td>
<td>-382,893</td>
<td>-452,209</td>
<td>-2,035,242</td>
</tr>
</tbody>
</table>

Component units operating budgets are cash flow favorable.

* In addition $1,425,502 to be drawn from pre-planned reserves, bringing BCHA net cash flow favorable.
2016 Capital Plan Summarized

- $602,074 Controlled maintenance Costs
- $ 31,000 Replacement vehicle
- $ 10,000 Development Land Bank

$643,074

BCHA 2016 CAPITAL PLAN - $643,074

$485,000 from unrestricted (Master) & $158,074 from restricted funds

Controlled Maintenance when completed will touch half of the BCHA units excluding JC & AW.

<table>
<thead>
<tr>
<th>Controlled Maintenance (17 properties)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Grounds</td>
<td>$29,300</td>
</tr>
<tr>
<td>Parking Lot</td>
<td>$134,746</td>
</tr>
<tr>
<td>Kitchen</td>
<td>$35,000</td>
</tr>
<tr>
<td>HVAC/Water Heater</td>
<td>$66,000</td>
</tr>
<tr>
<td>Siding</td>
<td>$120,000</td>
</tr>
<tr>
<td>Flooring</td>
<td>$22,028</td>
</tr>
<tr>
<td>Bathroom</td>
<td>$18,000</td>
</tr>
<tr>
<td>Exterior Painting</td>
<td>$137,000</td>
</tr>
<tr>
<td>Driveway &amp; Sidewalk</td>
<td>$15,000</td>
</tr>
<tr>
<td>Roof</td>
<td>$25,000</td>
</tr>
</tbody>
</table>
Capital Development – Kestrel
• Estimated project capital budget for 2016 is $35,038,313
• January 15th construction close date

Accomplishments for 2016
• All infrastructure complete
• Construction on both senior and multi-family will be well under way

Big bang for the county’s buck!
• The project creates 195 new affordable units plus it allows the housing authority the ability to reinvest in affordable housing with developer fee
• BCHA/BCHHS/Worthy Cause contribution = 7% of total budget

Annual Estimated Revenues = $2.7M
Annual Estimated Expenses = $1.1M
Net Operating Income = $1.6M
Annual Estimated Debt Payment = $1.3M
Sources = $77.8M
- Private Activity Bonds ($24.5M)
- LIHTC Equity (Redstone) ($34.6M)
- Construction Loan – Citibank
- BCHA/BCHHS ($3.6M – includes lot sales)
- Colorado Division of Housing – CHIF Loan ($1.45M)
- Energy Credits Equity ($500K)
- Worthy Cause Funds ($1.85M)
- HOME Funds ($900K)
- CDBG-DR Funds ($3.7M)
- Louisville Permit Fees and Rebates ($1M)
- Land Carryback ($2.9M)
- Deferred Developer Fee ($2.7M)

Uses = $77.8M
- New Construction ($49.7M)
- Infrastructure ($9.6M)
- Construction & Financing ($8.9M)
- Developer Fee ($6.7M)
- Land ($2.9M)

Comment from 10/13 working session – the two columns of data are duplicative - remove one (maybe keep the brown box with the Kestrel, but replace with some other Kestrel factoid)
Fund 098 Funded 2016
Decision Package Requests

Replace One 2006 Ford Van with comparable new vehicle
$31,000

One Housing FTE (annualized increase from base + 20% PERA/FICA)
$54,000

Section 8: New position to start early 2016
  • One occupancy assistant
    • Funded by surplus HUD admin fund disbursements and HUD unrestricted net asset reserves
      • BCHA anticipates issuing an additional 50 vouchers over the next 1-2 years
      • Current caseload is prohibiting a supervisor from fully assuming supervisor duties.
      • A pro-active enhanced service delivery model resulting in increased front end work

Anticipated budget supplemental request (estimated October 2016)
New positions to manage and maintain Kestrel:
  • Two property managers (PM4) six months prior to occupancy
  • One maintenance tech plus vehicle (MT2 or MT3) six months prior to occupancy
<table>
<thead>
<tr>
<th>2015 Successes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Passage of Boulder County Human Services Safety Net 2014 Ballot Initiative (November 2014) at approximately $6M/year</td>
</tr>
<tr>
<td>Award of a third IV-E Waiver: Trauma-informed programming $107,218</td>
</tr>
<tr>
<td>Favorable State 2014-15 year-end closeouts that covered over-expended Child Welfare, Core Services and CCCAP programs</td>
</tr>
<tr>
<td>Contributions to new St. Vrain Building ($2.915M), including administrative partnerships with Public Health and Community Services. New North Broadway lobby ($166k) (expected 4Q15)</td>
</tr>
<tr>
<td>Benefits of integration of safety net services, infrastructure systems, and funding streams</td>
</tr>
<tr>
<td>Strengthened community partnerships</td>
</tr>
</tbody>
</table>
Risks 2016 and Beyond

- Effect of TABOR limitations – more pressure on programs with no additional funds

- Block grant funding level changes made through allocation committees (Child Welfare, Colorado Works, Child Care, County Administration)

- Increased Child Care spending at the State level may reduce or eliminate surplus distributions at closeout

- Managing increased referrals for APS and Child Welfare Hotline

- Child Care requirements, including impact of HB 1317, exceed expanded funding opportunities

- Unforeseen natural, economic or other disasters

- The level of term staffing and turnover within our term staffing.
Opportunities 2016 and Beyond

Year 1 of extended 15 year Boulder County Human Services Safety Net funds will continue to provide resources for a larger community impact of services (approximately $6M/year)

Year 3 of consolidation of Human Services contracts under the BCDHHS umbrella for more strategic and effective partnering and service delivery (approximately $8.2M)

Potential further funding from the State for additional Child Welfare FTE

IMPACT transition to HHS (new appropriation HU2) will afford new efficiencies and more collaborative programming (approximately $2.3M)

Continuation of Child Abuse hotline funding to supplement State-wide rollout of focused programming into 2016

Community of Hope - new opportunities to strengthen our generative safety net
<table>
<thead>
<tr>
<th>2016 Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>DHHS unbudgeted reserves for disaster emergency operations</td>
</tr>
<tr>
<td>Social Services Fund property tax revenue has a 5.5% increase over 2015</td>
</tr>
<tr>
<td>Human Services Temporary Safety Net increase by $977,693 over 2015</td>
</tr>
<tr>
<td>Non-Profit Community Contracts funding consistent with 2015 funding</td>
</tr>
<tr>
<td>No or minimal available HSSN Fund 032 balance</td>
</tr>
<tr>
<td>First six months SFY16-17 major program allocations same as final six months SFY15-16</td>
</tr>
</tbody>
</table>
Fund 012 Funded 2016
Decision Package Requests

3400 Broadway Family Visitation Room Reconfiguration   CEF 46411   $ 29,198
3400 Broadway Family Visitation Room Video Equipment   COM 46410   $ 25,825
Total Requested One-time Funding                        $ 55,023

General Fund 01 has a $208,473 request (BAR 46717) that would partially offset increases to our St. Vrain Community Hub Coffman Street rental expense. It will be considered in conjunction with similar requests from Community Services and Public Health in the Fund 01 budget review.
2016 Budgeted Sources of Revenues Program View

$52,467,897 (Preliminary)

- Intergovernmental - Fed/State ($26,409,572)
- Property Taxes ($6,619,954)
- HHS Contracts Fund 01 ($6,195,179)
- Human Services Safety Net Fund ($6,129,344)
- IMPACT ($2,304,545)
- HHS Contracts Fund 020 ($2,012,289)
- HHS Fund 020 ($1,412,286)
- Other: Earned Incentives - Fed/State ($693,417), Private Grant Funds ($641,311), Investment Interest Income ($50,000)
2016 Budgeted Uses of Revenues
$52,993,255 (Preliminary)

TOTAL USES OF REVENUE
$52,993,255

- Community Contracts and County Funded ($17,412,540)
- Child Welfare ($12,475,308)
- County Administration ($7,520,080)
- TANF / Colorado Works ($6,261,355)
- Child Care ($2,622,297)
- Other Grant Funds ($2,304,545)
- Child Support Administration ($1,929,484)
- Other Federal/State Programs ($1,824,956)
- Core Services ($642,690)

33%
24%
14%
12%
5%
3%
4%
4%
1%
2016 Budgeted Uses of Revenues Cost Type View
$52,993,255 (Preliminary)

- Salary and Benefits ($27,757,384) (52%)
- Contracts ($16,181,249) (31%)
- Other Operating ($5,474,859) (10%)
- MOE/EBT ($3,579,763) (7%)

TOTAL USES OF REVENUE (by cost type) $52,993,255
### Projected 2016 Fund Balance - Fund 012

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>IMPACT Fund Balance at Jan. 1, 2016</td>
<td>$1,690,977</td>
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<tr>
<td>Human Services Fund Balance at Jan. 1, 2016</td>
<td>$7,550,613</td>
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<tr>
<td>Beginning Fund Balance at Jan. 1, 2016</td>
<td>$9,241,590</td>
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<tr>
<td>2016 revenue budget base</td>
<td>$52,467,897</td>
</tr>
<tr>
<td>2016 expense budget base</td>
<td>$(52,993,255)</td>
</tr>
<tr>
<td>2016 Budgeted Use of Fund Balance</td>
<td>$(525,358)</td>
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Community Investments

Community of hope

Moving toward a more family driven, prevention oriented and holistic safety net.
## Community Investments
General Fund 001 and Health & Human Services 020

<table>
<thead>
<tr>
<th>Investment by Pillar</th>
<th>2016 Budget</th>
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<tbody>
<tr>
<td>Housing Stability</td>
<td>375,470</td>
</tr>
<tr>
<td>Food &amp; Basic Needs</td>
<td>789,833</td>
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<tr>
<td>Health &amp; Well-Being</td>
<td>1,302,859</td>
</tr>
<tr>
<td>Community Mental Health</td>
<td>4,685,366</td>
</tr>
<tr>
<td>Safety</td>
<td>391,324</td>
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<tr>
<td>Education</td>
<td>277,616</td>
</tr>
<tr>
<td>IMPACT Transition from MHP to HHS</td>
<td>400,000</td>
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</table>

### 2016 Highlights
- Continuation of 2015 investments across 34 agencies
- Begin transition of general operating contracts to performance-based contracts starting 2017
### Human Services Safety Net Investments

<table>
<thead>
<tr>
<th>Investment by Pillar</th>
<th>2015 Budget</th>
<th>2016 Budget</th>
<th>Variance</th>
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<tbody>
<tr>
<td>Housing Stability</td>
<td>1,006,422</td>
<td>1,859,788</td>
<td>853,366</td>
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<tr>
<td>Health &amp; Well-Being</td>
<td>934,050</td>
<td>1,044,606</td>
<td>110,556</td>
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<tr>
<td>Safety</td>
<td>-</td>
<td>15,000</td>
<td>15,000</td>
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<tr>
<td>Education &amp; Skill Building</td>
<td>843,499</td>
<td>923,000</td>
<td>79,501</td>
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<tr>
<td>Access to Benefits (Eligibility Staff)</td>
<td>2,211,192</td>
<td>2,173,416</td>
<td>(37,776)</td>
</tr>
<tr>
<td>Mid-Year Emergent Needs</td>
<td>156,488</td>
<td>113,524</td>
<td>(42,964)</td>
</tr>
<tr>
<td>Grand Total</td>
<td>$ 5,151,651</td>
<td>$ 6,129,334</td>
<td>$ 977,683</td>
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</table>

#### 2016 Highlights
- Additional revenue of $977,683
- Transition Housing Stabilization Program contracts to performance-based contracts
- Additional investments in homelessness services and early childhood education
- Investment in a family resource center in Longmont
- Budget for mid-year disbursement for emergent needs
Leveraging of Community Investments

- **Re-purpose Underspent Funds**
  - Additional mid-year $500,000 investment in Health & Well-Being in 2015
  - *Dental Aid, Clinica, Boulder Valley Women's Health, Public Health (GENESIS/TER)*

- **Identify Additional Funds**
  - Utilize estimated “surplus” from State Fiscal Year close to fund mid-year, emergent community needs

- **More Focused Investments**
  - Support collaborative efforts across agencies
  - Increase data quality and create shared data systems
  - Focus on client outcomes
  - Refine payment structure to incentivize achievement

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BCHA requested budget $22,915,726
Human Services requested budget $52,993,255

<table>
<thead>
<tr>
<th></th>
<th>Fund 001</th>
<th>Fund 010</th>
<th>Fund 012</th>
<th>Fund 098</th>
<th>Grand Total</th>
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<tr>
<td><strong>FTE</strong></td>
<td>10.00</td>
<td>-</td>
<td>307.35</td>
<td>62.25</td>
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<td><strong>Term</strong></td>
<td>-</td>
<td>8.00</td>
<td>90.35</td>
<td>11.00</td>
<td>109.35</td>
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<tr>
<td><strong>Total</strong></td>
<td>10.00</td>
<td>8.00</td>
<td>397.70</td>
<td>73.25</td>
<td>488.95</td>
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Next steps - BCDHHS:

1. Research and make any modifications to 2016 BCHA and BCHS budgets or materials based on today’s work session and any new information available before 10/27 hearing
2. Finalize presentation for 10/27 public hearing with the Commissioners

After 10/27 hearing:

3. Budget Office finalizes budgets with November upload of 2016 personnel schedules
4. Commissioners adopt 2016 budget on December 10th