

BOULDER COUNTY  
**HOUSING**  
**& HUMAN**  
**SERVICES**

Hope for the future, help when you need it.

**Boulder County Housing & Human Services**  
**2017 Budget Hearing**  
**September 29, 2016**

# 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:

- Present the 2017 Boulder County Housing & Human Services requested budgets to the board in a public format.
- Address any questions from the materials presented today.



# Agenda

- Housing Authority Budget Overview
- Human Services Budget Overview



# Boulder County Housing Authority

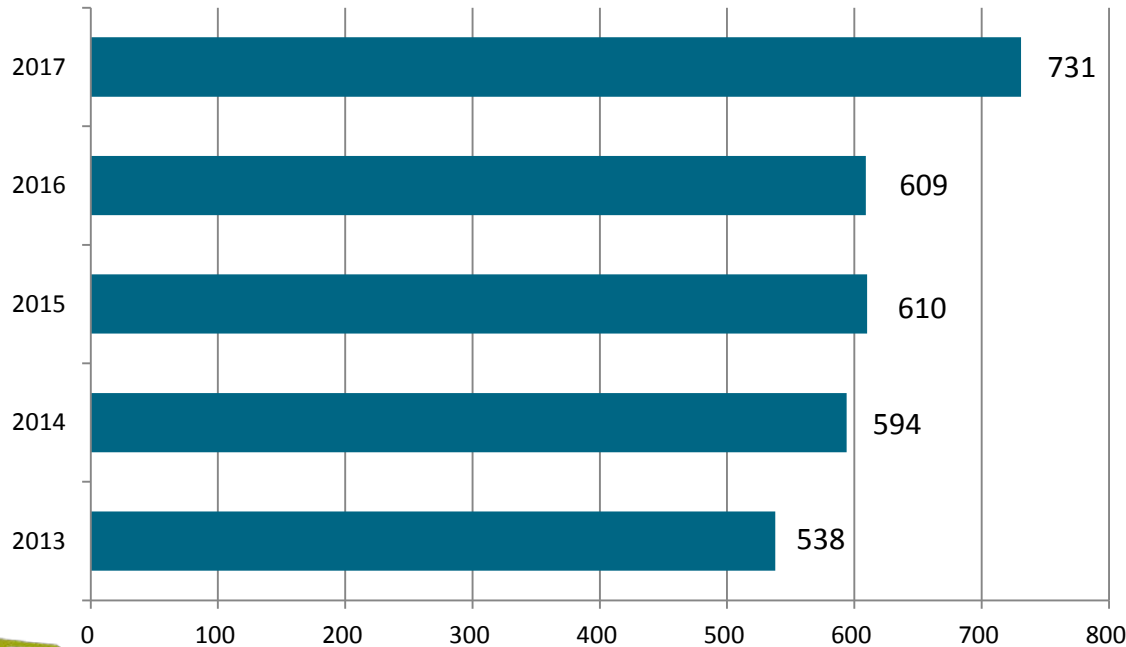


731 units\* of affordable housing throughout

\*including 122 Kestrel units planned for completion by 12/31/2017



# 36% Growth from 2013 to 2017 in Affordable Housing Units



122 Kestrel Units added in 2017

Alkonis farm house removed for Kestrel Development in 2016

16 Aspinwall units added in 2015

56 Aspinwall units + the Alkonis unit, less the sale of Casa Vista in 2014

74 Josephine Commons Units are available in 2013



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# BCHA Structure - 2017

## OPERATING FUND

- General Admin
- North Properties
- South Properties
- Rural Development
- 348 Units
- \$4,434,225 Expense
  - \*\$712,284 non-cash

## GRANT FUND

- Weatherization
- Housing Counseling
- Housing Choice Vouchers
- Tenant Based Rental Assist.
- CDBG-DR Round 3 (Flood)
- Housing Stabilization (HSP)
- Rehab
- Family Self-Sufficiency (FSS)
- \$15,462,876 Total Expense
  - \*Pre-planned Reserves
  - \*Return of Funds to HS
  - \*Program Match (HSP)
  - \*Program loss (Rehab,FSS)

## COMPONENT UNITS

- Low-Income Housing
  - MFPH
    - \*20 Units
- Low Income Housing Tax Credit (LIHTC) Properties
  - Josephine Commons
    - \*74 Units
  - Aspinwall LLC
    - \*167 Units
  - Kestrel
    - \*122 Units in 2017



# 2016 Successes

Housing portfolio is strong with low vacancy (95.8% YTD)

Project capital budget for Kestrel of \$78M closed in February

First time in 8 years the Housing Choice Voucher waiting list is reopened

Re-invested developer fee dollars to build additional affordable units

## New Revenue Sources:

- Continuum of Care - Funding for Housing Stabilization Program (\$680K)
- Renewed Tenant Based Rental Assistance (\$729K)
- New Housing Assistance Program Funding (\$231K)



## 2017 Opportunities

Kestrel development project will add 200 affordable housing units upon completion. Estimated 122 units available by the end of 2017.

BCHA continues to partner with DHHS to integrate programming, including short-term emergency housing.

CDBG-DR round 3 funding.

Active development pipeline is being established.

## 2017 Risks

Construction Risk Related to Kestrel (e.g., delays, cost changes, weather)

Federal Funding Levels for Voucher Programs

Cost of Operations/Maintenance for Housing Inventory

Balancing Changes to Cost Structure and Rental Rate Increases

Federal/State Funding Levels for LPEC (decreased severance tax)

Increasing Costs of Land for Affordable Housing

Organizational Capacity to Fulfill Community Need



# 2017 Assumptions

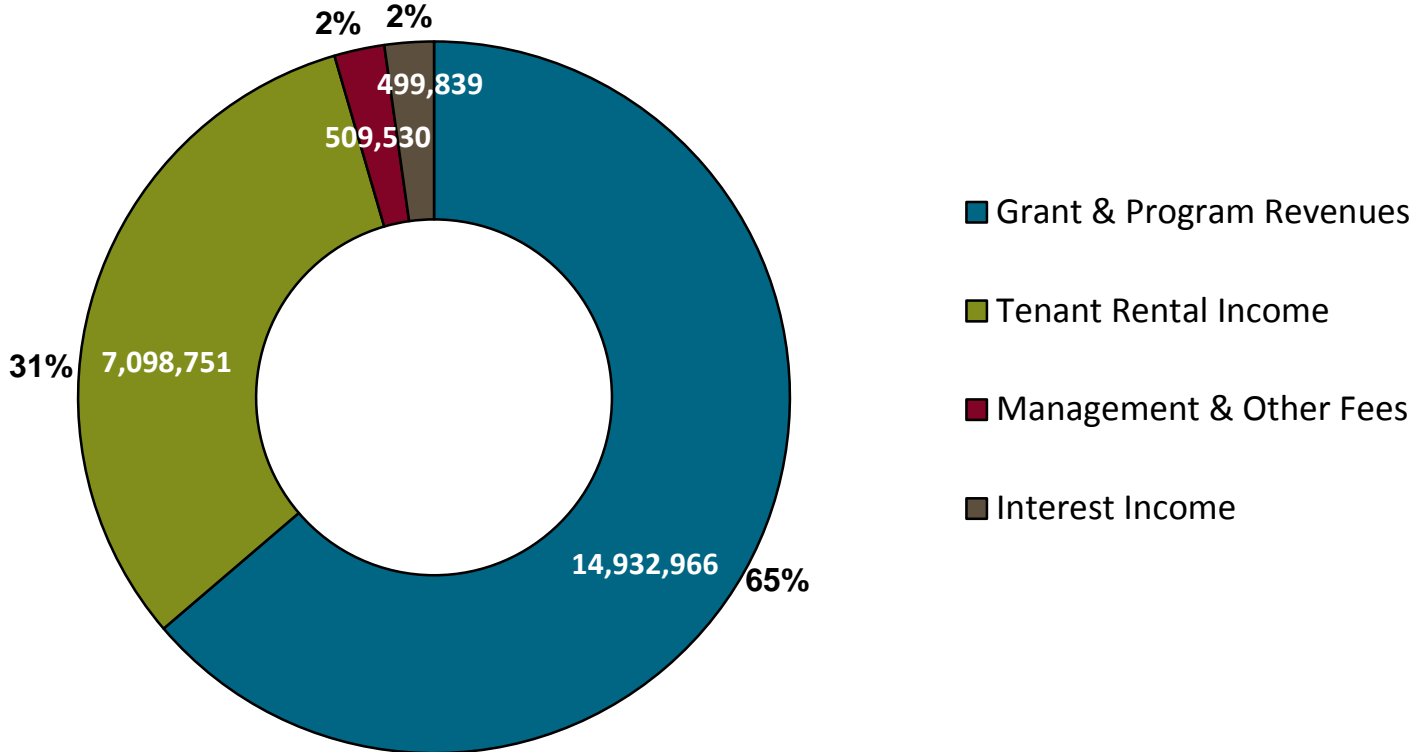
Kestrel development completion by the end of Q1 2018

Kestrel lease-up beginning of Q2 2017 / Construction Completion End of 2017 / Final Lease-up Mid-2018

95% Occupancy Rate of rental properties (93% for LIHTC properties)

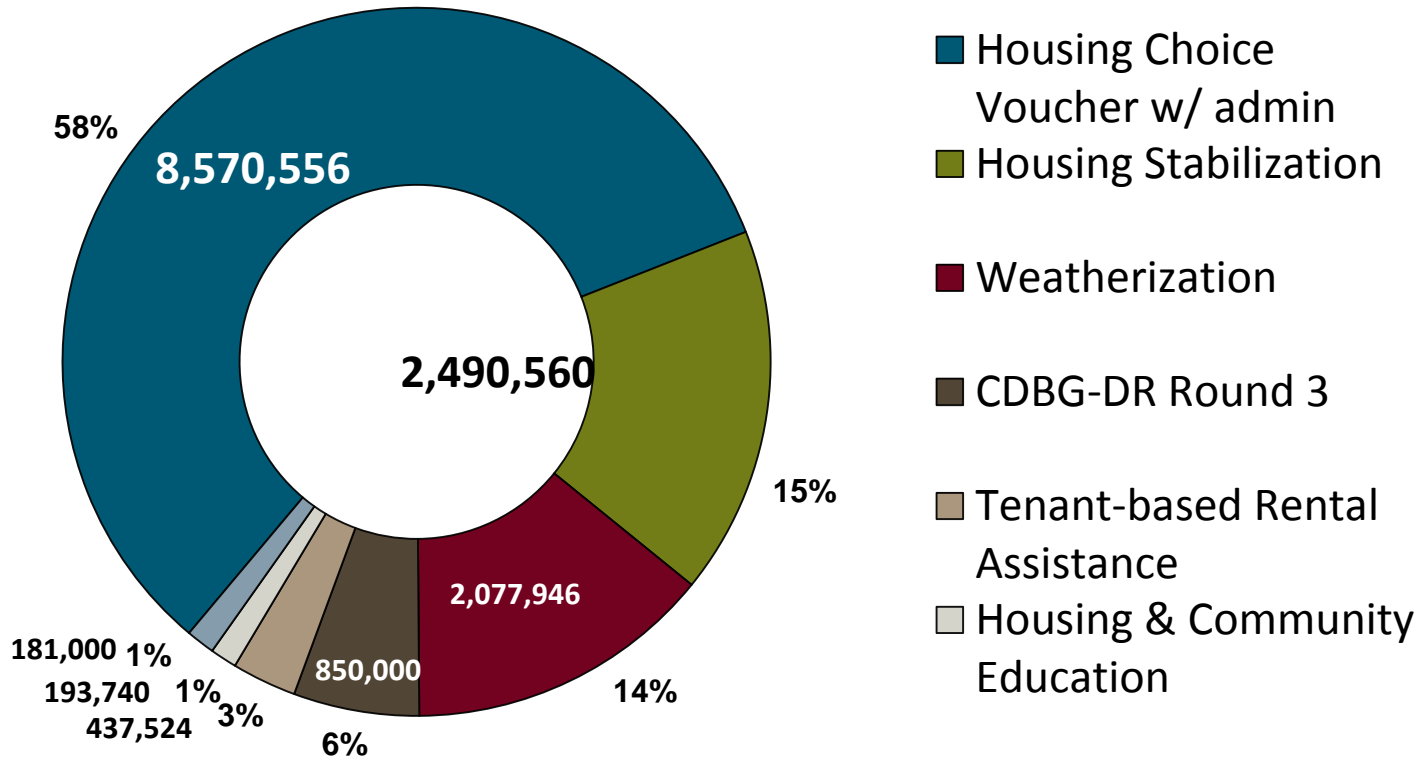
2% inflation rate

# BCHA Revenues \$23,041,086 w/ component units



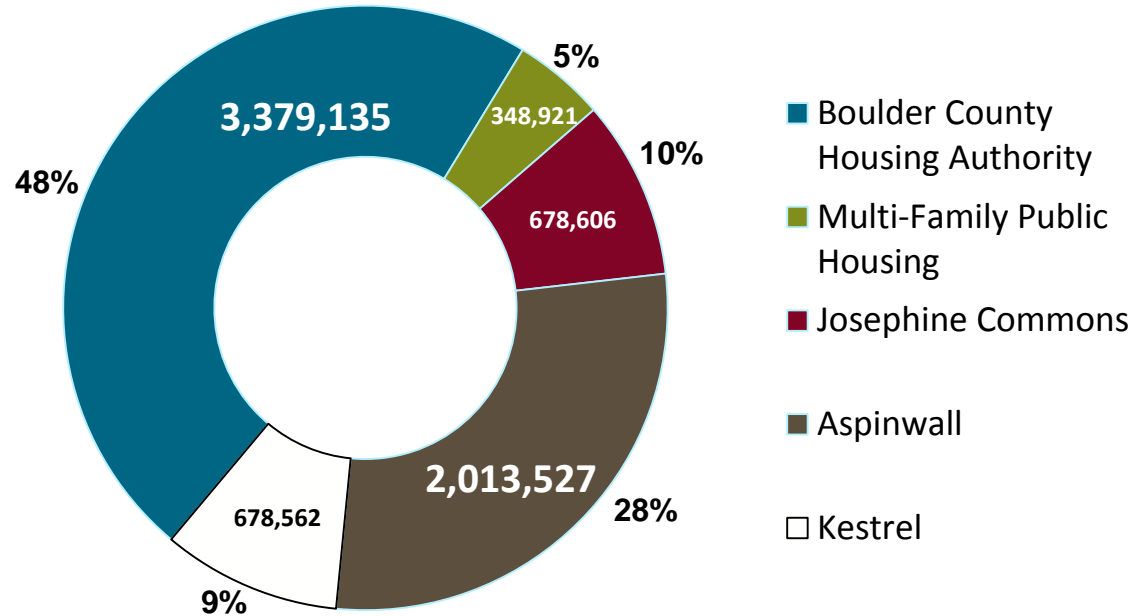
# BCHA Grant and Program Revenues

## \$14,932,966

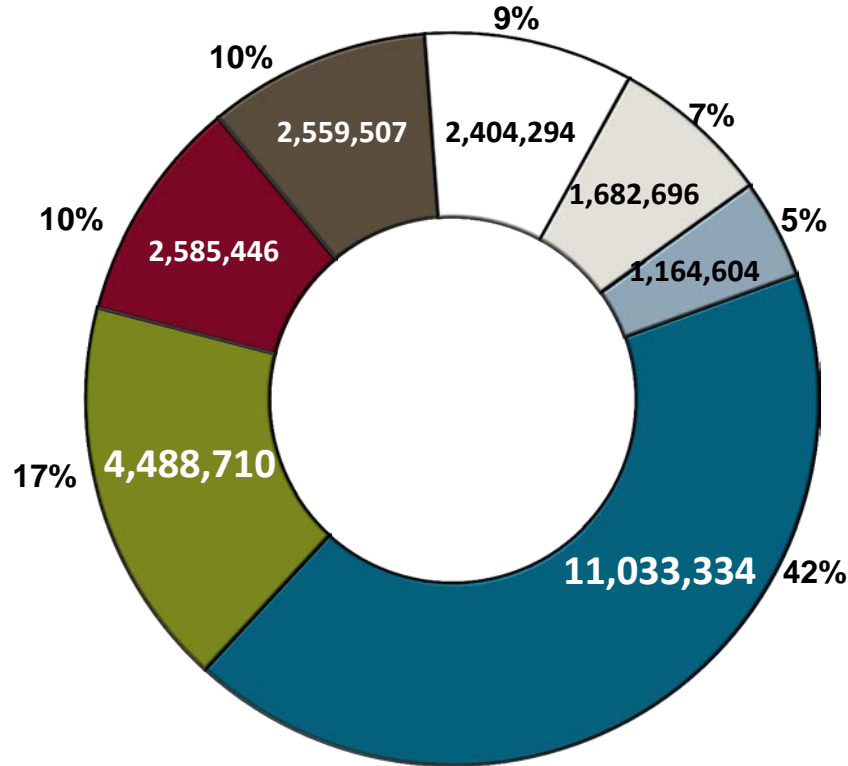


# BCHA Property Revenues

## \$7,098,751



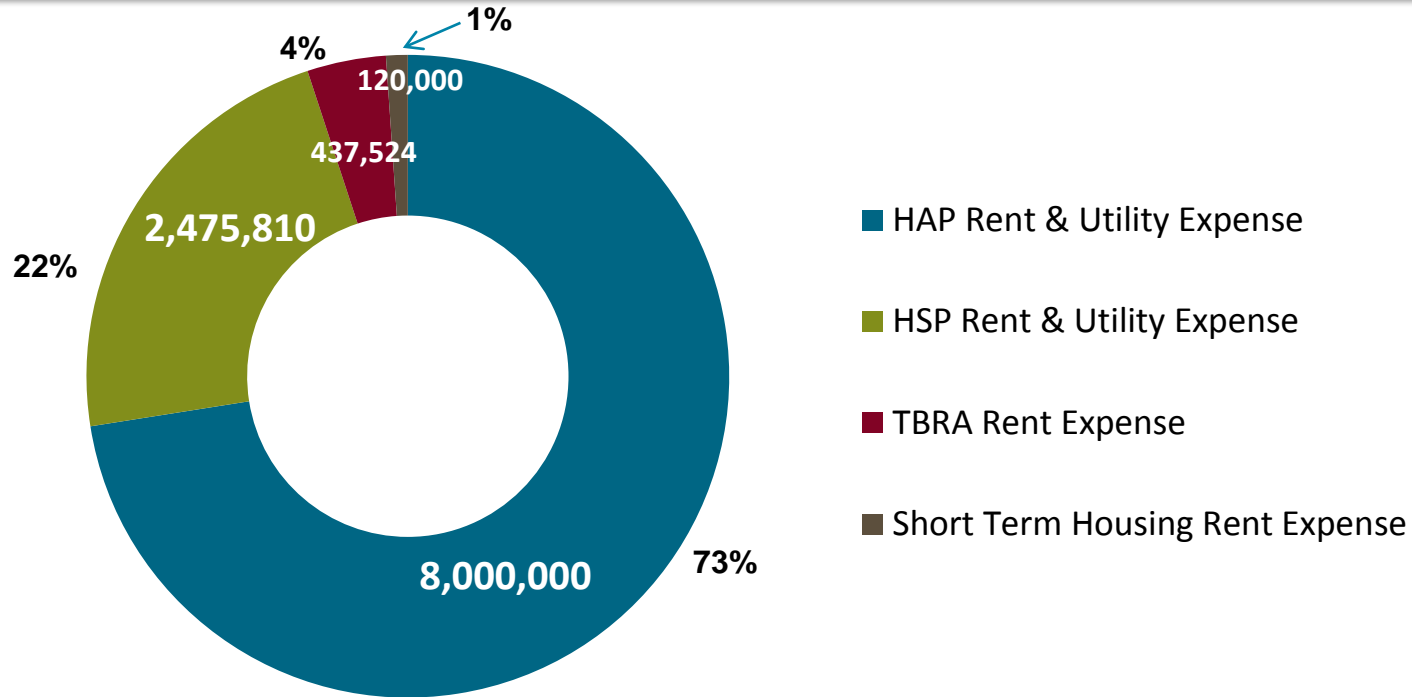
# BCHA Expenses \$25,918,591 w/ component units



- Client Services/Expense
- Salary & Benefits (indirect payroll is 711,180)
- Direct expenses (Ins., Maint., Utilities, etc.)
- Depreciation
- Interest Expense
- Weatherization / Contractual Services
- Other
  - Indirect Non-payroll Expenses (\$321,325),
  - Non-Routine (\$297,617), Legal & Other
  - Fees (\$180,293), Management Fees
  - (\$195,479), Transfer Out (\$144,500)

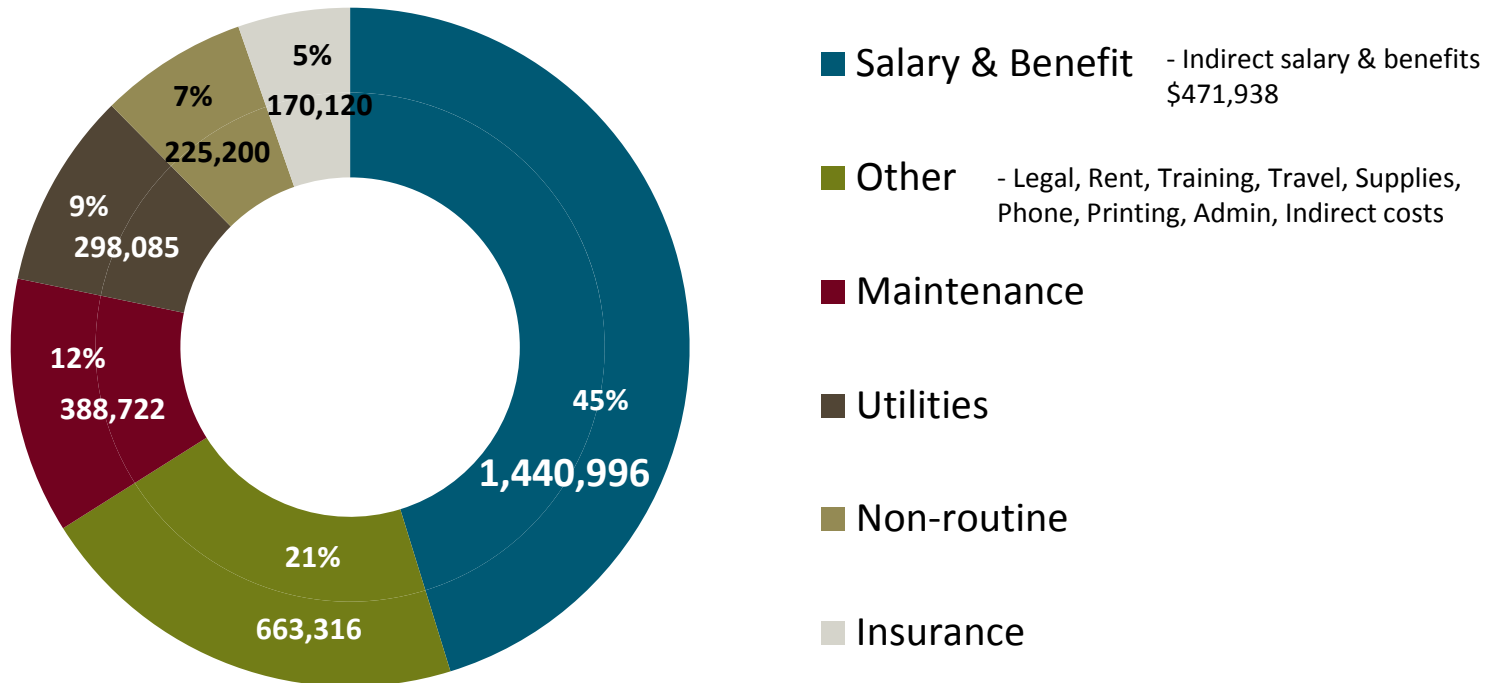
# Client Services/ Direct Expenditures

## \$11,033,334



# BCHA Property Operation Expenditures

## \$3,186,437



# BCHA 2017 Operating Budget

	BCHA Excluding Tax Credit Properties	Tax Credit Property Josephine Commons	Tax Credit Property Aspinwall	Tax Credit Property Kestrel	Total
Total Revenues	19,636,333	681,106	2,035,569	688,078	23,041,086
Total Expenditures (Cash & Non-Cash)	20,258,438	1,143,051	3,222,914	1,294,188*	25,918,591
Non-Cash (Accrued Interest & Depreciation)	775,915	520,509	1,673,876	N/A	<b>2,970,300</b>

\* Interest is paid by the construction loan for Kestrel in 2017



## Capital Development – Kestrel

- Project capital budget = \$78M
- Project financing closed in February 2016

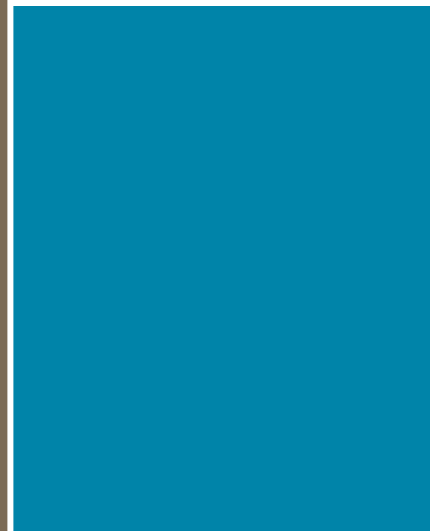
### Benchmarks for 2017

- Phase I – V of the construction will be complete.
- 122 units (102 MF and 20 Senior) scheduled to be leased by the end of 2017.
- Conversion expected mid- 2018.

# Fund 098 Funded 2017 Decision Package Requests

One new maintenance vehicle related to Kestrel

\$36,500

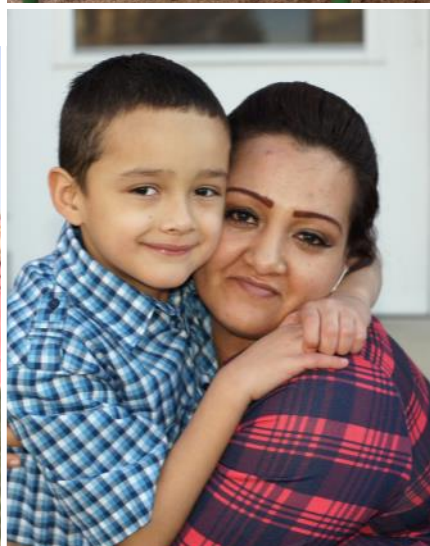




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## 2016 Successes

Year 1 of 15 year of Boulder County Human Services Safety Net 2014 Ballot Initiative at approximately \$6M/year + oversight of additional \$8M in community partner contracts + \$6M in developmental disability contracts

IMPACT transition to HHS (new appropriation HU2 in 2016) affording new efficiencies and more collaborative programming (approximately \$2.3M)

Award of additional IV-E Waiver funding: 7 County Consortium Resiliency Center – Trauma Services expansion \$220,000

Favorable State 2015-16 year-end closeouts that covered over-expended Child Welfare, Core Services and CCCAP programs

Successful completion of all SFY15-16 HCPF County Incentives, with a total award payment of \$186,926

Successful completion of two SFY15-16 HCPF County Grant awards and award of two new SFY16-17 County Grant awards: Long Term Care Review & Redesign (\$40,028) and Genesis/Genesisister (\$74,450)

Purchase of \$395k of additional SFY15-16 TANF allocation from underspent counties (35% of total State purchases) at \$.148 on the dollar

Receipt of \$257k in additional TANF excess reserves available to counties with relatively lowest reserve balances



# Opportunities 2017 and Beyond

Year 2 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 and the 1<sup>st</sup> full year of Developmental Disability contracts under the HHS umbrella for more strategic and effective partnering and service delivery (approximately \$14M)

Transition of Housing General Fund 01 funding into Human Services Fund 012 will afford administrative efficiencies and more strategic management of the funds (approximately \$1.3M)



# Risks 2017 and Beyond

Possible state budget reductions and corresponding reductions to allocations for Child Welfare, Child Care, County Administration, and Adult Protection.

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

Managing increased referrals for APS driven by SB15-109 mandates effective 7/1/2016 with staffing short of over recommended 25:1 caseload ratio

Child Care requirements, including the impact of HB1317, exceed expanded funding opportunities, with possible significant reduction or elimination of any surplus distribution

Unforeseen natural, economic or other disasters



# 2017 Assumptions

Social Services Fund property tax revenue currently reflects no increase over 2016

Human Services Safety Net currently does not reflect any increase over 2016, and no HSSN Fund 032 balance carried into 2017

\$208,473 for St. Vrain Hub rent relief

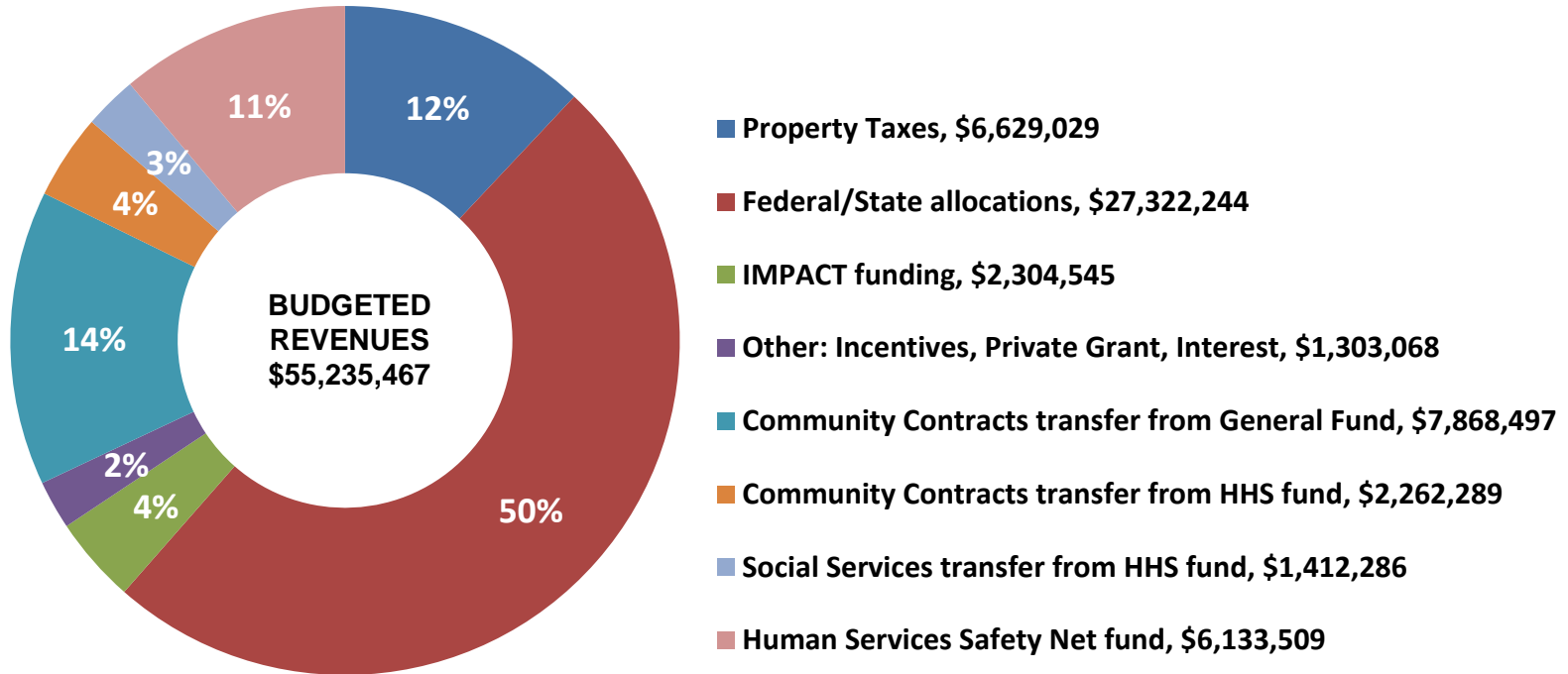
2017 personnel costs reflect a budgeted 3% merit increase

Housing HO1 currently contained in Fund 001 2451/2452 will be rolled into Fund 012 Human Services HU1

DHHS unbudgeted reserves for disaster emergency operations

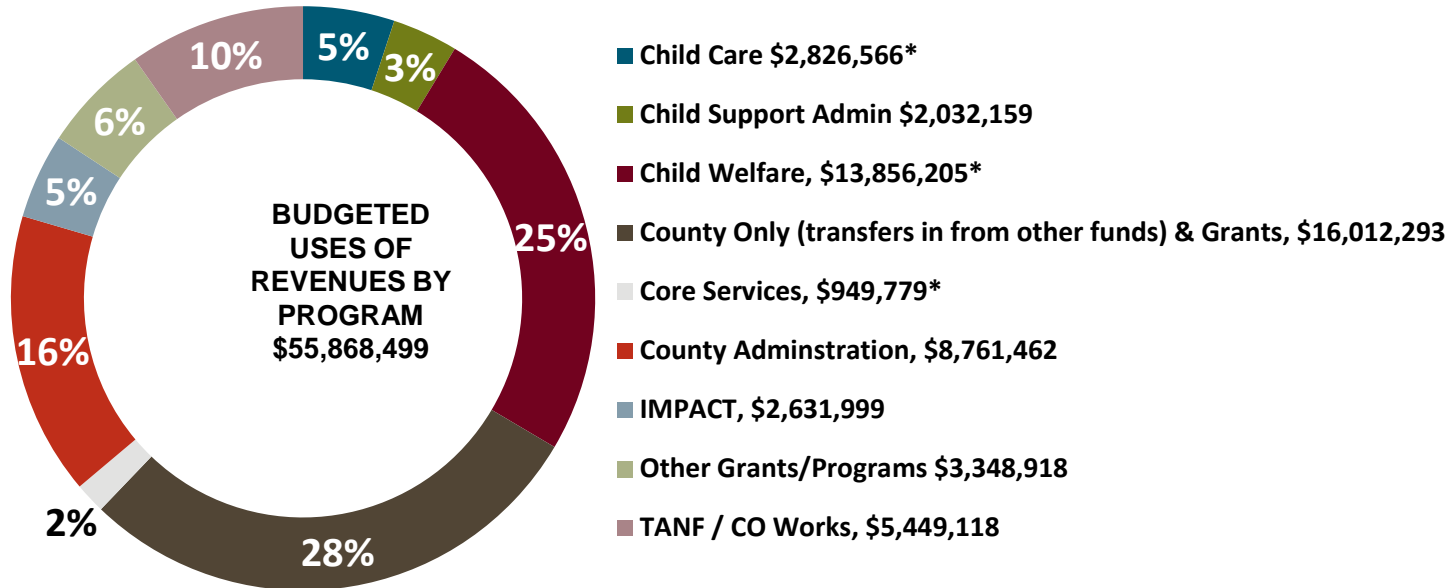
# 2017 Budgeted Sources of Revenues by Source

## \$55,235,467 (Preliminary)



Revenue amounts are preliminary. Property tax revenue and HHS Contracts Fund 001 are especially subject to a possible relatively small increase.

# 2017 Budgeted Uses of Revenues by Program \$55,868,499 (Preliminary)

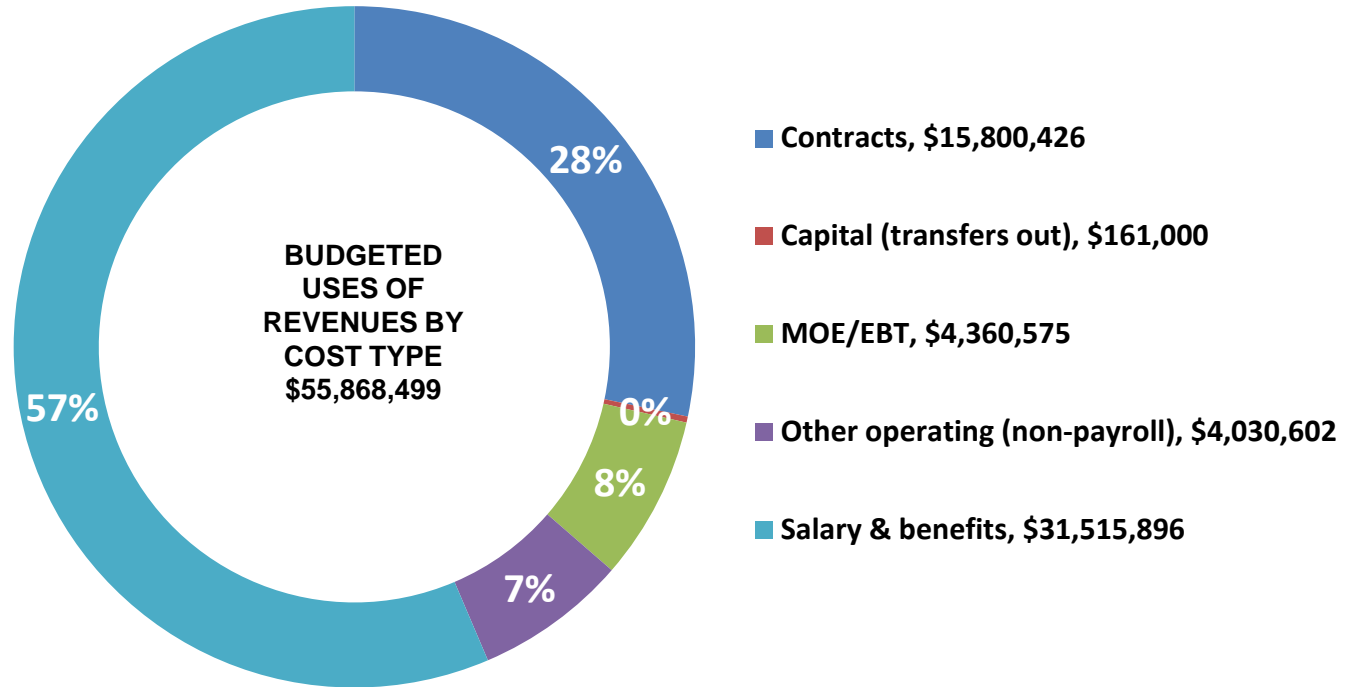


\* - Child Care, Child Welfare and Core dollars exclude Federal portion of EBT as this is not included in the HS county budget.

Fund 012 salary & benefits are preliminary.

# 2017 Budgeted Uses of Revenues Cost Type View

## \$55,868,499 (Preliminary)



Fund 012 salary & benefits are preliminary. Final 2017 amounts are expected in 4<sup>th</sup> quarter.

# 2017 Budget

## Developmental Disabilities – Mill Levy Administration

**In 2016, DHHS assumed responsibility from the Budget Office for Developmental Disabilities programming and contracts**

**The \$6.79M budget remains in Fund 015**

**The partnering of HS IMPACT Care Management Division with the IDD community ties funding to specific outcomes and increases the transparency and visibility of investments**



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# Projected 2017 Fund Balance - Fund 012

IMPACT Fund Balance at Jan. 1, 2017	\$ 1,785,368
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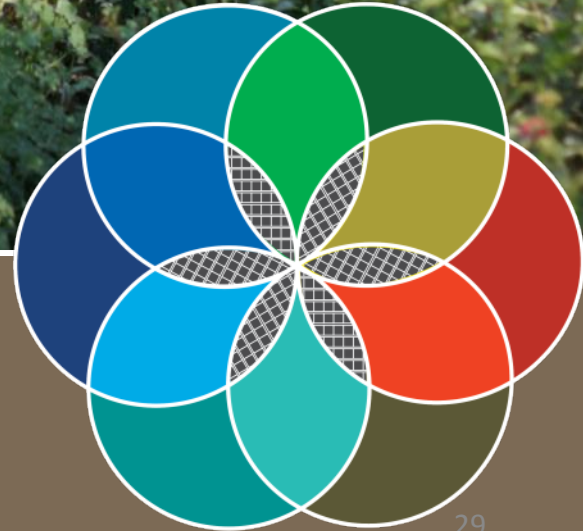
<b>Human Services Fund Balance at Jan. 1, 2017</b>	<b>\$ 8,800,793</b>
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Beginning Fund Balance at Jan. 1, 2017	\$ 10,586,161
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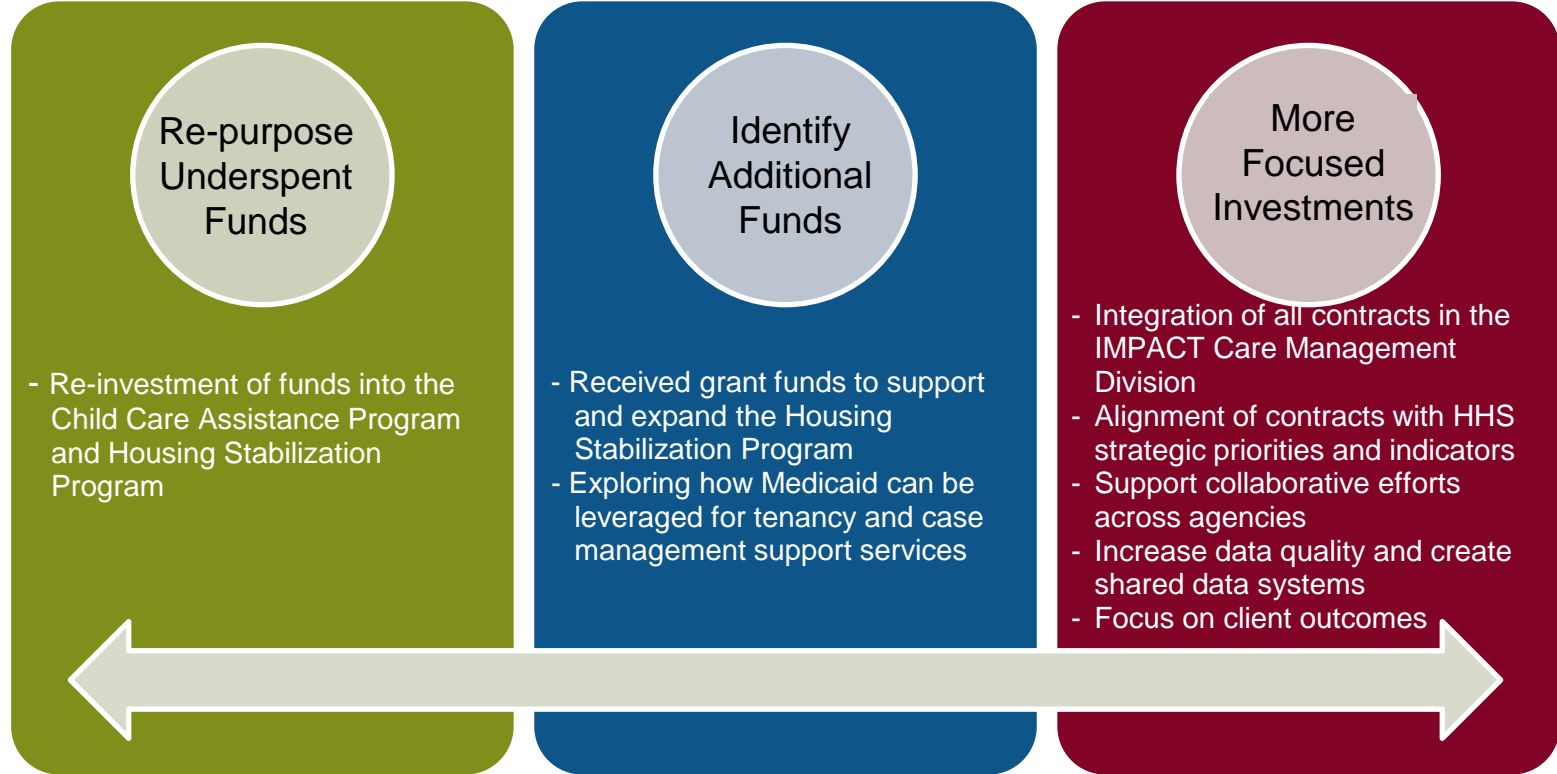
2017 revenue budget base	\$ 55,235,467
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2017 expense budget base	\$ (55,868,499)
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2017 Budgeted Use of Fund Balance	\$ (633,032)
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# Leveraging of Community Investments



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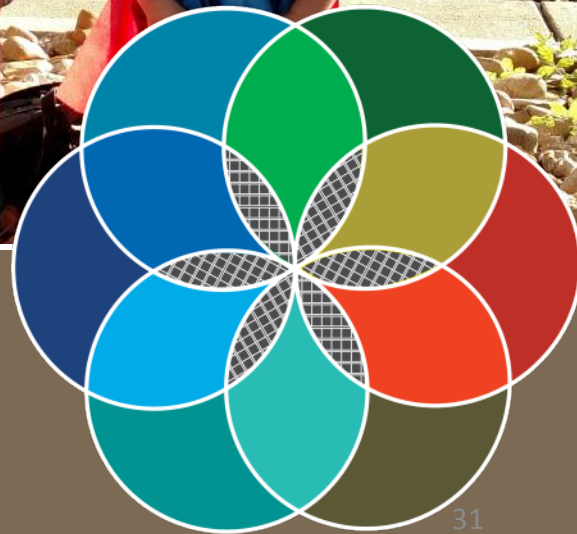
## General Fund and Health & Human Services Fund

<u>Investment by Pillar</u>	<u>2017 Budget</u>
Housing Stability	375,470
Food & Basic Needs	789,833
Health & Well-Being	1,302,859
Community Mental Health	4,685,366
Safety	391,324
Education	277,616
IMPACT	400,000
Total Community Investments	8,222,468



### 2017 Highlights

- Continue 2016 investments across 34 agencies
- Align contracts with HHS strategic priorities and indicators



# Human Services Safety Net Investments

<u>Investment by Pillar</u>	<u>2017 Budget</u>
Housing Stability	1,854,580
Health & Well-Being	1,042,709
Safety	40,000
Education & Skill Building	854,220
Access to & Navigation of Benefits	2,342,000
Total Safety Net Investments	\$ 6,133,509

## 2017 Highlights

- Continued grant funding to support the Housing Stabilization Program
- Expansion of the Family Resource Framework



## Requested Budgets:

**BCHA \$26,043,201**

**Human Services (preliminary) \$55,868,499**

## Personnel:

Estimated FTE & Term Positions as of January 1, 2017

	General Fund - Housing	Disaster Fund – CDBG-DR	Human Services Fund	Housing Authority Fund	Grand Total
FTE	0.00	-	323.60	67.75	391.35
Term	-	5.00	84.10	10.00	99.10
Total	0.00	5.00	407.70	77.75	490.45

# 2017 Decision Package Requests

## Fund 012 Funded

3460 North Broadway Breakroom Architects CEF 46853	\$ 125,759
Three Plug-in Hybrid Electric vehicles CAP 46890, 46891, 46892	<u>\$ 94,008</u>
Total Requested One-time Budget	\$ 219,767

### N Broadway Breakroom:

- Administrative Services presented the request at the September Department Requests meeting

### Human Services fleet:

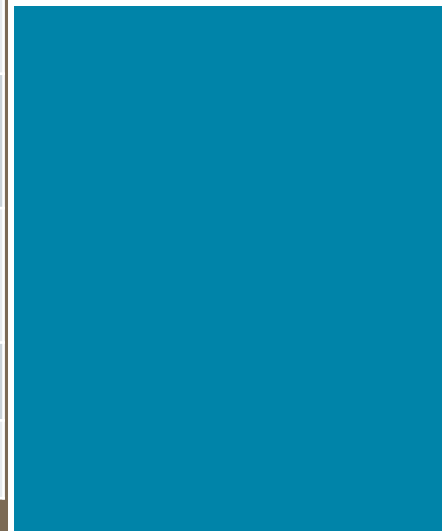
- Currently consists of 10 used/ghost and 9 fleet vehicles
- Desire to reduce used/ghost fleet over the next three years
- Will dispose of three gasoline-only used/ghost vehicles
- Plug-in Hybrid Electric vehicles will utilize electric charging stations at Longmont HUB, North Broadway (coming 2016), and 2525 13<sup>th</sup> Street
- Through August 2016, HHS reimbursed \$235,307 employee mileage (435,753 miles)
- We will continue to monitor fleet utilization for optimal fleet size



# 2017 Decision Package Requests

## Other Funds

Housing Inflationary Increase Request (General Fund)	BAR 47083	\$17,183
Sustaining Community Contracts Inflationary Increase Request (General Fund)	BAR 47090	\$108,762
Benefits for HO1 to HU1 personnel (General Fund - Existing Funding)	BAR TBD	\$264,564
Health & Human Services, HB1317 CCAP (Fund 020)	BAR 47114	\$250,000
Total		\$640,509





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# **Thank you**

**Boulder County Commissioners**

**Residents**

**Partners**

**County staff**

**for your on-going support and leadership!**