

BOULDER COUNTY  
**HOUSING  
& HUMAN  
SERVICES**

Hope for the future, help when you need it.

**Boulder County Housing Authority  
2022 Budget Requests**



Presentation to the Board  
May 5, 2022



# Summary of Requests

**1) Requesting approval of the 2022 Budget.**

**2) Requesting increase FTE from 81 to 99.**

*To manage growth, stabilize operations, increase revenues, increase affordable housing.*

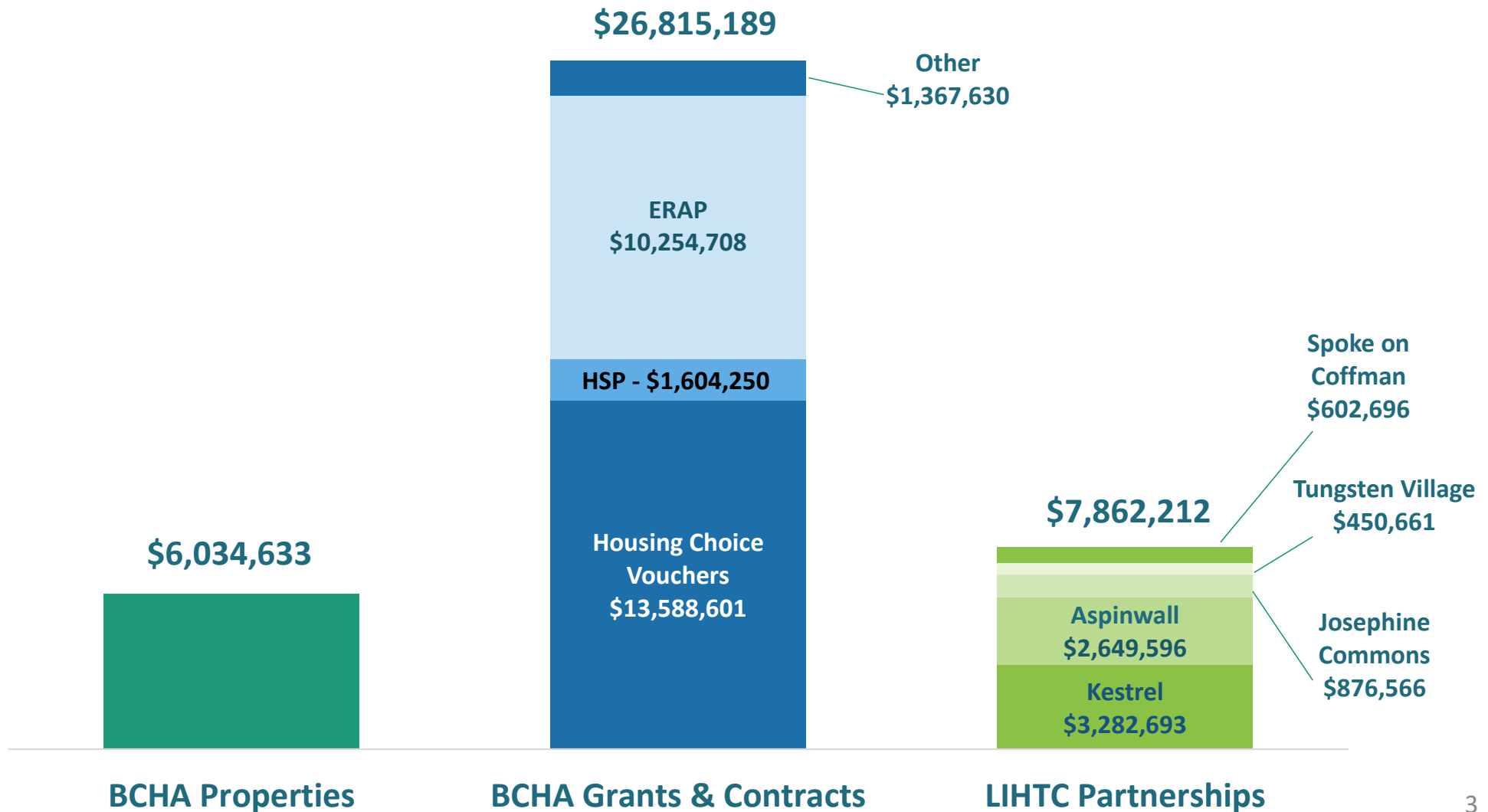
**3) Request amendment to \$1.3M IGA to increase \$846,878 Transfer from Human Services Fund Balance to BCHA.**

*For Audit Reallocation of Costs to Garage/Commercial Space from Coffman Place LLC.*

# Budget Request #1

## 2022 BCHA Budget (Revenues)

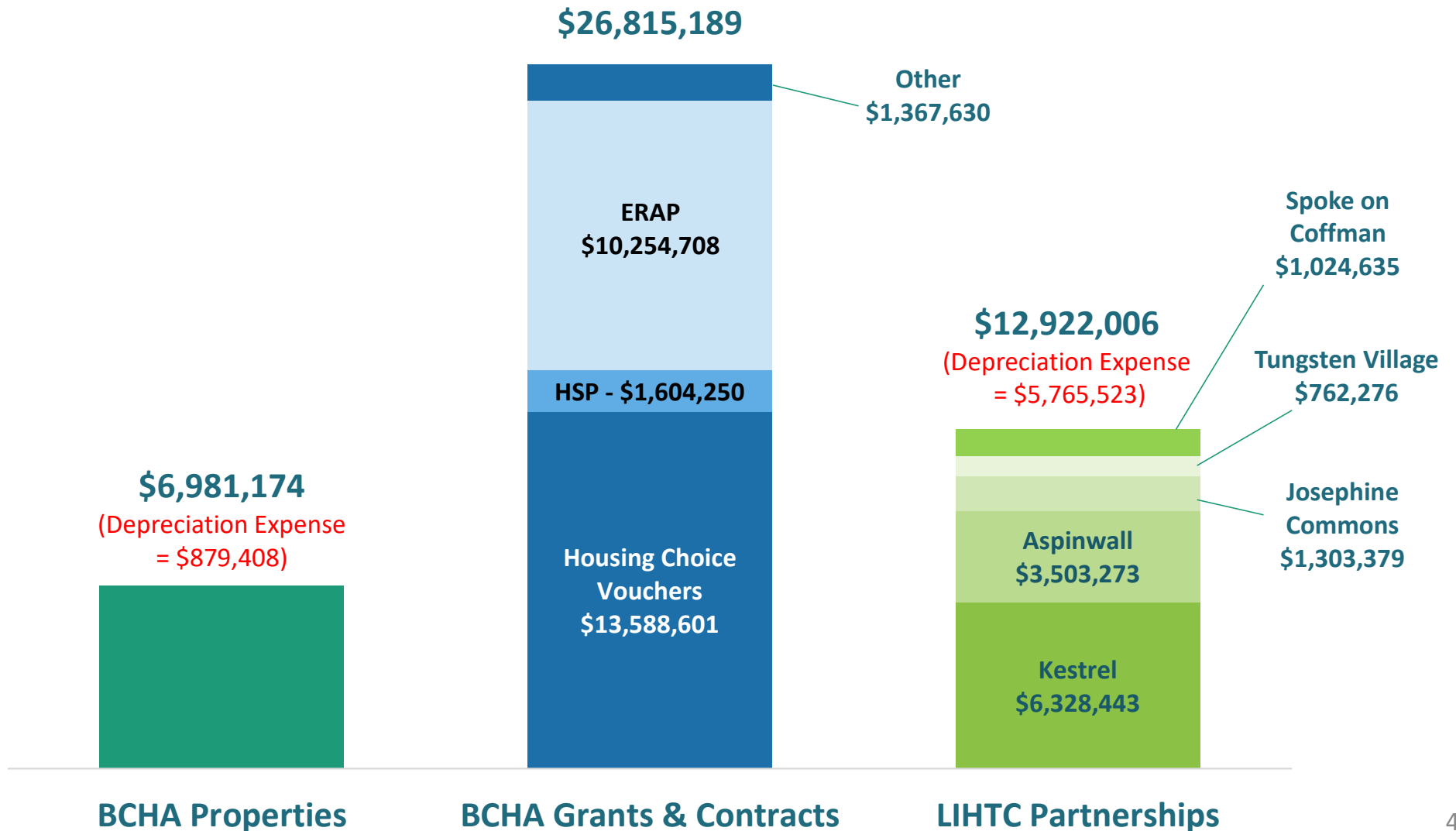
**2022 BCHA Revenue Budget**  
**\$40,712,034**



# Budget Request #1

## 2022 BCHA Budget (Expenditures)

**2022 BCHA Expense Budget**  
**\$46,718,368**





# Budget Request #2

## 2022 Cost v. Benefit of Additional Staff

Reduce Contractors, Increase Occupancy Rates, Increase Subsidies & Collections

***New staff will add relief to current over-worked staff, bring BCHA's financial reporting back into compliance, improve capital investments in safety for residents and staff.***

**Opportunities are enormous**, staff are highly skilled, many have been at BCHA for over 10 years, dedicated and motivated, awarded CO housing agency's honors for sustainable design, affordable housing training certs and Fair Housing and Equal Opportunity.

**BCHA consistently designated a HUD High Performer**, designation fell to Satisfactory due to lack of program and finance staff relative to number of households. This means fewer vouchers for the community, and less funding for BCHA Vouchers.

BCHA **added FTEs helps meet the increased demands**. Simply adding 3 new maintenance staff resulted in fewest units in 'down' status in past 5 years, from 45 units to 12 in March, and improves customer service.

BCHA received **2020 audit recommendations related to staff turnover, lack of investment in staff** for fiscal controls, timeliness of 3<sup>rd</sup> party HUD housing quality inspections, lack of investment in asset management controls, delays in County audit negatively impact BCHA audit. Opportunity for improvement in 2021 audit.

Staff **morale low** because residents expect service delivery that BCHA cannot provide without more on-site and back-office support staff and systems investment.



# Budget Request #2

## 2022 Cost v. Benefit of Additional Staff

Reduce Contractors, Increase Occupancy Rates, Increase Subsidies & Collections

***New staff projected to increase NOI \$264,288 in 2022 and \$457,291 in 2023***

### New Hires Cost Benefit Analysis

	2022 New Hires	2022	2023 New Hires	2023
<b>Cost of Additional Staff</b>				
Property Management Staff	3	(173,697)	5	(481,806)
Maintenance Staff	7	(197,824)	13	(1,022,400)
Compliance & Finance Staff	7	(316,655)	9	(877,324)
IT Staff	1	(17,139)	1	(70,290)
<b>Total Costs</b>	<b>18</b>	<b>(705,325)</b>	<b>28</b>	<b>(2,451,820)</b>

### Benefits of Additional Staff

Increased Rent Revenue		455,922		1,821,007
Decreased Vacancy Losses		180,933		422,588
Decreased Need for Contracted Services		332,758		665,516
<b>Total Benefits</b>		<b>969,613</b>		<b>2,909,111</b>

**NET BENEFIT**

**264,288**

**457,291**



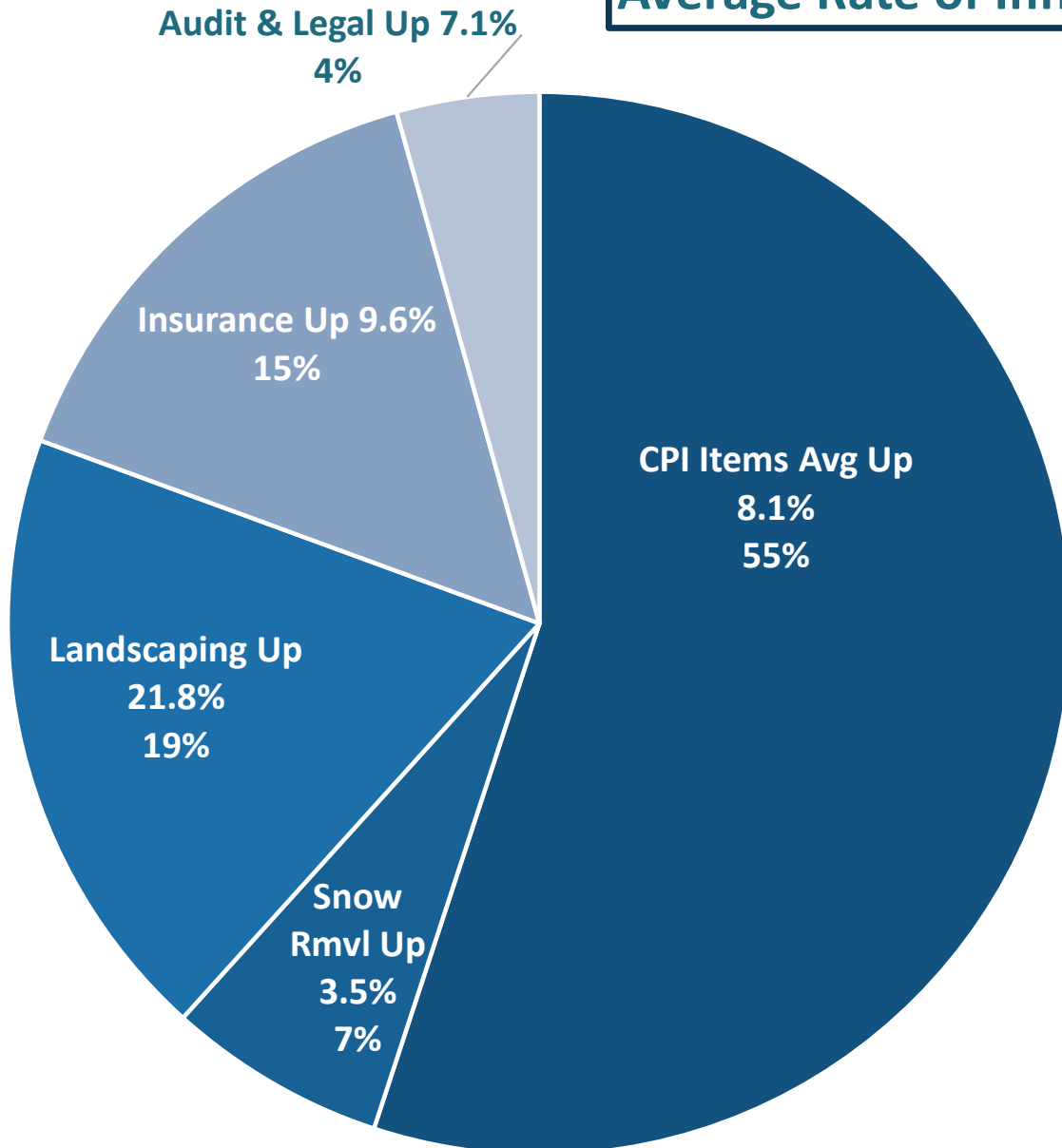
## Budget Request #3

### Request for \$846,878 Transfer from Human Services Fund Balance for Reallocation of Costs to Garage/Commercial Space from Coffman Place

❖ Construction budget for Garage/Commercial Space adjacent to Coffman Place	29,684,812
❖ 2021 IGA to transfer additional costs for Garage/Commercial Space from Human Services Fund 112 Unrestricted Fund Balance ❖ In support of Community Services Workforce Café and Training space, Community Services and HHS Office Space; and County supported Parking Space for Coffman Place residents, BC Longmont Hub clients and the local community.	1,300,000
❖ Reallocation of a portion of Architectural Fees as a result of independent audit: from the Citibank financed Residential (Coffman Place LLC) construction budget, to the adjacent multi-use Garage/Commercial Space. ❖ Requires additional cash outflow in 2022 to complete construction from which BCHA dollars are otherwise directed away from future housing development.	846,878
<b>Requesting Transfer from Fund 112 Fund Balance = \$846,878 by amendment to the 2021 \$1.3M IGA.</b>	
❖ Commercial space will serve as a critical portal out of which HHS will provide essential human services programming, including workforce training, support services for older adults, disabled individuals and veterans, behavioral health referrals, family support services and benefits eligibility assistance.	

# 2022 Inflation Rates

**Average Rate of Inflation = 8.5% (Up appx \$350k)**



- CPI Items Avg Up 8.1%, \$192,608
- Snow Rmvl Up 3.5%, \$23,316
- Landscaping Up 21.8%, \$66,138
- Insurance Up 9.6%, \$52,713
- Audit & Legal Up 7.1%, \$15,191

### CPI Items

- General Goods = 6.7%
- Electricity = 11.1%
- Piped Gas = 21.6%
- HVAC Services = 8.4%
- Plumbing = 8.4%
- Trash Disposal = 6.9%
- General Services = 6.5%

Source: <https://www.bls.gov/cpi/>



## 2023 Request for Additional \$490,956 from Old Fund 001

2021 - Old Fund 001 Uses of Boulder County Contribution to Housing	2021 ACTUAL
<b>Personnel (10.0 FTE)</b>  0.50 FTE HHS Executive Director 0.50 FTE HHS Finance Division Director 1.0 FTE Housing Executive Director 1.0 FTE Principal Planner, Development 1.0 FTE Senior Planner, Development 1.0 FTE Senior Planner, Development 1.0 FTE Finance Manager 1.0 FTE Financial Specialist 1.0 FTE Accounting Clerk 1.0 FTE Business Analyst 1.0 FTE HHS Deputy Director - Housing	(980,911)
<b>Operating Expenses</b>	(407,156)
<b>Total Contribution from County Received</b>	1,388,067
<b>NET Unfunded</b>	0

2022 – Old Fund 001 Uses of Boulder County Contribution to Housing	2022 BUDGET
<b>Personnel (10.0 FTE)</b>  0.50 FTE HHS Executive Director 0.50 FTE HHS Finance Division Director 1.0 FTE Housing Executive Director 1.0 FTE Principal Planner, Development 1.0 FTE Senior Planner, Development 1.0 FTE Senior Planner, Development 1.0 FTE Finance Manager 1.0 FTE Financial Specialist 1.0 FTE Accounting Clerk 1.0 FTE Business Analyst 1.0 FTE HHS Deputy Director – Housing	(1,455,873)
<b>Operating Expenses (see detail in next slide)</b>	(423,150)
<b>Actual Contribution from County Appropriated</b>	1,388,067
<b>ADDITIONAL NEED</b>	490,956

**Contributions flat since 2019 at \$1,388,067. -- For 2023 – Request for Old Fund 001 Contribution of \$1,879,023.**

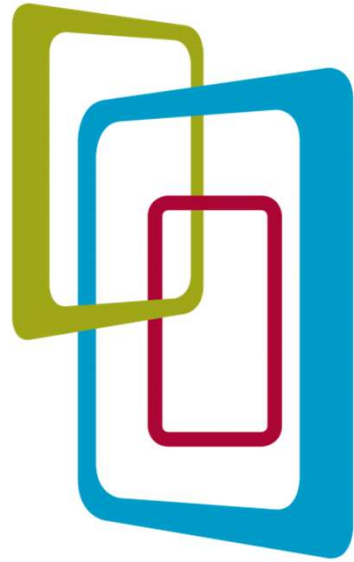
## 2023 Request for Additional \$490,956 from Old Fund 001

Old Fund 001 Budget – Operating Expenses	2022
<b>Operating Expenses</b>	
Bank Fees	26,567
Employee Recognition	1,103
Contracted Services	43,823
Legal & Audit	85,933
Insurance	183,063
Mileage	9,462
Office Rent	51,686
Postage	6,901
Printing	2,926
Supplies	6,254
Other Admin Expense (Training, Dues, Marketing)	2,982
Tenant Services	2,510
<b>Total Operating Expense Budget 2022</b>	<u>423,150</u>

# Cash Sources and Uses

## Request for Operating and Pre-development Funds

	Operations	Capital Improvement	Pre-Development	Development
<b>Cash Sources</b>				
Available Cash Balance	6,618,222			500,000
Operations Revenues	6,034,633			
Development Fees				381,219
Worthy Cause				700,000
Sustainability Tax		458,000		
<b>Total Sources</b>	<b>12,652,855</b>	<b>458,000</b>	<b>0</b>	<b>1,581,219</b>
<b>Cash Uses</b>				
Current Encumbrances & Operating Reserves	(3,177,492)			
Operations Expenses	(6,006,335)			
Capital Improvements		(1,781,370)		
Pre-Development – WC, Superior, Eagle, Casa			(4,628,710)	
The Spoke Reallocation of Costs				(846,878)
WC Development				(700,000)
<b>Total Uses</b>	<b>9,183,827</b>	<b>(1,781,370)</b>	<b>(4,628,710)</b>	<b>(1,546,878)</b>
<b>Net Cash Available</b>	<b>3,469,028</b>	<b>(1,323,370)</b>	<b>(4,628,710)</b>	<b>34,341</b>



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**Thank You!**

