



# Office of Financial Management

2020 13th Street • Boulder, Colorado 80302 • [finance@bouldercounty.gov](mailto:finance@bouldercounty.gov) • 303-441-3525  
Mailing Address: P.O. Box 471 • Boulder, CO 80306 • [www.BoulderCounty.gov](http://www.BoulderCounty.gov)

## **MENTAL AND BEHAVIORAL SALES AND USE TAX BUDGET AMENDMENT – MEMORANDUM**

**Date:** June 18, 2026  
**To:** Board of County Commissioners  
**From:** Emily Beam, Budget Officer  
**Subject:** Mental and Behavioral Sales and Use Tax Budget Amendment

### **Introduction**

The Office of Financial Management (OFM), with the Community Services Department (CSD), is requesting board direction regarding a 2026 budget amendment for the Mental and Behavioral Health (MBH) Sales and Use Tax Fund (153). The Department also requests extension of term positions set to expire at the end of 2026 until December 2028, using this tax as a funding source.

The Mental and Behavioral Sales and Use tax is estimated to generate \$40,048,630 in revenue over the next three years, or a little more than \$13 million a year. The tax passed in November 2025 with 64.6% support from the voters. Since passage, the Commissioners have discussed target populations and service priorities, funding levels, and approaches to administering tax dollars. From those discussions, staff is seeking approval for a 2026 budget amendment for the following programs.

### **Directed Funding Requests**

#### **Request #1. Funding for inpatient and intensive outpatient treatment services (Clinica)**

Dollars under this category would support inpatient and intensive outpatient (IOP) services for clients experiencing acute behavioral health issues. IOP would be provided to some clients as a follow-up after inpatient care, and to other clients referred directly for these services. Specific service expectations, budgets amounts, and reporting requirements would be developed between Clinica and county staff charged with managing tax funds. These services fall under the category of *Treatment Services* in the ballot issue, and correspond with rows 1 and 3 from the

draft budget presented at the April 7 work session with an increase based on feedback received since that time.

| Item         | 2026 Budget        | 2027 Budget        | 2028 Budget        |
|--------------|--------------------|--------------------|--------------------|
| Inpatient    | \$2,100,000        | \$2,100,000        | \$2,100,000        |
| IOP          | \$1,200,000        | \$1,200,000        | \$1,200,000        |
| <b>Total</b> | <b>\$3,300,000</b> | <b>\$3,300,000</b> | <b>\$3,300,000</b> |

**Running Budget Total:**

| 2026 Budget | 2027 Budget | 2028 Budget |
|-------------|-------------|-------------|
| \$3,300,000 | \$3,300,000 | \$3,300,000 |

**Request #2. Homeless case management (AllRoads)**

Dollars under this category would support case management with wrap-around services for formerly homeless clients residing in permanent supportive housing units at the Zinnia and Bluebird properties, and other scattered site properties managed by AllRoads. Specific service expectations, budgets and reporting requirement would be developed between AllRoads and county staff charged with managing tax funds. This service falls under the category of *Recovery Services* in the ballot issue, and corresponds with rows 6-8 from the draft budget at the April 7 work session.

| Item         | 2026 Budget        | 2027 Budget        | 2028 Budget        |
|--------------|--------------------|--------------------|--------------------|
| Case Mgt.    | \$1,025,000        | \$1,025,000        | \$1,025,000        |
| <b>Total</b> | <b>\$1,025,000</b> | <b>\$1,025,000</b> | <b>\$1,025,000</b> |

**Running Budget Total:**

| <b>2026 Budget</b> | <b>2027 Budget</b> | <b>2028 Budget</b> |
|--------------------|--------------------|--------------------|
| <b>\$4,325,000</b> | \$4,325,000        | \$4,325,000        |

**Request #3. Homeless case management for young adults (TGTHR)**

Dollars under this category would support Case Management services for formerly homeless clients ages 18-25 residing in Permanent Supportive Housing (PSH) units at the 1440 Pine Street property, and added clinical capacity. This service falls under the category of *Recovery Services* in the ballot issue and was not included in the draft budget at the April 7 work session, but was referenced in the notes and is responsive to Commissioner discussion related to other providers of PSH services for adults experiencing homelessness.

| <b>Item</b>      | <b>2026 Budget</b> | <b>2027 Budget</b> | <b>2028 Budget</b> |
|------------------|--------------------|--------------------|--------------------|
| <b>Case Mgt.</b> | \$200,000          | \$200,000          | \$200,000          |
| <b>Total</b>     | <b>\$200,000</b>   | <b>\$200,000</b>   | <b>\$200,000</b>   |

**Running Budget Total:**

| <b>2026 Budget</b> | <b>2027 Budget</b> | <b>2028 Budget</b> |
|--------------------|--------------------|--------------------|
| \$4,525,000        | \$4,525,000        | \$4,525,000        |

**Request #4. In-school youth services (BVSD and SVVSD)**

Funds in this category would support in-school clinical services provided by staff hired by the two School Districts within Boulder County: Boulder Valley (BVSD) and St. Vrain Valley (SVVSD). The recommended dollar amounts are based on estimates provided by districts. Specific service expectations, budgets amounts, and reporting requirements would be developed between school districts and

county staff charged with managing tax funds. These services fall under the category of *Prevention Services* in the ballot issue, and correspond with rows 10 and 11 from the draft budget presented at the April 7 work session.

| Item         | 2026 Budget        | 2027 Budget        | 2028 Budget        |
|--------------|--------------------|--------------------|--------------------|
| <b>BVSD</b>  | \$800,000          | \$800,000          | \$800,000          |
| <b>SVVSD</b> | \$800,000          | \$800,000          | \$800,000          |
| <b>Total</b> | <b>\$1,600,000</b> | <b>\$1,600,000</b> | <b>\$1,600,000</b> |

#### Running Budget Total:

| 2026 Budget | 2027 Budget | 2028 Budget |
|-------------|-------------|-------------|
| \$6,125,000 | \$6,125,000 | \$6,125,000 |

#### Request #5. Residential Treatment and Sober Living (Hazelbrook)

Funds in this category would support Residential and Step-Down treatment for individuals who need addiction recovery support in a supervised setting, focused primarily on individuals experiencing homelessness and/or those involved with the criminal justice system. Dollars would only cover non-Medicaid reimbursable expenses for services at the former Mother House (2041 Pearl St) and the county owned Emery Ct (Longmont) properties. City of Boulder and county staff recently identified Hazelbrook as the provider for services under contract with the city. These services fall under the categories of *Treatment Services* and *Recovery Services* in the ballot issue, and correspond with rows 2 and 5 from the draft budget presented at the April 7 work session.

| Item                | 2026 Budget      | 2027 Budget      | 2028 Budget      |
|---------------------|------------------|------------------|------------------|
| <b>Sober Living</b> | \$400,000        | \$400,000        | \$400,000        |
| <b>Total</b>        | <b>\$400,000</b> | <b>\$400,000</b> | <b>\$400,000</b> |

**Running Budget Total:**

| <b>2026 Budget</b> | <b>2027 Budget</b> | <b>2028 Budget</b> |
|--------------------|--------------------|--------------------|
| \$6,525,000        | \$6,525,000        | \$6,525,000        |

**Request #6. Navigation and Crisis Intervention Services (Boulder County staff)**

Funds in this category would extend Navigation and Crisis Intervention Services currently paid with federal dollars that expire in December 2026. Funding the extension of these programs through local dollars will continue the pilot project and enable further assessment of the “proof of concept” that was envisioned by community members when the programs were created. The specific request is to extend the terms of the staff in these positions through December 2028. These services fall under the categories of *Crisis Response/Intervention Services and Navigation Services* in the ballot issue. Annual budgets also include operating dollars to pay for software licensing and other incidental expenses that support efforts (e.g., office supplies, gas for mobile crisis vehicles, telephones, etc.). These programs correspond with rows 13 and 15 from the draft budget presented at the April 7 work session. Because positions are fully funded in 2026, these costs are recommended to start in 2027. Cost estimates have been inflated accordingly.

| <b>Item</b>      | <b>2026 Budget</b> | <b>2027 Budget</b> | <b>2028 Budget</b> |
|------------------|--------------------|--------------------|--------------------|
| <b>Personnel</b> | \$0                | \$1,430,291        | \$1,543,907        |
| <b>Operating</b> | \$0                | \$97,000           | \$100,000          |
| <b>Total</b>     | <b>\$0</b>         | <b>\$1,527,291</b> | <b>\$1,643,907</b> |

**Running Budget Total:**

| <b>2026 Budget</b> | <b>2027 Budget</b> | <b>2028 Budget</b> |
|--------------------|--------------------|--------------------|
| \$6,525,000        | \$8,052,291        | \$8,168,907        |

## Requested Term Position Extensions

A total of 11 term positions would be extended under this budget area through the final year of the tax (December 25, 2028). These are comprised of:

- Four (4) SL4 Human Services Caseworker C positions
- Four (4) IGI 1 Intergovernmental Coordinator positions
- Two (2) JS3 Program Manager III positions
- One (1) JS4 Program Manager IV position

## Competitive Funding Requests

Staff recommends designating approximately \$5.1 million annually for competitive Requests for Proposals (RFPs) for community providers in the following categories:

1. **Adult and Youth Outpatient and Intensive Outpatient Services:** This would extend community-based treatment programs, such as equitable access, that formerly were funded through federal dollars. This service falls under the category of *Treatment Services* in the ballot issue and corresponds with row 4 from the draft budget presented at the April 7 work session.
2. **Peer Services:** This would support community peer services programs outside of traditional clinical programs in response to provider feedback for this need. This service falls under the category of *Recovery Services* in the ballot issue and corresponds with row 9 from the draft budget presented at the April 7 work session.
3. **Community Prevention Services and Training:** This would support agencies that currently provide prevention services as well as training to increase the overall capacity of MBH prevention services within Boulder County. This service falls under the category of *Prevention Services* in the ballot issue and corresponds with row 12 from the draft budget presented at the April 7 work session.
4. **Adult and Youth Innovative Services:** This would support agencies in sustaining and/or expanding innovative programs targeting high needs populations. This service falls under the category of *Crisis Response/Intervention Services* in the ballot issue and corresponds with row 14 from the draft budget presented at the April 7 work session.

| <b>Service Area</b>                        | <b>Annual Totals</b> |
|--|----------------------|
| <b>Adult and Youth OP/IOP</b>              | \$2,000,000          |
| <b>Peer Services</b>                       | \$1,000,000          |
| <b>Community-Based Training</b>            | \$1,100,000          |
| <b>Adult and Youth Innovative Services</b> | \$1,000,000          |
| <b>Total Per Year</b>                      | <b>\$5,100,000</b>   |

## **Budget Consideration to Support Future Service Expansion**

In future years, it may be possible to expand services to additional locations in ways that increase overall behavioral health services capacity. This would require budget changes and/or repurposing of unspent resources over time. Two such opportunities include implementation of services at the Warner House property and possible expansion of step-down services by Clinica.

Warner House presents an opportunity for expansion of a variety of residential and/or outpatient behavioral health services as the property is currently owned by the county. This would require, however, remodeling of the property which is estimated at \$1 million per a recent Public Works study. Resources for the remodel would need to come from a non-tax revenue source due to ballot issue restrictions. Once remodeled, it may be possible to find a vendor to operate at the property at no or little cost to the county in a manner similar to Hazelbrook's operations in Boulder and Longmont.

Additionally, Clinica has plans to expand step-down services at its new Lafayette facility. Increased capacity in this area would help smooth transition to less intensive recovery services from its acute behavioral care health unit. This increased capacity would help fill the gap in needed step-down resources, as well as improve ability to efficiently free up beds designed for more acute needs. This, again, would require an examination of the larger budget to determine reallocation opportunities, including repurposing some competitive funds, the use of reserve dollars, and/or the use of unspent but previously-allocated dollars.