



2025 Proposed Budget

Budget Study Session - October 22, 2024

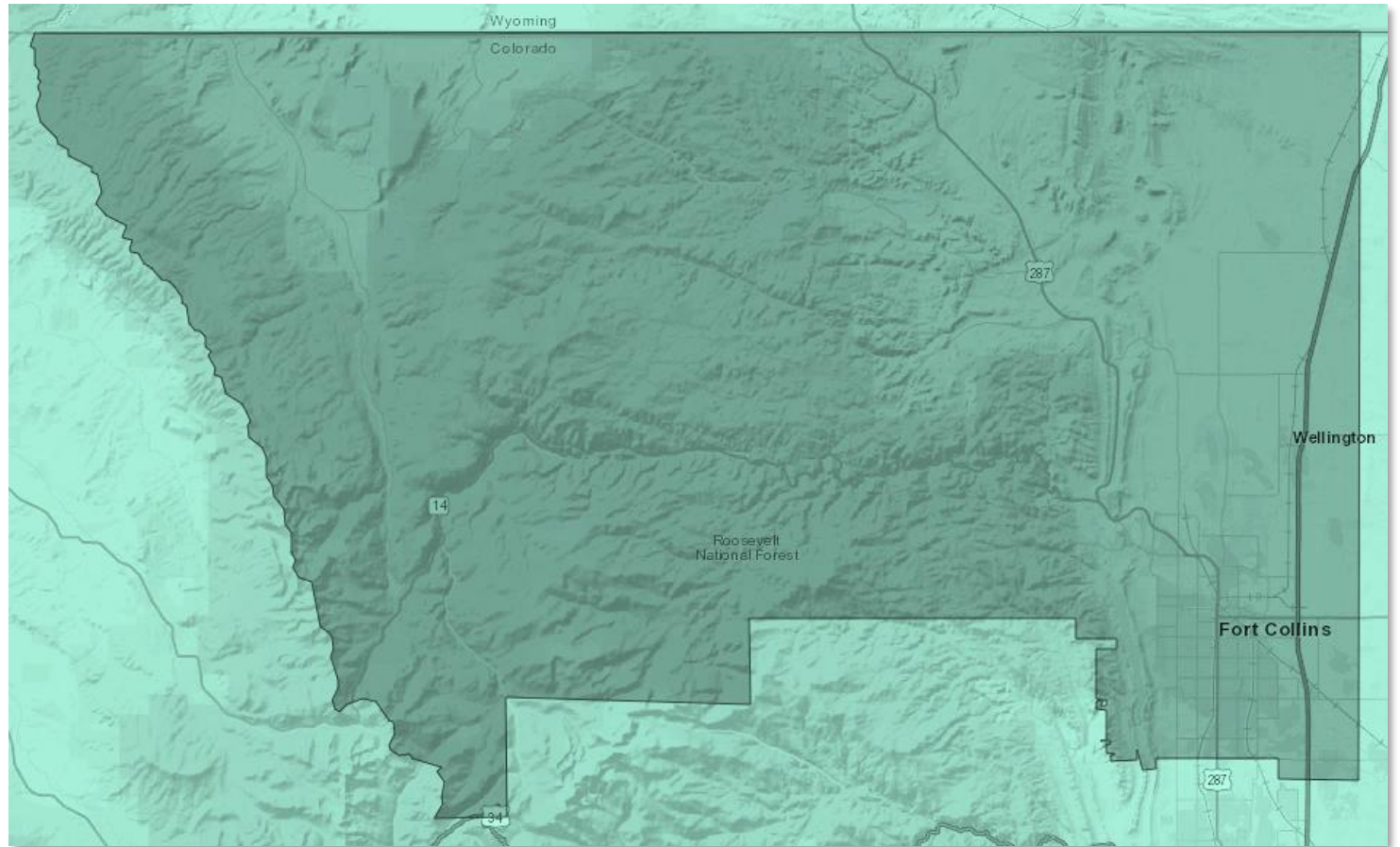
MISSION

To enhance the health of our community



DISTRICT BOUNDARIES & OVERVIEW

- Public agency created by voters in 1960 to serve community health needs
- \$15 million annual budget
- Supported by local property tax dollars
- Governed by its publicly elected, five-member Board of Directors
- Core services: dental care, behavioral health care, access to care





STUDY SESSION OBJECTIVES

STRATEGY

Alignment to strategic plan

Goal-driven resource planning (short-and long-term goals).

IMPACT

Resources invested translate to tangible outcomes

Strengthen operational functions that improve visibility, organizational transparency, and use of programs and services.

TRANSPARENCY

Clear information on revenue and expenses

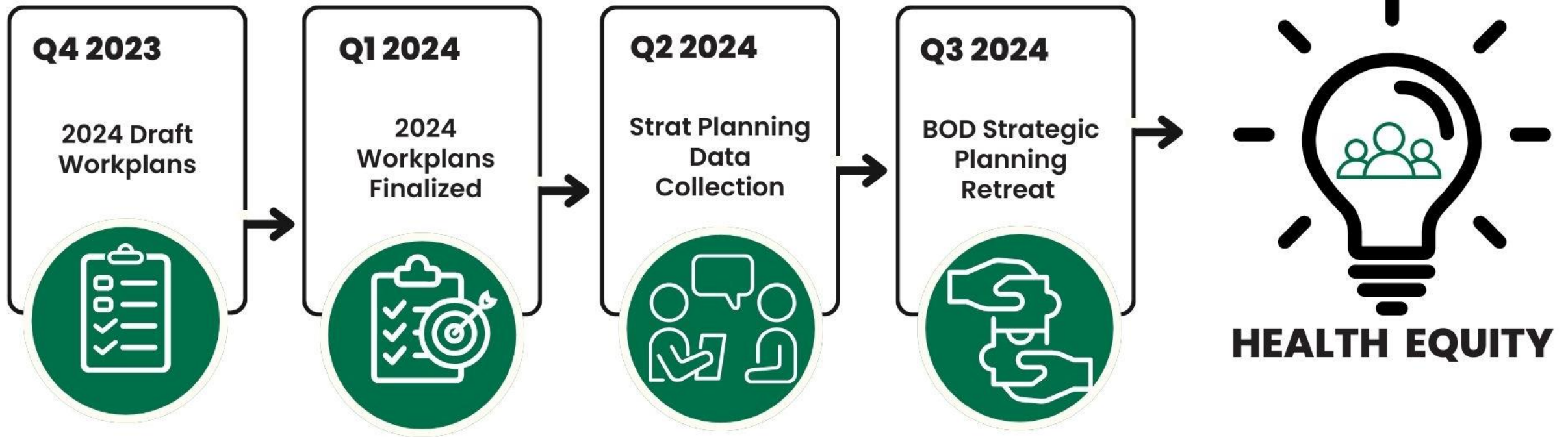
Reflect the community in the Health District's work and increase opportunities for the community to see itself in this work.

ACCOUNTABILITY

Protect the integrity of the District's financial position

Foster fiscal stewardship and reflect the why, the what, and the who we serve.

2025 BUDGET | How did we get here?





EXECUTIVE SUMMARY

CHALLENGES

- ▶ Decreasing property tax revenue
- ▶ Increasing demands for behavioral health services
- ▶ Underinvestment in enabling and support functions including program data collection and analysis
- ▶ Aging infrastructure
- ▶ Increased medical insurance premium costs

OPPORTUNITIES

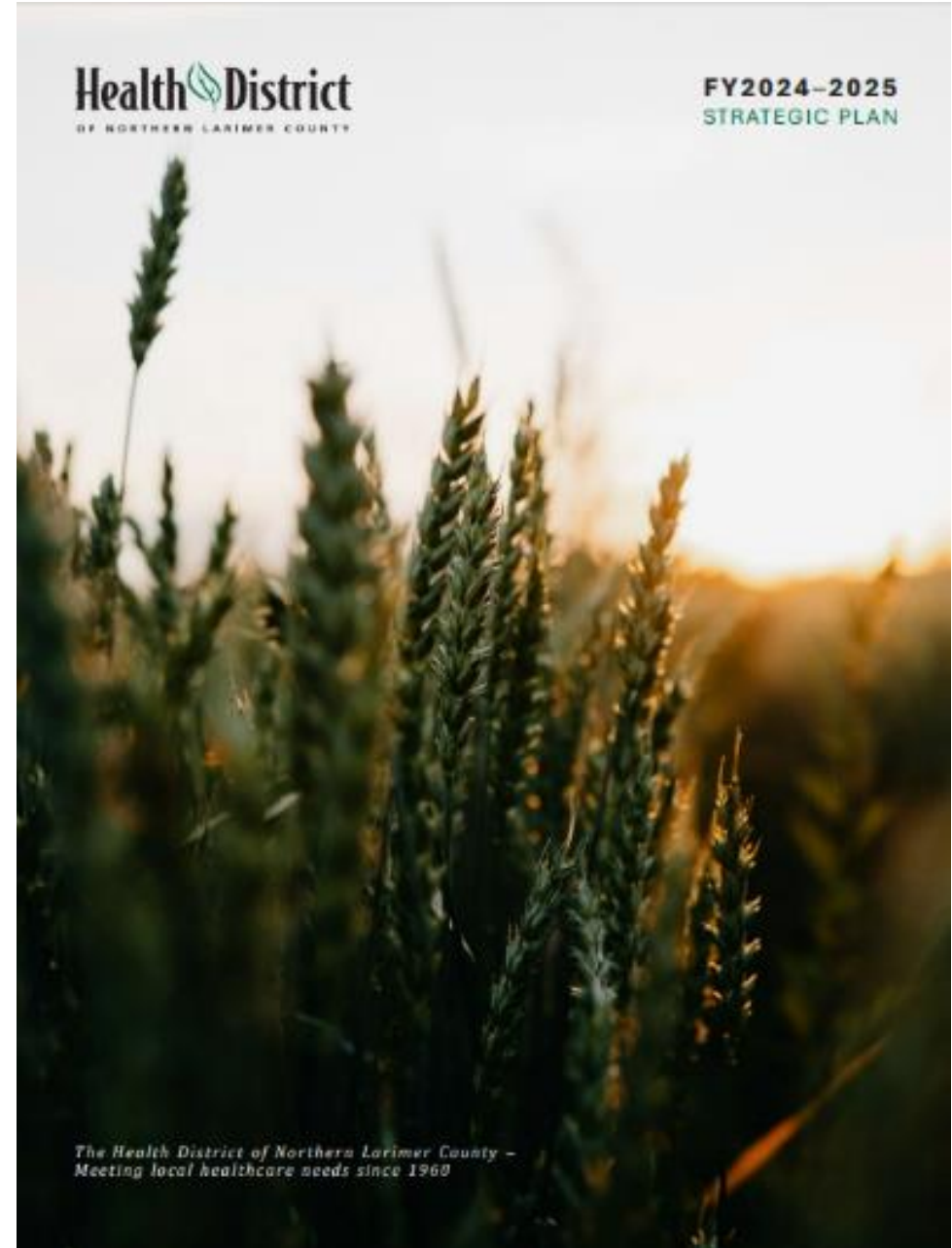
- ▶ Improved client services and increased efficiencies in consolidated health campus
- ▶ Ability to fund community partners to deliver health services for increased impact
- ▶ Increased capacity to prioritize health equity



STRATEGY

STRATEGIC PLANNING TO STRATEGIC BUDGETING

- ▶ The Health District embarked on a new Strategic Budgeting process to guide 2025 budget development
- ▶ New process ensures alignment with 2024-2025 Strategic Plan



STRATEGIC PLAN PRIORITY AREAS



- ▶ **Great Governance:** Essential to an impactful and high-performing organization. It is inclusive and participatory.
- ▶ **Organizational Excellence:** Emphasizes the importance of the people, processes, technology, and systems that enable the Health District to carry out its mission: *to enhance the health of our community.*
- ▶ **Health Equity:** Develop a health equity strategy that aligns with and supports the achievement of the Health District’s mission: to enhance the health of our community.
- ▶ **Partnerships:** Broad, cross-sector partnerships are needed to effectively address the full array of complex factors impacting community health.

2025 STRATEGIC BUDGET OBJECTIVES

- ▶ **Invest in Infrastructure:** Develop and incorporate into management and leadership the foundational systems and supports for a higher-functioning government agency.
- ▶ **Transform Service Delivery:** Develop an integrated health campus to provide equitable, high-quality care within the Board's identified priority areas:
 - ▶ Dental Health
 - ▶ Behavioral Health
 - ▶ Access to Care
- ▶ **Reimagine Partnerships:** Fund high-impact community projects that prioritize equity and leverage local expertise and resources to expand opportunities and impact in Northern Larimer County.



IMPACT



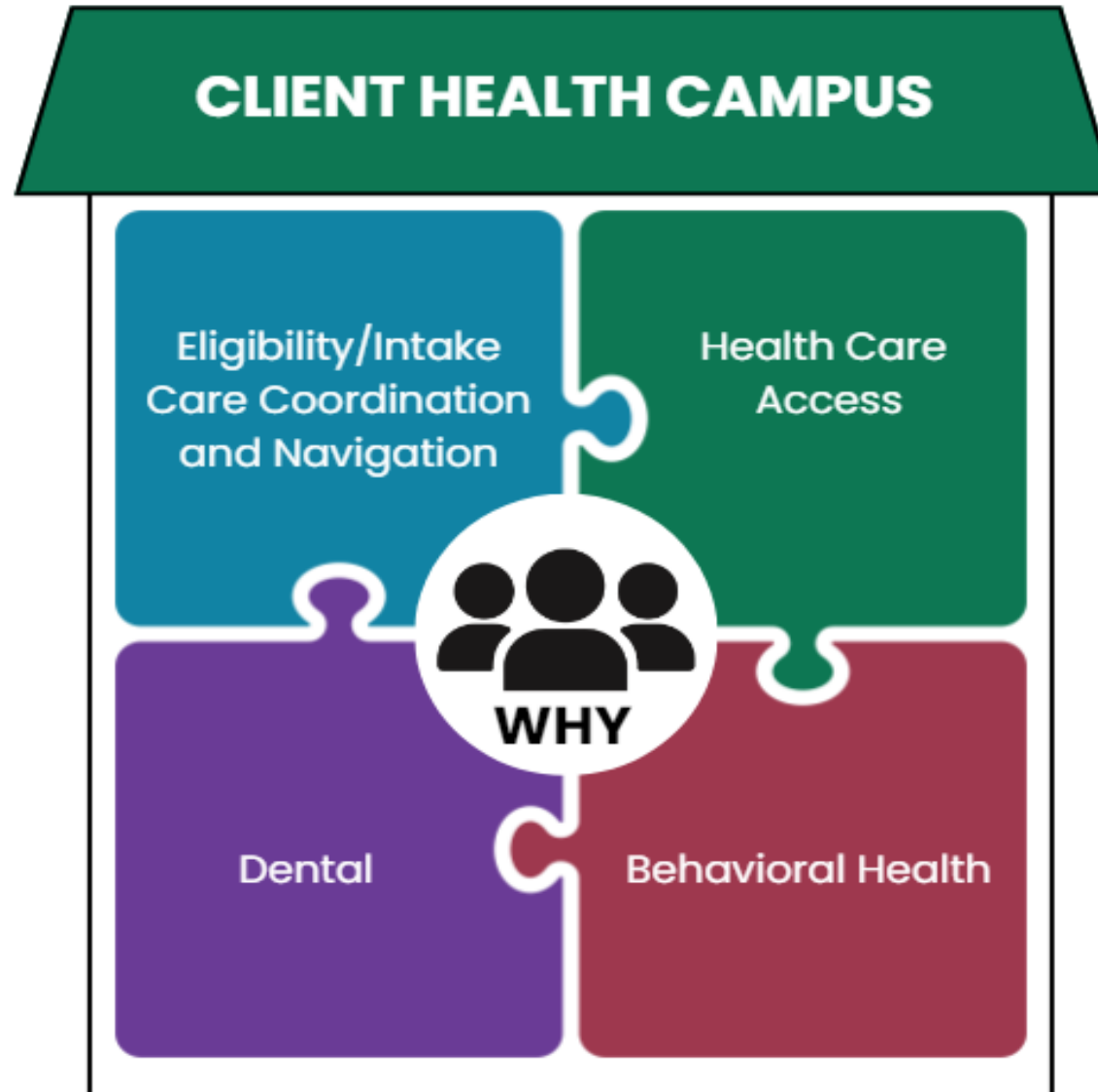
2025 HEALTH SERVICES PRIORITIES

Dental Care

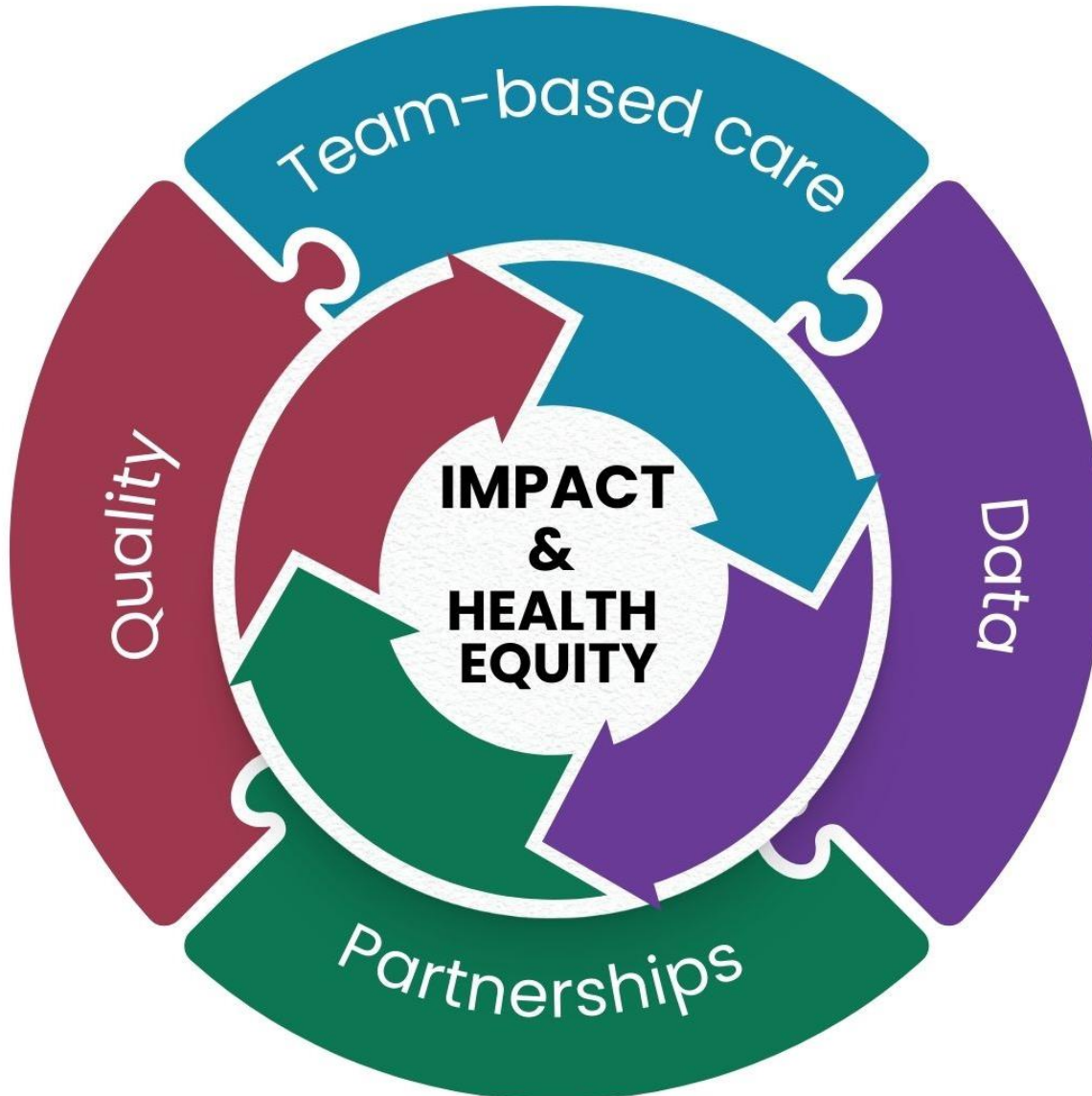
Behavioral Health Care

Access to Care

2025 HEALTH SERVICES STRATEGY



PROPOSED ITERATIVE DESIGN



In the 2025 budget, we propose establishing a consolidated health campus that will:

- Streamline care coordination across services
- Implement consistent data collection systems
- Guide future Health District investments through improved analytics
- Create efficiencies across core programs

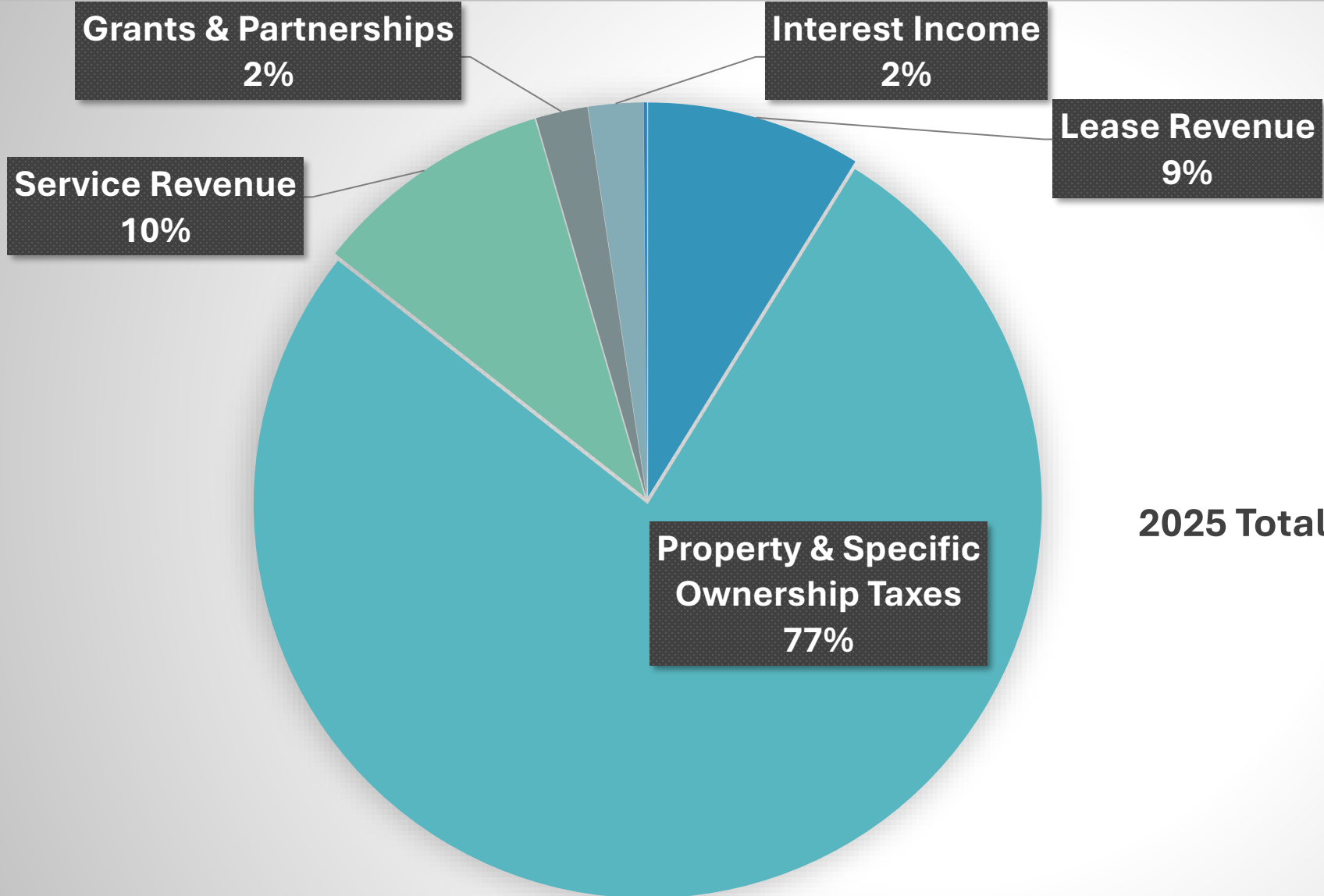


TRANSPARENCY

PROPOSED 2025 BUDGET

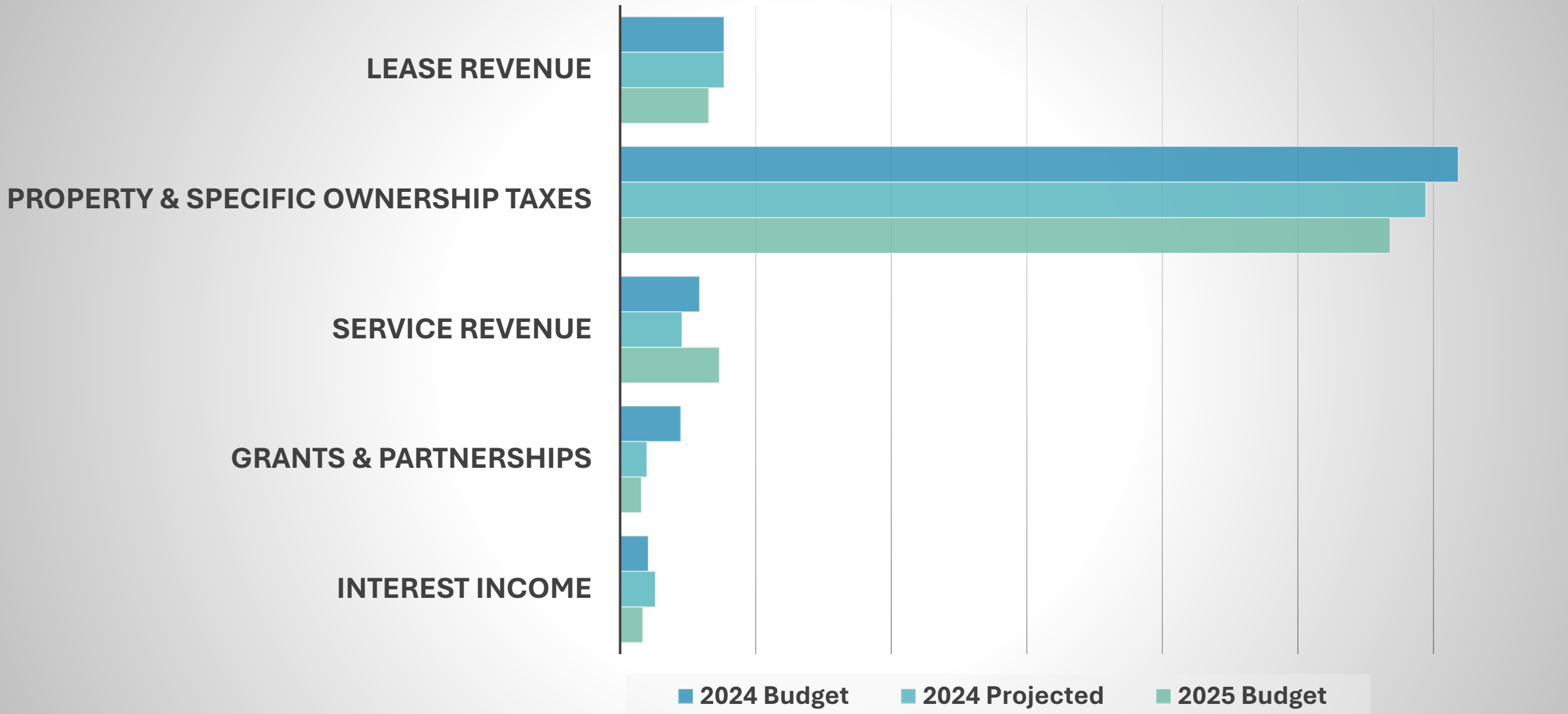
Health District of Northern Larimer County – 2025 Proposed Budget		
Revenues		
Lease Revenue	\$	1,304,044
Property & Specific Ownership Taxes	\$	11,361,432
Service Revenue	\$	1,462,710
Grants & Partnerships	\$	314,248
Interest Income	\$	332,964
Miscellaneous Income	\$	20,000
Total Revenues	\$	14,795,398
Expenditures		
Personnel Compensation	\$	10,116,111
Staff Development	\$	334,713
Contracted Services	\$	1,190,900
Insurance	\$	96,211
Program Operations	\$	1,767,539
Supplies & Equipment	\$	412,463
Occupancy	\$	469,461
Other Operating Expenses	\$	403,854
Total Expenditures	\$	14,791,251
Change in Fund Balance	\$	4,147

REVENUE: 2025 BUDGETED REVENUE

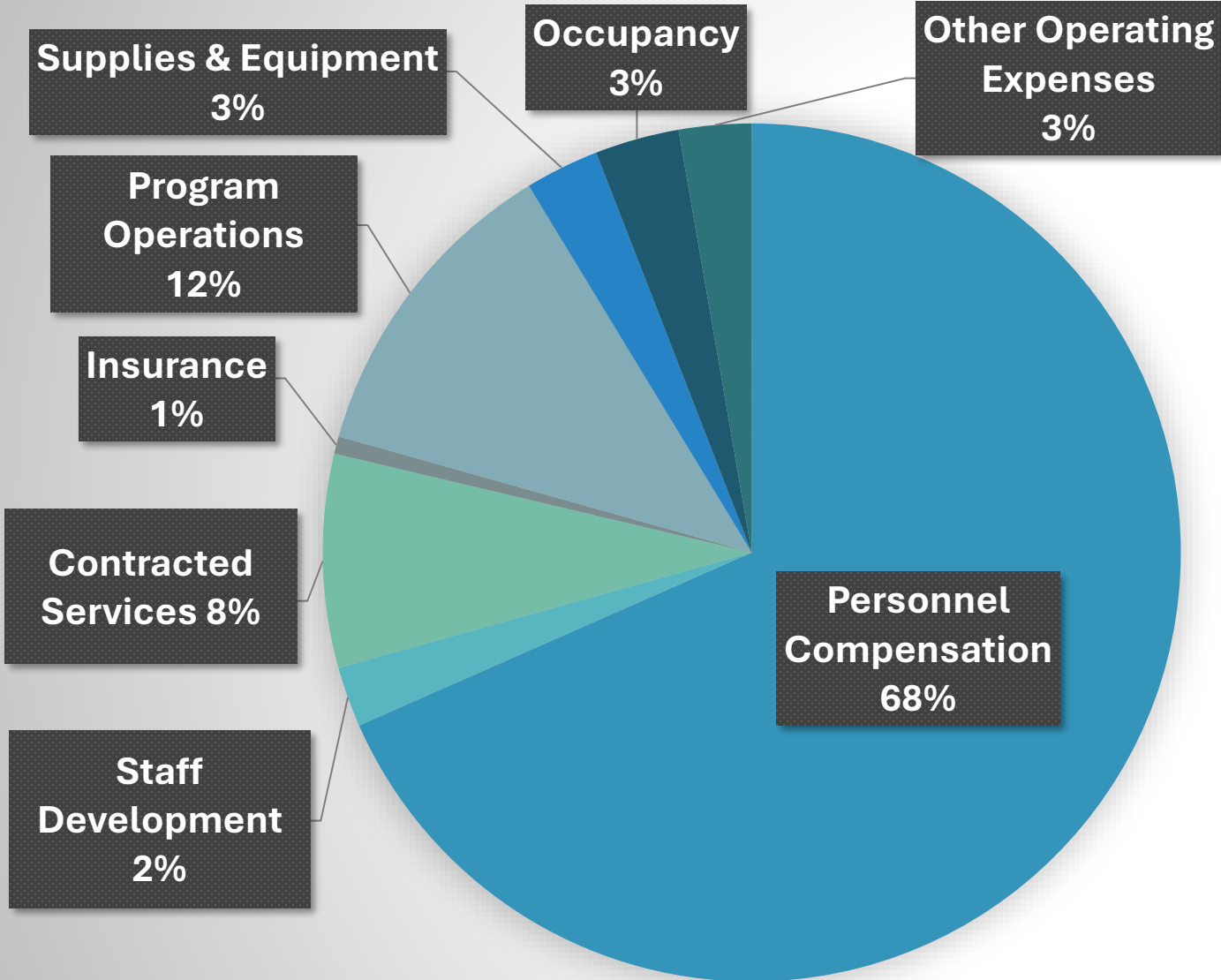


2025 Total Budgeted Revenue: \$14.8M

PRIOR YEAR REVENUE COMPARISON

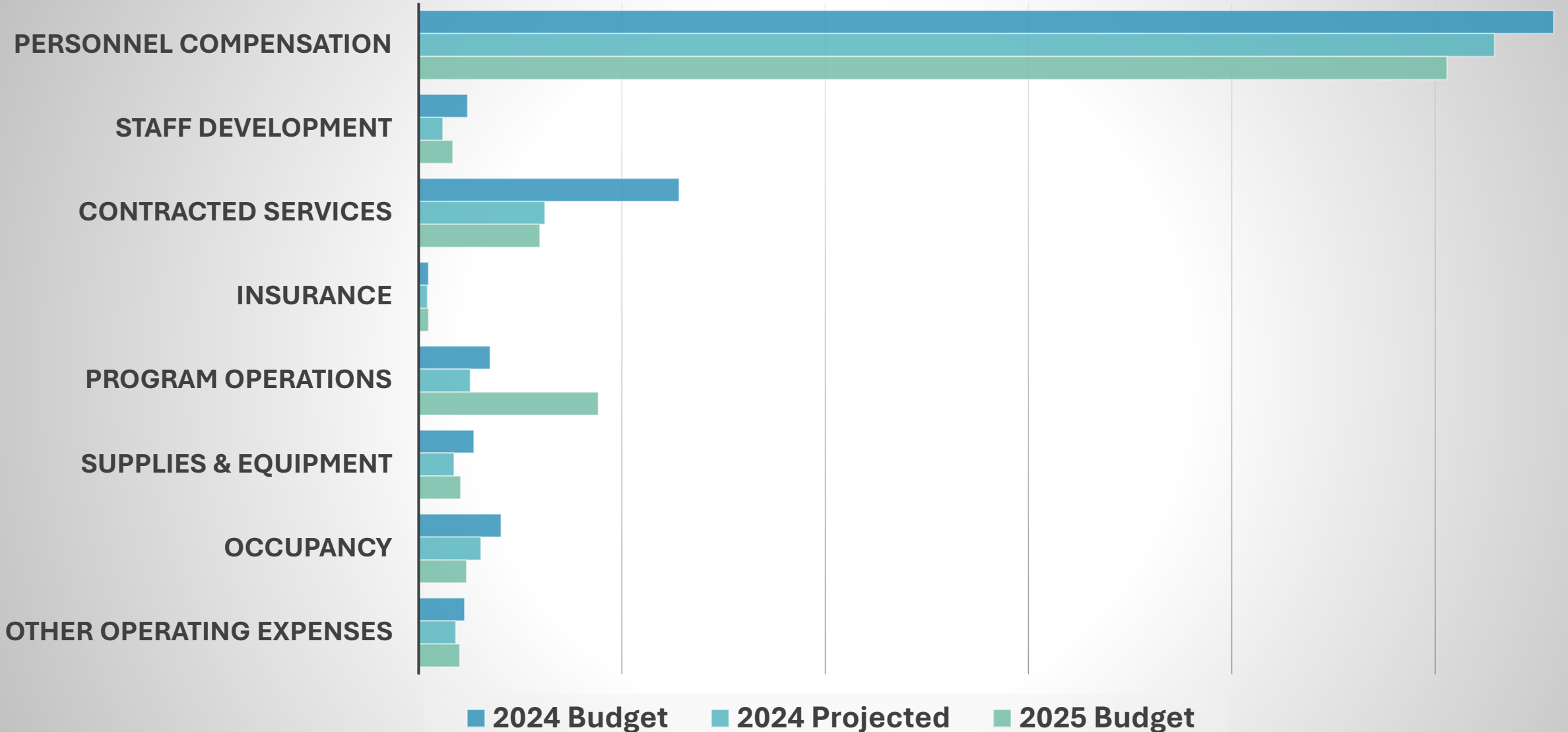


2025 EXPENSE SUMMARY BY CATEGORY

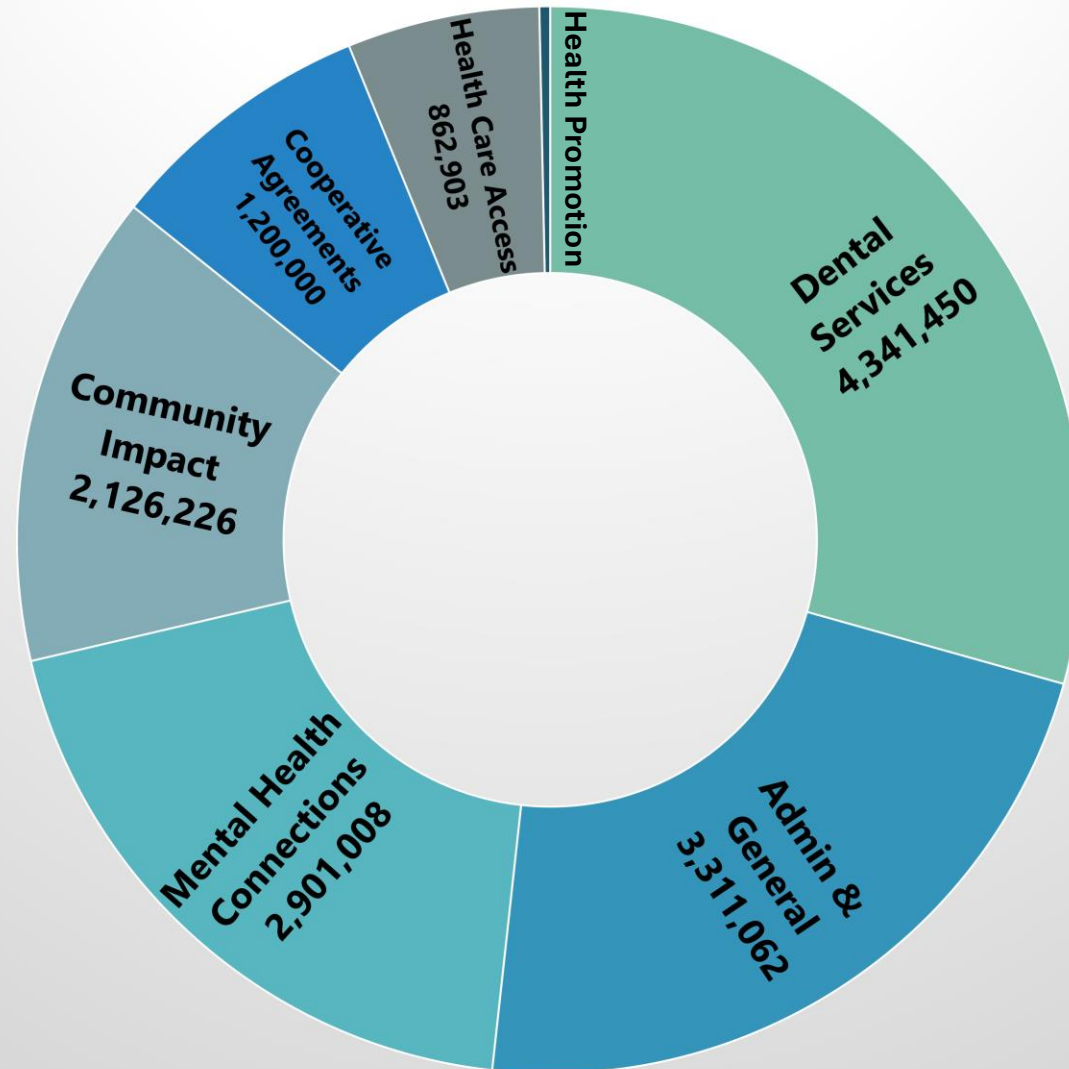


2025 Total Budgeted Expense: \$14.8M

PRIOR YEAR EXPENSE COMPARISON



2025 EXPENSE SUMMARY BY PROGRAM



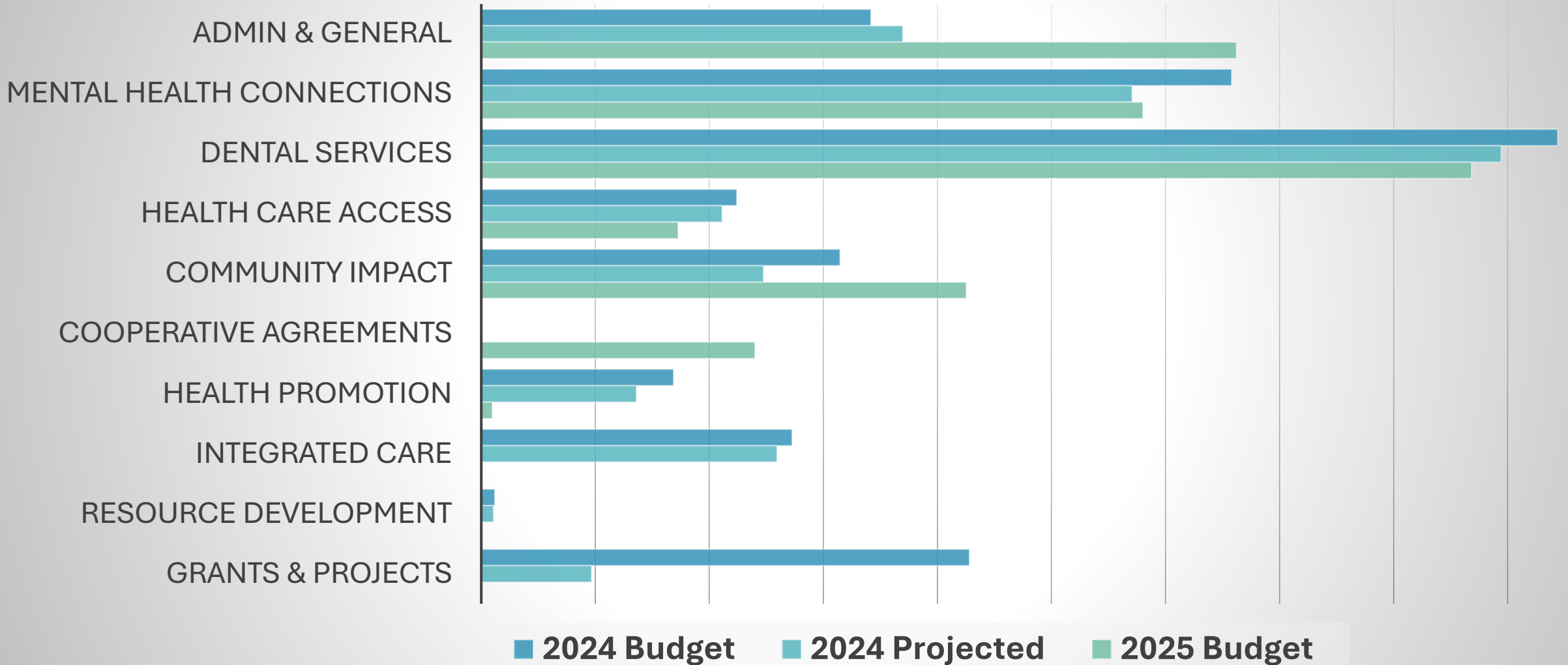
2025 EXPENSE SUMMARY BY PROGRAM

2025 Proposed Budget by Program (Summary)

	Admin & General	Mental Health Connections	Dental Services	Health Care Access	Community Impact	Cooperative Agreements	Health Promotion	2025 Budget	2024 Budget	\$ Change	% Change
Total Revenues	\$ 12,998,440	\$ 562,342	\$ 1,003,009	\$ 211,607	\$ 20,000	\$ -	\$ -	\$ 14,795,398	\$ 16,404,285	\$ (1,608,887)	-10%
Total Expenditures	\$ 3,311,062	\$ 2,901,008	\$ 4,341,450	\$ 862,903	\$ 2,126,226	\$ 1,200,000	\$ 48,601	\$ 14,791,251	\$ 16,815,486	\$ 2,024,235	12%
Change in Net Position	\$ 9,687,378	\$ (2,338,666)	\$ (3,338,441)	\$ (651,297)	\$ (2,106,226)	\$ (1,200,000)	\$ (48,601)	\$ 4,147	\$ (411,201)	\$ 415,348	101%

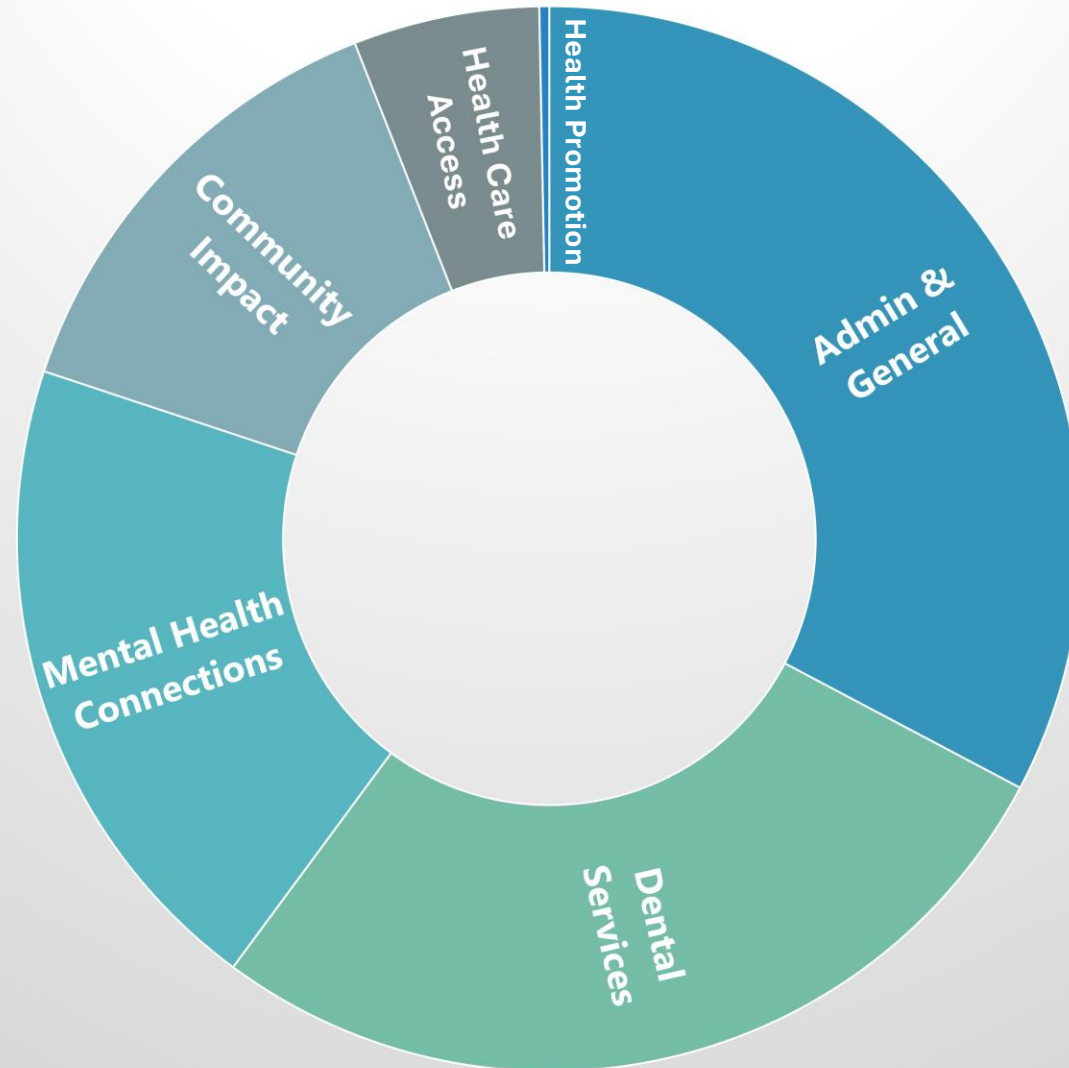
PRIOR YEAR EXPENSE COMPARISON

Expense Comparison by Program



2025 PERSONNEL EXPENSES BY PROGRAM

2025 COMPENSATION



2025 FTE BY PROGRAM COMPARISON

	2024		2025	
Program/Department	Budget	Actual	Proposed	Change
Administration	6.495	31.000	28.350	(2.650)
Board of Directors	0.725	0.175	-	(0.175)
Client Services				
Mental Health Connections	24.710	20.266	18.730	(1.536)
Dental Services	34.660	27.418	27.240	(0.178)
Health Care Access	9.380	8.166	6.530	(1.636)
Community Impact				
PPRE	7.505	7.000	9.700	2.700
Evaluation	3.170	3.000	4.200	1.200
Integrated Care (Transitioning)	9.430	6.850	-	(6.850)
Health Promotion (Transitioning)	6.135	2.685	0.275	(2.410)
Resource Development (Eliminated)	0.400	-	-	-
Leased Offices (Eliminated)	0.250	-	-	-
Total FTE	102.860	106.560	95.025	(11.535)



2025 EXPENSE RATIOS

78%

Program Expense Ratio

68%

Personnel Expense Ratio

22%

Administrative Ratio



2025 HEALTH SERVICES PRIORITIES

Dental Care

Behavioral Health Care

Access to Care

Family Dental Clinic

Providing affordable access to dental care for adults and children.

Key Points:

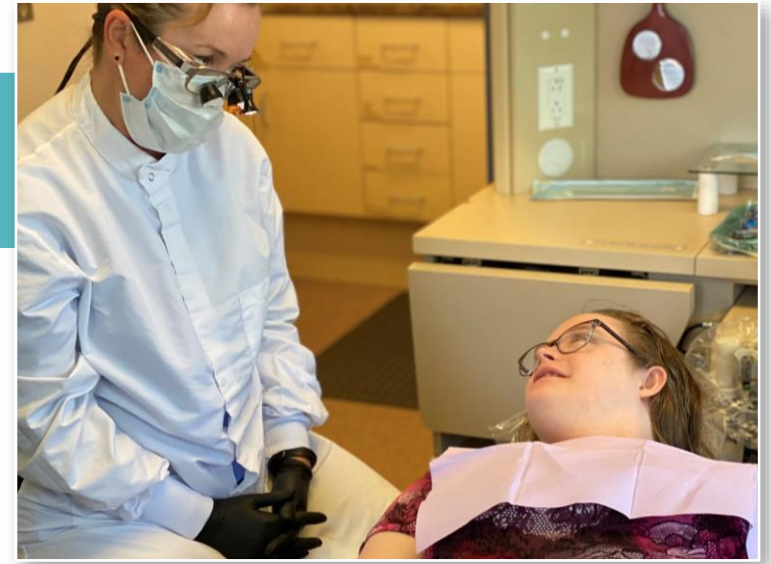
Budget Impact: \$4.3M

Program Considerations

- Budget was created to centralize dental billing and grant management and expand care coordination to prepare for the integration of a client services campus.
- Revenue projections were approached conservatively to balance an increase in uninsured and an increased reimbursement rates.

Efficiency & Effectiveness Next Steps

- Some revised staffing structures are reflected in the 2025 budget with ongoing assessment of efficiency expected in 2025.
 - Development of consistent chart of accounts will assist with efficiency metrics.
- Working with in-house data and eval team to improve client data and program activities data collection and to establish program effectiveness and outcome measures.



Mental Health Connections

Assessment, services, and referrals for people seeking behavioral health care.

Key Points:

Budget Impact: \$2.9M

Program Considerations

- The 2025 budget was designed to standardize access to services, capture data, evaluate service demand and staff utilization, and integrate services into a client services campus.
- An increase in revenue is planned with the implementation of third-party billing (Medicaid).

Efficiency & Effectiveness Next Steps

- Efficiency Improvements: Some revised staffing structures are reflected in the 2025 budget with ongoing assessment of efficiency expected in 2025.
 - Development of consistent chart of accounts will assist with efficiency metrics.
- Effectiveness Metrics: Working with in house data and eval team to improve client data and program activities data collection and to establish program effectiveness and outcome measures.

Larimer Health Connect

Finding and understanding health insurance to fit clients' needs.

Key Points:

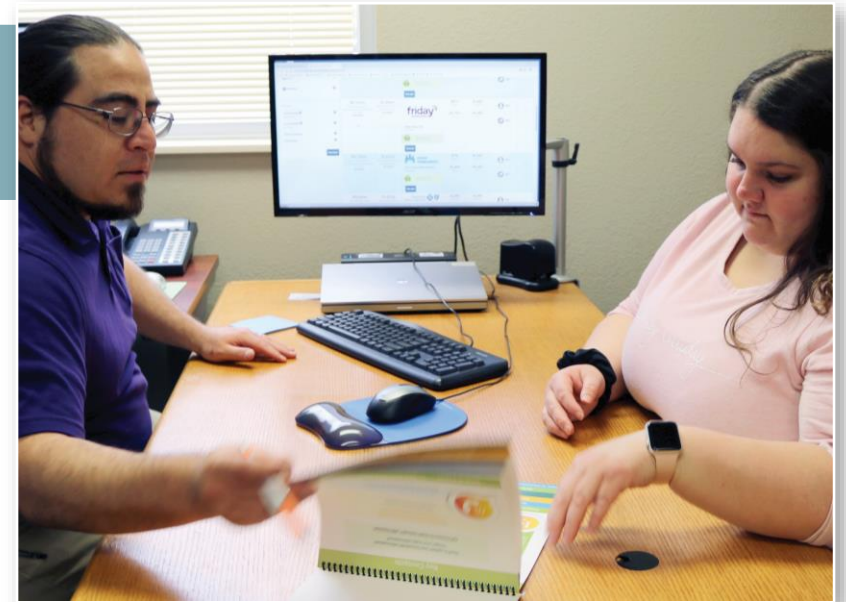
Budget Impact: \$863K

Program Considerations

- Budget was created with the intention to utilize 2025 to decrease overhead, maximize funding, and integrate services into a client services campus.

Efficiency & Effectiveness Next Steps

- Some revised staffing structures are reflected in the 2025 budget with ongoing assessment of efficiency expected in 2025.
 - Development of consistent chart of accounts will assist with efficiency metrics.
- Effectiveness Metrics: Working with in house data and eval team to improve client data and program activities data collection and to establish program effectiveness and outcome measures.



Planning, Policy, Research & Evaluation (PPRE)

Grassroots and grass-tops data-driven **community impact** and strategy.

Key Points:

Budget Impact: \$2.1M

Program Considerations

- Budget reflects an expanded research & evaluation team to support programmatic objectives in measurement and evaluation for Health District and funded community services.
- Community Health Assessment (CHA) costs have been adjusted to reflect co-delivery with partner organizations.
- Budget reduces state-level policy work to focus on community-based activity with lower-level state lobbying support for critical activities.



Community Partnerships: Integrated Care and Health Promotion

Shared staffing to provide behavioral health services and medical resident training and nursing services at partner agencies.

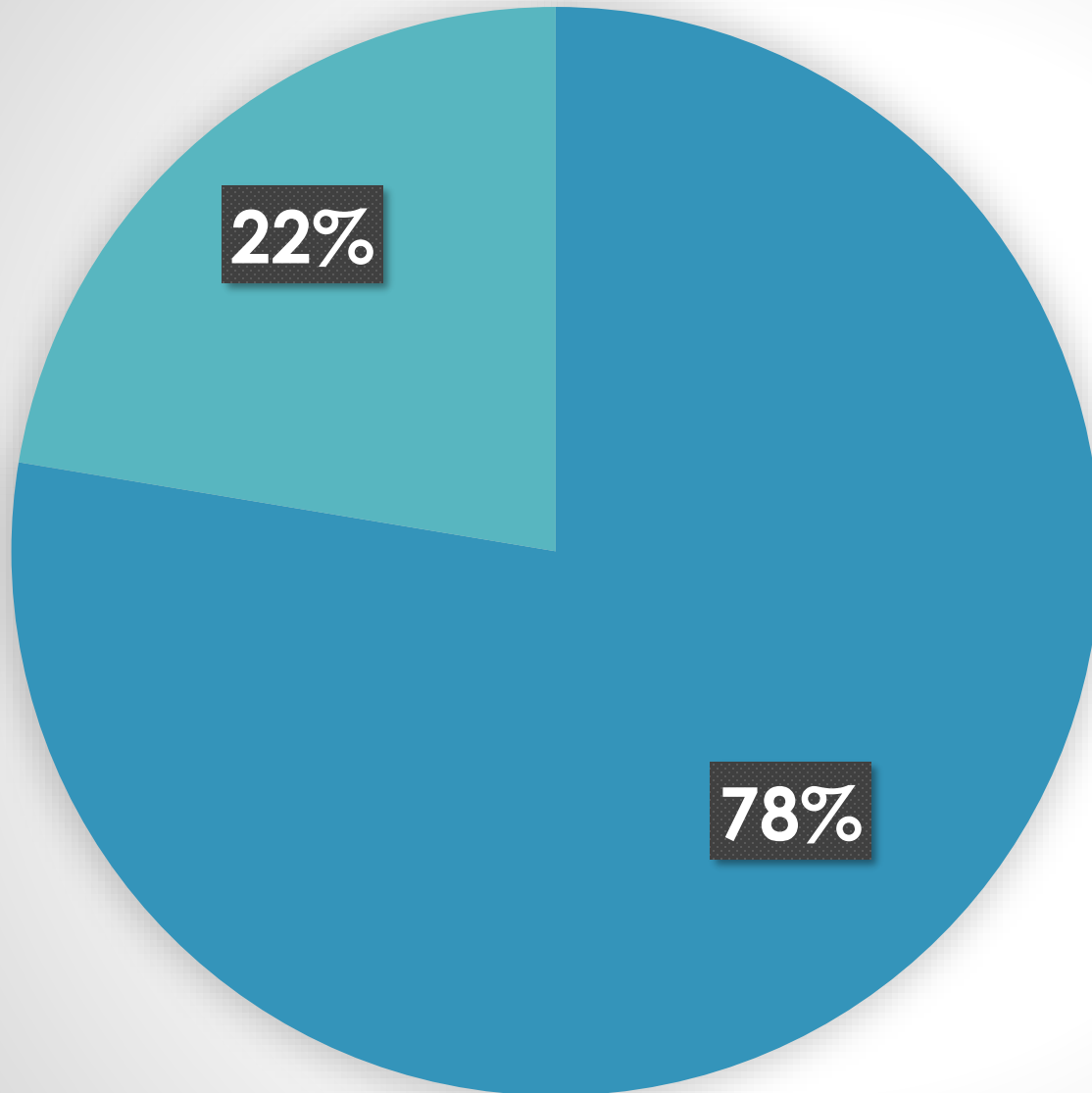
Key Points:

Budget Impact: \$1.2M

Program Considerations

- Budget was created with the intention to utilize 2025 to shift from a staffing support model to a funding partnership model to support efficiencies, improve data collection, and communicate progress on shared goals and outcomes.
- Shift from operational staffing to community funding is reflected in the budget for shared staffing models.
- The Health Promotion program budget for 2025 includes two months of transitional operational dollars for existing staff with a subsequent shift to community funding to focus on higher-priority community needs.

2025 EXPENSE RATIOS



- Program Expenses
- Administrative

Administration – Communications

STRAT PLAN GOALS: Strengthen communications functions and strategy both internally and externally, and promote conditions that improve visibility, organizational transparency, and the use of our programs and services.

Enhance Department Infrastructure

- Staff development
- CLAS standards and equity-focused content review processes
- Infrastructure to support process automation and analysis of communications strategies.

Enhance Communications and Brand Awareness

- Implement a new Health District website and associate products to improve equitable access to information.
- Enhance outreach to clients and residents through diverse, effective, and inclusive outreach and multi-channel marketing strategies.
- Budget will support a comprehensive communications strategy for 2025 to increase education in our community about Health District services.

Administration – Human Resources

STRAT PLAN GOAL:

Be an employer of choice in Larimer County by integrating an “excellence and equity” lens into all employment processes and the HR lifecycle.

- Human Resources (HR) Human Resources Information System/Human Capital Management system (HRIS/HCM) will be implemented in conjunction with Payroll for improved processes to enhance the HR lifecycle
- Refining, retain, and attract and employ diverse and highly qualified staff
- Provide high-quality, year-round staff development and leadership training across all levels of the organization to provide development and growth opportunities to address increasingly complex organizational needs
- Work with consultant for Performance Management support
- Creating personnel policies and procedures
- Revisions to Employee Handbook

Administration - Finance

Strat Plan Goal: Protect the integrity of the Health District's financial position and foster financial stewardship and accountability.

- Align budgetary goals with strategic plan and address existing structural budget to ensure long-term financial stability through monthly Budget Analyst Meetings with all Directors and Program Managers for continuous improvement in financial tracking and budgeting
- Update financial system
 - New Accounting Software implementation
 - Creation/Refinement of Policies and procedures
 - Creation of a new chart of accounts
- Work with financial consultants for continuous improvement, enhanced processes, communication and internal controls
- Staff will receive further professional training and support

Capital Projects: Long-Term Planning

Strat Plan: Strengthen facilities and infrastructure management to enable the delivery of high-quality services .

Upcoming Major Capital Expenses:

- Consolidated Client Health Campus
- HVAC maintenance: Rooftop Units
- Reconfiguring the 2001 S. Shields building
- LED lighting

Long-Term Projections:

- Facilities Assessment Complete: Multi-Year Capital Projects have been forecasted and budgeted

Asset and IT Maintenance:

- Costs for ongoing building expenses such as utilities, custodial, rent,
- and building/equipment maintenance have increased by 10% this year.



RISK MANAGEMENT/ COMPLIANCE/ REGULATIONS

► RISK MANAGEMENT

- Reduction in property tax revenue
- Cross-training for continuity of operations
- Diversification of revenue streams
- Strong financial health
- Adequate reserve funds
- Compliance training for all staff
- Property and casualty insurance
- Professional liability insurance
- Cyber insurance
- Long-term facilities planning
- Electronic health information
- 2025 Election
- HIPAA
- Medicaid
- HR policies
- Financial audits
- Digital accessibility
- Cybersecurity

CERTIFICATION OF TAX LEVIES

	2023	2024	2025
Gross Assessment	\$9,129,138	\$11,844,844	\$11,403,191
Less: Tax Increment Financing	(\$503,973)	(\$641,348)	(\$641,759)
Net Revenue to Health District	\$8,625,165	\$11,203,496	\$10,761,432

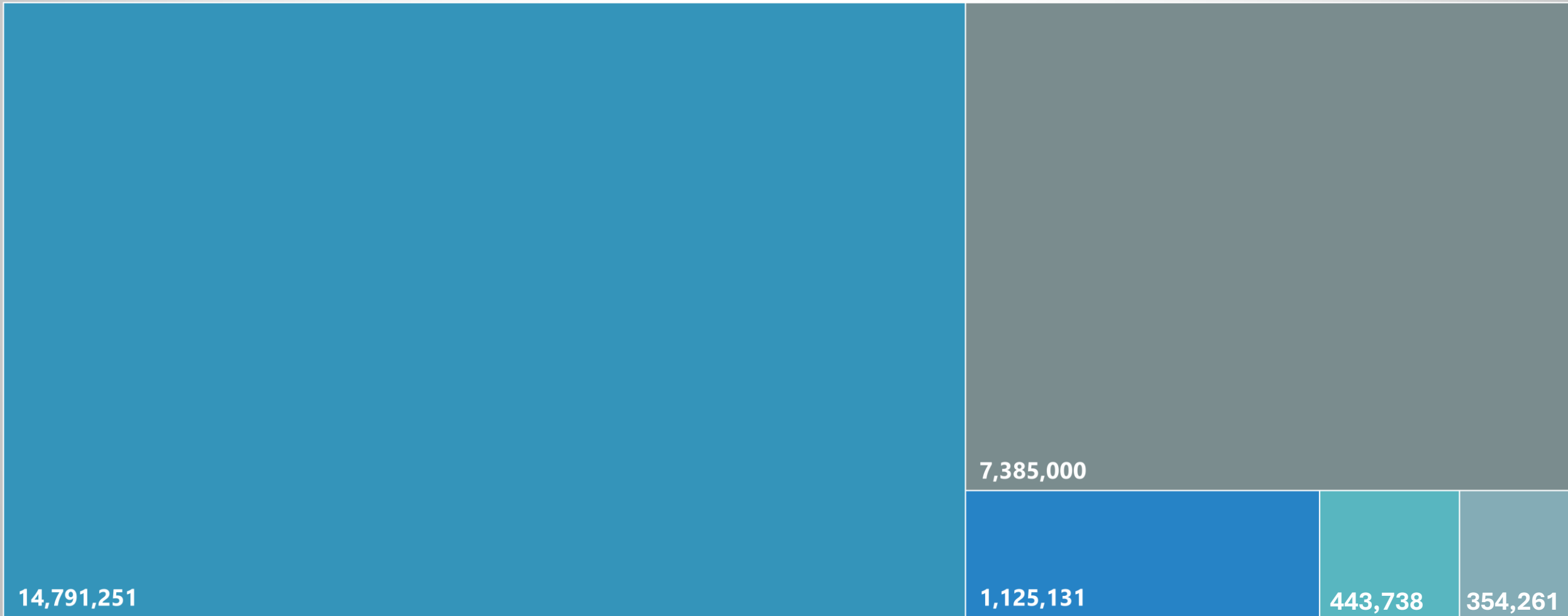
Current Mill Levy: **2.167**

APPROPRIATION OF FUNDS

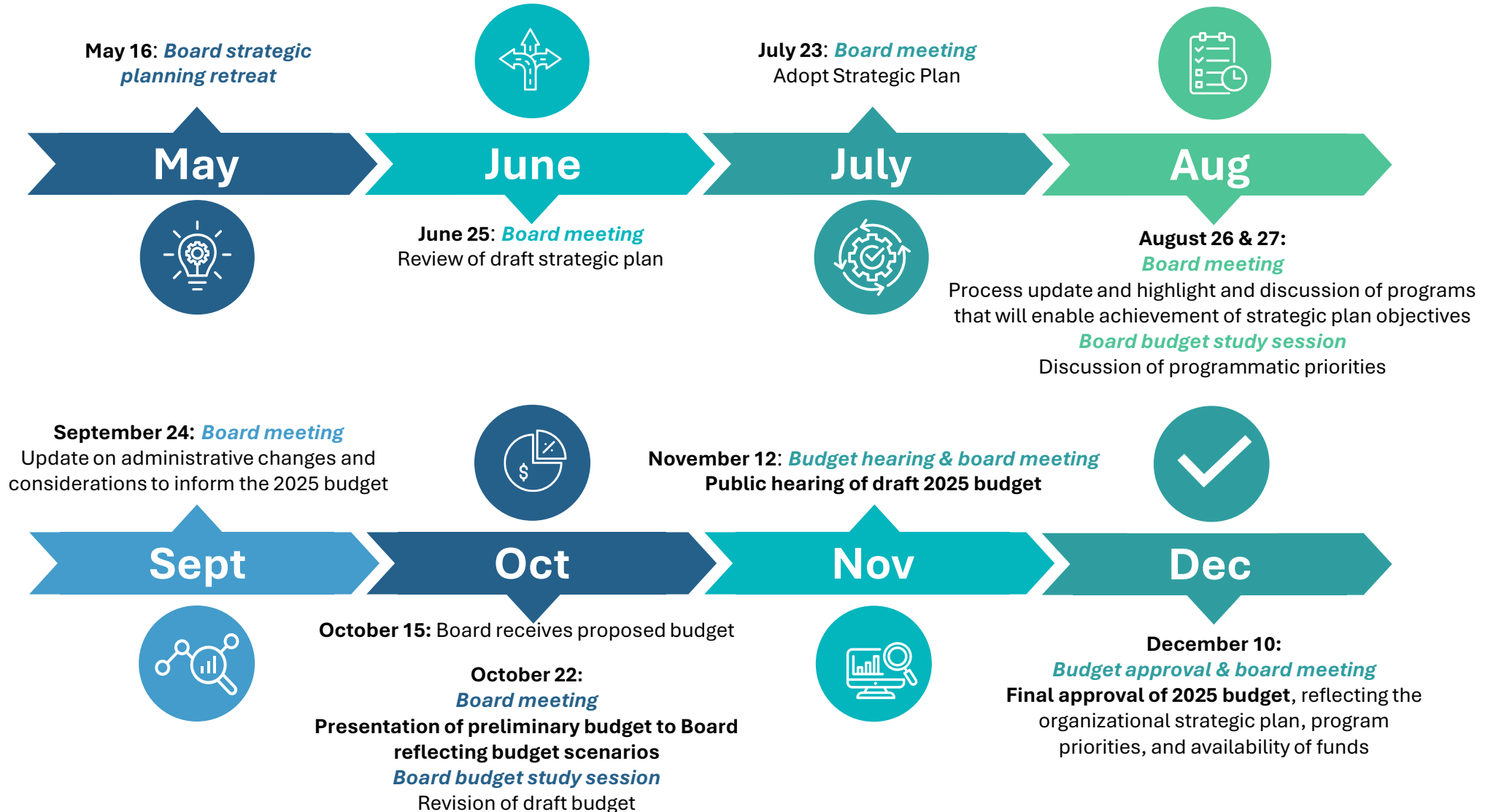
Appropriation of Governmental Fund Balance	
Beginning Governmental Fund Balance	\$ 9,303,982
Total Revenues	\$ 14,795,398
Total Available Resources	\$ 24,099,380
Expenditures	\$ 14,791,251
Capital Expenditures	-
Contingency	-
Total Expenditures	\$ 14,791,251
Ending Governmental Fund Balance	\$ 9,308,129
Appropriation of Fund Balance:	
Restricted Reserves	\$ 443,738
Committed Reserves	-
Assigned Reserves	\$ 7,385,000
Unassigned Reserves	\$ 354,261
Capital Reserves	\$ 1,125,131
Total Reserve Funds	\$ 9,308,129

2025 APPROPRIATION FUNDS

- Operating Expenses
- Restricted Reserves
- Committed Reserves
- Assigned Reserves
- Unassigned Reserves
- Capital Reserves



2025 BUDGET PLANNING/REQUIREMENTS





QUESTIONS?