



ARAPAHOE COUNTY

Financial Update

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Agenda

- Federal Landscape
- CALPHO Policy Update
- FY25 1st Quarter Financials
- FY26 Preliminary Budget Review
- Funding Challenges

Federal Landscape – One Big Beautiful Bill Act

- Passed by House of Representatives May 22, now in the Senate
- How could this bill impact ACPH and the population we serve:
 - Ryan White – potential for either flat funding or a significant cut to HIV prevention funding
 - WIC/SNAP – potential for reduced funding
 - Bill includes cuts to federal spending which could strain the State's budget and how it funds programs like WIC
 - Bill proposes significant cuts to SNAP
 - Title X – potential for reduced funding
 - Medicaid work requirements
 - Immigration status restrictions
 - Changes to Medicaid eligibility requirements
 - Increased coverage loss for noncompliance with work requirements
 - Future challenges for states to fund their share of Medicaid
 - Extreme administrative burden for States

Federal Landscape- Executive Orders

Executive orders impacting policy and funding:

- DOGE federal funding cuts
 - Directs each agency head, in consultation with their DOGE Team Lead, to review all existing “covered contracts and grants”
 - Terminate or modify such to attain one of three aims:
 - Reduce federal spending
 - Reallocate spending to promote efficiency
 - Advance the policies of the Trump administration
- DEI/DEIA
 - End all federal government diversity, equity, inclusion and accessibility programs, policies and mandates
 - Terminate all federal positions related to DEI, DEIA, and environmental justice
 - Terminate DEIA-related contracts



CALPHO Policy Updates - Wins

Top 3 wins of the recent Colorado legislation:

- Protected local public health infrastructure funding
 - We were expecting a 5-10% reduction in funds
- Passed graduated retail food fee increases
 - 2026 – Maximum fee levels will increase by 25%
 - 2027 – Maximum fee levels will increase by an additional 17%
 - 2028 – Maximum fee levels will increase by an additional 20%
- Defeated Cottage Foods Act expansion
 - Would allow the sale of homemade foods requiring refrigeration
 - This posed a potential food safety risk

FY25 Quarterly Financials

1st Quarter High Level Summary

Revenue

- Collected 25.4% of Budget
- Total Revenue \$6.27m
- \$1.9m in County Contribution
- \$3.1m in Reimbursable Grant Revenue

Expense

- Expensed 26.55% of Budget
 - Total Expenses \$6.6m
 - Salary and Benefits Total \$5.6m, 84.4% of budget
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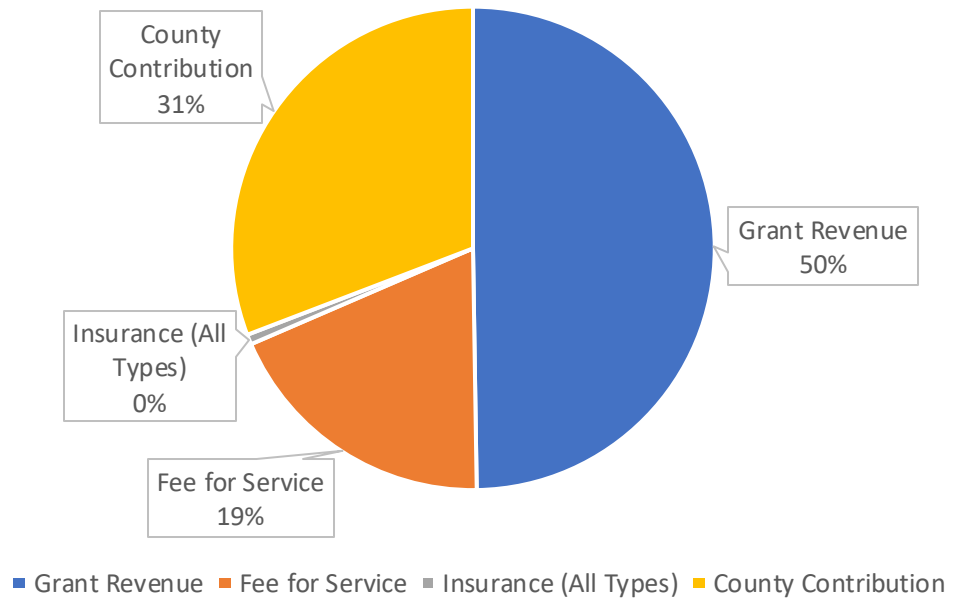
1Q25 Financial Summary

Commitment Item	FY 2025 Budget	1Q25 YTD Actuals	Budget % YTD (25% thru FY)
Revenue			
Fee for Service	\$ (1,961,040.00)	\$ (1,176,772.26)	60.01%
Medicaid, Insurance Reimbursement	\$ (362,204.00)	\$ (41,890.31)	11.57%
Federal Grant	\$ (7,607,428.00)	\$ (1,860,246.67)	24.45%
State Grant	\$ (6,804,215.00)	\$ (1,167,179.83)	17.15%
Other Grant	\$ (443,474.00)	\$ (93,536.17)	21.09%
County General Funds	\$ (7,732,724.00)	\$ (1,933,181.00)	25.00%
Investment Returns	\$ (85,000.00)	\$ -	0.00%
Total Revenue	\$ (24,996,085.00)	\$ (6,272,806.24)	25.10%
Expenditures			
Salaries	\$ 17,038,035.00	\$ 4,433,721.20	26.02%
Employee Benefits	\$ 4,694,151.00	\$ 1,167,507.78	24.87%
Supplies	\$ 738,884.00	\$ 188,500.65	25.51%
Services and Other	\$ 2,096,332.00	\$ 748,548.70	35.71%
Capital Outlay	\$ 59,959.00	\$ -	0.00%
Central Services	\$ 341,675.00	\$ 98,328.97	28.78%
Transfer Out	\$ 27,049.00	\$ -	0.00%
Total Expenditures	\$ 24,996,085.00	\$ 6,636,607.30	26.55%

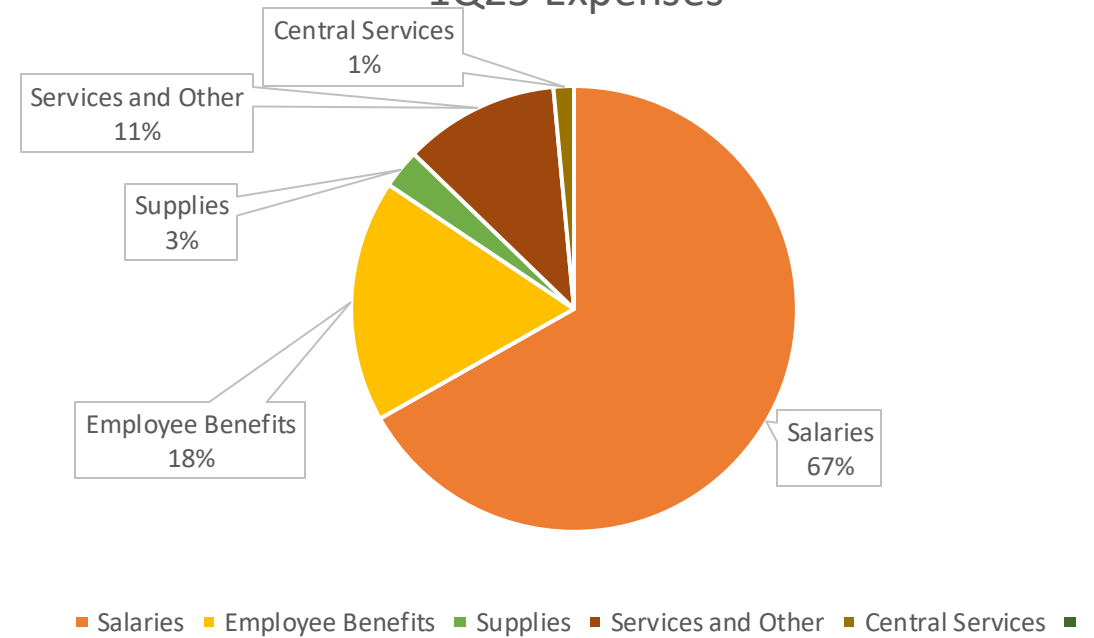


1Q25 Financial Summary

1Q25 Revenue



1Q25 Expenses





Overview FY2026 Budget

- Boards of Health are required to adopt an annual budget by September 1, per CRS 25-1-511(4)
 - The Public Health Department's budget is part of Arapahoe County's overall budget, which must be approved by the Board of County Commissioners each December
 - The new few slides will cover:
 - FY2026 Budget Package Asks
 - Preliminary FY2026 Revenue and Expenses
 - Timeline
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Timeline

- June – BOH meeting: FY26 Budget review, no action needed
 - July – Budget sub-committee meeting: review draft budget
 - Aug – BOH meeting: adoption of FY26 Budget
 - Sept – Sub-committee present budget to Executive Budget Committee
 - Oct – BOCC receives proposed budget package
 - Dec – BOCC adopts FY26 budget
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FY2026 Budget Asks – Priority 1, WIC

- Purpose: Reduce the caseload per WIC Educator, eliminate extended wait times, and increase staff retention.
 - Increase WIC capacity by 3 FTE over the next 3 years.
 - The impact, if not funded, is that clients may go to another county if they are not able to get an appointment, which negatively impacts our funding formula.
 - Clients may also simply drop out of the program and go without essential services
 - Budget ask for FY2026:
 - 1 FTE WIC Staff Member
 - \$124,934 in salary and benefits; ongoing
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FY2026 Budget Asks – Priority 2, EH

- Purpose: Increase EH capacity to improve work distribution among Inspectors as the County grows; increase opportunities to conduct outreach and education programs; increase staff retention.
 - ACPH has the FTE for Healthy Building Specialist, but not the funds. EH responds to over 700 complaints/year. This position will build much needed capacity to work with municipalities and respond to housing and building concerns.
 - If not funded, we risk employee burnout, inability to keep up with growth, and ability to provide the basic requirement for inspections.
 - Budget ask for FY2026:
 - 1 FTE, Fund Industrial Hygienist (Healthy Building Specialist)
 - \$110,709 salary and benefits; ongoing
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FY2026 Budget Asks – Priority 3, CHIP

- Purpose: Implementation of the CHIP and BOCC priority areas
 - Economic Mobility and Security (includes access to food, health care and housing)
 - Safety
 - Grant funding is very limited or not available for food security, safety, and social connectedness efforts.
 - If funded, staff will work on the following initiatives:
 - Food security: food banks improve nutritional quality and meet volume demand through collaborative buying, shared warehousing, transportation efficiencies, and other economies of scale
 - Population-level safety interventions to reduce injuries and deaths
 - If not funded, we may need to modify or eliminate goals and objectives in CHIP, which would result in a reduced impact on community health outcomes
 - Budget ask for FY2026:
 - 2 new FTE
 - \$238,847 for salary and benefits; ongoing
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FY2026 Budget Asks – Priority 4, EH LUBE

- Purpose: To advocate for and help shape the design of well-connected communities with a lens for community health and wellbeing, including:
 - Walkability, building and street design, drinking water supply, wastewater infrastructure, vector control plans, public transportation, etc.
 - How a community is designed and built can significantly impact a person's mental wellbeing and physical health.
 - A Land Use & Built Environment Specialist would promote healthy behaviors and ensure that health and environmental issues are routinely identified and addressed in planning and development.
 - Budget ask for FY2026:
 - 1 FTE, Land Use & Built Environment Specialist
 - \$124,732 salary and benefits; ongoing
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FY2026 Budget Asks – Priority 5, Access to Care

- Purpose: Increase access to care for underserved populations and communities with higher needs.
 - Increasing access to care reduces the burden on the health system
 - Fewer ER visits
 - Chronic disease management
 - Decrease in uncompensated care
 - This position could increase Medicaid reimbursement opportunities for public health
 - Especially important considering the uncertainty of federal grant funds
 - Budget ask for FY2026:
 - 1 new FTE, Medicaid Enrollment Specialist
 - \$80,274 for salary and benefits; ongoing
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Year over Year Comparison

Revenue	2023 Actuals	2024 Actuals	2025 Budget	FY2026 Projected Budget	\$ Difference: FY25 v FY26	% Difference: FY25 v FY26
Grant	\$ 15,914,439	\$ 15,718,745	\$ 14,411,643	\$ 13,091,022	\$ (1,320,621)	-9.2%
Fee for Service	\$ 1,831,200	\$ 2,132,615	\$ 2,323,244	\$ 2,626,644	\$ 303,400	13.1%
Misc Revenue*	\$ -	\$ 188,149	\$ 528,474	\$ 204,057	\$ (324,417)	-61.4%
Public Health Funds					\$ -	
On-Going	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ -	0.0%
On-going due to merit/comp		\$ 110,884	\$ 843,381	\$ 1,092,854	\$ 249,473	29.6%
On-going budget asks		\$ 253,590	\$ 459,482	\$ 459,482	\$ -	0.0%
One Time	\$ 1,762,000	\$ 717,000	\$ 429,861		\$ (429,861)	
Public Health Funds Total	\$ 7,762,000	\$ 7,081,474	\$ 7,732,724	\$ 7,552,336	\$ (180,388)	-2.3%
Totals	\$ 25,507,639	\$ 25,120,983	\$ 24,996,085	\$ 23,474,059	\$ (1,702,414)	-6.8%
Expense						
Salaries	\$ 15,058,586	\$ 15,183,665	\$ 17,038,035	\$ 15,552,419	\$ (1,485,616)	-8.7%
Benefits	\$ 4,128,464	\$ 4,028,354	\$ 4,721,200	\$ 4,723,489	\$ 2,289	0.0%
Supplies	\$ 1,364,300	\$ 861,948	\$ 798,843	\$ 616,592	\$ (182,251)	-22.8%
Services	\$ 3,223,384	\$ 3,314,379	\$ 2,033,850	\$ 2,122,217	\$ 88,367	4.3%
Community Programs		\$ 56,571	\$ 62,482	\$ 9,790	\$ (52,692)	-84.3%
County Services	\$ 732,905	\$ 353,300	\$ 341,675	\$ 449,552	\$ 107,877	31.6%
Totals	\$ 24,507,639	\$ 23,798,217	\$ 24,996,085	\$ 23,474,059	\$ (1,522,026)	-6.1%



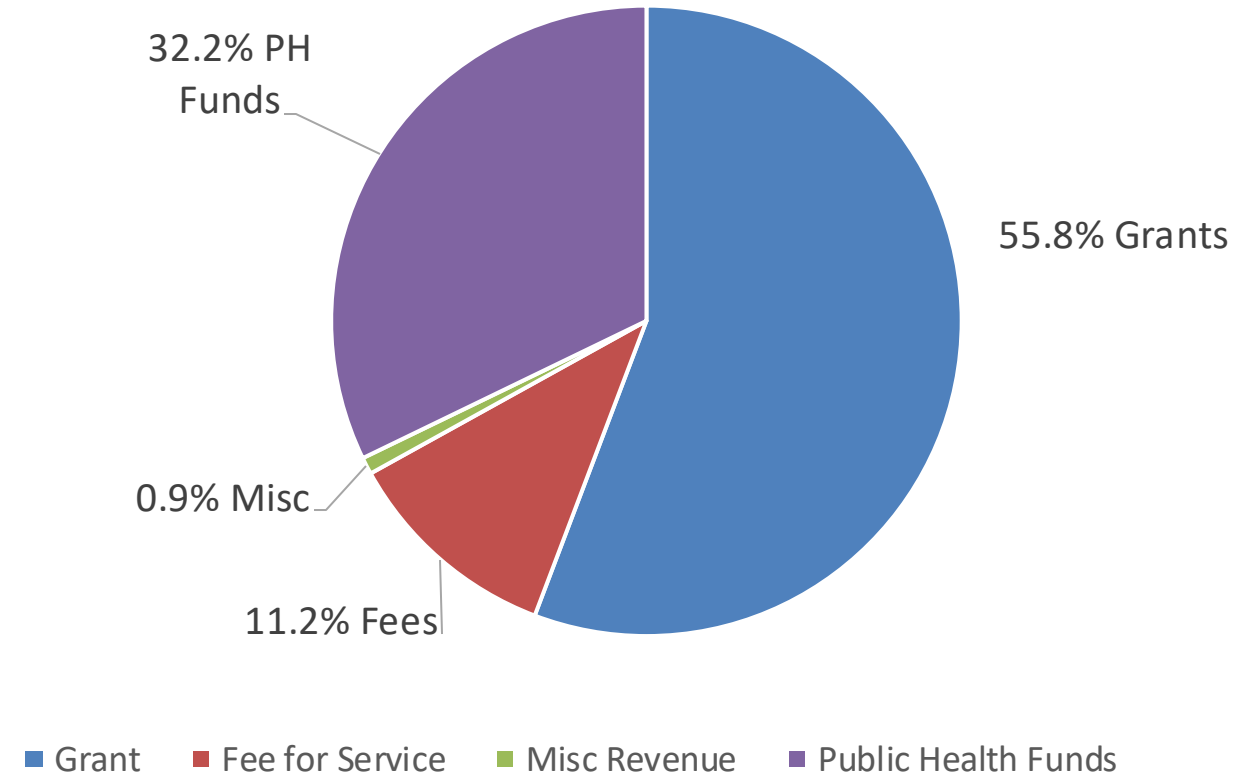
FY2026 – Financial Impact: Budget Asks

Revenue	FY2026 No Budget Asks	FY2026 w Budget Asks	\$ Difference
Grant	\$ 13,091,022	\$ 13,091,022	
Fee for Service	\$ 2,626,644	\$ 2,626,644	
Misc Revenue*	\$ 204,057	\$ 204,057	
Public Health Funds			
On-Going	\$ 6,000,000	\$ 6,000,000	
On-going due to merit	\$ 1,092,854	\$ 1,092,854	
On-going budget asks	\$ 459,482	\$ 1,143,967	\$ 684,485
One Time			
Public Health Funds Total	\$ 7,552,336	\$ 8,236,821	
Totals	\$ 23,474,059	\$ 24,158,544	\$ 684,485
Expense			
Salaries	\$ 15,552,419	\$ 16,082,898	\$ 530,479
Benefits	\$ 4,723,489	\$ 4,877,495	\$ 154,006
Supplies	\$ 616,592	\$ 616,592	
Services	\$ 2,122,217	\$ 2,122,217	
Community Programs	\$ 9,790	\$ 9,790	
County Services	\$ 449,552	\$ 449,552	
Budget Asks			
Totals	\$ 23,474,059	\$ 24,158,544	\$ 684,485



FY26 Budget – Projected Revenue

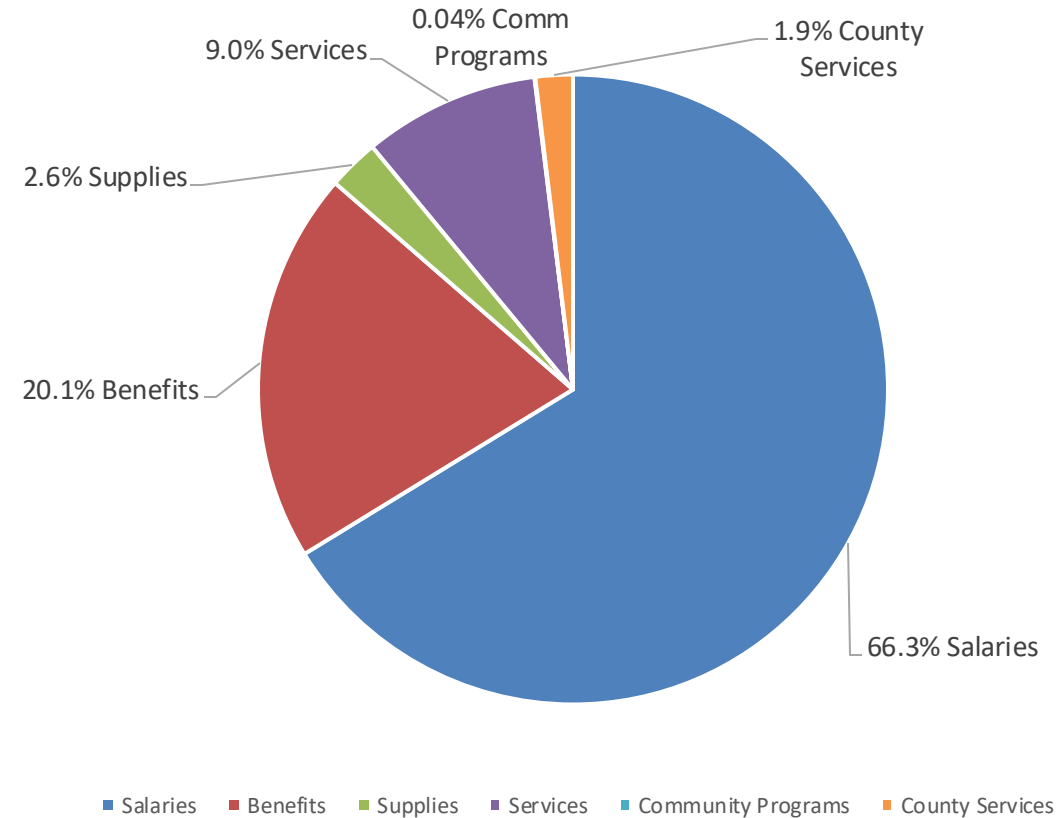
Revenue	\$ Totals	Overall Percentage	Grant %
Total Grant Revenue	\$ 13,091,022.00	55.8%	
Federal	\$ 5,847,651.00		44.7%
State	\$ 6,941,371.00		53.0%
Other	\$ 302,000.00		2.3%
Fee for Service	\$ 2,626,644.00	11.2%	
Misc Revenue	\$ 204,057.00	0.9%	
Public Health Funds	\$ 7,552,336.00	32.2%	
	\$ 23,474,059.00		





FY26 Budget – Projected Expenses

Expenses		\$ Totals	Overall Percentage
Salaries	\$	15,552,419.00	66.3%
Benefits	\$	4,723,489.00	20.1%
Supplies	\$	616,592.00	2.6%
Services	\$	2,122,217.00	9.0%
Community Programs	\$	9,790.00	0.04%
County Services	\$	449,552.00	1.9%
	\$	23,474,059.00	



Funding Challenges for FY2026

- Ongoing instability of federal funding, particularly for immunizations, WIC, family planning, and disease surveillance
 - Uncertainty in the face of the Colorado State budget shortfalls
 - Difficulty developing a FY2026 budget amidst unclear grant funding opportunities
 - Concern over DEI-related funding threats and executive orders impacting programs serving marginalized populations
 - Overall staff anxiety around grant funding and program reductions (not a funding challenge, per se)
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Questions