



# 2025 RECOMMENDED BUDGET

BOCC PUBLIC HEARING – OCTOBER 8, 2024



# PREAMBLE

I am pleased to submit herewith a recommended budget for 2025 that is balanced and in conformance with Colorado law, including the Taxpayer's Bill of Rights (TABOR). In addition to the budget of the Arapahoe County Government, included herein are the budgets for the:

- Arapahoe Law Enforcement Authority
- Arapahoe County Recreation District
- Arapahoe County Water & Wastewater Public Improvement District
- Arapahoe County Building Finance Corporation
- Arapahoe County Public Health Fund
  
- The General Fund operating budget is structurally balanced with a \$791,000 surplus
- Budget spread across 27 different funds
- More information to adjust within budget – property tax values, total compensation refresh, etc.

# 2025 BUDGET QUICK FACTS & FIGURES

- Total Revenues (all funds): \$563.4 million, 4.6% increase (*\$538.7 million '24*)
  - General Fund revenue: \$254.4 million, 5.6% increase (\$252.3 million ongoing) (*\$241.0M '24*)
- Total Expenditures (all funds): \$571.8 million, 3.6% increase (*\$552.1 million '24*)
  - General Fund expenditures: \$270.4 million, 9.6% increase (\$251.5 million ongoing) (*\$ 246.7M '24*)
- Total Staffing: 2,836.32 FTE, up 192.10 FTE from '24 (*2,644.22 '24 amended*)
  - General Fund staffing: 1,590.62 FTE, recommended adding 9.10 FTE through discretionary requests (net of 189.10 from '24)
- Estimated Ending 2025 General Fund Balance: \$68.3 million (\$16.0 million use)
- Total County Net Assessed Value (estimated): \$15.6 billion, down 1.8% from '24
- Total County Mill Levy (estimated): 11.823 mills (15.821 maximum allowable) 11.206 in '24
  - Temporary Tax Credit: -4.062 mills for 2025 collections
- Capital Improvement Program budget: \$10.2 million

# 2025 BUDGET - REVENUE

- Property Tax

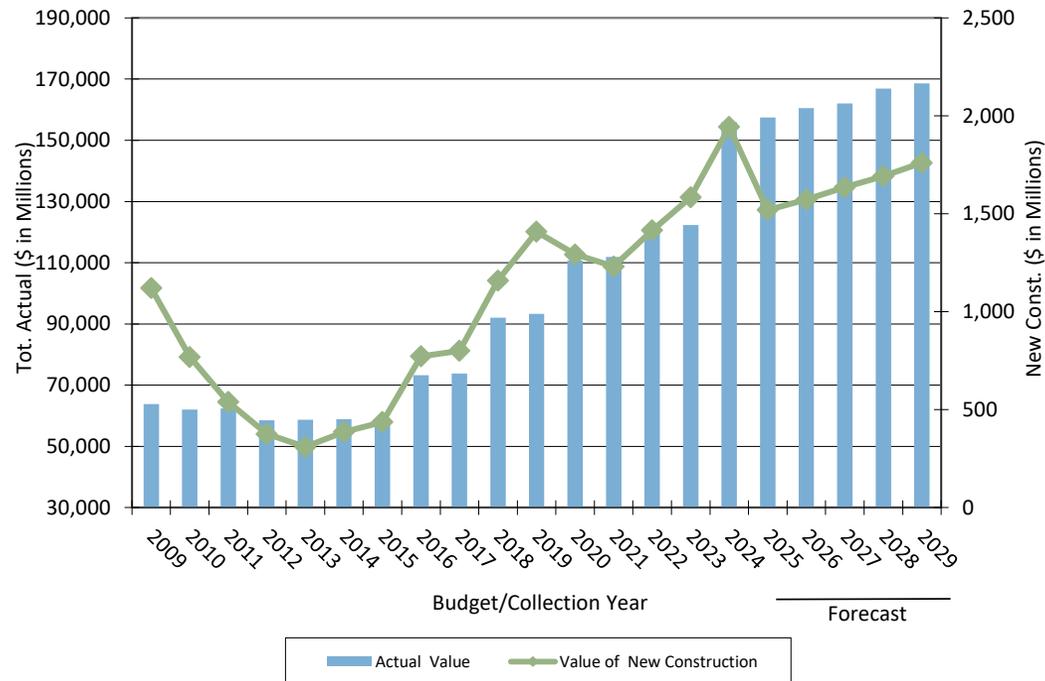
(\$ in millions)	2024	Prelim. Cert. 8/28	
		2025	Growth
Total Actual Value	155,914.0	157,505.5	1.0%
Total Assessed Value	15,866.2	15,577.5	-1.8%
New Construction			
Actual Value	1,943.8	1,519.1	-21.8%
Assessed Value	227.7	160.9	-29.3%
Assessed Value of TIFs	280.3	292.2	4.2%
Metro Area Inflation Rate	5.2%	2.6%	

- TABOR Calculation Estimate for 2025

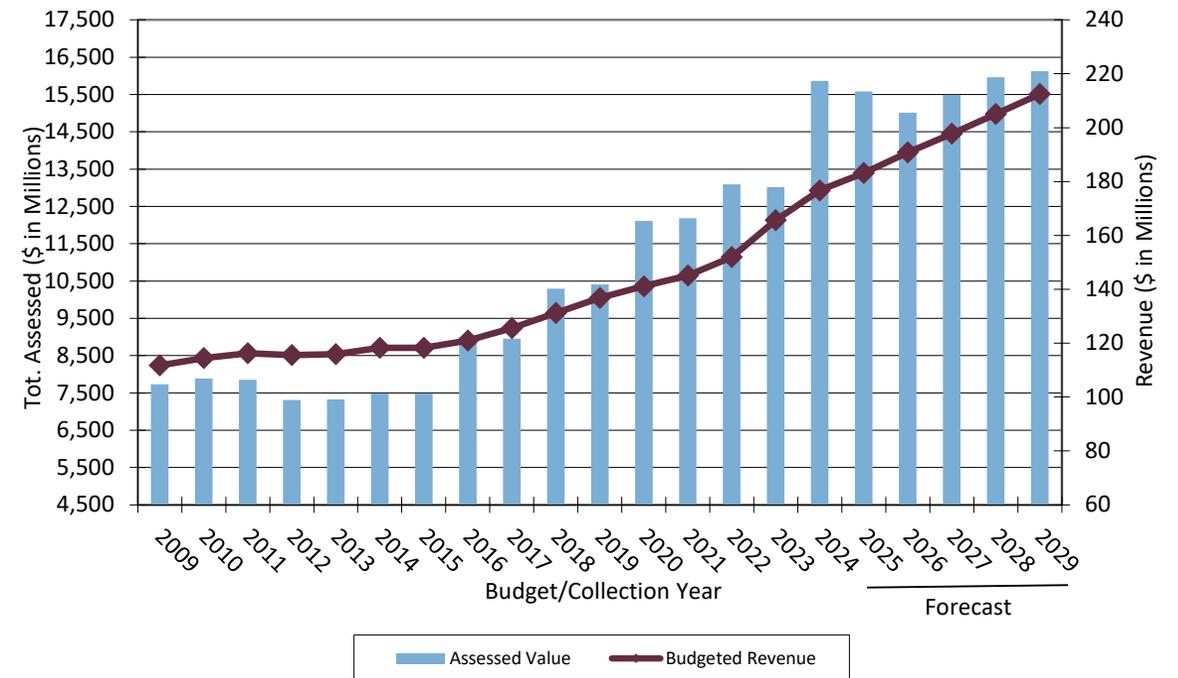
- Local Growth 1.11%
- Inflation Rate 2.55%
- TABOR Factor 3.66%

# 2025 BUDGET - REVENUE

### Total Actual Value and New Construction Trend

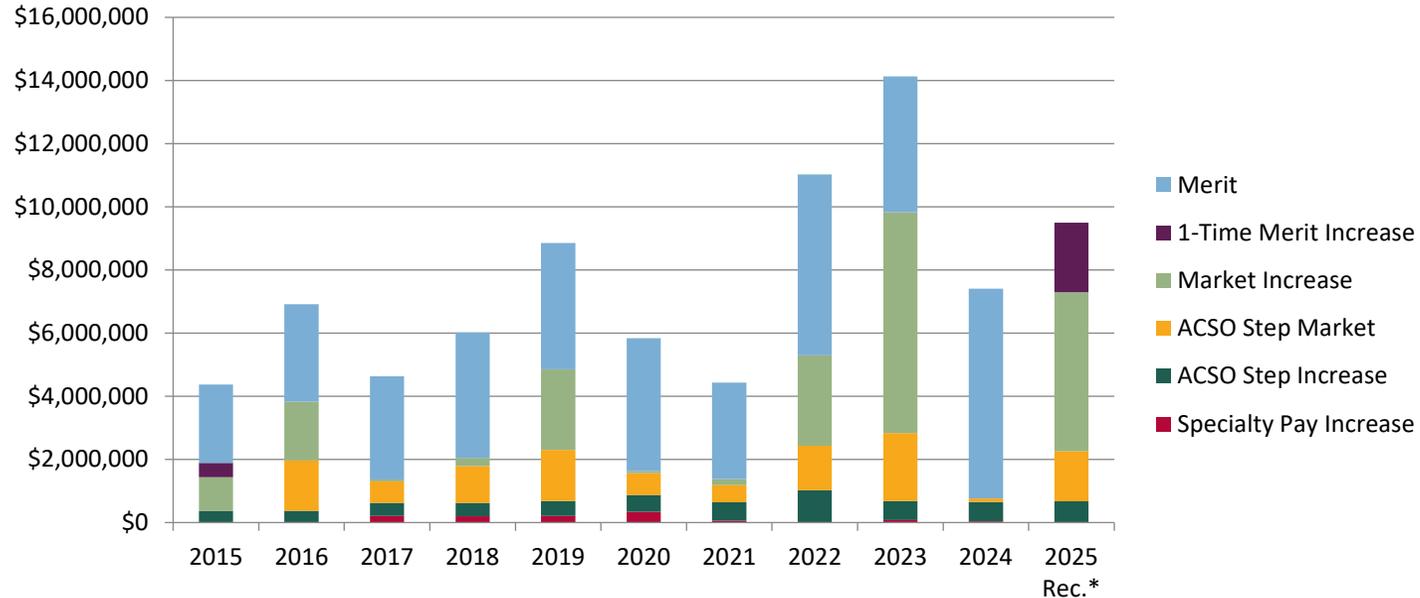


### Total Assessed Value and Revenue Trend



# 2025 BUDGET - EXPENDITURES

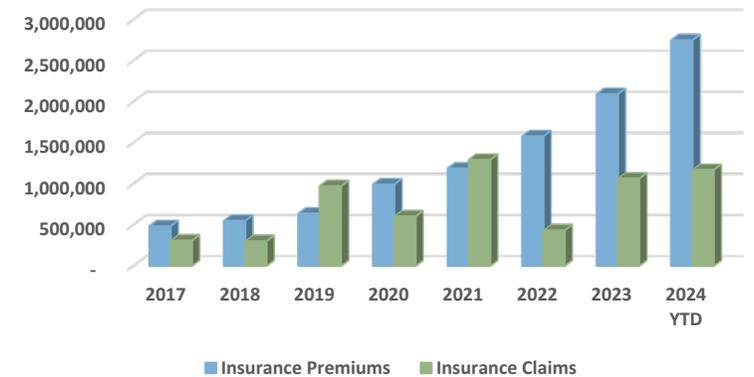
## Growth in Total Compensation - Employee Salaries



## ■ Inflationary Growth in Costs

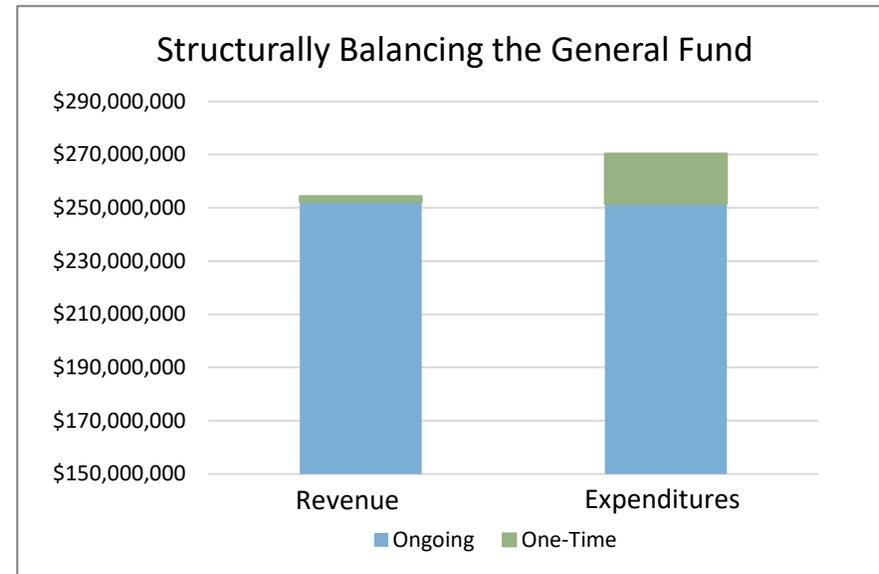
- Equipment & Vehicles
- Materials
- Labor
- Insurance Premiums

## Self-Insurance Premiums & Claims



# 2025 BUDGET – STRUCTURALLY BALANCE GENERAL FUND

Category	Amount in Millions
<b>REVENUE</b>	
Baseline	\$ 245.61
Budget Packages - Ongoing	\$ 6.69
Budget Packages - One-Time	\$ 2.12
<b>TOTAL REVENUE</b>	<b>\$ 254.42</b>
<b>EXPENDITURES</b>	
Baseline	\$ 241.47
Budget Packages - Ongoing	\$ 10.04
Budget Packages - One-Time	\$ 18.95
<b>TOTAL EXPENDITURES</b>	<b>\$ 270.46</b>
Operating Revenue	\$ 252.30
Operating Expenditures	\$ 251.51
<b>Net Operating - Surplus/(Deficit)</b>	<b>\$ 0.79</b>
<b>Net Use of Fund Balance</b>	<b>\$ (16.04)</b>



# 2025 BUDGET – STRUCTURALLY BALANCE GENERAL FUND

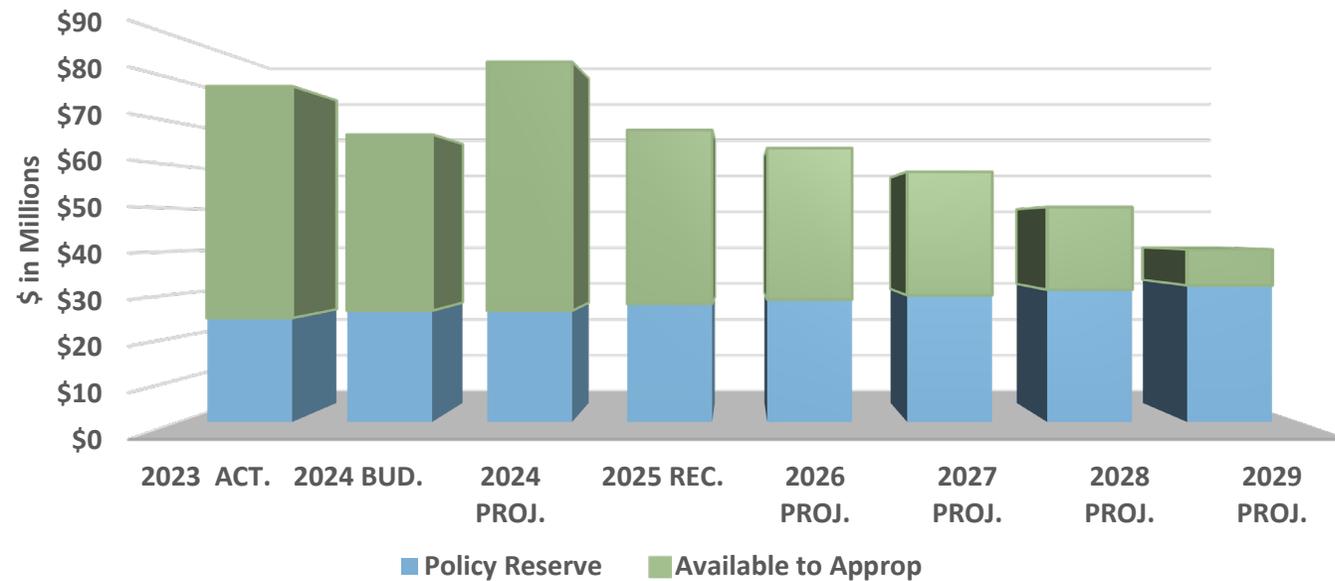
- **Critical Budget Package Requests**
  - Transition of 18<sup>th</sup> Judicial District Attorney's Office
  - Substantial contract increases
  - Requirements and mandates
  - Significantly higher liability expenses
- **Difficult Decisions**
  - Reduced economic development funding and Aid to Agencies funding
  - Reduced Total Compensation from August request in a number of areas
  - Reduced CIP Projects from CIP Committee requests

# 2025 BUDGET PACKAGE REQUESTS – GENERAL FUND

<b>Category</b>	<b>2025 Requested Budget</b>	<b>2025 Recommended Budget</b>	<b>Variance</b>
Estimated Beginning Balance	\$ 83,615,171	\$ 83,615,171	\$ -
Baseline Revenues	245,606,967	245,606,967	-
Package Revenues	4,137,613	8,812,645	4,675,032
LESS: One-Time Items	(2,091,208)	(2,122,818)	(31,610)
Subtotal Operating Revenues	247,653,372	252,296,794	4,643,422
TOTAL REVENUES	249,744,580	254,419,612	4,675,032
Baseline Expenditures	241,466,195	241,466,195	-
Package Expenditures	52,471,863	28,993,275	(23,478,588)
LESS: One-Time Items	(33,178,165)	(18,953,520)	14,224,645
Subtotal Operating Expenditures	260,759,893	251,505,950	(9,253,943)
TOTAL EXPENDITURES	293,938,058	270,459,470	(23,478,588)
<b>Net Operating Surplus/(Deficit)</b>	<b>(13,106,521)</b>	<b>790,844</b>	<b>13,897,365</b>
Total Use of Fund Balance	(44,193,478)	(16,039,858)	28,153,620
Estimated Ending Balance	\$ 39,421,693	\$ 67,575,313	\$ 28,153,620

# 2025 BUDGET - FUND BALANCE

## Fund Balance Trend and Forecast



# KEY BUDGET DATES

The resolution before you acknowledges the receipt of the recommended budget for 2025 pursuant to Colorado statute and sets the public hearing date for this budget on Tuesday, October 22<sup>nd</sup> and adoption of the 2025 budget on December 10<sup>th</sup>, 2024.

- EBC 2025 Budget Presentation to the BOCC – October 15, 2024
- Public Hearing – 2025 Budget – October 22, 2024
- Final Review of the 2025 Budget – November 19, 2024
- Adoption of the 2025 Budget – December 10, 2024

