



2026 RECOMMENDED BUDGET

BOCC PUBLIC HEARING – OCTOBER 14, 2025



PREAMBLE

I am pleased to submit herewith a recommended budget for 2026 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 an intentional \$33.6 million surplus
- Budget spread across 28 different funds
- More information to adjust within budget – property tax values, total compensation refresh, etc.

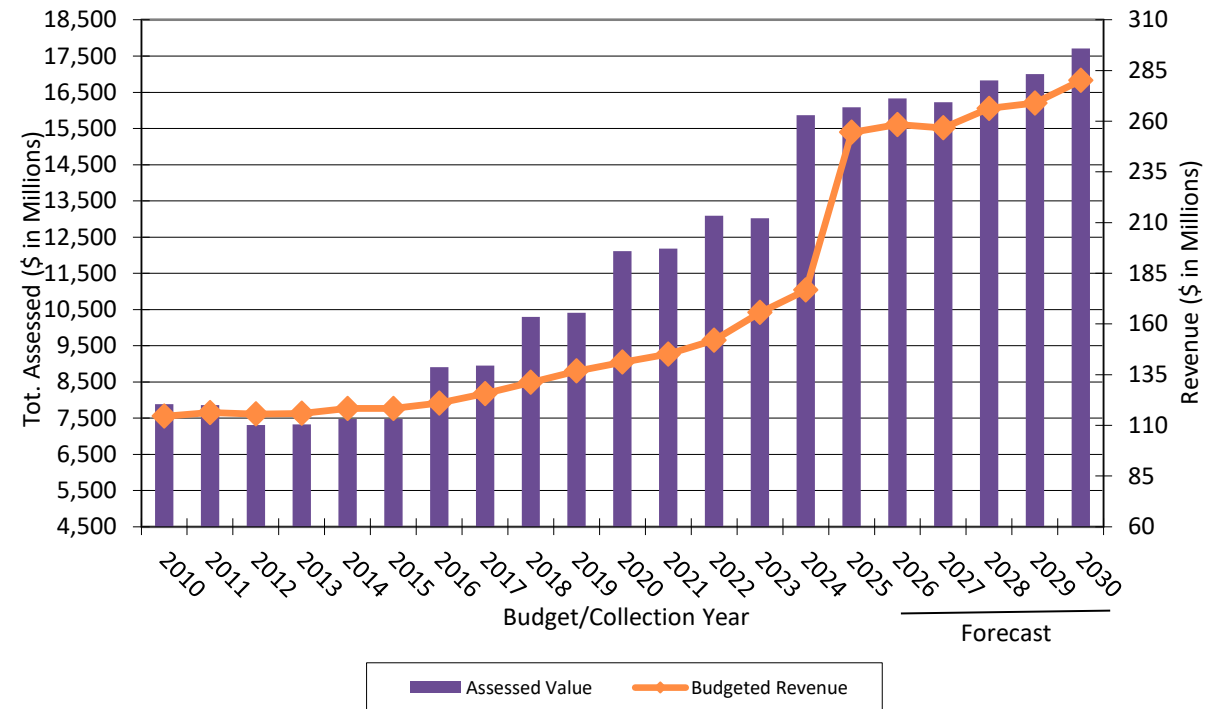
2026 BUDGET QUICK FACTS & FIGURES

- Total Revenues (all funds): \$672.8 million, 8.5% increase (*\$620.1 million '25*)
 - General Fund revenue: \$320.0 million, 0.8% increase (\$5.8 million decrease ongoing) (*\$317.6M '25*)
- Total Expenditures (all funds): \$670.1 million, 17.4% increase (*\$570.7 million '25*)
 - General Fund expenditures: \$315.9 million, 18.7% increase (\$22.6 million ongoing) (*\$ 266.2M '25*)
- Total Staffing: 2,918.57 FTE, up 63.00 FTE from '25 (2,855.57 '25 amended)
 - General Fund staffing: 1,666.12 FTE, up 55.75 FTE from '25 (1,610.37 amended)
- Estimated Ending 2026 General Fund Balance: \$134.9 million (\$4.1 million addition)
- Total County Net Assessed Value (estimated): \$16.3 billion, up 1.5% from '25
- Total County Mill Levy (estimated): 15.960 mills (15.821 maximum allowable + refunds and abatements) 15.885 in '25
- Capital Improvement Program budget: \$26.6 million (\$10.2 million in '25)

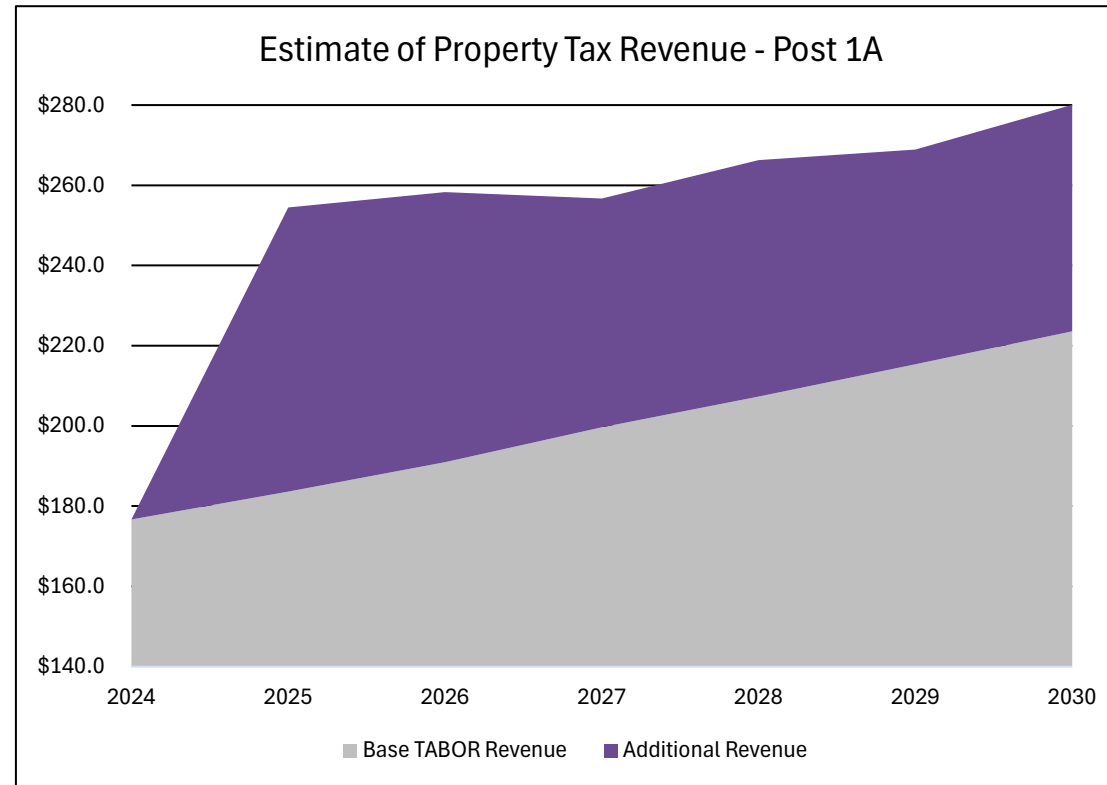
2026 BUDGET - REVENUE

(\$ in millions)	2025	Prelim. Cert. 8/22 2026	Growth
Total Actual Value	157,342.7	168,155.0	6.9%
Total Assessed Value	16,085.9	16,328.7	1.5%
New Construction			
Actual Value	1,485.2	1,780.0	19.8%
Assessed Value	157.9	167.2	5.9%
Assessed Value of TIFs	289.1	301.6	4.3%
Metro Area Inflation Rate	2.3%	2.3%	

Total Assessed Value and Revenue Trend

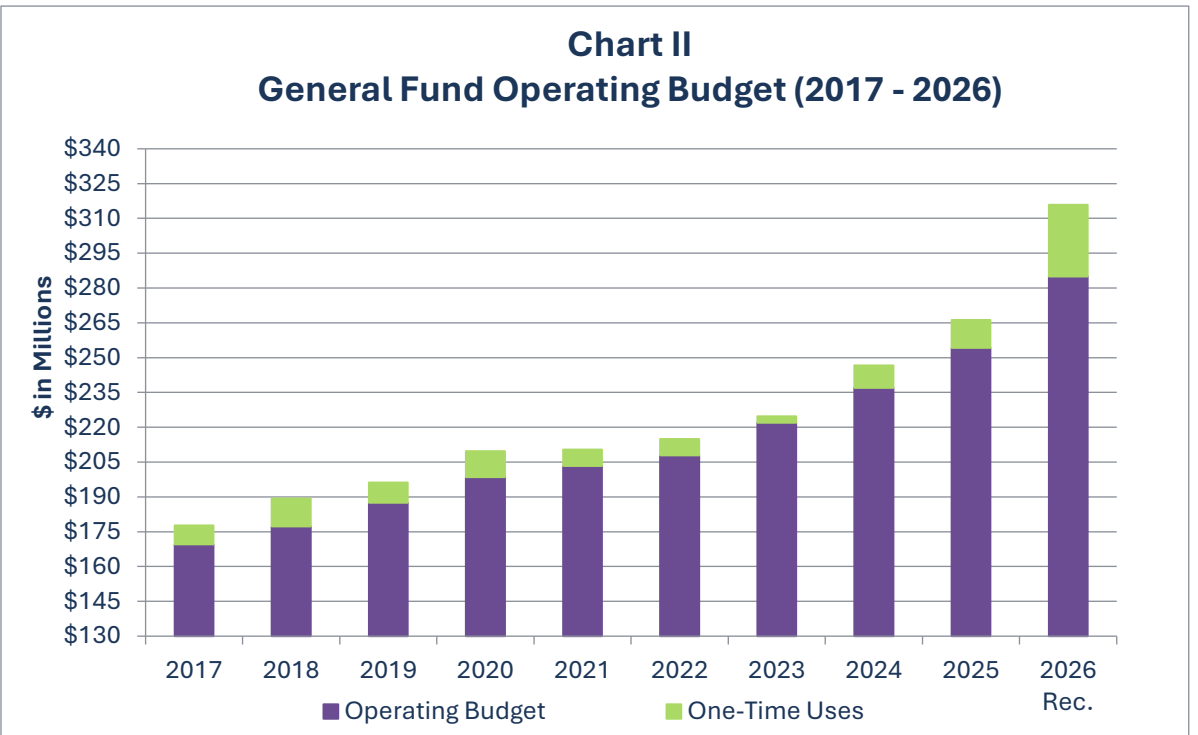
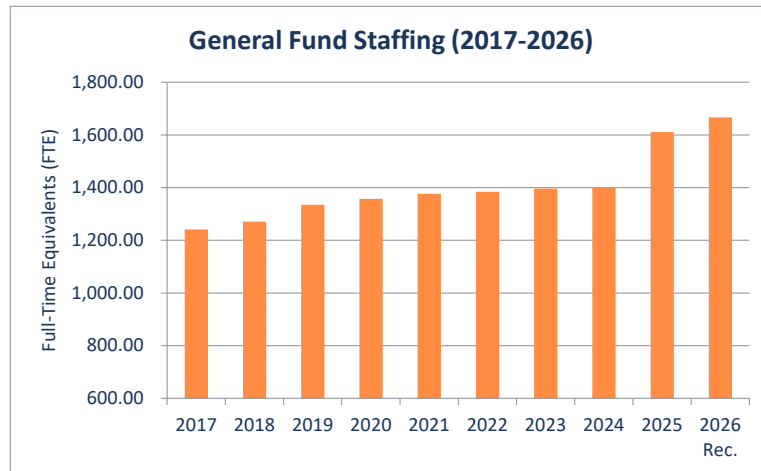


2026 BUDGET - REVENUE



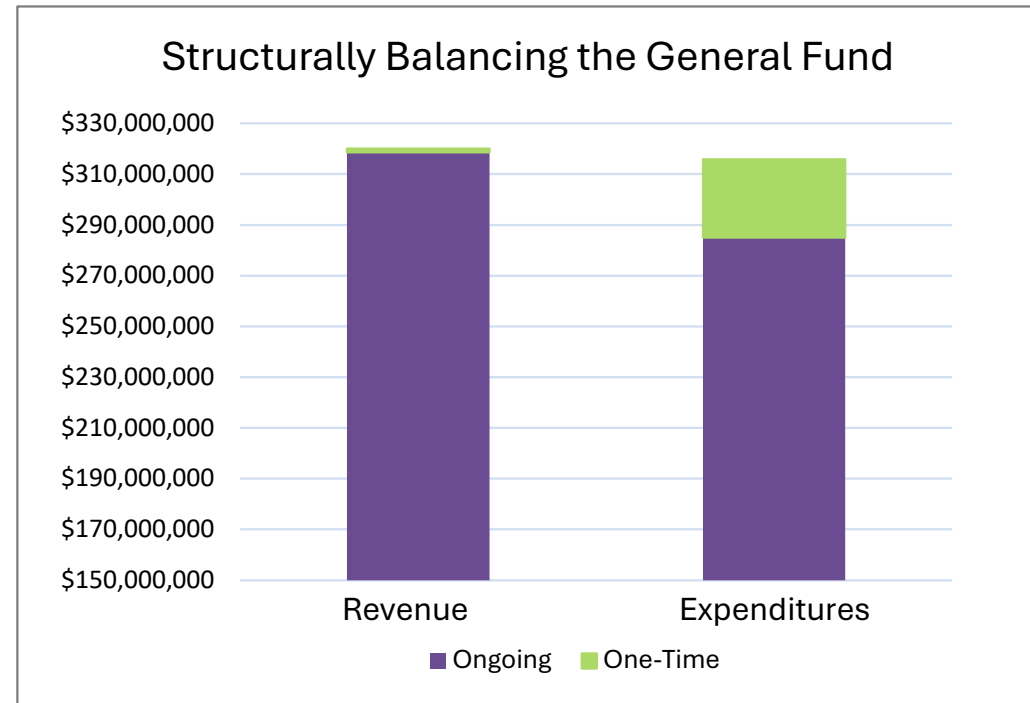
2026 BUDGET - EXPENDITURES

- \$7.2M ongoing investment for 2026 through Q1 & Q2 quarterly budget reviews
 - 1.2% mid-year salary increases for employees including those in CBUs
 - Transition of Domestic Violence cases from Aurora – 14 FTE
 - 10 – District Attorney’s Office, 2 Community Resources, 2 Sheriff’s Office
 - Right-size District Attorney’s Office budget post 23rd split



2026 BUDGET – STRUCTURALLY BALANCE GENERAL FUND

Category	Amount in Millions
REVENUE	
Baseline	\$ 324.38
Budget Packages - Ongoing	\$ (5.77)
Budget Packages - One-Time	\$ 1.43
TOTAL REVENUE	\$ 320.04
EXPENDITURES	
Baseline	\$ 262.41
Budget Packages - Ongoing	\$ 22.57
Budget Packages - One-Time	\$ 30.94
TOTAL EXPENDITURES	\$ 315.92
Operating Revenue	\$ 318.61
Operating Expenditures	\$ 284.98
Net Operating - Surplus/(Deficit)	\$ 33.64
Net Addition/(Use) of Fund Balance	\$ 4.13



2026 BUDGET – STRUCTURALLY BALANCE GENERAL FUND

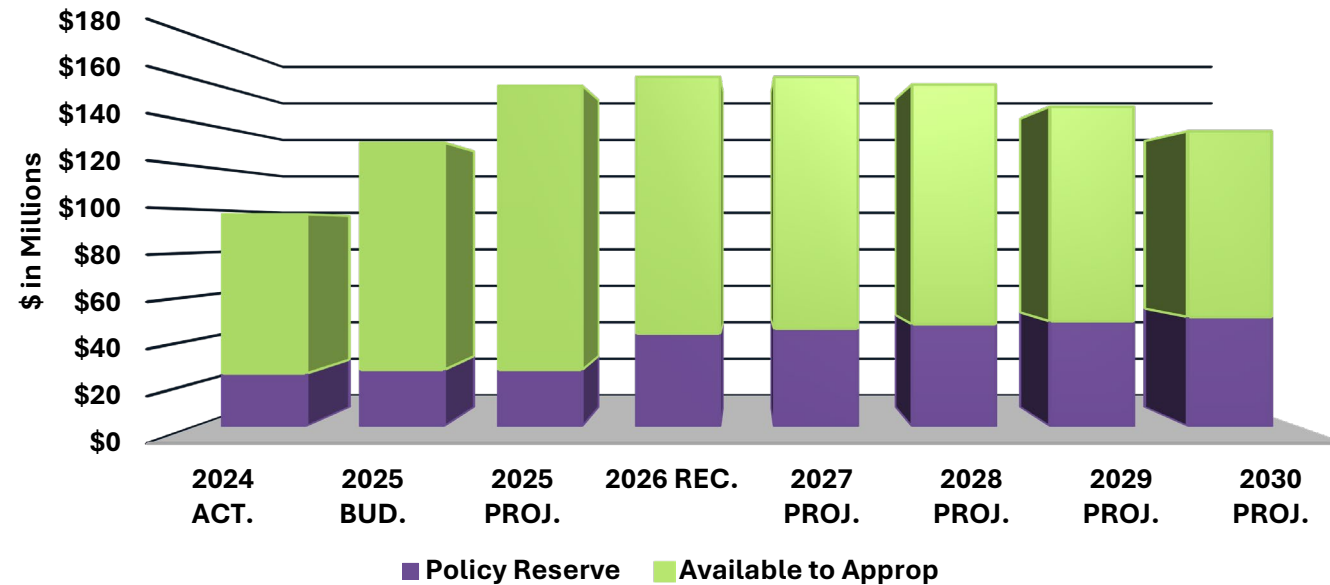
- General Fund is structurally balanced with a set-aside for future years
 - \$33.6 million surplus
 - Multi-year investment approach for additional revenue
 - Property tax is projected to decrease \$2.5 million for 2027
 - Uncertainty remains around federal and state funding priorities that may affect County programs – EBC recommended taking a cautious approach to ensure fiscal resilience
- Make major investments in key areas of essential service delivery - priorities enabled by Issue 1A
 - Infrastructure and road maintenance
 - Public safety
 - Housing and protective services
- Plan thoughtfully for the future through increased reserves and long-term commitments to capital improvements
 - Increase board policy reserve from 11% to 15%
 - Increase Mill Levy for Capital Expenditure Fund to increase revenue to \$10.0 million
 - Commit to \$15.0 million in one-time transfers to Capital Expenditure Fund through 2030

2026 BUDGET PACKAGE REQUESTS – GENERAL FUND

Category	2026 Requested Budget	2026 Recommended Budget	Variance
Estimated Beginning Balance	\$130,767,011	\$130,767,011	\$ -
Baseline Revenues	324,378,649	324,378,649	-
Package Revenues	(3,710,221)	(4,334,964)	(624,743)
LESS: One-Time Items	(1,430,036)	(1,430,036)	-
Subtotal Operating Revenues	319,238,392	318,613,649	(624,743)
TOTAL REVENUES	320,668,428	320,043,685	(624,743)
Baseline Expenditures	262,408,849	262,408,849	-
Package Expenditures	65,244,254	53,509,365	(11,734,889)
LESS: One-Time Items	(33,178,165)	(30,942,449)	2,235,716
Subtotal Operating Expenditures	294,474,938	284,975,765	(9,499,173)
TOTAL EXPENDITURES	327,653,103	315,918,214	(11,734,889)
Net Operating Surplus/(Deficit)	24,763,454	33,637,884	8,874,430
Total Use of Fund Balance	(6,984,675)	4,125,471	11,110,146
Estimated Ending Balance	\$123,782,336	\$134,892,482	\$ 11,110,146

2026 BUDGET - FUND BALANCE

Fund Balance Trend and Forecast



KEY BUDGET DATES

The resolution before you acknowledges the receipt of the recommended budget for 2026 pursuant to Colorado statute and sets the public hearing date for this budget on Tuesday, October 28th and adoption of the 2026 budget on December 9th, 2025.

- EBC 2026 Recommended Budget Study Session – October 20, 2025
- Public Hearing – 2026 Budget – October 28, 2025
- Final Review of the 2026 Budget – November 18, 2025
- Adoption of the 2026 Budget – December 9, 2025

