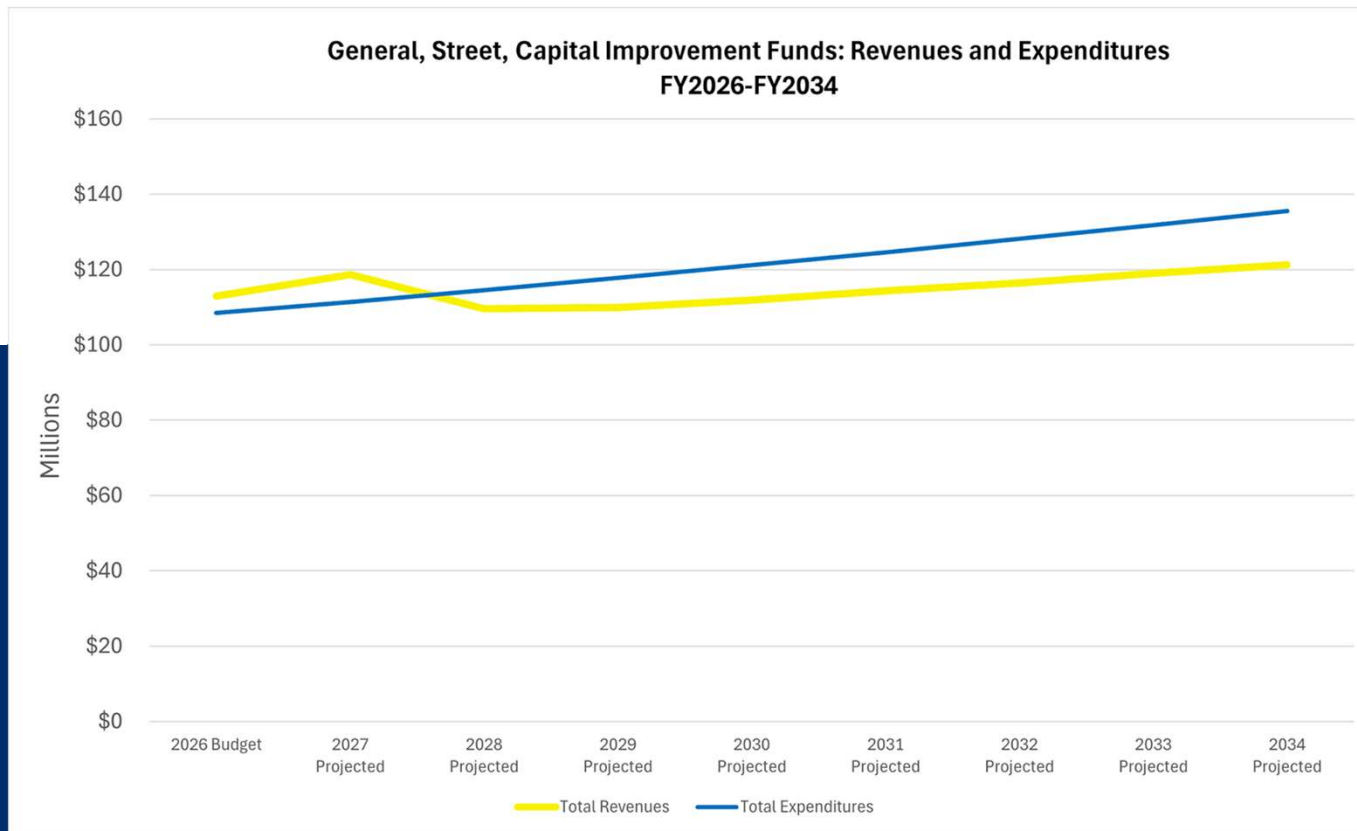




Centennial's Budget Reality

What You Need To Know About the Road Ahead

Expenses Are Outpacing Revenue



By 2028, Centennial won't have the revenue needed to adequately fund critical road and transportation projects.



Factor #1: Centennial's Low Tax Rate

Since 2003, Centennial's sales tax rate has stayed at 2.5%, one of the lowest in the metro area.

No Tax On
Groceries

No Tax On
Residential
Utilities

No Tax On
Entertainment

And sales tax revenue is flattening and expected to decline.



Factor #2: Costs are Rising

Public Works

Infrastructure is 25 to 40 years old:

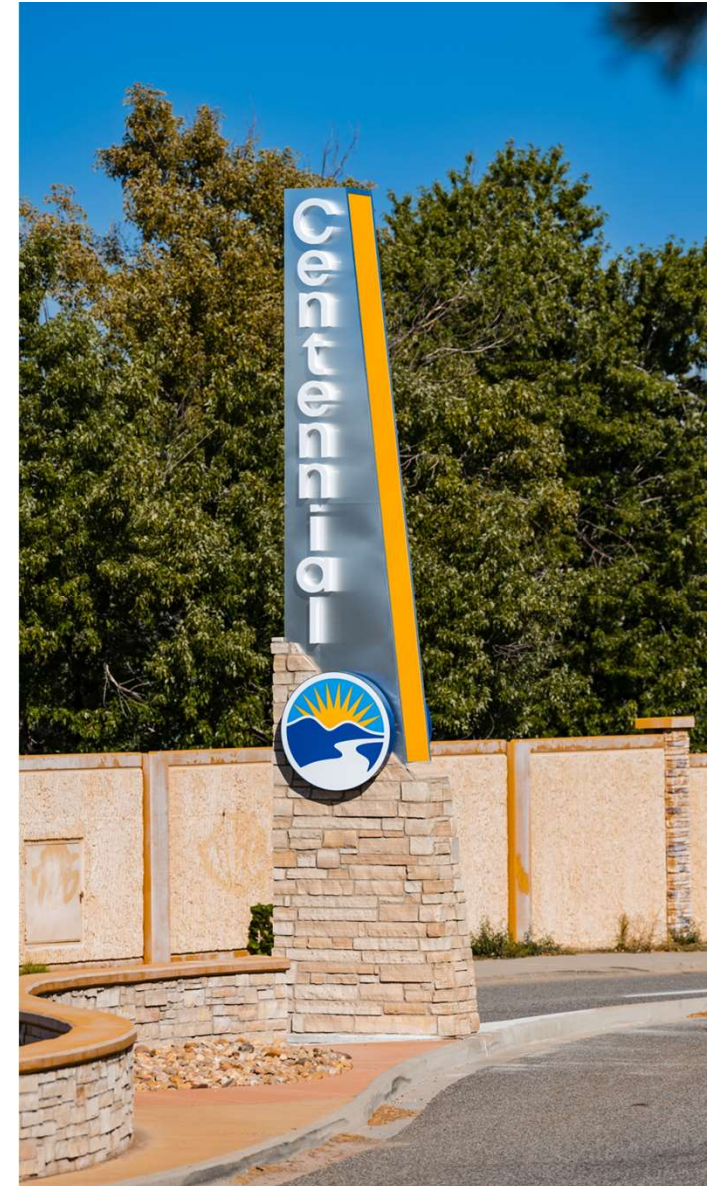
- Roads
- Sidewalks
- Paths
- Bridges

Public Safety

Costs have increased for:

- Officers
- Equipment
- Materials
- Support services

The City has added Public Safety services over the years, including the co-responder program, additional traffic officers, participation in a regional crime lab, and more patrol, investigations, dispatch, and school resource officer support.



Budget Pressures: Public Safety

Expanded service levels, new services, and increased costs are putting more pressure on the General Fund.

60%

of the General Fund
goes to Public Safety

85% ↑

2016: \$23.3 million
2026: \$43.2 million



Inflationary Pressures Are Real



TRAFFIC SIGNAL REPLACEMENT

\$350,000 | \$900,000
2019 | 2026 **+ 157%**



REPAVE ONE LANE MILE

\$143,693 | \$206,922
2020 | 2026 **+ 44%**



SNOW-PLOW TRUCK

\$575,000 | \$800,000
2019 | 2026 **+ 39%**



SCHOOL RESOURCE OFFICER

\$134,833 | \$168,640
2019 | 2026 **+ 25%**



Factor #3: Not Enough Revenue to Maintain Current Level of Service



\$35M

Needed annually to maintain roads, bridges, and infrastructure



\$15M

Dedicated revenue received by the Street Fund each year



\$20M+

Annual funding gap (and growing)



What is the Street Fund?

The Street Fund a fund dedicated to maintaining, repairing, and improving Centennial's street infrastructure. This fund includes both operational expenses and street and transportation related capital projects.

- Road improvements
- Snow removal
- Paving
- Bridge repairs
- New and replaced traffic signals
- Sidewalks



Centennial's Transportation Infrastructure



Miles of paved public streets



Traffic lights
(most are between 25 and 40 years old)



Miles of bike lanes
(and 64 miles of trails)



Factor #4: Financial Values

The City is **DEBT FREE**, planning and saving in advance for large-scale infrastructure projects.

Centennial also maintains a policy to keep **25%** of operating expenses in **cash reserves**.

City Council is not entertaining a change to either of these practices.



Centennial's Top Priority: Roads & Transportation

Transportation Master Plan identified more than **\$100 million** in improvements over the next decade.

Year-Round Maintenance

Fixing and maintaining roads; pothole repair, plowing snow; street sweeping

Infrastructure

Replacing/modernizing aging bridges; updating traffic signals

Traffic Safety

Crosswalks; lighting; intersection improvements

Mobility

Building, connecting and improving sidewalks and bike paths



A Potential Solution: Sales Tax Increase

No decision has been made. We need your input.

2.5% → 3.5%
sales tax rate increase
= \$23M in new annual revenue



Avoids a property tax increase and spreads the cost among residents, visitors, and commuters.



It preserves the General funding for neighborhood services, traffic enforcement, and other services residents count on.



Centennial's sales tax rate would be lower than the Front Range average 3.63%, without taxing essential goods like groceries or utilities.



Centennial has increased its sales tax rate only one time in its 25-year history.



February – April 2026:

Your Input Shapes What Comes Next For Centennial





Learn more and provide input:
YourCityBudget.co

