

Staff Report

Date: February 24, 2026
To: Board of County Commissioners
Through: Todd Weaver, Finance Director
From: Jessica Savko, Budget Manager & Lisa Stairs, Senior Budget Analyst
Subject: 2026 Reappropriation of 2026 Budget

Background

Reappropriation is the process of reauthorizing spending for funds that were appropriated for the prior year and remain unspent, so that the department or elected office may expend the funds during the current fiscal year. The reappropriation process is limited to certain types of appropriations and funds, as well as to specific circumstances. The County's reappropriation policy specifies that reappropriated funds may be spent only for the original purpose. It also limits the total reappropriation amount for any department, elected office, or any one fund to no greater than the amount of the actual unspent appropriation during the prior fiscal year and/or the available unreserved fund balance.

Certain funds have their entire fund balance reappropriated for the following fiscal year, pursuant to Board policies. Since the year-end fund balance is unknown at the time that the annual budget is adopted, the available fund balance is appropriated during the County's reappropriation process, when the Finance Department has more information about the remaining year-end balances for each fund.

The most common types of reappropriations are:

- **Funds Encumbered for Purchase Orders:** Funds that were encumbered by a purchase order during the prior year and remain unspent may be reappropriated for the same purchase order during the following fiscal year for the original purpose.
- **Capital Projects:** The unspent balance of prior year appropriations for ongoing capital projects.
- **Grants:** The unspent balance of prior year appropriations for grants that do not also include deferred revenues. Grants with deferred revenue will be brought forward at the 1st Quarter Budget Review.
- **Fund Balance:** Certain funds are eligible to have a portion, or all, of its available fund balance reappropriated for the following fiscal year, when appropriate.

- **Fixed Assets:** Funds appropriated for the purchase of fixed assets during the prior year, that have not been purchased or received, may be reappropriated for the same fixed asset, depending upon review and discussions with the Finance Department.

The Finance Department recommends reappropriating the available fund balance for the following funds:

- Arapahoe County Fair Fund
- Cash-in-Lieu Fund
- Communication Network System Replacement Fund
- Conservation Trust Fund
- Electronic Filing Technology Fund
- Forfeited Property Fund
- Open Space Sales and Use Tax Fund
- Sheriff's Commissary Fund
- The capital construction portion of the Arapahoe County Recreation District Fund
- The capital construction portion of the Arapahoe County Water and Wastewater PID
- The capital construction portion of the Infrastructure Fund

Discussion

Please refer to the following 2026 Reappropriation Summary for detailed information regarding the recommended amounts to be reappropriated from the 2025 fiscal year. The total requested reappropriation amount for all the County's funds in 2026 is \$138.1 million, which is an increase of \$11.7 million from the 2025 amount of \$126.4 million.

The Finance Department collaborated with all the County's departments and elected offices to identify purchase orders, remaining funds for ongoing projects, and fund balances that are eligible to be reappropriated in 2026. The 2026 Reappropriation Summary below provides an overview of the recommended General Fund amounts for each department and elected office, as well as the recommended reappropriation amounts for all other County funds. It also includes supplementary information about the recommendations for other items such as capital improvement projects. As referenced earlier, a detailed schedule of the individual requests is attached to this document and indicates which requests were submitted by departments/elected offices and which of those were not recommended by Finance staff to be included in this year's amount.

2026 Reappropriation Summary

General Fund Reappropriations for 2026

The requested 2026 General Fund reappropriation of \$5,309,615 is an increase of \$2.1 from the \$3,252,873 reappropriated in 2025. Fourteen departments and elected offices are requesting reappropriations of their unspent budget. Administrative Services Department seeks \$1,788,396 for the remaining Stadium District Youth funds, and projects that are not complete that were previously ARPA funded. The Commissioners' Office is requesting \$23,836 for remaining grant support, lobbying services, and outstanding invoices for temporary services. A request of \$206,616 from Community Resources for outstanding legal services, consulting services, and contracts. The Coroner's Office is requesting \$4,753 for toxicology and body transport. In the Public Works & Development Department

there are requests totaling \$208,043 for a comprehensive safety action plan, building permit review, design services, and other professional services. Open Spaces requests \$158,430 for the CSU Program Supplies. The District Attorney’s Office is requesting to have \$8,000 appropriated for forensic laboratory costs. The Finance Department seeks \$28,750 for SAP support and cost allocation plan updates. Among the requests for the Information Technology Department are several projects that were not completed in 2025 such as the HSC Modernization, Granicus Encoding, Cloud Migration, and the taxation system project. Requests \$493,198 for outstanding subscription and maintenance agreement invoices. The Sheriff’s Office requests \$1,229,320 for capital assets and outstanding 2025 service invoices, including \$415,376 for Booking Fees and \$256,249 for the RISE Program.

General Fund Reappropriation Requests			
Elected Office or Department	2025	2026	Variance
Administrative Services	\$ 568,106	\$ 1,788,396	\$ 1,220,290
Commissioners' Office	-	23,836	23,836
Community Resources	-	206,616	206,616
Coroner's Office	4,739	4,753	14
County Attorney	16,846	-	(16,846)
District Attorney	-	8,000	8,000
Facilities & Fleet Management	1,211	-	(1,211)
Finance	126,930	28,750	(98,180)
Human Resources	84,018	41,260	(42,758)
Information Technology	565,733	1,612,211	1,046,478
Open Spaces	130,279	158,430	28,151
Public Works & Development	1,012,216	208,043	(804,173)
Sheriff's Office	742,795	1,229,320	486,525
General Fund Total	\$ 3,252,873	\$ 5,309,615	\$ 2,056,742

A complete list of the reappropriations requested by department and elected office are attached to this report.

Non-General Fund Reappropriations for 2026

The 2026 requested reappropriations for all funds, other than the General Fund, is \$132,749,002, an increase of \$9,565,281 from the 2025 amount. This net increase is attributable to a large increase of \$22.5 million in the Open Space Sales and Use Tax Fund and is offset by a decrease of \$12.3 million in the Capital Expenditure Fund.

Significant changes in the 2026 Reappropriation compared to 2025:

- The Social Services Fund has requests totaling \$261,059 for the HSC Modernization project and switch control and bathroom access.
- Open Space Sales and Use Tax Fund requests total \$79,367,688, an increase of \$22,473,437 over 2025. This amount will significantly decrease once the shareback amounts are posted back.
- The Capital Expenditure Fund has requests totaling \$12.1 million to be reappropriated to 2026 for the continuation and completion of adopted projects. The Detention Medical Expansion

project has a remaining balance of \$3.2 million, \$2.5 million for the Computer Assisted Mass Appraisal & Tax System, \$1.5 million for the ACJC CH2 Courtroom Design & Construction make up most of the reappropriation amount.

- The Infrastructure Fund has requests totaling \$27.6 million to be reappropriated to 2026, an increase of \$113,505 from the prior year, and includes items such as \$5.0 million for unallocated project funds, \$5.3 million for the Yale & Holly Intersection, and \$2.3 million for the Iliff Avenue project.
- The Central Services Fund has requests totaling \$3.9 million to be reappropriated for 2026, a decrease of \$1.2 million when compared to 2025. Included in this total are \$1.2 million for Public Works & Development assets, \$1.8 million for the Sheriff’s Office assets, and \$693,396 in assets for the Information Technology Department.

Reappropriation Requests for Other Funds

Fund	2025	2026	Variance
Social Services	\$ 1,018,601	\$ 261,059	\$ (757,542)
Electronic Filing Technology Fund*	-	17,446	17,446
Cash in Lieu Fund*	848,358	848,358	-
Arap Law Enforcement Authority Dist Fund	3,659	1,234	(2,425)
Road and Bridge Fund	551,996	-	(551,996)
Conservation Trust Fund*	3,227,878	3,644,344	416,466
Communication Network Replacement Fund*	96,833	351,999	255,166
Sheriff's Commissary Fund*	2,829,582	3,290,515	460,933
Forfeited Property Fund*	253,019	339,577	86,558
DA Forfeited Property Fund*	-	254,510	254,510
Open Space Sales and Use Tax Fund*	56,894,251	79,367,688	22,473,437
Building Maintenance Fund	526,899	599,797	72,898
Arapahoe County Fair Fund*	23,114	42,696	19,582
Capital Expenditure Fund	24,390,217	12,129,896	(12,260,321)
Infrastructure Fund	27,410,404	27,634,333	223,929
Central Services Fund	5,108,910	3,924,513	(1,184,397)
Self Insurance Liability Fund	-	41,037	41,037
Other Funds Total	\$ 123,183,721	\$ 132,749,002	\$ 9,565,281

Capital Expenditure Fund

Capital projects have the unspent balance of the budget reappropriated to allow for completion of the project. For 2026, there is a combined total of \$12,129,896, a decrease of \$12.3 million from 2025 due mostly to the progress made during the year on the Detention Medical Expansion project. This project has a remaining balance of \$13.3 million to be reappropriated. There is \$2.5 million for the computer assisted mass appraisal & tax system, \$1.5 million for the cooling tower at the Administration building, \$1.2 million for replacing the roof at CentrePoint, and \$1.1 million for an additional courtroom. These are just a few of the larger projects. The table below shows the entire list of projects to be reappropriated.

Capital Expenditure Fund Reappropriation Requests

Project	Amount
Accela Projects	15,108
Additional Court Room	488,784
Administration Building 1 Cooling Tower	4,200
Altura Plaza Makeup Air Unit Replacement	210,750
CentrePoint Fire Alarm Control Panel & Device Replac	123,243
Computer Assist Mass Appraisal & Tax System	2,500,000
Countywide Space Study Consolidation	975,981
Courthouse 1 Inmate Elevators Mech. Upgrade	56,200
Courthouse 1 Inmate Elevators Mech. Upgrade	347,325
Courthouse 2 Courtroom Design & Construction	1,531,580
Courthouse Misc Maint, Bthrm & Safety Upg	238,804
Detention Center Infrastructure Improvements	578,077
Detention Center Medical Expansion	3,186,785
Detention Center Pod 2 Build Out and Exercise Room	11,500
District Attorney Building Remodel	660,000
Federal Warehouse Standby Generator	8,190
Human Capital Management Solution	410,372
Justice Center Access Control System Replacement	40,360
Lima Plaza Office Security	11,280
Restrictive Housing - HB21-1211	457,981
Sheriff's Office Headquarters Data Center Rooftop AC	273,376
Ongoing Capital Projects Total	\$ 12,129,896

The Infrastructure Fund is another fund that contains several large roadway capital improvement projects. Due to the large amount of funding coming in from the federal government and other government partners for projects such as the Iliiff Avenue Corridor and Quincy/Gun Club Intersection Improvements, there is a need to recognize the anticipated revenue along with the appropriations to complete the work. This additional supplemental is for Public Works & Development's expected revenue for project reimbursements in the Infrastructure Fund to have \$11,411,514 in revenue and \$13,155,154 for expenditures added to the 2026 adopted budget.

Additional Considerations

It is important to note that the numbers within this Board Summary Report are subject to change as final adjustments to 2025 are ongoing. Any adjustment to revenues or expenditures for the balances of projects or fund balances could have an impact on the final amount available to reappropriate. If the changes occur after the Public Hearing, the reappropriation amount(s) for a department or fund may be adjusted during the next quarterly review.

Additionally, the unspent fund balances of certain County grant funds, such as the Community Development Fund, the Grant Fund, the Arapahoe/Douglas Works Fund, and the Homeland Security

Fund, will be addressed during the 1st Quarter Budget Review. The County adopted this policy because the supplemental requests for these funds must address both the unspent expenditures and the deferred revenue. These amounts are not always clear until later in the year pending final prior-year adjustments.

There is a supplemental to reduce the 2026 budget in the Grant Fund to reduce revenue and expense by \$1.1 million for AllHealth funding that had actuals booked back to 2025. The Sheriff's Office has a supplemental request to transfer \$233,413 from the General Fund, Cherry Creek Schools donation, to the Capital Expenditure Fund, Facilities and Fleet Management, for the foundation work for the grant funded K9 enclosure.

Policy Reserve Amounts

The resolution to reappropriate funds from 2025 to 2026 includes commitment to the Board of County Commissioners' policy reserve amounts for several of the County's funds. Per policy, the County designates a fund balance reserve amount for the General Fund that is equivalent to 15.0 percent of the annual operating budget. This 15.0 percent reserve includes the County's 3.0 percent Taxpayer's Bill of Rights (TABOR) reserve amount as required by the State Constitution. For 2026, the 15.0 percent General Fund reserve is \$42,888,553. This amount is based on a \$313.2 million budget but only a \$285.9 million operating budget in the General Fund. The 15.0 percent policy reserve is held in the General Fund and it will be considered committed through the approval of the Board resolution.

The Social Services Fund, Road & Bridge Fund, and the Law Enforcement Authority Fund also have fund balance reserve requirements pursuant to Board policy. The policy reserve for the Road & Bridge Fund and the Law Enforcement Authority Fund is 1/6th of the current annual operating budget. For 2026, the Road & Bridge Fund's reserve is \$5.0 million. The Law Enforcement Authority Fund's reserve is \$2.6 million which includes the mandatory 3.0 percent TABOR reserve for the ALEA Fund. The Social Services Fund's policy reserve is 1/6th of the County's portion of the Fund's annual operating budget, which is equivalent to approximately 1/6th of 20.0 percent of the annual operating budget. For 2026, this amount is \$3.2 million based on a \$96.7 million operating budget. The required TABOR reserve for the Arapahoe County Recreation District is \$49,752 for 2026. The Recreation District's TABOR reserve is required by law, so it does not require a Board resolution.