2026 Commerce City Proposed Budget

October 20, 2025

Pres 2025-053

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Key Considerations for 2026 Budget

- Projected 2026 revenues based upon best data available through mid-2025
- Completed thorough base budget analysis and base budget setting for 2026
- Reviewed, evaluated, and prioritized budget requests and made recommendations to address staffing and other critical service needs
- Evaluated and prioritized capital needs to strategically invest in capital projects
- Maintained effective employee compensation and benefits plan to attract and retain high quality employees
- Ensured principal and interest payments for debt obligations are well covered
- Finalized proposed 2026 budget that uses available resources to meet current and ongoing needs of the city in a fiscally responsible way
- Maintained reduced, though still healthy Fund Balance levels to promote solid approach to spending/saving

Budget Schedule Recap

Date	Activity
07/21/25	Draft CIP 2026-2030 Study Session
08/04/25	Preliminary Budget Session #1
08/11/25	Preliminary Budget Session #2
08/18/25	Preliminary Budget Session #3
09/08/25	Council Budget Workshop
10/20/25	Open Public Hearing on Budget
11/03/25	Final Budget Hearing/Adoption

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Changes Since Council Budget Workshop

1. Final Position Budgeting Refresh
2. Final Internal Service Fund & 2K Allocations Update
3. Final Revenue Revisions
4. Incorporation of Opioid Funding for Community Well-Being Programming - $50K revenue/$50K expenditure with no net impact to Budget
5. Economic Opportunities & Cultural Affairs Department set-up (stand-alone department rather than division of City Manager's Office)
6. Implementation of approved Budget Balancing Measures

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General Fund Balance Status

2024 Ending General Fund Balance	**$ 107,972,341**
Inventory, Prepaid Items, Long-term Receivables	(275,198)
TABOR 3% Emergency Reserve	(4,250,700)
2K Capital Outlay and Operations	(9,851,230)
Operating Reserves	(11,845,279)
Safeguard Reserves	(18,754,242)
Defined Contribution Plan	(5,264,794)
Parks, Recreation & Golf Equipment Reserve	(1,408,602)
Employee Assisted Housing Program Reserve	(130,088)
Remaining Unassigned General Fund Balance (at 12/31/24)	**$ 56,192,208**
Amount Budgeted to Balance 2025 Budget	(2,713,061)
Ordinance 2664 - Contract Management Software	(172,000)
Ordinance 2670 - Community Events	(300,000)
Ordinance 2685 - Audit Revenue Police Substation	(4,991,770)
Ordinance 2686 - Civic Center Remodel	(2,880,280)
Ordinance 2689 - Ice Rink	(99,000)
Ordinance 2723 Police Substation Transfer	(16,300,000)
Amount Used to Balance 2026 Budget	(4,244,077)
Remaining Unassigned Fund Balance	**$ 24,492,020**

2024 2K Fund Balance	**$ 9,851,230**
2025 Budgeted Transfer to Capital Expenditures Fund	(750,000)
2026 Budgeted Transfer to Capital Expenditures Fund	(3,973,663)
Remaining Restricted Fund Balance	**$ 5,127,567**

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Sources & Uses – Total General Fund

GENERAL FUND			
General Fund	**2025 Budget**	**2026 Proposed Budget**	**Variance**
Revenues			
Taxes	$ 117,471,658	$ 120,269,500	$ 2,797,842
Licenses and Permits	4,726,182	5,056,833	330,651
Intergovernmental	116,302	98,079	(18,223)
Charges for Services	7,953,634	10,408,687	2,455,053
Fines and Forfeits	1,361,909	1,408,712	46,803
Miscellaneous	2,199,598	4,746,413	2,546,815
Total Revenues	**$ 133,829,283**	**$ 141,988,224**	**$ 8,158,941**
Expenditures			
Administration	$ 11,626,025	$ 8,305,138	$ (3,320,887)
Economic and Community Vitality	-	3,778,622	3,778,622
Human Resources	3,238,089	5,980,111	2,742,022
Finance	10,167,963	8,118,612	(2,049,351)
Community Development	8,645,952	9,000,886	354,934
Public Safety	37,212,674	42,438,294	5,225,620
Public Works	23,641,248	25,220,688	1,579,440
Parks, Recreation and Golf	20,289,940	22,256,711	1,966,771
Legal	2,219,152	2,497,363	278,211
Debt Service	1,839,676	1,843,681	4,005
Total Expenditures	**118,880,719**	**129,440,106**	**$ 10,559,387**
Income/(Loss)	**$ 14,948,564**	**$ 12,548,118**	**$ (2,400,446)**

Sources & Uses – Total General Fund .

General Fund	2025 Budget	2026 Proposed Budget	Variance
Other Financing Sources (Uses)			
Transfers Out			
Debt - 2015	$ (2,938,211)	$ (2,933,107)	$ 5,104
Debt - 2016 2K	(1,461,080)	(1,459,875)	1,205
Debt - 2022 A/B/C	(8,573,141)	(8,686,311)	(113,170)
Elected Officals Retirement	(41,760)	(36,480)	5,280
CIP-Indirect Allocation	(189,933)	(204,085)	(14,152)
CIP GF	(3,000,000)	-	3,000,000
CIP 2K	(750,000)	(6,440,000)	(5,690,000)
CIP IT TIIP	(707,500)	(1,006,000)	(298,500)
Total Other Financing Sources (Uses)	**$ (17,661,625)**	**$ (20,765,858)**	**$ (3,104,233)**
Ending Fund Balance	**$ (2,713,061)**	**$ (8,217,740)**	

Sources & Uses – GF (Non-2K Portion)

Non 2K		
General Fund	$	116,431,145
2k Indirect		1,732,787
Total Revenue	$	118,163,932
Operating	$	118,228,337
Debt - 2015		2,933,107
Elected Officals Retirement		36,480
CIP IT TIPP		1,006,000
CIP-Indirect Allocation		204,085
Total Expense	$	122,408,009
Deficit	$	(4,244,077)

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Sources & Uses – GF (2K Portion)

2K Revenue		
Anticipated 1% Tax revenue	$	23,296,482
Outdoor Pool Revenue		390,100
New Rec Center Revenue		1,870,497
Total Revenue	$	25,557,079
Indirect Cost 15%	$	1,528,702
Indirect Cost 20%		204,085
2k Model		11,211,769
CIP 2K		6,440,000
Debt - 2016 2K		1,459,875
Debt - 2022 A/B/C		8,686,311
Total Expense	$	29,530,742
Deficit	$	(3,973,663)

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Mill Levy

- Commerce City’s Property Tax is subject to TABOR (not “de-Bruced”)
- The City applies temporary mill levy credits to comply with TABOR
- Based on preliminary valuation data received from Adams County in August 2025 (for property taxes to be collected in 2026), the following has been calculated for the 2026 Budget:

City Mill Levy	3.280
Temporary Mill Levy Rate Reduction	<0.667>
2025 General Fund Mill Levy (for property taxes collected in 2026)	2.613

2026 Capital Expenditures Fund

2026 Budget	CIP
Revenues	
Transportation tax	$ 3,530,263
Road and Bridge	1,155,350
HUTF	2,350,456
ADCO Open Space	1,245,400
PEG Fees	29,879
Fund Balance Transfer	917,151
Transfer In	
Fleet Retained Earnings	5,000,000
General Fund 2K	6,440,000
General Fund IT TIIP	1,006,000
Solid Waste	1,800,000
Conservation Trust	980,000
CIP Indirect Allocation	204,085
Total Revenues	**$ 24,658,584**
Expenditures	
Capital Projects	24,179,220
Transfer to Fund Balance	479,364
Total Expenditures	**$ 24,658,584**

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Budget Calendar Next Steps

Date	Activity
11/03/25	Close Budget Hearing/Adoption

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