



Council Work Session: 2026 Budget

October 15, 2025

Charae McDaniel
Chief Financial Officer

Agenda



2026 Budget - City Council Work Session October 15, 2025 | City Council Chambers

9:00am - 11:45am	Duration	Begin	End
Overview	60 min	9:00	10:00
Break	15 min	10:00	10:15
Police	45 min	10:15	11:00
Fire	45 min	11:00	11:45
Lunch	75 min	11:45	1:00
1:00pm - 3:15pm			
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Break	15 min	1:45	2:00
Public Works	45 min	2:00	2:45
Wrap-up	30 min	2:45	3:15

2026 Budget Development

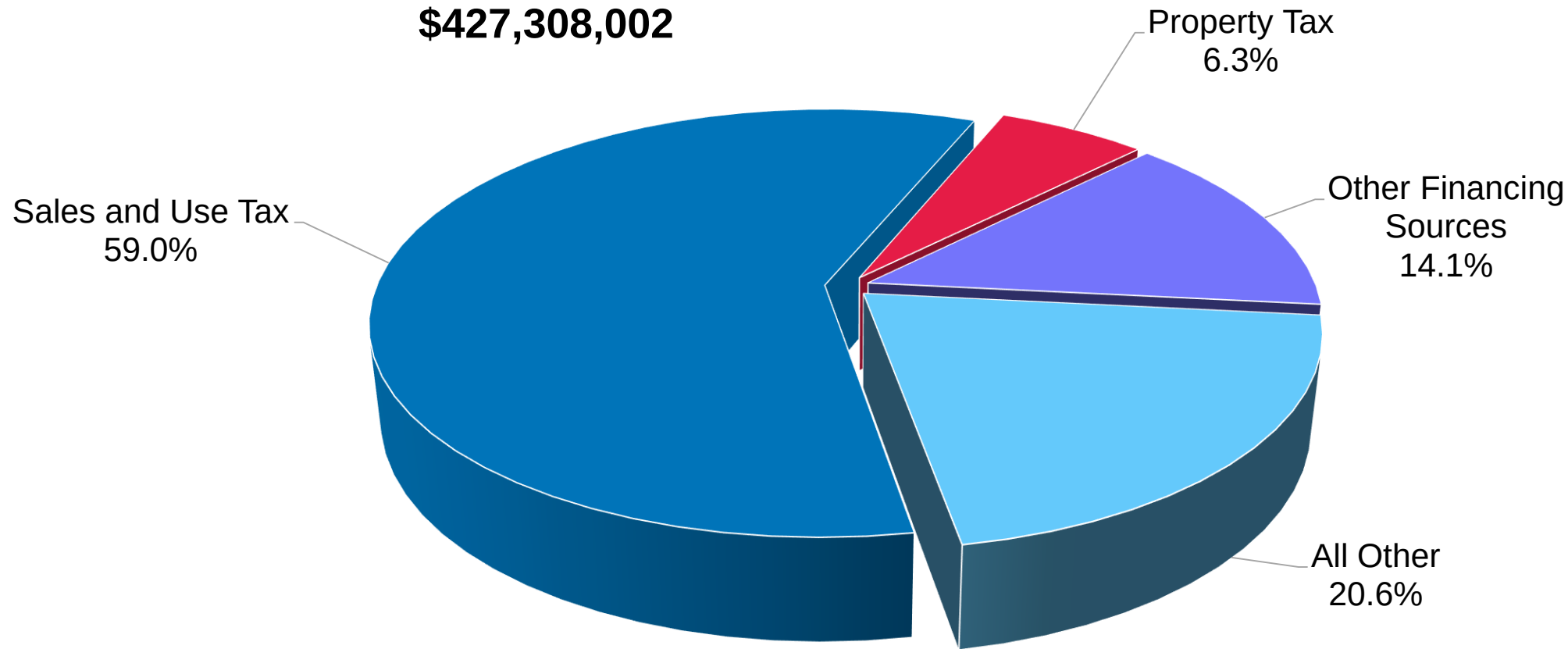


Date	Item
April/May	2026 Budget Kickoff Meetings with all departments
	2026 Capital Improvement Program (CIP) prioritization committee kickoff
June	Departments prepare 2026 budget funding requests
	CIP Prioritization Committee – project presentations by departments
July	Prioritization meeting for Departmental budget funding requests
	Meeting with City Council to discuss 2026 Budget
August	2026 Budget balancing by Administration
	Mayor/Council Retreat
September	Meeting with City Council to preview budget balancing
	2026 Budget preview with all departments
	Budget Office prepares 2026 Budget document

Revenue Overview General Fund



General Fund Revenue
\$427,308,002



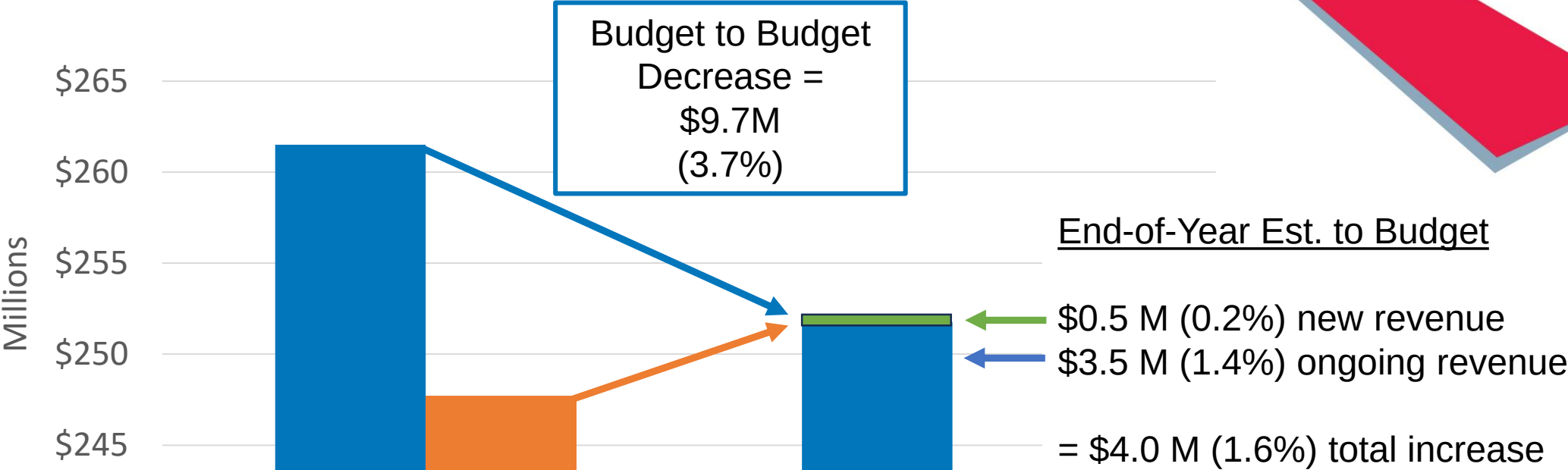
Revenue Detail General Fund



Revenue Type	2025 Budget (millions)	2026 Budget (millions)	Change (millions)
Sales and Use Tax	\$261.5	\$251.70	(\$9.8)
Property Tax	\$28.9	\$26.90	(\$2.0)
Taxes - Other	\$4.1	\$4.10	\$0.0
Other Revenue	\$137.9	\$144.60	\$6.7
Reserves	\$3.9	\$0	(\$3.9)
Rebudgeted	\$2.0	\$0	(\$2.0)
Total General Fund Revenue	\$438.3	\$427.30	(\$11.0)

Sales Tax Overview

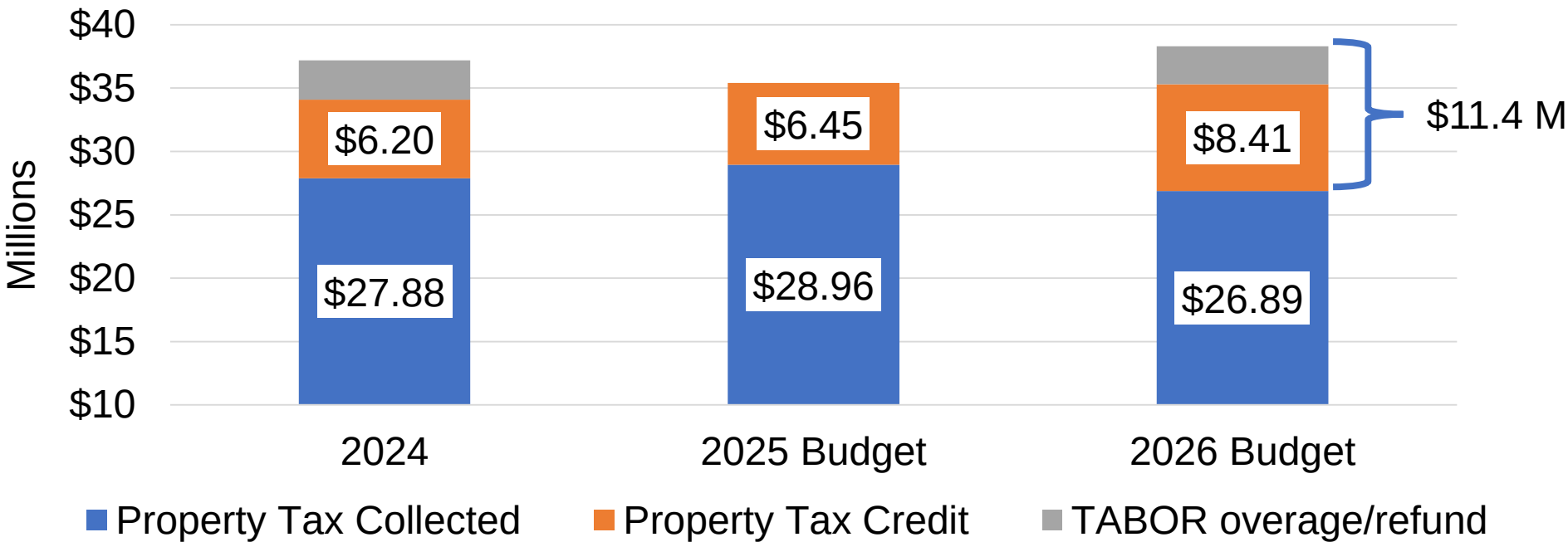
General Fund



■ Sales Tax Budget	2025	2026
	\$261,503,203	\$251,768,203
■ Sales Tax End-of-Year Est.	\$247,720,000	

Property Tax Overview

General Fund



Mill Levy - Credit	0.70	0.725	1.270
Credit Amount	\$6.2 million	\$6.45 million	\$11.42 million

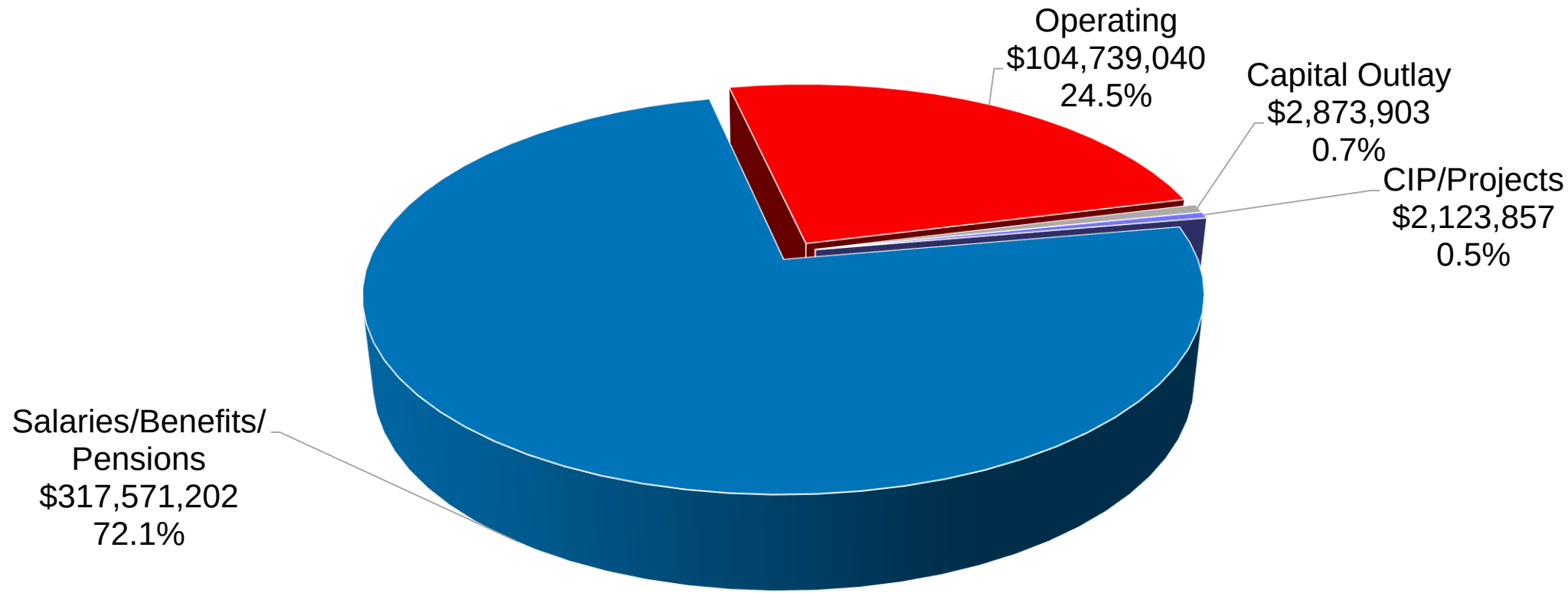
Expenditure Overview

General Fund



General Fund Expenditures by Category

\$427,308,002



Expenditure Detail General Fund



Category	2025 Budget (millions)	2026 Budget (millions)	Change (millions)
Salaries/ Benefits/ Pensions	\$316.8	\$317.6	\$0.8
Operating	\$104.1	\$101.5	(\$2.6)
Capital Outlay	\$4.6	\$2.9	(\$1.7)
CIP/Projects	\$9.8	\$2.1	(\$7.7)
Internal Service Charges	\$3.0	\$3.2	\$0.2
General Fund Expenditures	\$438.3	\$427.3	(\$11.0)

General Fund Fund Balance



	2022	2023	2024	2025 Estimate
Reserve - Available Balance (Million)	\$94.11	\$89.89	\$90.40	\$84.44
as a % of following year's original budget	22.4%	21.0%	20.9%	19.8%

2026 Civilian Compensation



Market Movement

- No market movement

Pay for Performance

- No pay for performance

Pay Progressions

- Up to 2%
- Max = Market Average
- Effective on their job anniversary date

2026 Sworn Compensation



Market Movement

- No market movement

Step Progression

- Step Progression: Promotion to next step based on eligibility
- 1.3% average increase
- Fire - total cost \$662k
- Police - total cost \$1.5M

2026 Benefits



Plan Premium Changes

- No premium changes for employees during 2026
- City covering full 6.2% increase, approx. \$2.4M for General Fund

Expenditure Overview

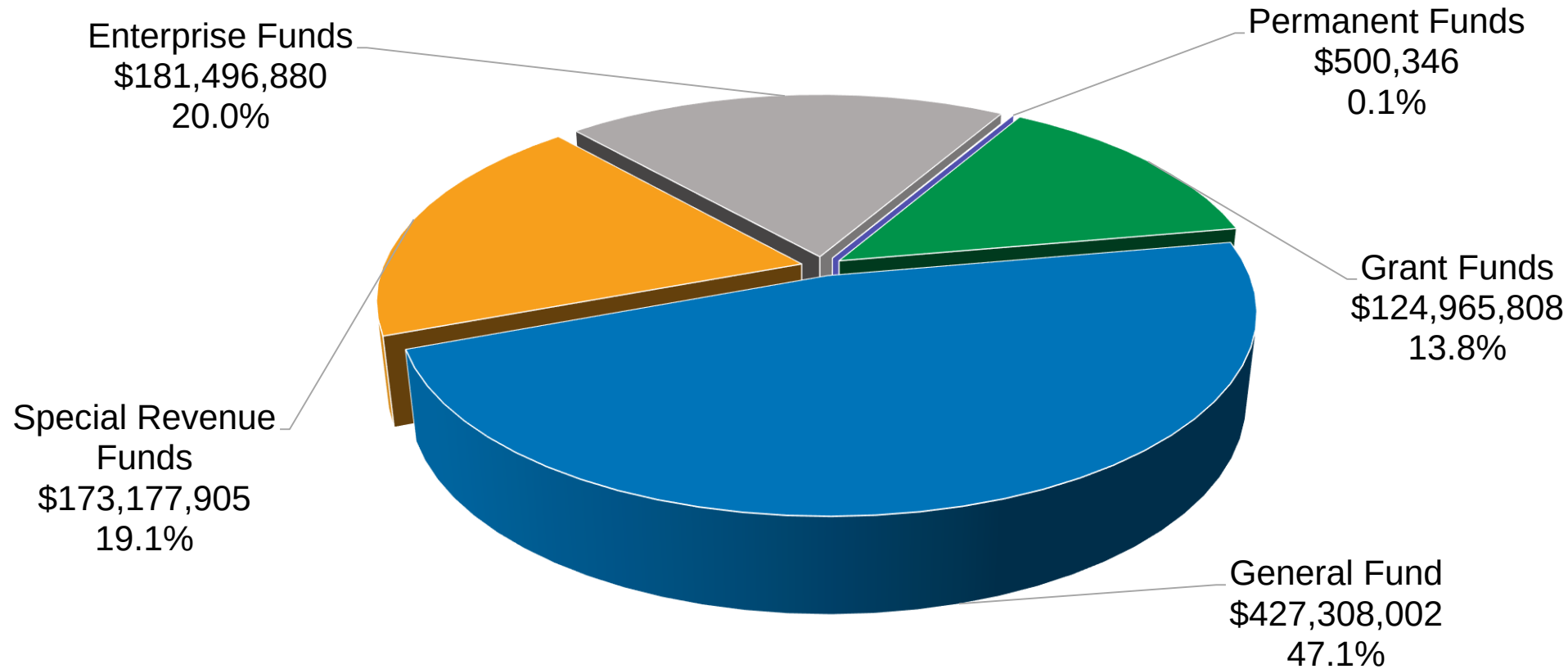
General Fund



	Increases/(Decreases) from 2025 Budget
Compensation strategy – civilian and sworn	\$0.2 M
Benefits/Pension/Healthcare/Ongoing obligations	\$8.5 M
Contract/Insurance/Other unavoidable expenses	(\$3.5 M)
Departmental changes	(\$12.9 M)
Net change in one-time expenses	(\$3.4 M)
Total GF Expenditure change	(\$11.1 M)

All Funds Overview

All Funds by Funding Source
\$907,448,941



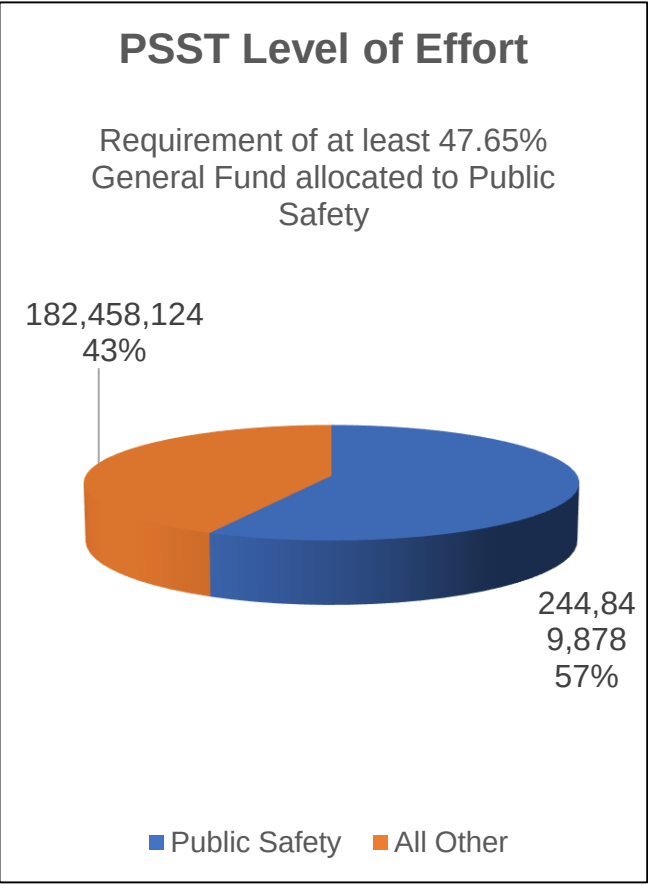
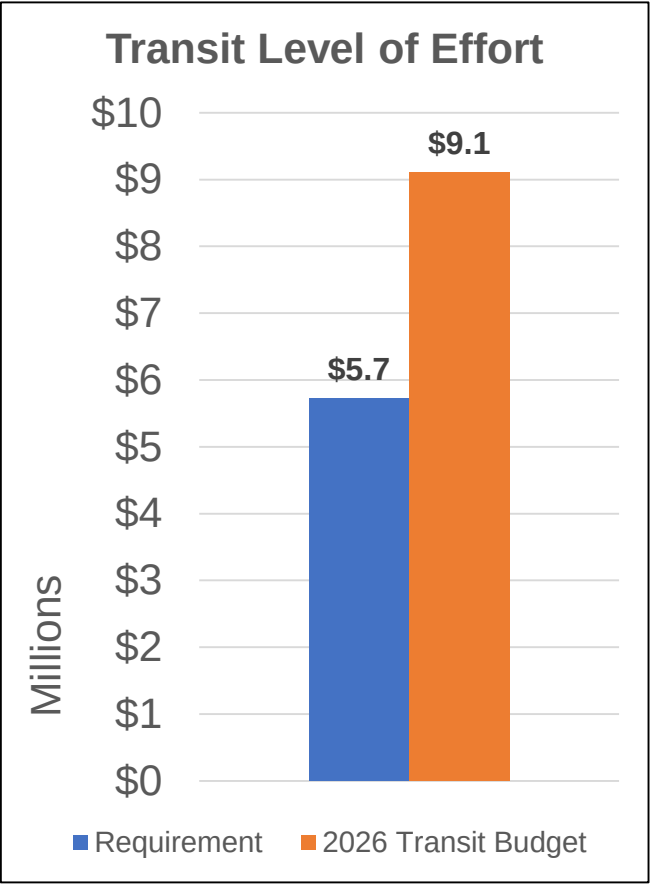
Special Funds Expenditure Budget



Fund	2025 Budget (millions)	2026 Budget (millions)
Conservation Trust Fund (CTF)	\$7.0	\$6.2
Trails, Open Space and Parks (TOPS)	\$5.8	\$5.6
Lodging and Auto Rental Tax (LART)	\$10.5	\$9.9
Roadway Improvement Fund (2C)	\$73.0	\$73.8
Public Safety Sales Tax (PSST)	\$53.5	\$52.3
Pikes Peak Rural Transportation Authority (PPRTA) *	\$118.3	\$115.8

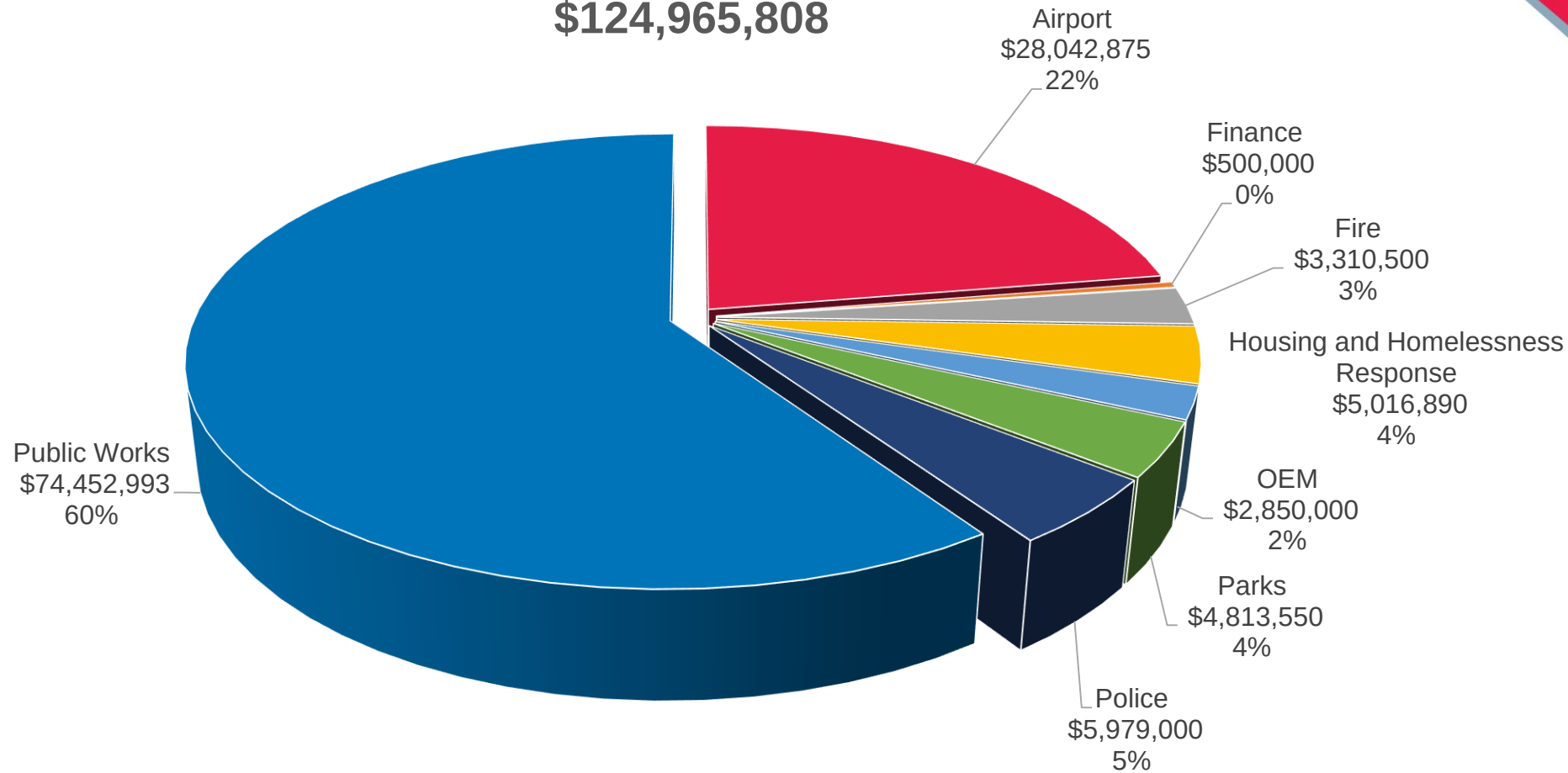
* PPRTA is not appropriated by the City

Level of Effort Requirements



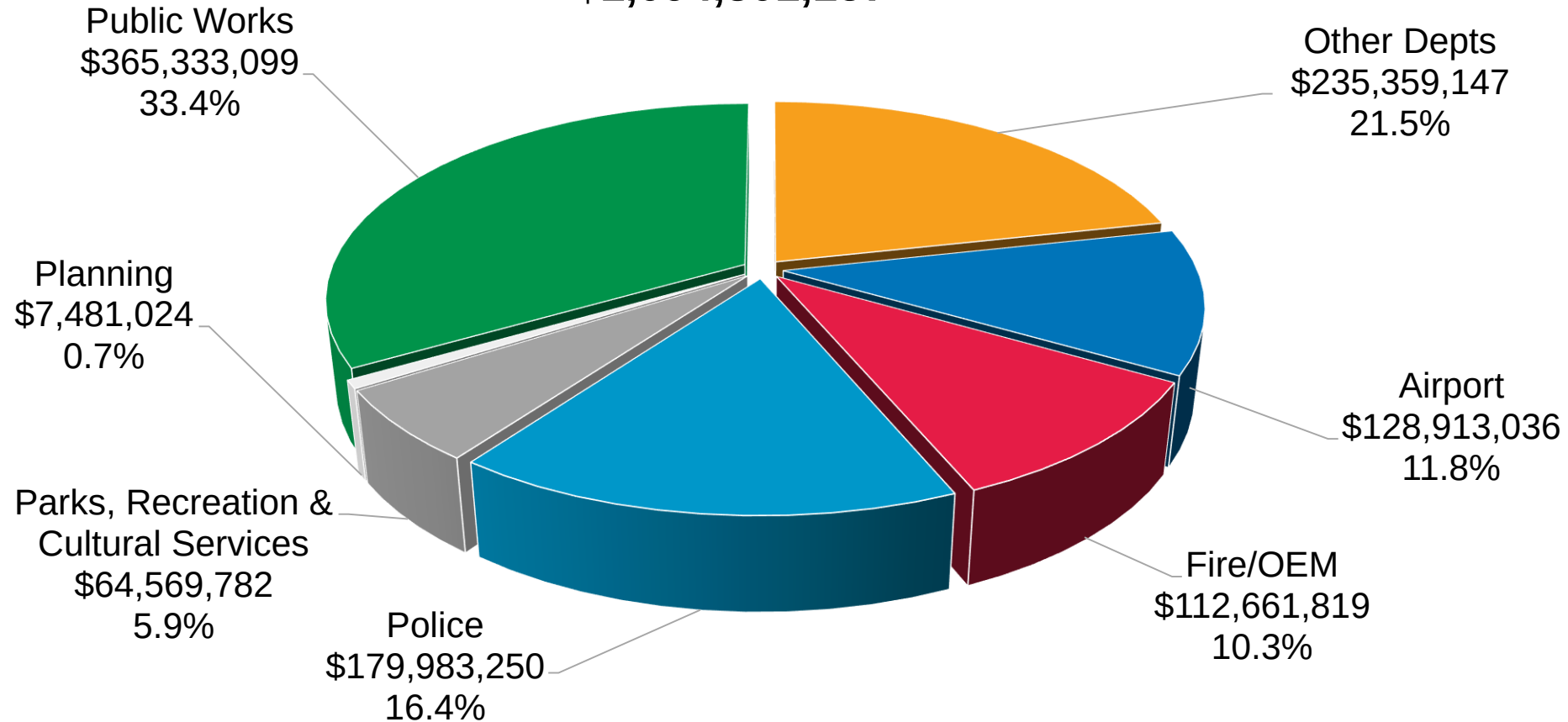
Grants Overview

2026 Anticipated Grants \$124,965,808



All Funds Overview

All Funds by Department \$1,094,301,157*



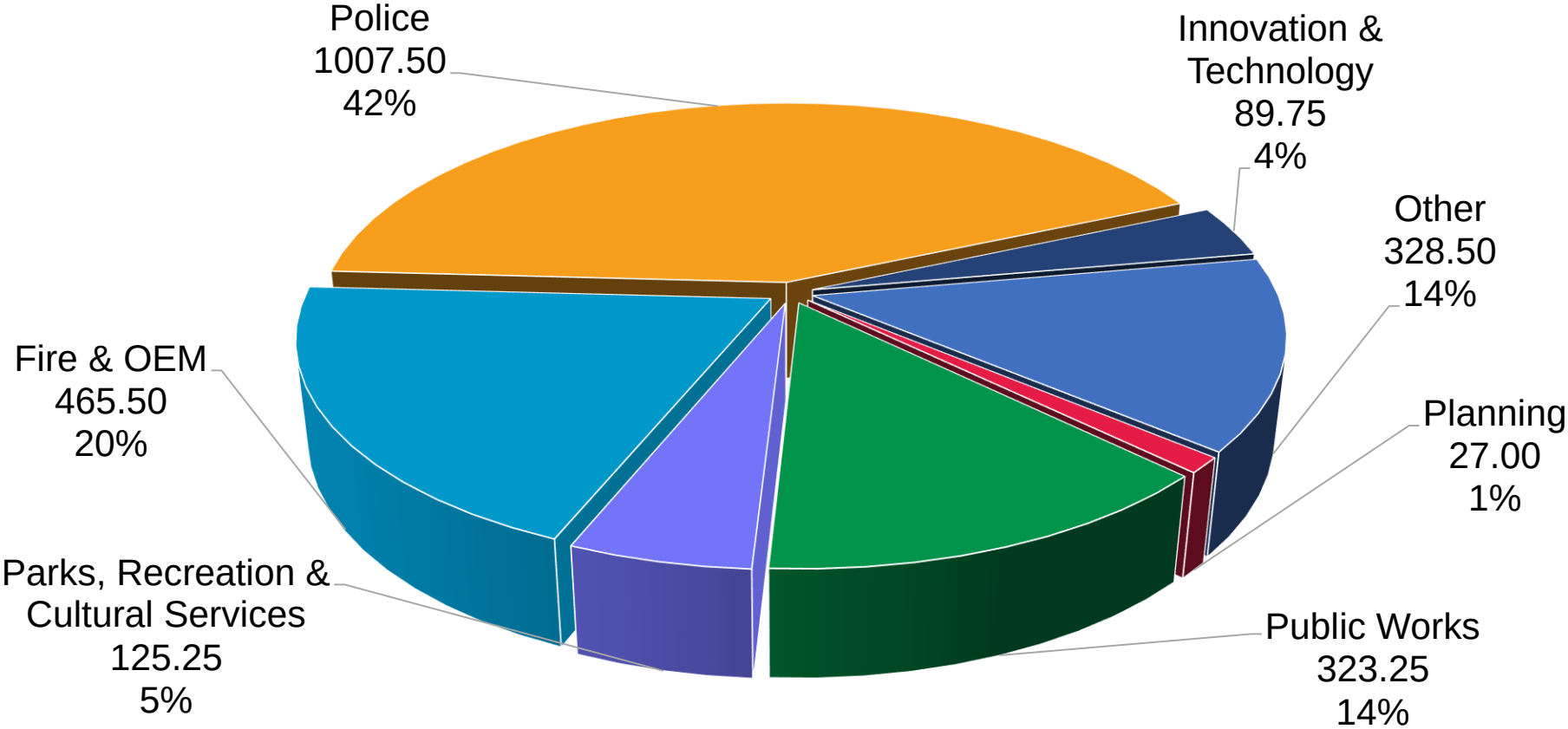
* Includes PPRTA & Internal Service Funds

Personnel Summary

General Fund



2026 General Fund Positions by Department
2,366.75



2026 General Fund Position Changes



Department	Change	Department	Change
City Attorney	(1.00)	Mayor's Office	(0.50)
City Clerk	(1.00)	Municipal Court	(4.00)
Communications	0.50	Parks, Recreation & Cultural Svc.	(9.00)
Economic Development	(0.75)	Planning	(2.00)
Fire	(10.00)	Police	(7.00)
Housing & Homelessness Response	(3.00)	Public works	(3.00)
Human Resources	(3.00)	Support Services	9.75
Innovation and Technology	(3.00)	General Fund Position Change	(37.00)

2026 Other Funds Position Changes



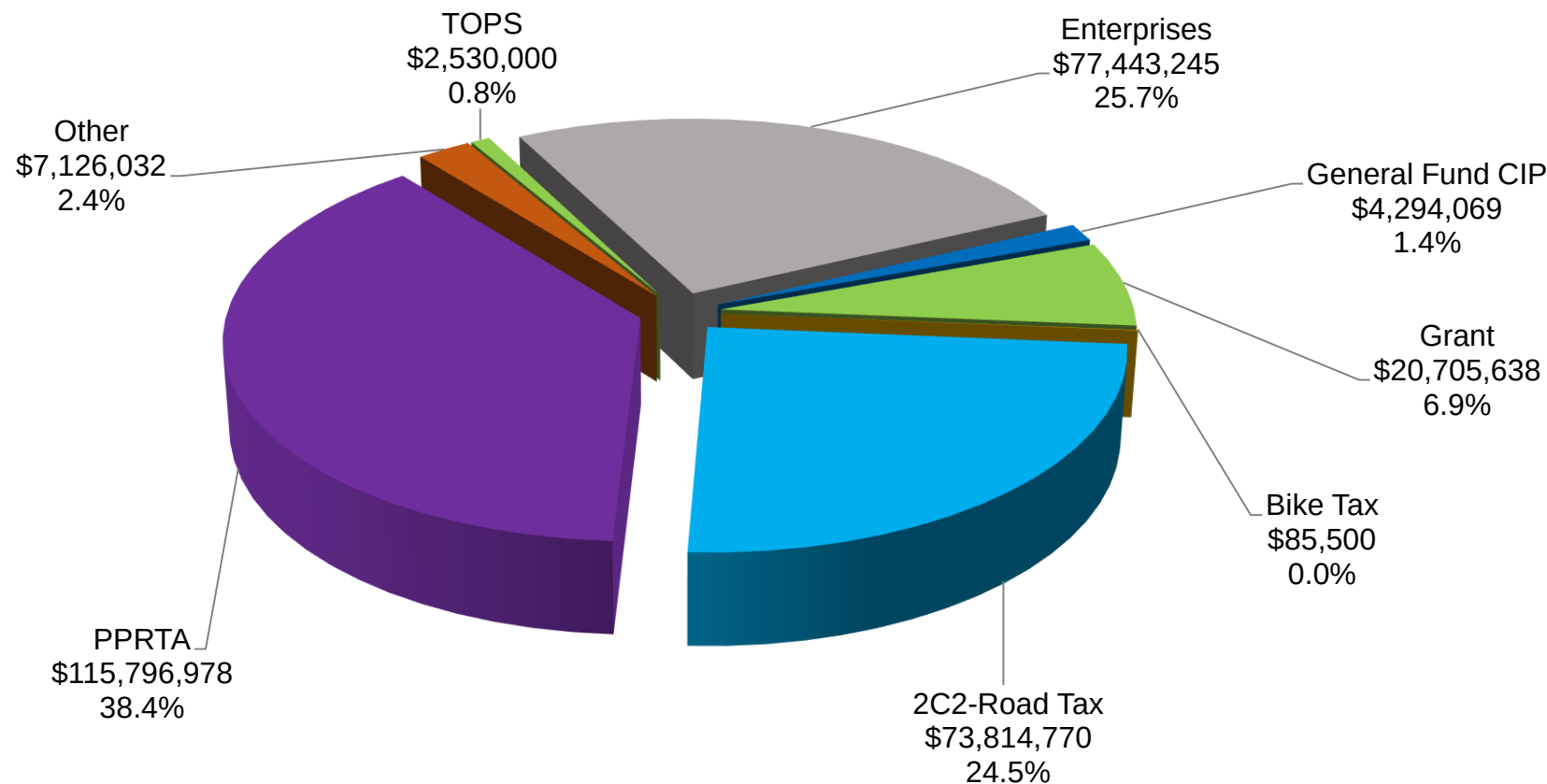
Department	Change
Airport	(0.25)
Development Review Enterprise	(5.00)
Housing and Homelessness Response (Grants)	1.00
Human Resources - Workers Compensation Fund	(1.00)
Office of Emergency Mgt. (Grants)	(3.00)
Parks, Recreation, & Cultural Services (TOPS)	(0.50)
Police (PSST)	0.25
Public Works – Transit (Grants)	(2.00)
Support Services - Radio Communications Fund	(1.00)
Stormwater Enterprise	2.00
TOTAL Other Funds Changes	(9.50)

Capital Improvements Program (CIP)

CIP – All Funds

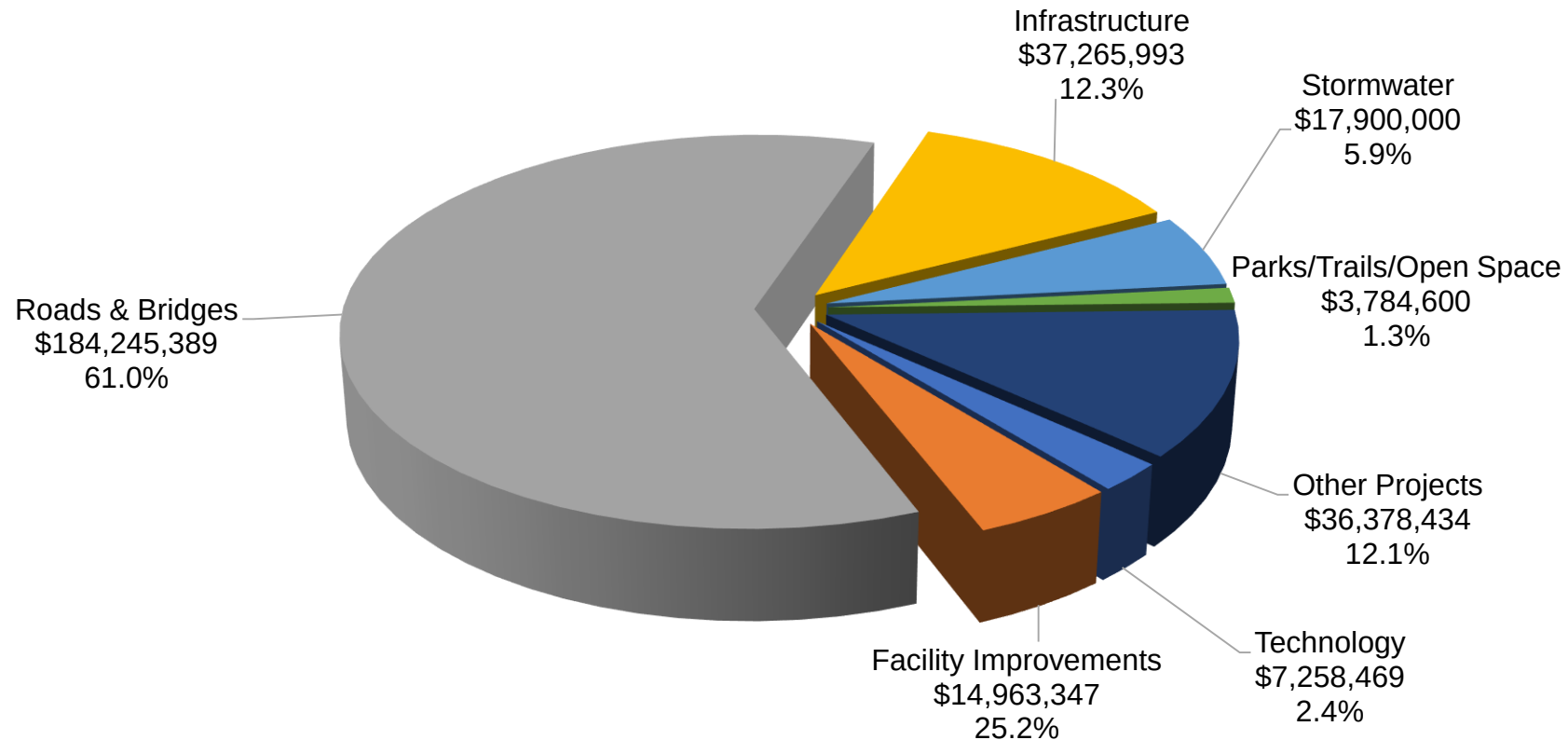


2026 All Funds CIP by Funding Source
\$301,796,232



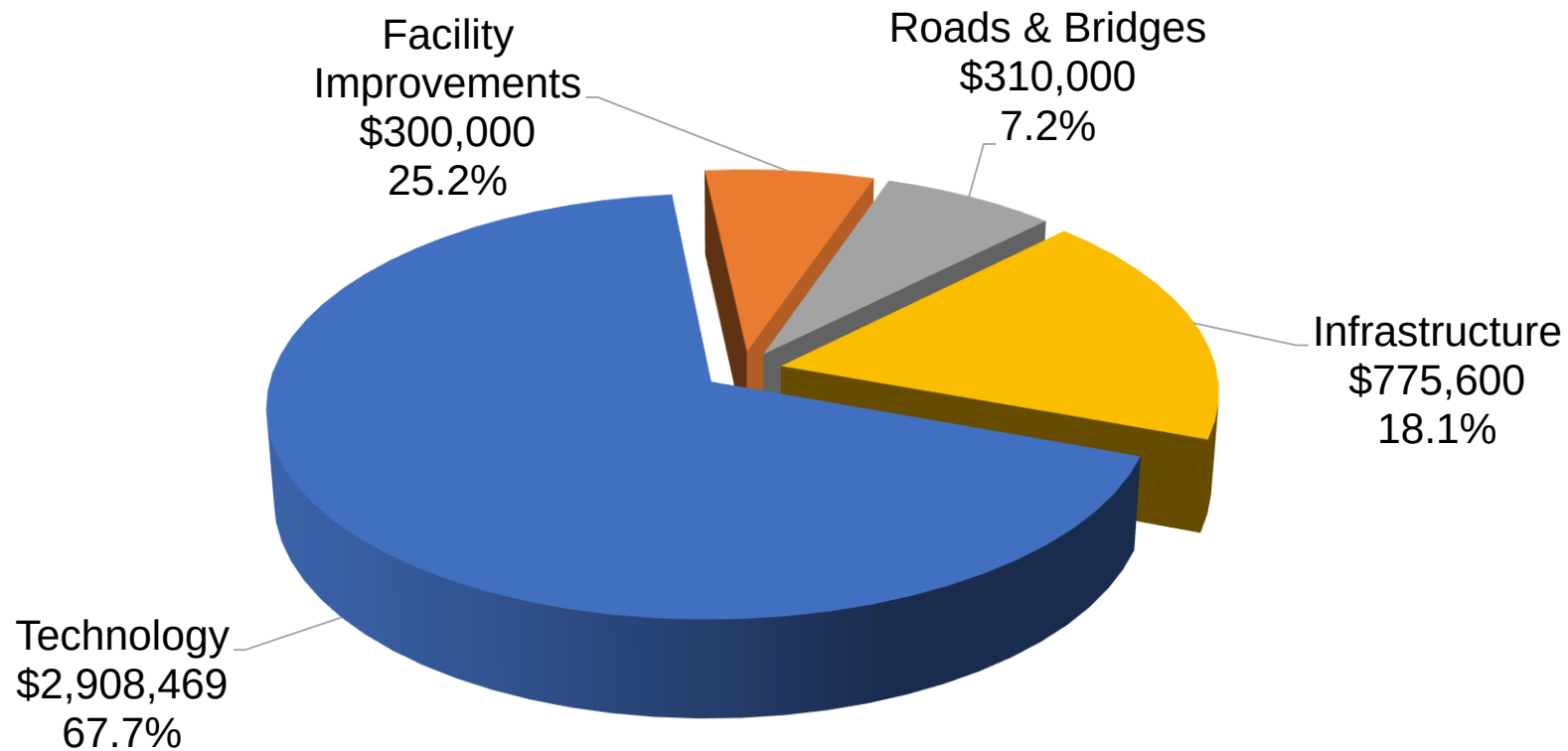
CIP – All Funds

2026 All Funds CIP Projects by Type \$301,796,262



CIP – General Fund

2026 General Fund CIP Projects by Type \$4,294,069



Calendar/Next Steps



Date	Item
Oct. 15	City Council 2026 Budget Work Session
Oct. 27	Public Hearing on 2026 Budget
Oct. 29	City Council Markup Session on 2026 Budget
Nov. 10	1 st reading - 2026 Budget Appropriation Ordinance
Nov. 25	2 nd reading - 2026 Budget Appropriation Ordinance

Agenda

2026 Budget - City Council Work Session October 15, 2025 | City Council Chambers

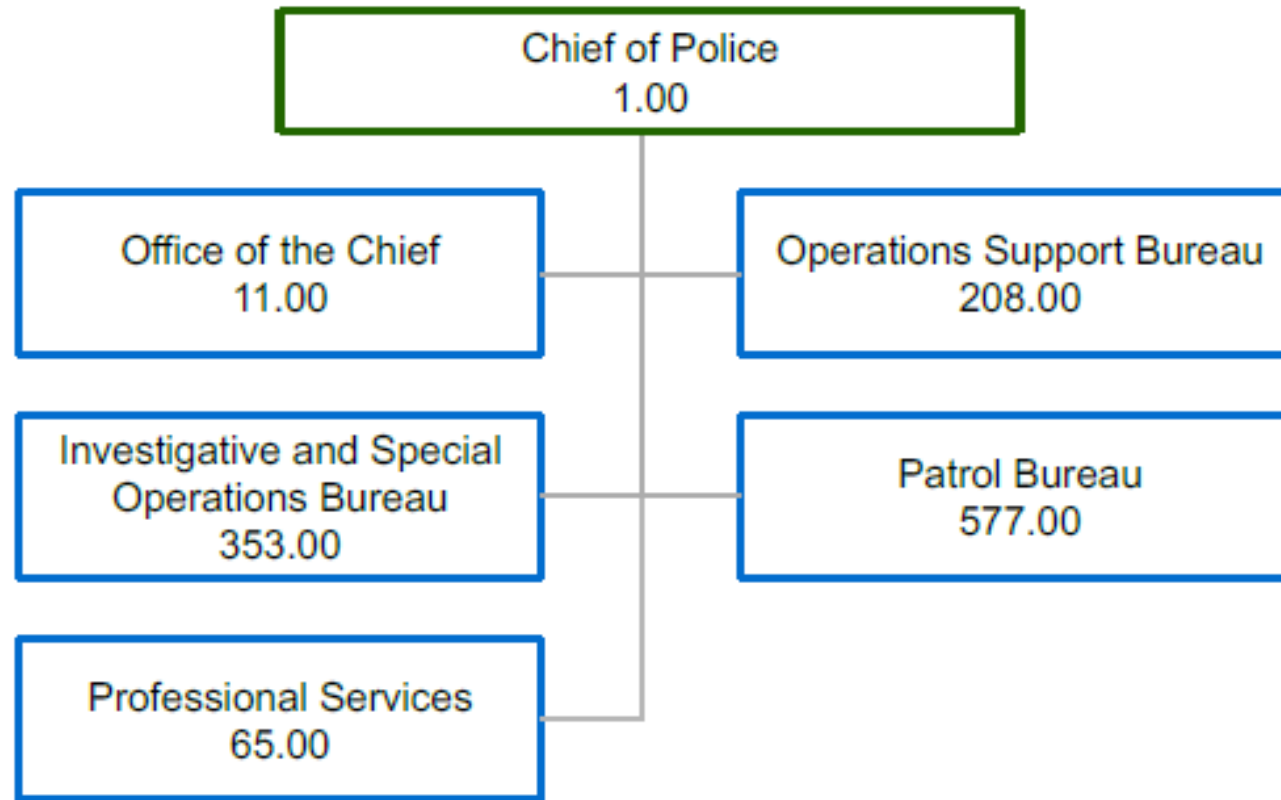
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POLICE DEPARTMENT



Adrian Vasquez, Police Chief

POLICE DEPARTMENT – ORGANIZATIONAL CHART

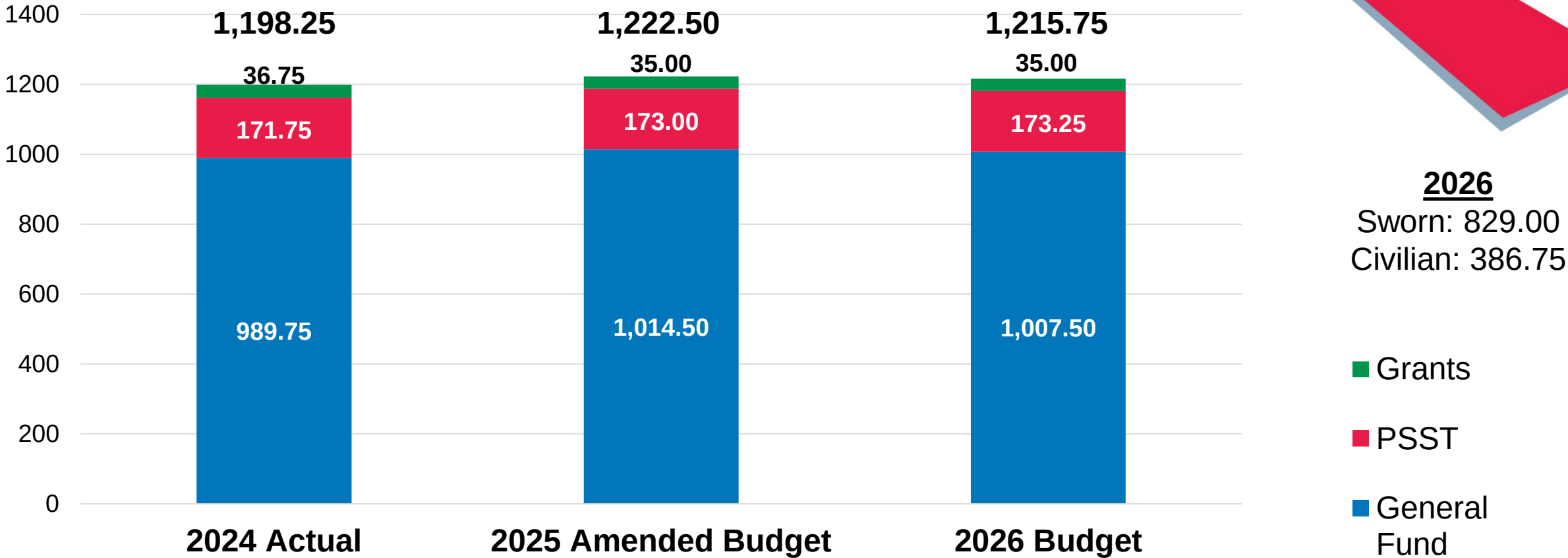


The organization chart shows all positions that report to the Police Department including 13 positions that are funded in the Colorado Springs Airport enterprise fund.

POLICE



All Funds Position History



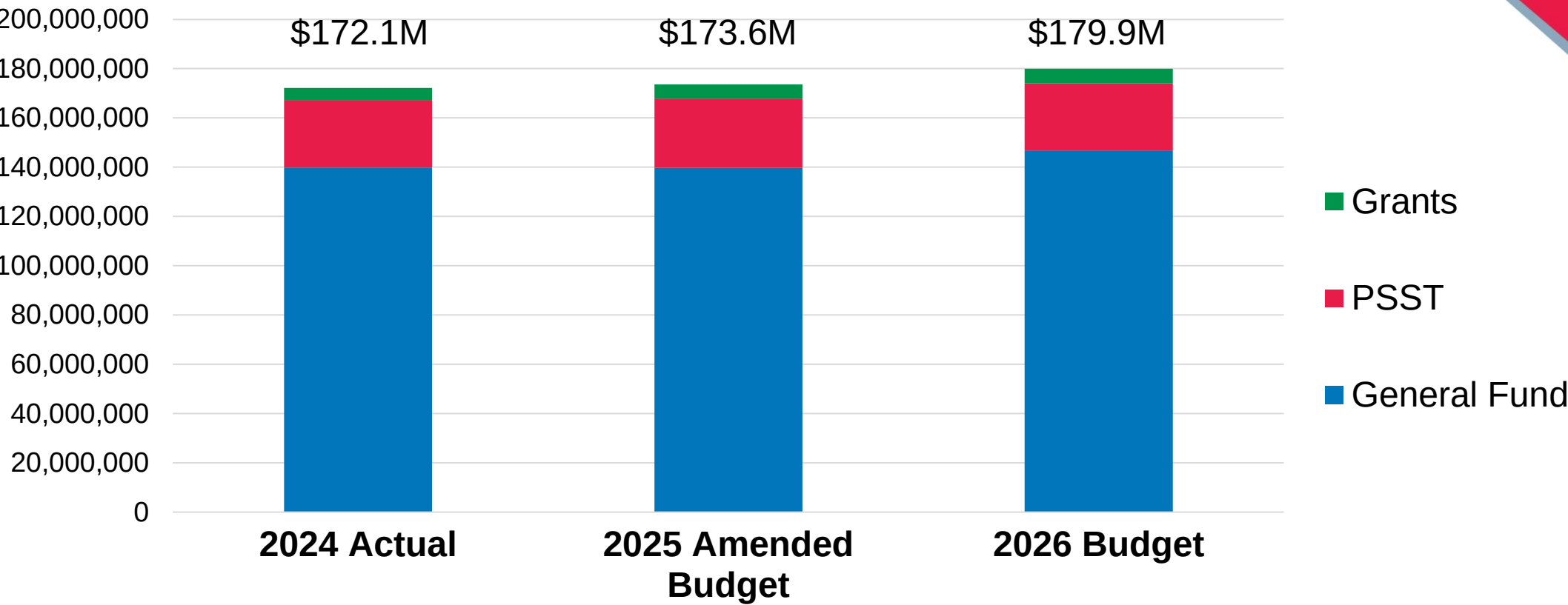
Position Changes

During 2025	General Fund	PSST
Transfer Civilian FTE to PSST	(0.25)	0.25
Transfer Police Officers from Airport	3.00	0.00
Eliminate Photo Enforcement Technician	(1.00)	0.00
Reallocated Senior Business Manager position to Civilian Deputy Chief	0.00	1.00
For 2026	General Fund	PSST
Transfer Civilian FTE to Support Services – Fleet/Facilities Consolidation	(2.00)	(4.75)
Transfer Civilian FTE to PSST	(5.00)	5.00
Unfunded Positions	General Fund	PSST
Civilian	8.00	5.75

POLICE



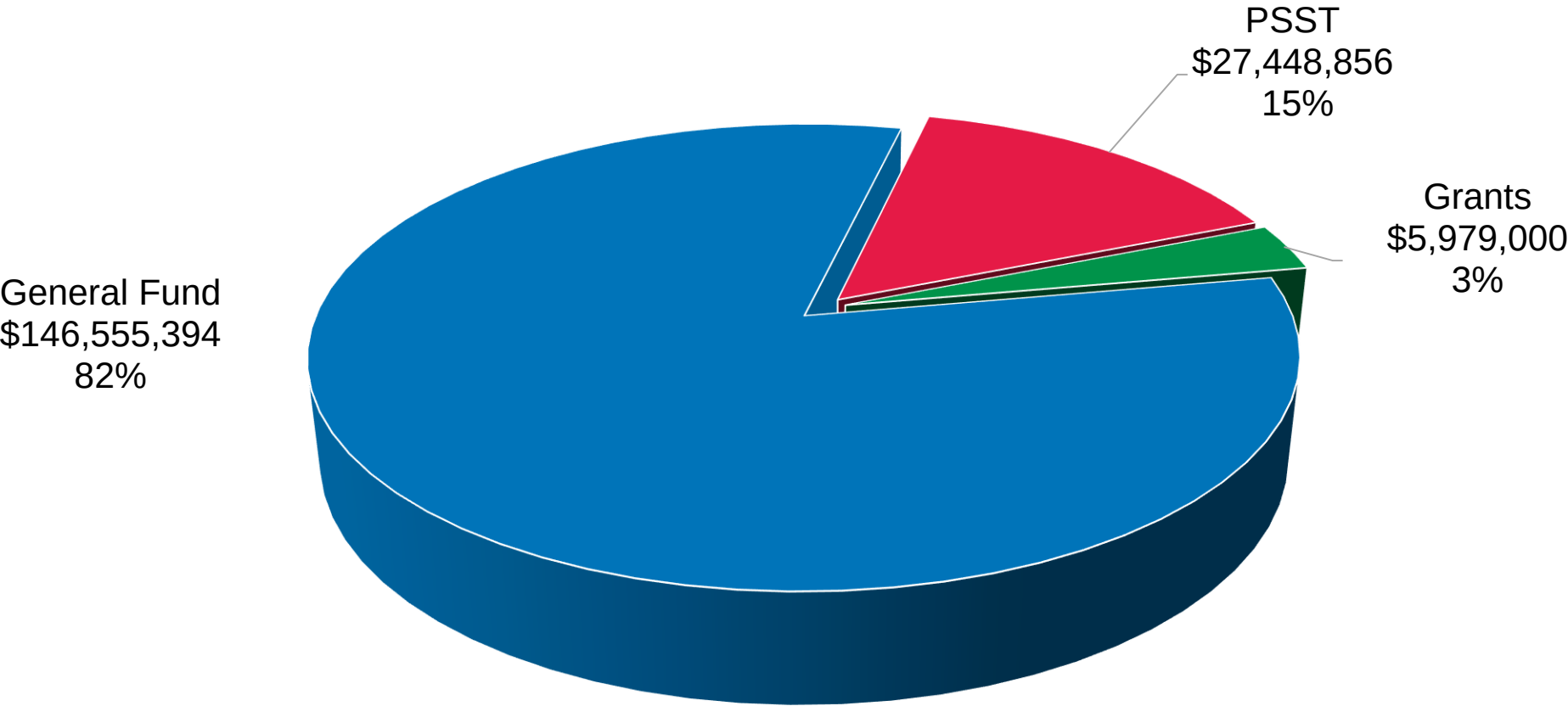
All Funds History



POLICE



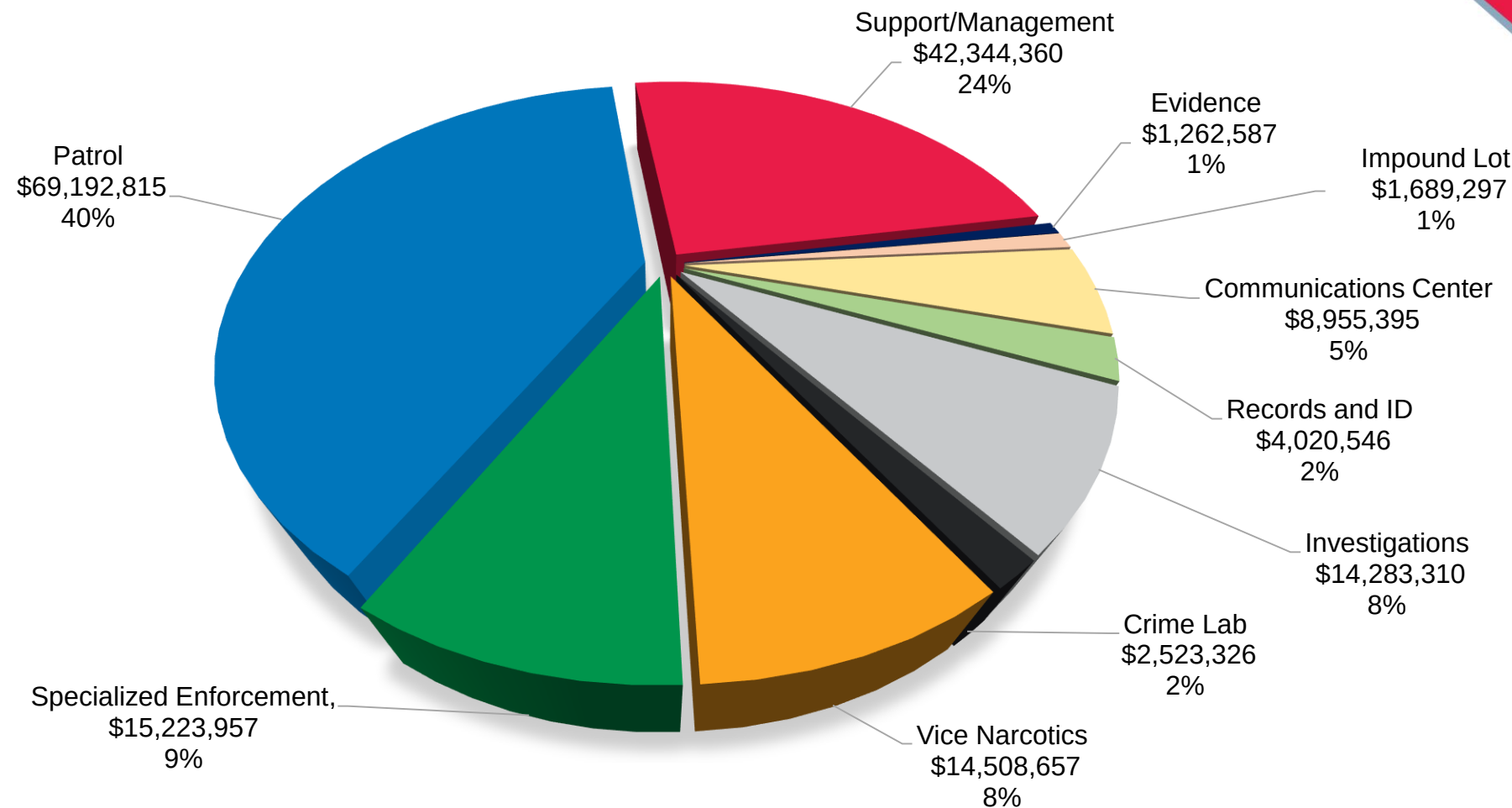
2026 Total Funding - \$179,983,250



POLICE



2026 Funding by Function*



* Does not include grant funding or CIP

Budget Changes

For 2026	General Fund	PSST
Net change to fund existing positions	\$4,629,295	\$601,410
Increase to fund step progressions, and pay progressions for civilian staff	1,663,109	338,541
Contractual increases (medical cost increases, contractual obligations)	2,525,047	169,623
Removal of temporary budget reductions	3,833,760	0
Planned civilian furloughs (excluding 911 call center)	(322,584)	(121,791)
Unfunded vacant positions	(703,504)	(530,316)
Planned future attrition	(529,245)	0
Delay of police academy	(2,982,611)	0
Other operating reductions and removal of one-time funding	(588,567)	(1,160,006)
Net transfer of positions to other departments or funds	(713,190)	47,951
Total	\$6,811,510	(\$654,588)

POLICE



2026 Department Priorities

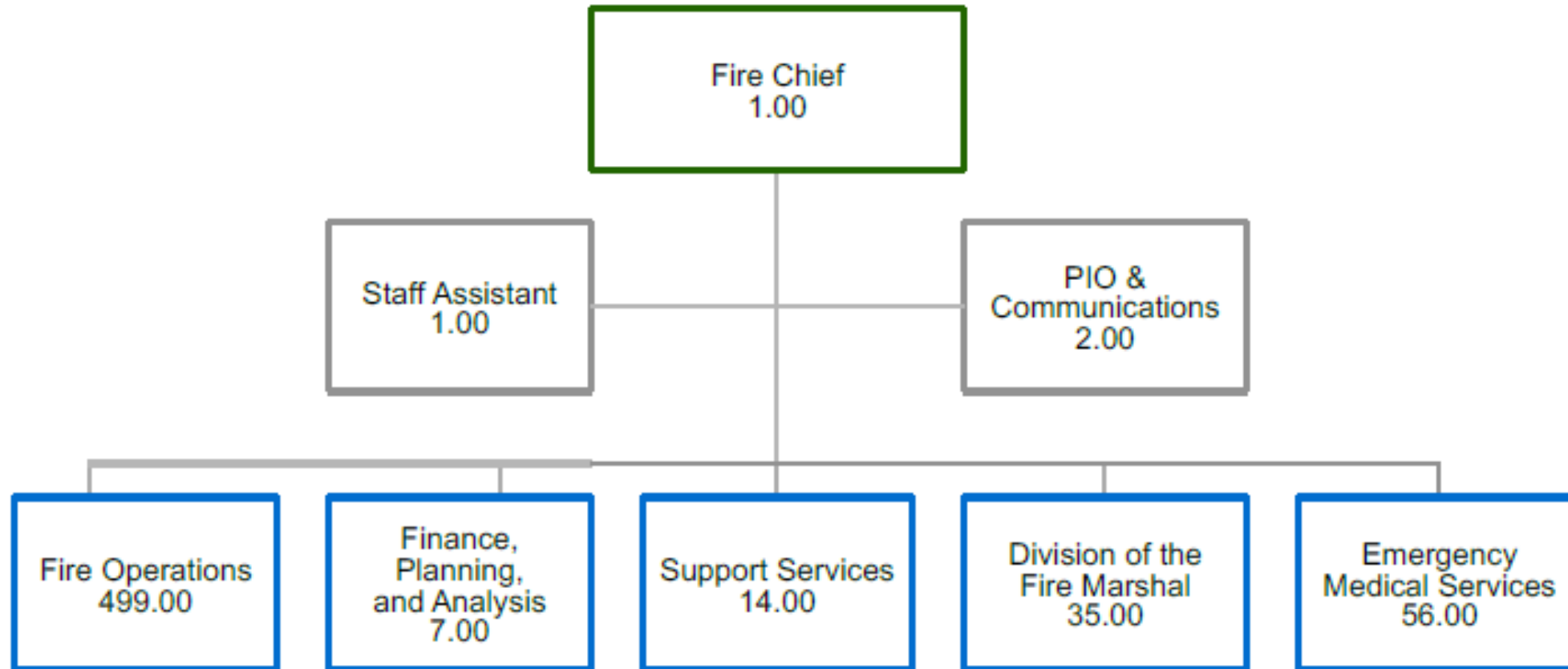
- Staffing
- Technology
- Alternative fees
- Balancing public safety and community sense of safety

FIRE DEPARTMENT

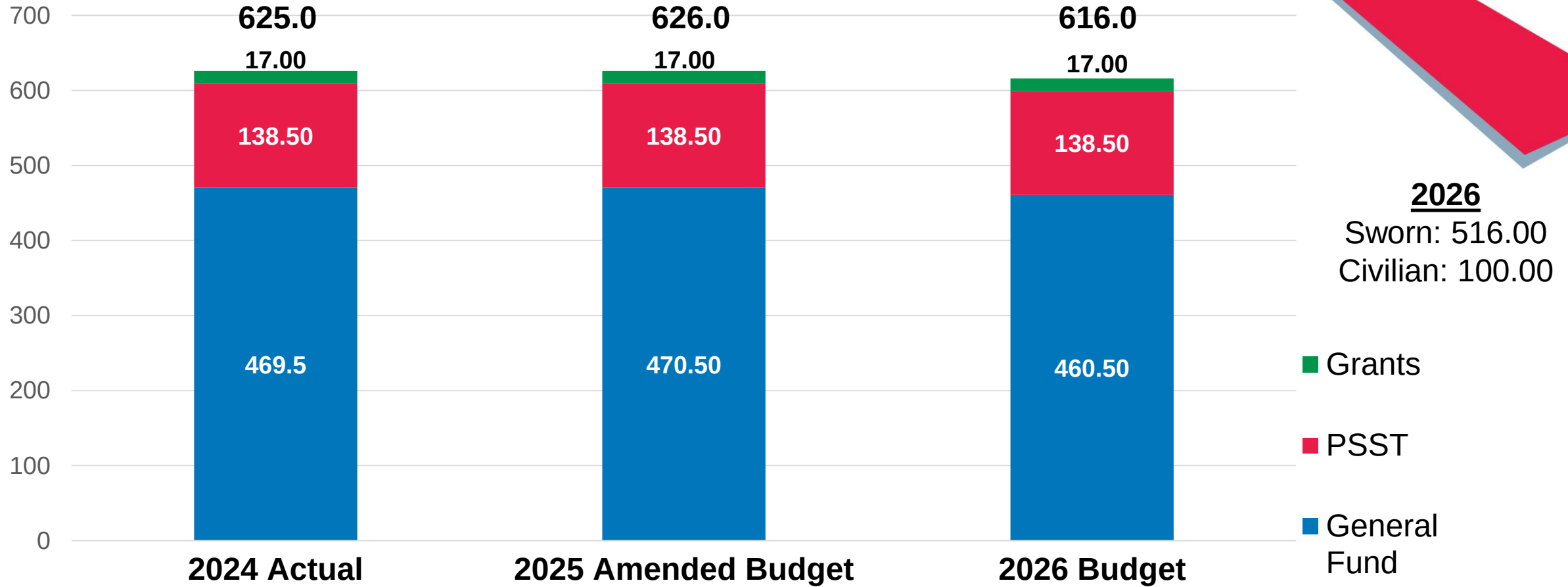
Randy Royal, Fire Chief



FIRE DEPARTMENT – ORGANIZATIONAL CHART



All Funds Position History



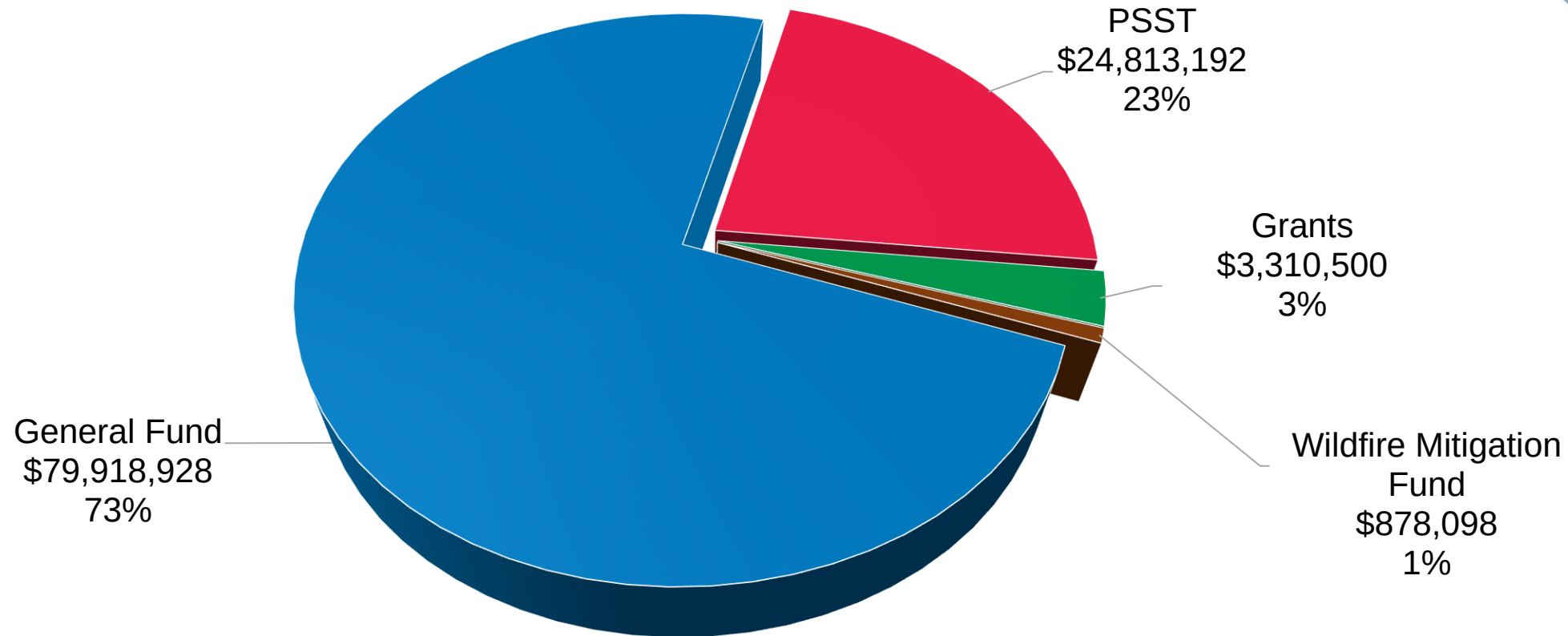
Position Changes

For 2026	General Fund	PSST
Transfer Civilian FTE to Support Services – Fleet/Facilities Consolidation	(3.50)	(5.50)
Transfer Civilian FTE to PSST	(6.50)	6.50
Eliminate Civilian FTE	0.00	(1.00)
Unfunded Positions	General Fund	PSST
Civilian	1.00	0.00

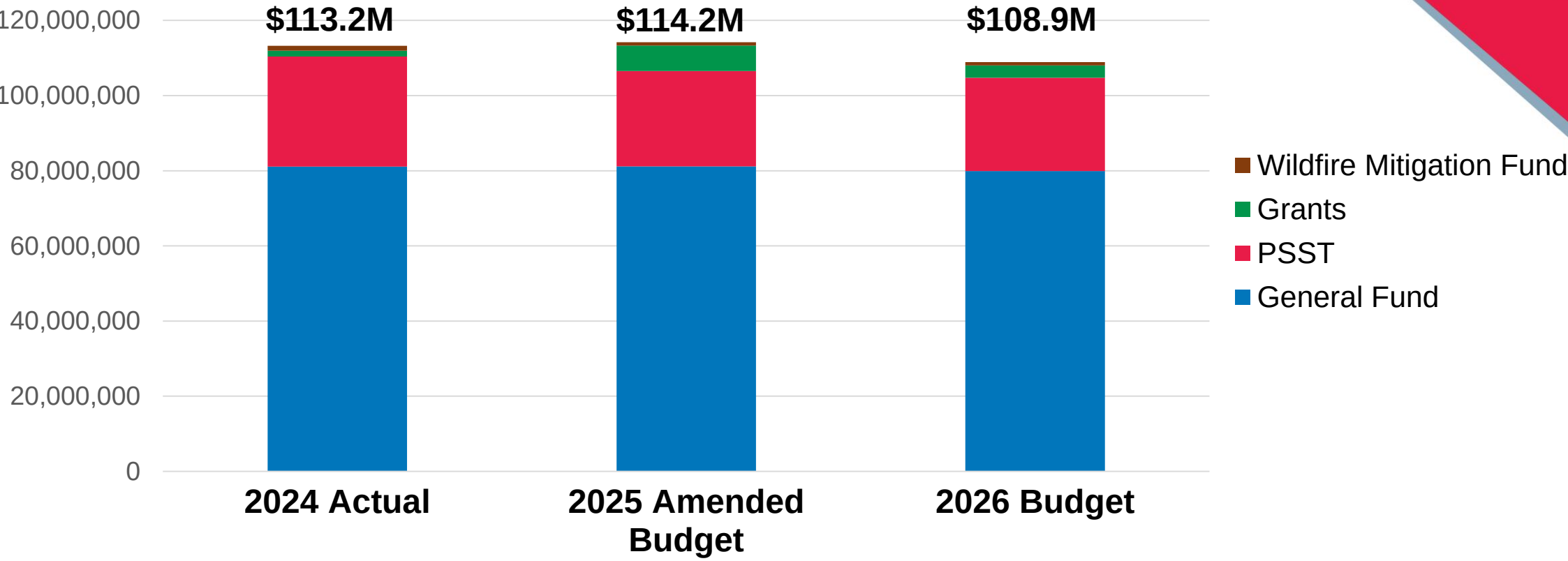
FIRE



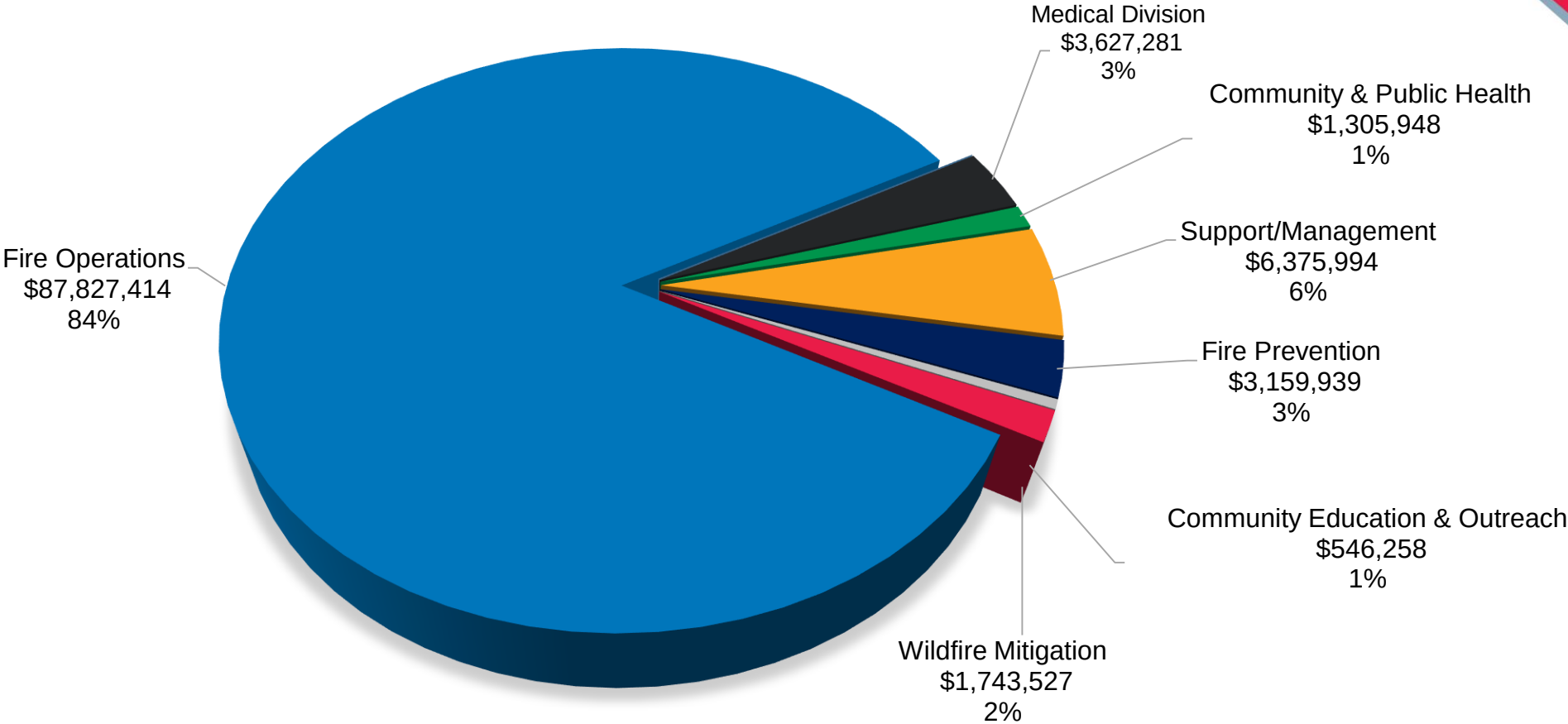
2026 Total Funding - \$108,920,718



All Funds History



2026 Funding by Function



Budget Changes

For 2026	General Fund	PSST
Net change to fund existing positions	\$677,153	\$498,749
Increase to fund step progressions, and pay progressions for civilian staff	677,781	199,816
Contractual increases (medical cost increases, contractual obligations)	543,234	147,494
Removal of temporary budget reductions	1,725,120	0
Planned civilian furloughs	(138,606)	(72,980)
Unfunded vacant positions	(63,445)	0
Civilian position elimination	0	(111,012)
Planned future attrition	(119,270)	0
Removal of 2026 Training Academy	(1,605,779)	0
Decrease in funding for operating and capital outlay	0	(1,368,644)
Decrease in capital improvement project funding	(1,868,607)	0
Net transfer of positions to/from other departments or funds	(1,068,211)	114,336
Total	(\$1,240,630)	(\$592,241)

FIRE PRIORITIES



- Priorities
 - Keeping up with City growth, adding infrastructure and apparatus
 - Staffing (sworn and civilian) - Retaining and attracting top talent
 - Advancing the Tiered Response model and creating sustainability
 - Wildfire Response - operational collaborations and deployments, mitigation efforts, community education
 - Health and Wellness initiatives - investing in our most important assets
- On Going Community Collaborations
 - Whole Blood Program
 - Qwake Technology
 - Drone Program
 - Heads Up CPR
- The Colorado Springs Fire Department provides fire, emergency and prevention services with professionalism, compassion and excellence

Agenda

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