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# 2025 Year-End Supplemental Appropriations

Justin Sykes, Budget & Management Director  
November 18, 2025

# Requested Council Actions

## 1. Bill #25-1891

Rescinds \$13.935 million from General Fund Contingency and authorizes it as supplemental appropriations for various General Fund agencies and special revenue funds (SRF)

## 2. Bill #25-1892

Approves a supplemental appropriation of \$4.97 million in the Denver Arts and Venues SRF.



# 2025 Savings to Address Lower Revenue

To offset the downward revision to revenues in 2025, three main mid-year savings strategies were identified:

1. Furloughs
2. Hiring Freeze
3. Preservation of General Fund Contingency

Between the three, the city remains on track to meet our **\$35M** savings target.

# Detailed 2025 Savings

Item	YTD Savings	Projected Savings
Furloughs	\$6.4M	~\$10M
Hiring Freeze	\$5.8M	~\$7M
Contingency	\$0	\$20.6M
<b>Total</b>	<b>\$12.2M</b>	<b>~\$37.6M</b>

# Purpose of General Fund Contingency

The City Charter requires that the proposed budget for the General Fund shall include no less than two percent of total estimated expenditures for unbudgeted expenditures. Fiscal Policy outlines criteria that include:

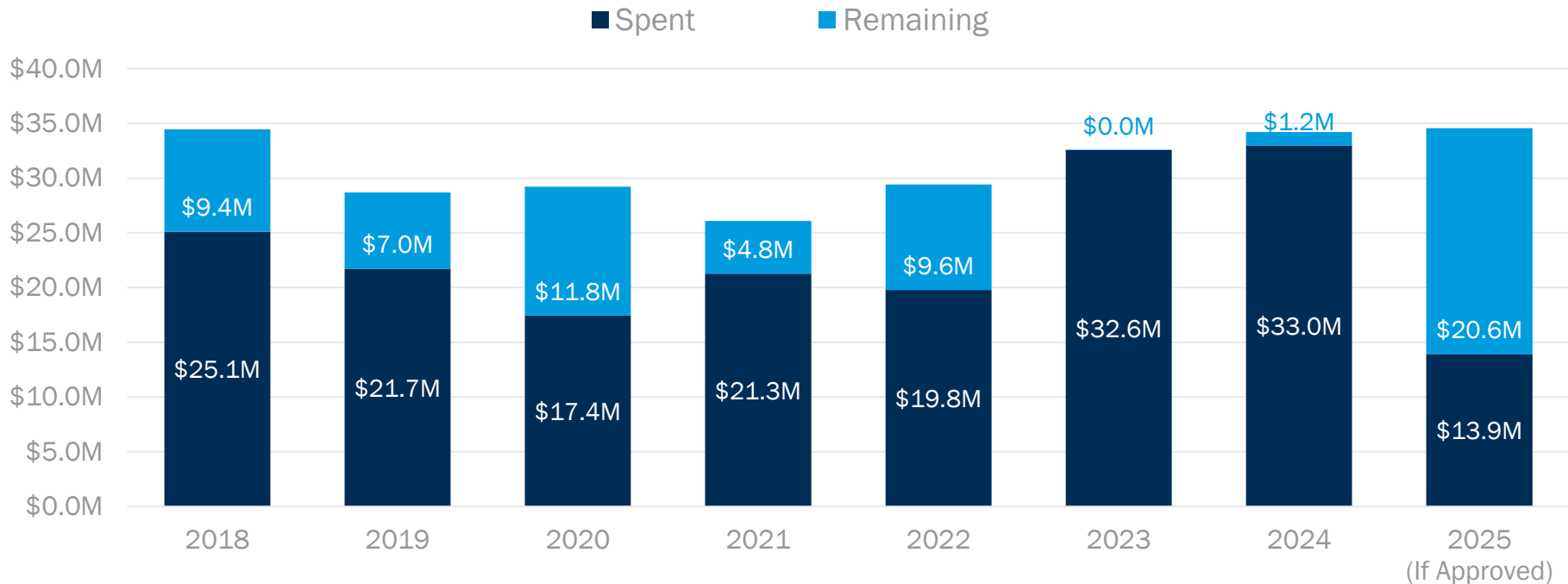
- An unexpected event such as a natural disaster or accident;
- Large unappropriated payouts or personnel costs such as retirement payout or midyear salary adjustments that cannot be absorbed by agency appropriation;
- Unfunded mandates as a result of legislation;
- Planned one-time expenditures that advance a programmatic or financial outcome.

# 2025 General Fund Contingency Appropriation

$$\begin{array}{ccc} \begin{array}{c} \text{Starting Amount} \\ \$34.551\text{M} \end{array} & - & \begin{array}{c} \text{Proposed Use} \\ \$13.935\text{M} \end{array} = \begin{array}{c} \text{Remaining Amount} \\ \$20.616\text{M} \end{array} \end{array}$$

There have been no General Fund contingency requests so far in 2025.

# Historical General Fund Contingency Spending



# Proposed General Fund Supplementals

TOTAL  
**\$13.935M**

Agency	Description	Amount
Police Department	Overtime, separation payouts	\$11,000,000
City Attorney's Office	Transfer to Liabilities and Claims Fund for settlement payouts	\$1,200,000
Department of Finance	Unemployment compensation insurance billings	\$1,000,000
District Attorney	Personnel costs and separation payouts	\$550,000
Municipal Public Defender	Alternate defense council	\$150,000
City Council	Separation payouts	\$35,000



# Police Department

**Total Supplemental Request = \$11M**

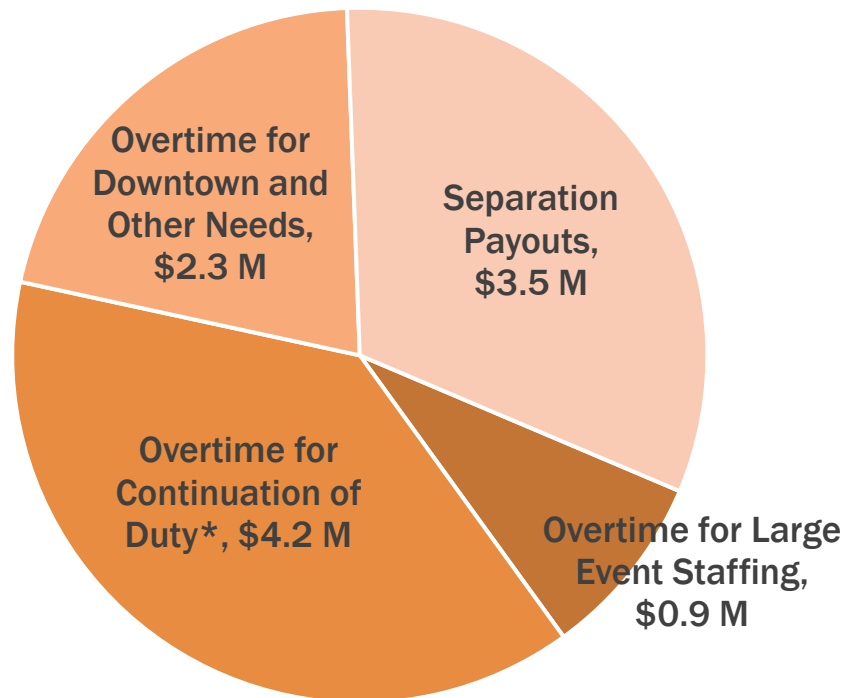
Expected 2025 Total Overtime: ~\$15M

- \$7M covered by DPD budget
- \$8M proposed out of contingency

Expected 2025 Total Payouts: ~\$5.3M

- \$1.8M covered by DPD budget
- \$3.5M proposed out of contingency

\*Includes backfill for large events



# Drivers of Overtime

- 38 major protests through October 31, including No Kings and multiple other political protests, rallies, and visits
  - Not only an increase in number of large events, but also of an extended duration and complexity
- Continuation of duty OT is incurred when an officer remains on duty beyond scheduled shift, often driven by large events that require schedule changes, respond to ongoing incidents, and ensure operational continuity
- Expanded downtown deployments needed in early 2025, before DDDA funding was approved

# City Attorney – Liability and Claims Fund

- The Liability and Claims Fund started 2025 with a balance of \$8,524,996, which included a General Fund Transfer of \$2,000,000
- CAO tracks pending litigations along with the timing of trials and settlements
- The fund is budgeted based on approved payments
- The fund's current balance before the proposed supplemental is \$55,673

# Unemployment Compensation Billings

- Maximum 2025 total unemployment insurance costs: \$1.8M
  - \$800,000 already covered by Dept. of Finance budget
  - \$1M proposed out of contingency
- Year to date payments are \$535K
  - We will not get final bill from the State until Q1 2026
- Annually we pay approximately \$600K
  - 2024 actual payments were \$635K
  - For 2026, the amount budgeted is \$1.2M

# Independent Agencies

Combined, these represent only ~5% (\$735,000) of the use of contingency.

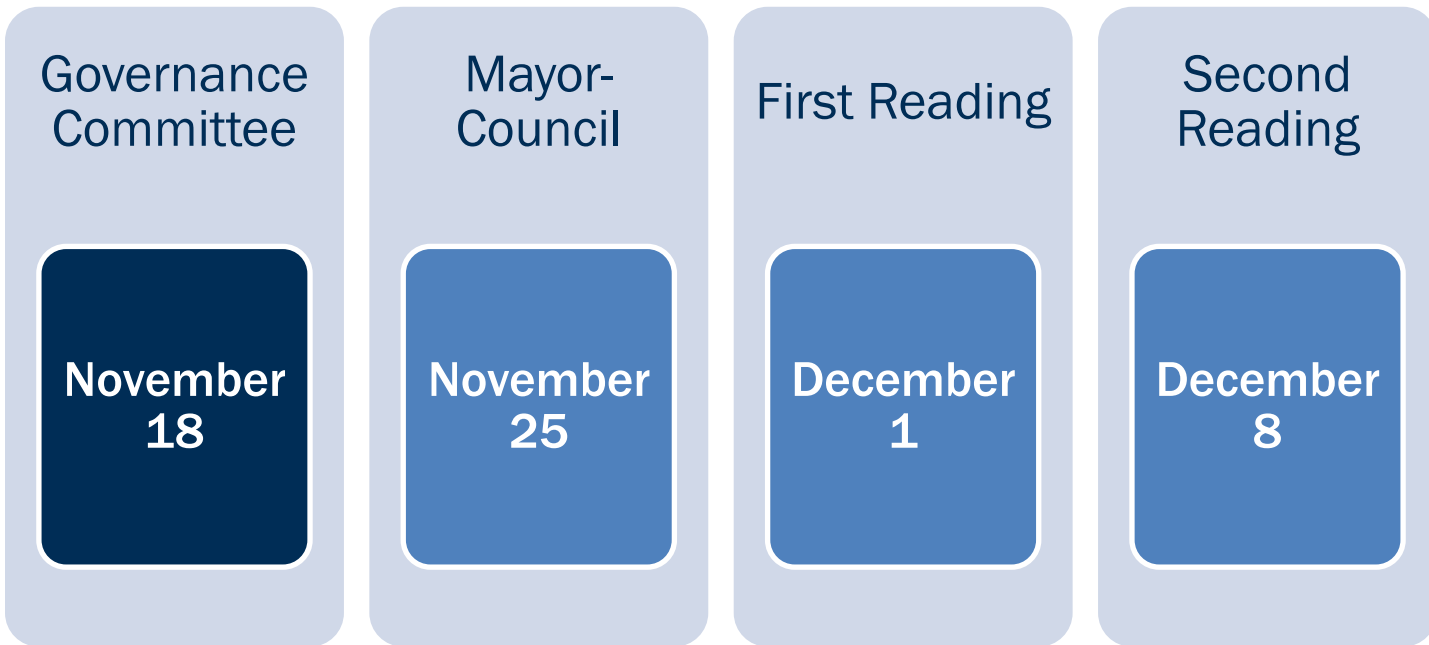
- **District Attorney:** Personnel costs and separation payouts
- **Municipal Public Defender:** Use of Alternative Defense Counsel (ADC) when required because of a conflict of interest between the agency and the defendant
- **City Council:** Separation payouts

# Proposed Non-General Fund Supplementals

TOTAL  
**\$7.47M**

Agency	Description	Amount
Denver Arts and Venues	Increased wages, strong event activity. Additional costs covered by DAV revenues.	\$4,970,000
Denver Police Department – Internal Billings Fund	Higher than anticipated overtime. Additional costs covered by DEN	\$1,500,000
Denver Fire Department - Internal Billings Fund	Higher than anticipated overtime. Additional costs covered by DEN.	\$1,000,000

# Legislative Schedule

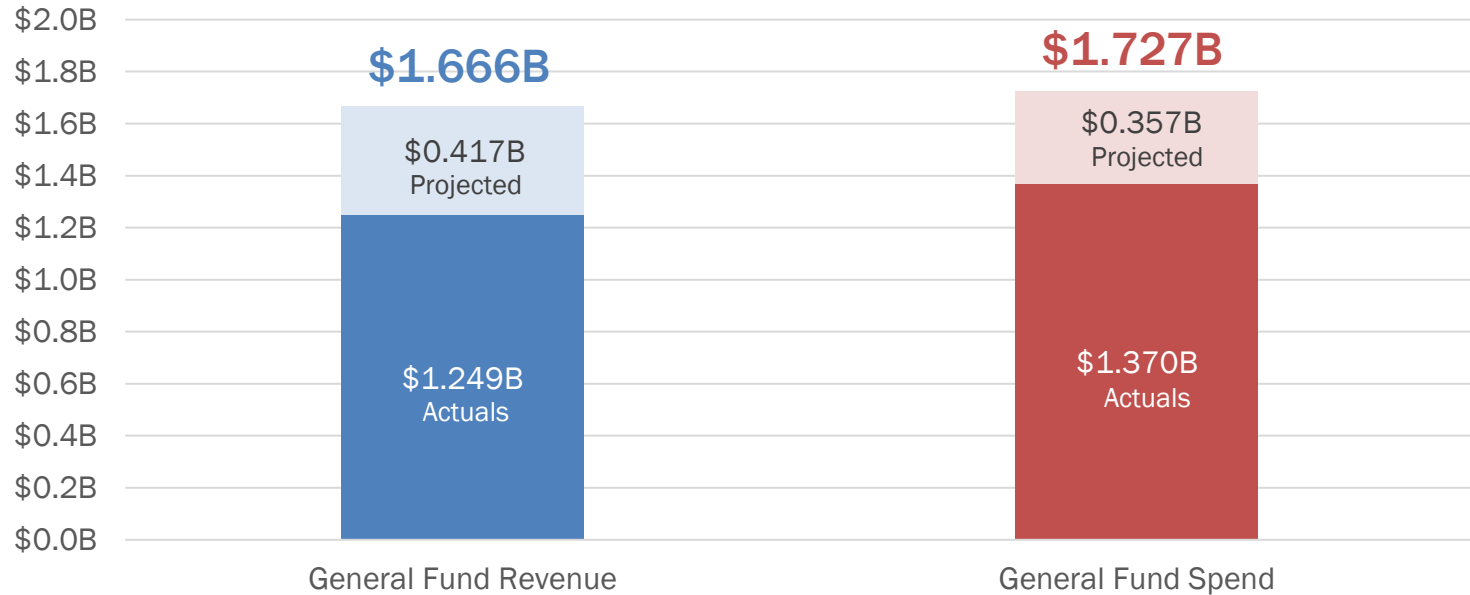


# Questions?

Thank you!



# 2025 General Fund Revenues and Expenditures



NOTE: The totals here match the Schedule 100 in the 2026 budget book. The difference between revenue and expenditures reflects downward revisions to revenues and the use of fund balance.

# Contingency vs. Fund Balance/Reserves

	Contingency	Fund Balance/ Reserves	Note
2025 Amount	\$34.551M	\$178.722M	Fund balance is calculated based on revenue and expenditures and is projected for Dec. 31, 2025
Uses	Unbudgeted expenditures	Revenue shortfall	
Governing Document	City Charter	Fiscal Accountability Rules	
Formula	2% of estimated General Fund expenditures	Projected/Actual Revenues – Projected/Actual Expenditures + Balance from Previous Year	Goal for fund balance is 15% of actual or projected expenditures
Appropriated?	Yes	No	If appropriated it's no longer fund balance

# General Fund New Hires by Quarter

