

MEMORANDUM

To: Arapahoe County Public Airport Authority - Board of Commissioners

From: Andrew Gillespie, Chief Financial Officer

Date: December 11, 2025

Subject: Proposed Annual Budget for the Fiscal Year 2026

Enclosed are the operating and capital budgets proposed for 2026, the 2025 estimates, and the actual results of operations for 2024.

1. Operating revenues are based on current contracts, agreements, and anticipated miscellaneous revenue sources. Revenues are projected to decrease in 2026 by \$(563,936) or -5%. This decrease in revenue is mostly from a decrease in construction fees. Also, land rent and investment income are expected to decrease. No significant fluctuations are expected for aviation fees, commercial activity fees or customs fees.
2. Other funds anticipated in 2026 include Federal Aviation Administration (FAA) reimbursements of \$9,944,026 in Airport Improvement Program (AIP) grants. This represents 90% for typical FAA AIP projects, and 95% for the Major Repairs to the ATCT.

Funds are also anticipated from state grants for \$1,069,205. This represents a reimbursement of a portion of the grant match for the FAA AIP grant for the Part 150 Study. Additionally, state grants are expected for the Maintenance Equipment Building Expansion and Aviation Themed Community Space & Observation Tower.

The Authority plans to apply for another state grant from the Colorado Division of Aeronautics to assist in the unleaded AvGas transition program.

3. Expenses (net of depreciation) reflect an increase of \$281,951 or 3% in 2026. The increase is primarily due to insurance, noise, unleaded AvGas transition, R&M equipment, snow removal, and personnel service.
4. Grant-Funded capital expenditures of \$11,895,588 are expected in 2026 under the FAA Airport Improvement Program and state grant program. The grants are expected to finance the Part 150 study; Major Repairs ATCT; Taxiway C and D Rehabilitation; Electric Bus - Zero Emission Vehicle; Deicing Runoff Improvements; Maintenance Equipment Building Expansion; and Aviation Themed Community Space & Observation Tower.

Non-Grant capital expenditures for 2026 of \$7,268,420 are projected for Aviation Themed Community Space & Observation Tower; Airfield Seal Coat, Striping and Rubber Removal; Upgrade Streetside Signage; Street Sweeper (Replacement); Rehab Asphalt at Electrical Vault and East Control Tower Road; Construction Administration & Design and Engineering for Major Tower Repairs; Major Repairs ATCT Contingency; Peoria Street Sidewalk Extension; Utilities Upgrades; Security Gates and Cameras; Radios; Deicing Runoff Improvements Design; Remove and Replace Concrete by Gate 3; Computers and Servers; Multi-Function Snow Removal Equipment; Mowing Tractor (Replacement); SRE Building Heater Upgrades; Landscaping; ARFF Training Area Shelter; Flight School Dashboard; Ramp Circuit Upgrade; Drainage improvements N1 Haul Road; Flex Wing Rotary Cutter (Replacement); and other equipment.

5. This budget is prepared on the modified accrual basis.

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2026 BUDGET

STATEMENT OF REVENUE, EXPENSES AND AVAILABLE FUNDS

	2024 Actual	2025 Estimate	2026 Proposed
Audited Funds Available (Beginning)	\$ 22,642,358	\$ 15,722,891	\$ 14,330,986
Revenue	\$ 9,954,375	\$ 10,685,119	\$ 10,121,183
Grant Reimbursement	\$ 8,048,036	\$ 6,914,363	\$ 11,013,231
Grant Reimbursement - Unleaded AvGas	\$ 113,356	\$ 300,000	\$ 350,000
Total Revenue and Funds Available	\$ 40,758,125	\$ 33,622,373	\$ 35,815,401
Expense (Net of Depreciation)	\$ 7,374,653	\$ 8,833,551	\$ 9,115,502
Airport Infrastructure Improvements Bank	\$ -	\$ -	\$ 1,000,000
Loan to Tenant	\$ -	\$ 50,000	\$ -
SIB#3 Loan Payoff	\$ -	\$ -	\$ 1,761,801
Grant-Funded Projects	\$ 11,093,720	\$ 6,843,438	\$ 11,895,588
Other Capital Expenditures	\$ 6,566,861	\$ 3,564,397	\$ 7,268,420
Total Expenditures	\$ 25,035,234	\$ 19,291,387	\$ 31,041,311
NET FUNDS AVAILABLE (Ending)	\$ 15,722,891	\$ 14,330,986	\$ 4,774,091

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2026 BUDGET

REVENUE			
Operating Revenue:	2024	2025	2026
	Actual	Estimate	Proposed
Land Rent & Option Fees			
Air Methods	\$ 258,136	\$ 265,851	\$ 273,251
Signature North	\$ 171,981	\$ 171,981	\$ 171,981
APA Centennial Hangars	\$ 74,690	\$ 84,201	\$ 83,644
Arapahoe County Road & Bridge	\$ 357,416	\$ 357,416	\$ 357,416
Air Plaza / Parcel 50-5	\$ 97,100	\$ 100,014	\$ 103,013
Denver jetCenter	\$ 790,844	\$ 779,908	\$ 779,908
South Suburban	\$ 145,525	\$ 149,891	\$ 154,388
Hotel	\$ 99,949	\$ 114,832	\$ 117,387
Sunborne	\$ 227,604	\$ 227,604	\$ 227,604
Willowbrook Association	\$ 194,285	\$ 164,783	\$ 133,121
Willowbrook Association Credit	\$ -	\$ -	\$ (41,667)
Joshnik	\$ 79,378	\$ 91,878	\$ -
Other	\$ 507,221	\$ 415,801	\$ 404,144
Less: Interest non-regulated leases	\$ (242,235)	\$ (296,577)	\$ (293,702)
Total Land Rent & Option Fees	\$ 2,761,895	\$ 2,627,583	\$ 2,470,488
Building Rent			
Denver jetCenter	\$ 85,303	\$ 87,820	\$ 90,440
FAA Office	\$ 117,970	\$ 143,829	\$ 143,829
FAA Tower	\$ 65,730	\$ 65,730	\$ 65,730
Total Building Rent	\$ 269,003	\$ 297,379	\$ 299,999
Aviation Fees			
Aviation Fuel Fees from FBOs	\$ 1,440,023	\$ 2,050,000	\$ 2,100,000
Colorado Fuel Tax	\$ 1,606,305	\$ 1,450,000	\$ 1,500,000
Tie Down Fees	\$ 546,760	\$ 525,000	\$ 525,000
T-Hangar Management Fees	\$ 223,309	\$ 215,000	\$ 215,000
Other Fuel Tax Fees	\$ 140,352	\$ 100,000	\$ 100,000
Total Aviation Fees	\$ 3,956,748	\$ 4,340,000	\$ 4,440,000
Commercial Activity Fees			
Aircraft Fees	\$ 32,427	\$ 33,627	\$ 38,627
Activity Fees	\$ 18,000	\$ 18,500	\$ 17,500
Additional Compensation	\$ 323,513	\$ 300,000	\$ 300,000
Application Fees	\$ 1,000	\$ 1,400	\$ 1,400
Total Commercial Activity Fees	\$ 374,940	\$ 353,527	\$ 357,527
Other Sources of Revenue			
Car Rental Concession Fees	\$ 127,320	\$ 105,000	\$ 105,000
Security Gate Cards	\$ 17,796	\$ 18,000	\$ 18,000
Vending Machine Concession Fees	\$ 1,683	\$ 4,000	\$ 4,000
Directory Sign Fees	\$ 6,619	\$ 7,500	\$ 9,000
Restaurant Concession Fees	\$ 196,686	\$ 200,000	\$ 200,000
Construction Fees	\$ -	\$ 950,000	\$ 500,000
Customs Fees	\$ 482,832	\$ 575,000	\$ 575,000
Other	\$ 401,742	\$ 313,229	\$ 323,955
Total Other Sources of Revenue	\$ 1,234,678	\$ 2,172,729	\$ 1,734,955
Total Operating Revenue	\$ 8,597,263	\$ 9,791,218	\$ 9,302,969

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2026 BUDGET

REVENUE

	2024 Actual	2025 Estimate	2026 Proposed
Other Revenue:			
Note Receivable Parcel 50 Ramp	\$ 6,653	\$ 7,213	\$ 7,658
Note Receivable Sierra Taxilane	\$ 33,333	\$ 50,000	\$ 50,000
Note Receivable Eagle Rock Road	\$ -	\$ 20,000	\$ 5,000
CACNR Revenue	\$ 10,000	\$ 17,000	\$ 10,000
 Interest			
Investment Income	\$ 1,062,296	\$ 500,000	\$ 450,000
Note Receivable Interest	\$ 2,595	\$ 2,299	\$ 1,854
Interest Other	\$ -	\$ 812	\$ -
Interest on Non-regulated Leases	\$ 242,235	\$ 296,577	\$ 293,702
Total Interest	\$ 1,307,126	\$ 799,688	\$ 745,556
 Total Other Revenue	 \$ 1,357,112	 \$ 893,901	 \$ 818,214
 TOTAL ALL REVENUE	 \$ 9,954,375	 \$ 10,685,119	 \$ 10,121,183

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2026 BUDGET

EXPENSE

	2024 Actual	2025 Estimate	2026 Proposed
Operating Expenses:			
Personnel Service			
Salaries	\$ 2,620,887	\$ 2,774,386	\$ 2,898,497
Temporary Personnel	\$ -	\$ -	\$ -
Employee's Insurance	\$ 294,302	\$ 326,995	\$ 394,810
Workers' Compensation Insurance	\$ 51,006	\$ 69,360	\$ 72,462
FICA Taxes	\$ 192,864	\$ 212,241	\$ 221,736
Pension-Authority's Share	\$ 161,107	\$ 174,786	\$ 202,895
Pension Plan Administration Fee	\$ 3,750	\$ 6,500	\$ 6,500
Deferred Comp Plan	\$ 70,000	\$ 100,000	\$ 100,000
Unemployment Compensation	\$ 757	\$ -	\$ -
Recruiting Expense	\$ 3,320	\$ 1,800	\$ 6,000
Total Personnel Service	\$ 3,397,991	\$ 3,666,068	\$ 3,902,900
Supplies, Services, & Maintenance			
Office Supplies	\$ 28,604	\$ 37,240	\$ 44,500
Postage	\$ 3,493	\$ 3,986	\$ 4,125
Advertising	\$ 6,480	\$ 3,200	\$ 5,960
Public Relations/Business Development	\$ 105,055	\$ 130,000	\$ 130,000
Dues & Publications	\$ 44,343	\$ 50,764	\$ 59,567
Printing & Copying	\$ 3,061	\$ 3,132	\$ 5,000
Copier, FAX & Postage Machine Leases	\$ 5,000	\$ 4,910	\$ 6,908
Insurance	\$ 218,571	\$ 237,585	\$ 291,664
Financial	\$ 66,375	\$ 73,000	\$ 76,000
Legal	\$ 38,536	\$ 350,000	\$ 100,000
Transportation, Meetings, & Seminars	\$ 118,772	\$ 172,680	\$ 214,000
Engineering & Surveying	\$ 70,629	\$ 90,000	\$ 90,000
Noise	\$ 173,174	\$ 171,500	\$ 208,000
Gas & Electricity	\$ 132,343	\$ 173,500	\$ 173,500
Telephone & Internet	\$ 86,507	\$ 102,500	\$ 104,000
Water & Sewer	\$ 286,171	\$ 311,634	\$ 320,298
Operating/Maintenance Supplies	\$ 34,877	\$ 57,550	\$ 58,400
Gasoline & Oil	\$ 55,193	\$ 80,000	\$ 80,000
Small Tools & Minor Equipment	\$ 12,502	\$ 21,000	\$ 23,000
Customs Expense	\$ 553,296	\$ 560,000	\$ 560,000
R&M - Equipment	\$ 233,963	\$ 351,680	\$ 375,451
Snow Removal	\$ 180,666	\$ 230,000	\$ 240,000
R&M - Buildings & Improvements	\$ 278,997	\$ 391,625	\$ 349,500
Equipment Rental	\$ 5,719	\$ 10,400	\$ 10,400
Environmental & Sustainability	\$ 15,197	\$ 40,000	\$ 45,000
Emergency Response	\$ 17,640	\$ 173,200	\$ 58,200
Miscellaneous	\$ 7,803	\$ 21,400	\$ 22,500
Unleaded AvGas	\$ 268,169	\$ 350,515	\$ 565,000
Total Supplies, Services, Maintenance	\$ 3,051,137	\$ 4,203,001	\$ 4,220,973
Non-Cash Operating Expense			
Depreciation	\$ 5,596,509	\$ 6,800,000	\$ 8,200,000
Total Non-Cash Operating Expense	\$ 5,596,509	\$ 6,800,000	\$ 8,200,000
Total Operating Expenses	\$ 12,045,636	\$ 14,669,069	\$ 16,323,873

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2026 BUDGET

EXPENSE

	2024 Actual	2025 Estimate	2026 Proposed
Other Expenses			
Loan Payment	\$ 807,905	\$ 828,102	\$ 848,805
Studies requested by the Authority Board	\$ -	\$ 5,000	\$ 10,000
Board Education	\$ -	\$ 10,000	\$ 10,000
Interest Expense	\$ 94,494	\$ 73,830	\$ 52,824
Interest Expense Subscriptions	\$ (724)	\$ -	\$ -
Consulting	\$ 2,683	\$ 7,500	\$ 15,000
Centennial Airport Foundation	\$ 10,000	\$ -	\$ -
Fundraising Event	\$ -	\$ -	\$ -
GA Security	\$ -	\$ 50	\$ -
Legislative Expense	\$ 5,000	\$ 25,000	\$ 30,000
CACNR Expense	\$ 6,169	\$ 15,000	\$ 25,000
Non-Cash Expense	\$ -	\$ -	\$ -
Total Other Expenses	\$ 925,525	\$ 964,482	\$ 991,629
Total Exp. Including Non-Cash Exp.	\$ 12,971,162	\$ 15,633,551	\$ 17,315,502
Less: Non-Cash Expense	\$ 5,596,509	\$ 6,800,000	\$ 8,200,000
TOTAL ALL EXPENSES	\$ 7,374,653	\$ 8,833,551	\$ 9,115,502

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2026 BUDGET

	2025 Estimate	2026 Proposed
Capital Expenditures		
Grant Projects		
2025 Projects (Per Schedule A)	\$ 6,843,438	
2026 Projects (Per Schedule B)		\$ 11,895,588
Total Grants	\$ 6,843,438	\$ 11,895,588
Less Grants Reimbursement	\$ 6,914,363	\$ 11,013,231
TOTAL	\$ (70,925)	\$ 882,356
 Non-Grant Projects		
2025 Expenditures (Per Schedule C)	\$ 3,564,397	
2026 Expenditures (Per Schedule D)		\$ 7,268,420
TOTAL	\$ 3,564,397	\$ 7,268,420
Total Capital Expenditures Net of Grant Reimbursement	\$ 3,493,472	\$ 8,150,776

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2026 BUDGET

Schedule A - Grants - 2025

AIP 57 & 60 (BIL) and State Grant		
Reconstruct Main Parking Lot and Airport Roadways	\$	20,137
AIP 58 and State Grant		
Part 150 Study	\$	530,000
AIP 59		
New ATCT Siting and Design	\$	51,468
AIP 61		
Major Repairs ATCT	\$	3,500,000
AIP 62 and State Grant		
Taxiway C and D Rehabilitation	\$	750,000
AIP 63		
Planning & Environmental SUV - Zero Emission Vehicle	\$	103,000
AIP 64 (BIL)		
Taxiway C and D Rehabilitation	\$	128,833
State Grant		
Airfield Snow Blower	\$	900,000
State Grant		
Loader	\$	360,000
State Grant		
Maintenance Equipment Building Expansion	\$	500,000
TOTAL	\$	6,843,438

Schedule B - Grants - 2026

AIP 58 and State Grant		
Part 150 Study	\$	865,635
AIP 59		
New ATCT Siting and Design	\$	48,894
AIP 61		
Major Repairs ATCT	\$	4,761,058
AIP 62 and State Grant		
Taxiway C and D Rehabilitation	\$	50,000
AIP 65 (BIL)		
Taxiway C and D Rehabilitation	\$	50,000
AIP 66		
Electric Bus - Zero Emission Vehicle	\$	320,000
AIP 67		
Deicing Runoff Improvements	\$	4,000,000
State Grant		
Maintenance Equipment Building Expansion	\$	800,000
State Grant		
Aviation Themed Community Space & Observation Tower	\$	1,000,000
TOTAL	\$	11,895,588

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2026 BUDGET

Schedule C - Non-Grant Projects - 2025

Multi-Function Snow Removal Equipment	\$	987,750
Upgrade Perimeter Fence Phase II	\$	518,095
Ramp/Taxilane Rehab	\$	366,574
Airfield Seal Coat, Striping and Rubber Removal	\$	325,000
Construction Administration for Major Tower Repairs	\$	230,000
Ramp Circuit Upgrade	\$	200,000
Security Gates and Cameras	\$	160,000
Computers and Servers	\$	120,000
Maintenance Vehicle (Replacement)	\$	100,000
Operations Vehicle (Addition)	\$	90,000
Design and Engineering for Major Repairs ATCT	\$	70,000
Aviation Themed Community Space & Observation Tower	\$	50,000
Peoria Street Sidewalk Extension	\$	50,000
Eagle Rock Road Upgrades	\$	50,000
Vehicle Lift	\$	35,000
ARFF Training Area Shelter	\$	35,000
Upgrade Airfield Signage	\$	30,000
Fuel Storage	\$	30,000
Thermal Imaging Cameras	\$	25,000
Flight School Dashboard	\$	19,176
Track Pads	\$	10,000
Furniture and Fixtures	\$	10,000
Drone	\$	10,000
Camera	\$	10,000
Upgrade Streetside Signage	\$	10,000
Mailbox Replacement	\$	7,800
Fire Cabinets	\$	7,510
Rehabilitate Taxiway C	\$	2,993
Check Signer	\$	2,500
Office Equipment	\$	2,000
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	\$	<u><u>3,564,397</u></u>

ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY
2026 BUDGET

Schedule D - Non-Grant Projects - 2026

Aviation Themed Community Space & Observation Tower	\$ 2,950,000
Airfield Seal Coat, Striping and Rubber Removal	\$ 600,000
Upgrade Streetside Signage	\$ 450,000
Street Sweeper (Replacement)	\$ 415,000
Rehab Asphalt at Electrical Vault and East Control Tower Road	\$ 370,000
Construction Administration for Major Tower Repairs	\$ 250,000
Major Repairs ATCT Contingency	\$ 234,620
Peoria Street Sidewalk Extension	\$ 200,000
Design and Engineering North Parking Lot Rehab	\$ 200,000
Utilities Upgrades	\$ 200,000
Security Gates and Cameras	\$ 160,000
Radios	\$ 150,000
Deicing Runoff Improvements Design	\$ 150,000
Remove and Replace Concrete by Gate 3	\$ 125,000
Computers and Servers	\$ 120,000
Multi-Function Snow Removal Equipment	\$ 110,000
Mowing Tractor (Replacement)	\$ 105,000
SRE Building Heater Upgrades	\$ 75,000
Landscaping	\$ 75,000
ARFF Training Area Shelter	\$ 65,000
Flight School Dashboard	\$ 55,000
Ramp Circuit Upgrade	\$ 50,000
Drainage improvements N1 Haul Road	\$ 40,000
Flex Wing Rotary Cutter (Replacement)	\$ 32,000
Portable Noise Monitor	\$ 20,000
Portable AC Units	\$ 20,000
Maintenance Vehicle (Replacement)	\$ 15,000
Track Pads	\$ 15,000
Mailbox Replacement	\$ 7,800
Furniture and Fixtures	\$ 5,000
Liquid Deicing Equipment	\$ 2,000
Office Equipment	\$ 2,000
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	\$ 7,268,420
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RESOLUTION TO ADOPT BUDGET
No. 2025-09

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR CENTENNIAL AIRPORT AND ADOPTING A BUDGET FOR THE ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2026 AND ENDING ON THE LAST DAY OF DECEMBER 2026.

WHEREAS, Andrew Gillespie, Chief Financial Officer, has submitted a proposed budget to the Board of Commissioners of the Arapahoe County Public Airport Authority (“Authority”) on October 9, 2025 for its consideration at the December 11, 2025 meeting and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, notifying that the proposed budget was open for inspection by the public at the Authority’s office, a public hearing was held on December 11, 2025 and interested electors were given the opportunity to file or register any objections to said proposed budget, and;

NOW, THEREFORE, BE IT RESOLVED BY the Board of Commissioners of the Arapahoe County Public Airport Authority, Colorado:

Section one. THAT ESTIMATED EXPENDITURES ARE AS FOLLOWS:

Expenses (Net of depreciation)	\$ 9,115,502
Airport Infrastructure Improvements Bank	\$ 1,000,000
Loan Payoff	\$ 1,761,801
Grant Funded Projects	\$ 11,895,588
Other Capital Expenditures	\$ 7,268,420

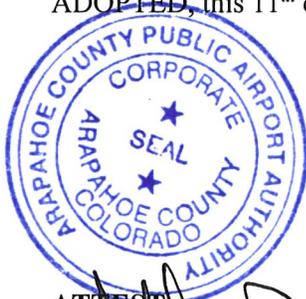
Section two. THAT ESTIMATED REVENUES ARE AS FOLLOWS:

Beginning Funds Available	\$ 14,330,986
Revenue	\$ 10,121,183
Grant Reimbursements	\$ 11,013,231
Grant Reimbursements - Unleaded AvGas	\$ 350,000

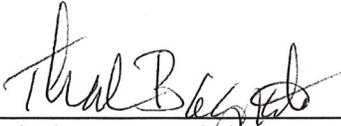
Section three. That the budget as submitted, amended, and hereinabove summarized, hereby is approved and adopted as the budget of the Arapahoe County Public Airport Authority for the year stated above.

Section four. That the budget hereby approved and adopted shall be signed by the Chair and Clerk and made a part of the public records of the Arapahoe County Public Airport Authority.

ADOPTED, this 11th day of December 2025.

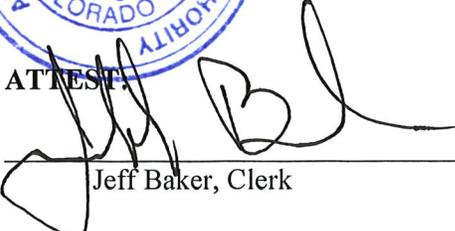


ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY



Thad Bagnato, Chair

ATTEST:



Jeff Baker, Clerk

APPROPRIATION RESOLUTION
No. 2025-10

WHEREAS, Section 29-1-108 C.R.S. requires an appropriation resolution to be adopted by the governing body of this Authority for each ensuing fiscal year.

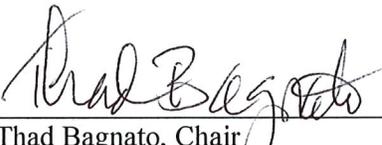
NOW, THEREFORE, BE IT RESOLVED, that the total sum of \$31,041,311 be appropriated for the Arapahoe County Public Airport Authority for the fiscal year 2026.

FURTHER RESOLVED, that the Chief Financial Officer is authorized and directed to file a certified copy of the budget with the Division of Local Government in the Department of Local Affairs.

DATED this 11th day of December 2025.



ARAPAHOE COUNTY PUBLIC AIRPORT AUTHORITY

By 
Thad Bagnato, Chair

ATTEST: 
By _____
Jeff Baker, Clerk