



2022 Budget Ordinance Second Reading

Town of Castle Rock Ballot Issue 2A: New Housing Construction Tax for Police & Fire

YES/FOR	11,507	47.51%
NO/AGAINST	12,713	52.49%
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Total	24,220	100.00%

Town of Castle Rock Ballot Issue 2B: Lodging Tax for Parks & Recreation

YES/FOR	12,467	51.64%
NO/AGAINST	11,673	48.36%
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Total	24,140	100.00%

Town of Castle Rock Ballot Issue 2C: Sales Tax Increase of 0.1% for Open Space

YES/FOR	9,071	37.53%
NO/AGAINST	15,096	62.47%
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Total	24,167	100.00%

Town of Castle Rock Ballot Issue 2D: Excess Revenue For Police, Fire and Roads for 10 Years

YES/FOR	12,735	52.77%
NO/AGAINST	11,396	47.23%
<hr/>		
Total	24,131	100.00%

In response to the results of the November 2021 election, certain modifications to the 2022 Budget from first reading are recommended:

- **Removal of the New Housing Construction Tax Fund and the Open Space Tax Fund from the budget**
- **Reductions in the five-year financial plan**
- **Removal of staff positions for several internal Town services: Innovation and Technology, Town Attorney's Office and Facilities**
- **Removal of out-year public safety positions – these positions will remain a priority as resources allow – more later on this**
- **Putting resources on priorities**
- **Reduction of Town employer funding to the Employee Benefits Fund (7% increase versus 8% planned increase)**

**Modifications to Budget
on Second Reading**

These reductions allow for the following:

- **Full funding of enhanced police and fire compensation plan**
- **Four new police officers for Patrol (over-hire for police in January 2022)**
- **Four new firefighter/paramedic positions**

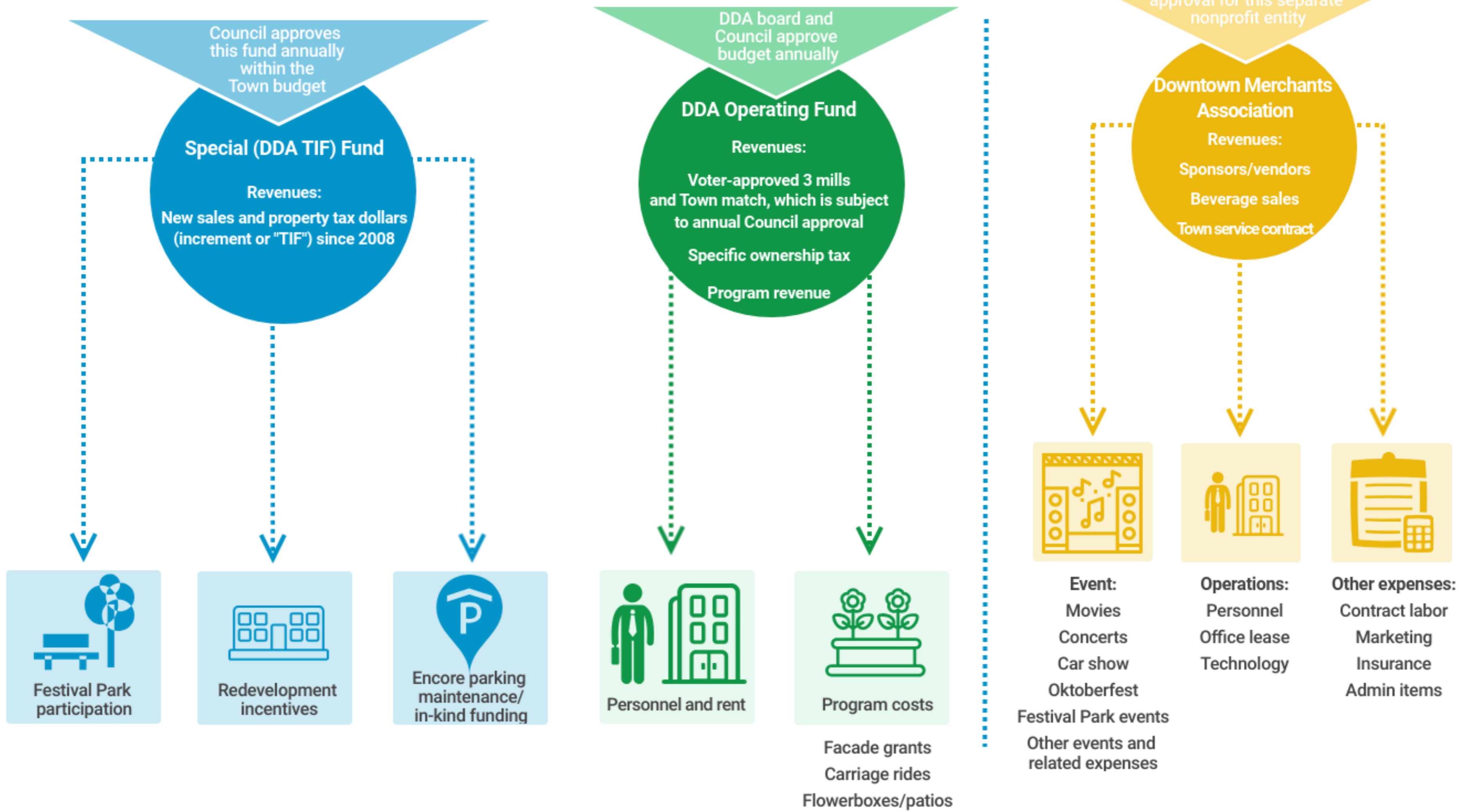
(Dispatcher, Police Sergeant, Emergency Manager, Fire Office Assistant and two Fire Educators not funded in 2022)

The 2022 Budget remains focused on Town priorities:

- **Ensure outstanding public safety**
- **Enhance our roads**
- **Secure our water future**
- **Maintain strong Parks and Recreation**
- **Support economic development**
- **Manage Town finances conservatively**
- **Preserve our community character**

**Modifications to Budget on
Second Reading**

Downtown Alliance finance structure:



Public open house and listening sessions seeking public input on funding additional positions for Police and Fire

Voter adoption of 2D: 10-year timeout from TABOR restrictions – requiring excess revenue for police, fire and roads targets our priority funding

With strong sales tax continuing, a likely 2021 TABOR surplus will allow for additional funding of Police and Fire positions for the 2023 Budget

Continued funding of enhanced police and fire compensation plan

Going Forward

- Annual growth in sales tax revenue budgeted at 4.5%.
- Property tax revenue budgeted at an increase of 5.5%
 - Mill levy rate will be 1.139 mills
- A slight decrease to current water rates and fees for existing customers is proposed
- An increase to the maximum-allowed amount for growth-related water system development fees – along with inflationary increases for all other development impact fees as previously approved by Council – is planned
- Continued strong residential growth: 800 single-family units, 220 multifamily units and ~150,000 square feet of commercial development
- Proposed Townwide budget is \$302.1 million
 - Includes \$142.6 million for capital improvements; \$20.7 million for debt, interfund loans and transfers between funds; and \$138.7 million for operations, including \$18.5 million for annual pavement maintenance
- Expected revenues are \$257.5 million
 - The difference between expected revenues and expenditures is attributable to the planned use of \$44.6 million in capital reserves, which is a common and sound practice

- Proposed 2022 operating budget is 8.3% greater than the 2021 operating budget of \$127.9 million.
 - This increase reflects planned investments in Town operations – enabled by the four ballot questions – to meet our growing community’s needs and service expectations

2022



1

1 parks maintenance worker would be hired in 2022

2023



2

1 parks resource specialist
1 parks planner

Castle Rock residents and visitors love our Gold Medal-winning parks and recreation system. Older parks age and need additional maintenance and refurbishment. As new Parks and Recreation locations come online, they require maintenance as well. Whether replacing dormant trees and vegetation, updating parks or improving entryways into Town, additional resources are needed to keep Castle Rock special.

Parks & Rec projects in the five-year plan:

\$17,500,000 towards a new recreation center

\$7,200,000 for trail improvements, including completion of the Castle Rock portion of the Front Trange Trail

\$4,950,000 for the next new park - location TBD

\$4,500,000 for other park improvements



Maintaining our Parks and Recreation Services



2

1 operator and 1 lead operator would be hired in 2022



equipment

an asphalt patch truck is budgeted in 2022

Annual Pavement Maintenance Program: \$72.2M 2022-2026

2022: \$18.5 million for southern Castle Rock	2025: \$13.5 million for central Castle Rock
2023: \$12.4 million for eastern Castle Rock	2026: \$14.5 million for northern Castle Rock
2024: \$13.3 million for western Castle Rock	

Proposed funding for each area is based upon projected needs.

Improving operations

- Funding to enhance traffic signal and street light maintenance would increase \$47,300 to \$132,000 annually
- Wayfinding signs would be added Downtown in 2022, and illuminated street name signs would be added to existing traffic signals along Meadows Parkway at U.S. Highway 85 in 2022 and at Factory Shops Boulevard in 2023
- \$100,000 would be budgeted annually for studies to help improve traffic safety

What's in the proposed five-year plan for roads?



2022-2026 Capital Improvement Program - \$82.2 million proposed in construction

**\$13.6M
CVI**

**2022
\$24.5M**

- Plum Creek Parkway widening from Eaton Street to Ridge Road
- Ridge Road widening from Plum Creek Parkway to "Four Corners" intersection
- "Four Corners" intersection improvements
- Crowfoot Valley Road widening from Knobcone Drive to Macanta Boulevard
- Intersection improvements at Crystal Valley Parkway and Plum Creek Boulevard

**2023
\$15.8M**

- Fifth Street widening from Gilbert Street to "Four Corners" intersection, including pedestrian improvements

**2024
\$13.0M**

- Wolfensberger Road widening from Prairie Hawk Drive to Coachline Road, including pedestrian improvements

**2025
\$7.7M**

- Prairie Hawk Drive widening between Wolfensberger Road and Melting Snow Way
- Plum Creek Parkway widening from Wolfensberger Road to the Miller Activity Complex entrance
- Interstate 25 and Plum Creek Parkway southbound off-ramp construction

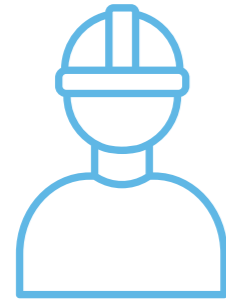
**What's in the proposed
five-year plan for roads?**

**2026
\$7.6M**

- Prairie Hawk Drive widening between Wolfensberger Road and Plum Creek Parkway

Additional Water staff proposed 2022-2026

2022



3

1 meter tech,
1 system operator &
1 plant operator

2023



5

1 stormwater inspector,
1 conservation tech,
2 network personnel &
1 system operator

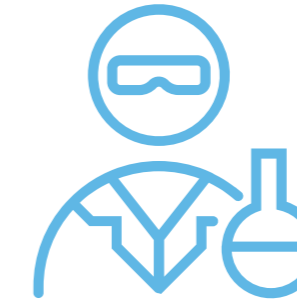
2024



3

1 plant mechanic,
1 system operator &
1 customer service rep

2025



2

1 plant mechanic &
1 lab supervisor

2026



1

system operator



equipment

a wheeled excavator
is budgeted in 2022

What's in the proposed
five-year plan for water?

water system: \$54.6 million

Wells (new and replacements): \$12.2 million
Metering infrastructure: \$11.4 million
Security, controls and network: \$10 million
Distribution system upgrades: \$8.7 million
Treatment plants: \$6.5 million
Distribution system rehabilitation: \$4.7 million
Facility upgrades: \$1.1 million

water resources & long-term water: \$93.6 million

WISE project: \$24.4 million
Alternative Source of Supply project: \$24.3 million
Plum Creek reservoir system: \$11.7 million
Pipeline from Rueter-Hess (Newlin Gulch): \$10 million
Rueter-Hess treatment facility: \$8.1 million
Cherry Creek water rights project: \$6.6 million
Chatfield Reservoir projects: \$4.5 million
Aquifer storage and recovery: \$2.7 million
Renewable water wells: \$1.3 million

stormwater: \$14.1 million

Drainageway and stream stabilization: \$10.2 million
Storm pipe rehabilitation: \$1.6 million
Watershed master plan updates: \$1.2 million
Chase drains: \$1.1 million

wastewater: \$18.6 million

Sewer line rehabilitation: \$11.2 million
Capacity improvements: \$5 million
Facility improvements: \$2.3 million

What's in the proposed five-year plan for water?

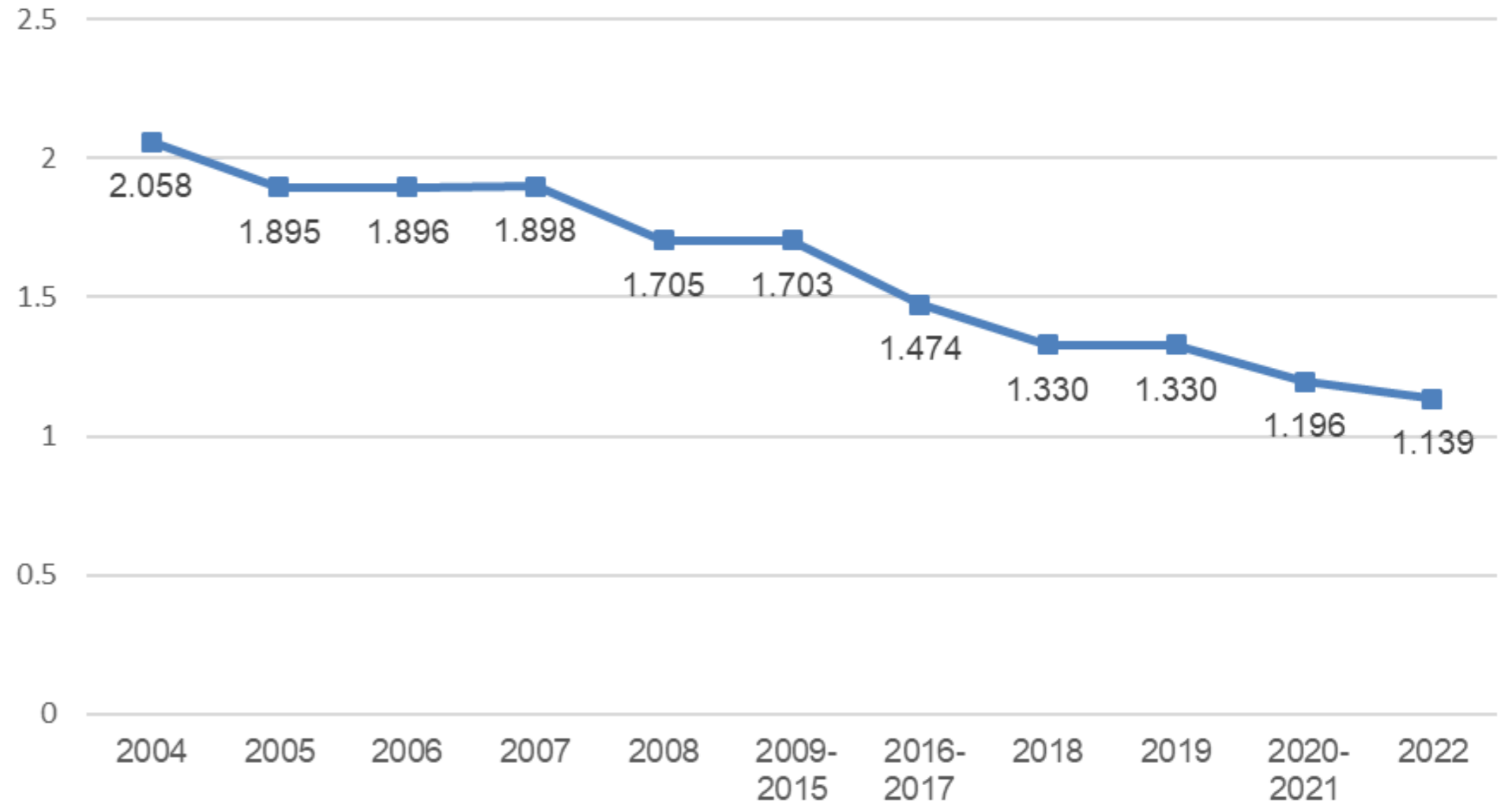
Initiatives for which the proposed budget is at least \$1 million are shown on this list

Second reading of the Town's property tax mill levy ordinance is based on final assessed valuation

2021 final valuation is \$1,302,055,442 - an increase of 10.8%

After applying the Town's 5.5% property tax growth limit, the Town's levy will reduce to 1.139 mills

Town Property Tax Mill Levy History



Property Tax Mill Levy

Adoption on first reading for the 2022 Budget and 2022 mill levy ordinance occurred on September 21, 2021.

Items for December 7, 2021:

- **Second reading of ordinance adopting 2022 Budget, with adjustments to continue focus on police and fire personnel and Castle Rock Water capital funding projects**
- **Emergency adoption recommended to ensure funding available January 1, 2022**
- **Second reading on mill levy ordinance**
- **Second reading on ordinance for Castle Rock Water rates and fees**
- **Resolution adopting of five-year Capital Improvement Program**
- **Resolution adopting 2022-2026 Balanced Financial Plan**
- **Service contracts for 2022**

Council Action

"I move to approve the ordinance as introduced by title and provide for its emergency adoption on second and final reading."

"I move to approve the ordinance as introduced by title and provide for its emergency adoption on second and final reading, with the following conditions: (list conditions)."

"I move to continue this item to the Town Council meeting on (date) to allow additional time to (list information needed)."

"I move to approve the ordinance as introduced by title and provide for its emergency adoption on second and final reading."

"I move to approve the ordinance as introduced by title and provide for its emergency adoption on second and final reading, with the following conditions: (list conditions)."

"I move to continue this item to the Town Council meeting on (date) to allow additional time to (list information needed)."

Possible Motions for Item 12: Water Rates and Fees

"I move to approve the ordinance as introduced by title and provide for its emergency adoption on second and final reading."

"I move to approve the ordinance as introduced by title and provide for its emergency adoption on second and final reading, with the following conditions: (list conditions)."

"I move to continue this item to the Town Council meeting on (date) to allow additional time to (list information needed)."

**Possible Motions for Item 13:
Town Mill Levy**

"I move to approve the resolution as introduced by title."

"I move to approve the resolution as introduced by title, with the following conditions: (list conditions)."

"I move to continue this item to the Town Council meeting on (date) to allow additional time to (list information needed)."

**Possible Motions for Item 14:
Five-Year CIP**

"I move to approve the resolution as introduced by title."

**"I move to approve the resolution as introduced by title, with the following conditions:
(list conditions)."**

**"I move to continue this item to the Town Council meeting on (date) to allow additional time to
(list information needed)."**