

DISCUSSION/DIRECTION:

POTENTIAL FALL 2024 BALLOT QUESTION

DAVID L. CORLISS, TOWN MANAGER
MAY 21, 2024 TOWN COUNCIL MEETING



STRATEGIC PRIORITIES



FOCUS: POLICE AND FIRE STAFFING

- Sales tax growth not sufficient to meet growing needs for Police and Fire departments staffing
 - 3% increase forecasted for 2024-2026 and 4.5% for 2027-2028
 - First run of updated five-year financial plan with annual hiring of:
 - 3 new Police personnel
 - 3 new Fire personnel

	2024	2025	2026	2027	2028
Revenue	\$79,321,210	\$80,856,732	\$83,025,132	\$89,774,584	\$92,719,338
Expenditures	\$78,625,405	\$81,244,897	\$86,100,709	\$90,183,799	\$95,495,925
Net change	\$695,805	-\$388,164	-\$3,075,577	-\$409,215	-\$2,776,587

FOCUS: POLICE AND FIRE STAFFING

- Recent efforts to bolster Police and Fire staffing levels:
 - **2021:** Ballot request for \$7/square foot new housing construction tax
 - Would have added 75 Police and Fire positions from 2022-2026
 - Effort failed with 51.4% of voters voting against the new tax
 - 52.59% of voters supported a 10-year TABOR time-out which has helped fund capital needs in the Police and Fire departments, along with road projects
 - **2022:** Began shifting 5% of Town sales tax from road maintenance to public safety
 - 17.75 new Police personnel added 2022-2024 – 16% increase
 - 11 new Fire personnel added 2022-2024 – 12% increase

OTHER BUDGET ADJUSTMENTS

- Deferred software purchases for customer service, Municipal Court, Finance, etc.
- In addition to Fire and Police, the General Fund includes these areas, which have seen only 3.25 FTEs (2.9%) added since 2022 and for which five-year planning includes only 1 FTE (.01%):
 - Town Manager's Office
 - Communications, Courts, Facilities, HR and IT
 - Town Attorney's Office
 - Finance
 - Code Enforcement
 - Parks Maintenance

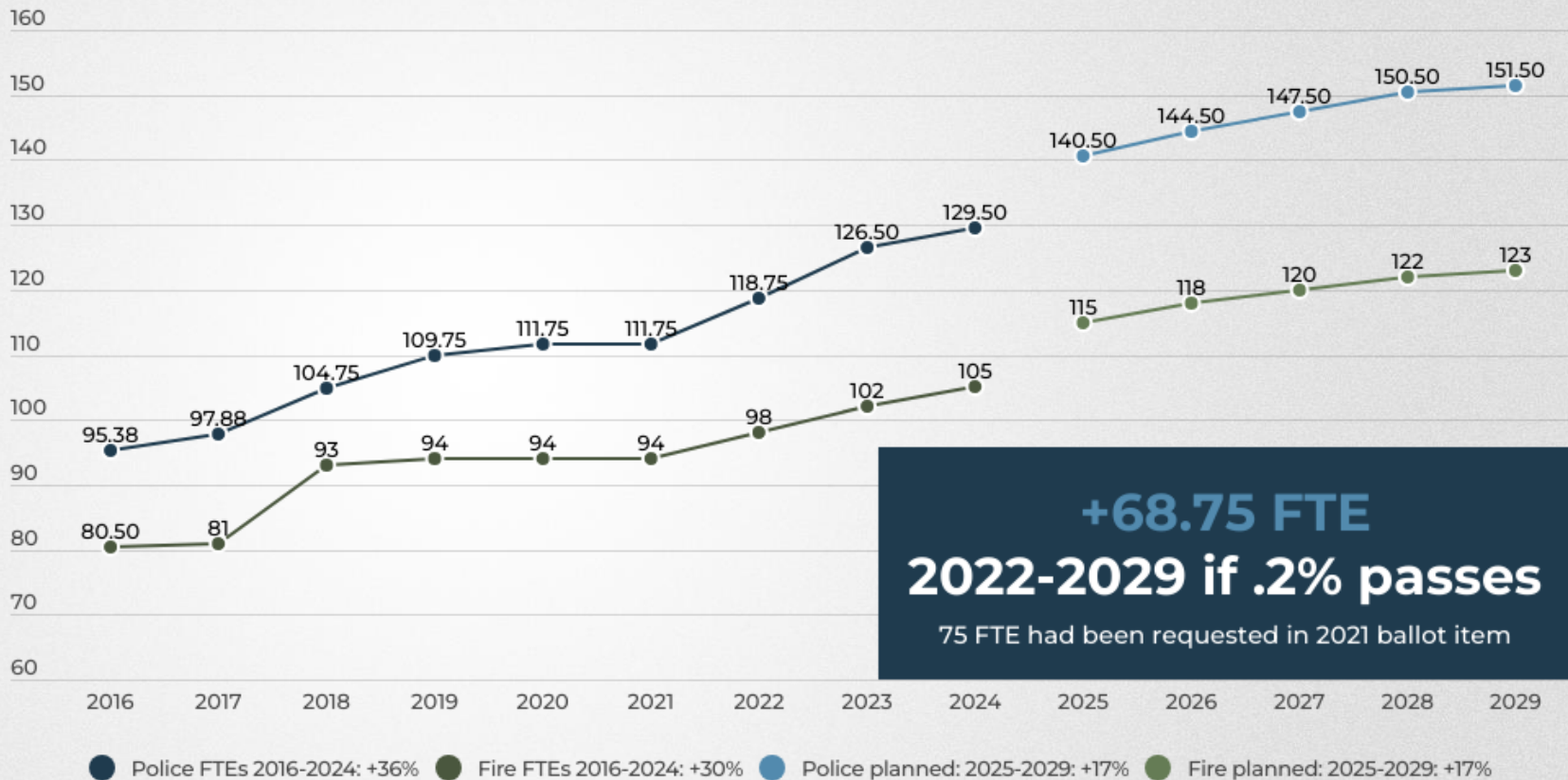
ADDITIONAL ALTERNATIVES

- Other revenue alternatives listed were considered, but none were viable to meet this need
 - Property tax
 - Tobacco tax
 - Marijuana tax
 - Consumers use tax
 - Occupational privilege tax
 - Admissions tax
 - Other options

FOCUS: POLICE AND FIRE STAFFING

- Additional conservative budgeting initiatives proposed for implementation beginning in 2025:
 - Inflation adjustment to Downtown-specific sales tax fund to divert \$1.1 million in resources annually to public safety
 - Funding \$2 million of the Town's pledged Dawson Trails infrastructure incentive using building use tax rather than sales tax so that sales tax goes to public safety
 - These and other budgetary adjustments would net the resources necessary to hire some Police and Fire positions over the next five years, but not the 40+ positions needed for the departments to maintain current levels of service
 - In addition to these adjustments, a .2% increase in the Town's sales tax – adding 20 cents in tax to a \$100 purchase – would be needed to fund 40 additional Police and Fire positions from 2025 to 2029

FOCUS: POLICE AND FIRE STAFFING



UPDATED FINANCIAL PLANNING

- The additional sales tax would be split among the Town’s sales tax-receiving funds, which in addition to the General Fund (\$2.7 million) are the Transportation (\$710,000 to road maintenance) and Community Center (\$186,000 to recreation) funds
- A community group is pursuing additional funding for arts and culture in Castle Rock. If that is funded via a potential ballot initiative at \$200,000 – with annual inflation adjustments – the five-year forecast for the General Fund with the 40 new Police and Fire positions follows. If a ballot measure is not pursued or is not successful, the number of new public safety positions would need to be reduced by about half.

	2025	2026	2027	2028	2029
Revenue	\$85,960,802	\$88,368,610	\$95,328,569	\$99,451,363	\$102,801,581
Expenditures	\$83,533,402	\$87,496,307	\$92,359,990	\$97,797,557	\$102,088,169
Net change	\$2,427,400	\$872,303	\$2,968,579	\$1,653,806	\$713,412

HIGHLIGHTS: 40 FIRE AND POLICE POSITIONS

- 18 Fire personnel, including nine to staff a fourth medic unit at Fire Station 155
 - Currently, there are on average 18 minutes a day when all three ambulances are on calls; that means there would be no ambulance available in Town to transport a patient having an accident or an emergency
- 22 Police personnel, including a 63% increase in SROs, taking the average SRO from seven schools to patrol to under three
- 75% increase in Traffic officers and 50% increase in Animal Control staff
- An additional Officer on each Patrol shift, to help address a wide variety of calls and maintain the great quality of life in Castle Rock
- Funding toward road maintenance and Parks and Recreation
- Annual funding for arts and culture



POLLING RESULTS

TIMELINE FOR BALLOT MEASURE

NEED TO DECIDE IN JULY WHETHER TO PUT A BALLOT MEASURE BEFORE VOTERS IN NOVEMBER

**JUNE
2024**

Town Council meetings: Further Council discussion/direction

**23
JULY**

Town Council meeting: first reading of ordinance placing item on ballot

**20
AUG**

Town Council meeting: second and final reading of ordinance placing item on ballot and introduce Proposed 2025 Town Budget
(Aug. 6 meeting cancelled for National Night Out – law enforcement community event)

**5
NOV**

Coordinated election

**DEC
2024**

Amendments/reductions to 2025 Town Budget would be necessary if ballot measure does not pass



QUESTIONS?

PROPOSED MOTION

"I move to direct staff to continue to follow the outlined calendar."