KEEP CASTLE ROCK SPECIAL



Internationally accredited agency

Mission: Lifeline EMS cardiac care standards; cardiac arrest save rate continues to exceed the national average by 10%

Chief Croom received national leadership award in 2021

Selected as a Community Hero by
Red Cross of Colorado for
community engagement efforts
during the COVID-19 pandemic





State-accredited agency

2021 awards:

- MoneyGeek: SafestSmall City in Colorado
- SafeWise: 10 SafestCities in Colorado

2020 award:

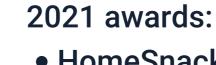
 Sixth-safest city in Colorado

Chief Cauley received best-selling leadership author Simon Sinek's Ignitor of the Year award in December 2019

Maintaining a margin of excellence

Two-time winner of national Gold Medal Award for excellence in the field of park and recreation management

Accredited by the Commission for Accreditation of Park and Recreation Agencies



• HomeSnacks: sixth best place to live in Colorado

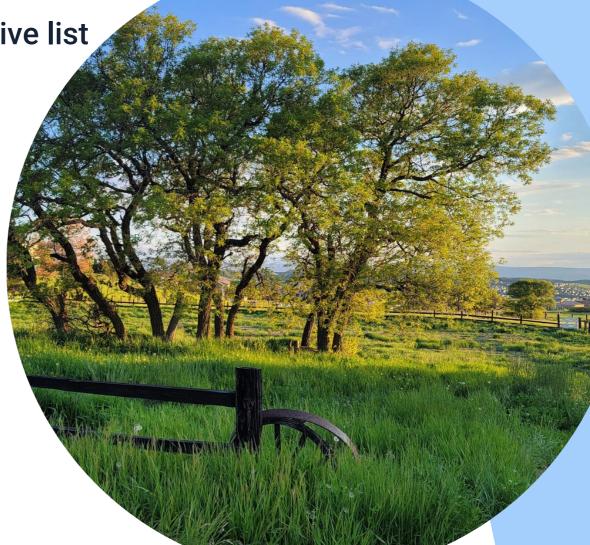
Zumper: best place to live in Colorado

2019 awards:

• No. 40 on Money magazine's best places to live list

• U.S. News ranked Douglas County the country's healthiest county

 ChamberofCommerce.org: No. 7 best place to live in Colorado







Growth since 2012

Population: 46% Fire operations staff: 30% Fire stations: 25%

Additional resources are needed for CRFD to reach its vision of being the best.



Officers/1,000 residents



1.05: Castle Rock

1.31: Parker

3.47: Lone Tree

To reach the same ratio as Parker, CRPD would need to add 19 staff members.

Additional financial resources are needed for CRPD to maintain its margin of excellence.

Town value:
We practice responsible care for our resources





To address longer-term funding needs – particularly in the Fire and Police departments – the Town explored alternative revenues:

- property tax
- sales tax
- reallocating existing taxes
- tobacco tax
- marijuana tax
- consumers use tax
- occupational privilege tax
- admissions tax
- other options



Exploring our revenue alternatives

Revenue assumptions

Assume 8% sales tax increase in 2021, 4.5% in 2022 and 3% in 2023-2026

2022 revenue includes one-time
revenues – a \$2 million grant and
\$1.3 million in developer contributions
– for construction of the Colorado
Front Range Trail

Funding all requests with base revenues

	2022	2023	2024	2025	2026
Revenue	\$64,278,243	\$62,642,023	\$64,586,111	\$66,566,208	\$67,361,070
Expenditures	\$61,344,704	\$64,792,194	\$68,310,446	\$76,758,082	\$80,348,466
Net change in fund balance	\$2,933,539	-\$2,150,171	-\$3,724,335	-\$9,891,874	-\$12,987,396

Funding all requests with \$7/square foot new home construction tax added to revenues

	2022	2023	2024	2025	2026
Revenue	\$78,166,243	\$76,093,783	\$76,700,031	\$78,929,728	\$79,974,190
Expenditures	\$60,666,780	\$63,842,666	\$67,368,705	\$75,447,980	\$79,312,107
Net change in fund balance	\$17,499,463	\$12,251,117	\$9,331,325	\$3,481,748	\$662,083

Funding scenarios

Voters have not approved an increase to Town tax rates since 1994. Sales tax revenue is not sufficient to meet operational needs as the community grows.

To ensure those building new homes in Castle Rock are paying their fair share – and to keep Castle Rock great – Town Council is considering asking voters this fall to approve new revenue streams or increase existing ones. Here's what's being explored:

- new home construction tax of \$7/square foot amounting to \$15,400 on the average new home in Castle Rock to add 75 Fire and Police positions between 2022 and 2026
 - 0.1% sales tax increase adding \$.01 to every \$10 taxable purchase
 - to fund acquisition and maintenance of open space and trails
 - 6% lodging tax amounting to \$7.25 on a \$125/night room stay to support parks and recreation services
 - a 10-year "timeout" from revenue restrictions of the State's TABOR law
 - this does not increase taxes but, rather, allows the Town to maximize existing resources

These potential ballot measures focus on those building new homes in and visiting Castle Rock paying more to maintain the great quality of life that exists within the community.

What is TABOR?

Enacted in 1992, TABOR limits the amount of revenue Colorado governments can collect and spend, and requires voter approval for tax increases and to issue debt and other multiyear financial obligations.

When revenues exceed TABOR limits, the Town can 1) refund the money in some manner, or 2) ask voters to keep and spend the money on local services.

TABOR history

Year(s)	"Surplus"	Outcome	
1999	\$455,099	refunded	
2000	\$7,467,311	refunded	
2001	\$1,264,037	refunded	
2002-2003	no surplus	-	
2004	\$5.4 million	retained	
2005-2014	no surplus	-	
2015	\$714,580	retained	
2016-2020	no surplus	-	

What's a "TABOR timeout?"



Future interchange

cost: \$75M

Funding from Douglas County or developers west of I-25 for the future interchange at Crystal Valley Parkway would put the Town over its TABOR revenue cap in upcoming years, impacting the Town's ability to execute this important project.

Other items

\$5-7M total

County tax-sharing for Town parks in 2021 (\$4 million), along with strong sales tax growth after the pandemic, has the Town anticipating a TABOR revenue issue of \$5-7 million in 2021.

These items, combined with the upcoming interchange project, have led Town staff to recommend placing a 10-year TABOR timeout on this November's ballot, to address these issues.

Why is a TABOR timeout needed now?



Initial ask

property tax

•37% yes, 12% strong yes, 55% no

new home tax (\$6)

•55% yes, 23% strong yes, 38% no

sales tax

•53% yes, 22% strong yes, 42% no

lodging tax



Upon clarification

property tax

•43% yes, 14% strong yes, 53% no

new home tax (\$6)*

•60% yes, 30% strong yes, 37% no

sales tax

•60% yes, 27% strong yes, 38% no

lodging tax

•66% yes, 31% strong yes, 32% no

•57% yes, 23% strong yes, 36% no

June 2021 likely voter poll results by revenue source

The polling firm the Town used

assessing a ballot question's

looks for these factors in

• "Yes" vote 58-60%, with

• "No" vote under 30%

"strong yes" approaching 40%

likelihood of success

TABOR timeout

•60% yes, 23% strong yes, 26% no

*Voter opinion poll queried on \$6; current recommended amount \$7

July 20: first reading of ballot language ordinance

Aug. 17: second reading of ballot language ordinance

Nov. 2: Election Day – vote "yes" to keep Castle Rock special







CRgov.com/2021Election



Next steps/how you can keep Castle Rock special