



Agenda Item Summary

MEETING DATE: August 26, 2024

SUBJECT: **Resolution No. 66-R-2024** – A Resolution of the Town of Mead, Colorado, Referring a Ballot Issue to the Registered Electors of the Town of Mead at the November 5, 2024 Election, Regarding Increasing the Local Sales and Use Tax from 3% to 4% to Fund Public Safety, Including Additional Police Officers and Equipment and Increased Community Policing

PRESENTED BY: Marcus McAskin, Town Attorney

Mary Strutt, Administrative Services Director / Town Clerk

SUMMARY

The attached Resolution, if adopted by the Board of Trustees, will refer a ballot issue regarding increasing the sales and use tax to Town voters at the November 5, 2024 coordinated election.

If approved by voters, the revenue generated by the one percent (1%) increase in the Town's sales and use tax (the total sales and use tax rate would increase from 3% to 4%), will be retained in a segregated account and used only to fund public safety. Anticipated public safety-related expenditures include additional police officers and equipment; additional school resource officers; police/public safety facilities and increased community policing efforts.

The Board of Trustees has solicited public input into the proposed tax increase for public safety. In addition to a survey which was conducted this spring, mailers and social media encouraged residents to attend Board meetings, Coffee with the Mayor, and Meet, Greet and Eat events with the Board of Trustees to discuss the public safety funding issue.

The full text of the proposed ballot issue is set forth in Resolution 66-R-2024 (the "Resolution").

FINANCIAL CONSIDERATIONS

Conditioned on approval by Town voters, the additional revenues generated by the additional one percent (1%) sales and use tax will be utilized by the Town solely for the public safety-related related expenditures referenced in the ballot issue. These revenues will defray some, but not all, of the annual costs associated with providing public safety services in the Town of Mead including but not limited to: hiring additional police officers and school resource officers, providing appropriate facilities and equipment for the officers, and increasing community policing efforts.

This tax will be collected in the same manner as the Town's current sales and use tax collections - mainly by the State of Colorado Department of Revenue through the SUTS system.

The amount that Mead budgets for police expenditures has increased each year since the establishment of the Mead Police Department in 2017. From its inception, the Department committed to providing a 24/7 Police Department with a community policing philosophy. Today the Department includes 16

sworn members: 10 officers who work three rotating shifts, two full-time School Resource officers, two sergeants and two administrators. The 2024 budget includes over \$2.5M in police expenditures for salaries, equipment, and other basic needs. The Department continues to face increasing operational and training mandates from the state; increased costs of insurance and other basic overhead; the need for designated space for training, evidence storage, interview rooms and holding cells; and additional resources to expand community policing initiatives.

An increase in the sales and use tax from 3% to 4% would provide a projected \$1.8 - \$1.9M in revenue in the first full fiscal year (2025) and a continued designated revenue stream in future years to offset the public safety-related costs for the Mead Police Department.

The ballot issue set forth in the Resolution includes a first full fiscal year estimate of \$2.0M, which is just in excess of 10% above \$1.8M estimate. This number has been selected in order to minimize the likelihood of any revenue scenario under TABOR.

STAFF RECOMMENDATION/ACTION REQUIRED

Staff recommends the Board of Trustees approve the Resolution.

A motion to approve the August 26, 2024, consent agenda will approve the Resolution. If this item is pulled off the consent for further discussion or questions, Staff recommends the following motion:

Suggested Motion:

“I move to adopt Resolution No. 66-R-2024 - A Resolution of the Town of Mead, Colorado, referring a ballot issue to the registered electors of the Town of Mead at the November 5, 2024 election, regarding increasing the local sales and use tax from 3% to 4% to fund public safety, including additional police officers and equipment and increased community policing.”

ATTACHMENTS

Resolution No. 66-R-2024