



PRESS RELEASE

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For Immediate Release

Cave Creek to Fully Fund Its New Fire Department

Cave Creek, AZ— The Mayor and Town Council of Cave Creek agreed at a special Council meeting on Monday, November 22, 2021 that the Town's strong economic health enables it to fully fund its new fire department, which begins operations on January 3, 2022.

A series of public meetings were held over the last several months to discuss, analyze and assess the Town's current budget and key revenue sources. Using the Town's strategic financial plan and budget documents, economic consultant Jim Rounds provided his expertise regarding funding options for fire service with Daisy Mountain fire department. According to Mr. Rounds, the Town's budget is well managed without any structural imbalances between ongoing revenues and expenses. Additionally, the Town's expenses were about 20% lower than expected which provided even more budgetary flexibility.

After much discussion, Mayor Ernie Bunch and the Town Council decided to investigate bonding approximately \$16.1 million dollars for utility capital improvement projects, which will then allow the Town to use general funds to cover the costs of fire and emergency medical services. The largest risk to this decision is that it is predicated on a strong economy in the coming years unaffected by a severe recession. Town leaders will be carefully monitoring the Town's economic status and have the option to consider a modest sales tax increase to cover imbalances in the future, if necessary.

Cave Creek resident Bill Basore said, "This is what good government looks like. What we're contemplating now is \$16 million in bonding for the water utility's capital improvement projects. When we bond at least we're spreading the expenses over time."

Cave Creek Mayor Ernie Bunch credited previous Councils and volunteer advocates of the Carefree Highway Corridor for having the vision to ensure responsible growth and development to support the Town's economic health. "This was advance planning for an awful lot of years. It wasn't by accident."

Town Manager Carrie Dyrek emphasized, "The Town is taking on a huge financial burden for the safety of this community. We found a way to do this initially without raising taxes. It is remarkable how we got through this process with staff, Council, outside experts and our community. We'd like to thank everyone for helping us arrive at this decision."

The detailed report by Rounds Consulting Group can be found on the Town's website at https://www.CaveCreekAZ.gov/DocumentCenter/View/4484/11-18-21_Rounds_Consulting.