



Keeping Citizens Informed:

How Parker Responded to an Initiative to Cut Sales Tax (and Succeeded)

Town of Parker, Colorado

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Ops

Activity

Think of an example when a big change was coming to your community.

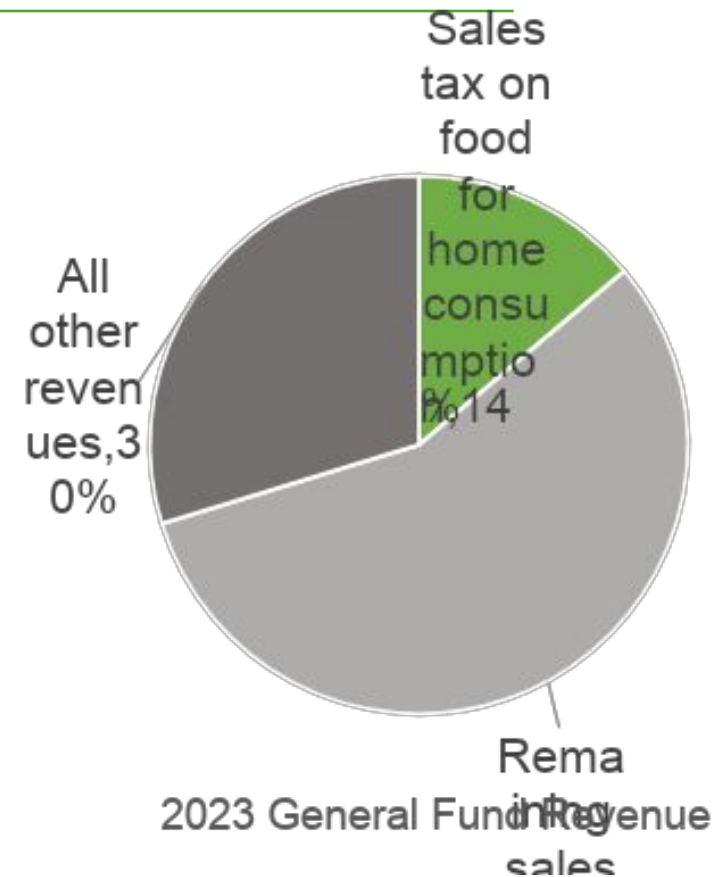
1. Did your organization prepare your residents for that change?
2. If so, how? If not, why not?
3. How did things turn out?

The initiative

Repeal sales tax on...

- Food for home consumption
- Menstrual products
- Children & adult diapers

The impact...



Timeline

January 2024. First petition filing.

February. Corrected petition filing; Executive Session briefing; staff research; engagement plan developed.

March. Resolution drafted and Council direction sought. Initial outreach started.

April. Resolution adopted; outreach begins in earnest; initiative withdrawn.

Response framework

Community
Engagement

Council

Legal Approach

Town Council



First layer: Council support

- Council involved early—Executive Session.
- Council public deliberations on how to respond to initiative.
 - March 25. Study Session.
 - April 1. Presentation and approval of resolution.
- Councilmembers active in reaching out to the community.

Second layer: Legal approach

- Our Town Attorney's Office gave wide latitude in responding.
- Established guardrails on how aggressive we could be in responding to the initiative:
 - Read the Colorado Fair Campaign Practices Act.
 - Track what information is made public so it can be pulled back.
 - Factual info can be released and does not need to be retracted.
 - Establish 'gatekeeper' to review and control messaging.
- Town Attorney involved at the outset and led the effort on the developing the resolution.

Third layer: The Council Resolution

- Approved by the Council, 5-1, two months after initiative was filed.
- Served as the Town's comprehensive statement on the impacts of the initiative to repeal the grocery tax.
- The 'north star' document to which all other materials were aligned.
- The Council chose a neutral rather than adversarial approach.

Third layer: The Council Resolution

- Highlights from our resolution:
 - History of how and why the sales tax on groceries came about.
 - Emphasize grocery tax is paid by residents and non-residents alike.
 - Breakdown of how sales tax revenue is used to pay for individual Town departments.
 - Comparison of tax on groceries in other cities and towns.
 - List out parks and recreation projects funded through sales tax in the past.

Final layer: Community Engagement

- Started ASAP with a communications plan. From the start, creation and adherence to a plan was at the center of the Town's response.
- What information did we need to get out to the community and how would we do it?
- Most importantly, we had to be transparent and maintain the community's trust.

Community Engagement: Communications

Met with community members who expressed importance in keeping the info simple.

- Focus on key messages – where Town funding comes from and where it goes.
- Dispel rumors and correct misconceptions about Town finances.
- Make sure the info put out is accurate and legal.
- Ensure consistent messaging throughout.

Community Engagement: Communications



Town publications

- Budget-in-Brief
- FAQ document
- Impacts “one-pager”
- Employee update emails from TMO



In-person engagement

- Town Council meetings
- 1-1 meetings with TMO, departments
- Boards and commissions presentations
- Employee phone script and talking points



2024 BUDGET IN BRIEF

The Town Council approved the Town of Parker's 2024 Annual Budget on Nov. 20, 2023.

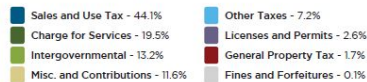
The approval followed an extensive public budget-building process that began at the staff level in the spring and included a budget retreat, study sessions and public hearings in the fall and winter.

The \$223 million budget ensures continuation of services, higher and several public capital improvement projects (A-D) feature highlights of Parker's finances.

To view the comprehensive 2024 visit [ParkerCO.gov/Budget](https://parkerco.gov/Budget).

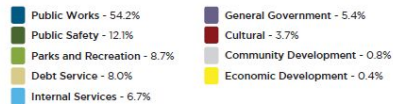
TOTAL REVENUES - ALL FUNDS

Total Revenue Sources 2024 - \$223,302,373*



TOTAL EXPENDITURES - ALL FUNDS

Total Expenditures 2024 - \$223,302,373*



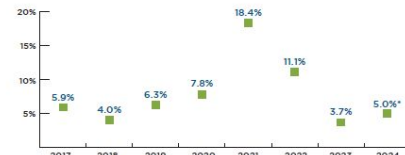
* The Town of Parker operates under a balanced budget. Budget savings from prior years are used to balance the budget for large capital projects and to pay off debt early.

2024 Budget in Brief

A

PARKER SALES TAX HISTORY

Sales Tax Revenue Growth Trends - 2017 to 2024



* The Town of Parker's 2024 sales tax budget was prepared using a 5% growth trend. The Town monitors the actual sales tax receipts and will adjust accordingly as we prepare the next Long-Range Plan.

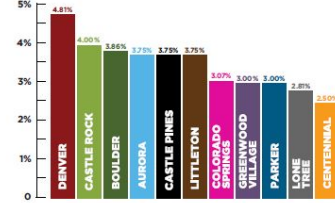
The period of 2020-2021 was an unusually high Parker coinciding with the pandemic that more money came in.

Parker taxpayers benefit from this. The Town used revenue to help \$12.5 million in 2014 for construction of the Works Operation Recreation Center early payment of \$3.2 million in sales tax.

Sales tax revenue is more than just 3.7% in 2024.

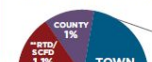
TAX RATE COMPARISON

Sales Tax Comparison - Area Municipalities



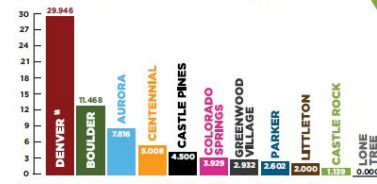
Municipalities fund day-to-day operations primarily through taxes and most towns and cities are flat and property taxes. Property tax is a significant portion of it. In this section is a comparison and property tax rates across communities.

Total Parker Sales Tax



** Regional Transportation Scientific & Cultural Fund
*** Parks and Recreation

Property Tax Comparison - Area Municipalities

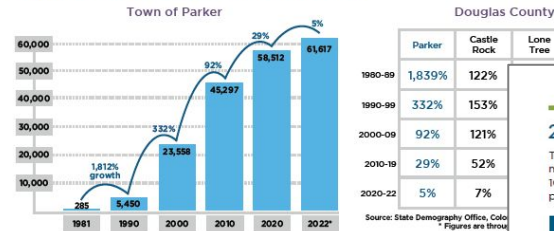


* Denver's property tax rates fund both municipal and county services.

Property tax rates are expressed in mills, which are equal to \$1 for every \$1,000 of property value. A tax of 10 mills on a property with an assessed value of \$10,000 is equal to \$100 (\$10,000 x 0.1).

2024 Budget in Brief

POPULATION GROWTH BY DECADE



Source: State Demography Office, Colorado
* Figures are those of the State Demography Office

PARKER STRATEGIC GOALS AND 2023 PROJECT HIGHLIGHTS

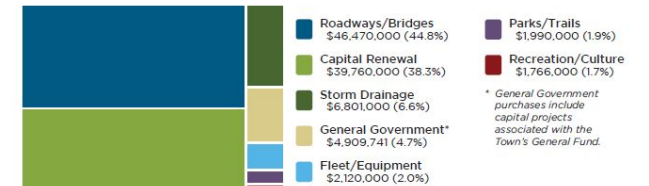


2024 Budget in Brief

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2024 CAPITAL IMPROVEMENT PLAN BUDGET

The Town of Parker plans for large capital and major maintenance expenditures as part of its 10-year capital improvement plan (CIP). Major projects can require multiple years to plan, design, fund and construct or execute. Cost estimates are updated annually as a best estimate, since detailed engineering has generally not been completed. The chart below represents the 2024 capital budget.



* General Government purchases include capital projects associated with the Town's General Fund.

2024 MAJOR TOWN OF PARKER PROJECTS



2024 BUDGET RESOURCES

Are you interested in learning more about the Town of Parker's 2024 Budget? Gain additional insights into your Town's finances by visiting these online resources, including the complete 2024 Annual Budget publication.

- 2024 Annual Budget: [ParkerCO.gov/2024Budget](https://parkerco.gov/2024Budget)
- Parker Open Budget: [ParkerCO.gov/OpenBudget](https://parkerco.gov/OpenBudget)
- 2024 Budget Q&A: [ParkerCO.gov/BudgetQA](https://parkerco.gov/BudgetQA)

2024 Budget in Brief

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Town of Parker



How Does the Grocery Tax Impact Our Community?

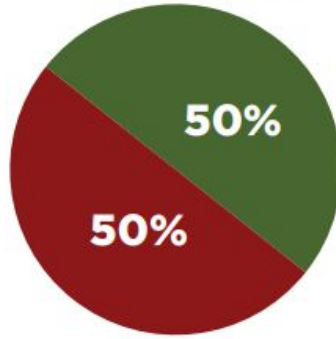
\$13.2 million: Estimated 2023 Grocery Tax Revenue

The Town of Parker is a full-service municipality that is responsible for keeping our community vibrant, healthy and safe. The Town's budget process ensures that we can provide exceptional service and allows for investment into infrastructure that will provide benefits for years to come.

As the cost of living continues to rise in Colorado, we understand everyone's need to reduce expenses. The Town faces the same rising costs to maintain services, facilities and infrastructure.

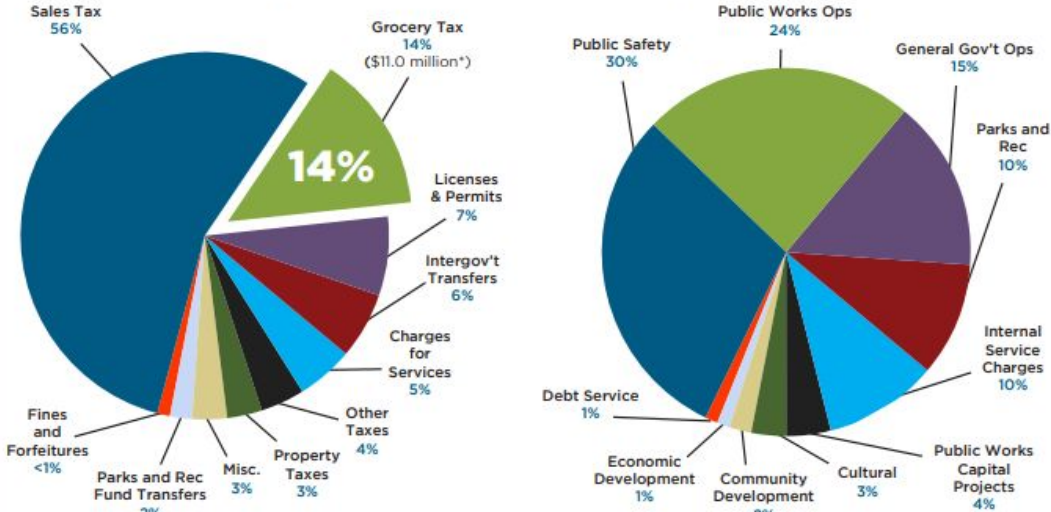
If the existing tax on groceries (2.5%, plus 0.5% for Parks and Recreation) is removed, the revenue that funds these services and amenities will be significantly reduced. This means the Town will have to seek alternative funding by increasing charges for services and/or other taxes, or make serious budget cuts and reduce services.

Grocery Tax Revenue Resident vs. Non-Resident



Shoppers who are non-Parker residents account for an estimated 50% of the Town's grocery tax revenue. In 2023, this figure totaled about \$6.6 million. This helps keep our other taxes low vs. neighboring communities, who often pay hundreds more to their Town every year in property and additional taxes.

Town of Parker General Fund - Revenues and Expenditures 2023



* The Town of Parker collected a total of \$13.2 million in grocery tax revenue in 2023. \$11.0 million was allocated to the general fund; an additional \$2.2 million was restricted for Parks and Recreation purposes only from the 0.5% Parks and Recreation sales tax.

These are some of the major services provided by the Town of Parker that could be impacted by the removal of the grocery tax.

Town-wide

- Service levels
- Staffing levels
- Wait/response times
- Fees/charges for services
- New or updated equipment
- Training and professional development

Public Safety

- First responder training/resources
- School resource officer program
- Outreach events like Coffee with a Cop
- Citizen's Academy
- Code enforcement
- Animal control

Transportation

- Maintenance, operations and design of roads and sidewalks
- Snow plowing
- Street sweeping
- Traffic operations
- Facilities and fleet maintenance

Community Events

- July 4th fireworks
- Parker Fall Fest
- Mayor's Holiday Lighting
- Hometown Holiday Experience
- Bike to Work Day Breakfast Station
- Home decorating contests
- Coordination of other community events

Parks and Recreation

- Parks, trails and open space
- Playgrounds
- Recreation Center and Fieldhouse operations and programs
- Discovery Park Ice Trail
- H2O'Brien Park
- Pickleball/tennis courts
- Sports fields (construction and programming)

Communications and Outreach

- Talk of the Town newsletter
- Let's Talk Parker and social media
- Annual report and calendar
- Town website
- Community Survey
- HOA resources
- Pop-up events

Economic Development

- Economic incentives for businesses (new and existing businesses)

Cultural

- Programs and events at PACE Center and Schoolhouse/Ruth Chapel
- Summer Concerts at Discovery Park
- Public art

Community Development

- Building permits
- Plan review
- Inspections
- Development review
- Open houses/workshops

Community Contributions

- Parker Senior Center
- Crisis Center
- Parker Chamber of Commerce
- Downtown Business Alliance
- Parker Area Historical Society

Youth Programs

- Teen Court
- Youth Commission program
- Youth civic outreach
- Youth summer camps and programs

Administration

- Management of Town functions
- Emergency preparedness and management
- Volunteer coordination

Learn more about the importance of Parker's grocery tax at:



Impacts
"One-pager"

Community Engagement: Communications



Social media

- Let's Talk Parker platform
- Local bloggers
- Issue committee against repeal



Traditional media

- Press release on initiative, Town's response
- Facilitated interviews with Councilmembers

[Home](#) / [Budget & Finances Q&A](#)

Budget & Finances Q&A

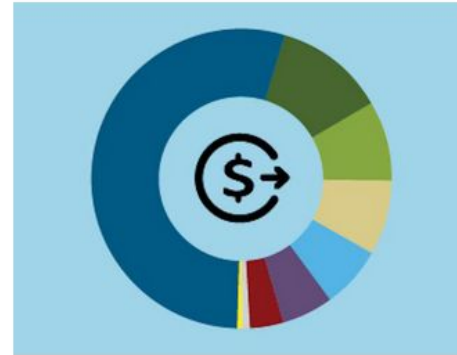


2025 Budget

The 2025 Town of Parker budget book and 2025 Budget In Brief document are published at ParkerCO.gov/Budget.

Highlights include:

- Initial construction of the Salisbury Park North Expansion
- Numerous road infrastructure projects — Stroh Road widening from J Morgan to Motsenbocker, Parker Road



Additional Resources

- [Town of Parker Finance Department Website](#)

FAQs

What would no longer be taxed by the Town if the initiative to remove sales tax from groceries passes?

Why does the Town tax groceries?

How much in sales tax is collected from groceries?

What happens if the sales tax assessed on groceries goes away?

What is the Town's budget?

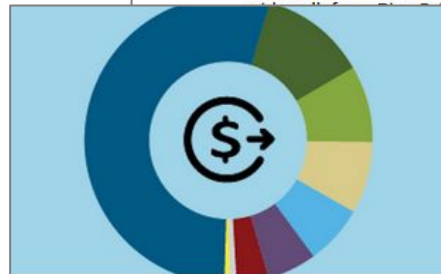
What's the process for the citizen initiative getting on the ballot and approved by voters?

How does the Town pay for road and other construction projects?

What are all the taxes I pay and how much are they?

How is the sales tax collected used by the Town?

What are other ways the Town generates monies or funds to pay for services?

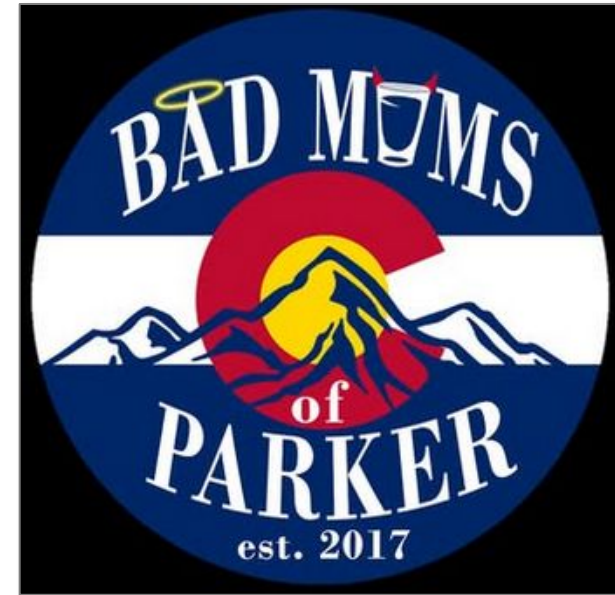


Budget & Finances Q&A

Learn more about the Town's finances and potential impacts of a proposed cut to the grocery tax.

[Read more](#)

Please refer to the following links for additional budget information:

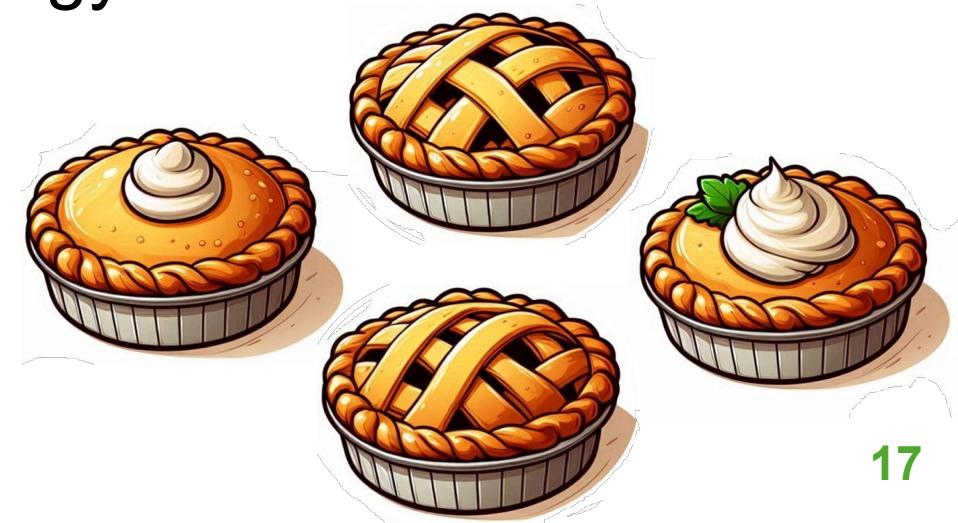


Help from the blogosphere

< Let's Talk Parker page

Community Engagement: Breaking down complex topics

- We initially underestimated the importance of explaining our budget and finances in simple, relatable language.
- Proponents of the initiative twisted financial data to downplay the impact the repeal would have. Residents and even Council were confused as a result.
- Our response: four pies and an analogy.



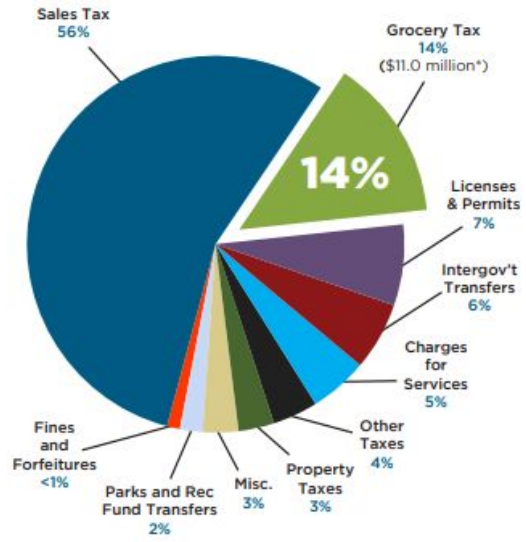
Community Engagement: Fund accounting

Bare minimum financial facts:

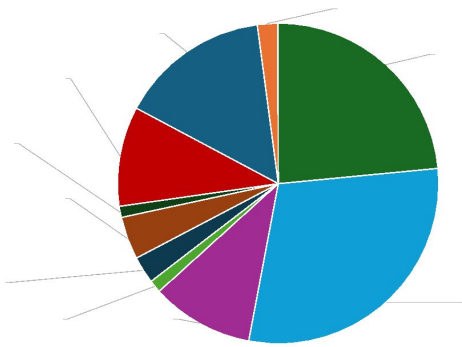
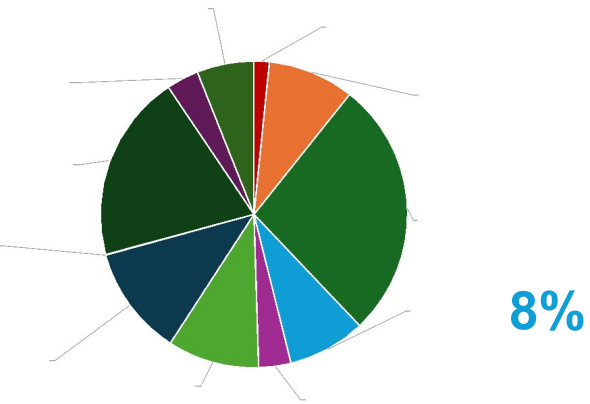
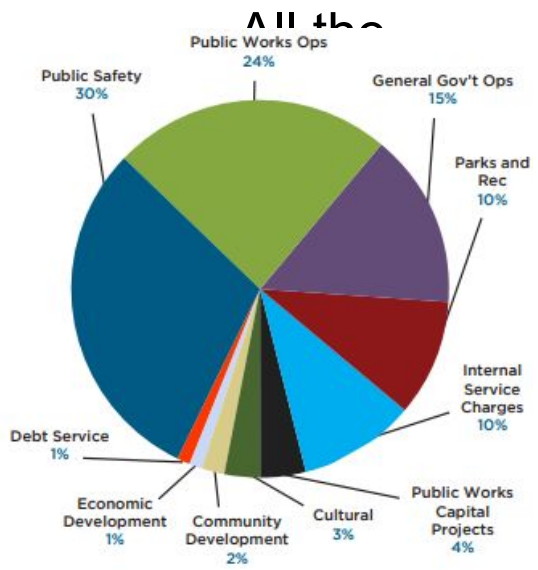
- Where does the money come from?
- Where does the money go?

General Fund
All Funds

Revenue
Grocery tax vs. everything else



Expense
All the



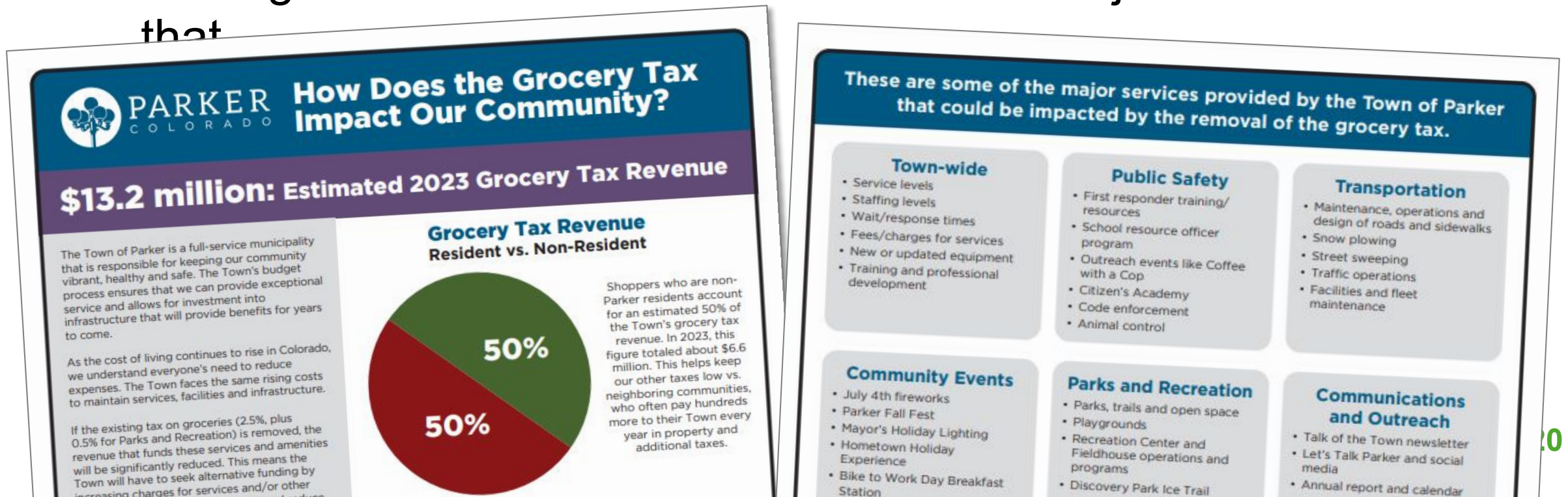
The icing on the cake: the team

- All departments quickly pulled together—and in the same direction.
- Side benefit: A stronger team emerged as a result.



So...what if you don't have a supportive Council or attorney?

- Consider reaching out to counterparts in other jurisdictions if your attorney or Council is advising inaction or stays on the sidelines.
- Put together a document like the resolution—just don't call it that



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