



**SOUTH METRO FIRE RESCUE**  
**Budget Workshop**  
**September 19, 2022**  
**9195 East Mineral Avenue, Centennial, CO**

**I. BUDGET WORKSHOP – 6:00 P.M. – Board Room**

**A. BUDGET WORKSHOP**

**B. ADJOURNMENT**

## Excise Tax Status

August 29, 2022

The URA settlement agreement with the Town of Parker and subsequent election in 2019 established a portion of the town's excise tax program that is dedicated to public safety (SMFR). The anticipated revenue from this excise tax was estimated to be about \$3.1M over a period of 10 years (2028), including annual increases in the tax using the Colorado Construction Cost Index. So far, the total collected is in line with the estimated revenues, although the rate of collection is faster:

<b>Predicted</b>				
	2019	2020	2021	2022
Yearly	\$337,644	\$349,558	\$349,558	\$349,558
Cumulative	\$337,644	\$687,202	\$1,036,760	\$1,386,318
<b>Actual</b>				
Yearly	\$17,761	\$347,056	\$577,988	\$600,000*
Cumulative	\$17,761	\$364,817	\$942,805	\$1,542,805*

\*Projected based on \$151,000 collected as of 3/31/22

The Town of Parker recently estimated the rate of growth they would experience over the next 10 years. They recommended we apply those growth rates to the ~\$600,000 baseline collected in 2021 and 2022, which would result in a total excise tax revenue of approximately \$8.2M by 2032 (see attached). This figure seems high, but the Town agrees that it's the best estimate for now, but this is new territory for everyone and we should continue to discuss it annually.

The purpose of the excise tax was to supplement the costs of capital and infrastructure related to services generally provided to the Town of Parker, which could include areas outside of, but still serving, the town. Examples include fire station construction/modifications, apparatus, training center improvements, or similar. The obvious use of these funds is the new fire station in Tanterra (a.k.a., Anthology). Regardless of when that station is built, future funds could be assigned back to those construction costs which could account for a significant portion of the cost of the station based on the range of projected revenues.

Excise Tax Projected Revenues  
 (Based on Town of Parker Growth Estimates)

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Rate		4%	3%	2%	2%	2%	0%	0%	0%	0%	0%
Yearly	\$600,000	\$624,000	\$642,720	\$655,574	\$668,686	\$682,060	\$682,060	\$682,060	\$682,060	\$682,060	\$682,060
Cumulative	\$1,542,805	\$2,166,805	\$2,809,525	\$3,465,099	\$4,133,785	\$4,815,845	\$5,497,904	\$6,179,964	\$6,862,024	\$7,544,083	\$8,226,143