

TOWN OF NEDERLAND
Boulder County, Colorado

RESOLUTION NO. 2011-26

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE TAX YEAR
2012 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE TOWN OF
NEDERLAND, COLORADO, FOR THE 2012 BUDGET YEAR BEGINNING ON
THE FIRST DAY OF JANUARY 2012 AND ENDING ON THE LAST DAY OF
DECEMBER 2012

WHEREAS, the Board of Trustees has adopted the annual budget in accordance with the Local Government Budget Law, on December 6th, 2011

WHEREAS, the amount of money necessary to fund the budget for general operating purposes including bonds and interest, is \$1,238,844, and

WHEREAS, the 2011 assessed valuation for the Town of Nederland as certified by the Boulder County Assessor is \$21,432,551

NOW, THEREFORE, BE IT ORDAINED by the Board of Trustees of the Town of Nederland, Colorado:

SECTION 1. For the purpose of meeting all general operating expenses, including bonds and interest, of the Town of Nederland during the 2012 budget year, there is hereby levied a gross mill levy of 17.274 mills upon each dollar of the total valuation for assessment of all taxable property within the Town of Nederland for the year 2011.

SECTION 2. A one year temporary credit of 0.747 mills is hereby approved, resulting in a net effective mill levy of 16.527 mills upon each dollar of the total valuation for assessment of all taxable property within the Town of Nederland for the year of 2011.

SECTION 3. The mill levy approved herein is not in excess of the amount levied for 2011 in accordance with Article X, Section 20 of the Colorado Constitution.

SECTION 4. The Town Clerk is hereby authorized and directed to immediately certify to the Boulder County Commissioners the above mill levy for the Town of Nederland as determined and set by the Board of Trustees.

RESOLVED, APPROVED and ADOPTED this 6th day of December, 2011



TOWN OF NEDERLAND

Joe Gierlach, Mayor

ATTEST:

Teresa Myers, Town Clerk

Town of Nederland
BUDGET 2012
NEDERLAND PROPERTY TAX MILL LEVY

TAX YEAR		2011		2012
NET PROPERTY VALUATIONS	\$	22,804,429	\$	21,432,551
<i>% Change in Property Value</i>		0%		-6%
Mill Levy		15.156		16.527
Town Revenue	\$	345,633	\$	354,212
				2.48%
Residential Property Valued at:	\$	318,000	\$	300,000
<i>Change in Property Value</i>		0%		-6%
Assessed Value	7.96% \$	25,313	\$	23,880
Mill Levy		15.156		16.527
Nederland Property Tax	\$	383.64	\$	394.66
Authorized Mill Levy		17.274		17.274
One Time Adjustment		-2.118		-0.747

Note: 2012 Growth Due to factors below:
Growth Due to Inflation assumed at 3% (Colorado CPI currently forecast is 3.2-3.5)
Growth Due to New construction of \$80k

Steps to calculate the TABOR Limit (refer to numbered lines on page one):¹⁴

B. TABOR “Local Growth” Percentage

B1. Determine net growth valuation:

$$\frac{\$ (1,105,500)}{\text{Lines 12+13+14+15+16+17}} - \frac{\text{Lines 18+19+20}}{\text{Net Growth Value}} = \frac{\$ (1,105,500)}{\text{Net Growth Value}}$$

B2. Determine the (theoretical) valuation of property which was on the tax roll last year:

$$\frac{\$ 212,452,920}{\text{Line 11}} - \frac{\$ (1,105,500)}{\text{Line B1}} = \frac{\$ 213,558,420}{\text{Net Growth Value}}$$

B3. Determine the rate of “local growth”:

$$\frac{\$ (1,105,500)}{\text{Line B1}} \div \frac{\$ 213,558,420}{\text{Line B2}} = \frac{-0.005177}{\text{Local Growth Rate (round to 6 decimal places)}}$$

B4. Calculate the percentage of “local growth”:

$$\frac{-0.005177}{\text{Line B3}} \times 100 = \frac{-0.518\%}{\text{(round to 3 decimal places)}}$$

C. TABOR Property Tax Revenue Limit

C1. Calculate the growth in property tax revenue allowed:

$$\frac{\$ 345,633}{\text{Line 10}^{15}} \times \frac{2.482\%}{\text{Line B4 + line 21}} = \frac{\$ 8,579}{\text{Increase allowed}}$$

C2. Calculate the TABOR property tax revenue limit:

$$\frac{\$ 345,633}{\text{Line 10}^{15}} + \frac{\$ 8,579}{\text{Line C1}} = \frac{\$ 354,212}{\text{TABOR Property Tax Revenue Limit}}$$

C3. Calculate the mill levy which would generate the TABOR Property Tax Revenue Limit (Line C2):

$$\left[\frac{\$ 354,212}{\text{Line C2}} \div \frac{\$ 21,432,551}{\text{Line 3}} \right] \times 1,000 = \frac{16.527}{\text{Mill Levy (round to 3 decimal places)}}$$

D. Which One To Use? There is general agreement among practitioners that the most restrictive of the two revenue limits (“5.5%” or TABOR) must be respected, disallowing the levying of the greater amount of revenue which would be allowed under the other limit. Therefore, one must decide which of the two limits is more restrictive.

Compare Line A7 (Current Year’s 5.5% Revenue Limit) to Line C2 (TABOR Property Tax Revenue Limit). The lesser of the two is the more restrictive revenue limit.

NOTE: TABOR(4)(a) requires prior voter approval to levy a mill levy above that of the prior year. This is a third limit on property taxes that must be respected, independent of the two revenue limitations calculated above. **If the lesser of the two mill levies in A9 and C3 is more than the levy of the prior year, it is possible that neither of the revenue amounts may be generated, and that revenues must be lowered to comply with this third limit.**

¹⁴ This section is offered as a guideline only. The Division is required by law to enforce the “5.5%” limit, but does not have any authority to define or enforce any of the limitations in TABOR.

¹⁵ **NOTE: For the TABOR property tax revenue limit only** (Part C of this form), use the previous year's TABOR limit or the property tax revenue levied for general operating purposes. This is a local option. DLG staff is available to discuss the alternatives.