

1 **BY AUTHORITY**

2 RESOLUTION NO.
3 SERIES OF 2013

COMMITTEE OF REFERENCE:
Government and Finance

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6
7 **A RESOLUTION**

8
9 **Levying upon all taxable property within the City and County of Denver taxes**
10 **for the year 2013, to be collected in 2014, for purposes authorized by law.**

11
12 **WHEREAS**, the Taxpayer’s Bill of Rights, Section 20, Article X, of the Colorado
13 Constitution (TABOR) limits increases in a “district’s property tax revenue” over the revenue so
14 generated in the prior year to what is derived from “inflation” and “local growth” as both of those
15 terms are defined in TABOR; and

16 **WHEREAS**, TABOR allows voters to approve the receipt, retention, and expenditure of
17 revenue in excess of the property tax revenue limit set forth in TABOR, and on November 6,
18 2012, the voters of the City and County of Denver did so through the approval of Referred
19 Measure 2A, adopting Ordinance No. 426, Series 2012, now codified at Sec. 20-26, D.R.M.C.;
20 and

21 **WHEREAS**, the following components (affected funds) of the city’s total gross property
22 tax mill levy have historically been subject to the TABOR property tax revenue limitation:
23 General Fund; Social Services; Fire Pension; Police Pension; and

24 **WHEREAS**, commencing with 1996 taxes collected in 1997, the city has annually
25 adopted a temporary mill levy credit in accordance with § 39-1-111.5, C.R.S., in order to ensure
26 that property tax revenue generated for the four TABOR-limited funds did not exceed the
27 TABOR property tax revenue limitation; and

28 **WHEREAS**, for 2013 property taxes to be collected in 2014 and for each subsequent
29 year, the city may increase property tax revenue on an annual basis in an amount not to exceed
30 the city property tax revenue limitation, and may reduce or otherwise adjust the credited mills to
31 the extent necessary to comply with the city property tax revenue limitation until such time as the
32 credited mills are entirely eliminated; and

33 **WHEREAS**, the city property tax revenue limitation means the amount of property tax
34 revenue levied for the affected funds in the preceding year plus six (6%), plus an additional
35 percentage equal to “local growth” as defined by section 20(2)(g) of article X of the Colorado
36 Constitution, but excluding revenue derived from increased property tax revenue caused by the

1 retirement or expiration of any tax increment financing obligations incurred by the Denver Urban
 2 Renewal Authority or any downtown development authority within the city; or any revenue
 3 derived from any abatement or refund levy as authorized by law; and

4 **WHEREAS**, for 2013 property taxes to be collected in 2014 the city has elected not to use
 5 .345 of the 2.222 remaining credited mills permissible under the city property tax revenue
 6 limitation , thereby not changing the 2012 levies; and

7 **WHEREAS**, for 2013 property taxes to be collected in 2014 the city has elected not to
 8 collect the maximum revenue representing an additional \$4,154,797; and

9 **WHEREAS**, § 39-10-114(1)(a)(1)(B), C.R.S., permits any taxing entity to adjust its
 10 property tax levy by an amount which does not exceed its prorated share of abatements and
 11 refunds of taxes erroneously or illegally assessed or collected in the previous years; and

12 **WHEREAS**, the City and County of Denver has determined that Denver’s proportional
 13 share of abatements and refunds granted in the previous year totals \$6,077,248; and

14 **WHEREAS**, the Manager of Finance has provided information that the estimated property
 15 tax revenue to the City and County of Denver, itself, for the year 2013 will not intentionally
 16 exceed the City property tax revenue limitation as defined in section 20-26 (b) (2), D.R.M.C., by
 17 using the mill levies described in the following tabulation; further, that the final column in the
 18 tabulation accurately reflects the net mill levy to be imposed for 2013 as follows:

19 FUND

20 City and County of Denver Funds Subject to the City Property Tax Revenue Limit

	2012 Property Tax Levy Base	2013 Property Tax Levy Base	2013 Abatements & Refunds Levy	Net Mill Levy for 2013
General Funds	12.827	12.827	0.358	13.185
Social Services	4.399	4.399	0.081	4.480
Fire Pension	1.542	1.542	0.030	1.572
Police Pension	1.840	1.840	0.035	1.875
Total	20.608	20.608	0.504	21.112

- 21
- 22 • The maximum lawful property tax rate cannot exceed 22.830 mills.
- 23
- 24

1 City and County of Denver Funds Previously Authorized to Keep and Spend Revenue in Excess
 2 of TABOR Limit

	Voter- Approved <u>Mill Levy</u>	2013 Abatements & <u>Refunds</u> <u>Levy</u>	Net Mill Levy for <u>2013</u>
Developmentally Disabled	1.000	0.021	1.021
Capital Maintenance	2.500	0.053	2.553
Total	3.500	0.074	3.574

3
 4 City and County of Denver Funds Previously Authorized by voters for General Obligation Bonds

	Net Mill Levy for <u>2012</u>
Sinking/Bond Principal	4.330
Bonded Indebtedness	4.103
Total	8.433

5
 6 **NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF**
 7 **DENVER:**

8
 9 **Section 1.** That there be and is hereby levied for the year 2013 collectible in 2014 upon all
 10 taxable property, real, personal, and mixed, within the City and County of Denver the taxes in
 11 mills, for each dollar of assessed valuation, set forth in the following tabulation, pursuant to
 12 which the proceeds of the several levies listed under the heading "City and County of Denver"
 13 are to be paid into the respective funds named:

FUND	TAX LEVY
City and County of Denver:	
General Fund	13.185
Social Services Special Revenue	4.480
Developmentally Disabled	1.021
Fire Pension	1.572
Police Pension	1.875
Sinking (Bond Principal)	4.330
Bonded Indebtedness Interest	4.103
Capital Maintenance	<u>2.553</u>
TOTAL	33.119

1 **Section 2.** If any part, section, or subsection of this resolution levying taxes shall be held to
2 be illegal or unconstitutional, the validity or constitutionality of the remaining parts, sections, or
3 subsections of this ordinance shall not be affected. The Council hereby declares that it would
4 have passed the remaining parts, sections, or subsections if it had known that other parts,
5 sections, or subsections would be illegal or unconstitutional.

6
7 THIS RESOLUTION ESTABLISHES THE CITY'S MILL LEVY AND IS REQUIRED BY LAW IN
8 ORDER TO IMPLEMENT THE CITY'S ANNUAL BUDGET AS ADOPTED BY CITY COUNCIL.
9 PASSED BY THE COUNCIL _____, 2013

10 _____ - PRESIDENT

11 ATTEST: _____ - CLERK AND RECORDER,
12 EX-OFFICIO CLERK OF THE CITY AND COUNTY OF DENVER

13 NOTICE PUBLISHED IN THE DAILY JOURNAL _____, 2013

14 PREPARED BY: Karen Todd, Office of the Controller, and Tom Migaki, Budget and Management
15 Office, _____ November 14, 2013

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17 Pursuant to section 13-12, D.R.M.C., this proposed resolution has been reviewed by the office of the City
18 Attorney. We find no irregularity as to form, and have no legal objection to the proposed resolution. The
19 proposed resolution is not submitted to the City Council for approval pursuant to § 3.2.6 of the Charter.

20 Douglas J. Friednash, Denver City Attorney

21 BY: _____, _____ City Attorney, DATE: _____, 2013

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