

1 **BY AUTHORITY**

2 RESOLUTION NO. CR15-0926
3 SERIES OF 2015

COMMITTEE OF REFERENCE:
Finance & Services

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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 2015, to be collected in 2016, for purposes authorized by law.**
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12

13 **WHEREAS**, §§ 7.4.1 and 7.4.2 of the Charter require the City Council to annually levy ad
14 valorem property taxes in the City and County of Denver, including property taxes necessary to
15 pay general obligation debt service; and

16 **WHEREAS**, between tax years 1992 and 2012, annual increases in revenue derived
17 from four components of the City’s mill levy—General Fund, Human Services, Police Pension,
18 Fire Pension (the “affected funds”)—were constrained by the property tax revenue limitations set
19 forth in Article X, Section 20 of the Colorado Constitution (TABOR); and

20 **WHEREAS**, in order to comply with the TABOR property tax revenue limitation prior to
21 2012, the City adopted temporary property tax credits on a year-to-year basis as authorized by §
22 39-1-111.5, C.R.S.; and

23 **WHEREAS**, on November 6, 2012 Denver voters approved a measure permanently
24 authorizing the City to exceed the TABOR property tax revenue limitation; requiring instead that
25 Denver comply with an annual city property tax revenue limitation as codified at § 20-26,
26 D.R.M.C.; and allowing the City to continue to adjust the temporary property tax credits on a
27 year-to-year basis to the extent necessary to comply with the city property tax revenue limitation
28 as long as the total mill levy for the affected funds does not exceed 22.830 mills; and

29 **WHEREAS**, for 2015 property taxes to be collected in 2016, the City’s property tax
30 revenue limitation is being triggered for the first time due to significant increases in property
31 valuation during the 2015 reappraisal; and

32 **WHEREAS**, the City has determined to adjust the temporary property tax credits in order
33 to comply with the city property tax revenue limitation; and

1 **WHEREAS**, the City presently has 2.222 temporary property tax credits and the Chief
2 Financial Officer estimates that an additional 2.848 mills need to be credited, bringing the total
3 temporary property tax credits to 5.070 mills; and

4 **WHEREAS**, the Chief Financial Officer has estimated that the city property tax revenue
5 limitation would allow the total property tax revenue for the affected funds to grow to
6 \$236,157,115 in 2016, and that the levies set forth in this resolution will cause the revenue in the
7 affected funds to total this amount, thus complying with the limitation; and

8 **WHEREAS**, pursuant to voter approvals occurring in 2003 and 2007 respectively, the City
9 is authorized to impose dedicated property tax levies for services to the developmentally
10 disabled and for capital maintenance, the revenue from which is entirely exempted from the
11 TABOR property tax revenue limitation and the city property tax revenue limitation; and

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

15 **WHEREAS**, the City and County of Denver has determined that Denver’s proportional
16 share of abatements and refunds granted in the previous year totals \$5,661,677, to be
17 apportioned as set forth in this resolution.

18
19 **NOW, THEREFORE, BE IT RESOVED BY THE COUNCIL OF THE CITY AND COUNTY OF**
20 **DENVER:**

21
22 **Section 1.** That the rate of City property taxation for the affected funds is calculated as
23 follows:

24

	2014 Property Tax <u>Levy Base</u>	2015 Property Tax <u>Levy Base</u>	2015 Abatements & <u>Refunds Levy</u>	2015 <u>Net Mill Levy</u>
General Fund	12.827	11.054	0.278	11.331
Social Services	4.399	3.791	0.058	3.849
Fire Pension	1.542	1.329	0.021	1.350
Police Pension	1.840	1.585	0.025	1.610
Total	20.608	17.759	0.381	18.140

1 **Section 2.** That the rate of City property taxation for voter-approved levies is calculated
 2 as follows:
 3

	Voter-Approved <u>Mill Levy</u>	2015 Abatements & Refunds	2015 <u>Net Mill Levy</u>
Developmentally Disabled	1.000	0.012	1.012
Capital Maintenance	2.500	0.034	2.534
Total	3.500	0.046	3.546

4 **Section 3.** That the rate of taxation for general obligation debt service is calculated as
 5 follows:
 6

	2015 <u>Net Mill Levy</u>
Sinking/Bond Principal	5.433
Bonded Indebtedness	3.000
Total	8.433

7
 8 **Section 4.** That there be and is hereby levied for the year 2015 collectible in 2016 upon all
 9 taxable property, real, personal, and mixed, within the City and County of Denver the taxes in
 10 mills, for each dollar of assessed valuation, set forth in the following tabulation, pursuant to which
 11 the proceeds of the several levies listed under the heading "City and County of Denver" are to be
 12 paid into the respective funds named:

	FUND	TAX LEVY
	City and County of Denver:	
	General Fund	11.331
	Social Services Special Revenue	3.849
	Developmentally Disabled	1.012
	Fire Pension	1.350
	Police Pension	1.610
	Sinking (Bond Principal)	5.433
	Bonded Indebtedness Interest	3.000
	Capital Maintenance	<u>2.534</u>
	TOTAL	30.120

1 **Section 5.** 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

10 COMMITTEE APPROVAL DATE: December 3, 2015 (Consent)
11 MAYOR/COUNCIL DATE: December 8, 2015

12
13 PASSED BY THE COUNCIL _____, 2015
14 _____ - PRESIDENT

15 ATTEST: _____ - CLERK AND RECORDER,
16 EX-OFFICIO CLERK OF THE CITY AND COUNTY OF DENVER

17 PREPARED BY: Alyson Gawlikowski and Tom Migaki, Budget and Management
18 December 10, 2015.

19 Pursuant to section 13-12, D.R.M.C., this proposed resolution has been reviewed by the office of
20 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed
21 resolution. The proposed resolution is not submitted to the City Council for approval pursuant to
22 § 3.2.6 of the Charter.

23
24 D. Scott Martinez, Denver City Attorney

25 BY: _____, _____ City Attorney, DATE: _____, 2015