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## Memorandum

TO: Vail Town Council  
FROM: Finance Department  
DATE: November 21, 2017  
SUBJECT: Mill Levy Ordinance

### **I. SUMMARY**

Authorization for the collection of property taxes in 2018

### **II. DISCUSSION**

You will be asked to approve the attached mill levy ordinance upon first reading on Tuesday evening. This ordinance authorizes the collection of property taxes in 2018 based upon 2017 assessed valuations of property within the town's boundaries. Eagle County is responsible for assessing values and for collecting property taxes on our behalf. The town is required by Colorado state law to certify the mill levy by December 15 of each year. Since two readings of an ordinance are required, we will bring the first reading on Tuesday and the second reading on December 5th to enable us to meet the December 15 date. The attached ordinance is based on preliminary assessed valuations from the county (as of August, 2017).

The town's base mill levy as shown in the ordinance is 4.69 mills and the abatement levy is .004 mills. Abatement results when a taxpayer protests an assessed valuation after the normal protest period and is refunded a portion of the tax already due or paid. The abatement mill levy allows the town to recoup the refunded amount. This abatement levy of .004 mills equates to an additional \$0.33 per year for a \$1 million home.

The property tax authorized by the attached ordinance will generate \$5.1 million in revenue in 2018, representing approximately 8% of the town's total revenue. The projected revenue includes impacts from a reduction in residential taxes due to the Gallagher Amendment, but is offset by increases in property valuations. The reduced residential rate will reduce property taxes by 9.5% however residential values increased by approximately 10%, so taxes collected by the town are anticipated to be flat from residential properties. Commercial properties were assessed at a 50% increase in valuation, mainly due to new properties coming online and the sale of large commercial properties.

**ORDINANCE NO. 16  
SERIES OF 2017**

**AN ORDINANCE PROVIDING FOR THE LEVY ASSESSMENT AND COLLECTION  
OF TOWN AD VALOREM PROPERTY TAXES DUE FOR THE 2017 TAX YEAR AND  
PAYABLE IN THE 2018 FISCAL YEAR.**

WHEREAS, it is necessary for the Town Council to provide for the levy, assessment and collection of Town ad valorem property taxes due for the 2017 year and payable in the 2018 fiscal year.

NOW, THEREFORE, be it ordained by the Town Council of the Town of Vail, Colorado, that:

1. For the purpose of defraying part of the operating and capital expenses of the Town of Vail, Colorado, during its 2018 fiscal year, the Town Council hereby levies a property tax of 4.694 mills upon each dollar of the total assessed valuation of \$1,077,591,330 for the 2017 tax year of all taxable property within the Town, which will result in a gross tax levy of \$5,053,904 calculated as follows:

Base mill levy	4.690	\$5,053,904
Abatement levy	<u>.004</u>	<u>4,310</u>
Total mill levy	<u>4.694</u>	<u>\$5,058,214</u>

Said assessment shall be duly made by the County of Eagle, State of Colorado, as directed by the Colorado Revised Statutes (1973 as amended), and as otherwise required by law.

2. If any part, section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance; and the Town Council hereby declares it would have passed this ordinance, and each part, section, subsection, sentence, clause or phrase thereof, regardless of the fact that any one or more parts, sections, subsections, sentences, clauses or phrases be declared invalid.

3. The Town Council hereby finds, determines, and declares that this ordinance is necessary and proper for the health, safety, and welfare of the Town of Vail and the inhabitants thereof.

4. The repeal or the repeal and reenactment of any provision of the Municipal Code of the Town of Vail as provided in this ordinance shall not affect any right which has accrued,

any duty imposed, any violation that occurred prior to the effective date hereof, any prosecution commenced, nor any other action or proceedings as commenced under or by virtue of the provision repealed or repealed and reenacted. The repeal of any provision hereby shall not revive any provision or any ordinance previously repealed or superseded unless expressly stated herein.

5. All bylaws, orders, resolutions, and ordinances, or parts thereof, inconsistent herewith are repealed to the extent only of such inconsistency. This repealer shall not be construed to revise any bylaw, order, resolution, or ordinance, or part thereof, theretofore repealed.

INTRODUCED, READ ON FIRST READING, APPROVED AND ORDERED  
PUBLISHED ONCE IN FULL, this 21st day of November, 2017. A public hearing shall be held hereon at 6 P.M. on the 5th day of December, 2017, at the regular meeting of the Town Council of the Town of Vail, Colorado, in the Municipal Building of the Town.

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Dave Chapin, Mayor

ATTEST:

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Patty McKenny, Town Clerk