CITY OF CORTEZ
ORDINANCE NO. 1293, SERIES 2021
SET THE MILL LEVIES FOR YEAR 2022

AN ORDINANCE LEVYING PROPERTY TAXES FOR THE YEAR 2022, TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE CITY OF CORTEZ, COLORADO, FOR THE BUDGET YEAR.

WHEREAS, the City Council of the City of Cortez, Colorado, has adopted the annual budget in accordance with the Local Government Budget Law, on Tuesday, October 26th. 2021, and;

WHEREAS, the amount of money necessary to balance the budget for **general operating** purposes from property tax revenue is $115,539, and;

WHEREAS, the City of Cortez finds that it is necessary to **temporarily** include the refund/abatement mill levy for $46.01, and:

WHEREAS, the 2021, valuation for assessment for the as certified by the County Assessor(s) is $95,486,10.

NOW, THEREFORE, BE IT RESOLVED/ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORTEZ, COLORADO:

Section 1. That for the purpose of meeting all general operating expenses of the City of Cortez during the 2022 budget year, there is hereby levied a tax of 1.21 mills upon each dollar of the total valuation for assessment of all taxable property within City of Cortez the for the year 2022.

Section 2. That for the purpose of rendering a refund to its constituents during budget year 2022, there is hereby levied a temporary tax credit/mill levy reduction of 0.43 mills.

Section 3. That for the purpose of collecting refunds/abatements revenue to the City of Cortez during the 2022 budget year, there is hereby levied a tax of 0.0048 mills upon each dollar of the total valuation for assessment of all taxable property within the City of Cortez for the year 2022.

Section 4. That the Finance Director is hereby authorized and directed to immediately certify to the County Commissioners of Montezuma County. Colorado, the mill levies for the City of Cortez as hereinabove determined and set. or be authorized and directed to certify to the County Commissioners of Montezuma County, Colorado, the mill levies for the as hereinabove determined and set, but as recalculated as needed upon receipt of the final (December) certification of valuation from the county(s) assessor(s) in order to comply with any applicable revenue and other budgetary limits.

EFFECTIVE DATE. This ordinance shall be effective upon publication after final passage.

PUBLIC HEARING. This ordinance shall be considered for second or final reading on the 11TH day of January 2022 at the hour of 7:30 p.m. in the City Council Chambers in City Hall, Cortez, Colorado, at which time and place all persons may appear and be heard concerning the same.

PASSED, ADOPTED AND APPROVED ON FIRST READING THIS 14TH DAY OF DECEMBER 2021.

CITY OF CORTEZ

MICHAEL J. LAVEY, MAYOR

ATTEST:

LINDA L. SMITH, CITY CLERK

PASSED, ADOPTED, AND APPROVED ON SECOND AND FINAL READING THIS 11TH DAY OF JANUARY 2022.

CITY OF CORTEZ

MICHAEL J. LAVEY, MAYOR

ATTEST:

LINDA L. SMITH, CITY CLERK

APPROVED AS TO FORM:

MICHAEL F. GREEN, CITY ATTORNEY

_____ County Tax Entity Code

DOLA LGID/SID _____

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners[1] of Montezuma County, Colorado.

On behalf of the City of cortez, (taxing entity)[A]

the Cortez City Council (governing body)[B]

of the City of Cortez (local government)[C]

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: $ 95,486,810 (GROSS[D] assessed valuation, Line 2 of the Certification of Valuation Form DLG 57[E])

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area[F] the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: $ 0 (NET[G] assessed valuation, Line 4 of the Certification of Valuation Form DLG 57) USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/14/2021 (mm/dd/yyyy) for budget/fiscal year 2022 (yyyy).
(no later than Dec. 15)

PURPOSE (see end notes for definitions and examples)	LEVY[2]		REVENUE[2]
1. General Operating Expenses[H]	1.21	mills	$ 115,539
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction[I]	< .043 >	mills	$ < 4106 >
SUBTOTAL FOR GENERAL OPERATING:	1.167	mills	$ 111,433
3. General Obligation Bonds and Interest[J]		mills	$
4. Contractual Obligations[K]		mills	$
5. Capital Expenditures[L]		mills	$
6. Refunds/Abatements[M]	0.0048	mills	$ 46.01
7. Other[N] (specify):		mills	$
		mills	$
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	1.172	mills	$ 111,479

Contact person: (print) Kelly Koskie

Daytime phone: (970) 565-3402

Signed: Kelly Koskie

Title: Finance Director

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

[1] If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
[2] Levies must be rounded to three decimal places and revenue must be calculated from the total *NET assessed valuation* (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

OFFICE OF THE COUNTY ASSESSOR
LESLIE BUGG
140 W. Main St. Suite #3
Cortez, Colorado 81321
Phone: 970-565-3428
Fax: 970-565-1247
www.co.montezuma.co.us

December 2, 2021

City of Cortez
123 Roger Smith Ave
Cortez, Co 81321

To Whom It May Concern:

Enclosed you will find the **final** Certification of Valuation report for your taxing district for tax year 2021. Your 2021 mill levy calculation should be based on the data in this report.

Copies of this report are being sent to the Colorado Division of Local Government and the Department of Education per statute.

Please feel free to contact our office if you have any comments or questions pertaining to the enclosed report.

Our entire staff would like to convey our hopes that you have a wonderful Holiday Season and a very Merry Christmas.

Sincerely,

Leslie Bugg
Montezuma County Assessor

1293-2022

_____ County Tax Entity Code

AMENDED CERTIFICATION OF VALUATION BY

DOLA LGID/SID _____

New Tax Entity? ☐ YES ☒ NO

Montezuma County **COUNTY ASSESSOR**

Date 11/30/2021

NAME OF TAX ENTITY: CITY OF CORTEZ

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021

1.	PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	$89,952,080
2.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	$95,486,810
3.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	$0
4.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	$0
5.	NEW CONSTRUCTION: *	5.	$237,670
6.	INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	$0
7.	ANNEXATIONS/INCLUSIONS:	7.	$0
8.	PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	$0
9.	NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9.	$0
10.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) Includes all revenue collected on valuation not previously certified.	10.	$50.00
11.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	$546.01

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution

* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation, use Form DLG 52B

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART.X, SEC.20, COLO. CONSTUTION AND 39-5-121(2)(b), C.R.S., THE Montezuma County ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021

1.	CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	$725,637,874
	ADDITIONS TO TAXABLE REAL PROPERTY		
2.	CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2.	$3,323,983
3.	ANNEXATIONS/INCLUSIONS:	3.	$0
4.	INCREASED MINING PRODUCTION: §	4.	$0
5.	PREVIOUSLY EXEMPT PROPERTY:	5.	$0
6.	OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	$0
7.	TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	7.	$0
	DELETIONS FROM TAXABLE REAL PROPERTY		
8.	DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8.	$43,560
9.	DISCONNECTIONS/EXCLUSIONS:	9.	$0
10.	PREVIOUSLY TAXABLE PROPERTY:	10.	$0

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property

* Construction is defined as newly constructed taxable real property structures

§ Includes production from new mines and increases in production of existing producing mines

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY **$739,621,501**

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED) ** **$603,080**

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15

PROPERTY TAX REVENUE LIMIT CALCULATIONS WORKSHEET

("5.5%" limit in 29-1-301, C.R.S., and the TABOR limits, Art. X, Sec. 20(4)(a) and (7)(c), Colo. Const.)

The following worksheet can be used to calculate the limits on local government property tax revenue. Data can be found on the Certification of Valuation (CV) sent by the county assessor on August 25, unless otherwise noted. The assessor can revise the valuation one time before Dec. 10; if so, you must perform the calculation again using the revised CV data. (Note for multi-county entities: If a taxing entity is located in two or more counties, the mill levy for that entity must be the same throughout its boundaries, across all county boundaries (Uniform Taxation, Article X, Section 3, Colo. Const.). This worksheet can be used by multi-county entities when the values of the same type from all counties are added together.)

Version June 2012

Data required for the "5.5%" calculation (assessed valuations certified by assessor):

1.	Previous year's net total assessed valuation[1]	$	89,952,080
2.	Previous year's revenue[2]	$	108,842
3.	Current year's total net assessed valuation	$	95,486,810
4.	Current year's increases in valuation due to annexations or inclusions, if any		
5.	Current year increase in valuation due to new construction, if any	$	237,670
6.	Total current year increase in valuation due to other excluded property[3]		
7.	"Omitted Property Revenue" from current year CV[4]	$	5
8.	"Omitted Property Revenue" from previous year CV[5]	$	7
9.	Current year's "unauthorized excess revenue," if any[6]		

Data required for the TABOR calculations (actual valuations certified by assessor):

10.	Previous year's revenue[7]	$	108,842
11.	Total actual value of all real property	$	725,637,874
12.	Construction of taxable real property	$	3,323,983
13.	Annexations/Inclusions		
14.	Increase in mining production		
15.	Previously exempt property		
16.	Oil or gas production from new wells		
17.	Taxable property omitted (from current year's CV)		
18.	Destruction of Property improvements		
19.	Disconnections/Exclusions		
20.	Previously taxable property		

21. Inflation 1.951%

(The U.S. Bureau of Labor Statistics (http://www.bls.gov/cpi/home.htm) will not release this number, the Consumer Price Index (CPI) for the Denver-Boulder Area, until February of next year. Forecasts of this inflation figure are available at http://dola.colorado.gov/budgets.

[1] There will be a difference between net assessed valuation and gross assessed valuation only if there is a "tax increment financing" entity, such as a Downtown Development Authority or Urban Renewal Authority, within the boundaries of the jurisdiction.

[2] **For the "5.5%" limit only** (Part A of this Form), this is the **lesser** of: (a) the total amount of dollars **levied for general operating purposes** on the **net assessed valuation** before deducting any Temporary Tax Credit [if Form DLG 70 was used to certify levies in the previous year, this figure is on Line 1], or (b) last year's "5.5%" revenue limit.

[3] Increased production of a producing mine, previously exempt federal property, or new primary oil or gas production from any oil and gas leasehold or land. **NOTE: These values may not be used in this calculation until certified to, or applied for, by filing specific forms with the Division of Local Government** [forms can be found in the *Financial Management Manual*, published by/on the **State Auditor's Office web page** or contact the **Division of Local Government**].

[4] Taxes paid by properties that had been previously omitted from the tax roll. This is identified on the CV as **"taxes collected last year on omitted property as of Aug. 1."**

[5] This figure is available on the CV that you received from the assessor last year.

[6] This applies only if an "Order" to reduce the property tax revenue was issued to the government in the spring of the current year by the Division of Local Government, pursuant to 29-1-301(6), C.R.S.

A. Steps to calculate the "5.5%" Limit (refer to numbered lines on the previous page):

A1. Adjust the previous year's revenue to correct the revenue base, if necessary:

$ 108,842 (Line 2) + $ 7 (Line 8) = A1. $ 108,849 — Adjusted property tax revenue base

A2. Calculate the previous year's tax rate, based upon the adjusted revenue base:

$ 108,849 (Line A1) ÷ $ 89,952,080 (Line 1) = A2. 0.001210 — Adjusted Tax Rate[7] (round to 6 decimal places)

A3. Total the assessed valuation of all the current year "growth" properties:[8]

_____ (Line 4) + $ 237,670 (Line 5)

+ _____ (Line 6) = A3. $ 237,670 — Total "growth" properties

A4. Calculate the revenue that "growth" properties would have generated:

$ 237,670 (Line A3) X 0.001210 (Line A2) = A4. $ 288 — Revenue from "growth" properties[9]

A5. Expand the adjusted revenue base (Line A1) by the "revenue" from "growth" properties:

$ 108,849 (Line A1) + $ 288 (Line A4) = A5. $ 109,137 — Expanded revenue base

A6. Increase the Expanded Revenue Base (Line A5) by allowable amounts:

[$ 109,137 (Line A5) X 1.055[10]]

+ _____ (DLG-Approved Revenue Increase) + _____ (Voter-Approved Revenue Increase[11]) = A6. $ 115,140 — Increased Revenue Base

A7. Current Year's "5.5%" Revenue Limit:

$ 115,140 (Line A6) - $ 5 (Line 7) = A7. $ 115,135 — Current Year's "5.5%" Revenue Limit[12]

A8. Reduce Current Year's "5.5%" Revenue Limit by any amount levied over the limit in the previous year:

$ 115,135 (Line A7) - _____ (Line 9) = A8. $ 115,135 — Reduced Current Year's "5.5%" Limit. This is the maximum allowed to be levied this year[13]

A9. Calculate the mill levy which would generate the Reduced Revenue Limit (Line A8):

$ 115,135 (Line A8) ÷ $ 95,486,810 (Line 3) X 1,000 = A9. 1.206 — Mill Levy (round to 3 decimals)

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[7] If this number were multiplied by 1,000 and rounded to three decimal places, it would be the mill levy necessary in the previous year to realize the revenue in line A1.

[8] The values of these properties are "excluded" from the "5.5%" limit, according to 29-1-301(1)(a) C.R.S.

[9] This revenue is the amount that the jurisdiction theoretically would have received had those "excluded" or "growth" properties been on the tax roll in the previous year.

[10] This is the "5.5%" increase allowed in 29-1-301(1), C.R.S.

[11] This figure can be used if an election was held to increase property tax revenue **above the "5.5%"** limit.

[12] Rounded to the nearest whole dollar, this is the "5.5%" statutory property tax revenue limit.

Steps to calculate the TABOR Limit (refer to numbered lines on page o[illegible][14]

B. TABOR "Local Growth" Percentage

B1. Determine net growth valuation:

$ 3,323,983	-		=	$ 3,323,983
Lines 12+13+14+15+16+17		Lines 18+19+20		Net Growth Value

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

$ 725,637,874	-	$ 3,323,983	=	$ 722,313,891
Line 11		Line B1		

B3. Determine the rate of "local growth":

$ 3,323,983	÷	$ 722,313,891	=	0.004602
Line B1		Line B2		Local Growth Rate (round to 6 decimal places)

B4. Calculate the percentage of "local growth":

0.004602	X 100	=	0.460%
Line B3			(round to 3 decimal places)

C. TABOR Property Tax Revenue Limit

C1. Calculate the growth in property tax revenue allowed:

$ 108,842	X	2.411%	=	$ 2,624
Line 10[15]		Line B4 + line 21		Increase allowed

C2. Calculate the TABOR property tax revenue limit:

$ 108,842	+	$ 2,624	=	$ 111,466
Line 10[15]		Line C1		TABOR Property Tax Revenue Limit

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

[$ 111,466	÷	$ 95,486,810] X 1,000	=	1.167
Line C2		Line 3		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.