

**GRAND JUNCTION CITY COUNCIL
WORKSHOP**

**WEDNESDAY, MAY 22, 2013, 8:30 A.M.
CITY AUDITORIUM
250 N. 5TH STREET**

To become the most livable community west of the Rockies by 2025

1. TABOR Discussion

[Attach W-1](#)

2. Other Business

TAXPAYER'S BILL OF RIGHTS (TABOR)

INTRODUCTION. Mayor Susuras and Members of City Council,

Staff will be presenting to you in a work session format on Wednesday, May 22nd at 8:30 A.M. the Taxpayer's Bill of Rights (TABOR) which was approved by the voters on November 3, 1992. The ballot question was:

"Shall there be an amendment to the Colorado Constitution to require voter approval for certain state and local government tax revenue increase and debt; to restrict property, income and other taxes; to limit the rate of increase in state and local government spending; to allow additional initiative and referendum elections; and to provide for the mailing of information to registered voters?"

The provisions of the Amendment can be found at Article X, Section 20 of the Colorado Constitution and for the purpose of the work session the basic principles regarding the Amendment, as well as the current question regarding voter approved taxes, will be discussed.

This information is presented to Council in response to a number of Open Record Act requests made by Mr. Dennis Simpson. Staff has provided documents that are responsive to Mr. Simpson's requests; however, he is not satisfied. In addition to the TABOR calculation information included in this document, Mr. Simpson was also provided the attached TABOR calculation for 1998-2011. In general terms Mr. Simpson contends that the City has violated TABOR because of how the City's calculations have been performed and specifically that certain City funds are not included

in the calculation. A more detailed discussion of his concerns is provided later.

The City Manager, City Attorney and Financial Operations Director are confident that the City has not violated the letter of the law and believe that Mr. Simpson's contention is about the spirit of the law.

The Mayor and Council have requested the work session and Staff is prepared to explain the Amendment as well as the processes by which the calculations are performed and what revenues are included or excluded and why.

In the unfortunate event of litigation, Staff will defend the Council's prior direction to exclude certain revenue. If litigation does result, we are equally confident that a court would not find a violation and in the remote chance that a violation was found it would not result in a change that would benefit individual taxpayers as the current excess is specifically voter approved for the early payment of the Parkway debt. When the Early Retirement account was established the City Council directed additional funds of \$7.2 million be used for the early re-payment of the Parkway debt.

Under the Amendment, a copy of which is attached, "taxpayer enforcement suits" are allowed. Although TABOR did not establish any

formal enforcement mechanism, a plaintiff may claim attorney's fees and any violation four years before a suit is filed shall be refunded with 10% annual simple interest.

Important Considerations. In its simplest form TABOR creates a limit on how much revenue a government may receive and keep/spend. If annual increases in revenue exceed the formulas provided in TABOR, the excess must be refunded no later than the following year unless the voters allow the government (known as a "District" in the Amendment) to keep the revenue above the established limit. The money above the set limit is referred to as "excess" or "TABOR excess" or "excess revenue."

There are four main components to the TABOR calculations. Those are 1) the "base"; 2) the "prior year limit"; 3) the "allowed growth" and 4) the resulting TABOR revenue limit (which is also known as the "TABOR limit.") The TABOR limit in its simplest form is the "prior year limit" + the "allowed growth." In order to establish the current year's limit the prior year limit (which is the smaller of that year's actual base revenues or that year's TABOR limit) is increased by the allowed growth. The formula operates on a comparison basis: the actual revenues in the base are compared to the current year's limit which determines if there is an excess. The Amendment requires that two separate calculations are performed each year, those are the "black box" and the real property tax calculation. The

base for the “black box” calculation includes property taxes, sales taxes, fines, fees, charges for services, interest, interfund revenue and State grants. Exclusions from the base are revenues from enterprise operations (i.e., water, sewer and trash), Federal funds, voter approved revenue and debt service and TABOR refunds (presently transfers to the Parkway payment fund.)

There are two variables in the “allowed growth” calculation. Those variables are 1) local growth from annexation, construction, development, and re-development activity (based on property tax valuations performed by the County Assessor) and 2) inflation (based on the Denver-Boulder-Greely Consumer Price Index – CPI). The sum of the two variables equals the allowed growth.

Following are the local growth, allowed growth and TABOR excess calculations for 2012 (budget and actual) and 2013 budget.

Local Growth Calculation

Levy Year 2011 / Collection Year 2012	CITY
<i>Final Certification Date: 12/1/11</i>	
Prior Year's Actual Value of ALL REAL PROPERTY	\$ 7,865,553,150 *
Net Growth In REAL PROPERTY VALUE	
Additions:	
Construction of Taxable Real Property Improvements	\$ 66,656,130 *
Annexations / Inclusions	49,167,579 *
Increased Mining Production	-
Previously Exempt Property Now Taxable	36,604,250 *
Oil or Gas Production from New Wells	-
Taxable Real Property Previously Omitted	497,760 *
Subtotal: Additions	\$ 152,925,719
Deletions:	
Destruction of Taxable Real Property	(2,884,081) *
Disconnection / Exclusion	-
Previously Taxable Property Now Exempt	(13,988,329) *
Subtotal: Deletions	\$ (16,852,410)
Net Growth	\$ 136,073,309
Growth Rate Calculation	
Net Growth	\$ 136,073,309
Divided by the Prior Year's Actual Value of ALL REAL PROPERTY	7,865,553,150 *
Equals the Local Growth Rate	1.73%
<i>* Per Mesa County Assessor Amended Certification of Values</i>	

Levy Year 2012 / Collection Year 2013	CITY
<i>Final Certification Date: 11/27/12</i>	
Prior Year's Actual Value of ALL REAL PROPERTY	\$ 6,586,912,520 *
Net Growth In REAL PROPERTY VALUE	
Additions:	
Construction of Taxable Real Property Improvements	\$ 65,246,042 *
Annexations / Inclusions	1,453,330 *
Increased Mining Production	-
Previously Exempt Property Now Taxable	5,526,190 *
Oil or Gas Production from New Wells	-
Taxable Real Property Previously Omitted	455,750 *
Subtotal: Additions	\$ 72,681,312
Deletions:	
Destruction of Taxable Real Property	(899,460) *
Disconnection / Exclusion	-
Previously Taxable Property Now Exempt	(31,460,720) *
Subtotal: Deletions	\$ (32,360,180)
Net Growth	\$ 40,321,132
Growth Rate Calculation	
Net Growth	\$ 40,321,132
Divided by the Prior Year's Actual Value of ALL REAL PROPERTY	6,586,912,520 *
Equals the Local Growth Rate	0.61%
<i>* Per Mesa County Assessor Amended Certification of Values</i>	

Allowed Growth Calculation

	Assumption		
	<u>2012 Budget</u>	<u>2012 Actual</u>	<u>2013 Budget</u>
Allowed Growth			
Local Growth Rate	1.73%	1.73%	0.61%
Denver/Boulder/Greeley CPI	1.78%	1.95%	2.80%
Total Allowed Growth	3.51%	3.68%	3.41%

TABOR Excess Calculation

City of Grand Junction
 TABOR Calculation
 As of May 15th, 2013

	<u>2012 Budget</u>	<u>2012 Actual</u>	<u>2013 Budget</u>
<u>BLACK BOX</u>			
Net Revenue Before Debt & TABOR Transfer	62,276,175	63,635,034	62,927,620
Debt	(6,617,224)	(5,429,905)	(6,028,475)
TABOR Transfer From Previous Year Excess	(4,090,729)	(4,090,729)	(2,417,260)
Revenue Subject to Limitation	51,568,222	54,114,400	54,481,885
Limit From Prior Year	54,118,651	54,118,651	54,114,400
Allowed Growth Rate	3.51%	3.68%	3.41%
Current Year's Revenue Limit	56,018,216	56,110,217	55,959,701
TABOR Excess Black Box	-	-	-
Limit for Next Year (lower of limit or actual revenues)	51,568,222	54,114,400	54,481,885
<u>PROPERTY TAX</u>			
Property Tax Revenue	7,854,832	7,796,611	7,802,953
Limit from Prior Year	5,253,185	5,253,183	5,446,500
Allowed Growth Rate	3.51%	3.68%	3.41%
Current Year's Revenue Limit	5,437,572	5,446,500	5,632,226
PROPERTY TAX Excess	2,417,260	2,350,111	2,170,727
Limit for Next Year (lower of limit or actual revenues)	5,437,572	5,446,500	5,632,226
TABOR Excess To Be Transferred in Subsequent Year (larger of black box or property tax excess)	2,417,260	2,350,111	2,170,727

Local considerations. For many years the City has had a property tax excess and has refunded tax to taxpayers via a real property tax credit mill levy. (With a credit mill levy the City annually reduced its property tax rate from 8 mills to a lesser amount sufficient to refund the excess.)

The TABOR amendment allows local voters to authorize the retention of "excess revenue" above the TABOR limitations. A so-called "de-Brucing" vote is simply approval for a municipality to keep revenue which is above the limit provided by application of the formulas. In 2007 Grand Junction voters approved the retention and use of "excess revenue" via a temporary de-Brucing, for the repayment of the Riverside Parkway construction debt. The vote was 5194 "for" and 3471 "against." The City Council adopted Resolution 13-07 concerning the use of the excess revenue. That Resolution, including the ballot questions, is as follows:

RESOLUTION NO. 13-07

A RESOLUTION SETTING A TITLE AND SUBMITTING TO THE ELECTORATE ON APRIL 3, 2007 A MEASURE TO RETAIN AND SPEND REVENUES AS DEFINED BY ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION

RECITALS.

In 1992, the Colorado electorate amended the Colorado Constitution by the passage of the "Taxpayers Bill of Rights" (TABOR Amendment). The Amendment requires, among other things that any time fiscal year revenues exceed the limitation imposed by the Amendment for the fiscal year, then the local government must refund the excess revenues unless the voters approve otherwise.

It has been shown in recent studies that a significant portion of the City's general government revenue is derived from sales tax paid by visitors, shoppers and tourists. Because the City is principally funded by sales tax, the tax burden on City residents is reduced. Sales tax funding of municipal services provides a means of sharing the cost of services among all users. Sales tax will be the primary source of excess revenues under those revenue limits imposed by the TABOR Amendment. As a result, approval of the

ballot question would allow the City of Grand Junction to retain this important tax revenue, for use to pay a portion of the Riverside Parkway Bonded Debt.

The ballot question does not repeal the TABOR provisions, especially those that require voter approval of any future government debt or tax increases.

The ballot question will not increase taxes or tax rates.

The passage of this ballot question will provide assistance with the Riverside Parkway Bonded Debt and is intended to result in the early payment of these bonds.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION THAT:

1. The ballot question will maximize resources for the accelerated payment of the Riverside Parkway Bonded Debt.
2. Principal and interest from all retained excess revenues will be added to debt service payments budgeted by the City and allocated solely for additional payment toward the Riverside Parkway debt at the earliest possible date
3. The following question be submitted to the registered electors on Tuesday, April 3, 2007.

City of Grand Junction A

"SHALL THE CITY OF GRAND JUNCTION, COLORADO, WITHOUT ANY INCREASE IN TAXES, BE AUTHORIZED TO RETAIN ALL REVENUES IN EXCESS OF AMOUNTS WHICH THE CITY IS PERMITTED TO SPEND UNDER ARTICLE X, SECTION 20 (TABOR) OF THE COLORADO CONSTITUTION FOR 2006 AND SUBSEQUENT YEARS UNTIL THE RIVERSIDE PARKWAY BONDED DEBT IS PAID IN FULL, WITH ALL AMOUNTS RETAINED TO BE USED FOR PAYMENT OF THE RIVERSIDE PARKWAY BONDED DEBT?"

Issue Presented by Mr. Simpson. As noted before, we understand that Mr. Simpson is contending that the exclusion of "voter approved" taxes (3/4% City sales tax and the City's share of the County's 1% sales tax) is "illegal" because the elections on the tax questions came before the TABOR Amendment was passed.

It is further our understanding that in support of his contention that he may cite section 7(b) and (c) of the Amendment which defines the "maximum

annual percentage" *i.e.*, allowed growth for purposes of calculating the TABOR spending limit. Both paragraphs 7(b) and (c) include the words "...adjusted for revenue changes approved by the voters after 1991 ..."; HOWEVER, section 7(d) which defines and describes the base and permissible adjustments to the base, provides "Debt service changes, reductions, (1) and (3)(c) refunds and voter approved revenue changes are dollar amounts that are exceptions to, and not part of, any district base." No date for those revenue changes is stated in subsection (d) as is stated in subsections (b) and (c).

Additionally, the Amendment requires (in relevant part) that "districts must have voter approval in advance for any new tax, tax rate increase ... or a tax policy change directly causing a net tax revenue gain to any district." Colorado law is clear that a pre-TABOR election can serve as "voter approval in advance" of a revenue source.

The question presented, whether under section 4 or 7 of the Amendment is, in its most basic form, "does the City Council want the staff to include or exclude the "voter approved revenue changes" from the City's TABOR calculations?"

In 1989 the City voter's approved the ¾% tax. In 1981 Mesa County voter's approved a 2% sales and use tax. At the same time the County Commissioners by resolution established that 1% would go to the County's

Capital Improvement Fund and the other 1% would be distributed as follows: (a) 32% to City of Grand Junction, (b) 10% to Fruita, (c) 7% to Palsade, (d) 3% to Collbran, (e) 3% to DeBeque and (f) 45% to the County's General Fund.

In 2012 the ¼% tax generated \$10,874,571 and the City's share of the County's 1% generated \$5,959,563. If those voter approved taxes were included in the 2012 base the resulting TABOR excess would still be generated from the real property tax calculation. For the last four years the actual base revenue has been less than the TABOR limit due to the fact that the City's base has not grown at a rate exceeding the Amendment's allowed growth rate (see following table):

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Actual Growth in Base Revenues	-15.81%	4.26%	4.21%	-0.01%
TABOR Allowed Growth Rate	2.87%	5.88%	5.48%	3.68%

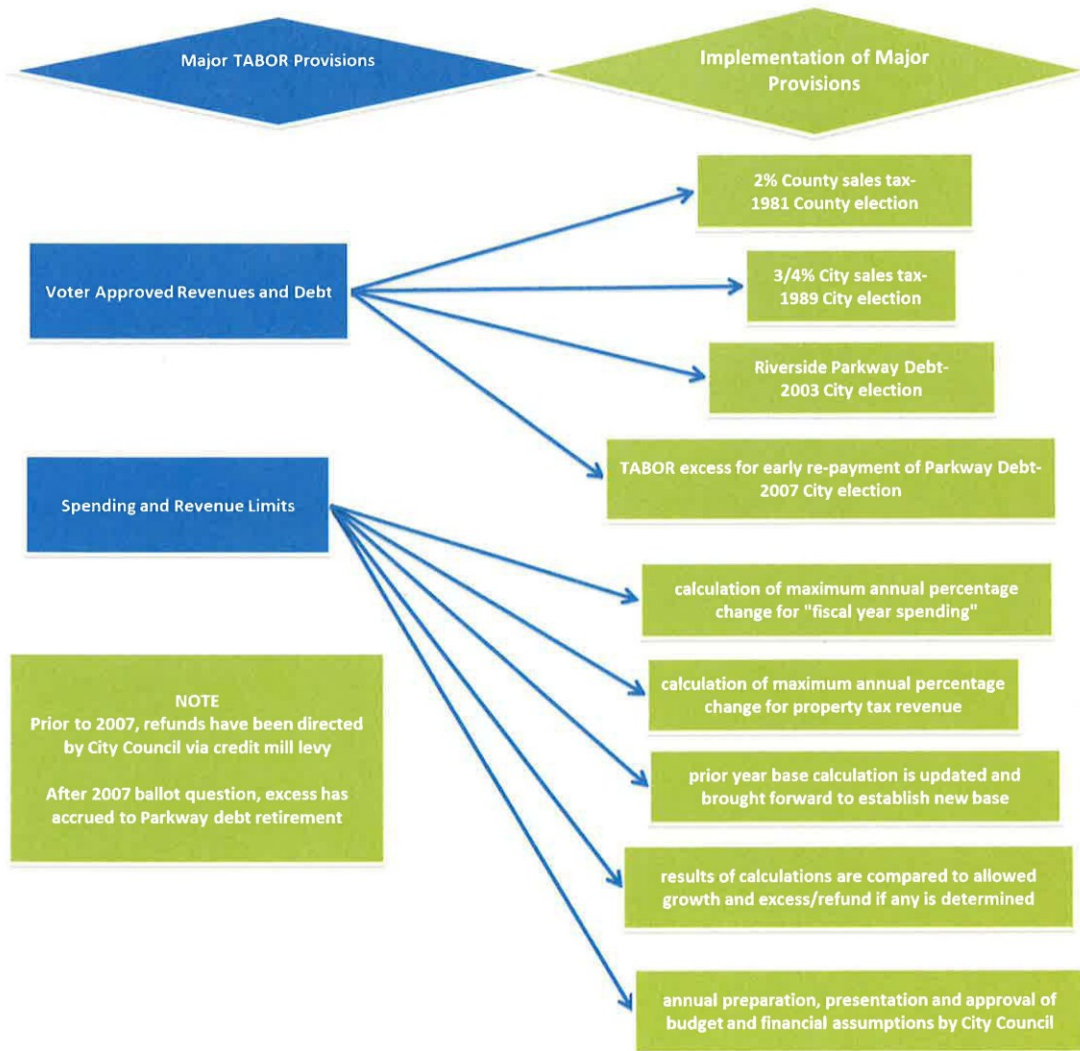
Other Considerations: Because TABOR does not require voter approval for new or increased fees and special assessments, it is important for municipal officials to understand the difference between fees, special assessments and taxes. Fees and assessments are charged on a quid pro quo basis--the citizen receives a direct benefit or service in exchange for paying the fee or assessment. A tax, on the other hand, defrays the general cost of government and may not be proportional to the benefit conferred upon any particular taxpayer.

TABOR generally requires advance voter approval, not only for “debt” in the conventional sense of the word, but also for any direct or indirect “financial obligation” that extends beyond the current fiscal year. Any of the various ballot questions that must be submitted to the voters under TABOR are strictly limited to certain election dates. In many cases, municipalities will have only one opportunity per year (in November) to submit questions to the voters. Thus advance planning is essential. TABOR is extremely detailed on how elections must be conducted and as such we carefully follow the prescribed procedures.

While TABOR strictly controls government it has no applicability to a so-called “enterprise” or “government-owned business.” Thus, a crucial aspect of TABOR compliance is understanding what is or is not an enterprise.

TABOR is very complicated and elected officials must balance their role of funding their government/governmental functions with that of the voters in determining what questions to put to the voters and in carrying out the will of the voters when a ballot question has been approved.

Furthermore, although TABOR places certain limits on the amount of money available to the government, it remains the essential duty of elected officials to determine exactly how the limited money will be spent. Following is a summary flowchart of TABOR compliance.



1 *Text of Article X, Section 20: The Taxpayer's Bill of Rights*

2 *(1) General provisions. This section takes effect December 31, 1992 or as*
3 *stated. Its preferred interpretation shall reasonably restrain most the*
4 *growth of government. All provisions are self-executing and severable and*
5 *supersede conflicting state constitutional, state statutory, charter, or other*
6 *state or local provisions. Other limits on district revenue, spending, and*
7 *debt may be weakened only by future voter approval. Individual or class*
8 *action enforcement suits may be filed and shall have the highest civil*
9 *priority of resolution. Successful plaintiffs are allowed costs and reasonable*
10 *attorney fees, but a district is not unless a suit against it be ruled frivolous.*
11 *Revenue collected, kept, or spent illegally since four full fiscal years before*
12 *a suit is filed shall be refunded with 10% annual simple interest from the*
13 *initial conduct. Subject to judicial review, districts may use any reasonable*
14 *method for refunds under this section, including temporary tax credits or*
15 *rate reductions. Refunds need not be proportional when prior payments*
16 *are impractical to identify or return. When annual district revenue is less*
17 *than annual payments on general obligation bonds, pensions, and final*
18 *court judgments, (4) (a) and (7) shall be suspended to provide for the*
19 *deficiency.*

20 *(2) Term definitions. Within this section:*

21 *(a) "Ballot issue" means a non-recall petition or referred measure in an*
22 *election.*

23 *(b) "District" means the state or any local government, excluding*
24 *enterprises.*

25 *(c) "Emergency" excludes economic conditions, revenue shortfalls, or*
26 *district salary or fringe benefit increases.*

27 *(d) "Enterprise" means a government-owned business authorized to issue*
28 *its own revenue bonds and receiving under 10% of annual revenue in*
29 *grants from all Colorado state and local governments combined.*

30 *(e) "Fiscal year spending" means all district expenditures and reserve*
31 *increases except, as to both, those for refunds made in the current or next*
32 *fiscal year or those from gifts, federal funds, collections for another*
33 *government, pension contributions by employees and pension fund*
34 *earnings, reserve transfers or expenditures, damage awards, or property*
35 *sales.*

36 (f) "Inflation" means the percentage change in the United States Bureau
37 of Labor Statistics Consumer Price Index for Denver-Boulder, all items, all
38 urban consumers, or its successor index.

39 (g) "Local growth" for a non-school district means a net percentage
40 change in actual value of all real property in a district from construction of
41 taxable real property improvements, minus destruction of similar
42 improvements, and additions to, minus deletions from, taxable real
43 property. For a school district, it means the percentage change in its
44 student enrollment.

45 (3) Election provisions.

46 (a) Ballot issues shall be decided in a state general election, biennial local
47 district election, or on the first Tuesday in November of odd-numbered
48 years. Except for petitions, bonded debt, or charter or constitutional
49 provisions, districts may consolidate ballot issues and voters may approve
50 a delay of up to four years in voting on ballot issues. District actions taken
51 during such a delay shall not extend beyond that period.

52 (b) At least 30 days before a ballot issue election, districts shall mail at the
53 least cost, and as a package where districts with ballot issues overlap, a
54 titled notice or set of notices addressed to "All Registered Voters" at each
55 address of one or more active registered electors. The districts may
56 coordinate the mailing required by this paragraph (b) with the distribution
57 of the ballot information booklet required by section 1 (7.5) of article V of
58 this constitution in order to save mailing costs. Titles shall have this order of
59 preference: "NOTICE OF ELECTION TO INCREASE TAXES/TO INCREASE
60 DEBT/ON A CITIZEN PETITION/ON A REFERRED MEASURE." Except for district
61 voter-approved additions, notices shall include only:

62 (i) The election date, hours, ballot title, text, and local election office
63 address and telephone number.

64 (ii) For proposed district tax or bonded debt increases, the estimated or
65 actual total of district fiscal year spending for the current year and each
66 of the past four years, and the overall percentage and dollar change.

67 (iii) For the first full fiscal year of each proposed district tax increase, district
68 estimates of the maximum dollar amount of each increase and of district
69 fiscal year spending without the increase.

70 (iv) For proposed district bonded debt, its principal amount and maximum
71 annual and total district repayment cost, and the principal balance of

72 total current district bonded debt and its maximum annual and remaining
73 total district repayment cost.

74 (v) Two summaries, up to 500 words each, one for and one against the
75 proposal, of written comments filed with the election officer by 45 days
76 before the election. No summary shall mention names of persons or
77 private groups, nor any endorsements of or resolutions against the
78 proposal. Petition representatives following these rules shall write this
79 summary for their petition. The election officer shall maintain and
80 accurately summarize all other relevant written comments. The provisions
81 of this subparagraph (v) do not apply to a statewide ballot issue, which is
82 subject to the provisions of section 1 (7.5) of article V of this constitution.

83 (c) Except by later voter approval, if a tax increase or fiscal year spending
84 exceeds any estimate in (b) (iii) for the same fiscal year, the tax increase is
85 thereafter reduced up to 100% in proportion to the combined dollar
86 excess, and the combined excess revenue refunded in the next fiscal
87 year. District bonded debt shall not issue on terms that could exceed its
88 share of its maximum repayment costs in (b) (iv). Ballot titles for tax or
89 bonded debt increases shall begin, "SHALL (DISTRICT) TAXES BE INCREASED
90 (first, or if phased in, final, full fiscal year dollar increase) ANNUALLY...?" or
91 "SHALL (DISTRICT) DEBT BE INCREASED (principal amount), WITH A
92 REPAYMENT COST OF (maximum total district cost), ...?"

93 (4) Required elections. Starting November 4, 1992, districts must have voter
94 approval in advance for:

95 (a) Unless (1) or (6) applies, any new tax, tax rate increase, mill levy above
96 that for the prior year, valuation for assessment ratio increase for a
97 property class, or extension of an expiring tax, or a tax policy change
98 directly causing a net tax revenue gain to any district.

99 (b) Except for refinancing district bonded debt at a lower interest rate or
100 adding new employees to existing district pension plans, creation of any
101 multiple-fiscal year direct or indirect district debt or other financial
102 obligation whatsoever without adequate present cash reserves pledged
103 irrevocably and held for payments in all future fiscal years.

104 (5) Emergency reserves. To use for declared emergencies only, each
105 district shall reserve for 1993 1% or more, for 1994 2% or more, and for all
106 later years 3% or more of its fiscal year spending excluding bonded debt
107 service. Unused reserves apply to the next year's reserve.

108

109 (6) *Emergency taxes. This subsection grants no new taxing power.*
110 *Emergency property taxes are prohibited. Emergency tax revenue is*
111 *excluded for purposes of (3) (c) and (7), even if later ratified by voters.*
112 *Emergency taxes shall also meet all of the following conditions:*

113 (a) *A 2/3 majority of the members of each house of the general assembly*
114 *or of a local district board declares the emergency and imposes the tax*
115 *by separate recorded roll call votes.*

116 (b) *Emergency tax revenue shall be spent only after emergency reserves*
117 *are depleted, and shall be refunded within 180 days after the emergency*
118 *ends if not spent on the emergency.*

119 (c) *A tax not approved on the next election date 60 days or more after*
120 *the declaration shall end with that election month.*

121 (7) *Spending limits.*

122 (a) *The maximum annual percentage change in state fiscal year*
123 *spending equals inflation plus the percentage change in state population*
124 *in the prior calendar year, adjusted for revenue changes approved by*
125 *voters after 1991. Population shall be determined by annual federal*
126 *census estimates and such number shall be adjusted every decade to*
127 *match the federal census.*

128 (b) *The maximum annual percentage change in each local district's fiscal*
129 *year spending equals inflation in the prior calendar year plus annual local*
130 *growth, adjusted for revenue changes approved by voters after 1991 and*
131 *(8) (b) and (9) reductions.*

132 (c) *The maximum annual percentage change in each district's property*
133 *tax revenue equals inflation in the prior calendar year plus annual local*
134 *growth, adjusted for property tax revenue changes approved by voters*
135 *after 1991 and (8) (b) and (9) reductions.*

136 (d) *If revenue from sources not excluded from fiscal year spending*
137 *exceeds these limits in dollars for that fiscal year, the excess shall be*
138 *refunded in the next fiscal year unless voters approve a revenue change*
139 *as an offset. Initial district bases are current fiscal year spending and 1991*
140 *property tax collected in 1992. Qualification or disqualification as an*
141 *enterprise shall change district bases and future year limits. Future creation*
142 *of district bonded debt shall increase, and retiring or refinancing district*
143 *bonded debt shall lower, fiscal year spending and property tax revenue*
144 *by the annual debt service so funded. Debt service changes, reductions,*
145 *(1) and (3) (c) refunds, and voter-approved revenue changes are dollar*

146 amounts that are exceptions to, and not part of, any district base. Voter-
147 approved revenue changes do not require a tax rate change.

148 (8) Revenue limits.

149 (a) New or increased transfer tax rates on real property are prohibited. No
150 new state real property tax or local district income tax shall be imposed.
151 Neither an income tax rate increase nor a new state definition of taxable
152 income shall apply before the next tax year. Any income tax law change
153 after July 1, 1992 shall also require all taxable net income to be taxed at
154 one rate, excluding refund tax credits or voter-approved tax credits, with
155 no added tax or surcharge.

156 (b) Each district may enact cumulative uniform exemptions and credits to
157 reduce or end business personal property taxes.

158 (c) Regardless of reassessment frequency, valuation notices shall be
159 mailed annually and may be appealed annually, with no presumption in
160 favor of any pending valuation. Past or future sales by a lender or
161 government shall also be considered as comparable market sales and
162 their sales prices kept as public records. Actual value shall be stated on all
163 property tax bills and valuation notices and, for residential real property,
164 determined solely by the market approach to appraisal.

165 (9) State mandates. Except for public education through grade 12 or as
166 required of a local district by federal law, a local district may reduce or
167 end its subsidy to any program delegated to it by the general assembly
168 for administration. For current programs, the state may require 90 days
169 notice and that the adjustment occur in a maximum of three equal
170 annual installments.

City of Grand Junction								
TABOR Calculation								
	1998	1999	2000	2001	2002	2003	2004	2005
Allowed Growth								
Local Growth Rate	4.37%	3.26%	4.06%	4.18%	5.85%	4.50%	4.69%	4.50%
Denver/Boulder/Greeley CPI	3.30%	2.40%	2.90%	3.96%	4.68%	1.90%	1.10%	0.11%
Total Allowed Growth	7.67%	5.66%	6.96%	8.14%	10.53%	6.40%	5.79%	4.61%
	1998	1999	2000	2001	2002	2003	2004	2005
BLACK BOX								
Net Revenue Before Parkway Debt & TABOR Transfer	32,037,920	34,451,215	36,381,603	38,020,025	40,551,988	43,447,522	47,376,455	51,636,579
Debt-Parkway 2004/2007	-	-	-	-	-	-	(1,338,194)	(3,666,388)
Debt-Parkway 2012	-	-	-	-	-	-	-	-
TABOR Transfer To Riverside Parkway Debt Retirement	-	-	-	-	-	-	-	-
Revenue Subject to Limitation	32,037,920	34,451,215	36,381,603	38,020,025	40,551,988	43,447,522	46,038,261	47,970,191
Limit From Prior Year	29,997,899	32,037,920	33,851,266	36,207,314	38,020,025	40,551,988	43,147,315	45,645,545
Allowed Growth Rate	7.67%	5.66%	6.96%	8.14%	10.53%	6.40%	5.79%	4.61%
Current Year's Revenue Limit	32,298,738	33,851,266	36,207,314	39,154,590	42,023,534	43,147,315	45,645,545	47,749,804
TABOR Excess Black Box	-	599,949	174,289	-	-	300,207	392,716	220,387
Limit for Next Year (lower of limit or actual revenues)	32,037,920	33,851,266	36,207,314	38,020,025	40,551,988	43,147,315	45,645,545	47,749,804
PROPERTY TAX								
Property Tax Revenue	2,462,080	2,563,759	2,870,747	2,994,510	3,458,649	3,677,985	3,984,112	4,154,540
Limit from Prior Year	2,157,738	2,323,237	2,454,731	2,625,580	2,839,302	3,138,281	3,339,131	3,532,465
Allowed Growth Rate	7.67%	5.66%	6.96%	8.14%	10.53%	6.40%	5.79%	4.61%
Current Year's Revenue Limit	2,323,237	2,454,731	2,625,580	2,839,302	3,138,281	3,339,131	3,532,465	3,695,312
PROPERTY TAX Excess	138,843	109,028	245,167	155,208	320,368	338,854	451,647	459,228
Limit for Next Year (lower of limit or actual revenues)	2,323,237	2,454,731	2,625,580	2,839,302	3,138,281	3,339,131	3,532,465	3,695,312
TABOR Excess Refunded or To Be Transferred in Subsequent Year to Early Retirement of Parkway Debt (larger of black box or property tax excess)	138,843	599,949	245,167	155,208	320,368	338,854	451,647	459,228
	1999 mill levy credit	2000 mill levy credit	2001 mill levy credit	2002 mill levy credit	2003 mill levy credit	2004 mill levy credit	2005 mill levy credit	2006 mill levy credit

