

How is the District Mill Levy Calculated?

The District adjusts the mills levied to account for the reduction in the RAR, but only to collect the same revenue if the RAR was kept at the rate when the mill levy cap was approved which was 7.96%. The maximum aggregated mill levy is capped for the District in the approved Service Plan at 65.000 mills but may be adjusted for any change in the assessed valuation ratio as determined by the Colorado Legislature with respect to the assessment of property for taxation purposes (commonly called the “Gallagher” effect). The Colorado Legislature lowered the assessed valuation ratio in 2017 from 7.96% to 7.2% and again in 2019 from 7.2% to 7.15%. The District taxes collected is below. Every two years the Colorado State Legislator adjusts the Residential Assessment Rate (RAR) due to the Gallagher Amendment related to TABOR, and the District mill levy adjusts if the RAR changes.

2016 District Property Tax Calculation – Adjusted Mill Levy:

$\$400,000$ (Actual Value) x 7.96% (2015 Residential Assessment Rate) = $\$ 31,840$ (Assessed Value) →
 $\$28,600$ (Assessed Value)/1,000 (mill levy applies to every $\$1,000$ in value) = $\$31.84$ x 65.00 =
 $\$2,069.60$ (District property tax collected)

2018 District Property Tax Calculation – Adjusted Mill Levy:

$\$400,000$ (Actual Value) x 7.2% (2017 Residential Assessment Rate) = $\$ 28,800$ (Assessed Value) →
 $\$28,800$ (Assessed Value)/1,000 (mill levy applies to every $\$1,000$ in value) = $\$28.80$ x 71.861 =
 $\$2,069.60$ (District property tax collected)

2020 District Property Tax Calculation – Adjusted Mill Levy:

$\$400,000$ (Actual Value) x 7.15% (2019 Residential Assessment Rate) = $\$ 28,600$ (Assessed Value) →
 $\$28,600$ (Assessed Value)/1,000 (mill levy applies to every $\$1,000$ in value) = $\$28.60$ x 72.363 =
 $\$2,069.60$ (District property tax collected)

The total 65 mills is broken down into two funds for the District, 55 mills is dedicated to the debt service fund paying on bonds issued in 2017 that have financed the public infrastructure in St. Vrain Lakes Metropolitan District No. 2. The remaining 10 mills goes towards operations of the public assets.