Ballot Issue 1A
Factual
Information

The 1992 amendment to Colorado's Constitution, known as the Taxpayers Bill of Rights, or TABOR, restricts revenue growth for all levels of government. Under TABOR, state and local governments cannot raise tax rates without voter approval and limits how much total revenue can be received each year.

The limit that TABOR sets on the growth of revenue for counties is based on the rate of inflation (Consumer Price Index) plus local growth (value of new construction). Per TABOR rules, any revenue from property taxes, grants, and other sources that exceed the TABOR limit must be returned to the taxpayers.

In the 2019 election, the Jefferson County Commissioners will ask voters to decide on whether to provide a seven-year exemption from all TABOR revenue and spending limitations to avoid potential budget cuts in 2020 and subsequent years. If Issue 1A is approved by the voters, Jefferson County also will be exempt from TABOR revenue restrictions on non-property tax revenue (like state grants and fees or fines collected by the county) beyond the seven-year period. This election will take place November 5, 2019.

What does this mean for Jefferson County?

• In 2019, Jefferson County's property tax revenue has grown by approximately 5.7%. The revenue growth allowed under TABOR is projected to be 3.831%. Under the current requirements, the county will be required to refund the difference back to the taxpayers.
• Jefferson County could retain and spend up to the current authorized county mill levy thereby providing necessary excess funding to county operations.
• If the county could retain these dollars, it could reinvest in services and programs for the people of Jefferson County as reviewed and approved by the Board of County Commissioners.
• Without this temporary TABOR relief, the county will need to make cuts to many vital programs and services to ensure a balanced budget.
• Issue 1A does not eliminate TABOR's requirement to obtain voter approval for all tax increases beyond the current authorized mill levy of 21.478; it only impacts how much revenue may be received each year.

How would Jefferson County use these dollars?

• Invest more in the repair, maintenance and safety of county roads, as the Road & Bridge budget has remained the same for the past seven years despite an increase in the cost of materials and services.
• Allow the Sheriff to maintain the number of jail beds currently available and keep the deputy academy program.
• Maintain the integrity of local and national elections and provide timely election results.
• Attract and retain quality county employees, including deputies and investigators.
• Update aging technology systems and hardware. Ensure continuation of natural resource management.

Arguments made for Ballot Issue 1A

• Reinvesting these dollars will support critical services, including funding for fire mitigation efforts, repair and maintenance of the county's vital transportation infrastructure, adequate jail beds, and patrol personnel to keep our communities safe.
• When the county reaches its TABOR revenue limit, it is forced to reject state grant dollars or cut from other programs. These rejected grant dollars are then given to other counties that are not under the same restrictions to enhance their programs and services.
• Ballot Issue 1A allows the collection up to the maximum current authorized county mill levy of 21.478, but also gives the discretion to collect less than the full amount (by temporarily reducing the mill levy) in any year that the predicted amount of excess revenue generated by the full mill levy would exceed the amount needed for county operations.

Arguments made against Ballot Issue 1A

• This measure imposes an additional tax burden that will be felt by Jefferson County households for several years. Approximately $9 a month/$105 a year may not seem like much to some people, but to some on tight budgets or fixed income, it makes a difference. Some families cannot afford this tax burden.
• Business property owners will see a greater increase in your tax bill because business property is taxed at a much higher rate than residential property. These additional taxes could be passed on to consumers.
• Colorado voters put TABOR in place for a reason. Jefferson County needs to follow those restrictions and work within the revenue it already receives.
**What is the Impact to Property Owners?**

Using 2019 assessed property values, if the county were able to maximize the current maximum authorized mill levy as identified in the ballot measure, property owners would see the following impacts:

<table>
<thead>
<tr>
<th>Property Type</th>
<th>Assessed Value</th>
<th>Monthly Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Home Value</td>
<td>$400,000</td>
<td>$9* Per Month</td>
</tr>
<tr>
<td>Small-Sized Business</td>
<td>$300,000</td>
<td>$27* Per Month</td>
</tr>
<tr>
<td>Medium-Sized Business</td>
<td>$600,000</td>
<td>$53* Per Month</td>
</tr>
<tr>
<td>Large-Sized Business</td>
<td>$1,000,000</td>
<td>$89* Per Month</td>
</tr>
</tbody>
</table>

*For 2020, the ballot issue allows the county to retain and spend only $16.1 million in excess revenue, which would reduce the above figures by approximately half.

**What is a Mill Levy?**

- A mill levy is the "tax rate" that is applied to the assessed value of a property. One mill is one dollar per $1,000 dollars of assessed value.
- The current authorized mill levy for the county governmental funds is 21.478 (this amount does not include the Library fund or Developmentally Disabled Fund).
- Jefferson County currently has the 2019 adopted mill levy set at 18.239, reflecting a temporary reduction of 3.239 mills due to TABOR’s revenue limitations.
- The equivalent dollar amount of this temporary reduction, as opposed to what could be collected in 2019, is approximately $31 million.

**Restrictions and Accountability**

- The ballot language honors TABOR by maintaining restrictions on revenue and spending. It contains limits on first-year excess revenue of $16.1 million, which is the amount Jefferson County needs for existing operations in 2020. The language also includes a provision to limit the TABOR relief related to property taxes to seven years.
- The measure reinforces that the duly elected board adopts the budget each year to specify the use of these dollars.

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