

Assessed Valuation & Mill Rate

Fiscal Year 2017-18

EXECUTIVE BRIEFING FOR
THE BOARD OF EDUCATION

DECEMBER 11, 2017



Dedicated to Excellence
Cherry Creek Schools

Base Mill Rate

Per C.R.S. 22-54-106 (2)(a) (I) (II) (III) (V)

- ❖ The Base Mill Rate is the State required local mill levy and is the local contribution to the Total Program Contribution in the School Finance formula.
 - Since the TABOR limit sets the Base Mill Levy in accordance with the revenue limits under TABOR, *the mill levy will decline in 2017 for Cherry Creek.*
 - Although Cherry Creek assessed values with the reassessment cycle have increased 15.36% in 2017, the *Base Mill Rate is calculated so collections will not exceed 4.41% over the prior year collections* of the Base Mill Levy.
 - As specified in TABOR, *the limit is based on the 2016 CPI-U (increase in inflation of 2.8%) plus the 1.61% growth rate in student funded enrollment* in the current 2017-18 school year.

Due to the Significant increase in assessed value, the Mill Rate must drop in order for property tax collections to be within the TABOR limit.

Base Mill Rate

Per C.R.S. 22-54-106 (2)(a) (I) (II) (III) (V)

- ❖ The *Base Mill Rate is the State required mill levy for the local contribution to the Total Program Funding* in the School Finance formula for General Fund operations.
- ❖ If Cherry Creek had “deBruced”, the Base Mill Rate under SB07-199 would currently be 27 mills.
- ❖ Since Cherry Creek did not “deBruce”, the Base Mill Rate adjusted for TABOR limits is currently 20.359.

THE SAVINGS TO CHERRY CREEK TAXPAYERS IN THE CURRENT YEAR IS
\$40.3 MILLION AS ILLUSTRATED BELOW:

Base Mill Rate for Cherry Creek		
Base Mill Levy TABOR Limit (2017 Actual)	Base Mill Levy if “deBruced” (For Illustration Only)	Property Tax Savings (For Illustration Only)
\$123,524,574	\$163,817,648	(\$40,293,074)
20.359 Mills	27 Mills	(6.641) Mills

Base Mill Rate Illustrations

The following slides present information related to the Base Mill Rate in accordance with the TABOR limitations per the Colorado Revised Statutes 22-54-106 (2)(a) (I) (II) (III) (V).



ILLUSTRATIONS ARE PROVIDED TO HIGHLIGHT BENEFITS TO THE LOCAL CHERRY CREEK TAXPAYERS.

Actual Value by Property Type

(\$ Millions)

Year	Residential	Commercial	Industrial	Vacant Land	Other	Total
Actual 2016	\$34,762.417	\$7,667.170	\$32.213	\$341.193	\$675.285	\$43,478.278
Actual 2017	\$42,972.831	\$9,275.658	\$31.357	\$411.591	\$679.505	\$53,370.942
2017 % of Total	80.5%	17.4%	0.1%	0.8%	1.2%	100.0%
\$ Inc(Dec)	\$8,210.415	\$1,608.488	(\$0.856)	\$70.398	\$4.219	\$9,892.664
% Inc(Dec)	23.6%	21.0%	(2.7%)	20.6%	0.6%	22.8%

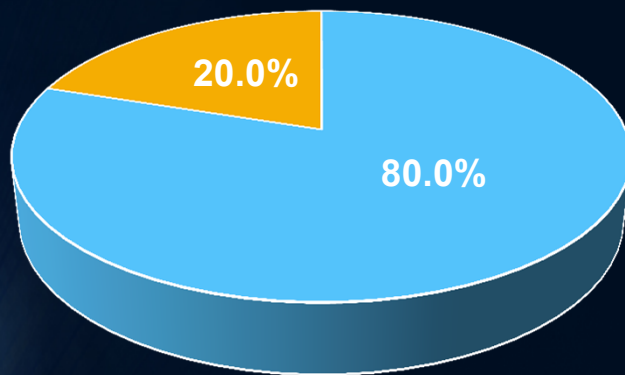
Change in Actual Tax Valuation

Actual Value (\$ Millions)	Actual 2016	% of Total	Actual 2017	% of Total	Change in Actual Value	% Change
Residential	\$34,762.417	80.0%	\$42,972.831	80.5%	\$8,210.415	23.6%
<u>All Other Categories</u>						
Vacant	341.193	0.8%	411.591	0.8%	70.398	20.6%
Commercial	7,667.170	17.6%	9,275.658	17.4%	1,608.488	21.0%
Industrial	32.213	0.1%	31.357	0.1%	(0.856)	(2.7%)
Agricultural	3.958	<0.1%	4.008	<0.1%	0.050	1.3%
Natural Resources	0.203	<0.1%	0.254	<0.1%	0.051	25.4%
Oil & Gas	1.019	<0.1%	0.967	<0.1%	(0.052)	(5.1%)
<u>State Assessed</u>	<u>670.105</u>	<u>1.5%</u>	<u>674.276</u>	<u>1.2%</u>	<u>4.170</u>	<u>0.6%</u>
Total All Other	8,715.861	20.0%	10,398.111	19.5%	1,682.249	19.3%
ACTUAL VALUE	\$43,478.278	100.0%	\$53,370.942	100.0%	\$9,892.664	22.8%

Actual Value

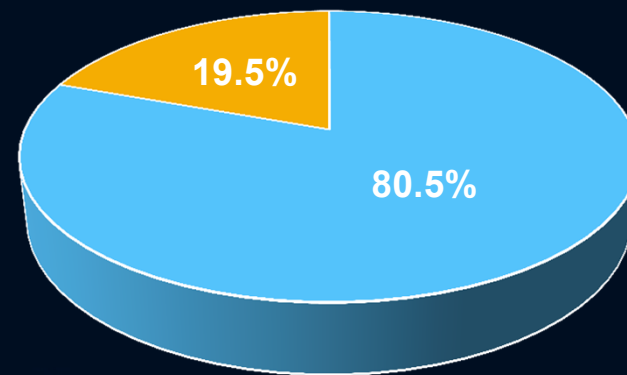
For Residential & All Other Property Taxes

ACTUAL
2016-17



■ Residential ■ All Other

ACTUAL
2017-18

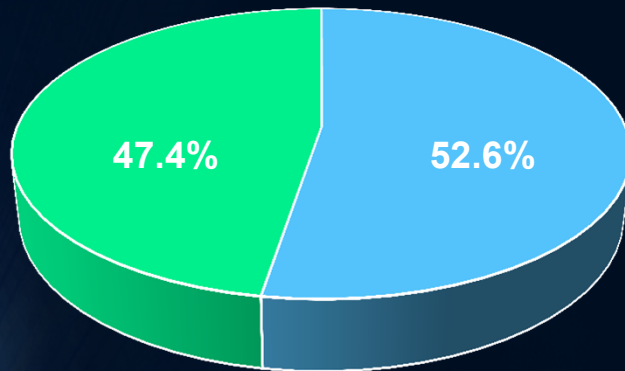


■ Residential ■ All Other

Taxable Assessed Value

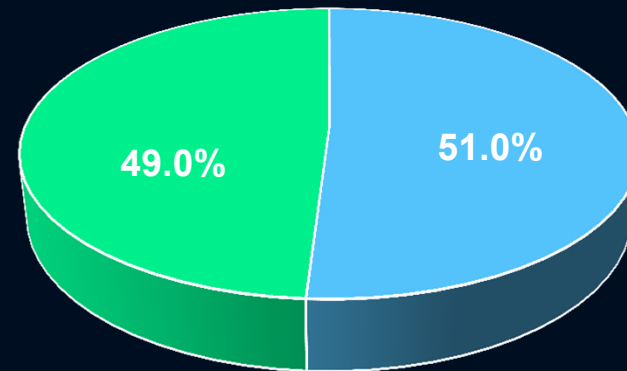
For Residential & All Other Property Taxes

ACTUAL
2016-17



■ Residential ■ All Other

ACTUAL
2017-18



■ Residential ■ All Other

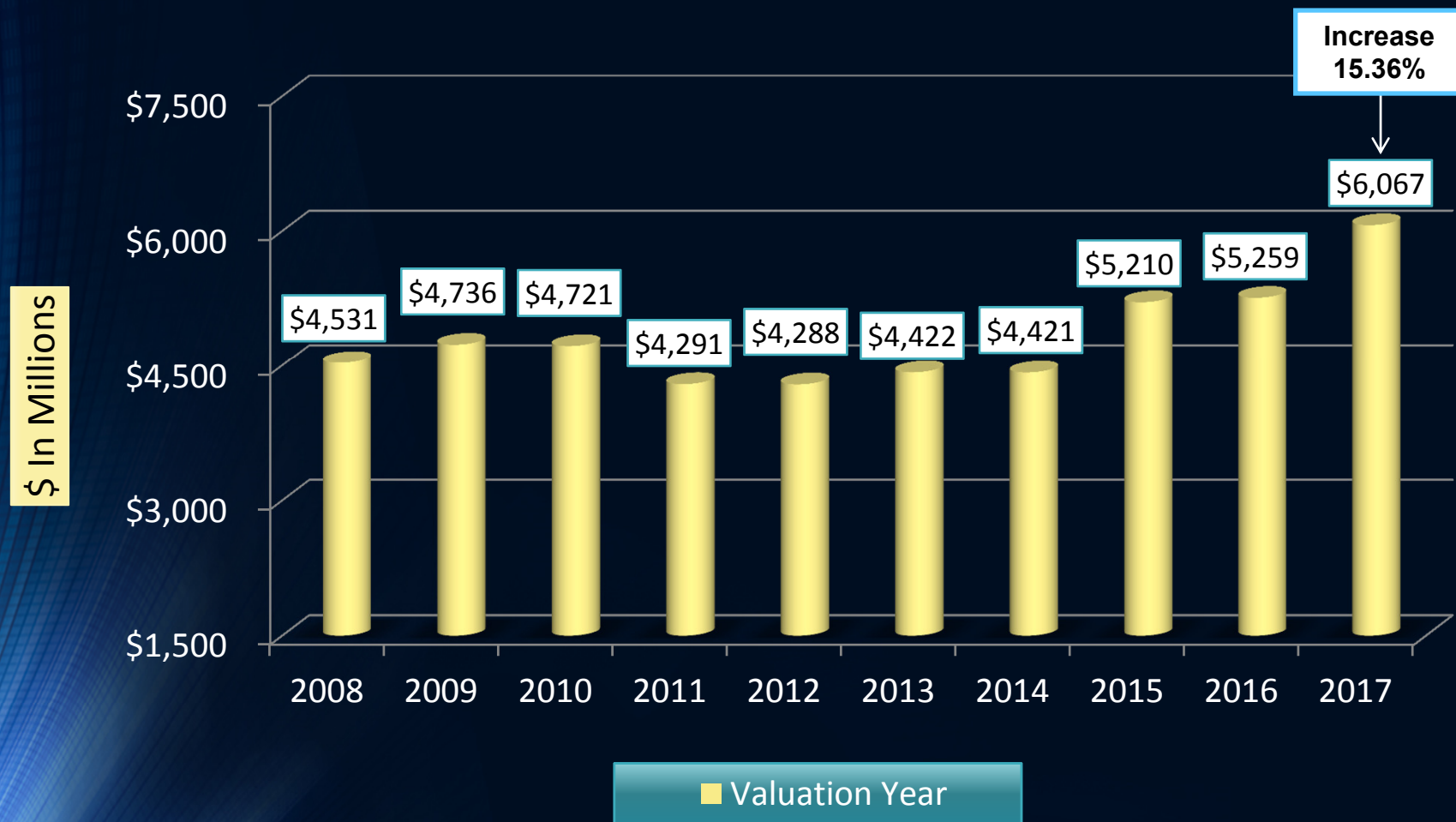
The graphs above reflect a decline in the Residential Property Assessment Rate from 7.96% in 2016-17 to 7.20% in 2017-18 as a function of the Gallagher Amendment in the Colorado Constitution.

Change in Assessed Tax Valuation

(\$ Millions)

Assessed Value (\$ Millions)	Actual 2016	% of Total	Actual 2017	% of Total	Change in Assessed Value	% Change
Residential	\$2,767.089	52.6%	\$3,094.044	51.0%	\$326.955	11.8%
<u>All Other Categories</u>						
Vacant	98.946	1.9%	119.361	2.0%	20.415	20.6%
Commercial	2,188.112	41.6%	2,647.674	43.6%	459.561	21.0%
Industrial	9.342	0.2%	9.094	0.2%	(0.248)	(2.7%)
Agricultural	1.148	<0.1%	1.162	<0.1%	0.014	1.3%
Natural Resources	0.059	<0.1%	0.073	<0.1%	0.015	25.4%
Oil & Gas	0.362	<0.1%	0.333	<0.1%	(0.029)	7.9%
<u>State Assessed</u>	<u>194.387</u>	<u>3.7%</u>	<u>195.579</u>	<u>3.2%</u>	<u>1.192</u>	<u>0.6%</u>
Total All Other	2,492.356	47.4%	\$2,973.276	49.0%	\$480.920	19.3%
ASSESSED VALUE	\$5,259.445	100.0%	\$6,067.320	100.0%	\$807.875	15.4%

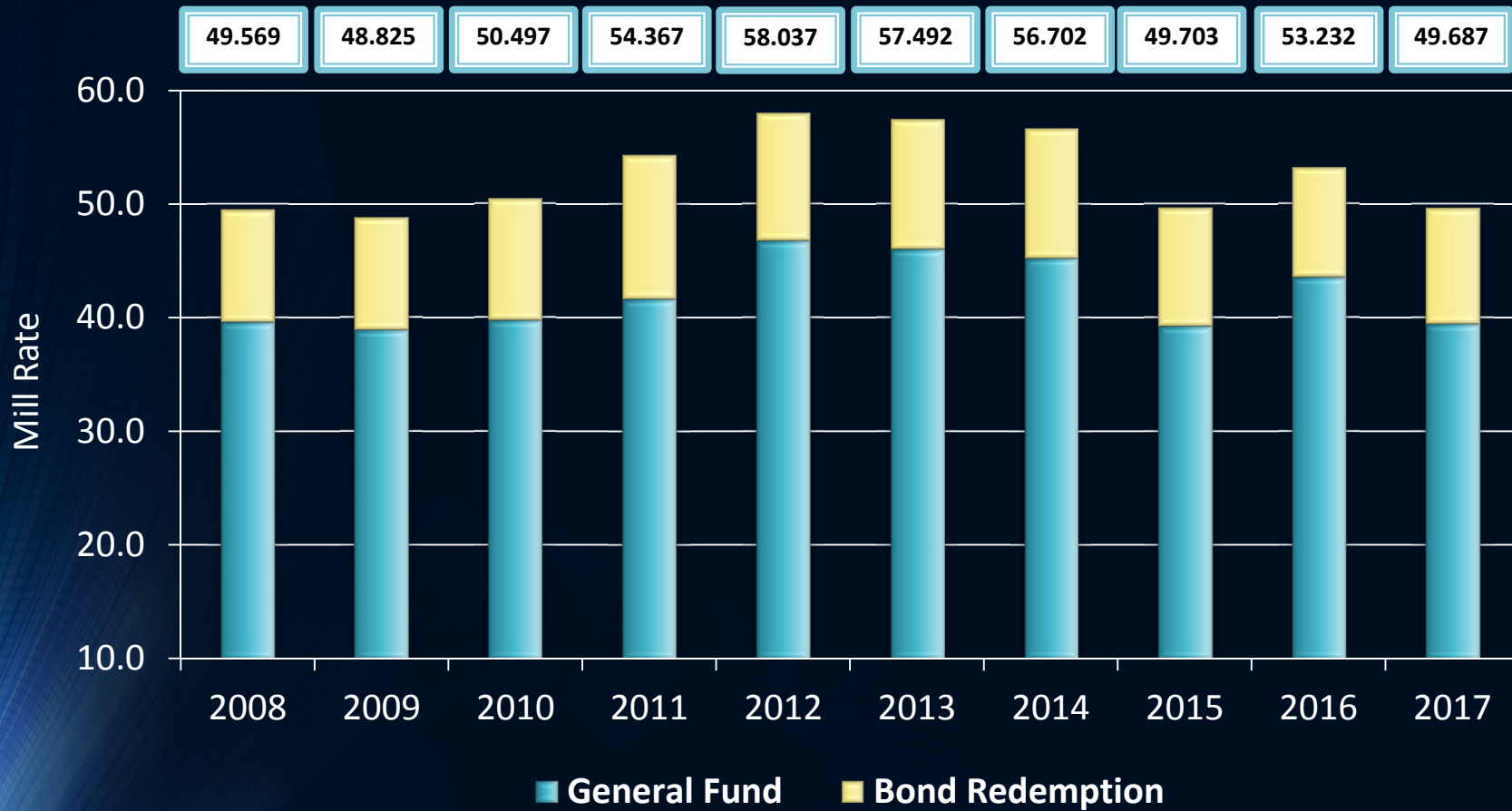
Taxable Assessed Valuation History



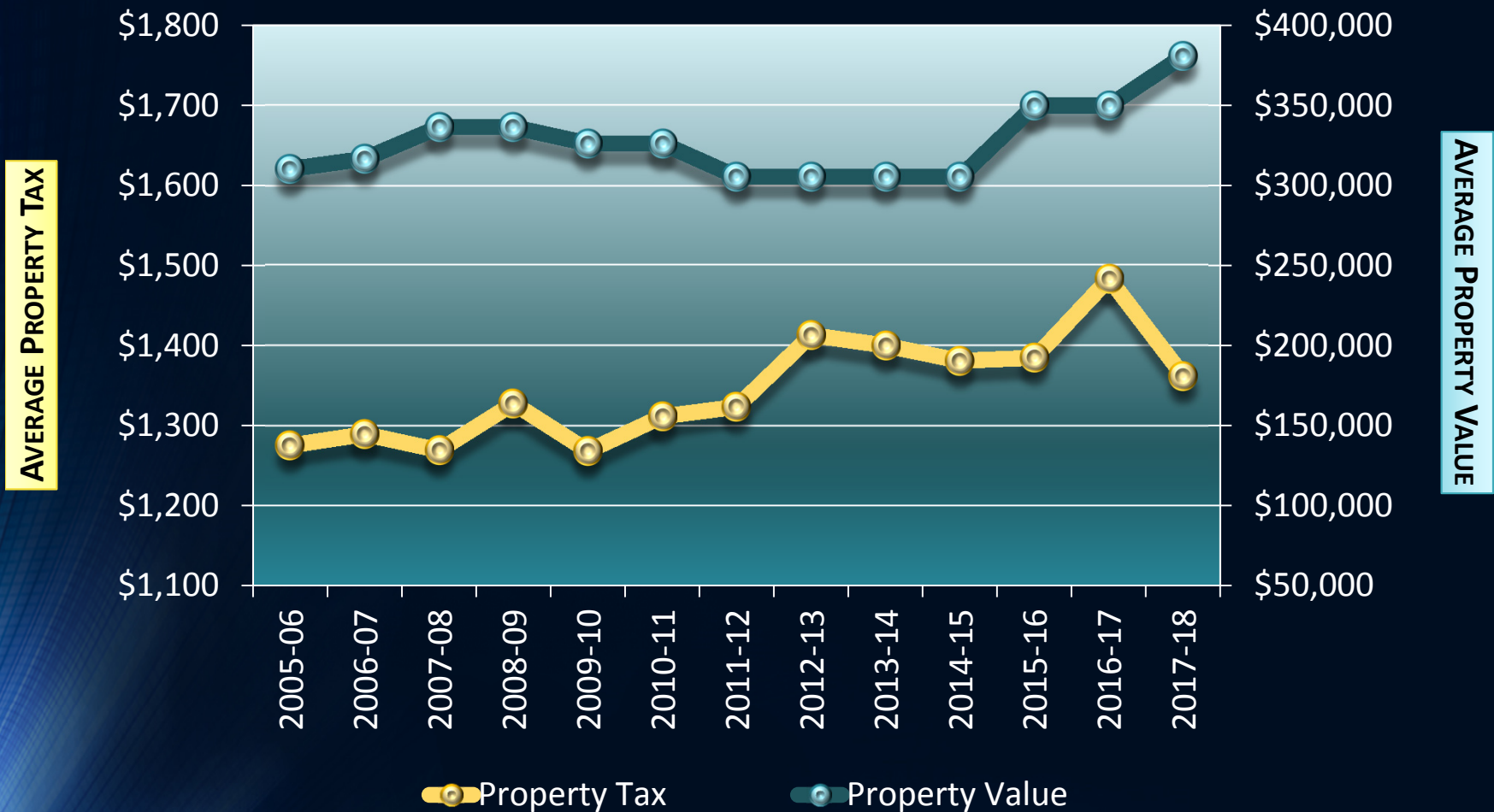
Comparative Mill Rates & Tax Levies

	Actual 2016 for FY16-17	Actual 2017 for FY17-18	Mill Rate Change	Tax Levy Change (\$ in Millions)
Public School Finance Act Requirement	22.494	20.359	(2.135)	\$5.219
<u>Voter Approved</u>				
- Pre 1988 Elections	1.301	1.128	(0.173)	0.001
- 1991, 1998, 2003, 2008, 2012, & 2016 Elections	19.330	17.662	(1.668)	5.496
Tax Abatements & Refunds	0.438	0.327	(0.111)	(0.320)
General Fund Subtotal	43.563	39.476	(4.087)	10.396
Bond Redemption Fund	9.669	10.211	0.542	11.100
Total Mill Levy	53.232	49.687	(3.545)	\$21.496
(\$ in Millions)			\$ Change	% Change
Total Property Tax Levy	\$279.971	\$301.467	\$21.496	7.68%

Mill Levy History by Valuation Year



Mill Levy History by Valuation Year



Property Taxes Paid by Year

ACTUAL 2016			ACTUAL 2017	
	PROPERTY TAX	# OF PARCELS	PROPERTY TAX	# OF PARCELS
RESIDENTIAL	\$147,297,690	91,617	\$153,733,746	92,684
	\$1,483 Avg. Tax per Parcel		\$1,362 Avg. Tax per Parcel	
COMMERCIAL	\$116,477,600	3,036	\$131,554,951	3,040
	\$38,365 Avg. Tax per Parcel		\$43,275 Avg. Tax per Parcel	
ALL OTHER PROPERTIES	\$16,195,486	4,801	\$16,178,247	4,788
	\$3,373 Avg. Tax per Parcel		\$3,379 Avg. Tax per Parcel	
TOTAL	\$279,970,776	99,454	\$301,466,944	100,512

Property tax levy *increased* from \$279.97 million in 2016-17 to \$301.47 million in 2017-18, an increase of \$21.50 million, or 7.68%.

Residential Property Value & Tax

ACTUAL 2016-17	
MILL LEVY	53.232
ASSESSMENT RATE	7.96%
PROPERTY VALUE	\$350,000
PROPERTY TAX	\$1,483

ACTUAL 2017-18	
MILL LEVY	49.687
ASSESSMENT RATE	7.20%
PROPERTY VALUE	\$380,700
PROPERTY TAX	\$1,362

Annual Average Tax Change For A Homeowner	
General Fund	(\$132)
Bond Redemption	11
TOTAL NET DECREASE	(\$121)
<i>Annual decrease for an average residential property is \$121</i>	



Cherry Creek School District

Our Mission

“To inspire every student to think, to learn, to achieve, to care”

Our Vision

“Dedicated to Excellence”



CherryCreekSchools

