

TOWN OF BLUE RIVER, COLORADO

STAFF REPORT

TO: Mayor & Board of Trustees

THROUGH: Bob Widner, Town Attorney

FROM: Molly Schultz, Deputy Town Attorney

DATE: December 19, 2023

SUBJECT: Resolution 2023-12
Setting Ballot Question for 5.5% Waiver for April 2, 2024, Election

If approved by the Board, Resolution 2023-12 would refer a ballot question to the electors for the April 2, 2024, Election.

Resolution 2023-12

State law limits the ability of municipalities to collect more than 5.5% in revenue over the prior tax year. This artificial statutory limitation impairs the ability of municipalities to address the ever-increasing costs of providing services such as law enforcement and street/road maintenance.

Because the increase in service costs very often exceeds 5.5% each year, every year the Town's annual property tax collection is effectively reduced and, in turn, some degree of reduction in services may be needed.

However, the state law expressly authorizes the voters of a municipality to waive the limitation so the municipality may retain the taxes to provide services.

In summary, if the voters approve the ballot question, the approval would:

- **Not** create any new taxes.
- Follow the lead of the voters of **many** other municipalities who have approved a waiver of the statutory limitation.
- Allow their municipalities to keep up with the annual costs of providing necessary services.