

## Update on Colorado's Timber Ridge Metro District Property Tax and Mill levy. 12/1/23

CTRMD will have its November/December monthly Board meeting and 2024 Budget meeting at **5:00pm Monday December 4, 2024**. This instead of our regular 3rd Monday of the month meetings.

As you are probably aware our Metro District is partially funded by a 15 mill levy property tax on the lot owners in Timber Ridge. In 2013 a 10 mill levy was approved by Timber Ridge lot owner electors as the CTRMD was established to fund the Metro District. In November 2021 an additional 5 mill levy was approved by the Timber Ridge lot owners electors so as to help fund the underfunded future cost of a Full Depth Reclamation of our 8 miles of asphalt roads when needed.

Other funding comes from Interest Income, shared Highway Use Tax and shared Specific Ownership Tax with the County.

CTRMD's responsibility is to provide Repairs, Maintenance, Construction and Reconstruction of our roads, common property including the Clubhouse/Equestrian area.

Since 2021 a lot has changed in regards to the variables affecting Timber Ridge property tax and financial situation.

1. Inflation has increased and the cost of a Full Depth Reclamation of 8 miles of asphalt roads has had an estimated increase of 40%-50%. From \$3,000,000 to \$4,400,000.
2. Annual Interest rate earned on our Reserve Balance has increased from .25% to over 5%. We currently have \$1,600,000 in reserve accounts.
3. Property Values as a whole for Timber Ridge per Archuleta County Assessor has increased **90%** from last year. These values are updated every 2 years by the county assessor.

CTRMD's 15 mill levy is what is considered "Debruced". In other words, CTRMD does not have to abide by the inflation-guided Tabor Limits or the 5.5% Property Tax Revenue Annual Limit on applying property tax to Timber Ridge lot owners.

As the CTRMD Board stated in 2021 when an additional 5 mill levy was passed by the Timber Ridge Colorado Electors we would evaluate the need for the mill levy every year.

I must say it has been a very difficult process preparing and planning for long term major capital expenses with all the extraordinarily large changes in the variables(cost, inflation, interest rates, property values) the last few years.

But, based on the increased property values and increased interest earned on our reserve account, the CTRMD Board is currently planning on assessing just a **10 mill levy to be collected in 2024**.

Based on current estimates that would still be an increase in property tax revenue over last year for CTRMD of \$32,000 or 22%. \$179,500 from \$147,500.

### New Property Tax Law:

Since Proposition HH was not passed by Colorado voters on November 7th, the state legislature in a special session on November 20th passed a new law to lower property tax in Colorado. They lowered the assessed rate for residential real property from 6.765% to 6.7% and increased residential property value exemption from \$15,000 to \$55,000 per home. The vacant land residential lots assessed rate remained the same at 27.9 % with no property value exemption. They also passed a law to change the Tabor Refunds calculation for Colorado taxpayers to be an equal amount for all taxpayers from a method based on income. The estimated 2024 Tabor refund is \$845 per individual or \$1,694 for joint returns for Colorado taxpayers. These new law changes did not have a big effect on CTRMD's 2024 property tax revenue as a whole, only about a \$5,000 decrease. The big change came from the 90% property value increase.

These new laws were for **one year only**. We will have to see what happens in the future and make decisions accordingly.

Archuleta County Assessor has not given us the final assessed values/rates yet. Due to change in new law deadlines for Budget, Certified Assessed Values have been extended.

**Timber Ridge Lot status:**

211 Total Lots

143 Lots with Houses

7 Lots with Houses Under Construction

15 Vacant Lots Coupled with a House Lot.

46 Vacant Lots

CTRMD Board will discuss at our **5:00pm Monday December 4, 2023 2024 Board Budget Meeting at Clubhouse or [Zoom](#). [Agenda](#)**

You can see the 2024 Proposed Budget on the website. [2024 Proposed Budget](#). and updated [Estimated Long Term Cash Flow Projection](#).

Thanks,

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