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LAS ANIMAS COUNTY 2002 BALLOT REFERENDUM 1A: WHAT WILL IT COST YOU?

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- *Each mill is worth \$9.15 to an average household in Las Animas County*
- *Referendum 1A will cost the average household \$11.76 in 2003*
- *Each \$10,000 in property value affects the household cost of 1A by \$1.18*
- *The total tax burden is not determined by Referendum 1A*
- *County services will receive greater financial support if 1A passes than if it doesn't*

What does Referendum 1A ask for?

Referendum 1A would freeze the county mill levy at 15.711 mills for 10 years (2003-2012) at which time the people will have the opportunity to decide to continue the freeze or end it. The current county mill levy is divided among the general fund (13.541 mills), the department of social services (1.644), a contingency fund (0.05) and capital expenditures (0.478). Referendum 1A earmarks one mill to improvements in police services (e.g., wages and personnel, emergency vehicles and equipment) and one mill to discretionary services as follows:

County Service	Percent of dedicated mill
Extension/4H Youth & Fair Services	37.23
Economic development programs	15.35
Veteran's services	14.35
Predator control services	14.27
Trinidad-Las Animas County Chamber of Commerce	4.80
Trinidad Senior Center	4.00
Segundo Senior Center	2.00
Aguilar Senior Center	2.00
Branson Senior Center	2.00
Kim Senior Center	2.00
Trinidad-Las Animas County Hispanic Chamber of Commerce	2.00

What will it cost me?

A mill represents a tax of \$1 per thousand dollars of taxable or "assessed" value. In Las Animas County, the assessed value is 9.15% of the actual value of residential properties and 29% of nonresidential properties. In 2001, the total assessed value of taxable property in Las Animas County was \$204 million (\$171 million taxable), which generated \$3.2 million in tax

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Extension programs are available to all without discrimination.

revenues for the provision of county services. Residential properties comprised \$36.7 million (21%) of the \$171.5 million in assessed value, while Oil and Gas made up \$91.2 million (53%) and Agriculture made up an additional \$13.3 million (7.7%) of the total. Tax revenues generated by sector are proportional to the contribution of each to the county's assessed value.

In 2001 the county mill levy was 15.711 mills. At that time, 1 mill represented about \$204,000 in tax revenue to the county, with residential properties contributing about \$41,000 of that total. If the average actual value of a residence in Las Animas County is \$100,000, the assessed value is \$9,150 and its contribution to county taxes is \$143.76 (Table 1). Due to current legal limits and strongly increasing assessed value of properties in Las Animas County in recent years, the county mill levy will be reduced to 14.426 mills for 2003 unless the referendum passes. The county tax burden on a \$100,000 home would reduce by \$11.76 to \$131.99; each mill is worth \$9.15 to homeowner of a \$100,000 residence. There is a difference of \$1.18 in tax burden per \$10,000 in residential value if Referendum 1A passes or if it doesn't. If Referendum 1A does not pass, county mill levies could continue to decline providing additional tax savings at the rate of \$9.15 per mill per \$100,000 home per year, or they could increase, depending on county demographic and economic trends. In Colorado, it is unusual to observe a county mill levy substantially lower than Las Animas County

currently enjoys, with typical rates running in the low 20s.

What else should I think about?

The county mill levy is only a small portion of your total property tax burden and an even smaller portion of your total tax burden. In 2001, the county accounted for about 1/3 of the total taxes generated by the various taxing authorities in Las Animas County, not including state or federal taxing authorities. Referendum 1A does not address other property taxes levied by other authorities (e.g., municipalities, school districts, ambulance districts, fire districts) nor does it address other revenue generating tools available to the county (e.g., sales taxes, bond issues). As a result, freezing the county mill levy will not necessarily have any long term effect on your total tax burden, but it is likely to better ensure sufficient funding for county provided services if the assessed value of the county continues to rise more quickly than the rate of population growth. It is likely that financial support for county services will decline over time if Referendum 1A fails and TABOR requirements are upheld. Therefore and in part due to state mandated programs and expenditures, the quality of county supported services are likely to suffer or the quantity will have to diminish. Taxpayers will have to evaluate what county services they would prefer to have and what these services are worth in determining their vote on Referendum 1A.

Table 1: Financial impact of Referendum 1A on a \$100,000 home in Las Animas County

	Referendum 1A Fails	Referendum 1A Passes
2003 county mill levy	14.426	15.711
County tax burden	\$131.99	\$143.76
2003 Tax savings	\$11.76	-\$11.76
2003 Tax savings per \$10,000 assessed value	\$1.18	-\$1.18