

TOWN OF LYONS BOARD OF TRUSTEES MEETING
VIRTUAL MEETING
LYONS TOWN HALL, 432 5TH AVENUE, LYONS, COLORADO

ZOOM LINK:

[https://us02web.zoom.us/j/89102540946?
pwd=rxAQW7_Z3y0Ygn2Upv4PSA6wTgRmPk.1](https://us02web.zoom.us/j/89102540946?pwd=rxAQW7_Z3y0Ygn2Upv4PSA6wTgRmPk.1)

Meeting ID: 891 0254 0946

Passcode: 983003

Dial by your location

+1 312 626 6799

Meeting ID: 891 0254 0946

DRAFT AGENDA
TUESDAY, JULY 5, 2022
5:30 PM – 6:50 PM WORKSHOP
REVENUE 101

7:00 PM BOARD OF TRUSTEES

REGULAR MEETING

I. Workshop

I.1. 2022 Revenue Overview

Documents:

[2022 REVENUE OVERVIEW.PDF](#)

“The Town of Lyons will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. Persons needing accommodations or special assistance should contact the Town at hr@townoflyons.com as soon as possible, but no later than 72 hours before the scheduled event.”

TOWN OF LYONS

REVENUE OVERVIEW

MAJOR REVENUE TYPES

General

- Sales & Use Tax*
- Property Tax*
- Fees, Licenses, & Permits
- Intergovernmental (Cigarette & Highway Users Tax)
- Lodging Tax*

Parks & Recreation

- Sales & Use Tax*
- Camping Revenues
- Parking Fees
- Recreation Programs and Shelter Rentals

Utility Funds

- Charges for Services (water, sewer, electric usage)
- Tap/Investment Fees

*Increase requires voter approval

SALES TAX

Sales Tax Rate in Lyons	
Town of Lyons	3.5%
Boulder County	0.985%
State	2.9%
RTD	1.0%
SCFD	0.1%
Total Sales Tax Rate	8.485%

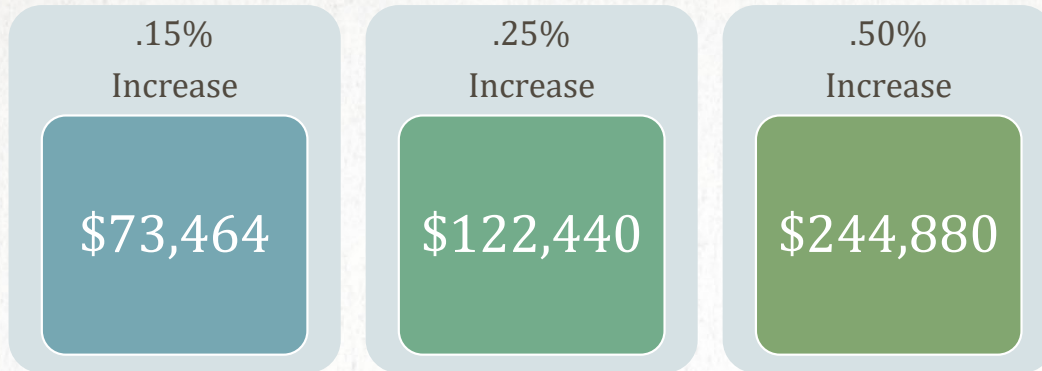


*Includes marijuana sales tax

SALES TAX – COMMUNITY COMPARISON

Municipality	Sales Tax Rate
Town of Lyons	3.50%
City of Boulder	3.86%
Town of Estes Park	5.00%
City of Lafayette	3.50%
City of Longmont	3.53%
City of Louisville	3.65%
Town of Nederland	4.00%

SALES TAX RATE INCREASE



*Revenue estimates based on 2021 sales tax receipts

- An increase in sales tax requires voter approval

MARIJUANA TAX

- Town of Lyons voter approved in 2014
- Current marijuana tax rate is 3.5%
 - Town of Lyons: 3.5% sales tax + 3.5% marijuana tax
 - City of Boulder: 3.86% sales tax + 3.5% marijuana tax
 - City of Longmont: 3.5% sales tax + 3.0% marijuana tax
- BOT has ability to increase up to 10% without voter approval

LODGING TAX

- Town of Lyons voter approved lodging tax rate is \$2 per night
 - Approved by voters in 2018
- 2021 lodging tax revenue was \$16,300
- Addition of Lyons Hotel lodging tax would be approximately \$39,300

LODGING TAX – COMMUNITY COMPARISON

Municipality	Lodging Tax Rate
Town of Lyons (Statutory)	\$2.00
Town of Berthoud (Statutory)	3.0%
City of Boulder	7.5%
Town of Estes Park (Statutory)	2.0%
City of Lafayette	3.5%
City of Longmont	3.0%
City of Louisville	3.0%
Town of Nederland (Statutory)	\$2.00

LODGING TAX COMPARISON

Revenue Comparison			
Lodging Tax Rate	\$2.00	\$3.00	\$4.00
Daily Lodging Cost*	\$180.00	\$180.00	\$180.00
Nightly Revenue Generated	\$2.00	\$3.00	\$4.00
Lodging Tax Rate	2.0%	3.0%	4.0%
Daily Lodging Cost*	\$180.00	\$180.00	\$180.00
Nightly Revenue Generated	\$ 3.60	\$ 5.40	\$7.20
Difference Between Fixed Rate and Percent	\$ 1.60	\$2.40	\$3.20

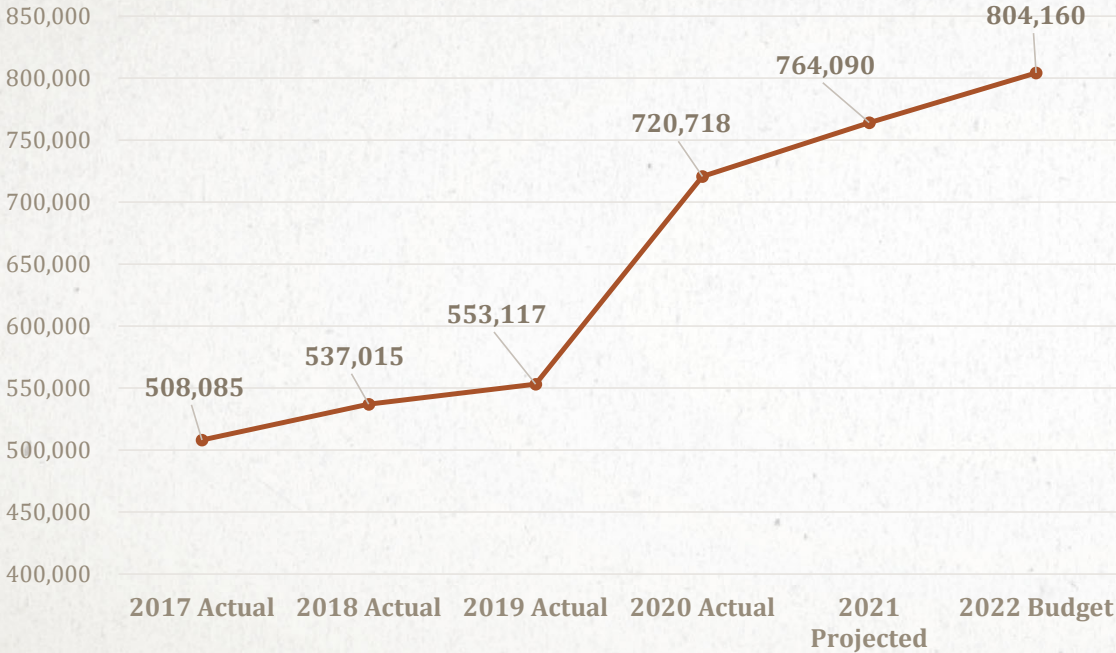
*Nightly rate used for illustrative purposes only

- An increase in lodging tax requires voter approval

PROPERTY TAX

- Town of Lyons mill levy is 19.522
 - State statute limits the Town to a 5.5% annual property tax revenue increase (not including growth)
 - Town property taxpayers get a mill levy credit each year and do not pay the full 19.522 mills, so the Town meets the 5.5% revenue limitation
 - 2022 Town of Lyons mill levy is 16.778
 - Board of Trustees have the option to levy the full mills of 19.522 without voter approval
 - Excess mill revenue could be dedicated towards capital improvements
 - For example: Excess in 2022 would have equaled \$132,000 in additional property tax revenue

HISTORICAL PROPERTY TAX



Town of Lyons	2020	2021	2022
Voter Approved Mill Levy	19.522	19.522	19.522
Actual Mill Levy	16.889	17.819	16.778
Credit to Taxpayers	2.633	1.703	2.744

PROPERTY TAX IMPACT

Residential Example	
Property Value	\$ 500,000
2021 Assessed Value	\$ 35,750
2022 Town Property Tax @ 16.778 mills	\$ 600
2022 Town Property Tax @ 19.522 mills	\$ 698
Increase in Annual Tax	\$ 98

Commercial Example	
Property Value	\$ 500,000
2021 Assessed Value	\$ 145,000
2022 Town Property Tax @ 16.778 mills	\$ 2,433
2022 Town Property Tax @ 19.522 mills	\$ 2,831
Increase in Annual Tax	\$ 398

FEE SCHEDULE



UTILITY FEES

- No voter approval needed
- Utility revenue needed to cover operating expenses
 - Rate covenant required by CWRPDA loan documents
 - $(\text{Revenue} - \text{expenditures}) > 110\%$ of annual debt service
 - Town has not met this requirement for a few years per audit documentation
 - 2021 was met only due to the receipt Summit tap fee revenue (one time)
 - Water debt will be paid in full in 2024
- Last water & sewer rate increases adopted in 2019 for 2020
 - Rate study may be needed
- Lyons Municipal Code: wastewater rates should increase **annually** with CPI
 - CPI language is not in Code for water or electric
 - Code update needed?

RESIDENTIAL UTILITY RATES

Water

- Monthly Base Rate: \$29.10
- Use charge/1,000 gallons:
 - 1k-4k: \$6.07
 - 4k-16k: \$7.35
 - 16K+: \$9.25

Wastewater

- Monthly Base Rate: \$22.65
- Per 1,000 Gallons: \$13.50
 - Avg. Jan-Mar water usage

Electric

- Monthly Base Rate: \$13.00
- Rate/kilowatt hr: \$0.1275

*All other utility rates can be found on the 2022 Fee Schedule on the Town's website

DEBT FINANCING

Bonds

- G.O. (General Obligation)
 - Secured w/ additional mill levy
 - Requires voter approval
- Revenue
 - Paid w/ fee revenue
 - Increase utility rates

Loans

- CWRPDA
 - Water & Sewer
 - Can also issue bonds
- Bank Loan
 - Various types of projects

COPS

- Certificate of Participation
- Used to construct facilities
- Does not require voter approval
- Lease-financing agreement

THANK YOU FOR YOUR TIME

QUESTIONS?
