



**CITY OF FORT COLLINS
REGULAR MUNICIPAL ELECTION
APRIL 5, 2005**

NOTICE OF ELECTION

This Pamphlet Contains the Ballot Titles,
Text and Summary Statements for Ballot
Propositions as Required by the State of
Colorado Constitution, Article X, Section 20

This notice is mailed to each
household with one of more
active, registered electors.

GENERAL INFORMATION

The following notice is provided pursuant to Article X, Section 20 of the Colorado Constitution. It includes the title and text of ballot issues subject to the notice requirements of Article X, Section 20. Under this constitutional provision, each issue is to be accompanied by summaries, up to 500 words in length, of any comments filed with the City Clerk in favor of or against the proposal.

The City of Fort Collins does not warrant the accuracy or truth of any statement made in the summaries, nor is it responsible for errors in the spelling, grammar, or punctuation of submitted statements.

THIS IS NOT YOUR BALLOT. This notice does not contain all of the issues or candidate races that may appear on the official ballot for the April 5, 2005 election. This notice contains only fiscal issues as required by Article X, Section 20 of the Colorado Constitution.

This notice is mailed to every household which has one or more active, registered electors. Receipt of this notice does not necessarily mean that every resident of your household is eligible to vote.

The April 5, 2005 municipal election will be mail ballot only - there will be **NO POLLING PLACES**. Ballots for the April 5 election will be mailed to all active, registered voters on or before March 21, 2005. Ballots must be returned to the City Clerk's Office by 7:00 p.m. on April 5.

IF YOU HAVE ANY QUESTIONS CONCERNING VOTING PROCEDURES OR YOUR ELIGIBILITY TO VOTE, CONTACT THE CITY CLERK'S OFFICE AT (970) 221-6515.

TO ALL REGISTERED VOTERS

NOTICE OF ELECTION TO INCREASE TAXES

Election Date: April 5, 2005
Election Hours: 7:00 a.m. - 7:00 p.m. on April 5, 2005

Local Election Office: City Clerk's Office
300 LaPorte Avenue
P.O. Box 580
Fort Collins, CO 80522
(970) 221-6515

BALLOT ISSUE NO. 3

A CITY-INITIATED QUESTION

SHALL CITY OF FORT COLLINS TAXES BE INCREASED BY AN ESTIMATED \$6,200,000 FOR THE FIRST FULL FISCAL YEAR (2006) AND BY SUCH AMOUNTS AS MAY BE GENERATED ANNUALLY THEREAFTER BY EXTENDING THROUGH DECEMBER 31, 2015 THE EXISTING SALES AND USE TAX FOR THE STREET MAINTENANCE PROGRAM AT THE RATE OF 0.25% (25 CENTS ON A \$100 PURCHASE), WHICH TAX IS PRESENTLY SCHEDULED TO EXPIRE DECEMBER 31, 2005; PROVIDED THAT THE REVENUES DERIVED FROM SUCH TAX EXTENSION SHALL BE USED TO PAY THE COSTS OF PLANNING, DESIGN, RIGHT-OF-WAY ACQUISITION, INCIDENTAL UPGRADES AND OTHER COSTS ASSOCIATED WITH:

- THE REPAIR AND RENOVATION OF CITY STREETS, INCLUDING BUT NOT LIMITED TO CURBS, GUTTERS, BRIDGES, SIDEWALKS, PARKWAYS, SHOULDERS AND MEDIANS;

AND FURTHER PROVIDED THAT THE FULL AMOUNT OF REVENUES DERIVED FROM THE TAX EXTENSION MAY BE RETAINED AND EXPENDED BY THE CITY NOTWITHSTANDING ANY STATE REVENUE OR EXPENDITURE LIMITATION, INCLUDING THE LIMITATION CONTAINED IN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

___ YES

___ NO

The estimated or actual total of City fiscal year spending for the current year and each of the past four years is as follows:

| <u>Fiscal Year</u> | <u>Fiscal Year Spending</u> |
|--------------------|-----------------------------|
| 2005 | \$142,600,000 (estimated) |
| 2004 | \$138,500,000 (estimated) |
| 2003 | \$129,000,000 (actual) |
| 2002 | \$133,700,000 (actual) |
| 2001 | \$133,600,000 (actual) |

The overall percentage change and dollar change from 2001 to 2005, inclusive, are 6.7% and \$9,000,000, respectively.

The estimated maximum dollar amount of the tax increase proposed in Ballot Issue No. 3 in 2006, the first full fiscal year of the proposed tax increase, and of City fiscal year spending in 2006 without such tax increase are as follows:

| <u>Maximum Tax Increase</u> | <u>Maximum Fiscal Year Spending Without Tax Increase</u> |
|-----------------------------|--|
| \$6,200,000 | \$146,900,000 |

A summary of written comments in favor of Ballot Issue No. 3, filed with the City Clerk by February 18, 2005, is as follows:

This measure extends an existing 1/4 percent sales tax for ten years to fund the street maintenance program.

The voters of Fort Collins have consistently supported funding for Street Maintenance. In 1997 voters approved the Building Community Choices 1/4 percent tax, which included Street Maintenance. That tax expires in 2005. A

“yes” vote on this ballot item will renew the 1/4 percent sales tax. This is NOT a tax increase!

Municipal governments depend upon sales taxes as the Colorado Constitution prohibits them from levying an income tax and severely restricts additional property taxes. So, sales taxes are the proper mechanism to raise revenue to fund this very necessary resource for the Fort Collins’ citizens.

There are 475 miles of streets in Fort Collins. All of them require periodic maintenance. Renewing this sales tax maintains the current funding, allowing the City to repair approximately 25 miles of those streets each year. By doing planned maintenance, the City is able to extend the useful life of our streets and prevent major deterioration.

Studies show that investing \$1 for renovation when a roadway is still in good condition will prevent this cost from rising to \$4 - \$5 if delayed for five years. Ballot Issue No. 3 will preserve our road network by funding street maintenance and preventing the more costly capital replacement.

Passage of this tax extension will provide a dedicated resource for street maintenance. Also, it allows the City to generate tax revenues from non-residents who use our streets because they pay over 35% of local sales taxes.

Over the years our current and prior city councils have developed a sales tax structure to assure the delivery of cost effective governmental services. To maintain this efficient delivery of governmental services, voters need both approve the extension of the tax to maintain our streets, Issue No. 3, and defeat the repeal of the 2.25 percent grocery sales tax, Ballot Issue No. 1.

Due to the recession, \$6 million of the City's General Fund budget was already cut. Unless you vote "no" on No. 1 (repeal of the grocery sales tax), another \$6 million will be cut annually from the City's General Fund. The quality and quantity of vital city services are in danger of suffering severe cuts. Here are the areas where cuts will be required: public safety and law enforcement, neighborhood and social services, and cultural and recreational services.

The average Fort Collins resident pays only about 8 cents a day for grocery sales taxes to support vital services such as the library, maintenance of our parks, the operations of the senior center, the youth activities center, Lincoln Center, and the senior Dial-a-Ride. 8 cents a day is small price to pay to be able to continue these vital services.

Keep our government functioning efficiently and effectively by voting "yes" to extend the existing 1/4 percent sales tax for street maintenance and voting "no" on the repeal of 2.25 percent grocery sales tax. Fort Collins needs your continuing investment!

A summary of written comments against Ballot Issue No. 3, filed with the City Clerk by February 18, 2005, is as follows:

No comments were filed before the constitutional deadline.

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Wanda M. Krajcek
City Clerk
P.O. Box 580
Ft. Collins, CO 80522-0580



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