



NOTICE OF ELECTION

TO BE HELD ON TUESDAY, APRIL 2, 2019

GENERAL INFORMATION

This Notice of Election was prepared in accordance with 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 statements made in summaries, nor is it responsible for errors in 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 2, 2019 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 voters. Receipt of this notice does not necessarily mean that every resident of the household is eligible to vote.

The April 2, 2019 municipal election will be mail ballot only – there will be **NO POLLING PLACES**. Ballots for the April 2 election will be mailed to all active voters on or before March 18, 2019. Ballots must be returned to the City Clerk's Office by 7:00 p.m. on April 2. Please allow a week for your ballot to arrive.

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 ON A REFERRED MEASURE

Election Date: Tuesday, April 2, 2019
Election Hours: 7:00 a.m. to 7:00 p.m.

Local Election Office Address and Telephone Number:

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

CITY-INITIATED BALLOT ISSUE QUESTION NO. 1

SHALL CITY OF FORT COLLINS TAXES BE INCREASED BY AN ESTIMATED \$34,000,000 FOR THE FIRST FULL FISCAL YEAR (2021) AND BY ALL AMOUNTS COLLECTED ANNUALLY THEREAFTER, BY RENEWING WITH MODIFICATIONS THE CITY'S CURRENT "KEEP FORT COLLINS GREAT" .85% SALES AND USE TAX, WHICH EXPIRES ON MIDNIGHT DECEMBER 31, 2020, WITH THE .85% TAX RATE IMPOSED COMMENCING MIDNIGHT ON DECEMBER 31, 2020, AND USED AS FOLLOWS:

- THE TAX RATE OF .25% SHALL EXPIRE AT MIDNIGHT ON DECEMBER 31, 2030, AND ITS REVENUES SHALL BE USED TO FUND MUNICIPAL OPERATIONS AND MAINTENANCE AND FOR ANY OTHER PUBLIC PURPOSES; AND
- THE REMAINING TAX RATE OF .60% SHALL NOT EXPIRE AND ITS REVENUES SHALL BE USED TO HELP SUSTAIN PUBLIC SAFETY SERVICE LEVELS AND FUND MUNICIPAL OPERATIONS AND MAINTENANCE, AND TO FUND ANY OTHER PUBLIC PURPOSES, EXCEPT 15.6% OF THESE REVENUES SHALL BE USED TO FUND THE FIRE PROTECTION AND EMERGENCY SERVICES BEING PROVIDED BY THE POUVRE FIRE AUTHORITY (PFA) UNDER THE CITY'S EXISTING AGREEMENT WITH THE POUVRE VALLEY FIRE PROTECTION DISTRICT (DISTRICT), OR IN SUCH OTHER AMOUNT AS THE CITY AND DISTRICT MAY AGREE, BUT ABSENT AN AGREEMENT BETWEEN THEM FOR PFA'S SERVICES, THESE REVENUES MAY BE USED AS DETERMINED BY CITY COUNCIL;

BUT THE .85% TAX RATE SHALL NOT APPLY TO:

- ITEMS NOW EXEMPT UNDER THE CITY CODE FROM THE CITY'S SALES AND USE TAX;
- FOOD FOR HOME CONSUMPTION; AND
- REGARDING THE USE TAX ONLY, MANUFACTURING EQUIPMENT;

AND WITH ALL THE TAX REVENUES, AND INVESTMENT EARNINGS THEREON, TO BE COLLECTED, RETAINED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE NOTWITHSTANDING THE SPENDING AND REVENUE LIMITATIONS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

Financial Information:

Estimated fiscal year spending for 2019:	\$	277,450,000
Actual* fiscal year spending for 2018:	\$	261,814,000
Actual fiscal year spending for 2017:	\$	255,159,000
Actual fiscal year spending for 2016:	\$	246,212,000
Actual fiscal year spending for 2015:	\$	237,386,000

Overall percentage change from 2015 to 2019:	16.9%
Overall dollar change from 2015 to 2019:	\$ 40,064,000

Estimate of the maximum dollar amount of increase for fiscal year 2021:	\$	34,000,000
Estimate of the spending for fiscal year 2021 without the increase:	\$	282,640,000

* Preliminary, year-end work not completed.

Summary of Written Comments FOR Ballot Issue No. 1:

Vote YES for Ballot Issue #1 on the April City Ballot to help maintain critical City services like Street Maintenance, Police, Fire, Parks and other transportation throughout town.

Fort Collins is a great place to live, raise a family, work and play! We can all help it to stay great...without increasing taxes!

In 2010 voters approved a sales tax increase of .85% or 8.5 cents per \$10 purchase. This 10-year tax (known as Keep Fort Collins Great) is scheduled to sunset on December 31, 2020. Now is the time to **renew** it to maintain service levels and our commitment to a high quality community at a fair price. This tax would start when the current one expires.

The Keep Fort Collins Great tax was allocated to these services:

2010-2020 KFCG Tax	Split	What has the money been spent on in the last 8 years?
Streets	33%	Street Maintenance, Safe Routes Everywhere program
Transportation	17%	Bridge replacement, Buses, Dial-a-Ride, MAX bus service
Police	17%	Police officers, criminal investigations unit, police cars, body cams
Fire	11%	12 firefighter positions, dispatchers, fire engines and equipment
Parks and Recreation	11%	Playgrounds, trails, bridges, sidewalks, lights, shelters
Other Community Priorities	11%	Homelessness prevention, affordable housing units, West Nile prevention, floodplain and wetland restoration, and much, much more!

The renewal of the tax will be used to fund these same services in the future, with an ongoing .6% tax and a renewable .25% tax expiring again in another 10 years. Both the .6% and the .25% tax will support essential City services...the .6% portion will be ongoing, keeping the City from continuing to ask voters to support core services.

Why vote Yes?

- These investments maintain services for public safety, transportation and roads, and the quality-of-life amenities that make Fort Collins special and great. These are core services that we don't want to see cut in the future.
- This will continue an existing small tax. It equals 8.5 pennies on a \$10 purchase or 85-cents on a \$100 purchase. It's paid by anyone who shops in Fort Collins.
- The City conducted public outreach on the renewal of this tax for over a year—the majority of people who commented support the renewal and continuing the service levels we all enjoy.
- Over the decades, the City has met all of the commitments to voters from voter approved taxes. These taxes have been spent just as promised. Ballot Issue #1 will again ask voters to invest in the community we care so much about. It's by us, for us.
- Prescription drugs and grocery food are not taxed.
- These funds support parks, streets and public safety right in our neighborhoods.

Vote YES on tax Ballot Issue #1 to maintain the essential services we love! It is **not a tax increase** and is **not a new tax**. Look closely at your ballot and vote YES on this tax measure, which is different from the Charter Amendment #1.

Summary of Written Comments AGAINST Ballot Issue No. 1:

Please consider the following reasons for voting “NO” on this request for a tax increase.

To begin, the City of Fort Collins will have two opportunities to request a tax increase before the Keep Fort Collins Great or KFCG sales tax (.85%) expires in 2020; 1) November of 2019 and November of 2020. These will be general elections that will better engage a larger number of voters. A “NO” vote in this election will not preclude the city from getting voter approval in the future ... after it has done the work of scrutinizing its existing spending and analyzed all the options available for financing government going forward.

The KFCG tax was adopted by the voters in November, 2010 after an extensive community discussion regarding the financial needs of the city organization and alternative means of funding future shortfalls that were generally agreed to exist. The voter's approval of the KFCG tax avoided significant cuts to services and allowed the city to expand other services enjoyed by the citizens

Unfortunately, the very large tax increase accompanied by a robust recovery from the great recession had the effect of allowing the city budget to grow at an excessive rate. Furthermore, the City of Fort Collins simply ignored the limitations on revenues that it had promised to the voters it would observe and were required by the Colorado Constitution to be observed. This allowed the city to collect over 10% more revenue than it had stated it would collect. A very, very healthy city budget has been the result.

A “NO” vote in this election would send a strong message to the city organization and perhaps nudge it in the direction of being more conservative with the taxpayers' money.

A “NO” vote would also remind the city organization of an important promise that was made during the run up to the KFCG voter approval of 2010. At that time, not everyone thought that reliance on a large city sales tax increase was the best way to fund government operations into the future. Not surprisingly, the robust growth in city revenues has provided no motivation to the city to look at the landscape of public finance and consider how the system could be evolved for greater fairness and long term sustainability.

For example, all customers of the City of Fort Collins water utility pay a 6% tax on purchases of domestic water to the City's general fund. Yet, the water ratepayers of the other water providers in the city, approximately 40% of all water customers, pay no tax on water purchase. Why not level the playing field for greater fairness and long term sustainability?

The run-up to the April election and this ballot question has been rushed and shallow. A "NO" vote on your ballot will send a message to city leaders to please take the subject of tax revenues more seriously and engage in a much more holistic discussion of the issue.

FROM:
FORT COLLINS CITY CLERK
P.O. Box 580
Fort Collins, Colorado 80522-0580
Telephone: (970) 221-6515



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OFFICIAL ELECTION MATERIAL

POSTMASTER, DELIVER TO

NOTICE OF ELECTION ON A REFERRED MEASURE

**BALLOTS MUST BE RETURNED TO THE
FORT COLLINS CITY CLERK'S OFFICE BY
7:00 P.M. ON TUESDAY, APRIL 2, 2019
TO BE COUNTED**

A Publication of the Fort Collins City Clerk
APRIL 2019