



FRUITA
COLORADO

AGENDA ITEM COVER SHEET

TO: FRUITA CITY COUNCIL AND MAYOR

FROM: MARGARET SELL, CITY CLERK/FINANCE DIRECTOR

DATE: NOVEMBER 7, 2023

AGENDA TEXT: ORDINANCE 2023-14 - First Reading - Submitting to the Registered Electors Voting in the Regular Municipal Election, to be held April 2, 2024 a Ballot Issue Concerning the Retention of Revenue in Excess of Tabor Limits

BACKGROUND

The Fruita City Council accepts the TABOR Review Committee's recommendation to place a question on the April 2, 2024 ballot to extend the exemption from the fiscal year spending limitations imposed by Article X, Section 20 of the Colorado Constitution. The Committee's recommendation was to place a question on the April 2, 2024 ballot to allow the City to keep and spend all revenues in excess of the fiscal year spending limits for implementation of the City's capital improvement program and maintenance of those improvements for a six year period. Ordinance 2023-14 places this question on the April 2, 2024 ballot and sets forth the ballot question that will be on the ballot for voter consideration.

FISCAL IMPACT

From 2017 thru 2022, the exemption from the fiscal year spending limits allowed the City of Fruita to keep and spend approximately \$6.8 million in excess revenue to fund \$9.8 million in capital projects with approximately \$4.5 million of the excess revenue necessary for these projects coming from various grant sources. The current voter approved retention of revenue will expire on December 31, 2024. Continuation of this voter approved revenue change will allow the City to continue to plan for and fund capital improvement projects and respond to the needs of a growing community.

APPLICABILITY TO CITY GOALS AND OBJECTIVES

Capital improvements and equipment are a necessary and vital part of city functions. A number of the goals and objectives of the City are directly related to capital improvements. These improvements include capital projects for roads, bridges, parks, open space, drainage and other improvements to the City.

OPTIONS AVAILABLE TO THE COUNCIL

1. Publish the proposed ordinance setting forth the ballot question to retain and spend revenue in excess of the fiscal year spending limits and placing it on the ballot for voter consideration at the April 3, 2024 regular municipal election for public hearing on December 5, 2023.
2. Modify the proposed ordinance and publish the revised ordinance for public hearing on December 5, 2023

3. Take no action.

RECOMMENDATION

IT IS THE RECOMMENDATION OF STAFF THAT THE COUNCIL BY MOTION:

ACCEPT THE TABOR COMMITTEE'S RECOMMENDATION AND PUBLISH A NOTICE OF PUBLIC HEARING FOR DECEMBER 5, 2023 ON ORDINANCE 2023-14 SUBMITTING TO THE VOTERS IN THE APRIL 2, 2024 REGULAR MUNICIPAL ELECTION A BALLOT QUESTION PROVIDING FOR THE RETENTION OF REVENUES GENERATED IN EXCESS OF THE TABOR LIMITATIONS FOR THE PERIOD JANUARY 1, 2025 THROUGH DECEMBER 31, 2030 FOR THE PURPOSES OF IMPLEMENTING THE CITY'S CAPITAL IMPROVEMENT PLAN AND THE MAINTENANCE OF THOSE IMPROVEMENTS