**Foxridge Fence Replacement Ballot Issue**

On August 5, 2019, the Foxridge GID Board of Directors (City Council) voted unanimously, with one board member recusal, to approve a question for the November 5th ballot that would allow Foxridge to replace the existing GID fence if approved.

Two considerations:

1. The question is long, complex, and difficult to understand.  This is necessary due to TABOR requirements.  We will use explanations from the city to help make the measure more understandable.

2.     The $160,000 tax increase listed in the ballot question can only be used for paying back the debt and will sunset (no longer be assessed) after 20 years, once the debt is paid off. This amount is a very conservative estimate and is likely much higher than what we’ll actually pay for the fence replacement debt payments. The conservative estimate is necessary to cover any unforeseen circumstances, such as increased tariffs from trade wars or a substantial spike in oil prices.  Using a 5% interest rate and no reserve funds, the city estimates an average yearly property tax bill for the GID could be as high as $247 a year.  However, using a more reasonable (and more likely) 3% interest rate and around $165,000 of existing reserves, the average annual cost would be $213 a year, well under the $230 estimate used for the survey question in March.  This is less than $20 a month for an average home in Foxridge and covers the existing operations and maintenance, as well as the potential fence debt.  The city’s competitive construction bidding process and research into best debt financing will also likely result in lower project costs, requiring less than the $160,000 maximum allowed in the ballot question.

**Draft Summary of FGID Fence Replacement Ballot Question:**

*Shall Foxridge GID be authorized to incur debt to pay for the replacement of the GID fence and to increase taxes solely to repay this debt?  The question includes a description of the debt, the type of taxes, and authorizes the District to retain the tax proceeds as revenue not subject to the revenue limitations in the Taxpayer's Bill of Rights, Art. X, Sec. 20, Colo. Const. ("TABOR"). This retention will allow the District's existing limited revenue stream to continue to be used for on-going maintenance obligations of the District. The new fence-debt mill levy portion of the Foxridge GID mill levy**will automatically sunset when the debt is paid in 20 years or less.*

In essence, the existing mill levy will continue to support the operations and maintenance of the GID and its projects, while new mill levy proceeds will be used solely to pay for the fence debt. Any reserves from the existing mill levy can be used to pay down the debt early.

To see the Agenda Packet, including the Staff Report and full ballot question, and to hear audio of the August 5th meeting, go to this link:

[**http://www.centennialco.gov/Mayor-Council/agendas-minutes-and-audio.aspx**](http://www.centennialco.gov/Mayor-Council/agendas-minutes-and-audio.aspx)