

**CITY OF GRAND JUNCTION, COLORADO
RESOLUTION NO. 38-10**

**A RESOLUTION OPPOSING AMENDMENT 61 ON THE NOVEMBER 2, 2010
GENERAL ELECTION BALLOT**

RECITALS.

Amendment 61, an initiated ballot measure to amend the Colorado Constitution, has been certified for consideration by the voters of the State of Colorado at the November 2, 2010 election. Amendment 60 would among other things change Article X, Section 20 of the Colorado Constitution (TABOR) to prohibit the State from incurring debt and limit how local government incurs debt.

- Amendment 61 prohibits State borrowing – “The state shall not contract any debt by loan in any form.”
- Amendment 61 requires all local government borrowing to be voter-approved bonded debt and requires that it be repaid within 10 years.
 - The City currently leases copiers and public safety vehicles. Amendment 61 would require voter approval for those types of leases. Restricting debt to 10 years would severely limit the ability of the City to finance capital projects and plan for the future.
- Amendment 61 prohibits local government borrowing if the total current and proposed borrowing exceeds 10% of the assessed value within the jurisdiction.
 - This would reduce the City’s debt capacity by more than 50%.
- Amendment 61 requires that after borrowing is repaid the tax rates are required to decline in an amount equal to the annual debt repayment even if the debt is not repaid by taxes.
 - The City currently pays an average annual debt repayment of \$7 million. Amendment 61 would require the City to permanently reduce its revenue by that amount annually after it pays off the debt.
- Amendment 61 requires that all current borrowing be repaid and no debt can continue past the original term
 - Passage of the amendment would prohibit the City from engaging in favorable debt financing and capturing better rates to save taxpayers’ dollars.

The City Council, after due and careful consideration has determined that the passage of Amendment 61 will cause significant negative impact to the operations of the City and its ability to provide public services.

The City understands that its citizens desire and deserve accountability for how taxes are collected and spent. The City further understands and agrees that debt is a tool that

must be used responsibly. The passage of Amendment 61 does not ensure those results.

Likewise the passage of Amendment 61 will not solve the problems in Denver and Washington D.C. While those problems are real, they are vitally important and they must be solved, Amendment 61 if enacted will severely disrupt the ability of local and state government to provide necessary services.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Grand Junction does hereby oppose Amendment 61 and urges the defeat of such measures for the reasons stated.

Further, the City Council urges all City voters to consider the severe impacts Amendment 61 will have on the City's ability to provide for the needs of the citizens.

Dated this 13th day of September 2010.

/s/: Teresa Coons
President of the Council

ATTEST:

/s/: Stephanie Tuin
City Clerk