

**RESOLUTION
BOARD OF DIRECTORS
PARK MEADOWS METROPOLITAN DISTRICT**

**A RESOLUTION ADVOCATING VOTER OPPOSITION TO PROPOSITION 101,
AMENDMENT 60 AND AMENDMENT 61 DURING
THE NOVEMBER 2, 2010 ELECTION**

The Park Meadows Metropolitan District ("District") is a political subdivision of the State of Colorado, formed pursuant to C.R.S. § 32-1-101, *et seq.* to provide important public services ("Services") to its residents and property owners. These Services include planning, financing, constructing and/or maintaining streets, roads, transportation systems, traffic/safety controls, and landscape improvements;

In order to provide these Services, the District is dependent primarily on public funding from taxes and borrowing, including property taxes, specific ownership taxes, and bonds, to pay its administrative and operating costs, and the costs of capital improvements;

Three initiated ballot issues, referred to as Proposition 101, Amendment 60 and Amendment 61, will appear on the statewide ballot for the November 2, 2010 election ("Election"), any one of which, if passed, would cause dramatic reductions to the District's finances and impair its ability to provide these Service;

The Colorado Fair Campaign Practices Act, C.R.S. § 1-45-117(1)(b)(III)(A), expressly authorizes the Board to adopt a Resolution advocating voter opposition to statewide ballot issues during the Election; and

The Board of Directors of the District ("Board") has determined it is important to the health, safety and welfare of the District's residents and property owners that the Board adopt this Resolution urging all eligible voters to oppose Proposition 101, Amendment 60 and Amendment 61 during the Election.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
PARK MEADOWS METROPOLITAN DISTRICT, DOUGLAS COUNTY, COLORADO:**

1. Since 1981, the District has been providing Services to the residents and property owners within its 4 square mile service area.
2. The District is totally dependent on public funding to provide these Services. Sources of District funding include local property taxes and specific ownership taxes. In 2009, 100% of the District's operating budget was composed of revenue from these and other types of public funding sources. For example, in 2009 the District received:
 - \$866,000 from property taxes, constituting 85% of the District's annual operating budget;

- \$142,500 from specific ownership taxes, constituting 14% of the District's annual operating budget;

The District also has the following financial obligations:

- \$3,455,522 in bonds, which were issued for the construction of several roadway improvements, including Lone Tree Parkway to Yosemite Street, Lincoln Avenue and Quebec Street, among others.
3. The three initiated ballot issues that will appear on the statewide ballot for the Election seek to dramatically reduce specific ownership taxes (Proposition 101), impose onerous conditions on property tax collections (Amendment 60), and cease State borrowing and severely limit the borrowing ability of the District and all other local governments (Amendment 61). Any one of these ballot questions, if passed, would cause dramatic reductions to the District's public funding and impair its ability to meet its Services obligations. Should all three of these ballot issues pass, the effect would cripple the District's operations.

(a) Proposition 101:

- Would reduce the District's annual operating revenue by approximately \$130,000, approximately 19% of the District's annual operating budget.

(b) Amendment 60:

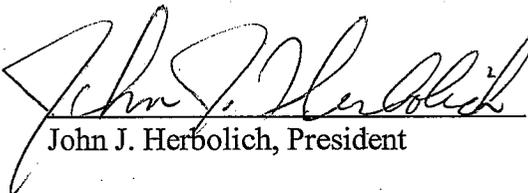
- Would allow individuals who own land within the District's jurisdiction to sign petitions and vote on property tax issues affecting the District even if they have never lived within the District, the State of Colorado or the United States.
- Would require the District to allow petitions from citizens to propose property tax reductions, meaning that one disgruntled individual could force a costly and groundless election at the expense of all other taxpayers.
- Would require all property tax increases to be voted separately from related debt questions, meaning voters could approve bonds but reject the tax necessary to pay for the bonds, an absurd result, as the District cannot issue bonds if it does not have authority to impose a tax to pay for the bonds.
- Would limit any future property tax increases to a 10-year term, meaning the District would have to hold a costly and unnecessary election every 10 years just to continue a tax already approved by the voters.
- Would nullify all revenue and spending limits previously approved by District voters, and limit future voter-approved exemptions to revenue and spending limits to 4 years. This would place the District into an immediate financial crisis, as it would dramatically reduce its annual operating revenue and the quality of District Services.

(c) Amendment 61:

- Would prohibit the District engaging in any type of financing other than bonds, which would be restricted to 10 years, making them difficult to issue and resulting in higher interest rates paid by District taxpayers.
 - Would impose a debt limit of 10% of the assessed taxable value of all real property in the District.
4. The District recognizes that the current economic conditions are difficult for everyone. The District does not wish to, and does not, impose unnecessary or burdensome taxes on any taxpayer; however, the District relies on public funding and the dramatic revenue cuts and limitations imposed by the three initiated ballot issues would have an immediate, crippling impact on District Services.
5. For all of the foregoing reasons, the Board urges voters to oppose Proposition 101, Amendment 60 and Amendment 61 during the November 2, 2010 election.

ADOPTED AND APPROVED this 26th day of JULY, 2010 by a vote for 5 and 0 against.

PARK MEADOWS METROPOLITAN DISTRICT,
a quasi-municipal corporation and political subdivision
of the State of Colorado

By: 
John J. Herbolich, President

By: 
Roger P. Pearson, Secretary