

**ALL REGISTERED VOTERS  
NOTICE OF ELECTION TO  
INCREASE TAXES  
ON A  
REFERRED MEASURE**

**INSPIRATION METROPOLITAN DISTRICT**

**Election Date: May 2, 2023**

**Election Hours: 7:00 a.m. – 7:00 p.m.**

**Local Election Office Address and Telephone Number:**

2154 E. Commons Ave., Suite 2000, Centennial, Colorado 80122, (303) 858-1800.

**Ballot Title and Text:**

**Ballot Issue A**

SHALL INSPIRATION METROPOLITAN DISTRICT TAXES BE INCREASED BY \$7,000,000 ANNUALLY, AND BY THE SAME AMOUNT AS ADJUSTED FOR INFLATION PLUS LOCAL GROWTH IN EACH SUBSEQUENT FISCAL YEAR THEREAFTER, BY THE IMPOSITION OF AD VALOREM PROPERTY TAXES LEVIED IN ANY YEAR, WITHOUT LIMITATION AS TO RATE OR AMOUNT OR ANY OTHER CONDITION, OR BY SUCH LESSER AMOUNT AS NECESSARY TO PAY THE DISTRICT'S ADMINISTRATION, COVENANT ENFORCEMENT, DESIGN REVIEW, OPERATIONS, MAINTENANCE, AND OTHER SIMILAR EXPENSES; AND SHALL THE PROCEEDS OF SUCH TAXES AND ANY INVESTMENT INCOME THEREON BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT IN FISCAL YEAR 2023 AND IN EACH FISCAL YEAR THEREAFTER AS A VOTER-APPROVED REVENUE CHANGE WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, THE LIMITS IMPOSED ON INCREASES IN PROPERTY TAXATION BY SECTION 29-1-301, C.R.S., IN ANY YEAR, OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES AS IT CURRENTLY EXISTS OR AS IT MAY BE AMENDED IN THE FUTURE, ALL WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED, RETAINED AND SPENT BY THE DISTRICT?

**Fiscal Information:**

<u>Fiscal Year</u>	<u>Fiscal Year Spending</u>
2023 (estimated)	\$2,997,709
2022 (actual)	\$3,502,184
2021 (actual)	\$2,741,907
2020 (actual)	\$2,143,080
2019 (actual)	\$1,795,502

Overall Percentage Change: 66.96%

Overall Dollar Change: \$1,202,207

Proposed Tax Increase:

Estimated Maximum Dollar Amount of the Proposed Tax Increase for First Full Fiscal Year: \$2,200,000

Estimated Maximum Fiscal Year Spending for First Full Fiscal Year without Tax Increase: \$850,000

Summary of Written Comments FOR Ballot Issue A:

- Significant research, thought, and discussion amongst the District Finance Committee, the District Board, and other professional advisors resulted in the ballot issue.
- The all-resident Finance Committee, which includes highly experienced professionals and advises the Board on annual budgeting and long-range planning, recommends voting “Yes” on the ballot issue.
- Currently all homeowners within the District pay quarterly operations and maintenance fees. Voting “Yes” on this ballot issue will allow the District to collect revenue through property taxes and eliminate quarterly fees.
- Voting “No” on this ballot issue means the quarterly fees will continue and will increase as operations and maintenance costs rise as the District acquires more property for operations and maintenance.
- Property tax collection only, as opposed to property taxes and the quarterly fee, is the best practice for ease of management, getting out of the collections and foreclosure business, and is best for resale.
- If approved, this ballot issue would reduce collection costs (by 67%, or approximately \$90,000 annually) by replacing the current quarterly fees with additional property tax mill levies. This would be revenue-neutral, meaning the amount collected each year is not expected to exceed the current projections for growth and inflation over the next 15 years.
- The ballot issue is asking for a \$7 million limit so this new revenue stream will be sufficient to cover operating expenses until 2036. The District’s budget will increase gradually over those 13 years as operating expenses increase, but for the next several years the budget amount will be closer to the \$3 million 2023 budget amount than the \$7 million limit.
- The revenue collected will be used to pay for common area maintenance and improvements such as the Inspiration Club Pool, parks, trails, tree replacement, and landscaping costs.
- Under this new structure some homeowners with more expensive homes will pay more property taxes than they are currently, however most homeowners will pay the same or less when you combine property taxes and the quarterly fee. Current quarterly payments are not tax deductible, but homeowners that itemize deductions on their tax returns will be able to take a deduction for all of the property taxes.
- Households with a resident 65 years or older living in the same primary residence for 10 years qualify for a partial exemption from their property tax with Colorado state funds reimbursing the District the difference.
- If the ballot issue had been approved prior to 2023, approximately 53% of residents would have paid less in property taxes than they did in quarterly fees. Approximately 25% of residents would have seen a minor increase in taxes of approximately \$10 per month.

Summary of Written Comments AGAINST Ballot Issue A:

No comments were filed by the constitutional deadline.