

ORDINANCE NO. 491

A REFERRED ORDINANCE OF THE TOWN OF HOLLY, COLORADO PROVIDING FOR AN INCREASE IN SALES TAX OF TWO PERCENT; SETTING THE BALLOT TITLE AND BALLOT QUESTION REGARDING APPROVAL OF THIS ORDINANCE AT A COORDINATED ELECTION TO BE HELD NOVEMBER 6, 2012; PROVIDING THE EFFECTIVE DATE OF THIS ORDINANCE; AND SETTING FORTH DETAILS IN RELATION THERETO.

WHEREAS, the Town of Holly, Colorado (the "Town"), is a town duly organized and operating as a statutory town under the Constitution and laws of the State of Colorado (the "State"); and

WHEREAS, the Town presently imposes a one percent (1%) sales tax under the provisions of Colorado law; and

WHEREAS, the Board of Trustees of the Town ("Board") desires that there be established an additional sales tax of two percent (2%) to total three percent (3%) to provide revenue for the Town's general fund to continue to provide services through the Town's various departments to Town residents, to maintain the structural integrity of the Town's infrastructure, to stabilize the condition of the Town's general fund, and to lessen or eliminate the need for the transfer of funds from the utility fund to the general fund to make up for general fund deficiencies; and

WHEREAS, in order to effect the proposed three percent (3%) sales tax it is desired that the Board execute any necessary documentation and take whatever actions are reasonably required to effect said sales tax; and

WHEREAS, Article X, Section 20 of the Constitution of the State of Colorado requires that the Town have voter approval in advance of the establishment of any tax; and

WHEREAS, it is desired that there be submitted a ballot issue to the eligible electors of the Town on November 6, 2012 authorizing the establishment of a three percent (3%) sales tax and approving the adoption of this referred Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF THE TOWN OF HOLLY, COLORADO:

Section 1. Calling the Election. An election shall be held on Tuesday, November 6, 2012 at which there shall be submitted to the qualified electors of the Town a question authorizing the establishment of a three percent (3%) sales tax and approving the adoption of this Ordinance, which question shall be in substantially the following form:

SHALL A SALES TAX BE ESTABLISHED FOR THE TOWN OF HOLLY, COLORADO, SUCH TAX TO CONSIST OF A TOWN-WIDE SALES TAX OF 3% (THREE PERCENT, WHICH REPRESENTS THIRTY CENTS ON EACH TEN DOLLAR PURCHASE) COMMENCING JANUARY 1, 2013; SHALL THERE BE APPROVED THE REFERRED ORDINANCE OF THE TOWN WHICH PROVIDES FOR THE 3% TOWN SALES TAX, PROVIDES FOR THE DEPOSIT OF TAX REVENUES INTO THE GENERAL FUND; AND SHALL ALL OF THE MONEY DEPOSITED IN THE GENERAL FUND CONSTITUTE A VOTER-APPROVED REVENUE CHANGE AND AN EXCEPTION TO THE REVENUE AND SPENDING LIMITS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION?

Section 2. Setting Ballot Title and Content. For purposes of C.R.S. §1-11-203.5, this Ordinance shall serve to set the title and content of the ballot issue set forth herein and the ballot title for such question shall be the text of the question itself. Any petition to contest the form or content of the ballot title may be filed with the District Court and a copy served on the Town Clerk within five days after the title of the ballot issue is set by the Board.

Section 3. Conduct of Election. The officers and employees of the Town are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance and the holding of a polling place election on November 6, 2012.

Section 4. Direction to Take Required Actions. The Board is hereby authorized and directed to take any and all actions reasonably required to effect the intent of this Ordinance and the execution of the provisions contained herein. Such actions shall include but not be limited to executing any necessary documentation and taking whatever actions are reasonably required to effect the election provided for in this Ordinance.

Section 5. Severability. Should any one or more sections or provisions of this Ordinance be judicially determined invalid or unenforceable, such determination shall not affect, impair, or invalidate the remaining provisions hereof, the intention being that the various provisions hereof are severable.

Section 6. Effective Date. If passed by a majority of the qualified electors of the Town voting at the election on November 6, 2012, this Ordinance shall be effective on January 1, 2013.

INTRODUCED for first reading this 8th day of August, 2012.

ATTEST:

/s/ Mary Rushton, Clerk/Treasurer

/s/ Bradley J. Simon, Mayor

INTRODUCED for second reading, approved, and ordered published this 22nd day of August, 2012.

ATTEST:

/s/ Mary Rushton, Clerk/Treasurer

/s/ Bradley J. Simon, Mayor