AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: Gunnison County Metropolitan Recreation District U

Action Requested:

Parties to the Agreement:

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:

Please see the attache presentation submitted by David Clayton for the work session discussion

Fiscal Impact:

Submitted by: Josh Ost **Submitter's Email Address:** jost@gunnisoncounty.org

Finance Review: ○ Required ◉ Not Required

Comments:

Reviewed by: Discharge Date:

County Attorney Review: ○ Required ◉ Not Required

Comments:

Reveiwed by: Discharge Date: Certificate of Insurance Required

Yes ○ No ○

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 3/22/2018

○ Consent Agenda ○ Regular Agenda ○ Worksession Time Allotted: 20

Agenda Date: 3/27/2018

Revised April 2015

Crossroads for Gunnison Met Recreation District

GUNNISON COUNTY METROPOLITAN RECREATION DISTRICT

Met District Goals

- Establish long-term sustainability of over-the-air TV
- Support recreation
- Improve telecommunications throughout valley

Met District at Cross Roads

- We cannot support current level of service for over the air television more than a handful of years

- If all of money is put towards unsustainable television, nothing left for telecommunications or recreation

What is a Metropolitan Recreation District?

What is a Metropolitan Recreation District?

"Metropolitan District" means a special district that provides for the inhabitants thereof any two or more of the following services:

(a) Fire protection;

(b) Mosquito control;

(c) Parks and recreation;

(d) Safety protection;

(e) Sanitation;

(f) Solid waste disposal facilities or collection and transportation of solid waste;

(g) Street improvement;

(h) Television relay and translation;

(i) Transportation;

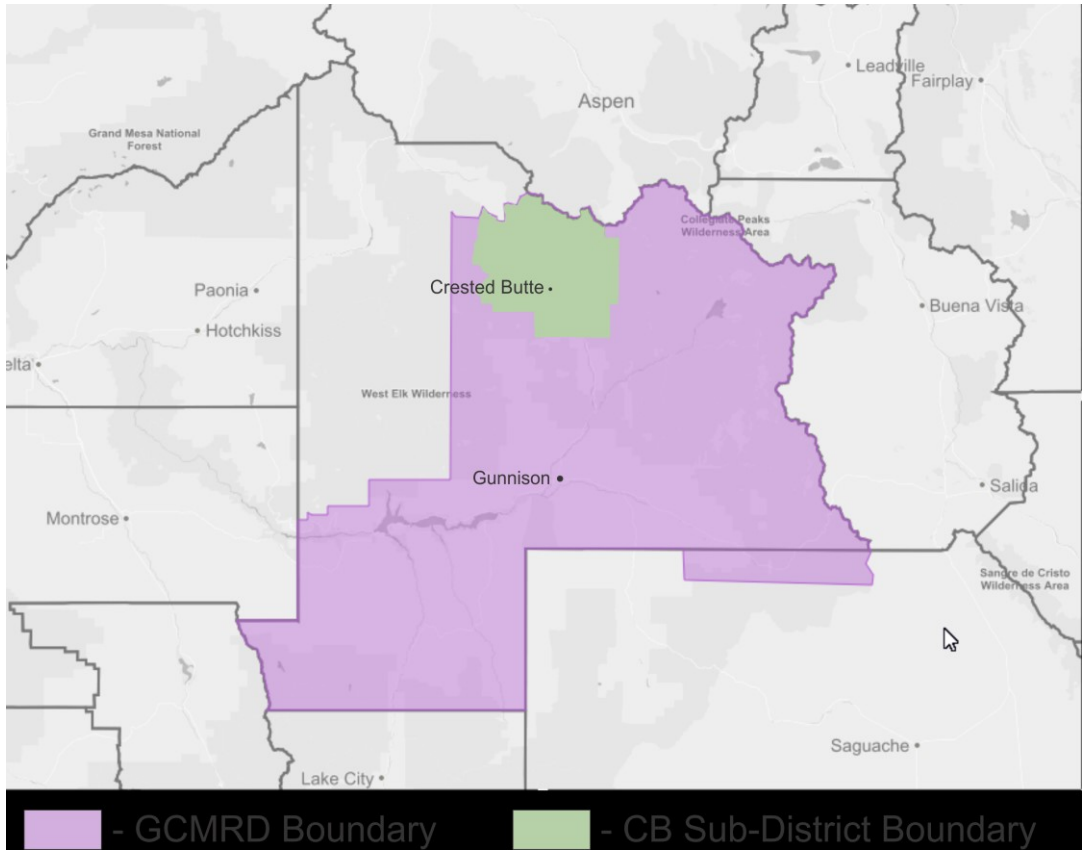
(j) Water.

"Park and recreation district" means a special district which provides parks or recreational facilities or programs within said district.

History of Gunnison MetRec District

- Formed in 1978 for Over the Air Television
- Service Plan Amended in 2001 to add Parks and Recreation
- In 2009 major upgrade to switch to digital

MetRec District Boundaries



Telecommunications

The District has agreements with several entities to use the District's translator sites:

KBUT-FM – broadcast locations on Sunlight Ridge, Comstock and W Mountain

Colorado Public Radio – broadcast location on W Mountain

Gunnison County Electric Association – radio relay sites through District

New User:

Central Colorado Telecom – Microwave relay stations on Monarch Mountain and W Mountain to bring redundant high speed data services to Gunnison (Installation is underway)

How are Taxes Determined

Residential: $41 tax for $1 million home

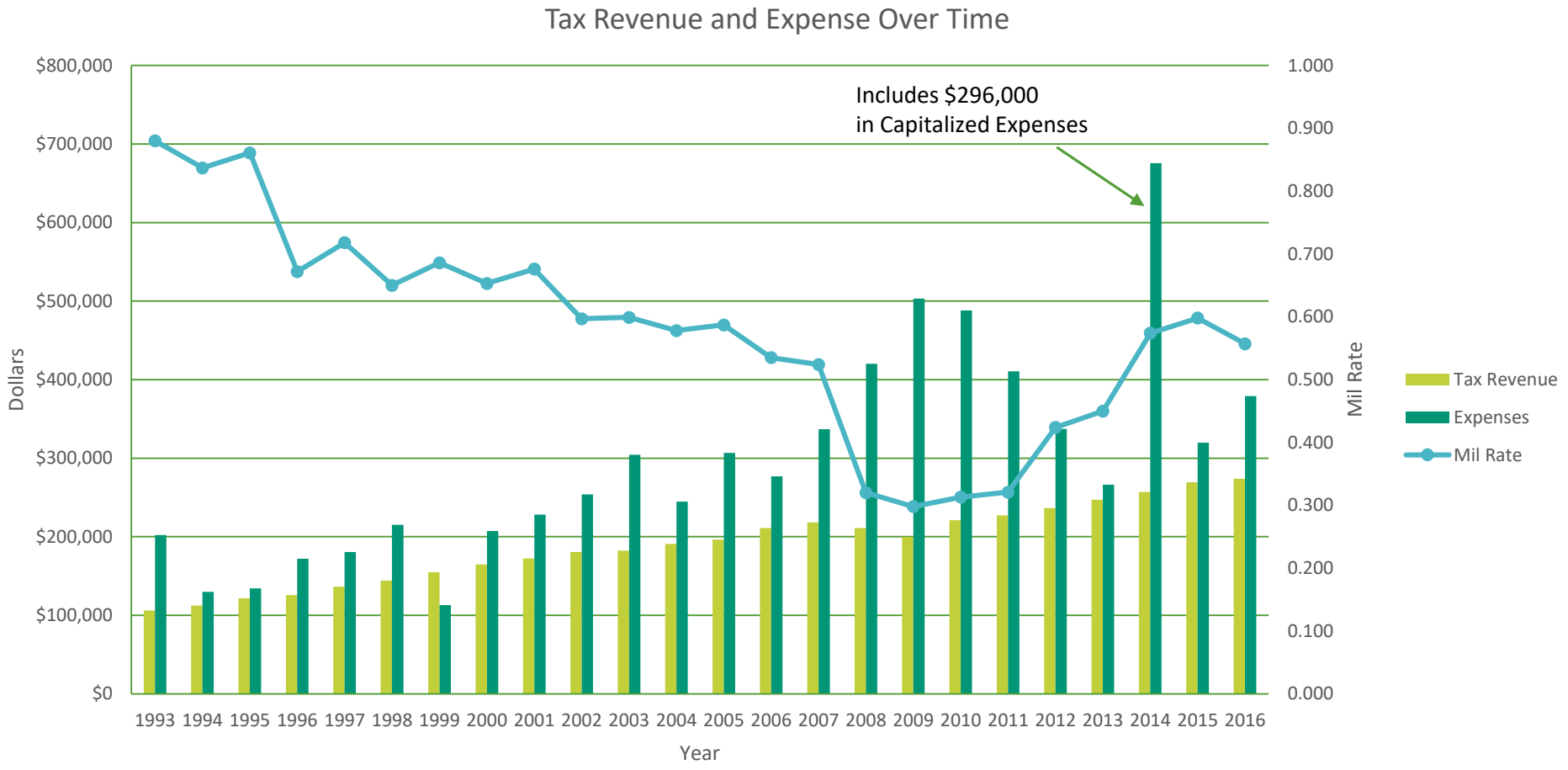
Commercial: Approx. 4x because of Gallagher

2017	
Actual Value	$100,000
Residential Assessment %	7.20%
Assessed Value	$7,200
Mil Rate (projected)	0.570/thousand
Tax (per $100,000)	$4.10

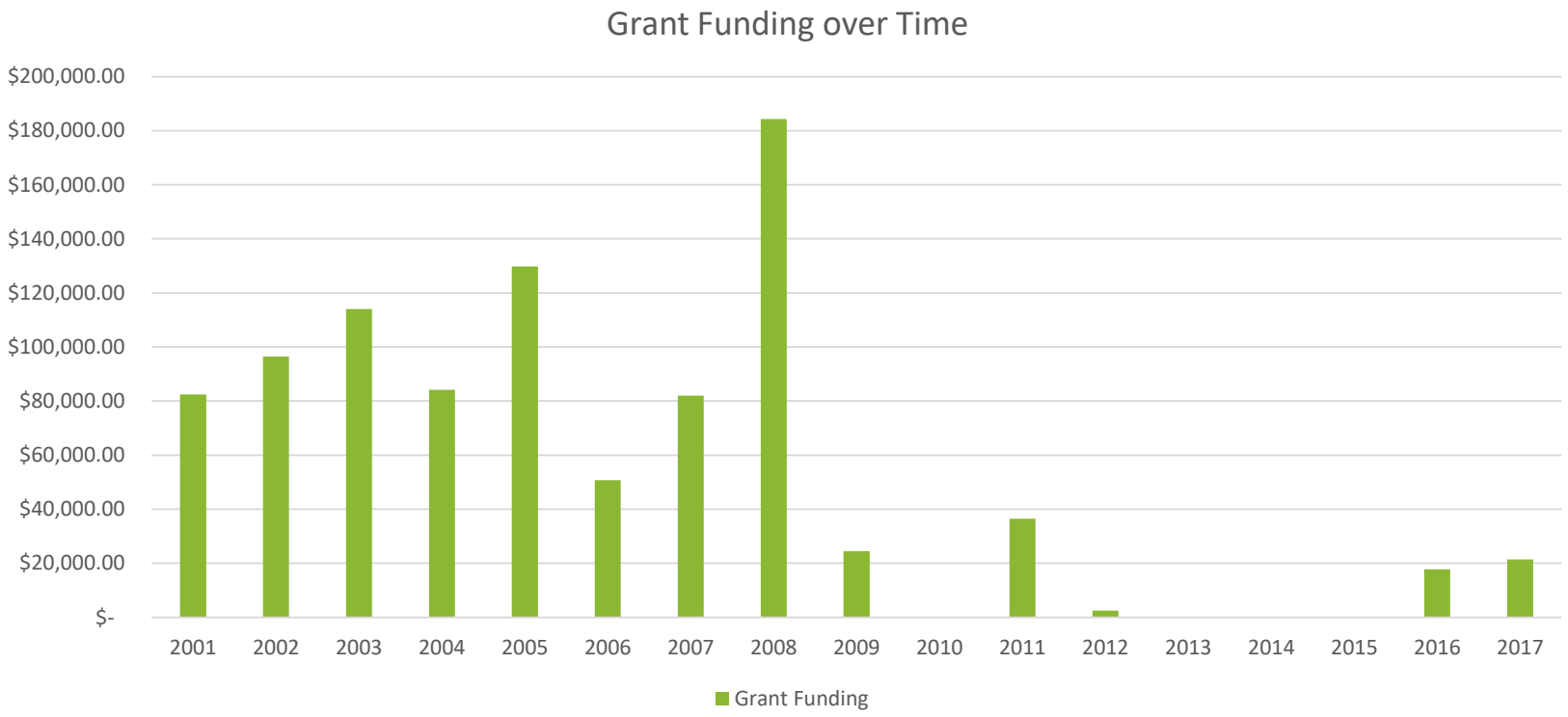
District Valuations

2016		2017	
Actual Value	$4,473,178,729	Actual Value	$4,965,958,240
Assessed Value	$499,903,510	Assessed Value	$523,988,300
Mil Rate	0.578/thousand	Mil Rate(projected)	0.570/thousand
Tax Collection	$288,944.00	Tax Collection	$298,673.33

Income and Expense over Time



Recreational Spending



Total 2001-2017: $926,528

Capital Replacement Plan

Year	Proposed Replacement Expense
2017	$ 37,600.00
2018	$ 22,700.00
2019	$ -
2020	$ 361,925.00
2021	$ 53,000.00
2022	$ 112,800.00
2023	$ 8,600.00
2024	$ 6,950.00
2025	$ 8,300.00
2026	$ 116,000.00
Total	$ 727,875.00

Current Capital Reserve Balance $ 142,605.00

Unfunded Capital Replacement Need $ (585,270.00)

Redirection of funds being used for Lease/Purchase of District Building could be used starting in 2021 for Capital Replacement

Amount from Lease/Purchase 2021-2026 $ 240,000.00

Remaining Unfunded Capital Need $ (345,270.00)

“De-Bruce” the District

The term “de-Bruce” is the action of having a vote of the electors of the District to remove some of the effects of TABOR. In particular, it would allow the District to utilize up to the full 1.0 mil limit that was approved by the electors at the creation of the District.

With a successful vote of the electors, the District would be able to collect additional funds in the year following the election.

Current Funding:

$499,903,510 x 0.578/1000 = $288,944

Post Successful “de-Bruce” vote:

Increase of $235,055 per year maximum

$523,988,300 x 1.000/1000 = $523,999

Effect on Property Owner (4x on Commercial)

<u>Current:</u>

Actual Value = $100,000

Assessed Value = $7,960

Mil Rate = 0.578/$1000 = $4.60

$250,000 property = $11.50

$750,000 property = $34.50

<u>After Successful “de-Bruce”:</u>

Actual Value = $100,000

Assessed Value = $7,2000

Mil Rate = 1.000/$1000 = $7.20

$250,000 property = $18.00 = $6.50 increase

$750,000 property = $54.00 = $19.50 increase

Uses of Increased Tax Revenue

Sustainable over the air television: Using $75,000 per year for funding the Capital Replacement Reserve Fund would provide sufficient funds for the foreseeable future.

Additional priorities: That would leave $160,000 for television, recreation, and telecommunications.

Additional Benefits of Debrucing

- North subdistrict
- Revenue generation to offset costs of sharing infrastructure