

**OURAY COUNTY, COLORADO – 2018 COUNTYWIDE COORDINATED ELECTION**

NOTICE OF ELECTION TO INCREASE TAXES/TO INCREASE DEBT, ON A CITIZEN PETITION AND/OR ON REFERRED MEASURE

**ANALYSIS OF THE 2018 BALLOT PROPOSALS**

THIS PAMPHLET CONTAINS INFORMATION ON BALLOT ISSUES AS REQUIRED BY THE COLORADO CONSTITUTION, ARTICLE X, SECTION 20 FOR LOCAL ISSUES.

The title and text of each referenda/initiative is printed in full, and may be accompanied by two summaries of up to 500 words each, for and against the measure. For some measures, current and recent fiscal year spending figures are included. For others, tax increase estimates or bonded debt repayment costs within a particular district have been submitted.

(The information contained in this notice was prepared by persons required by law to provide summaries of ballot issues and fiscal information. The political subdivision providing this information does not warrant the accuracy or truth of any statement made in the summaries, nor is it responsible for errors in spelling, grammar, or punctuation of submitted statements.)

**Coordinated Election Official:** Michelle Nauer, Ouray County Clerk & Recorder, at 112 Village Square West, Suite 206, Ridgway, Colorado 81432, mailing address is P O Box C, Ouray, Colorado 81427. Hours of Operation: Monday – Thursday 9:00 a.m. – 4:00 p.m.

**VOTING INFORMATION**

If you have questions concerning voting procedures, or your eligibility to vote, refer initially to the information provided in this notice. Further details may be obtained by contacting your local election office listed below or to verify your voter registration information go to: [www.govotecolorado.com](http://www.govotecolorado.com)

Elections within Ouray County will be conducted by MAIL BALLOT:

The following locations will be able to assist you with your election needs:

**Voter Service Polling Center:**

**112 Village Square West, Suite 206, Ridgway, CO 81432**

Monday through Friday, October 22, 2018 to November 5, 2018, 9:00am to 5:00pm  
Saturday, October 27, 2018 and November 3, 2018, 9:00am to 1:00pm  
Closed on Sundays  
Tuesday, November 6, 2018, 7:00am to 7:00pm (ELECTION DAY)

**Drop-off Box (only) Locations: (Available 24/7):**

**Ouray County 4H Event Center, 22739 Hwy 550, Ridgway, CO 81432**  
(NE side of Event Center)  
**Ouray Community Center, 320 Sixth Ave, Ouray, CO 81427**  
(Near the Flag Pole)

**YOUR BALLOT MUST BE RECEIVED BY YOUR LOCAL ELECTION OFFICE BY 7 PM ON ELECTION DAY (NOV 6, 2018) IN ORDER FOR YOUR VOTE TO BE COUNTED.**

ATTEST: THE AFFOREMENTIONED BALLOT ISSUE NOTICE IS COMPLETE AS SUBMITTED BY THE POLITICAL SUBDIVISIONS.



Michelle Nauer, Ouray County Clerk & Recorder

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# NOTICE OF ELECTION TO INCREASE TAXES ON A REFERRED MEASURE

## To "All REGISTERED VOTERS" OF THE CITY OF OURAY

Designated Election Official: Melissa Drake, Clerk, 320 Sixth Ave, PO Box 468, Ouray, Co. 81427 Phone: (970) 325-7066  
Coordinated Election Official: Michelle Nauer, Ouray County Clerk, 112 Village Square West, Suite 206, Ridgway, Co. 81432  
Mail: PO Box C, Ouray, Co. 81427 Phone: (970)325-4961

### CITY OF OURAY (Ballot Issue 2A)

SHALL THE CITY OF OURAY LODGING AND OCCUPATION TAX, WHICH IS CURRENTLY IMPOSED ON ALL ROOM AND SITES OF HOTELS, MOTELS, APARTMENT HOTELS, LODGING HOUSES, MOTOR HOTELS, GUEST HOUSES, SHORT TERM RENTALS, MOBILE HOME PARKS, RECREATIONAL VEHICLE PARKS OR OTHER SIMILAR LODGING BUSINESS WITHIN THE CITY OF OURAY AT THE FOLLOWING RATES: (1) \$3.00 PER NIGHT PER OCCUPIED ROOM IN A HOTEL, MOTEL, BED AND BREAKFAST, OR SIMILAR ACCOMMODATION OR PER LODGING UNIT IN A SINGLE-FAMILY DWELLING, DUPLEX, APARTMENT HOTEL, MOBILE HOME OR SIMILAR ACCOMMODATION; AND (2) \$1.00 PER NIGHT PER OCCUPIED SITE FOR RECREATION VEHICLES, TRAILERS, TENTS, CAMPERS, CAMPING CABIN OR OTHER SIMILAR BUSINESSES, BE CHANGED TO A 3.5% TAX ON THE BASE PRICE OF THE ROOM OR SITE, COMMENCING ON JANUARY 1, 2019 AND CONTINUING INDEFINITELY; THE PROCEEDS FROM WHICH WILL BE ALLOCATED IN THE FOLLOWING MANNER: (1) 86.875% TO THE TOURISM FUND, WHICH EXISTS SOLELY FOR THE PURPOSES OF DESTINATION MARKETING, MANAGEMENT AND DEVELOPMENT TO ATTRACT VISITORS TO AND ENHANCE THE VISITOR EXPERIENCE WITHIN THE CITY OF OURAY; (2) 11.875% TO THE BEAUTIFICATION FUND, WHICH EXISTS SOLELY FOR IMPROVEMENTS THAT ENHANCE BEAUTIFICATION OF THE CITY, PARK CAPITAL IMPROVEMENTS AND MAINTENANCE THEREWITH; AND (3) 1.25% TO THE CITY OF OURAY GENERAL FUND, TO REIMBURSE THE CITY FOR ADMINISTRATIVE, ENFORCEMENT, AND CLERICAL EXPENSES INCURRED IN THE ADMINISTRATION AND COLLECTION OF THE TAX AUTHORIZED IN THIS SECTION?

#### Actual historical and current estimated fiscal year spending information:

Year	Fiscal Year Spending <sup>1</sup>
2014 (actual)	\$ 1,746,814
2015 (actual)	\$ 2,007,211
2016 (actual)	\$ 2,542,634
2017 (actual)	\$ 2,476,586
2018 (current year estimated)	\$ 2,389,501
Overall percentage change in fiscal year spending over the five year period from 2014 through 2018:	36.792%
Overall dollar change in fiscal year spending over the five year period from 2014 through 2018:	\$ 642,687
Estimated 2019 fiscal year spending without taking into account the tax increase authorized by Ballot Issue <u>2A</u> :	\$ 2,441,343
Estimated 2019 tax increase authorized by Ballot Issue <u>2A</u> :	\$ 193,367

**The following summaries were prepared from comments filed by persons FOR ballot issue 2A:**

Lodging businesses have benefitted from the marketing efforts of OCRA year after year. If the ballot issue to change the lodging tax from \$3 per night flat rate to 3.5% of the purchase price passes, more marketing dollars will be raised which will translate to more tourism dollars, which translates to a healthier Ouray. The statistics support this. See the July issue of the Ouray Plaindealer that has diagrams showing the growth related to marketing.

Taxes collected from tourists provide the primary funding source for the City of Ouray. Ouray simply cannot have a healthy, vibrant Community without a healthy tourism-driven economy. Successfully marketing Ouray as a tourism destination requires an adequate funding source. In the early 1990's some local hoteliers ask to have a Lodging Occupation Tax initiative placed on the November Ballot. This proposal passed and has funded tourism marketing ever since. Some years later an increase to the Lodging Tax was proposed to provide funds for a "Beautification Committee". This initiative also passed. The Proposal on the Ballot this year, if approved, would simply change the way the funds are collected from a flat rate per room to a percentage of the room charge. As inflation occurs the amount collected will increase.

Most destinations have a lodging tax that supports important community programs, and most of these are based on a percentage assessed on the total cost of the room per night. The current flat rate collected in the City of Ouray is not evenly assessed among different room prices and does not adjust for inflation or increasing room rates, creating a need for constant updates in the future. The 3.5% will be a level playing field for all lodging options in Ouray and will adjust as rates change, which will allow funding to grow and change as the tourism economy and inflation change in the future. A 3.5% rate puts Ouray in line with other destinations and is not an excessive hardship to the traveler. Lodging taxes in other destinations range from 1.9% to over 10% and they do not influence decisions to travel (or not travel) to a certain location. Lodging tax does not directly affect local residents, since it is paid only by visitors who stay overnight but it benefits the programs it funds such as the many projects funded through the beautification fund (for example the recent work at Rotary Park). Tourism-dependent businesses with small budgets rely heavily on the marketing that is supported by the tourism fund and the awareness it builds around Ouray and its attractions. The only "con" to the lodging tax is that all local businesses and residents benefit from the funding but only lodgers are tasked with assessing the tax. A future solution that makes this more equitable across all categories is preferred but in the meantime, adjusting the lodging tax to a more modern and accepted collection method is the best option.

The majority of lodgers in all categories support the 3.5% lodging tax. It will be a more equitable collection method across all lodging categories. This will also put us on par with Ridgway's lodging tax. The monies raised for destination marketing will help grow our slower seasons and sustain our core seasons. More visitors to town will spend more money that will go into the general fund via sales tax. All monies will be going to improve Ouray as a whole for visitors and residents alike.

**The following summaries were prepared from comments filed by persons AGAINST ballot issue 2A:**

It is not the visitors' responsibility to take care of the City of Ouray. We do not have the services to warrant or justify inviting more people to Ouray. Our services continue to diminish, especially in the food service sector. We should not continue to look to the lodging sector for support. It is time to look at the restaurants where such a tax has the potential to far exceed our expectations. Why is this sector able to state that it will hurt their business but not take into consideration how it will affect other businesses?

**NOTICE OF ELECTION TO INCREASE TAXES ON A REFERRED MEASURE**

**To "ALL REGISTERED VOTERS" OF THE MONTROSE FIRE PROTECTION DISTRICT**

Designated Election Official: Lindsey Wiley, Deputy Administrator, 441 South Uncompahgre, Montrose, Co. 81401 Phone: (970) 252-9181

Coordinated Election Official: Michelle Nauer, Ouray County Clerk, 112 Village Square West, Suite 206, Ridgway, Co. 81432, Mail: P O Box C, Ouray, Co. 81427 Phone: (970)325-4961

**MONTROSE FIRE PROTECTION DISTRICT (BALLOT ISSUE 7A)**

SHALL THE MONTROSE FIRE PROTECTION DISTRICT TAXES BE INCREASED BY \$175,048, COMMENCING IN 2019 (FIRST FULL FISCAL YEAR), AND BY SUCH AMOUNT AS MAY BE RAISED ANNUALLY THEREAFTER BY THE IMPOSITION OF AN ADDITIONAL MILL LEVY OF UP TO 0.429 MILLS, RESULTING IN A TOTAL DISTRICT PROPERTY TAX RATE NOT TO EXCEED 8.991 MILLS, EXCLUSIVE OF REFUNDS, ABATEMENTS, OR DEBT SERVICE, TO PAY THE DISTRICT'S OPERATING, CAPITAL AND OTHER EXPENSES (INCLUDING, BUT NOT LIMITED TO, EXPENSES RELATED TO PROVIDING FIRE AND EMERGENCY SERVICES AT CURRENT LEVELS AND OFFSETTING BOTH PAST BUDGET SHORTFALLS RESULTING FROM THE REDUCTION IN THE RESIDENTIAL ASSESSMENT RATE FROM 7.96% TO 7.2% AND FUTURE BUDGET SHORTFALLS THAT MAY RESULT FROM A FURTHER REDUCTION IN THE RESIDENTIAL ASSESSMENT RATE), AND PROVIDED THAT SUCH TOTAL MILL LEVY SHALL BE ADJUSTED UP OR DOWN TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATION IS CALCULATED OCCURRING AFTER 2018 SO THAT TO THE EXTENT POSSIBLE THE ACTUAL TAX REVENUES GENERATED BY THE TOTAL MILL LEVY, AS ADJUSTED, ARE NEITHER DIMINISHED NOR ENHANCED AS A RESULT OF SUCH CHANGES IN LAW OR METHODOLOGY; AND SHALL THE DISTRICT BE AUTHORIZED TO COLLECT, RETAIN AND SPEND THE REVENUE THEREFROM NOTWITHSTANDING ANY LIMITS PROVIDED BY LAW?

**Required financial information for Montrose Fire Protection District Issue 7A:**

Proposed Tax Increase:

Estimate of the Maximum Dollar Amount of the Proposed Tax Increase for Fiscal Year 2019 (the First Full Year of the Proposed Tax Increase) with Ballot Issue No. 7A: \$175,048.00

Estimated 2019 Fiscal Year Spending Without Proposed Increase: \$5,978,344.00

Total Entity Fiscal Year Spending:

2018 (estimated)	\$5,706,151.00
Actual Spending 2017	\$5,261,868.00
Actual Spending 2016	\$5,147,136.00
Actual Spending 2015	\$4,659,847.00
Actual Spending 2014	\$4,675,403.00

Overall percentage change from 2014 to 2018: 18%  
Overall dollar change from 2014 to 2018: \$1,030,748.00

**Summary of written comments FOR Montrose Fire Protection District Ballot Issue 7A:**

This November, the Montrose Fire Protection District will be asking the voters to increase it's mill levy by 0.429 mills to re-generate \$175,048 of lost revenue due to a reduction of the residential assessment rate. The retention of this revenue is essential to the District's ability to provide service at current levels and to add resources to meet the demands of increased call volume and community growth. It is important to note that this is "NOT A NEW TAX" but a request to retain revenues that have been previously approved by the taxpayers. By approving 7A the voters will remedy the unforeseen consequences of the Gallagher Amendment to the State Constitution which provides for a 55/45 split for non-residential and residential property tax assessments. The explosion of growth on the Front Range has driven property values up to astronomical proportions. This in turn, because of the 55/45 split, has resulted in a significant drop in the residential assessment rate severely impacting the revenues of the Montrose Fire Protection District. 7A asks voters to forego a small reduction in their property tax assessment to the Montrose Fire Protection District (\$3.09 per \$100,000 of actual value), thereby putting the District on sound financial footing. The Montrose Fire Protection District, through conservative fiscal management and changes in operational protocols, has survived the 2008 recession and declining revenues due to previous lowering of the residential assessment rates. Now the only things left to cut are services resulting in:

- The closing of Station 2 along the South 550 corridor.
- Discontinuing the wildland cooperation program resulting in a loss of \$125,000 per year in revenue.
- Staffing one less ambulance and fire engine, meaning the Montrose Fire Protection District will only be able to respond to 2 minor or 1 major incident at one time.
- 3<sup>rd</sup> and 4<sup>th</sup> out calls will be put in a queue or have to wait for mutual aid. The neighboring Districts are suffering through the same budget shortfalls as Montrose so mutual aid will be eliminated.
- Because of loss of personnel and the closing of Station 2, fire insurance rates for residential and commercial properties will go up.
- Fire Prevention and plan review activities will cease.

Your "YES VOTE ON 7A" will make Montrose a much safer community.

**Summary of written comments AGAINST Montrose Fire Protection District Ballot Issue 7A:**

No comments were filed by the constitutional deadline.

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End of Tabor Notice

To Verify Voter Information:

Go to [www.govotecolorado.com](http://www.govotecolorado.com)