

**La Plata County Fiscal Sustainability Steering Committee
Recommendations to the Board of County Commissioners
August 26, 2015**

The La Plata County Fiscal Sustainability Steering Committee (the “Committee”) was convened by the Board of County Commissioners (BOCC) to advise the County how best to address capital improvement and operational needs, while maintaining a structurally balanced budget and preserving the County’s long-range fiscal sustainability.

The Committee met seven times to review and discuss the Long Term Finance Committee’s *County Fiscal Sustainability and Capital Improvements Analysis*; various revenue and expenditure forecasting models; the County’s 10-year *Capital Improvement Plan*; road surface condition reports; projected road and bridge capital and maintenance needs; information from DOLA and other sources; County growth trends and projections; and polling and past ballot election results. Meeting agenda, presentations, background materials and meeting notes are posted on the County’s website.

The Committee makes the following consensus recommendations:

1. The BOCC should refer to the voters in November 2015 a mill levy increase between 1.5 and 2.5 mills, expiring (sunsetting) after 10 years, with the ballot measure stating revenues from the increase would be dedicated solely to the Road and Bridge Fund. The recommendation assumes the following:
 - a. The County will appoint a Road and Bridge Advisory Committee to advise the County on project priorities, review progress, and issue an annual report to the citizens of La Plata County.
 - b. The portion of the current 8.5 mills allocated to the Road and Bridge Fund will remain the same (0.710 mills).
 - c. The County’s annual sales tax allocation to the Road & Bridge Fund will not be less than was allocated in 2013 (\$2.77 million).
2. The BOCC should strongly consider referring a use tax to the voters in 2016, or as soon as practical thereafter. Revenue from a use tax could potentially replace a portion of the mill levy, diversifying the county’s revenue sources. For a use tax election to be successful, the County will need to undertake a comprehensive educational effort to explain the tax and collection process.
3. The BOCC should strongly consider adopting impact fees for new development. Such fees provide the development community a degree of cost-certainty and appropriately shift a portion of the cost for needed infrastructure investments from all taxpayers to the direct beneficiaries of those improvements. The imposition of impact fees would add an additional revenue source and could further reduce the Road and Bridge mill levy.
4. The BOCC should continue looking for opportunities to reallocate funds within the County’s budget to Road and Bridge needs.