



GRAND COUNTY GENERAL PLAN 2030

"Adventurous Small Town Spirit"

SECTION FIFTEEN: FINANCE

1. BACKGROUND

The County has a long history of managing its infrastructure, and planning for infrastructure deficiencies, funding through cost recovery, operation and maintenance plans and some capital planning. It will be important to develop capital improvement plans, evaluate cost recovery methodologies where justified, continue to ensure assessment and taxation structures are relevant and fair, to assess land assembly liabilities and assets, and to develop a robust asset management plan.

The County operating revenues are primarily sourced from property taxes, fees for various services, the grant-in-lieu of taxes, cost sharing arrangements for particular services with municipalities, and federal and state transfers and the transient room tax. Other cost sharing arrangements with the municipalities include or may include the airport, cemetery, or parks and recreation.

Projected operating costs currently exceed these revenues, prompting the need for careful consideration of service levels to avoid unacceptable tax increases. An impact fee analysis and a capital improvement plan is planned for 2022.

Substantial capital investments are necessary for roads, buildings, equipment, and water and sewer enhancements to meet the needs of the growing community. These investments are funded through general revenues, reserves, borrowing, development impact fees, grants, and, for tourism infrastructure, and the transient room tax. While impact fees are designed to fund infrastructure for new development over the long term, in the short term, the County may have to finance community infrastructure improvements, often without certainty about when developments and development cost charges will be realized.

The County prepares a five-year financial plan which is updated annually. Global economic trends will continue to directly affect development plans, further exacerbating the challenge of managing finances that anticipate the needs of future managed growth.

Goals:

- i. Appropriately balance revenue limitations with expenditures and investments to meet community needs over the long-term.
- ii. Maintain effective management, efficiencies and accountability of the fiscal budgets and operations through a Capital Improvement Plan and Impact fee analysis.
- iii. Guided by a Financial review committee in line with the County's Strategic Plan, assess and report on short and long range allocations and funding streams for all revenues and expenditures.

Policies:

- i. Guided by a financial review, develop an annual report that identifies gaps between each department's funding revenues, expenditures and strategic objectives.
- ii. Annually prepare a 5-year financial plan, with community consultation to sustainably balance



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- revenues with operating costs and capital investments, retaining adequate reserves;
- iii. Include lifecycle analysis and asset management plan for all capital purchases recognizing that maintenance and operations are a significant component of municipal expenditures;
 - iv. Identify and plan for the efficient allocation of traditional and non-traditional funding sources;
 - v. Continue to pursue state and federal funding opportunities (i.e., Transient Room Tax, and infrastructure or other grant funding);
 - vi. Manage and acquire County owned lands consistent with a Land Acquisition and Assembly Strategy;
 - vii. Develop partnerships and share resources and funding with private, public and non-profit organizations, cooperatively pursuing resources and funding;
 - viii. Develop a cost recovery analysis and fee structure for all County fee-for-service functions;
 - ix. Consider development tax incentives and fees that promote community amenities such as affordable housing, aging in place, parks and recreation, green space, heritage and public safety;
 - x. Work with the Assessor and other municipal partners to balance property taxation and achieve a more equitable taxation system;
 - xi. Develop a risk evaluation in conjunction with the County's insurance provider;
 - xii. Assess and evaluate unfunded mandates from senior levels of government;
 - xiii. Explore tax increment financing or deferred taxation funding that enhances heritage properties and economic development;
 - xiv. Ensure financial policies and practices are consistent with the General Plan; and
 - xv. Develop and update the unique fiscal impact model from the 2012 General Plan to properly evaluate the costs of development and update development impact fees on a regular basis; and
 - xvi. Appreciate the importance of volunteerism in fulfilling community priorities and supplementing County resources.