



Board of County Commissioners

Boulder County Commissioners' Response to BoCo FIRM Proposal

Over the past several months, a spirited debate has continued about how best to pay for the reconstruction of roads in unincorporated paved subdivisions. We appreciate the dedicated work of our residents and subdivision paving advisory committee members who continue to look for ways to help solve this problem. **Everyone agrees on the need to rehabilitate these roads. The disagreement lies in who should bear the lion's share of the cost: the people who live in the subdivisions or all taxpayers in the county?**

The BoCo FIRM organization has proposed to increase the road and bridge mill levy ten-fold without raising additional taxes and without saying which county services should be cut to pay for the work. The county budget is limited and it's our job to balance competing interests across the county. The BoCo FIRM proposal would require *all* county taxpayers to pay for subdivision road reconstruction. Moreover, it would require a cut of about \$10 million per year from other important programs funded by everyone's property taxes.

The same mill levy (property tax rate) is assessed on every property in the county (city or unincorporated) and as a result, property owners in towns and cities pay about 85% of property taxes collected for Boulder County. Because all property owners contribute to property tax revenue, we use this revenue to fund programs that benefit all county residents, such as law enforcement, emergency response, district attorney, courts, public health, human services, operations and maintenance of county parks, as well as placing a higher priority on upkeep of those roads and bridges that benefit all residents of the county.

We cannot increase the Road and Bridge Mill Levy ten-fold without making significant reductions in other services or increasing everyone's taxes. To us, asking all county taxpayers to pay more – or receive less – so that local subdivision roads can be rehabilitated without a meaningful share being paid by those who directly benefit does not seem fair. City residents already pay additional taxes for their neighborhood roads. Before shifting county priorities, there needs to be a countywide conversation about how to pay for unincorporated subdivision road reconstruction.

Additionally, there have been a number of false claims circulating that we'd like to respond to:

False Claim #1: *"There is over \$60 million in reserves that could be used for subdivision roads."*

Over time, Boulder County has saved for emergencies and other unanticipated needs. In the past year, we have spent all of our unencumbered reserve funds on flood recovery. Nearly \$55.5 million has been spent on flood recovery, with only \$7.5 million received in reimbursements. The expected total cost for flood recovery is \$217 million, and while we expect to be reimbursed for much of this, there will be a long term shortfall of approximately \$57 million.

False Claim #2: *"The County has not maintained subdivision roads and is spending its money instead to fight the BoCo FIRM lawsuits."*

Over the past three years, the county has spent, on average, more than \$700,000 per year on maintenance (patching, pothole filling, snow removal, etc.) of more than 150 miles of paved subdivision roads. In addition, recognizing that about 20% of subdivision roads are used to get to schools, places of worship, trailheads, and other community facilities, we have committed to pay for 20% (about \$955,000 per year) of the total cost of

subdivision road rehabilitation. This fall, using our 2014 “20% contribution,” we are finishing up three community-use subdivision projects to rehabilitate Heatherwood Drive, Westview Drive, and Twin Lakes Drive. None of these funds have been spent on litigation over the Local Improvement District. In fact, all legal services are being handled in-house by salaried county staff.

False Claim #3: *“Years ago the county reduced the amount of money budgeted for roads by decreasing the mill levy allocated to the Road & Bridge Fund.”*

In 1998, Boulder County, along with many other counties in Colorado, decreased the Road and Bridge mill levy in favor of increasing the Specific Ownership Tax allocated to this Fund. Specific Ownership Tax is like a sales tax on vehicles registered to Boulder County residents, collected by the County Clerk and put into the General Fund. Beginning in 1998, Boulder County began a gradual shift to putting more Specific Ownership Tax and less property tax into the Road & Bridge Fund. In total, the Road & Bridge Fund has increased approximately 4% annually since 1990.

For more information and our responses to other common mis-statements on this issue, please visit www.BoulderCounty.org/SubdivisionPaving.

Sincerely,

Boulder County
Board of County Commissioners
Cindy Domenico, Deb Gardner, Elise Jones

October 15, 2014