# Los Alamos County Gross Receipts Tax and Financial Overview

GRT Overview

Budget Overview/GRT Rate Scenarios

GRT Comparisons

Upcoming Bond Ordinances

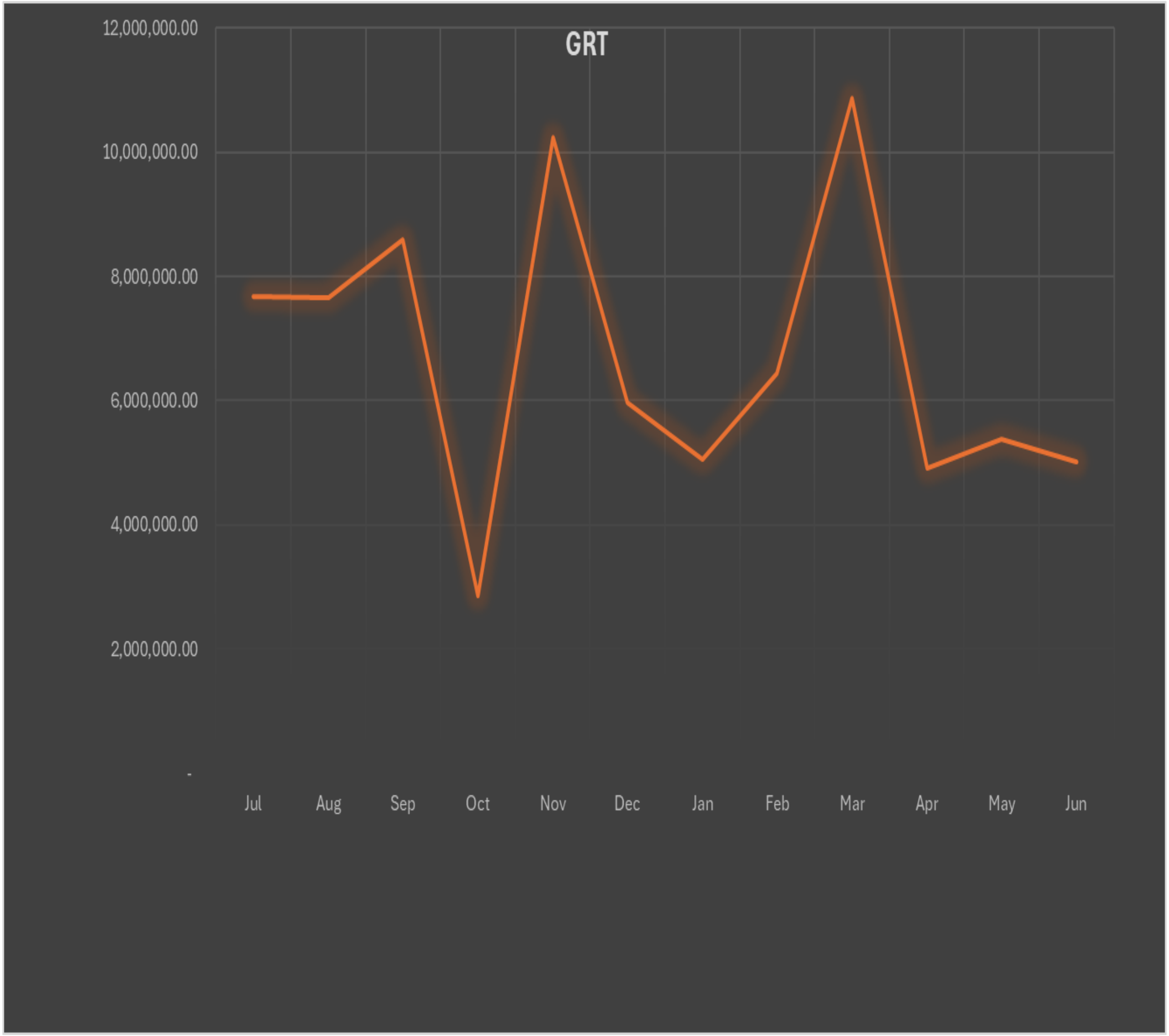
Affordable Housing Financial Policy

Next Steps

# OVERVIEW

# GRT Overview

- General Fund GRT Revenue for FY25 $80.7M or 86% of Adopted Budget of $93.6M
- GRT Revenue was projected to be $10M lower during FY26 budget adoption
- June 30, 2025, GRT is now realized to be ~ 14% or $13M lower than the adopted budget.
- $4M lower than projected with the FY2026 Budget Hearings

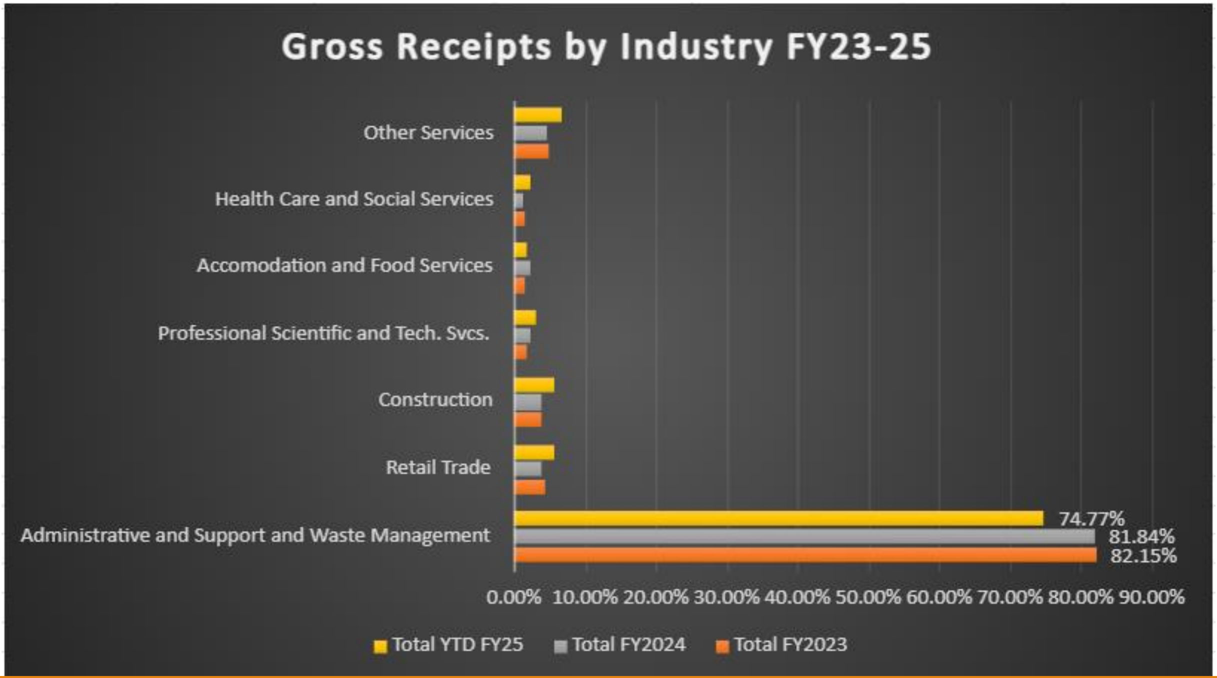


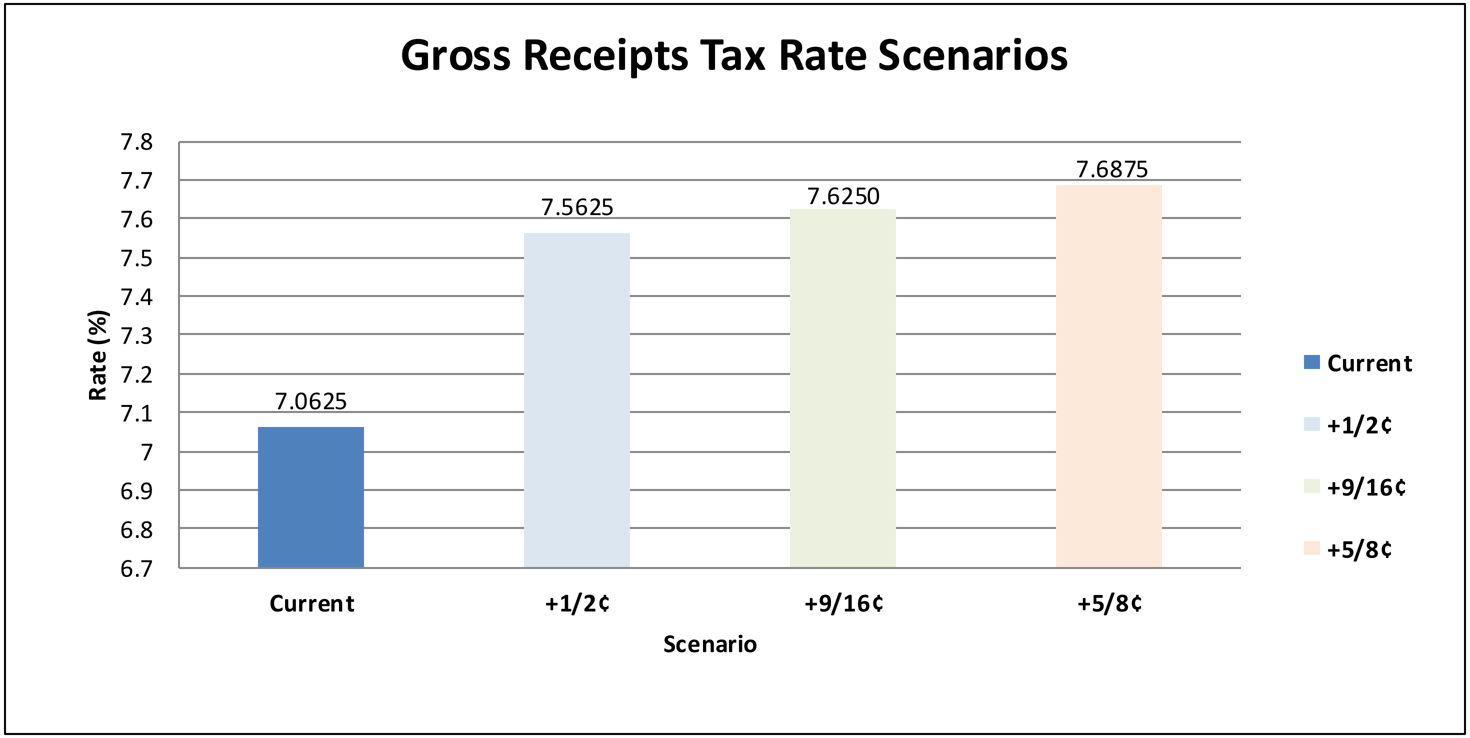

ATTACHMENT C

# GRT by Industry

(FY23, FY24, FY25)

| GROSS RECEIPTS BY INDUSTRY: | Administrative and Support and Waste Management | Retail Trade | Construction | Professional Scientific and Tech. Svcs. | Accommodation and Food Services | Health Care and Social Services | Other Services |
|---|---|---|---|---|---|---|---|
| Total FY2023 | 82.15% | 4.42% | 3.79% | 1.85% | 1.40% | 1.45% | 4.95% |
| Total FY2024 | 81.84% | 3.93% | 3.73% | 2.16% | 2.41% | 1.31% | 4.63% |
| Total YTD FY25 | 74.77% | 5.76% | 5.74% | 3.01% | 1.85% | 2.18% | 6.68% |






| Scenario | Rate (%) |
|---|---|
| Current | 7.0625 |
| +1/2¢ | 7.5625 |
| +9/16¢ | 7.6250 |
| +5/8¢ | 7.6875 |

# Budget Overview
# Scenario 1 – ½ of one-cent GRT
# As Planned for FY2027

**GENERAL FUND LONG RANGE FINANCIAL PROJECTION - Working Model 1/2**

| | | FY2027 Projected | FY2028 Projected | FY2029 Projected | FY2030 Projected | FY2031 Projected | FY2032 Projected | FY2033 Projected | FY 2034 Projected | FY 2035 Projected |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total Expenditures** | | 110,334,911 | 114,997,186 | 118,430,672 | 122,061,820 | 125,592,295 | 129,418,692 | 133,301,254 | 137,300,292 | 141,419,301 |
| **Transfers to other funds** | | 25,965,304 | 24,550,959 | 29,616,840 | 27,886,220 | 26,156,589 | 25,443,319 | 25,734,618 | 25,035,903 | 25,348,409 |
| **Ending fund balance** | | | | | | | | | | |
| Nonspendable | | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 |
| Restricted for Cash Requirements | | 9,194,576 | 9,583,099 | 9,869,223 | 10,171,818 | 10,466,025 | 10,784,891 | 11,108,438 | 11,441,691 | 11,784,942 |
| Other Restricted/Assigned | | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 |
| Unassigned | | 34,438,804 | 33,091,358 | 27,392,881 | 23,087,531 | 21,195,912 | 20,571,663 | 20,412,840 | 21,716,217 | 23,489,595 |
| **Ending fund balance** | | 62,090,131 | 61,131,208 | 55,718,855 | 51,716,100 | 50,118,688 | 49,813,305 | 49,978,029 | 51,614,659 | 53,731,288 |
| **Total uses of funds** | $ | 198,390,346 | 200,679,353 | 203,766,367 | 201,664,140 | 201,867,573 | 204,675,316 | 209,013,901 | 213,950,854 | 220,498,998 |
| **Operating Surplus / (Shortfall)** | $ | (2,323,592) | (958,923) | (5,412,353) | (4,002,755) | (1,597,412) | (305,384) | 164,724 | 1,636,630 | 2,116,629 |
| Unassigned as a % of Revenue | | 26.38% | 24.51% | 19.71% | 16.24% | 14.49% | 13.66% | 13.16% | 13.59% | 14.28% |
| Unassigned Target (20% of Rev) | | 26,107,725 | 27,004,644 | 27,792,632 | 28,437,857 | 29,256,495 | 30,114,326 | 31,019,119 | 31,948,965 | 32,906,068 |
| $ over (under) target | | **8,331,079** | **6,086,714** | **(399,750)** | **(5,350,326)** | **(8,060,582)** | **(9,542,663)** | **(10,606,279)** | **(10,232,748)** | **(9,416,473)** |

- Target reserves run into small deficit in FY29, but realized in FY2030 and beyond
- Adjustments to expenditures, deferring capital or other transfers, and other variations in Realized Revenues and Expenditures over Projections could make this sustainable ~ $11M or 10% over 3 yrs

# Budget Overview
# Scenario 2 – 9/16 of one-cent GRT

| | | GENERAL FUND LONG RANGE FINANCIAL PROJECTION - Working Model 9/16 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | FY2027 Projected | FY2028 Projected | FY2029 Projected | FY2030 Projected | FY2031 Projected | FY2032 Projected | FY2033 Projected | FY 2034 Projected | FY 2035 Projected |
| **Total beginning fund balance** | | 64,413,722 | 63,809,131 | 64,684,208 | 61,214,855 | 59,254,100 | 59,818,188 | 61,796,305 | 64,313,259 | 68,372,611 |
| **Revenues** | | | | | | | | | | |
| Gross Receipts Taxes | | 98,779,000 | 102,452,000 | 105,501,000 | 107,929,000 | 111,167,500 | 114,498,500 | 117,940,500 | 121,475,000 | 125,112,000 |
| **Total sources of funds** | $ | **200,109,346** | **204,232,353** | **209,262,367** | **209,202,140** | **211,567,073** | **216,658,316** | **223,349,131** | **230,708,806** | **239,751,934** |
| **Total Expenditures** | | 110,334,911 | 114,997,186 | 118,430,672 | 122,061,820 | 125,592,295 | 129,418,692 | 133,301,254 | 137,300,292 | 141,419,301 |
| **Transfers to other funds** | | 25,965,304 | 24,550,959 | 29,616,840 | 27,886,220 | 26,156,589 | 25,443,319 | 25,734,618 | 25,035,903 | 25,348,409 |
| **Ending fund balance** | | | | | | | | | | |
| Nonspendable | | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 |
| Restricted for Cash Requirements | | 9,194,576 | 9,583,099 | 9,869,223 | 10,171,818 | 10,466,025 | 10,784,891 | 11,108,438 | 11,441,691 | 11,784,942 |
| Other Restricted/Assigned | | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 |
| Unassigned | | 36,157,804 | 36,644,358 | 32,888,881 | 30,625,531 | 30,895,412 | 32,554,663 | 34,748,070 | 38,474,169 | 42,742,531 |
| **Ending fund balance** | | 63,809,131 | 64,684,208 | 61,214,855 | 59,254,100 | 59,818,188 | 61,796,305 | 64,313,259 | 68,372,611 | 72,984,224 |
| **Total uses of funds** | $ | 200,109,346 | 204,232,353 | 209,262,367 | 209,202,140 | 211,567,073 | 216,658,316 | 223,349,131 | 230,708,806 | 239,751,934 |
| **Operating Surplus / (Shortfall)** | $ | (604,592) | 875,077 | (3,469,353) | (1,960,755) | 564,088 | 1,978,116 | 2,516,954 | 4,059,352 | 4,611,613 |
| Unassigned as a % of Revenue | | 27.34% | 26.78% | 23.34% | 21.23% | 20.81% | 21.30% | 22.07% | 23.72% | 25.59% |
| Unassigned Target (20% of Rev) | | 26,451,525 | 27,371,444 | 28,181,232 | 28,846,257 | 29,688,795 | 30,571,026 | 31,489,565 | 32,433,509 | 33,405,065 |
| $ over (under) target | | 9,706,279 | 9,272,914 | 4,707,650 | 1,779,274 | 1,206,618 | 1,983,637 | 3,258,505 | 6,040,660 | 9,337,466 |

- Target reserves remain positive in 10 yr outlook
- Allows for more flexibility for other transfers, programs, initiatives

# Budget Overview
# Scenario 3 – 5/8 of one-cent GRT

**GENERAL FUND LONG RANGE FINANCIAL PROJECTION - Working Model 5/8**

| | | FY2027 Projected | FY2028 Projected | FY2029 Projected | FY2030 Projected | FY2031 Projected | FY2032 Projected | FY2033 Projected | FY 2034 Projected | FY 2035 Projected |
|---|---|---|---|---|---|---|---|---|---|---|
| **Total beginning fund balance** | | 64,413,722 | 65,528,131 | 68,238,208 | 66,710,855 | 66,793,100 | 69,517,688 | 73,779,305 | 78,648,489 | 85,130,562 |
| **Revenues** | | | | | | | | | | |
| Gross Receipts Taxes | | 100,498,000 | 104,235,000 | 107,337,000 | 109,807,000 | 113,102,000 | 116,491,000 | 119,993,000 | 123,589,000 | 127,289,000 |
| **Total sources of funds** | $ | **201,828,346** | **207,786,353** | **214,758,367** | **216,741,140** | **221,266,573** | **228,641,316** | **237,684,361** | **247,466,757** | **259,004,868** |
| **Total Expenditures** | | 110,334,911 | 114,997,186 | 118,430,672 | 122,061,820 | 125,592,295 | 129,418,692 | 133,301,254 | 137,300,292 | 141,419,301 |
| **Transfers to other funds** | | 25,965,304 | 24,550,959 | 29,616,840 | 27,886,220 | 26,156,589 | 25,443,319 | 25,734,618 | 25,035,903 | 25,348,409 |
| **Ending fund balance** | | | | | | | | | | |
| Nonspendable | | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 |
| Restricted for Cash Requirements | | 9,194,576 | 9,583,099 | 9,869,223 | 10,171,818 | 10,466,025 | 10,784,891 | 11,108,438 | 11,441,691 | 11,784,942 |
| Other Restricted/Assigned | | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 |
| Unassigned | | 37,876,804 | 40,198,358 | 38,384,881 | 38,164,531 | 40,594,912 | 44,537,663 | 49,083,300 | 55,232,120 | 61,995,465 |
| **Ending fund balance** | | 65,528,131 | 68,238,208 | 66,710,855 | 66,793,100 | 69,517,688 | 73,779,305 | 78,648,489 | 85,130,562 | 92,237,158 |
| **Total uses of funds** | $ | 201,828,346 | 207,786,353 | 214,758,367 | 216,741,140 | 221,266,573 | 228,641,316 | 237,684,361 | 247,466,757 | 259,004,868 |
| **Operating Surplus / (Shortfall)** | $ | 1,114,408 | 2,710,077 | (1,527,353) | 82,245 | 2,724,588 | 4,261,616 | 4,869,184 | 6,482,073 | 7,106,596 |
| Unassigned as a % of Revenue | | 28.27% | 28.98% | 26.87% | 26.09% | 26.95% | 28.71% | 30.72% | 33.56% | 36.57% |
| Unassigned Target (20% of Rev) | | 26,795,325 | 27,738,444 | 28,569,632 | 29,254,857 | 30,120,895 | 31,027,726 | 31,960,011 | 32,918,054 | 33,904,061 |
| $ over (under) target | | 11,081,479 | 12,459,914 | 9,815,250 | 8,909,674 | 10,474,018 | 13,509,937 | 17,123,289 | 22,314,066 | 28,091,403 |

- Target reserves remain positive in 10 yr outlook
- Allows for growth and expansion beyond currently programmed
- Requires two ordinances
  - 1. Municipal Portion – 9/16 (0.5625)
  - 2. County Portion 1/16 (0.0625)

ATTACHMENT C

# Budget Overview
# Scenario 4 - If No GRT Increment Adopted

| GENERAL FUND LONG RANGE FINANCIAL PROJECTION - Working Model NO INCREMENT | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | FY2027 Projected | FY2028 Projected | FY2029 Projected | FY2030 Projected | FY2031 Projected | FY2032 Projected | FY2033 Projected | FY 2034 Projected | FY 2035 Projected |
| **Total beginning fund balance** | | 64,413,722 | 48,338,131 | 32,702,208 | 11,748,855 | (8,597,900) | (27,480,312) | (46,053,695) | (64,706,811) | (82,451,957) |
| **Revenues** | | | | | | | | | | |
| Gross Receipts Taxes | | 83,308,000 | 86,405,000 | 88,977,000 | 91,027,000 | 93,757,000 | 96,566,000 | 99,468,000 | 102,449,000 | 105,519,000 |
| **Total sources of funds** | $ | **184,638,346** | **172,250,353** | **159,796,367** | **141,350,140** | **124,268,573** | **108,808,316** | **94,329,061** | **79,884,238** | **66,472,513** |
| **Total Expenditures** | | 110,334,911 | 114,997,186 | 118,430,672 | 122,061,820 | 125,592,295 | 129,418,692 | 133,301,254 | 137,300,292 | 141,419,301 |
| **Transfers to other funds** | | 25,965,304 | 24,550,959 | 29,616,840 | 27,886,220 | 26,156,589 | 25,443,319 | 25,734,618 | 25,035,903 | 25,348,409 |
| **Ending fund balance** | | | | | | | | | | |
| Nonspendable | | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 | 2,406,751 |
| Restricted for Cash Requirements | | 9,194,576 | 9,583,099 | 9,869,223 | 10,171,818 | 10,466,025 | 10,784,891 | 11,108,438 | 11,441,691 | 11,784,942 |
| Other Restricted/Assigned | | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 | 16,050,000 |
| Unassigned | | 20,686,804 | 4,662,358 | (16,577,119) | (37,226,469) | (56,403,088) | (75,295,337) | (94,272,000) | (112,350,399) | (130,536,890) |
| **Ending fund balance** | | 48,338,131 | 32,702,208 | 11,748,855 | (8,597,900) | (27,480,312) | (46,053,695) | (64,706,811) | (82,451,957) | (100,295,197) |
| **Total uses of funds** | $ | 184,638,346 | 172,250,353 | 159,796,367 | 141,350,140 | 124,268,573 | 108,808,316 | 94,329,061 | 79,884,238 | 66,472,513 |
| **Operating Surplus / (Shortfall)** | $ | (16,075,592) | (15,635,923) | (20,953,353) | (20,346,755) | (18,882,412) | (18,573,384) | (18,653,116) | (17,745,146) | (17,843,240) |
| Unassigned as a % of Revenue | | 17.71% | 3.87% | -13.43% | -29.58% | -43.72% | -56.91% | -69.18% | -80.04% | -90.29% |
| Unassigned Target (20% of Rev) | | 23,357,325 | 24,069,244 | 24,684,432 | 25,169,057 | 25,799,495 | 26,460,726 | 27,255,551 | 28,072,610 | 28,914,094 |
| $ over (under) target | | (2,670,521) | (19,406,886) | (41,261,550) | (62,395,526) | (82,202,582) | (101,756,063) | (121,527,551) | (140,423,009) | (159,450,984) |

- Budget cuts necessary to balance to available revenues and reserve requirements starting FY2027
- Not sustainable in 10 yr LRFP
- Would not recommend issuing debt

# Budget Overview – Operating Transfers Next 5Yrs

| General Fund Transfers to the Following Funds: | | FY2026 Projected | FY2027 Projected | FY2028 Projected | FY2029 Projected | FY2030 Projected |
|---|---|---|---|---|---|---|
| Economic Development Fund - Infrastructure | $ | 3,150,000 | 3,350,000 | 1,850,000 | 1,850,000 | 1,850,000 |
| Debt Service Fund - GRT Revenue Bonds 529 | | 7,527,420 | 10,502,978 | 10,501,443 | 5,957,518 | 5,959,298 |
| Capital Improvement Projects Fund: | | 28,385,538 | 9,573,000 | 9,660,190 | 18,919,996 | 17,187,596 |
| Transit Fund - ongoing operations | | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 | 1,200,000 |
| Airport Fund- operations | | 657,326 | 657,326 | 657,326 | 657,326 | 657,326 |
| Airport Fund - capital project matching funds | | 32,000 | 32,000 | 32,000 | 32,000 | 32,000 |
| Health Care Assistance Fund - operations | | 650,000 | 650,000 | 650,000 | 1,000,000 | 1,000,000 |
| Total Transfers to Other Funds | | 41,602,284 | 25,965,304 | 24,550,959 | 29,616,840 | 27,886,220 |

Economic Development:

- Grants to Schools and UNMLA
- Housing Rehab and Down Payment Assistance
- Other ED Initiatives, Land Purchases, LEDA, Public Private Partnerships, etc.

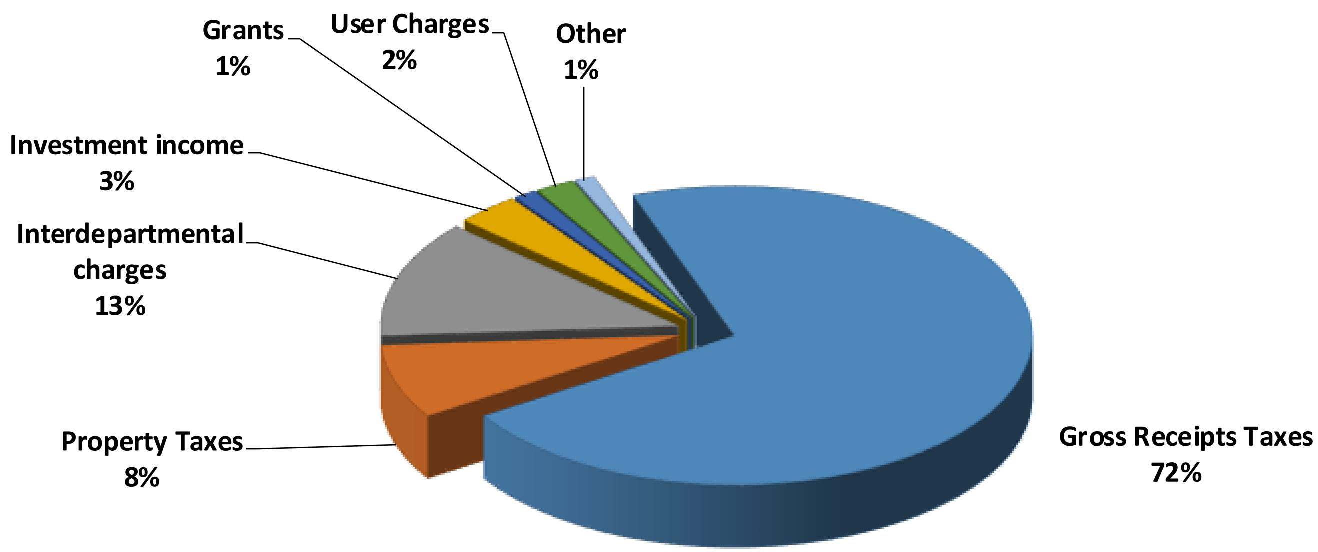
# Tax Sources of Revenue

## PROPERTY TAXES

- Make up 8% of overall budget
- Can be increased by Mil Levy's
- Assessed to Property Taxpayers in the County (Residential & Commercial)

## GROSS RECEIPTS TAXES

- Make up 72% of overall budget
- Can be increased by increment allowed under state statute
- Assessed on all taxable sales in the County, and usually passed on to the consumer




# General Fund Revenues Comparison by Category

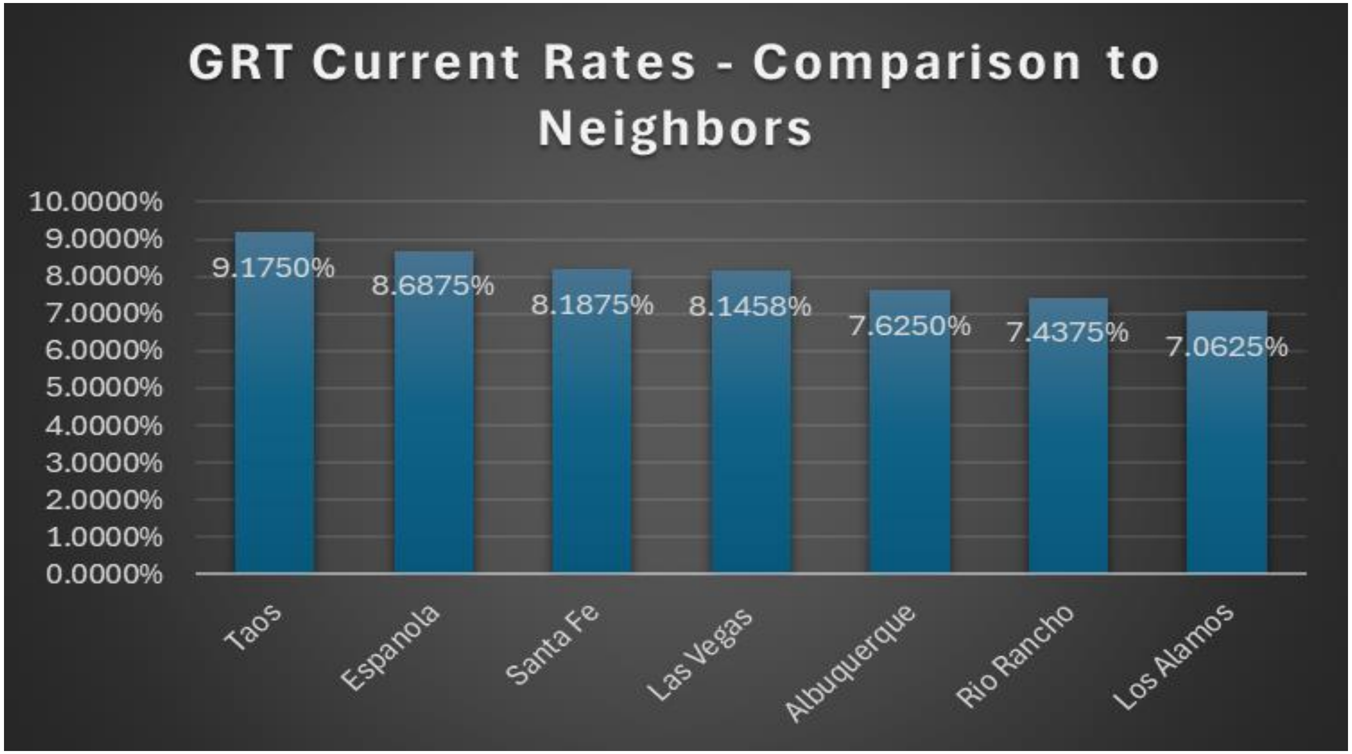
ATTACHMENT C

# GRT Tax Comparisons on Consumer Spending

| Spending | Current (7.0625%) | +1/2¢ (7.5625%) | +9/16¢ (7.6250%) | +5/8th¢ (7.6875%) |
|---|---|---|---|---|
| $ 1.00 | $ 0.07 | $ 0.08 | $ 0.08 | $ 0.08 |
| $ 100.00 | $ 7.06 | $ 7.56 | $ 7.63 | $ 7.69 |
| $ 1,000.00 | $ 70.63 | $ 75.63 | $ 76.25 | $ 76.88 |
| $ 10,000.00 | $ 706.25 | $ 756.25 | $ 762.50 | $ 768.75 |
| $ 100,000.00 | $ 7,062.50 | $ 7,562.50 | $ 7,625.00 | $ 7,687.50 |

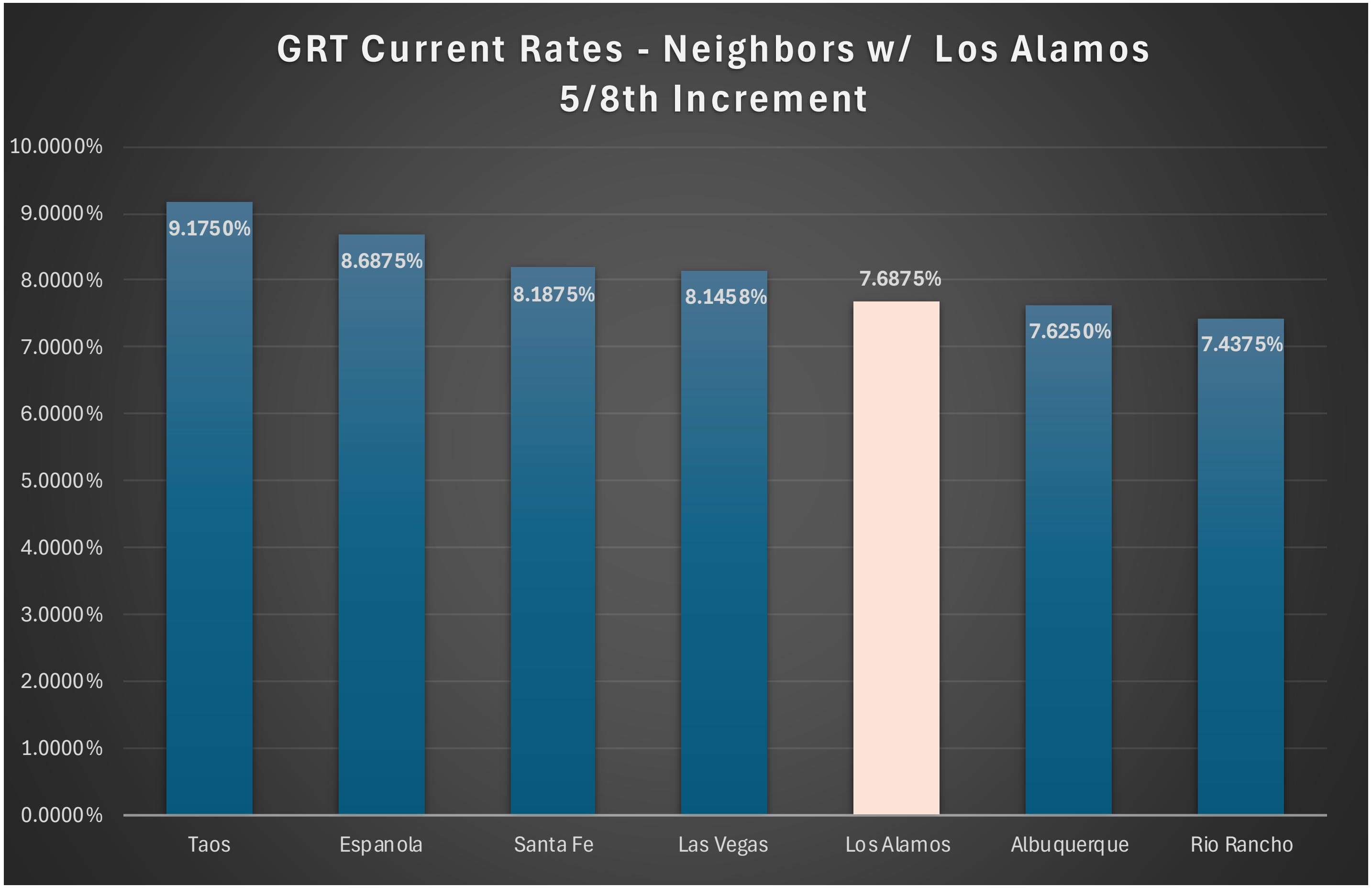
| Spending | Diff (1/2¢) | Diff (9/16¢) | Diff (5/8th¢) |
|---|---|---|---|
| $ 1.00 | $ 0.01 | $ 0.01 | $ 0.01 |
| $ 100.00 | $ 0.50 | $ 0.56 | $ 0.63 |
| $ 1,000.00 | $ 5.00 | $ 5.63 | $ 6.25 |
| $ 10,000.00 | $ 50.00 | $ 56.25 | $ 62.50 |
| $ 100,000.00 | $ 500.00 | $ 562.50 | $ 625.00 |

Gross receipts tax (GRT) is imposed on businesses, but it is common for a business to pass the GRT on to the purchaser.




| Surrounding Area Current | GRT Rates | Statewide Rank (1 Highest 33 Lowest) |
|---|---|---|
| Taos | 9.1750% | 1 |
| Espanola | 8.6875% | 2 |
| Santa Fe | 8.1875% | 11 |
| Las Vegas | 8.1458% | 15 |
| Albuquerque | 7.6250% | 25 |
| Rio Rancho | 7.4375% | 30 |
| Los Alamos | 7.0625% | 32 |

# GRT Tax Comparisons to Neighbors
# 5/8th Increment Scenario



# GRT Existing Enactment vs Remaining Availability up to 5/8th's

## Enacted

| Prior Enactment Table | Fund | Type | Enacted (percentage) | Enacted (fraction) |
|---|---|---|---|---|
| 650 | General | Municipal | 1.25 | 1 1/4 |
| 630 | Env. Svcs | Municipal | 0.0625 | 1/16 |
| 645 | General | Muni – Infrast. | 0.125 | 1/8 |
| 410 | Indigent HCAP | County | 0.125 | 1/8 |
| 410 | General | County | 0.125 | 1/8 |
| 410 | General | County 3rd 1/8th | 0.125 | 1/8 |
| 480 | General | County Correctional | 0.125 | 1/8 |
| 440 | Fire | County Fire | 0.125 | 1/8 |
| 415 | N/A | NCRTD Regional Transit | 0.125 | 1/8 |
| | | | 2.1875 | 2 1/5 |

## Unrestricted

| GRT Increment | Projected Revenue (FY2027 Base) |
|---|---|
| 1/16th | $ 1,792,000.00 |
| 1/8th | $ 3,584,000.00 |
| 1/4cent | $ 7,168,000.00 |
| 1/2cent | $ 14,336,000.00 |
| 9/16cent | $ 16,128,000.00 |
| *5/8cent | $ 17,920,000.00 |

* Note 5/8 would require implementing two Ordinances, one for Municipal (up to 9/16) and one for County (remaining 1/16)

# Upcoming Bond Ordinance and Debt Service Levels for Consideration

## $40MILLION GRT BOND - BROADBAND

- Introduction of Ordinance slated for October after GRT Increment Adopted
- Transfers to Debt Service from General Fund ~ $5m annually
- Can Structure to Scale it down over time higher payments in early years down to lower amounts; or
- Can Structure to remain steady amount over 20yrs

## $35MILLION GRT BOND – OTHER CAPITAL PROJECTS

- Council can approve an Ordinance up to full $75M and issue in Series, or approve separate ordinances when more project ready
- Adds additional transfers to Debt Service from General Fund ~ 2.7M each year
- Total Debt Service if up to $75M of debt issued ~ 10M through FY28 when 2013 Series is paid off

# Upcoming Bond Ordinance Timeline and Upcoming Action

**Introduction of Bond Ordinance**

- October 28th
- If No GRT Adopted, Recommend Further Budget Guidance to Consider Adopting

→

**Public Hearing (If GRT Adopted)**

- November 18th
- Requires Super Majority (75% of Council ~ 6 out of 7)

→

**Planned Bond Sale Mid February**

- Need 2-3 months for preliminary work to issue bonds

# Upcoming Bond Ordinance – Why GRT Increment Matters

## One Increment Decision Needed

- After 9/30 - Builds Preliminary Official Statement (POS)
- Impacts 10/28 Introduction of Bond

## Introduction of Bond Ordinance

- 10/28 Preliminary Official Statement Assumptions
- LRFP Impact

## Public Hearing – Bond Ordinance

- 11/18 - After GRT Ordinance Adopted
- Official Statement As Part of Adoption

## Bond Ratings to Sale

- Increment will Impact Ratings
- Positive Fiscal Outlook Imperative
- Need 2 months to target Mid - February

# Affordable Housing Funding Options – Recommended for Consideration

General Fund Transfer: Council Budgets a Transfer to Affordable Housing Fund

Assigned Fund Balance: Council establishes assigned fund balance per Financial Policy in the Budget

ATTACHMENT C

# Affordable Housing Fund – Recurring Transfers/Budget

- Similar to how we supplement and/or fund Capital Projects, Schools and UNMLA Grants, Regional Fund, and other housing and economic dev. Programs

- Can be recurring or one-time transfers or a combination

- Allows for flexibility given fiscal climate and allows the ability to budget more or less when compared to ending General Fund balance & reserve targets

# Affordable Housing Fund – Financial Policy Assigned Fund Balance

- Sets the specific policy guidance for budget development
- Economic Development Fund (D. Pg 283-284)
- Debt Service (can assign over and above legal requirements, E. Pg 284)
- Continuing Appropriations (what automatically gets re-budgeted, F. Pg 284)
- Capital Projects (reflects Council's intent for Capital, G. Pg 284)
- Emergency Response & Recovery (H. Pg 284)

Proposed Language would be new:

**I. Fund Balance Assigned for Affordable Housing Fund**

**The fund balance Assigned for Affordable Housing is reflected in the Affordable Housing Fund to reflect Council's intent that these funds be spent to meet the objectives of the County's Affordable Housing Plan.**

# Next Steps – GRT Ordinance

Council to provide direction on what increment of GRT to introduce at October 7th meeting

October 28th **Council meeting – GRT Ordinance** Public Hearing

January 2026 – Notification to DFA

July 1, 2026 – GRT increment takes effect

# Summary & Direction Needed

- Minimum of ½ Cent Increment Needed
- Anything above ½ Cent provides more flexibility and future growth, and allows to add transfers to Affordable Housing and/or Capital or other
- Only one choice of direction is requested – not a variety of options to introduce
- If no GRT increment adopted at public hearing, recommend pulling bond ordinance, will need immediate budget guidance on where to reduce expenditures