

Overview

- New GRT
 - Primary drivers
 - Increased labor costs
 - Increased capital costs
 - Projected major decline in GRT revenue in future years
 - Pros
 - Enables accelerated CIP, while minimizing new debt to support CIP
 - Improves County's fiscal position going into new bond issuance – better rating and lower rates
 - Provides additional financial flexibility as potentially large changes occur
 - GRT decline
 - Inflation
 - Costs not yet estimated

Overview

- New GRT
 - Cons
 - Increases tax burden on individuals
 - Increases costs to LANL
 - GRT Comparisons – Los Alamos current rate 7.1875%; proposed 7.5625%
 - Neighbors – current average – 8.14%
 - State-wide – current County seats average – 7.95%. Los Alamos is 30th lowest of 33 County seats. With proposed change, rate would be 25th lowest of 33.
 - Last GRT change was July 2007; CPI has increased ~45% since then and proposed GRT change is ~15%.