

2024 SEVERANCE TRANSPORTATION UTILITY FEE AND UTILITY RATE INCREASES- FYI's

- The Transportation Utility Fee is needed to have a dedicated revenue source to complete the capital maintenance of the Town of Severance roads.
 - This includes mill and overlay and other repairs needed to preserve the long-term integrity of the road.
 - When capital maintenance is not completed, the deterioration of the roads accelerates, and repair costs increase exponentially. If delays continue, it can cost millions of dollars to reconstruct the entire road.
 - The Town roads were professionally evaluated in 2023, a rating was applied (PCI – pavement condition index), and a master plan for capital maintenance was developed for the Town. The Town is currently responsible for 80 centerline miles of road. Over 1,307,437 square yards of asphalt.
 - \$800,000 (does not include inflation) is needed per year to maintain the roads per the plan developed.
 - The Town has been using General Fund Balance (savings) to pay for the capital maintenance of the roads, but it is not financially responsible to use it for an ongoing expense, nor is it sustainable. The Town uses zero-based budgeting.
- General Fund Revenues are comprised of:
 - 37% Property Taxes
 - 31% Sales Taxes
 - 32% Other Revenue Sources
- General Fund Expenses are distributed to:
 - Police Department – The Town's largest department
 - Ordinary Street Maintenance – potholes, street sweeping, snow plowing
 - Parks
 - Community Development
 - Special Events
 - Legislative, Admin, and Finance
- North Weld County Water District processes our water and their rates increased significantly. The Town had to raise the Town rates to cover Severance costs.
- All the fees and rate increases were discussed at the November and December Council meetings, the fall community budget open house, and then were adopted as part of the 2024 Budget. These items are discussed every year before and during budgeting for the upcoming fiscal year.
- Only a small part of your individual property tax bill goes to the Town of Severance. (Town of Severance Mill Levy 12.635)
- Unfortunately, everyone has been experiencing inflation, including the Town, and the increased utility rates are needed to cover costs and provide a reserve for emergencies.