

Ballot Issue 1A:

To Approve a 0.5% Transportation Sales and Use Tax, Elimination of Street Maintenance Fee FAQs / Q&A

Q1. Why is this sales and use tax being requested of the Citizens?

A1. The Town has deteriorating road infrastructure, and with an initial list of \$18 million in road improvements that need to be made, the current revenue stream from the existing Street Maintenance Fee is not sufficient to meet these short term and the long term needs of the road maintenance and improvements.

Q2. What about the Street Maintenance Fee?

A2. If voters approve the sales and use tax, the monthly Street Maintenance Fee charge of \$4.48 will be eliminated immediately by the Council and will no longer be on the utility bill.

Q3. How much revenue does the Street Maintenance Fee generate?

A3. The Street Maintenance Fee generates \$350,000 annually. With improvements to roadways over the short term, estimated at \$18 million, achievement of long-term road condition goals are unattainable.

Q4. How much will the 0.5% sales and use tax generate?

A4. The ballot language states an estimate of \$2.1 million in annual revenues.

Q5. How much is the proposed sales tax?

A5. The proposed sales and use tax is 0.5%. To simplify this, the tax would be 5 cents on a \$10.00 purchase.

Q6. How much money would I have to spend monthly to exceed the existing \$4.48 Street Maintenance Fee?

A6. Households would need to spend \$896.00 monthly in discretionary spending in Town on a monthly basis for the \$4.48 Street Maintenance Fee to equal the proposed sales and use tax amount. If a resident spends less than this per month, they are saving money.

Q7. Why should I support this initiative?

A7. An estimated 65% of all sales tax generation is produced by out of town visitors (not Johnstown residents). It makes sense that visitors to the community should pay a representative share of the impact they have using our Town roadways.

Q8. How much have road construction costs changed?

A8. The Street Maintenance Fee was established in Quarter 1 of 2016. From that time to Quarter 2 of 2019, road construction costs have increased by more than 40% based on information from the Colorado Department of Transportation.

Q9. Is there a list of roadways planned for improvements with this sales and use tax?

A9. Yes, the list of roadways that will be improved are provided [HERE](#). It is important to note the list is not a priority list, but a short list of roadways that need to be addressed.

