

Little Thunder Service District
Assessment Tiers
May 2, 2024

This structured approach allows for targeted investment and maintenance strategies, ensuring that road networks remain functional and safe for all types of vehicles while optimizing the allocation of limited resources.

Implementing a tiered road district tax system based on the six levels of road impact as previously discussed can offer a more equitable and efficient means of funding road maintenance and infrastructure improvements. This approach ensures that those who contribute most to road wear and tear also contribute proportionally to its upkeep. Below is a justification for a road district tax system across six different tiers, reflecting the varying degrees of road impact:

Tier 1: Lowest Impact \$5 month/\$60 year

- Tax Level: Very Low
- Justification: These are empty lots with little to no traffic

Tier 2: Minimal Impact \$35 month/\$420 year

- Tax Level: Low
- Justification: These experience the least wear and require minimal maintenance, reflecting lower associated costs. A lower tax rate for residents primarily using these roads acknowledges the minimal impact on the road infrastructure. This tier encourages the use of light vehicles and supports local traffic with minimal funding requirements for upkeep.

Tier 3: Moderate Impact Residential \$70 month/\$840 year

- Tax Level: Moderately Low
- Justification: Moderate impact handle more traffic and heavier vehicles than minimal impact roads but are not subjected to the same level of strain as commercial or industrial roads. The tax rate for this tier accounts for the need for regular maintenance due to increased usage while remaining sensitive to residential taxpayers. Funds collected would support periodic resurfacing and minor repairs.

Tier 4: Commercial and Industrial \$150 month/\$1,800.00 year

- Tax Level: Moderate
- Justification: Given the higher volume of traffic and the presence of heavier vehicles, these roads incur more significant wear and require more frequent maintenance. The tax rate for commercial and industrial road users is set to reflect these higher maintenance costs. Businesses benefiting from the accessibility and utility of these roads would contribute more significantly to their upkeep, aligning tax contributions with usage intensity and impact.

Tier 5: Major \$275 month/\$3,300 year

- Tax Level: High
- Justification: Major is vital for the broader community and economy, accommodating a high volume of mixed traffic, including heavy trucks. The high level of use and the critical importance of this road impact justify a higher tax rate. Funds support not only regular

maintenance but also major infrastructure projects to enhance capacity and safety, ensuring the efficient movement of people and goods.

Tier 6: Specialized Heavy Impact \$400 month/\$4,800 year

- Tax Level: Very High
- Justification: This is designed to handle the heaviest loads and most significant traffic volumes, requiring the most durable construction and frequent, intensive maintenance. The very high tax rate for users of these roads reflects the substantial costs associated with their construction, maintenance, and repair. This tier targets the heaviest vehicles and industries that rely on these district roads, ensuring that those who benefit most from the infrastructure contribute proportionately to its sustainability.

Implementation Considerations:

****Rates will not undergo a downward reduction for two years. If your lot is placed at a 2, 3, 4, 5, or 6, your rate will not decrease for two years, but it may increase if deemed necessary.**

By justifying tax rates according to the level of road impact, this tiered approach promotes fairness, encourages responsible road use, and ensures a stable funding source for necessary road infrastructure projects and maintenance efforts.

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