

FP 3: Diversified Revenue Base

The County will annually review its revenue sources to maintain a diversified revenue base.

The County is committed to a diverse revenue base. Since all revenue sources have particular characteristics in terms of stability, growth, sensitivity to inflation or business cycle effects, and impact on tax and rate payers -- a diversity of revenue sources can improve government's ability to handle fluctuations in revenues and potentially help to better distribute the cost of providing services.

The County will identify approaches that will be used to improve revenue diversification. In accomplishing this policy, the County will analyze the sensitivity of revenues to changes in rates, the fairness of the tax or fee, administrative aspects of the revenue source, and other relevant issues.

Over time, the County will strive to improve its revenue diversity to the extent feasible. Since the County is statutorily limited as to the types of revenues it may raise, it may consider options to enhance flexibility within the constraints of available revenue sources.