

**MINUTES**  
**BUDGET WORKSHOP MEETING**  
**HIDALGO COUNTY BOARD OF COUNTY COMMISSIONERS**

**APRIL 2, 2013 at 9:00 A. M.**

**BE IT REMEMBERED** that the Hidalgo County Board of County Commissioners met for a budget workshop on April 2, 2013 at the hour of 9:00 A.M. at the Hidalgo County Chambers at 300 Shakespeare Street, Lordsburg, New Mexico, for the purpose of meeting with the County Manager's staff, county department heads and the public regarding the County budget.

The following staff, elected officials, and public were present:

Jose Salazar, County Manager  
Tisha Green, Assistant County Manager  
Melissa K. De La Garza, County Clerk  
Carmen Acosta, Chief Deputy Assessor  
Tyler Massey, County Treasurer  
Priscilla Maxwell, Dispatch Supervisor

Saturnino Madero, County Sheriff  
Richard Gomez, Jail Administrator  
David Whipple, EMS  
Clarence Rudiger, Road Dept.  
Tommy Dimas, Transfer Station

**CALL TO ORDER:** Chairperson Shannon called the meeting to order at 9:00 A.M. and led the Pledge of Allegiance.

**Roll Call:** Chairperson Darr R. Shannon, Present  
Commissioner Richard A. Chaires, Present  
Commissioner Eddy H. Kerr, Present

**APPROVAL OF AGENDA:**

Commissioner Chaires moved to approve the agenda. Commissioner Kerr seconded the motion, motion passed.

**BUDGET WORKSHOP:**

Tisha Green, Assistant County Manager, presented the Board with a power point presentation on past and present budgets.

Hidalgo County continues to make difficult budget decisions as we continue to scale back due to the slow economic recovery, and the uncertainty of Congress; and the PILT program.

Hidalgo County is responsible for the Health, Safety & Welfare of our citizens and provides many essential services important to communities, such as public safety, dispatch, EMS, solid waste, detention and road services.

Historically Hidalgo County has and is very conservative fiscally, and the past and current Board of County Commissioners' are very cautious when enacting taxes, thus understanding the tax burden placed on our citizens, as well as relying on the Department of Interior PILT compensation.

The current tax rate for Hidalgo County is 5.8125% this is inclusive of the state enacted 5.1250% + the .6875% GRT enactments by the county up until June 30, 2013. Some of the increments we can impose are for the entire county, while others are only for the unincorporated areas of the County.

Effective July 1, 2013 Hidalgo County will have enacted a total of .8125 of the eligible GRT rate that consists of the following & the new GRT rate for Hidalgo County effective July 2013 is 5.9375.

## Details:

- .125% County Gross Receipts-1<sup>st</sup> 1/8% for General Fund-Enacted July 1990-countywide
- .125% County Gross Receipts-2<sup>nd</sup> 1/8% for Indigent Care-Enacted July 1990-countywide
- .125% County Gross Receipts-3<sup>rd</sup> 1/8% for G.F. Jail-Enacted July 2005-countywide
- **Pledged revenue for repayment of loan to build detention center**  
.0625% County Gross Receipts-1/16<sup>th</sup> % for G.F Jail-Enacted July 2005 countywide
- **Pledged revenue for repayment of loan to build detention center**  
.0625% County Gross Receipts-1/16<sup>th</sup> % for G.F.-Enacted July 2009 countywide
- **Pledged revenue for repayment of loan to build detention center**  
.0625% County Gross Receipts -1/16<sup>th</sup> % for G.F. Jail-Enacted July 2009 countywide

### Revenue for correction center operations-

- .125% County Environmental services Gross receipts-1<sup>st</sup> 1/8% for general fund. Enacted Jan 1998-**unincorporated** areas of the County
- 0.625% County Infrastructure Gross Receipts-1<sup>st</sup> 1/16<sup>th</sup> % for G.F. Enacted July 2013-**unincorporated** areas of the County
- 0.625% County Infrastructure Gross Receipts-2<sup>nd</sup> 1/16 % for G.F. Enacted July 2013-**unincorporated** areas of the County
- \* .0625% County GRT implementation can generate \$2,693.76 approximately in revenues monthly (\$32,325.12 yearly average)
- \* .125% County GRT implementation can generate \$8,903.33 approximately in revenues monthly (\$106,839.96 yearly average)
- \* PILT was established by public law 94-565 dated October 20, 1976 as amended the law recognizes that the inability of local governments to collect property taxes on federally-owned land creates a financial impact to those governments which provide services and which are placed at a disadvantage through the loss of potential tax base. PILT payments help local governments carry out such vital services as firefighting and police protection, construction of public schools and roads, and search-and-rescue operations. Congress appropriates PILT payments each year. Hidalgo County has the following acres:

**1. BLM ACRES: 747,145**

**2. FS ACRES: 76,589**

**Total: 823,734**

The most recent information received on PILT was on March 5, 2013 in which there will be a 5.1% reduction in the PILT program due to sequestration.

Compensation will be issued in June 2013 & the amount due to our County needs to be determined, due to the formula set by law, that considers acreage, population, prior year revenue payments, and incorporates an inflationary adjustment.

The other PILT known as Title III or SRS Title I which is compensation for County roads has seen a steady decrease in compensation and is currently under consideration by congress to eliminate the Title I program. Hidalgo County received this FY \$49,720.56 that is utilized for maintenance for our County Roads.

The total projection of PILT, SRS, & Geothermal natural resource revenue decrease to our County budget is \$39,927.75:

- \$37,135.80 of PILT
- \$2,535.75 of SRS
- \$256.20 of Geothermal Natural resource

#### **Additional Budget considerations that affect the GF:**

Medical health insurance is going to increase effective July 1, 2013 by 1%.

The State has elected to pay the full Basic Life premium for its employees Counties may elect to do the same.

Employees will have to pay the full premium if they choose to participate in the disability program beginning 7/1/13.

County multi-line and law enforcement contributions will also increase by 2% approximately \$3,600 annually.

Property insurance will also increase in July with the renovations/improvements on the dispatch center and a full fiscal year of detention center insurance, an exact amount has not yet been determined.

Increase Employee PERA contribution amounts by 1.5% & increase in employer contribution rates by 0.4% by FY 15.

We have seen an influx of unemployment claims; & to date we have not received an amount that will need to be budgeted for next fiscal year.

The .0625% County Infrastructure Gross Receipts-1<sup>st</sup> & 2<sup>nd</sup> 1/16<sup>th</sup> % G.F. **Effective July 2013 (unincorporated areas** of the County) & the 6% increase for property tax by the County Assessor is projected to generate approx \$180,000 in revenue.

## Discussion

County Manager Salazar stated that some of the impact would be the results of what Governor Martinez signed or vetoed.

County manager Salazar and Road Department Supervisor Clarence Rudiger advised the Board to be cautious of what roads needed to be maintained or closed the upcoming fiscal year.

Chairperson Shannon stated that cuts needed to be made on all departments and the Clerk's and Treasurer's Office should not stay flat meaning the positions of the past not be budgeted for.

Detention outcome depends on the agreement with Arizona. Notification of the proposal should be this week.

David Whipple discussed how the fire department volunteers are not compensated and the time they give is sometimes hours. Perhaps an incentive on tires or a little compensation is possible. A stipend for the chief would be appreciated due to hours spent on reports.

Tisha Green stated that each department will get an email regarding their budgets so they can be presented by the department heads at the next meeting.

### **ADJOURNMENT**

There being no further business before the Board, Commissioner Chaires moved to adjourn. Commissioner Kerr seconded the motion. Motion carried unanimously. The meeting adjourned at 10:12 A.M.

ATTEST:

HIDALGO COUNTY BOARD  
OF COUNTY COMMISSIONERS

\_\_\_\_\_  
Melissa De La Garza, County Clerk

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Darr R. Shannon, Chairperson

APPROVED:

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Richard A. Chaires, Member

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Eddy H. Kerr, Member