



THE TAOS NEWS

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Financial restraint urged as town sees rising revenues

By Andrew Oxford

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News of higher-than-projected revenues prompted town councilors to ask Tuesday (April 22) whether the municipality could afford to loosen its purse strings to meet growing infrastructure needs. But town staff warned looming budget challenges could deplete growing reserves.

So far this year, gross receipts tax revenue is 4.11 percent above the previous year. That exceeds projections by town staff of a 1.8 increase in gross receipts tax revenue for the year.

At that rate, the town could have as much as \$250,000 in unexpected revenues by fiscal year's end, Councilor Fred Peralta calculated.

Both he and Councilor Andrew Gonzales suggested town staff propose onetime expenditures to which the town's reserves could be applied.

The municipality's 69 facilities require a slew of repairs not covered in the annual budget.

The Taos Youth and Family Center is projected to require \$1 million in repairs, for example.

But that long and growing "to do" list also raised questions of whether the town should reduce the size of its real estate portfolio.

"There is a question of whether we should be owning and operating some of the properties we do," Town Manager Rick Bellis told the council, urging financial restraint.

He cited a looming 19 percent spike in employee medical costs as one example of the government's shifting budgetary obligations.

"We'd like to present a more comprehensive budget picture before we look at those reserves," Bellis said.