

**TOWN OF SILVER CITY GENERAL BUDGET, GROSS RECEIPTS,  
AND THE IMPACT ON THE GENERAL BUDGET  
OF THE HOLD HARMLESS GRT REDUCTION**

**TSC General Budget**

The General Budget is created through:

- Gross Receipts Tax (GRT) Receipts from tax increments the Town has imposed either by ordinance or referendum,
- A portion of the State-share Gross Receipts Tax, and
- The Hold Harmless (former tax on food and medical).

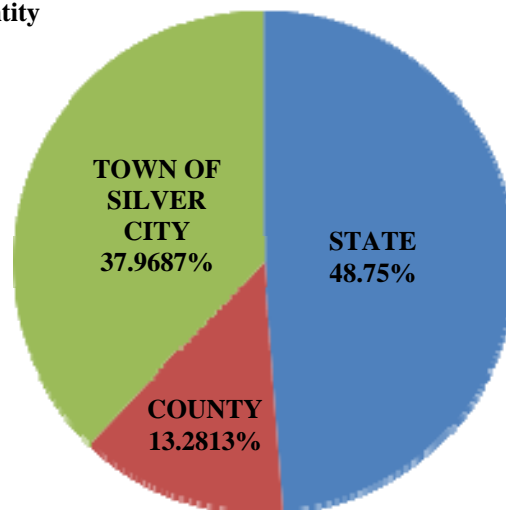
**Table 1. Town of Silver City Local Option Taxes**

TYPE	AMOUNT
Municipal GRT 1 <sup>st</sup> ¼%	0.2500%
Municipal GRT 2 <sup>nd</sup> ¼%	0.2500%
Municipal GRT 3 <sup>rd</sup> ¼%	0.2500%
Municipal GRT 4 <sup>th</sup> ¼%	0.2500%
Municipal GRT 5 <sup>th</sup> ¼%	0.2500%
Municipal GRT 6 <sup>th</sup> ¼%	0.2500%
Municipal Environmental GRT 1/16%	0.0625%
Municipal Infrastructure GRT 1/16%	0.0625%
Municipal Infrastructure GRT 1/16%	0.0625%
Public Safety 1/8%	0.1250%
<b>Town of Silver City Local Option Taxes Total</b>	<b>1.8125%</b>

**Table 2. State-share of GRT/Amount Sent to Town of Silver City**

TYPE	AMOUNT
State-share GRT	5.1250%
Portion of State-share sent to Town of Silver City	1.225%
<b>Total State-share of GRT</b>	<b>3.9000%</b>

**Chart 1. Breakdown of 8.00% GRT Per Entity**



**Table 3. Distribution of 8.00% GRT Paid in Town of Silver City**

TYPE	AMOUNT
State of NM (see table 2)	3.9000%
Town of Silver City (Table 1 total + portion state-share from Table 2)	3.0375%
County	1.0625%
<b>Total GRT in Town of Silver City</b>	<b>8.000%</b>

**Table 4. Total TSC GRT (General Fund) for Fiscal Years 2013-2015, Total Hold Harmless (HH), and Percentage of HH that is part of General Fund**

FISCAL YEAR	TOTAL GRT (GENERAL FUND (GF))	HOLD HARMLESS	% OF HH OF GRT/GF
2013	\$9,430,872	\$1,667,557	17.68%
2014	\$9,050,630	\$1,636,042	18.08%
2015	\$8,981,739	\$1,658,809	18.47%

**Table 5. Town of Silver City General Fund Essential Services/Depts and Non-essential Service/Depts; Effect of Hold Harmless Reduction on Non-Essential Services**

SERVICE/DEPARTMENT	AMOUNT	
	FY 2016 Budget	HH Less Budget**
<b>Essential* Service/Dept</b>		
Fire Department	\$1,691,891	
Police Department	\$2,883,370	
Streets	\$350,597	
<b>Non-essential Service/Dept</b>		
Museum	\$283,958	\$1,370,177.69
Library	\$488,036	\$888,141.25
Parks	\$350,891	\$531,249.80
Rec Center	\$224,024	\$307,225.64
Swimming Pool	\$87,914	\$219,311.68
Facility Maintenance	\$88,531	\$130,780.46
Finance	\$147,675	<b>(-\$16,895.02)</b>
City Shop	\$181,678	
Community Development	\$449,346	
Executive	\$304,423	
Legislative	\$46,500	

\*Critical to Life/Safety

\*\*Based on Average HH Loss of \$1,654,135.96

**Table 6. Hold Harmless (HH) Gross Receipts Tax Increments and Revenue Generated once Imposed**

HH GRT Local Option		HH loss less HH GRT
1 <sup>st</sup> 1/8%	\$325,711	<b>(-\$1,328,424)</b>
2 <sup>nd</sup> 1/8%	\$651,422	<b>(-\$1,002,713)</b>
3 <sup>rd</sup> 1/8%	\$977,133	<b>(-\$677,002)</b>
<b>Total</b>	<b>\$977,133 Best case scenario</b>	<b>(-\$677,002) in cuts to Town depts.</b>

Enterprise funds (Water/Sewer/Waste Water and Sanitation Services) are paid for by user fees generated by customer payments. These funds can be used for no other purpose other than to provide for these services.