

The commissioners and the managers have been carefully reviewing revenues for this budget year. At the managers meeting last week, one of the items reviewed was the county sales tax revenue.

The county sales tax is set at 2 cents on the dollar. One would think the county enjoys the full benefit of that. Sorry to report that is not the case. So a little history lesson this week. The voters of the county approved the sales tax in two separate ballots.

The first 1 cent was approved over 30 years ago and was split with 50% going to the County, 35% going to the City of Monte Vista and 15% going to the Town of Del Norte. So the County receives ½ cent of the first cent of tax.

The second 1 cent was approved about ten years ago, and was once again split with the municipalities. This time, South Fork had incorporated. This split was based on the municipalities receiving back the portion collected within their respective municipalities. Then the County receives the next 30%. If any revenue is left after these distributions, the balance is again split with the Town of South Fork receiving 10%, the City of Monte Vista receiving 4% and the Town of Del Norte 3%.

So to make a long story short, the total that the County receives of the 2 cent county-wide sales tax is 0.8 cents.

In addition, each municipality has a 2 cent sales tax and the Health District has a 0.6 cent tax. With the County having a 2 cent sales tax, the tax rate within the municipalities is 4.6% and in the unincorporated county, the tax rate is 2.6%.

For the calendar year of 2008, \$4,118,049.03 was collected in the county, for the Health District, the county sales tax and the municipal sales tax. The split was as follows:

City of Monte Vista	\$1,523,901.30	37%
Town of Del Norte	506,728.47	12%
Town of South Fork	507,584.58	13%
Rio Grande County	904,603.47	22%
Health District	675,231.21	16%

The good news in reviewing the sales tax revenue is that using the last three year average, the County is still holding in that average. It appears that the economic downturn the country is feeling has not shown up in our county as much and we are hopeful that it will not. We will monitor all County revenues monthly, and if there is any big change, will be taking appropriate steps to reduce spending as well.

At the managers meeting, everyone participated and shared ideas of possible ways to reduce expenses, and hold costs down. The discussion was good and keeping everyone informed as to the “state of the county” is very important. We would like to thank the managers and elected officials who participate in the monthly managers meetings for bringing ideas and sharing concerns to help make Rio Grande County the best in the

Valley. The folks employed in the County are doing a great job of being fiscally responsible and working hard to serve you, our customer. For the commissioners, Robert Hagedorn