

# City of Hobbs FY 2022-2023 Preliminary Budget Discussion

## City of Hobbs FY 2022-2023 Preliminary Budget



# Outline

- I. Preliminary Budget Process
- II. 2022 Comparison vs Prelim. 2023 Budget Revenue
- III. Gross Receipt Tax Projections
- IV. General Fund Expenditures and Overall Fund Expenditures
- V. Salary and Benefits
- VI. Operating Expenditures
- VII. Capital Outlay Expenditures
- VIII. General Fund Transfers
- IX. Reserve Limits
- X. Special Revenue Funds
- XI. Health Insurance Trust Funds
- XII. Enterprise Funds
- XIII. Future Considerations
- XIV. Hobbs Police Department

# I. Timelines

January 31<sup>st</sup> Personnel Budget submitted to Finance Department for compilation

March 31<sup>st</sup> Departmental Budgets submitted to Finance Department for compilation

**May 2nd Work session Preliminary Budget**

**May 16th Preliminary Budget Commission Approval**

June 1<sup>st</sup> Preliminary Budget Submission to NM Dept. of Finance and Administration (DFA)

**Mid- June (Final Changes to FY 2023 Preliminary Budget)**

July 18<sup>th</sup> Commission Final Approval

**July 31<sup>st</sup> Final Budget Submission with carryovers and actual beginning cash balances to DFA**

## II. General Fund Comparisons to Current 2022 vs. Preliminary Budget for 2023 - REVENUE

2022 Projected Gross Receipt Tax -	\$47,652,880.00
2023 Projected Gross Receipt Tax -	<u>\$43,237,200.00</u>
Difference	\$(4,415,680.00)*
% Difference	(9.27%)*
Current monthly projected GRT	\$3,971,073.34
<b>2023 monthly projected GRT</b>	<b>\$3,603,100.00</b>

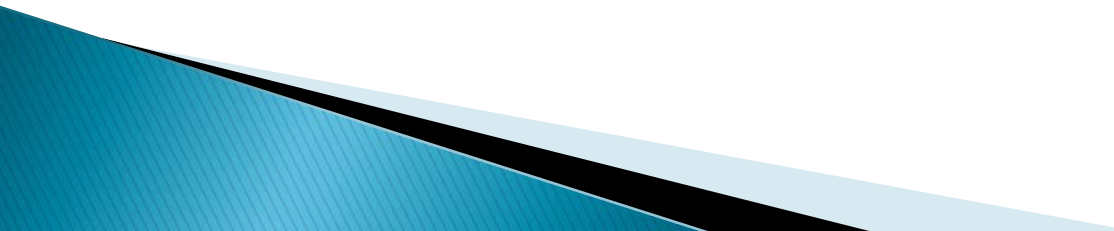
\* Anticipated reductions in construction projects as it relates to CTE and Hospital

## II. General Fund Comparisons to Current 2022 vs. Preliminary Budget for 2023 - REVENUE– (cont'd)

2022 Projected General Fund Revenue -	\$51,434,761.00
2023 Projected General Fund Revenue -	<u>\$51,857,684.00</u>
Difference	\$ 422,923.00
% Difference	.82%
2022 monthly projected revenue	\$4,286,230.08
<b>2023 monthly projected revenue</b>	<b>\$4,321,473.67</b>

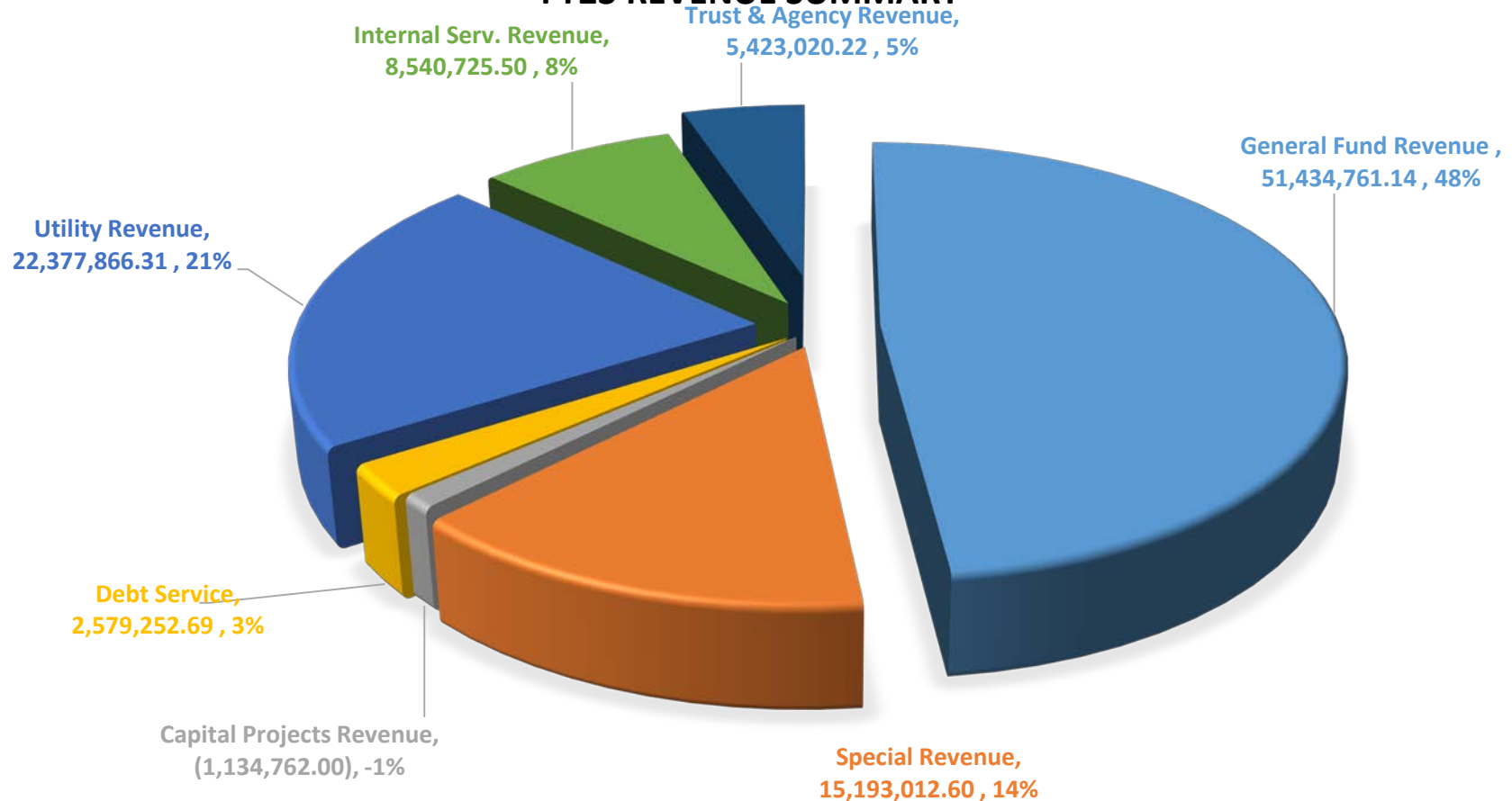
## II. General Fund Comparisons to Current 2022 vs. Preliminary Budget for 2023 - REVENUE

2022 Total Projected Overall Revenue -	\$104,413,876.00
2023 Total Projected Overall Revenue -	<u>\$113,277,585.00</u>
Difference	\$ 8,863,709.00
% Difference	8.49%
2022 monthly projected revenue	\$8,701,156.33
<b>2023 monthly projected revenue</b>	<b>\$9,439,798.75</b>



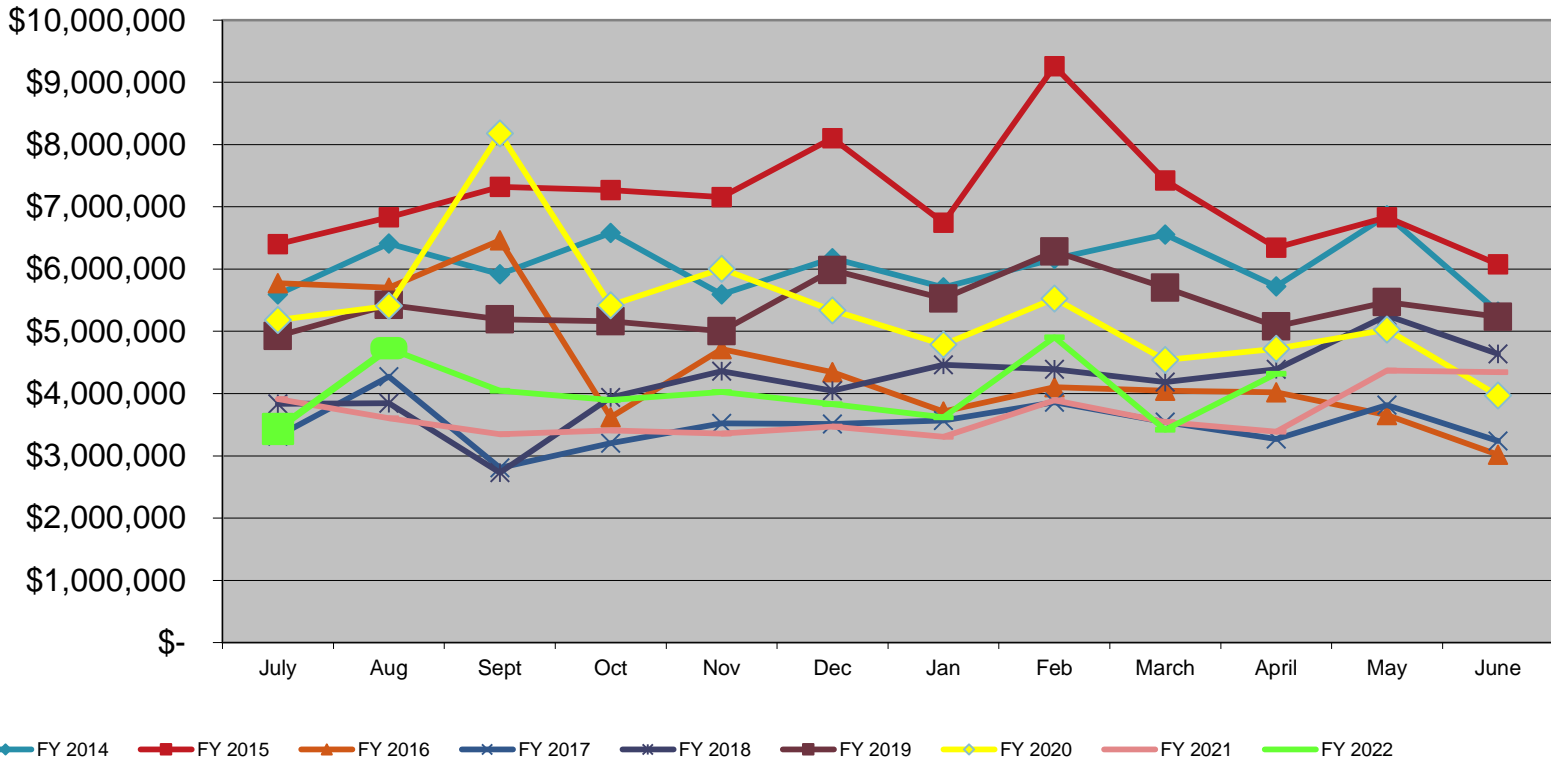
## II. General Fund Comparisons to Current 2022 vs. Preliminary Budget for 2023 – REVENUE – cont'd

### FY23 REVENUE SUMMARY



# III. General Fund Gross Receipt Tax Projections

## 8 Year Trend of Gross Receipts Tax Revenues by Month



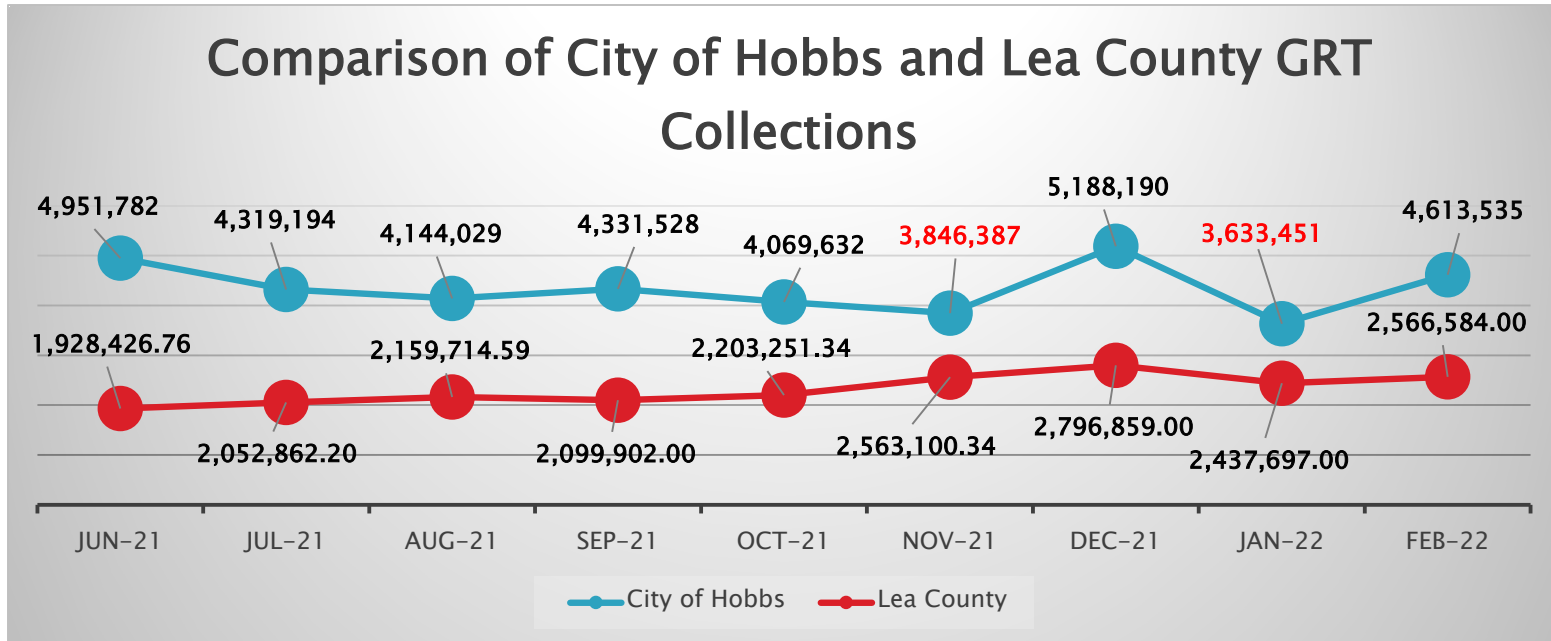


# III. General Fund Gross Receipt Tax Projections (cont'd)

FY 2020	5,180,857	5,408,093	8,179,924	5,417,951	6,003,149	5,335,670	4,787,389	5,526,621	4,539,557	4,717,220	5,030,279	3,970,705	64,097,414
FY 2021	3,913,720	3,605,375	3,347,611	3,408,813	3,357,209	3,469,809	3,303,901	3,890,300	3,542,249	3,386,923	4,370,691	4,344,241	43,940,842
<b>FY 2022</b>	<b>3,433,574</b>	<b>4,725,784</b>	<b>4,045,839</b>	<b>3,898,460</b>	<b>4,026,588</b>	<b>3,829,423</b>	<b>3,621,698</b>	<b>4,906,418</b>	<b>3,418,873</b>	<b>4,319,396</b>			<b>40,226,053</b>
inc/(dec) prior year	-12.27%	31.08%	20.86%	14.36%	19.94%	10.36%	9.62%	26.12%	-3.48%	27.53%			
inc/(dec) prior month	-20.96%	27.34%	-16.81%	-3.78%	3.18%	-5.15%	-5.74%	26.18%	-43.51%	20.85%			
FY 2022													
Revised. Budget	3,713,414	3,713,414	3,713,414	3,713,414	3,713,414	3,713,414	3,713,414	3,713,414	3,713,414	3,713,414	3,713,414	3,713,414	44,560,965
FY 2022													
Actual	(279,840)	1,012,370	332,425	185,047	313,174	116,009	(91,716)	1,193,004	(294,541)	605,982			3,091,915
FY 2022													
<b>Proj. Diff.</b>	<b>(279,840)</b>	<b>1,012,370</b>	<b>332,425</b>	<b>185,047</b>	<b>313,174</b>	<b>116,009</b>	<b>(91,716)</b>	<b>1,193,004</b>	<b>(294,541)</b>	<b>605,982</b>			<b>47,652,880</b>

### III. General Fund Gross Receipt Tax Projections (cont'd)

#### Impacts of HB 6:



January 2022 approximately \$650K in claw backs

November 2021 approximately \$250K in claw backs

December 2021 and February 2022 construction revenue of over 500K related to CTE/Hospital

### III. General Fund Gross Receipt Tax Projections (cont'd)

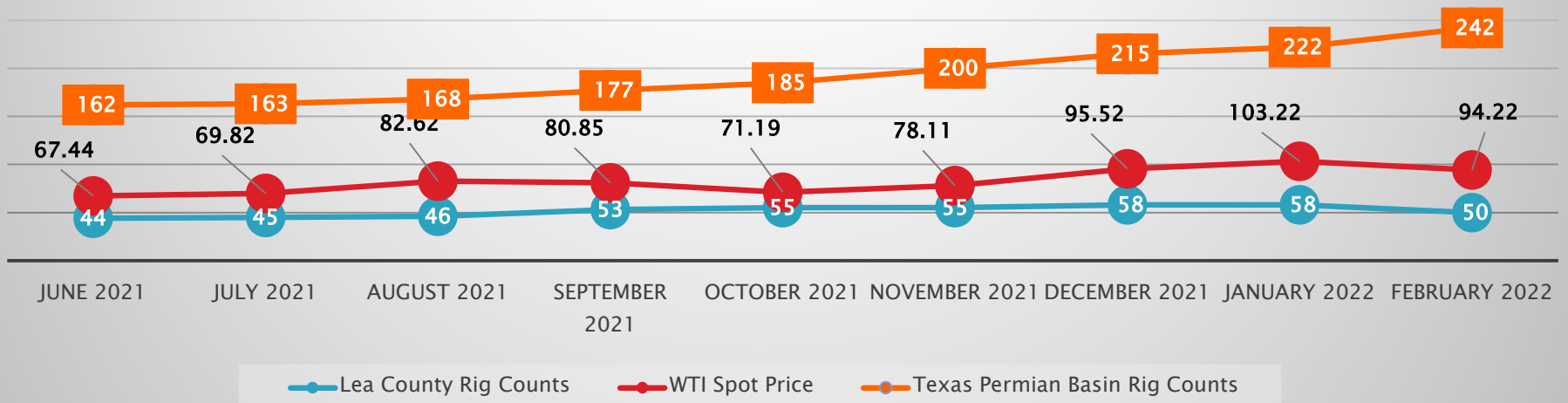
Impacts of HB 6:



# III. General Fund Gross Receipt Tax Projections (cont'd)

## Impacts of HB 6:

### Comparison of Rig Counts for Lea County, Texas Permian Basin and WTI Spot Price of Crude Oil



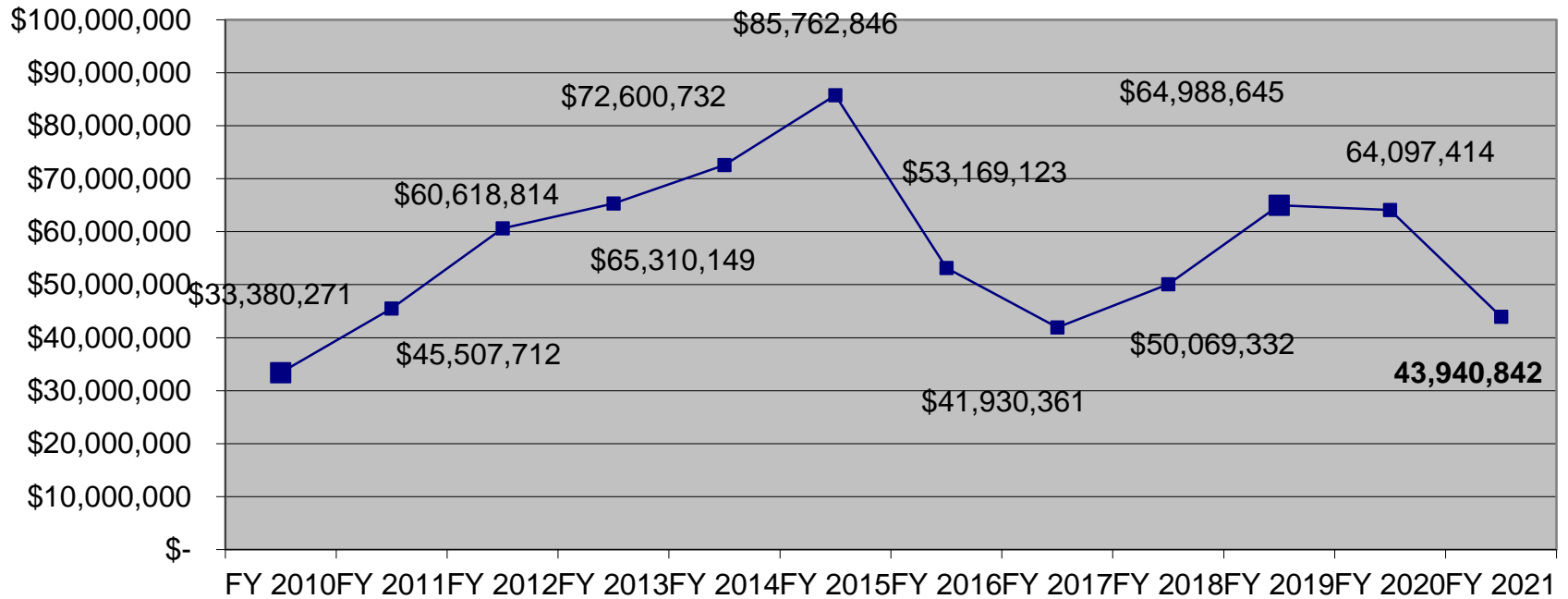
# III. General Fund Gross Receipt Tax Projections (cont'd)

CITY OF HOBBS  
ACTIVITY OF GRT THRU APRIL 2022

TYPE	(MAY 2021 - APR 2022)	
	YEAR TO DATE TOTAL	% OF TOTAL
AGRICULTURE	15,565.32	0.03%
MINING	6,404,822.54	12.71%
CONSTRUCTION	5,613,928.77	11.14%
MANUFACTURING	2,288,570.52	4.54%
TRANS/COMM/UTILITIES	0.00	0.00%
WHOLESALE TRADE	4,359,531.33	8.65%
RETAIL TRADE	13,558,645.87	26.91%
FINANCE/INSUR/REAL ESTATE	0.00	0.00%
SERVICES	0.00	0.00%
UTILITIES	1,517,319.52	3.01%
TRANSPORTATION AND WAREHOUSING	808,239.39	1.60%
INFORMATION AND CULTURAL INDUSTRY	868,921.53	1.72%
FINANCE AND INSURANCE	238,590.22	0.47%
REAL ESTATE AND RENTAL/LEASING	1,579,001.83	3.13%
PROFESSIONAL, SCIENTIFIC AND TECH SVCS	1,615,363.71	3.21%
MANAGEMENT OF COMPANIES	0.00	0.00%
ADMIN AND SUPPORT, WASTE MGT	658,967.91	1.31%
EDUCATIONAL SVCS	20,587.86	0.04%
HEALTH CARE AND SOCIAL ASSISTANCE	2,268,035.73	4.50%
ARTS, ENTERTAINMENT AND RECREATION	165,913.30	0.33%
ACCOMMODATION AND FOOD SERVICES	3,464,430.72	6.88%
OTHER SERVICES	4,555,409.88	9.04%
PUBLIC ADMINISTRATION	0.00	0.00%
UNCLASSIFIED ESTABLISHMENTS	376,881.92	0.75%
	<b>50,378,727.87</b>	<b>100.00%</b>

# III. General Fund Gross Receipt Tax Projections (cont'd)

**12 Year Trend in Gross Receipts Tax Revenues  
(2021 Actual) – GENERAL FUND ONLY**



## IV. General Fund Expenditures and Overall Fund Expenditures

2022 Projected General Fund Expenditures- \$ 68,195,581.66

2023 Projected General Fund Expenditures- \$ 66,944,694.87

Difference \$ (1,250,886.79)

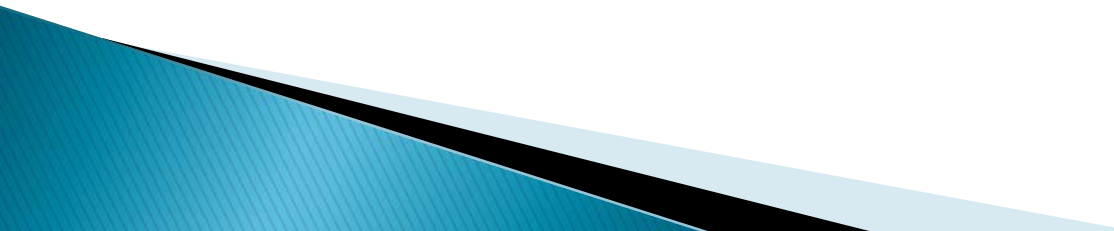
% Difference (1.83%)

2022 monthly projected expenditures \$ 5,682,965.14

**2023 monthly projected expenditures \$ 5,578,724.57**

## IV. General Fund Expenditures and Overall Fund Expenditures – cont'd

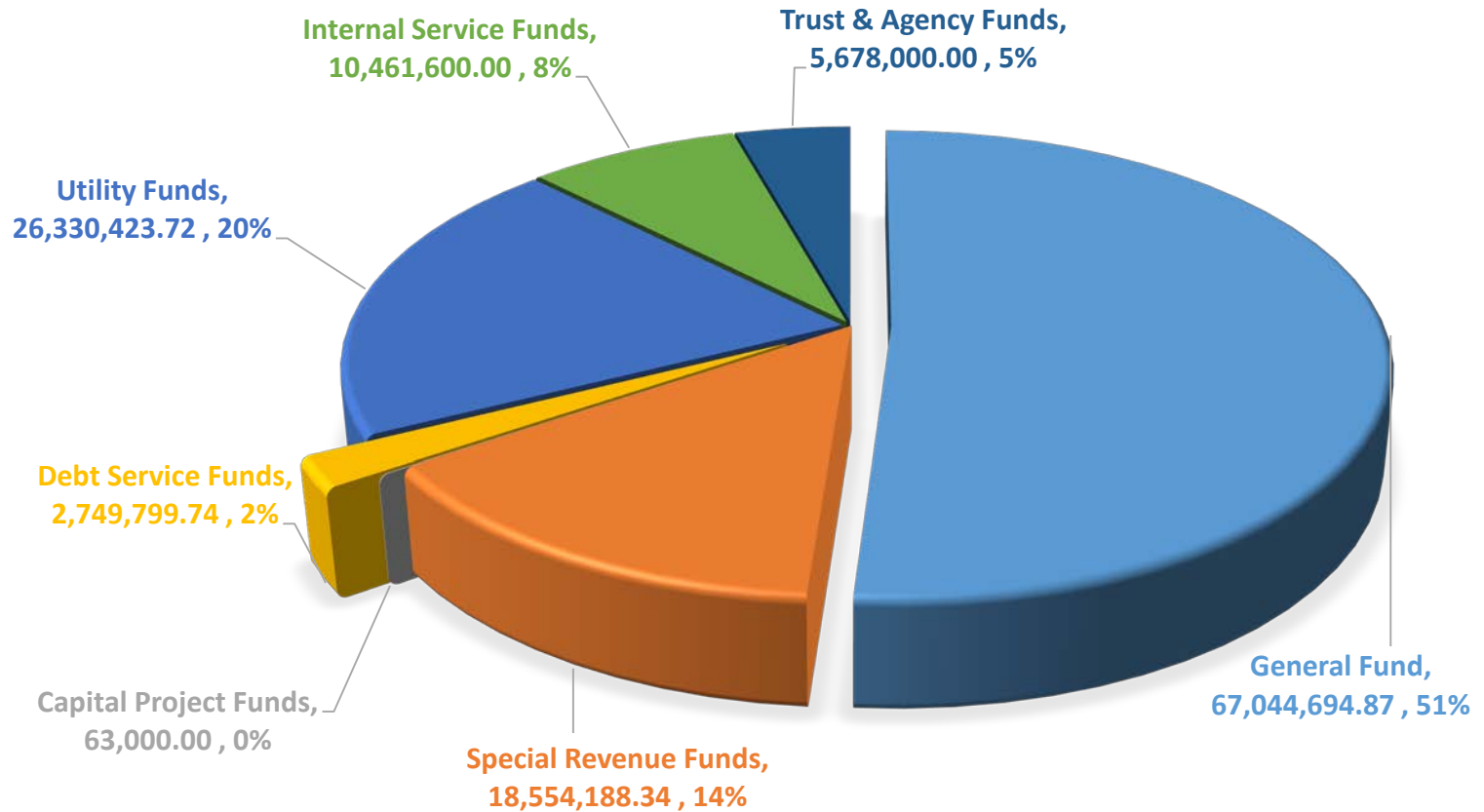
2022 Projected Total Expenditures-	\$125,031,812.52
2023 Projected Total Expenditures -	<u>\$130,881,706.67</u>
Difference	\$ 5,849,894.15
% Difference	4.68%





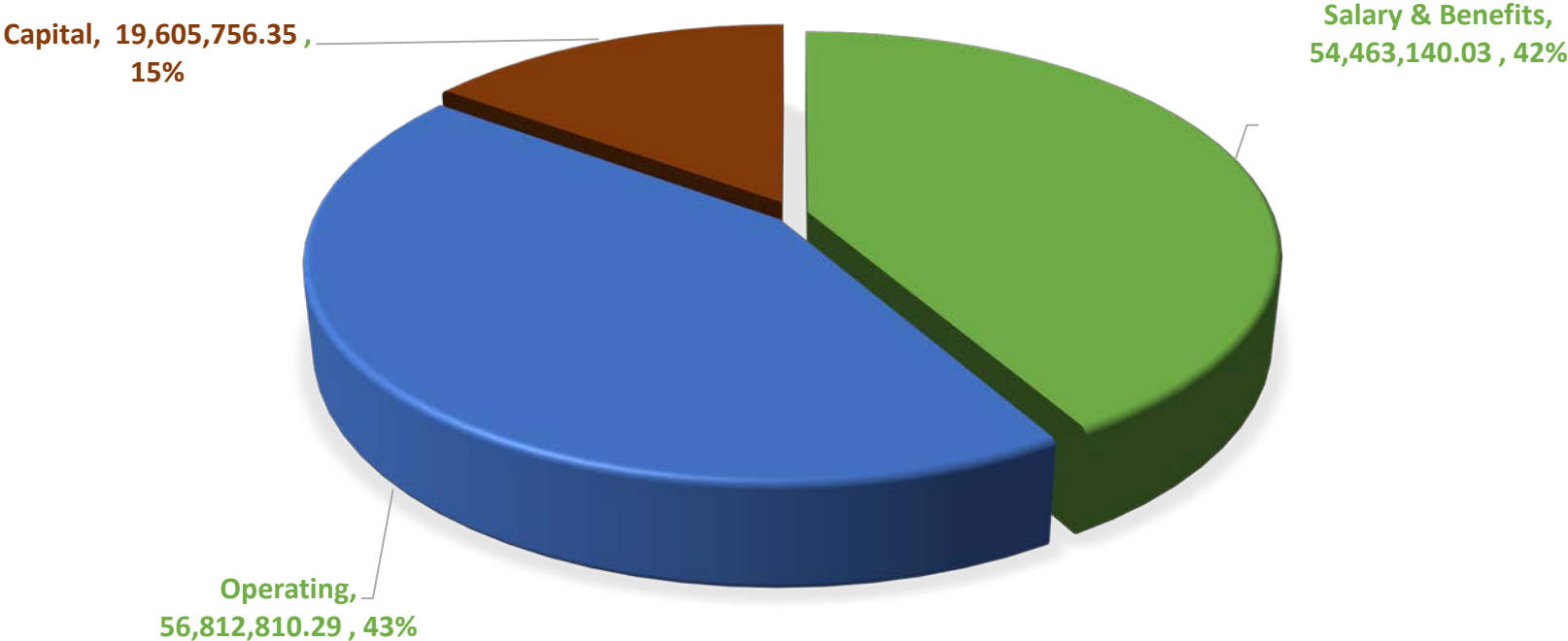
# IV. General Fund Expenditures and Overall Fund Expenditures – cont'd

## FY23 PRELIMINARY BUDGET EXPENDITURE SUMMARY (ALL FUNDS)



# IV. General Fund Expenditures and Overall Fund Expenditures (cont'd)

**FY23 PRELIMINARY BUDGET  
EXPENDITURE SUMMARY (ALL FUNDS)**



## IV. General Fund Expenditures and Overall Fund Expenditures –(cont'd)

	<u>Total</u>	% of <u>Total</u>
Total Budgeted Expenditures	\$130,881,707	<b>100%</b>
Total Budgeted General Fund	\$ 66,944,695	<b>51%</b>
<u>General Fund Breakdown:</u>		
Personnel and Benefits	\$ 43,011,008	<b>64%</b>
Operating	\$ 19,758,812	<b>30%</b>
Capital Outlay	\$ 4,274,874	<b>6%</b>
Transfers (out)	\$ ( 6,571,431)	

## V. Salary and Benefits - ALL FUNDS

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Salary and Ben.	\$54,463,140	\$54,185,901	\$50,447,199
Budgeted FTE Count	570.00	590.00	588.75

### **Assumptions:**

Introduction of pay plan and 3 proposed union Contracts totaling of 2.6 million 27 pay periods in fiscal year 2022

Reduction of 20 budgeted FTE positions from 2022

Medical insurance premiums - projected insurance increase of 15%

Workers Compensation 16% increase

PERA Increase of .50% for Employer

## V. Salary and Benefits

2022 Projected Salary & Benefits- (GF)	\$42,460,984.00
2023 Projected Salary & Benefits-(GF)	<u>\$43,011,008.00</u>
Difference	\$ 550,024.00
% Difference	1.30%
2022 monthly projected salary & ben (GF)	\$3,538,415.33
<b>2023 monthly projected salary &amp; ben (GF)</b>	<b>\$3,584,250.67</b>

# Current Salary & Benefits

1. Annual Salary
2. 80% to 90% Health Insurance Coverage from Single to Family Coverage
3. 100% short term disability
4. Employer PERA contributions of 67% for general, 75% for HPD, 72% for HFD – (PERA requirements cannot exceed 75% max employer contributions and PERA requires a 50% minimum contribution for employer, 1% employee for SB90 scheduled overtime on firefighters)  
PERA Contributions – General – 14.30% Employer 7.15% Employee = 21.45% TOTAL  
HPD – 28.275% Employer 9.675% Employee = 37.95% TOTAL  
HFD – 30.400% Employer 11.700% Employee = 42.10% TOTAL
5. CDL pay - \$6,000 per year
6. PTO accrual 12 hours per month (144 hours per year) to 20 hours per month (240 hours per year)
7. Bilingual Pay = \$1,500 dollars per year
8. On-call pay = 520 hours per year (based on employee hourly amount)
9. Cell Phone Stipend = \$600 dollars per year
10. Annual PTO buyout of hours over 320 and 456
11. Education Incentive – (\$1,000 to \$6,000 dollars – associates thru masters, relevant to position)
12. Longevity Pay – 10 years to past 25 years
13. Retirement Health Care Subsidy (upon retirement, 2% at 20 years, 2.5% at 25 years, 3.0% at 30 years, multiplied per year of service accrual, employees become eligible at 55 years of age and convert to AARP Medicare plan at 65 years of age)
14. Voluntary Leave – Employees can perform paid time at an eligible 501(C)(3) 24 hours annually)
15. Paid Holidays 13 days (104 hours)
16. Bereavement Leave – 5 days per calendar year
17. Military Leave – (120 hours per year general, 183.75 per year HPD, 360 hours per year HFD)
18. Auto Allowance (specific contractual employees)
19. Utilities Certification Pay Policy (Level 1 thru Level 4 @ 5% in annual salary per Level)
20. Retention Pay (specific contractual employees)

## VI. General Fund Operating Expenditures

2022 Projected General Fund Operating - \$19,020,251.00

2023 Projected General Fund Operating - \$19,758,812.00

Difference \$ 738,561.00

% Difference 3.88%

2022 monthly projected operating \$ 1,585,020.92

**2023 monthly projected operating \$ 1,646,567.67**

## VII. Capital Outlay

### General Fund Only:

2022 Projected General Fund Capital      \$ 6,814,347.00

\*2023 Projected General Fund Capital -    \$ 4,274,874.00

Difference      (\$ 2,539,473.00)

% Difference      (37.27%)

\* See pages 24 and 25 of budget book for detailed list of capital items.



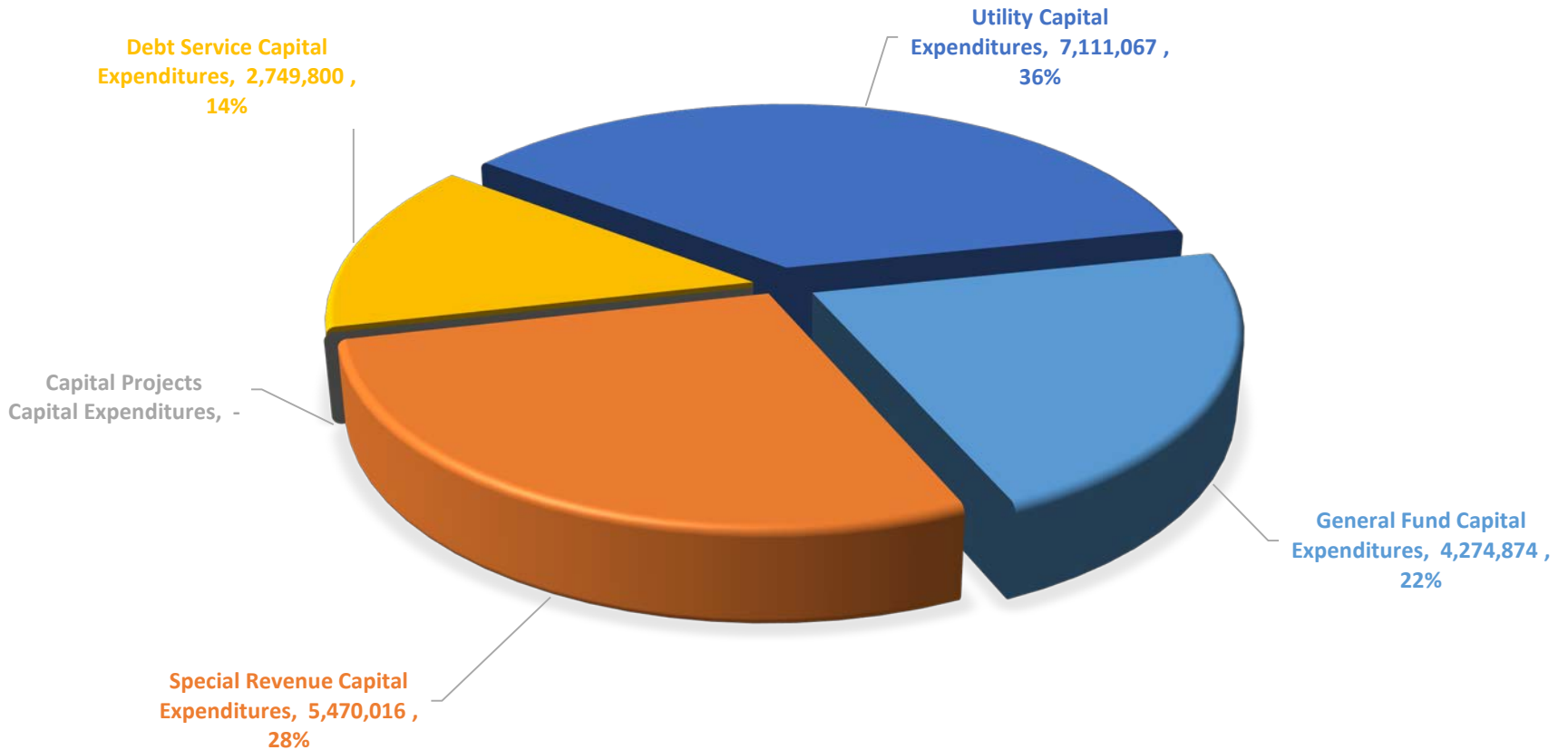


## VII. Capital Outlay – (cont'd)

- ▶ General Fund Capital = \$ 4,274,874
- ▶ Enterprise Capital = \$ 7,111,067
- ▶ Special Revenue = \$ 5,470,016
- ▶ Debt Service = \$ 2,749,800
  
- ▶ TOTAL \$19,605,757
  
- ▶ See budget book for list of capital items

# VII. Capital Outlay – cont'd

## FY23 CAPITAL EXPENDITURE SUMMARY



## VIII. General Fund Transfers

2022 Projected General Fund Transfers	\$ (263,467.60)
2023 Projected General Fund Transfers	<u>\$(6,571,431.42)*</u>
Difference	\$(6,307,963.82)
% Difference	N/A

2023 transfers requires approximately **\$6,571,431.42** of transfer outflows to special revenue funds. The General Fund could have transfer **inflows** from other special revenue funds (subject to approval in fiscal year 2023) and capital funds specific to infrastructure projects in the general fund.

## IX. Reserve Limits

Beg. Budgeted Cash Balance	\$ 44,273,419*
Budgeted Revenue	\$ 58,329,115
Budgeted Transfers	\$( 6,571,431)
Budgeted Expenditures	<u>\$(66,944,695)</u>
<b>End. Budgeted Cash Balance</b>	<b>\$ 29,086,408</b>
<b>Projected Reserve</b>	<b>43%</b>

\*Based on 2022 BAR # 3 estimated cash balance

# IX. Reserve Limits (cont'd)

(Projected final 3 months of Fiscal Year 2022 – April, May, June)

Beg. Actual Cash at 3/31/2022	\$ 73,745,006
Estimated 3 month revenue	\$ 12,000,000
Estimated 3 month transfers	\$( 1,238,608)
Estimated 3 month personnel/benefits	\$( 9,805,202)
Estimated 3 month operating	\$( 4,559,589)
Estimated payments on encumbered capital	<u>\$ (6,918,569)</u>
Projected cash balance at 6/30/2022	\$ 63,223,039

# IX. Reserve Limits (cont'd)

(Projected final 3 months of Fiscal Year 2022 – April, May, June)

Projected cash balance at 6 30 2022	\$ 63,223,039
<b>Capital expenditure carryovers needing to be reassessed prior to final budget</b>	<b><u>\$ (14,659,495)*</u></b>
Allocable Funds at 6 30 2022	\$ 48,563,544
General Fund Budgeted Cash Balance	<u>\$( 44,273,419)</u>
<b>Estimated unencumbered Cash Carryover</b>	<b>\$ 4,290,125</b>

## IX. Reserve Limits (cont'd)

Beg. Budgeted Cash Balance	\$ 44,273,419
Budgeted Revenue	\$ 58,329,115
Budgeted Transfers	\$ (6,571,431)
Budgeted Expenditures	\$(66,944,695)
<b>Estimated Carryover Unencumbered</b>	<b><u>\$ 4,290,125</u></b>
<b>End. Budgeted Cash Balance</b>	<b>\$ 33,376,533</b>
<b>Projected Reserve</b>	<b>50%</b>

# X. Special Revenue Funds – 2023 Preliminary Budget

	<u>Revenue</u>	<u>Expenditures</u>	<u>Transfers from General Fund</u>
C.O.R.E	\$1,740,730	\$4,592,695	\$2,511,784
Older American Fund	\$ 223,100	\$1,153,770	\$ 930,670
Golf	\$ 957,000	\$ 3,467,049	\$2,510,049
Cemetery	\$ 227,850	\$ 846,779	\$ 618,929
Public Transportation	\$1,134,000	\$ 1,032,481	\$ 0



# XI. Health Insurance Trust Funds

	<u>2023</u>	<u>2022</u>
<b>Employee Trust Fund:</b>		
Employer Contributions	\$ 6,530,000	\$5,378,382
Employee Contributions	<u>\$ 1,300,000</u>	<u>\$1,178,810</u>
	\$ 7,830,000	\$6,557,192
<b>Retiree Trust Fund:</b>		
Employer Contributions	\$ 620,000	\$ 547,039
Retiree Contributions	<u>\$ 750,000</u>	<u>\$ 741,931</u>
	\$1,370,000	\$1,288,970
<b>TOTAL</b>	<b><u>\$9,200,000</u></b>	<b><u>\$7,846,162</u></b>

## XII. Enterprise Funds

FTE Count	57
Total Budgeted Expenditures	\$26,330,424
Total Budgeted Revenues	<u>\$25,035,300</u>
Difference before Debt Transfer	<u>\$ (1,295,124)</u>
Transfers In:	
Environmental Tax Debt Service (1/16 <sup>th</sup> )	\$ 1,050,000
Transfers Out:	
Debt Service	<u>\$ (2,437,089)</u>
Difference paid by user rates	<u>\$ 1,387,089</u>

# XII. Enterprise Funds – cont'd

City of Hobbs

Cash flow analysis for Utilities

SOURCE: AUDITED FINANCIAL STATEMENTS

	Cash Basis							6 year
	Estimated	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	Average
March 31, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2016	Average
Cash flows from Operating Activities:								
Receipts from customers and users	11,268,688.44	14,510,523.00	15,064,637.00	13,088,469.00	12,580,593.00	12,905,629.00	11,648,856.00	13,299,784.50
Payments to employees	(3,066,382.95)	(3,869,472.00)	(3,867,448.00)	(4,482,849.00)	(4,484,751.00)	(5,474,349.00)	(4,137,698.00)	(4,386,094.50)
Payments to suppliers	(3,674,458.93)	(4,108,064.00)	(3,545,808.00)	(3,062,262.00)	(1,663,874.00)	(3,928,636.00)	(3,657,735.00)	(3,327,729.83)
<b>Net Cash provided (used) by operating</b>	<b>4,527,846.56</b>	<b>6,532,987.00</b>	<b>7,651,381.00</b>	<b>5,543,358.00</b>	<b>6,431,968.00</b>	<b>3,502,644.00</b>	<b>3,853,423.00</b>	<b>5,585,960.17</b>
Cash flows from non-capital Financing Activities								
Gross receipts and other taxes	911,848.34	1,103,298.00	1,534,072.00	1,656,206.00	1,296,605.00	1,034,592.00	1,300,797.00	1,320,928.33
Miscellaneous revenue	-	5,132.00	55,400.00	7,336.00	20,746.00			22,153.50
Transfers to other funds	-	15,401.00	(267,514.00)	33,397.00	1,898,832.00	2,018,982.00	6,468,376.00	1,694,579.00
<b>Net Cash provided (used) by noncapital</b>								
financing activities	911,848.34	1,123,831.00	1,321,958.00	1,696,939.00	3,216,183.00	3,053,574.00	7,769,173.00	3,037,660.83

# XII. Enterprise Funds – cont'd

## Cash flows from capital and related financing activities

Purchase of capital assets	(1,275,692.05)	(2,273,239.00)	(5,254,118.00)	(11,817,396.00)	(6,607,581.00)	(6,457,394.00)	(10,605,876.00)	(7,169,267.33)
Transfer out of capital assets				(33,397.00)	101,168.00			33,885.50
Proceeds from issuance of debt			2,683,283.00	3,377,215.00	124,307.00		723,040.00	1,726,961.25
Principal payments	(1,962,088.12)	(2,259,912.00)	(1,927,392.00)	(2,126,993.00)	(1,623,590.00)		(1,770,554.00)	(1,941,688.20)
Interest Payments	(435,894.85)	(491,079.00)	(499,358.00)	(479,361.00)	(502,761.00)	(547,832.00)	(607,408.00)	(521,299.83)
Capital Grant Revenue	12,323.56	44,942.00	69,322.00	-	-		1,106,772.00	244,207.20
Net cash provided (used) by capital and related financing activities	(3,661,351.46)	(4,979,288.00)	(4,928,263.00)	(11,079,932.00)	(8,508,457.00)	(7,005,226.00)	(11,154,026.00)	(7,627,201.42)
Cash flows from investing activities								
Investment income	3,120.26	7,538.00	71,863.00	88,908.00	257,252.00	124,036.00	25,123.00	95,786.67
Net cash provided (used) by investing activities	3,120.26	7,538.00	71,863.00	88,908.00	257,252.00	124,036.00	25,123.00	95,786.67
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,781,463.70</b>	<b>2,685,068.00</b>	<b>4,116,939.00</b>	<b>(3,750,727.00)</b>	<b>1,396,946.00</b>	<b>(324,972.00)</b>	<b>493,693.00</b>	<b>1,092,206.25</b>
BALANCES - BEGINNING OF YEAR	21,146,729.00	18,461,661.00	18,461,661.00	22,212,388.00	20,815,442.00	21,140,414.00	20,646,721.00	20,646,721.00
<b>BALANCES - END OF YEAR</b>	<b>22,928,192.70</b>	<b>21,146,729.00</b>	<b>22,578,600.00</b>	<b>18,461,661.00</b>	<b>22,212,388.00</b>	<b>20,815,442.00</b>	<b>21,140,414.00</b>	<b>21,738,927.25</b>

# XIII. Future Considerations

- Conclusion of General Fund:
- This projection is based on a prior overall 9 month economic history for the City of Hobbs. The revenues are based on a reduction due to possible “claw backs” due to HB 6 and construction buildouts of the hospital/CTE. This revenue will need to be reassessed by final budget (July 31, 2022) and again on the first BAR in October of 2022. Existing capital projects in the amount of 14 plus million dollars will need to be reviewed. Currently, as projected, the preliminary 2023 budget personnel/benefit, operating, and capital outlay budget borrows from the existing reserves in the amount of \$17,604,122 annually or \$1,467,010 per month. The City of Hobbs current cash reserves would bridge this gap going forward but expenditures will need to be monitored if gross receipt taxes dips below 42,000,000 annually or 3,500,00 per month. **The projected reserve is 43% of general fund expenditures.** This reserve is always projected higher due to the impact of possible increased long-term volatility of the energy sector plus the unknown impacts (claw backs) of HB6 legislation. **It also should be noted the City of Hobbs has not obligated any general fund future gross receipt taxes to DEBT.**

# Questions:

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# FY 2022-23 Budget Review

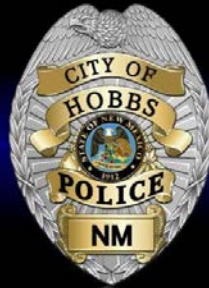


**Hobbs**  
POLICE DEPARTMENT

**August Fons**  
Chief of Police

**Danny Garrett**  
Captain – Patrol Division

**Chad Wright**  
Captain – Criminal Investigations Division



**Jeff Moyers**  
Captain – Agency Support Division

**Shane Blevins**  
Captain – Community Services Division

# FY 2022-23 Budget Review



Hobbs  
POLICE DEPARTMENT

## Department Profile

The Hobbs Police Department is an accredited law enforcement agency located in Lea County New Mexico. Based on 2022 census projections Lea County population is 71,070 and Hobbs NM is 42,057. The Hobbs Police Department operates with a current operating budget of approximately \$22,000,000.00.



# FY 2022-23 Budget Review



Hobbs  
POLICE DEPARTMENT

## Department Profile: Continued ...

The department is currently authorized 106 certified police officer positions (10 positions will be eliminated from FY 2023 (Expiration of COPS Grant) leaving 96 sworn personnel plus 55 support staff which totals 141 employees.

## Current Status:

- Sworn Staff (Certified Police Officers): 96 positions – 24 vacancies
- Civilian Support Staff: 55 positions – 4 vacancies

# FY 2022-23 Budget Review



Hobbs  
POLICE DEPARTMENT

## Crime Trends:

- All across the country, unfortunately, violent crime and property crime is up. Hobbs is not an exception. The reasons are complex and varied but nevertheless, require ongoing, diligent, and committed law enforcement/criminal justice resources and response.

Full staffing is not the only issue but it is an important issue. Equally important are community partnerships and community oriented policing.

- As a recent example, year-do-date reported crimes in Hobbs substantially increased from 778 in March of 2021 to 1,243 in March of 2022. Calls for service increased from 6,398 in March of 2021 to 11,267 in March of 2022.

# FY 2022-23 Budget Review



Hobbs  
POLICE DEPARTMENT

## HPD Purpose Statement

The Hobbs Police Department exists to promote a safe and secure environment for the City of Hobbs through the protection of human life and property while affording dignity and respect to every individual. We are committed to being responsive to and partners with our community in the delivery of exceptionally high quality professional law enforcement service.

# FY 2022-23 Budget Review



Hobbs  
POLICE DEPARTMENT

## Department Organization/Structure

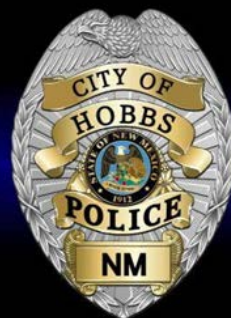
Administration Division

Patrol Operations Division

Criminal Investigations Division

Agency Support Division

Community Services Division



# FY 2022-23 Budget Review



**Hobbs**  
POLICE DEPARTMENT

## Police Administration/Budget Highlights - **Budget Worksheet Page 57:**

- ✓ Resume Community Engagement programs such Citizens Academy, Police Athletic League (PAL), Police and Community Together (PACT), Coffee with Cops, and Neighborhood Watch.

## Police Patrol/Budget Highlights - **Budget Worksheet Page 59:**

- ✓ Extended our current contract w/Utility for one year but reviewing several new systems.
- ✓ Replacing all department handheld radios. Current radios are seven (7) years old and the company (Harris) will no longer support hardware at the end of 2022. They are going to wireless bluetooth technology.

# FY 2022-23 Budget Review



Hobbs  
POLICE DEPARTMENT

## Police Criminal Investigations/Budget Highlights - Budget Worksheet Page 61:

- ✓ New Digital Smart Screen will provide for increased critical incident database storage, much more information sharing capacity for internal briefings and debriefings, allows for large city-wide maps and camera access. Very much a game changer.

## Police Support/Budget Highlights - Budget Worksheet Page 63:

- ✓ The priority is increased recruiting efforts to fill vacancies and a continued emphasis on community relations/engagement.

# FY 2022-23 Budget Review



Hobbs  
POLICE DEPARTMENT

## Police Communications/Budget Highlights - Budget Worksheet Page 65:

- ✓ Continued shared cost for LCCA operations.

## Police Detention/Budget Highlights - Budget Worksheet Page 67:

- ✓ Efforts are continuing for the transition of this facility to a booking/transport facility

# FY 2022-23 Budget Review



Hobbs  
POLICE DEPARTMENT

## Police Eagle IC/Budget Highlights - **Budget Worksheet Page 69:**

- ✓ Priorities include adding an additional IT support staff, replacing 8-year old monitors on video wall, establishing connection with the National Crime Information Center (NCIC) for implementation of License Plate Readers (LPR) and upgrade to biometric reader for all of PD (Card readers are 8-years old).



# FY 2022-23 Budget Review



**Hobbs**  
POLICE DEPARTMENT

## Police Community Service Code Enforcement/Budget Highlights - Budget Worksheet Page 71:

- ✓ Priorities will include continuing emphasis on cleaning up the City of Hobbs, PSA's and personal contact. Addressing individual and business responsibility, addressing condemnations and providing necessary safety equipment and advanced training for assigned personnel.

## Police Community Service Hobbs Animal Adoption Center Budget Highlights - Budget Worksheet Page 73:

- ✓ Priorities will include veterinary services, microchipping, public education, new kennels, safety equipment/PPE, sanitation upgrades and training.

**Note:** Both of these departments were transferred to HPD last year. Much work has been done learning and upgrading the operations in both areas. This has included substantial training, uniforms, equipment, vehicle and facility upgrades. Captain Blevins was given this responsibility and has done an excellent job.

# FY 2022-23 Budget Review



**Hobbs**  
POLICE DEPARTMENT

## **Cost-Cutting Measures [Overall HPD Reduction - \$2.1 million]**

- ✓ **Reduction of personnel.**
- ✓ **Reviewing 3-5 year histories and making reasonable determinations of required budget rather than carrying over the same or increased requests each year.**
- ✓ **Review and implementation of better fleet management practice. For example, we have determined a more effective use of existing vehicles and will not request any new vehicles for FY 22-23.**
- ✓ **Have removed take home vehicle privileges from non-sworn personnel unless on 24-hour call. Have eliminated personal off-duty use for sworn personnel.**

# FY 2022-23 Budget Review



Hobbs  
POLICE DEPARTMENT

## Philosophy and Direction for HPD:

- ✓ I know from many years here that this police department is extremely fortunate to have had and continue to have the high level of community and commission support that it does. We have had and still have unequivocally the best facilities, equipment and training in the state. Although we have outstanding officers and civilian support staff doing incredible work everyday, I'm not sure everyone at HPD completely appreciates that fact.
- ✓ Our priorities/direction include a high level of professionalism, vetted high-quality training, accountability, and strong community policing/engagement.
- ✓ I would like to be fully staffed by the end of year although admittedly, recruiting officers has become difficult for a variety of reasons. I believe a welcoming agency with high standards, expectations and equitable accountability attracts high quality career-minded individuals. We will work toward that end.

# FY 2022-23 Budget Review



Hobbs  
POLICE DEPARTMENT

**END**

