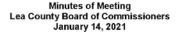


Consideration of Lea County Resolution No. 21-FEB-023R Approving the January 14, 2021

Regular Meeting Minutes



Chair Long called the meeting to order at 9:03 a.m. in the Lea County Courthouse

Commissioners present were, to wit: Vice Chair Dean Jackson, District 1, Chair Rebecca Long, District 2, Commissioner Gary G. Eidson, District 3, Jonathan Sena, District 4, and Commissioner Pat Sims, District 5.

Also present were Lea County Manager Michael P. Gallagher II, and Lea County Attorney John W. Caldwell.

Commissioner Eidson led the Pledge of Allegiance followed by the Invocation by Commissioner Sena.

ITEM 01: ELECTION

 Election of Chair for the Lea County Board of County Commissioners. (John W. Caldwell, County Attorney)

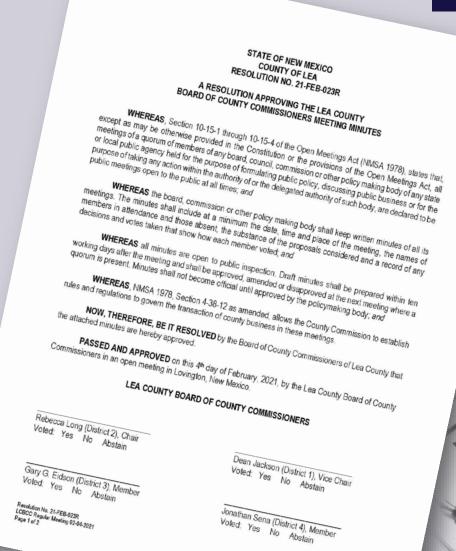
Attorney John Caldwell requested for nominations. Commissioner Long asked if there were any public comments concerning this agenda item. Commissioner Jackson nominated Commissioner Long. The motion was seconded by Commissioner Sena. Secretary polled the Commission. Commissioner Long, yes; Commissioner Jackson, yes; Commissioner Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes. The motion passed.

 Election of Vice Chair for the Lea County Board of County Commissioners. (Newly Elected Chair, Board of County Commissioners)

Chair Long requested for nominations. Chair Long asked if there were any public comments concerning this agenda item. Commissioner Sena nominated Commissioner Jackson. Secretary polled the Commission. Chair Long, yes; Commissioner Jackson, yes; Commissioner Eidson, yes; Commissioner Sena, yes; Commissioner Sims, yes. The motion passed.

ITEM 02: COMMISSION

 Consideration of Lea County Resolution No. 21-JAN-001R Designating the Chair and Vice Chair for the Lea County Board of County Commissioners for 2021









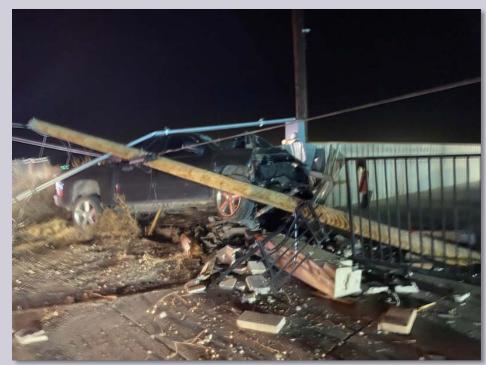
Commissioners and Manager Comments





Commissioner Jonathan Sena – District 4





Consideration of Lea County Resolution No. 21-FEB-024R Approving/Confirming Appointment(s) to the Lea County Airports Advisory Board

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On September 16, 2008, the Lea County Board of County Commissioners approved Amended Resolution No. 08-JUL-035R amending the Lea County Airports Advisory Board.

The Lea County Airports Advisory Board is comprised of five members; one member from each Commission District.

The Lea County Board of County Commissioners review board/committee appointments at their first meeting of the year.

The Lea County Board of County Commissioners approved Lea County Resolution No. 21-JAN-004R on January 14, 2021 Approving/Confirming Appointment(s) to the Lea County Airports Advisory Board.

There is currently a need to fill vacancies to the Lea County Airports Advisory Board.

Lea County Airports Advisory Board:

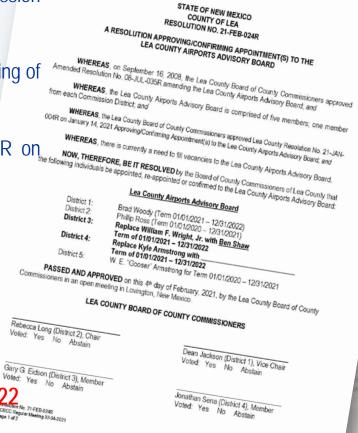
District 1: Brad Woody (Term of 01/01/2021 - 12/31/2022)

District 2: Phillip Ross (Term 01/01/2020 - 12/31/2021)

District 3: Replace William F. Wright, Jr. with Ben Shaw for Term of 01/01/2021 - 12/31/2022

District 4: Replace Kyle Armstrong for Term of 01/01/2021 – 12/31/2022

District 5: W. E. "Gooser" Armstrong (Term 01/01/2020 - 12/31/2021)



Consideration of Lea County Resolution No. 21-FEB-025R Approving/Confirming Appointment(s) to the Lea County DWI Advisory Council



On April 21, 2009, the Lea County Board of County Commissioners approved Resolution No. 09-APR-011R recreating the Lea County DWI Advisory Council.

On October 24, 2019, Lea County Board of County Commissioners approved Resolution No. 19-OCT-251R amending Lea County Resolution No. 09-APR-011R.

On the Lea County DWI Advisory Council is comprised of seven members; one member from each Commission District, and two public safety members that are appointed by the Lea County DWI Council.

The Lea County Board of County Commissioners review board/committee appointments at their first meeting of the year.

The Lea County Board of County Commissioners approved Lea County Resolution No. 21-JAN-005R on January 14, 2021 Approving/Confirming Appointment(s) to the Lea County DWI Advisory Council.

There is currently a need to reappoint or replace member(s) of the Lea County DWI Advisory Council.

Lea County DWI Advisory Council

District 1: Shannon Rice (Term of 01/01/2021 – 12/31/2022)

District 2: Replace Rhonda Tyler for Term of 01/01/2020 – 12/31/2021

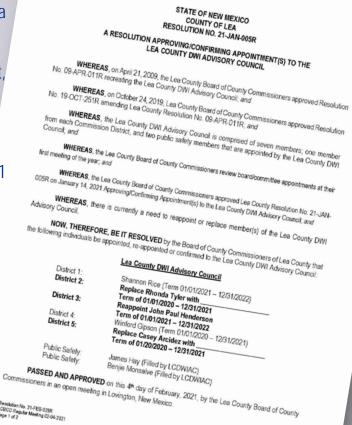
District 3: Reappoint John Paul Henderson for Term 01/01/2021 – 12/31/2022

District 4: Winford Gipson (Term 01/01/2020 – 12/31/2021)

District 5: Replace Casey Arcidez for Term of 01/20/2020 – 12/31/2021

Public Safety: James Hay (Filled by LCDWIAC)

Public Safety: Benjie Monsalve (Filled by LCDWIAC)



Consideration of Lea County Resolution No. 21-FEB-026R Approving/Confirming Appointment(s) to the Lea County Environmental Services Advisory Committee



On January 8, 2002, the Lea County Board of County Commissioners approved Resolution No. 02-JAN-002R creating the Lea County Environmental Services Advisory Committee.

The Lea County Environmental Services Advisory Committee is comprised of ten members; two members from each Commission District.

The Lea County Board of County Commissioners review board/committee appointments at their first meeting of the year.

The Lea County Board of County Commissioners approved Lea County Resolution No. 21-JAN-006R on January 14, 2021 Approving/Confirming Appointment(s) to the Lea County Environmental Services Advisory Committee.

There is currently a need to fill vacancies to the Lea County Environmental Services Advisory Committee.

Lea County Environmental Services Advisory Committee

District 1: David Jiron (Term 01/01/2020 – 12/31/2021)

District 1: Replace Kallie Windsor for Term of 01/01/2021 – 12/31/2022

District 2: LeAnn Whitehead (Term 01/01/2020 – 12/31/2021

District 2: Pamela Beasley (Term 01/01/2021 – 12/31/2022)

District 3: Rick Schapp (Term 01/01/2020 – 12/31/2021)

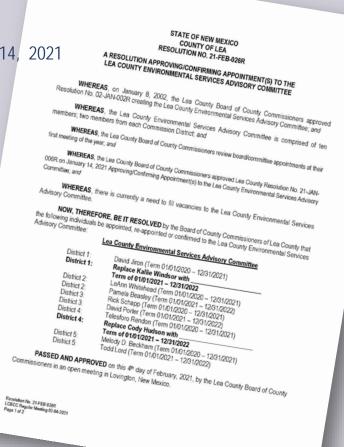
District 3: David Porter (Term of 01/01/2021 – 12/31/2022)

District 4: Telesforo Rendon (Term 01/01/2020 – 12/31/2021)

District 4: Replace Cody Hudson for Term 01/01/2021 – 12/31/2022

District 5: Melody D. Beckham for Term 01/01/2020 – 12/31/2021

District 5: Todd Lord (Term 01/01/2021 – 12/31/2022)



Consideration of Lea County Resolution No. 21-FEB-027R Approving/Confirming Appointment(s) to the Lea County Memorial Committee



On June 8, 2012, the Lea County Board of County Commissioners created the Lea County Memorial Committee.

The Lea County Memorial Committee is comprised of five members; one member from each Commission District.

The Lea County Board of County Commissioners review board/committee appointments at their first meeting of the year.

There is currently a need to appoint, replace or confirm appointments to the Lea County Memorial Committee.

Lea County Memorial Committee:

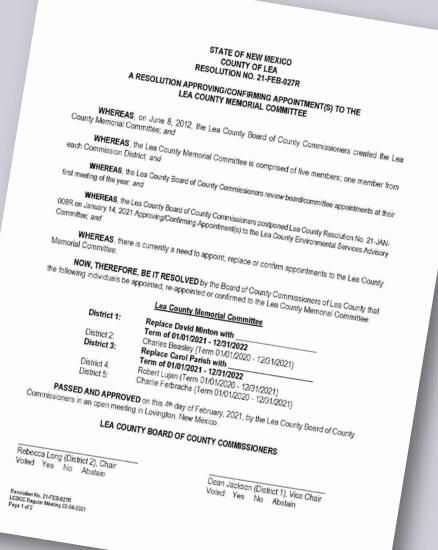
District 1: Replace David Minton for Term 01/01/2021 - 12/31/2022

District 2: Charles Beasley (Term 01/01/2020 - 12/31/2021)

District 3: Replace Carol Parish for Term 01/01/2020 - 12/31/2021

District 4: Robert Lujan (Term 01/01/2020 - 12/31/2021)

District 5: Charlie Ferbrache (Term 01/01/2020 - 12/31/2021)





The Lea County Board of County Commissioners created the Lea County Planning and Zoning Board.

Appointment(s) to the Lea County Planning & Zoning Board

The Lea County Planning and Zoning Board is comprised of seven members; one member from each Commission District, one member from the Hobbs Extraterritorial Zoning Board, one member from the Lovington Extraterritorial Zoning Board and approved by the Lea County Board of County Commissioners.

The Lea County Board of County Commissioners review board/committee appointments at their first meeting of the year.

The Lea County Board of County Commissioners approved Lea County Resolution No. 21-JAN-009R on January 14, 2021 Approving/Confirming Appointment(s) to the Lea County Planning & Zoning Board.

There is currently a need to fill vacancies to the Lea County Planning and Zoning Board.

Lea County Planning & Zoning Board:

District 1: Kay Hardin (Term 01/01/2020 - 12/31/2021)
District 2: Michael Arnold (Term 01/01/2020 - 12/31/2021)
District 3: Jeremy Baker (Term 01/01/2021 - 12/31/2022)

District 4: Reappoint or Replace Dickie Wall for Term 01/01/2021 - 12/31/2022

District 5: Daniel Johncox (Term 01/01/2020 - 12/31/2021)

Hobbs ETZ: LCPZB Needs to Replace Guy Kesner (Appointed by LCPZB)

For Term 01/01/2021 - 12/31/2022

Lovington ETZ: LCPZB Needs to Reappoint or Replace Randy Pettigrew (Appointed by City

of Lovington) For Term 01/01/2021 - 12/31/2022

STATE OF NEW MEXICO COUNTY OF LEA RESOLUTION NO. 21-FEB-028R A RESOLUTION APPROVING/CONFIRMING APPOINTMENT(S) TO THE LEA COUNTY PLANNING & ZONING BOARD WHEREAS, the Lea County Board of County Commissioners created the Lea County Planning and WHEREAS, the Lea County Planning and Zoning Board is comprised of seven members; one form each Commission District one member from the Hobbs Extraterritorial Zonina Roard one WHEREAS, the Lea County Francing and Zoning Board is comprised or seven members; one member from each Commission District, one member from the Hobbs Extraterrilorial Zoning Board, one member from the Hobbs Extraterrilorial Zoning Board, one member from the Lac County Board of County Bo member from each Commission District, one member from the Hobbs Extraterritorial Zoning Board and approved by the Lea County Board of County WHEREAS, the Lea County Board of County Commissioners review board/committee appointments at their first meeting of the year, and WHEREAS, the Lea County Board of County Commissioners approved Lea County Resolution No. 21-VAN-OOSR on January 14, 2021 Approxing/Confirming Appointment(s) to the Lea County Planning & Zoning Board, and WHEREAS, there is currently a need to fill vacancies to the Lea County Planning and Zoning Board. NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Lea County that the Lea County Planning and Zoning the following individuals be appointed, re-appointed or confirmed to the Lea County Planning and Zoning Lea County Planning and Zoning Board Kay Hardin (Term 01/01/2020 - 12/31/2021) District 2: Michael Arnold (Term 01/01/2020 - 12/31/2021) District 3 Jeremy Baker (Term 01/01/2021 - 12/31/2022) Reappoint or Replace Dickie Wall Term of 01/01/2021 - 12/31/2022 Daniel Johncox (Term 01/01/2020 - 12/31/2021) LCPZB Needs to Replace Guy Kesner (Appointed by LCPZB) For term oronzoza - 123 nzozz LCPZB Needs to Reappoint or Replace Randy Petligrew (Appointed by City of Lovington) For Term 01/01/2021 - 12/31/2022 PASSED AND APPROVED on this 4th day of February, 2021, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

Consideration of Lea County Resolution No. 21-FEB-029R Approving/Confirming Appointment(s) to the Lea County Roads Advisory Committee



On July 20, 1989, the Lea County Board of County Commissioners approved Resolution No. 68-89 establishing the Lea County Roads Advisory Committee.

The Lea County Roads Advisory Committee is comprised of ten members; two members from each Commission District.

The Lea County Board of County Commissioners review board/committee appointments at their first meeting of the year.

The Lea County Board of County Commissioners approved Lea County Resolution No. 21-JAN-010R on January 14, 2021 Approving/Confirming Appointment(s) to the Lea County Roads Advisory Committee.

There is currently a need to fill vacancies to the Lea County Roads Advisory Committee.

Lea County Roads Advisory Committee:

District 1: Brad Woody (Term 01/01/2020 - 12/31/2021)

District 1: Replace Randy Pettigrew for Term 01/01/2021 - 12/31/2022

District 2: Leave Vacant (Term 01/01/2020 - 12/31/2021)
District 2: Kyle Johnston (Term 01/01/2021 - 12/31/2022)
District 3: Greg Massey (Term 01/01/2020 - 01/02/2021)

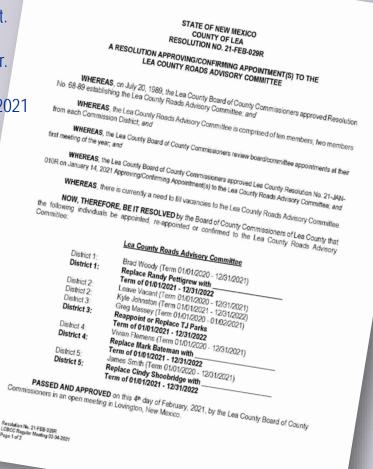
District 3: Reappoint or Replace TJ Parks for Term 01/01/2021 - 12/31/2022

District 4: Vivian Flemens (Term 01/01/2020 - 12/31/2021)

District 4: Replace Mark Bateman for Term 01/01/2021 - 12/31/2022

District 5: James Smith (Term 01/01/2020 - 12/31/2021)

District 5: Replace Cindy Shoobridge for Term 01/01/2021 - 12/31/2022



Consideration of Lea County Resolution No. 21-FEB-030R Approving/Confirming Appointment(s) to the Lovington – Lea County Extraterritorial Zoning Commission



On January 2, 1979, the Lea County Board of County Commissioners entered into an agreement with the City of Lovington establishing the Lovington - Lea County Extraterritorial Zoning Commission.

The Lovington - Lea County Extraterritorial Zoning Commission shall consist of three members appointed by the City of Lovington, three members appointed by the Lea County Board of County Commissioners, and 1 member appointed by the Lovington – Lea County Extraterritorial Zoning Commission.

The Lea County Board of County Commissioners approved Lea County Resolution No. 21-JAN-014R on January 14, 2021 Approving/Confirming Appointment(s) to the Lovington - Lea County Extraterritorial Zoning Commission.

The Lea County Board of County Commissioners review board/committee appointments at their first meeting of the year.

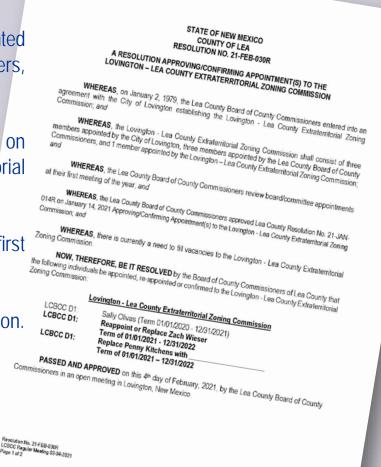
There is currently a need to fill vacancies to the Lovington - Lea County Extraterritorial Zoning Commission.

<u>Lovington – Lea County Extraterritorial Zoning Commission</u>

LCBCC D1: Confirm Sally Olivas (Term 01/01/2020 - 12/31/2021)

LCBCC D1: Reappoint or Replace Zach Wieser for Term 01/01/2021 - 12/31/2022

LCBCC D1: Replace Penny Kitchens for Term 01/01/2021 – 12/31/2022





Consideration of Lea County Resolution No. 21-FEB-031R Supporting State Legislation that Requires Local School Boards to Determine if Public Schools Should Open for On-Campus Instruction During a Time When the State Has Issued a Public Health Emergency Order, Including Such Orders Issued During the Remainder of the 2020 – 2021 School Year or Other School Year If the Coronavirus Disease (COVID 19) Remains at Epidemic Levels in New Mexico; Requiring Each Local School Board to Make the Determination Base On Federal Centers for Disease Control and Prevention

State senators and state representatives have introduced Senate Bill 171 and House Bill 182 that grant expanded autonomy and discretion to local school boards to determine when on-campus, hybrid, and/or virtual instruction is most appropriate to provide instruction to students.

Members that serve on local school boards have been elected to pursue what they determine to be best for the district they govern.

ESOLUTION SUPPORTING STATE LEGISLATION THAT REQUIRES LOCAL SCHOOL DISTRICTS A RESOLUTION SUPPURLING STATE LEGISLATION THAT REQUIRES LOCAL SUMOUL DISTRICTS
TO DETERMINE IF PUBLIC SCHOOLS SHOULD OPEN FOR ON-CAMPUS INSTRUCTION DURING A SUIGITOR OF THE STATE OF THE S O DETERMINE IF PUBLIC SCHOOLS SHOULD OPEN FOR ON-CAMPUS INSTRUCTION DURING A CIME WHEN THE STATE HAS ISSUED A PUBLIC HEALTH EMERGENCY ORDER, INCLUDING SUCH DEMANDED OF THE BOOK SHOULD VEAD DO THER UNDERS ISSUED DUKING THE KEMAINDER OF THE ZUZU-ZUZT SCHOOL YEAR OR OTHER SCHOOL YEAR IF THE CORONAVIRUS DIEASE (COVID-19) REMAINS AT EPIDEMIC LEVELS IN A SCHOOL DOADS TO MAKE THE DETERMINATION SCHOOL YEAR IF THE CORONAVIRUS DIEASE (COVID-19) REMAINS AT EPIDEMIC LEVELS IN NEW MEXICO; REQUIRING EACH LOCAL SCHOOL BOARD TO MAKE THE DETERMINATION OF THE DETERMINATION RECOMMENDATION RECOMMENDATION. NEW MEXICO: REQUIRING EACH LOCAL SCHOOL BOARD TO MAKE THE DETERMINATION BASED ON FEDERAL CENTERS FOR DISEASE CONTROL AND PREVENTION RECOMMENDATIONS WHEREAS, state senators and state representatives have introduced Senate Bill 171 and House WHEREAS, state senators and state representatives have introduced Senate Bill 1/1 and house Bill 182 that grant expanded autonomy and discretion to local school boards to determine when on-campus. But last that grant expanded autonomy and discretion to local school evenue to declaration in the struction is most appropriate to provide instruction to students; and WHEREAS, members that serve on local school boards have been elected to pursue what they determine to be best for the district they govern; and WHEREAS, public schools are in the essential business of taking care of the academic and socio-WHEREAS, without the advantages of on-campus public education, students across the state are WHEREAS, without the advantages of on-campus public education, students across the state are not only losing academic momentum, but are suffering from the fact of structure, socialization and emboding. not only losing academic momentum, but are sutrening from the tack of structure, socialization and emononar support that students receive from school, teachers, and friends during the COVID-19 pandemic; WHEREAS, the pandemic has robbed students of a sense of stability and normalcy, which WHEREAS, even limited access to on-campus instruction, through fewer days on campus or many WITEREAS, even limited access to on-campus instruction, intrough tewer days on campus or many awer students in classrooms, can benefit students by providing that needed sense of stability and normalcy. NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Lea County that it declares its support for Senate Bill 171 and House Bill 182. BE IT FURTHER RESOLVED that the Commission Chair distribute this resolution to school boards, BE IT PURI NEK RESOLVED that the Commission Chair distribute this resolution to school board nembers of the State of New Mexico Senate and House of Representatives, and the Governor's Office PASSED, APPROVED AND ADOPTED on this 4th day of February, 2021, by the Lea County Board

Recommendations





Consideration of Lea County Resolution No. 21-FEB-031R Supporting State Legislation that Requires Local School Boards to Determine if Public Schools Should Open for On-Campus Instruction During a Time When the State Has Issued a Public Health Emergency Order, Including Such Orders Issued During the Remainder of the 2020 – 2021 School Year or Other School Year If the Coronavirus Disease (COVID 19) Remains at Epidemic Levels in New Mexico; Requiring Each Local School Board to Make the Determination Base On Federal Centers for Disease **Control and Prevention Recommendations**

> Public schools are in the essential business of taking care of the academic and socio-emotional needs of students.

> Without the advantages of on-campus public education, students across the state are not only losing academic momentum, but are suffering from the lack of structure, socialization and emotional support that students receive from school, teachers, and friends during the COVID-19 pandemic.

> The pandemic has robbed students of a sense of stability and normalcy, which endangers their entire future.

> Even limited access to on-campus instruction, through fewer days on campus or many fewer students in classrooms, can benefit students by providing that needed sense of stability and normalcy.

Lea County that it declares its support for Senate Bill 171 and House Bill 182.

Consideration of Lea County Resolution No. 21-FEB-032R Supporting the Unborn



The Declaration of Independence, the founding document of the United States of America, states, "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of happiness." Life being the first of these declared rights.

As recently as March 2017, the American College of Pediatricians published an Abstract stating that "The predominance of human biological research confirms that human life begins at conception – fertilization. At fertilization, the human being emerges as a whole, genetically distinct, individuated zygotic living human organism, a member of the species Homo sapiens, needing only the proper environment to grow and develop. The difference between the individual in its adult state and in its zygotic state is one of form, not nature".

STATE OF NEW MEXICO COUNTY OF LEA RESOLUTION NO. 21-FEB-032R

A RESOLUTION IN SUPPORT OF THE UNBORN

WHEREAS, the Declaration of Independence, the founding document of the United States of the states "We hald those trithe to be self-suident that all man are greated acreal that thou are WHENEAS, the Deciaration of Incependence, the rounding document of the United States of America, states, "We hold these truths to be self-evident, that all men are created equal, that they are stated to the self-evident that among those are Life. I shortly and the purposition of the self-evident that among these are Life. I shortly and the purposition of the self-evident that among these are Life. I shortly and the purposition of the self-evident that among these are Life. I shortly and the purposition of the self-evident that all men are created equal, that they are America, states, "We note these trums to be self-evident, that air men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of having the first of those Mondard sinhies and of happiness." Life being the first of these declared rights, and

WHEREAS, as recently as March 2017, the American College of Pediatricians published an Abstract stating that 'The predominance of human biological research confirms that human life begins at constant and fartilization the human hainy emerges as a whole menatically desired. Abstract stating that The predominance of numan biological research confirms that numan the begins at conception — fertilization. At fertilization, the human being emerges as a whole, genetically distinct manufactures of the energies are a whole in the service between contractions only the conception – tertification, At terrification, the numan being emerges as a whole, generically distification individualed zygotic living human organism, a member of the species Homo sapiens, needing only the artification of the individual in its adult state and in its incrividuated zygotic riving numan organism, a member or the species from sapiens, needing only the proper environment to grow and develop. The difference between the individual in its adult state and in its

WHEREAS, each and every innocent human life is unique and precious to God; and WHEREAS, human life begins at the moment of conception and continues, uninterrupted, until the moment of natural death; and WHEREAS, innocent human life must always be protected and preserved, and

WHEREAS, the protection of all human life is important to the people of Lea County; and WHEREAS, the New Mexico Legislature is currently considering legislation to diminish the

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Lea NOW, I MEKEPUKE, BE II MEKEBY KESULVEU by the Board or County Commissioners or Lea County that it declare that innocent human life, including fetal life, must always be protected and that Society must protect those who cannot protect themselves.

BE IT FURTHER RESOLVED by the Board of County Commissioners that it declare its opposition to any diminution by the New Mexico Legislature of the limitations on abortion.

PASSED, APPROVED and ADOPTED on this 4th day of February, 2021, by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.



Each and every innocent human life is unique and precious to God.

Human life begins at the moment of conception and continues, uninterrupted, until the moment of natural death.

Innocent human life must always be protected and preserved.

The protection of all human life is important to the people of Lea County

The New Mexico Legislature is currently considering legislation to diminish the limitations on abortions.

Lea County declares that innocent human life, including fetal life, must always be protected and that Society must protect those who cannot protect themselves.

Lea County declares its opposition to any diminution by the New Mexico Legislature of the limitations on abortion.

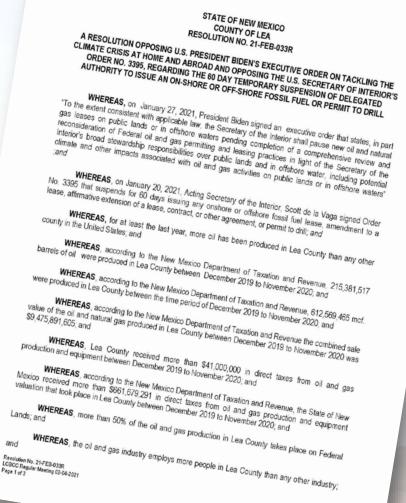




Consideration of Lea County Resolution No. 21-FEB-033R Opposing U.S. President Biden's Executive Order on Tackling the Climate Crisis at Home and Abroad and Opposing the U.S. Secretary of Interior's Order No. 3395, Regarding the 60 Day Temporary Suspension of Delegated Authority to Issue an On-Shore or Off-Shore Fossil Fuel Lease or Permit to Drill

On January 27, 2021, President Biden signed an executive order that states, in part "To the extent consistent with applicable law, the Secretary of the Interior shall pause new oil and natural gas leases on public lands or in offshore waters pending completion of a comprehensive review and reconsideration of Federal oil and gas permitting and leasing practices in light of the Secretary of the Interior's broad stewardship responsibilities over public lands and in offshore water, including potential climate and other impacts associated with oil and gas activities on public lands or in offshore waters".

On January 20, 2021, Acting Secretary of the Interior, Scott de la Vaga signed Order No. 3395 that suspends for 60 days issuing any onshore or offshore fossil fuel lease, amendment to a lease, affirmative extension of a lease, contract, or other agreement, or permit to drill.



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Consideration of Lea County Resolution No. 21-FEB-033R Opposing U.S. President Biden's Executive Order on Tackling the Climate Crisis at Home and Abroad and Opposing the U.S. Secretary of Interior's Order No. 3395, Regarding the 60 Day Temporary Suspension of Delegated Authority to Issue an On-Shore or Off-Shore Fossil Fuel Lease or Permit to Drill

For at least the last year, more oil has been produced in Lea County than any other county in the United States.

According to the New Mexico Department of Taxation and Revenue, 215,381,517 barrels of oil were produced in Lea County between December 2019 to November 2020.

According to the New Mexico Department of Taxation and Revenue, 612,569,465 mcf. were produced in Lea County between the time period of December 2019 to November 2020.

According to the New Mexico Department of Taxation and Revenue the combined sale value of the oil and natural gas produced in Lea County between December 2019 to November 2020 was \$9,475,891,605.

Lea County received more than \$41,000,000 in direct taxes from oil and gas production and equipment between December 2019 to November 2020.

According to the New Mexico Department of Taxation and Revenue, the State of New Mexico received more than \$661,679,291 in direct taxes from oil and gas production and equipment valuation that took place in Lea County between December 2019 to November 2020.

More than 50% of the oil and gas production in Lea County takes place on Federal Lands.

The oil and gas industry employs more people in Lea County than any other industry.

Consideration of Lea County Resolution No. 21-FEB-033R Opposing U.S. President Biden's Executive Order on Tackling the Climate Crisis at Home and Abroad and Opposing the U.S. Secretary of Interior's Order No. 3395, Regarding the 60 Day Temporary Suspension of Delegated Authority to Issue an On-Shore or Off-Shore Fossil Fuel Lease or Permit to Drill



The creation of and the implementation of, any public policy, law and or executive order that are sound and are unbiased, are best created through a comprehensive and inclusive process that includes various stakeholders.

Lea County, as the top producing oil and gas county in the country, is a major stakeholder on any and all executive orders, policies, or laws that are directed at the oil and gas industry.

Lea County was not asked by the Biden Administration or by the United States' Department of Interior to provide input in the formulation of the two Orders mentioned above.

Lea County has much valuable experience with the oil and gas industry and is willing to provide our input and guidance.

The County of Lea, and our respected residents, businesses, hospitals, property owners, school districts, and municipalities will be negatively impacted by any law or executive order that halts or suspends oil and gas extraction on Federal Lands that are within Lea County.

Lea County is OPPOSED to President Biden's Executive Order on Tackling the Climate Crisis at Home and Abroad and Order No. 3395 from the Secretary of the Interior.

The Commission Chair and/or County Manager will engage and invite the Secretary of the Interior and President Biden to Lea County to discuss the oil and gas industry.



Consideration of Lea County Resolution No. 21-FEB-034R Opposing House Bill 4 of the First Session of the 55th Legislature; Urging the New Mexico Legislature to Provide More 20 Resources for Behavioral Health Prevention and Treatment, Since Behavioral Health Issues are the Root Cause of Many Civil Rights Claims Against Local Governments; and Recommending Damage Caps on Any New Civil Rights Cause of Action as Well as Funding for **Any Increased Costs Association With It**

In Laws 2020, 1st Special Session, Chapter 1 (HB 5) and in response to certain high-profile civil rights violations by law enforcement officers in other states, the New Mexico Legislature created the New Mexico Civil Rights Commission (Commission) to develop policy proposals for laws for the creation of a civil right of action for the deprivation, by a public body or a person acting on behalf of or under the authority of a public body, of any right, privilege or immunity secured by the Constitution of New Mexico.

A divided Commission voted 5-4 to recommend that the Legislature create a new State law cause of action for violations of the New Mexico Constitution that:

- Would not include a cap on compensatory damages, which is a break from the longstanding balance struck in the New Mexico Tort Claims Act (NMTCA) between compensating those harmed by government action and the public good; and
- Would mandate the award of litigation expenses and attorney fees for prevailing plaintiffs, which can exceed the damages awarded to plaintiffs and are based upon hourly rates over \$450/hour; and

COUNTY OF LEA RESOLUTION NO. 21-FEB-034R

A RESOLUTION OPPOSING HOUSE BILL 4 OF THE FIRST SESSION OF THE 55TH LEGISLATURE: A RESULUTION OFFICEING HOUSE BILL 4 OF THE FIRST SESSION OF THE SOME LEGISLATURE.

URGING THE NEW MEXICO LEGISLATURE TO PROVIDE MORE RESOURCES FOR BEHAVIORAL

LEGISLATURE OF THE DOOR OF UNGLITH PREVENTION AND TREATMENT, SINCE BEHAVIORAL HEALTH ISSUES ARE THE ROOM. THE REPORT OF THE ROLL OF THE CAUSE OF MANY CIVIL RIGHTS CLAIMS AGAINST LUCAL GOVERNMENTS: AND RECOMMENDING DAMAGE CAPS ON ANY NEW CIVIL RIGHTS CAUSE OF ACTION AS WELL AS FUNDING FOR ANY

WHEREAS, in Laws 2020, 1st Special Session, Chapter 1 (HB 5) and in response to certain high-WHEREAS, in Laws 2020, 1st Special Session, Chapter 1 (Fits 5) and in response to certain night profile civil rights violations by law enforcement officers in other states, the New Mexico Legislature created the Markon Coul Brake Commission (Commission) to deuclar colling interviews for the Markon Coul Brake Commission (Commission) to deuclar colling interviews for laws for the profile civil rights violations by law enforcement officers in other states, the New Mexico Legislature created the New Mexico Civil Rights Commission (Commission) to develop policy proposals for laws for the canadian of a civil right of action for the denovation by a rubbic back or a carson acting on behalf of or the New Mexico Civil Rights Commission (Commission) to develop policy proposals for laws for the creation of a civil right of action for the deprivation, by a public body or a person acting on behalf of or under the authority of a public body of any right, privilege or immunity secured by the Constitution of New creation of a civil right of action for the deprivation, by a public body or a person acting on benair or or under the authority of a public body, of any right, privilege or immunity secured by the Constitution of New

WHEREAS, a divided Commission voted 5-4 to recommend that the Legislature create a new At law cause of action for violations of the New Mexico Constitution that:

- Would not include a cap on compensatory damages, which is a break from the long-standing
- would not include a cap on compensatory damages, which is a break from the long-standing balance struck in the New Mexico Tort Claims Act (NMTCA) between compensating those harmed Would mandate the award of litigation expenses and attorney fees for prevailing plaintifts, which

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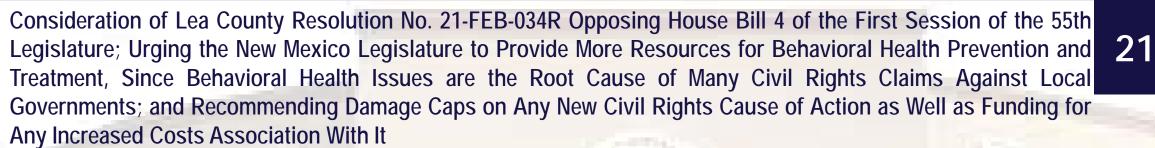
WHEREAS, the Commission's recommended legislation was largely introduced into the First FITTERCAS, the Commission's recommended registration was largely infocused in the 55th Legislature of the State of New Mexico as House Bill 4 (HB 4), and

WHEREAS, a new cause of action is unnecessary to address New Mexico constitutional WHEREAS, a new cause of action is unnecessary to address New Mexico constitutional deprivations by law enforcement officers (including detention officers at county jais), since the NMTCA almost a waives sourceion imminibility such claims and qualified immunity is not a defence to such claims. deprivations by taw enforcement officers (including detention officers at county jails), since the NMTCA afready waives sovereign immunity for such claims and qualified immunity is not a defense to such claims.

WHEREAS, the NMTCA allows plaintiffs to recover damage awards up to \$1,050,000 and does not allow for the recovery of intigation expenses and attorney fees, and

WHEREAS, the NMTCA balances compensating those damaged by government action and the WHEREAS, the NMTCA balances compensating those damaged by government action and the public good since insurance premiums and uninsured claim costs take money that would otherwise be available for essential government services: and





The Commission's recommended legislation was largely introduced into the First Session of the 55th Legislature of the State of New Mexico as House Bill 4 (HB 4).

A new cause of action is unnecessary to address New Mexico constitutional deprivations by law enforcement officers (including detention officers at county jails), since the NMTCA already waives sovereign immunity for such claims and qualified immunity is not a defense to such claims (NMSA 1978, § 41-4-12).

The NMTCA allows plaintiffs to recover damage awards up to \$1,050,000 and does not allow for the recovery of litigation expenses and attorney fees.

The NMTCA balances compensating those damaged by government action and the public good, since insurance premiums and uninsured claim costs take money that would otherwise be available for essential government services.

Research by New Mexico Counties presented to the Commission demonstrated that New Mexico – one of the poorest states in the Union - already allows for some of the highest damage awards in the Country for State law claims against law enforcement officers.

Eliminating caps and mandating the award of litigation expenses and attorney fees will increase the costs of claims and will likely encourage more claims to be filed.





Consideration of Lea County Resolution No. 21-FEB-034R Opposing House Bill 4 of the First Session of the 55th Legislature; Urging the New Mexico Legislature to Provide More Resources for Behavioral Health Prevention and Treatment, Since Behavioral Health Issues are the Root Cause of Many Civil Rights Claims Against Local Governments; and Recommending Damage Caps on Any New Civil Rights Cause of Action as Well as Funding for Any Increased Costs Association With It

New Mexico Counties and other governmental entities also demonstrated that a new cause of action would cause reinsurance and other insurance coverage to no longer be available to the New Mexico County Insurance Authority and/or local governments at all or at reasonable rates.

The unavailability of reasonably-priced insurance will cause local governments to self-insure significant risk, which will divert scarce resources from the very services that proponents of the new cause of action are trying to improve to individual claimants and their attorneys.

The new cause of action carries the risk of unintended, negative consequences, including the elimination of services or the privatization of services.

Uninsured judgments that cannot be satisfied through existing resources will be paid by our citizens, through property taxes levied to meet the judgment (N.M. Const., art. 8, Section 7; NMSA 1978, §.7-37-7(C)(3)).

Many challenges faced by local law enforcement and county jails stem from co-occurring substance abuse and mental health disorders in the population with which they interact.





Consideration of Lea County Resolution No. 21-FEB-034R Opposing House Bill 4 of the First Session of the 55th Legislature; Urging the New Mexico Legislature to Provide More Resources for Behavioral Health Prevention and 23 Treatment, Since Behavioral Health Issues are the Root Cause of Many Civil Rights Claims Against Local Governments; and Recommending Damage Caps on Any New Civil Rights Cause of Action as Well as Funding for Any Increased Costs Association With It

Instead of diverting resources to individual claims, the Legislature should be providing more resources to serve this population, which would minimize their interactions with police officers and keep them out of county jails.

Information presented to the Commission demonstrated that the New Mexico Law Enforcement Academy needs additional resources to better train law enforcement officers and timely discharge its goal of investigating law enforcement officers accused of misconduct.

Timely removing the certification of so-called "bad cops" would more effectively and quickly meet the goal of improving law enforcement by avoiding the recycling of such cops among law enforcement departments.

The new cause of action goes far beyond addressing police misconduct and would apply to any public body, defined as a "state or local" government, an advisory board, a commission, an agency or an entity created by the constitution of New Mexico or any branch of government that receives public funding, including political subdivisions, special tax districts, school districts and institutions of higher education" or person acting on its behalf.

Such a broadly drawn cause of action could have far reaching ramifications in other areas not duly considered by the Commission, including actions by former students against school districts for failing to provide an adequate education as required by Article XII, Section 1.

Consideration of Lea County Resolution No. 21-FEB-034R Opposing House Bill 4 of the First Session of the 55th Legislature; Urging the New Mexico Legislature to Provide More Resources for Behavioral Health Prevention and 24 Treatment, Since Behavioral Health Issues are the Root Cause of Many Civil Rights Claims Against Local Governments; and Recommending Damage Caps on Any New Civil Rights Cause of Action as Well as Funding for Any Increased Costs Association With It



Lea County opposes HB 4 in its current form, since it is:

- unnecessary for victims of State constitutional violations by law enforcement officers (including detention officers) to be compensated for violations of their New Mexico Constitutional rights;
- will not address at all the root cause of many claims against local governments: the lack of State resources to treat substance abuse and mental health disorders in non-penal settings;
- will further harden the public liability insurance market, requiring local governments to self-insure more risk and creating the real possibility that property taxes will need to be imposed to meet uninsured judgments;
- will likely be ineffective at driving reform or otherwise improving law enforcement or other services, since it will divert resources from law enforcement and detention officer recruitment, retention, and training and other critical services to claims; and
- may have unintended, negative consequences, such as eliminating services in areas of high risk, the privatization of services to offload risk to private companies, or reduction of resources to educate students.



Consideration of Lea County Resolution No. 21-FEB-034R Opposing House Bill 4 of the First Session of the 55th Legislature; Urging the New Mexico Legislature to Provide More Resources for Behavioral Health Prevention and 25 Treatment, Since Behavioral Health Issues are the Root Cause of Many Civil Rights Claims Against Local Governments; and Recommending Damage Caps on Any New Civil Rights Cause of Action as Well as Funding for Any Increased Costs Association With It

If a new State law cause of action for the deprivation of New Mexico Constitutional rights is to be enacted, Lea County urges the Legislature to:

- enact caps on compensatory damages comparable to those in the NMTCA; and
- not allow the award of litigation expenses and attorney fees to prevailing plaintiffs, which will increase the costs of all claims and will likely encourage more claims to be filed, including those with minimal damages.

Lea County urges the Legislature to enact a Statewide gross receipts tax dedicated to:

- behavioral health prevention and treatment, to address the root cause of many law enforcement claims against local governments;
- revamping and improving the operations of the New Mexico Law Enforcement Academy; and
- should a new civil cause of action for the deprivation of New Mexico Constitutional rights be enacted, the reimbursement of local governments of uninsured settlements and judgments and the increased costs of obtaining insurance and other coverage.

Commission Chair to distribute this resolution to the New Mexico Counties, members of the State of New Mexico Senate and House of Representatives, and the Governor's Office.

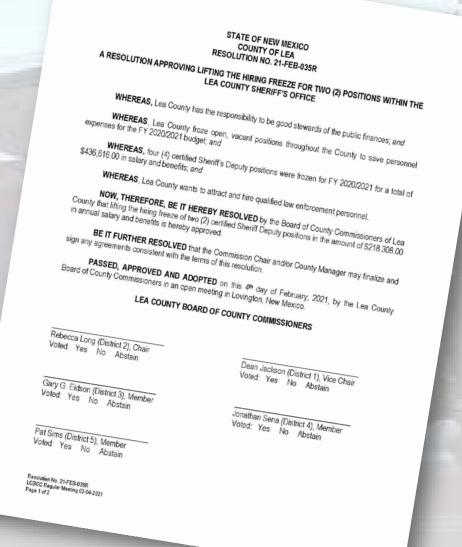




Lea County froze open, vacant positions throughout the County to save personnel expenses for the FY 2020/2021 budget.

Four (4) certified Sheriff's Deputy positions were frozen for FY 2020/2021 for a total of \$436,616.00 in salary and benefits.

Lea County Sheriff is requesting that Lea County lift the hiring freeze of two (2) certified Sheriff Deputy positions in the amount of \$218,308.00 in annual salary and benefits.



Consideration of Lea County Resolution No. 21-FEB-036R Approving the Implementation of a Longevity Incentive Plan for Lea County Employees

Begin – July 1, 2021 Incentive paid on work anniversary of eligible employees

\$20/month for each month of service

\$3840 cap after 16 years

Eligibility – all full-time County employees, except elected officials, contract employees, and probationary employees



Average years of service	<u>Payment</u>
All County – 7.9 years	\$1896
Detention – 9.7 years	\$2328
Sheriff's Office – 6.5 years	\$1560
LCCA – 8.4 years	\$2016
Road - 8.0 years	\$1920



	Expected	Full
<u>Year</u>	<u>Total</u>	<u>Total</u>
FY 22	621,580	630,622
FY 23	627,796	710,418
FY 24	634,074	788,665
FY 25	640,414	863,555
FY 26	646,819	937,153
FY 27	653,287	1,008,944
FY 28	659,820	1,078,668
FY 29	666,418	1,143,745
FY 30	673,082	1,204,690
FY 31	679,813	1,262,019

Expected – current payroll with turnover Full – full employment with no turnover

Plan for Lea County Employees

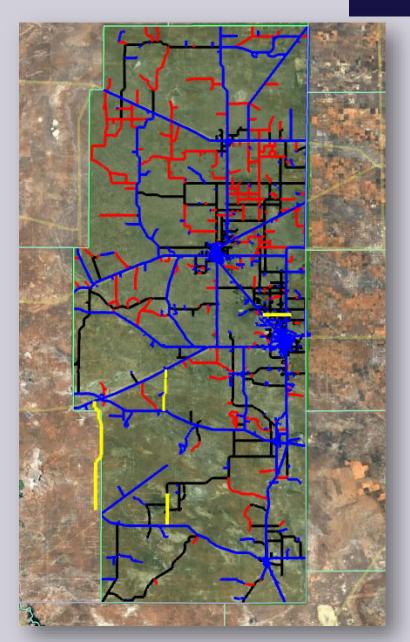
Consideration of Lea County Resolution No. 21-FEB-037R Approving the 2021 Annual Certified County Maintained Mileage Report



Lea County, pursuant to NMSA 1978, Section 66-6-23 (1999), which states, the Board of County Commissioners of each county shall certify and submit and Annual Certified County Maintained Mileage report to the Secretary of the Department of Transportation, on or before April 1st of each year.

Lea County has checked and certified that there are 1,216.3 miles of County Maintained Roadways in Lea County.

This is no change from previous year.

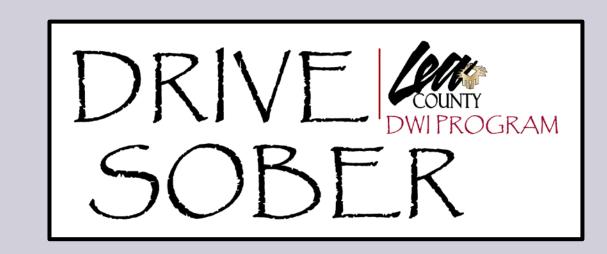






FY22 LDWI Distribution Budget and Grant Application

- LDWI Distribution \$622,222
 - Allocation Cover Sheet
 - LDWI Assurances and Cooperative Agreement
 - LDWI Statement of Assurances
 - LDWI MOU
- LDWI Grant Application \$220,000
 - Application Cover Sheet



Consideration of Lea County Resolution No. 21-FEB-039R Approving the Publication of Notice of Hearing to Adopt Amendments to Lea County Personnel Ordinance, Number 89



LEA COUNTY, NEW MEXICO

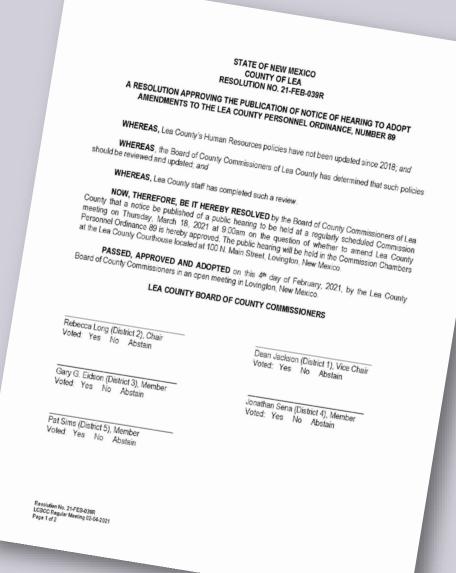
NOTICE OF PUBLIC HEARING AND CONSIDERATION OF AMENDMENTS OF THE LEA COUNTY PERSONNEL ORDINANCE, NUMBER 89

The Board of Commissioners of Lea County, New Mexico (the "County") will consider amending the Lea County Personnel Ordinance, Number 89 on March 18, 2021, at 9:00 a.m. or as soon thereafter as the matter may be heard, at the Commission Chambers, Lea County Courthouse, 100 N. Main, Lovington, NM 88260. The title and subject matter of the proposed Ordinance are as follows:

AMENDED LEA COUNTY PERSONNEL ORDINANCE, NUMBER 89. The amendments will affect the employment status, hiring and retention of Department Directors. It further defines the classification of the County Attorney and Assistant County Manager.

Copies of the Ordinance are on file in the office of the County Clerk and will be available for inspection during normal business hours. The County Clerk's office is located at the Lea County Courthouse, 100 N. Main, Lovington, NM 88260.

This notice is given pursuant to Section 4-37-7 NMSA 1978.



Consideration of Lea County Resolution No. 21-FEB-040R Approving a Cooperative Educational Services (CES) Proposal from Lasco Construction for Interior/Exterior Finishing at



Courtroom Seating

 Re-installation of courtroom benches in three (3) standard Courtrooms and one (1) Grand Courtroom

the Lea County Judicial Complex

- Includes Re-installation of Gallery Rail walls at all three (3) standard Courtrooms and Grand Courtroom
- 3. New walls, floors and ceilings and rough framed openings must be within 1/8" plumb, level and true in 8' or additional install cost may be incurred

4	. Add	carpet	in	hallway		\$11,536.00
5. Add	. Add	sealer	to	concrete	bollards	35,366.00
	and	walls				

- 6. Add two (2) doors with push and pull 8,024.00 hardware with approximately 10' of wall, sheetrock, tape & bed & paint
- 7. Add Re-install signs where precast 4,165.00 is being installed

Materials	Existing
Labor	\$39,311.00
Items 4 thru 7	59,091.00
	98,402.00
P/O 18%	17,712.36
	116,114.36

Less Discount (-4%)	(4,644.57)
	111,469.79
Bond	2,229.40
	113,699.19
Tax 7.250%	8,243.19
Total	\$121,942.38



STATE OF NEW MEXICO
COUNTY OF LEA
RESOLUTION NO. 21-FEB-040R

A RESOLUTION APPROVING A COOOPERATIVE EDUCATIONAL SERVICE CONTRACT (CES)
PROPOSAL FROM LASCO CONSTRUCTION FOR INTERIOR/EXTERIOR FINISHING AT THE

WHEREAS, the Lea County Facilities Department is responsible for maintaining certain county

WHEREAS, the Lea County Facilities Department is overseeing the completion of the Judicial

WHEREAS, the Lea County Facilities Department is overseeing the completion of the Judicial

WHEREAS, Lasco Construction has submitted a proposal of \$121,942.38 through their
lower than current budgeted amount for project

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Board of County Commissioners of Lea

Contract NO. 2020-09N-R1220-6 is hereby approved.

BE IT FURTHER RESOLVED that the Commission Chair and/or County Manager may finalize and

PASSED AND APPROVED on this 4th day of February, 2021, by the Lea County Board of COUNTY COMMISSIONERS

Rebecca Long (District 2), Chair
Voled: Yes No Abstain

Dean Jackson (District 1), Vice Chair
Voted: Yes No Abstain

Gary G. Eidson (District 3), Member

Jonathan Sena (District 4), Member Voted: Yes No Abstain

LCBCC Regular Meeting 02-04-2021

Pat Sims (District 5), Member Voted: Yes No Abstain

- 1. Purpose
- 2. Guidelines
- 3. Internal vs. Member
- 4. Boards vs. Committees
- 5. Volunteers vs. Policy Makers
- 6. Appointment Process
- 7. Length of Terms & Term Limits
- 8. Recruitment
- 9. Commissioner Discretion
- 10.Representation & Public Involvement



BUDGET OVERVIEW FISCAL YEAR 21/22

February 4, 2021

FY 22 BUDGET PREPARATION TIMELINE

Date	Action Taken
January 14, 2021	Budget Development and Timeline Approval (LCBCC)
February 4, 2021	Outside Entities and Services RFP Discussion (LCBCC)
	Discussion of FY 22 Projected Revenues (LCBCC)
February 8, 2021	Release of Outside Entities and Services RFP
February 8 - 12, 2021	Departmental Budget Discussions – County Staff
February 18, 2021	Discussion of FY 22 Projected Expenses (LCBCC)
March 4, 2021	Departmental Budget Presentations (LCBCC)
March 5, 2021	Responses for Outside Entities Proposals Due
March 18, 2021	Departmental Budget Presentations cont'd (LCBCC)
April 8, 2021	Personnel Proposals (LCBCC)
April 22, 2021	Capital & Outside Agency Proposals (LCBCC)
May 6, 2021	Present Preliminary Budget for Discussion (LCBCC)
May 20, 2021	Present Preliminary Budget for Final Action (LCBCC)
May 31, 2021	Preliminary Budget Due to New Mexico DFA for Approval
July 22, 2021	Present Final Budget For Discussion (LCBCC)
July 31, 2021	Final Budget Due to New Mexico DFA for Approval

02/04/2021

Historical Budget vs Actual Revenue FY17 – FY20



		2017	2018	2019	2020	Total
Oil & Gas Production	Budget	\$ 14,185,718	\$ 20,968,483	\$ 27,779,095	\$ 34,781,534	\$ 97,714,830
	Actual	\$ 19,017,180	\$ 28,386,145	\$ 43,161,023	\$ 52,179,468	\$ 142,743,816
	Difference	\$ 4,831,462	\$ 7,417,662	\$ 15,381,928	\$ 17,397,934	\$ 45,028,986
Oil & Gas Equipment	Budget	\$ 4,867,466	\$ 3,299,826	\$ 5,942,811	\$ 5,942,811	\$ 20,052,914
	Actual	\$ 3,466,663	\$ 3,331,728	\$ 5,029,162	\$ 8,403,936	\$ 20,231,489
	Difference	\$ (1,400,803)	\$ 31,902	\$ (913,649)	\$ 2,461,125	\$ 178,575
Property Tax - Current	Budget	\$ 16,233,509	\$ 15,744,576	\$ 17,443,150	\$ 20,126,693	\$ 69,547,928
	Actual	\$ 14,935,442	\$ 16,421,854	\$ 17,934,023	\$ 20,858,598	\$ 70,149,917
	Difference	\$ (1,298,067)	\$ 677,278	\$ 490,873	\$ 731,905	\$ 601,989
Property Tax - Delinquent	Budget	\$ 677,035	\$ 600,000	\$ 500,000	\$ 500,000	\$ 2,277,035
	Actual	\$ 859,930	\$ 467,300	\$ 843,987	\$ 688,028	\$ 2,859,244
	Difference	\$ 182,895	\$ (132,700)	\$ 343,987	\$ 188,028	\$ 582,209
GRT (Indigent, Debt Ser, Env)	Budget	\$ 10,345,348	\$ 9,793,323	\$ 16,904,147	\$ 17,262,250	\$ 54,305,068
(3, ,	Actual	\$ 9,980,663	\$ 14,568,289	\$ 22,269,360	\$ 23,886,734	\$ 70,705,046
	Difference	\$ (364,685)	\$ 4,774,966	\$ 5,365,213	\$ 6,624,484	\$ 16,399,978
Grand Totals	Budget	\$ 46,309,076	\$ 50,406,208	\$ 68,569,203	\$ 78,613,288	\$ 243,89 7,775
	Actual	\$ 48,259,877	\$ 63,175,316	\$ 89,237,555	\$106,016,764	\$ 306,689,513
	Difference	\$ 1,950,801	\$ 12,769,108	\$ 20,668,352	\$ 27,403,476	\$ 62,791,738

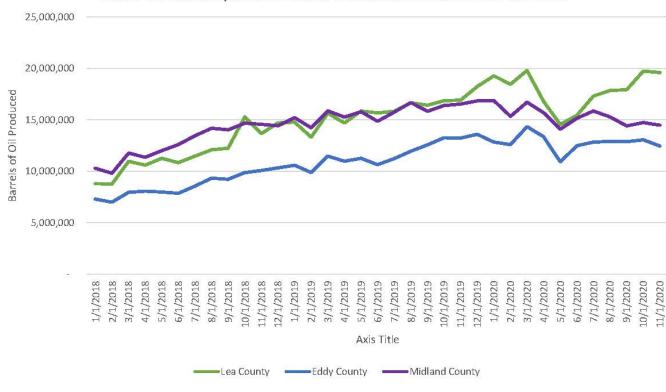


LEA COUNTY NEW MEXICO

Monthly Oil Production

January 2018 through November 2020

Source: New Mexico Department of Revenue & Taxation and the Texas Railroad Commission



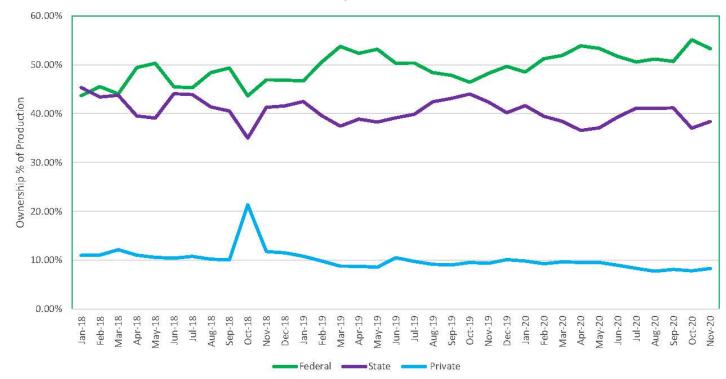
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LEA COUNTY NEW MEXICO

Monthly % of Oil Production by Land Type January 2108 through November 2020

Source: New Mexico Department of Taxation & Revenue

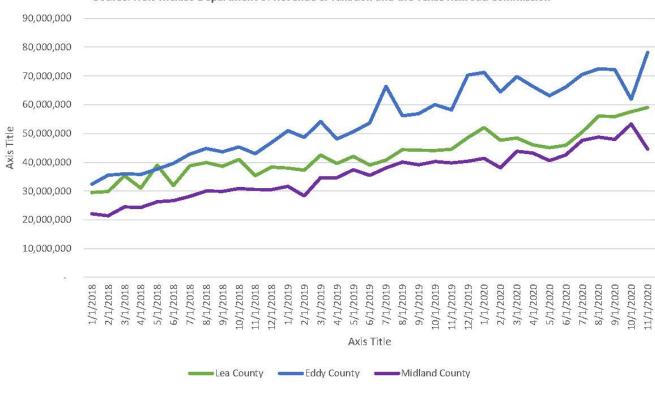




LEA COUNTY NEW MEXICO

Monthly Natural Gas Production January 2018 through November 2020

Source: New Mexico Department of Revenue & Taxation and the Texas Railroad Commission



YTD Revenue – January 31, 2021 (7 months)

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	7	0		
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	2018 Actual	2019 Actual	2020 Actual	2021 Budget	2021 YTD Actual	% of Budget (58.3% YTD)
Oil & Gas Production	\$ 28,386,145.48	\$ 43,161,023.13	\$ 52,179,467.69	\$ 13,000,000.00	\$ 19,317,191.03	148.59%
Oil & Gas Equipment	\$ 3,331,728.20	\$ 5,029,161.92	\$ 8,403,936.09	\$ 5,000,000.00	\$ 10,390,562.17	207.81%
Property Tax - Current	\$ 16,421,854.09	\$ 17,934,023.26	\$ 20,858,598.35	\$ 18,199,889.00	\$ 15,617,480.70	85.81%
Property Tax - Delinquent	\$ 467,299.56	\$ 843,986.92	\$ 688,027.63	\$ 694,319.00	\$ 969,917.10	139.69%
PILT - Federal and Local	\$ 3,056,061.37	\$ 4,056,216.47	\$ 3,026,190.67	\$ 2,900,000.00	\$ 936,563.01	32.30%
Federal Grants	\$ 3,133,777.35	\$ 1,787,593.78	\$ 2,976,414.20	\$ 4,011,042.00	\$ 1,416,355.68	35.31%
State Grants	\$ 1,696,221.83	\$ 1,906,354.81	\$ 1,577,306.11	\$ 8,024,109.00	\$ 1,085,818.18	13.53%
GRT	\$ 14,568,288.50	\$ 22,269,359.96	\$ 23,886,734.48	\$ 6,533,079.00	\$ 8,458,440.92	129.47%
Fair	\$ 809,271.42	\$ 834,106.97	\$ 792,484.32	\$ 1,138,666.00	\$ 7,056.58	0.62%
Event Center	\$ 246,801.33	\$ 316,284.50	\$ 197,310.92	\$ 265,000.00	\$ 5,057.50	1.91%
Detention	\$ 1,965,881.20	\$ 2,082,057.17	\$ 1,419,248.76	\$ 1,783,212.00	\$ 705,544.61	39.57%
Other	\$ 4,676,744.80	\$ 5,748,509.93	\$ 5,475,268.36	\$ 3,238,033.00	\$ 2,645,167.39	81.69%
Water Utility	\$ -	\$ 14,030.00	\$ 7,445.00	\$ 15,000.00	\$ 280.00	1.87%
GRT Pass through	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Other Grants	\$ -	\$ 16,148.00	\$ 503,110.14	\$ 1,605,937.00	\$ 1,290,228.27	80.34%
Motor Vehicle Tax	\$ 1,031,062.50	\$ 1,034,360.33	\$ 1,019,168.01	\$ 790,000.00	\$ 643,556.30	81.46%
Rodeo	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Pass Through Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
Total	\$ 79,791,137.63	\$ 107,033,217.15	\$ 123,010,710.73	\$ 67,198,286.00	\$ 63,489,219.44	94.48%

02/04/2021 7

Basic Assumptions



- The Oil and Gas industry remains the main driver of the Lea County economy.
- Health, safety, welfare and quality of life of County residents remains a priority
- Increasing oil & gas production along with higher prices is having a positive impact upon county revenue, county population and employment.
- Continued uncertainty in long term oil price forecasts will present challenges to revenue and expenditure planning.
- Proposed policies regarding the oil & gas industry on the federal and state level is creating long term uncertainty for revenue planning.
- Recruitment and retention of qualified employees remains a priority.
- Lea County currently maintains 15 months of budgeted General Fund expenditures in operating reserves along with 15% of budgeted capital.
- Increasing operating reserves from the 15 months of budgeted General Fund expenditures to 15 months of budgeted General Fund expenditures plus operating transfers along with 15% of budgeted capital.



Production & Revenue Volatility

Production Month			
	Oil Production	Change	% Change
March-20	19,288,320		
May-20	14,556,884	(4,731,436)	-24.53%
November-20	19,888,428	5,331,544	36.63%
Revenue Month			
	Revenue	\$ Change	% Change
April-20	\$ 5,355,595		
July-20	\$ 923,543	\$ (4,432,052)	-82.76%
January-21	\$ 3,730,604	\$ 2,807,061	303.94%

Note: There is a 3 month lag between production month and revenue distribution. Example – April 2020 revenue is based upon January production month.



- Oil and Gas Production Tax Revenue is a function of oil and gas production in Lea County and sale price on date of sale.
 There is a three (3) month interval between sale date and tax distribution. Example: Sale date – May 2020, Tax Distribution date – August 2020.
- The U.S. Energy Information Administration (EIA.gov)
 produces a monthly report titled the "Short Term Energy
 Outlook" (STEO) which includes historical and projected
 production and pricing data. Lea County uses this information
 to estimate oil and gas production and prices for the budget
 cycle.

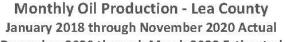


Based upon a study done by the University of New Mexico Bureau of Business & Economic Research and reported in a paper entitled "Oil and Gas Revenue Forecasting: New Mexico State Land Office" published in July 2011 the price of New Mexico produced oil sells at a price discounted to West Texas Intermediate (WTI) and can be estimated using the formula NMO=((+WTI*.98)-1.96). Therefore, if WTI is selling at \$60/bbl then it can be estimated that the price of NMO will be approximately \$56.84/bbl. The large spread that existed in 2018 between WTI and NM sales price due to transportation costs has decreased allowing Lea County to once again project based upon the above formula. Lea County has elected to use 80% of EIA projected oil price for budget purposes.

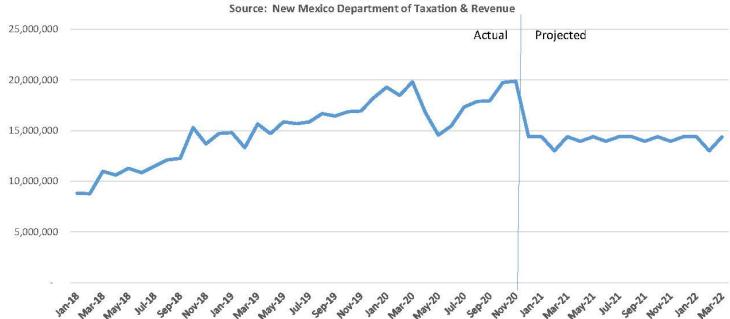


- Previously, using historical oil and gas production data available from the EIA and New Mexico Ongard, Lea County was able to calculate oil and gas production in Lea County as a percentage of US Lower 48 production. However, since the upturn that began in 2016 Lea County production has resumed an upward trend. Therefore, Lea County is assuming that current production will continue to increase in the near term but will continue to be conservative when budgeting.
- Using the same method it was determined that natural gas sale prices in New Mexico average a small percentage higher than the Henry Hub Spot Price.





December 2020 through March 2022 Estimated
Source: New Mexico Department of Taxation & Revenue



Production estimates based upon 80% of prior 12 month average

02/04/2021

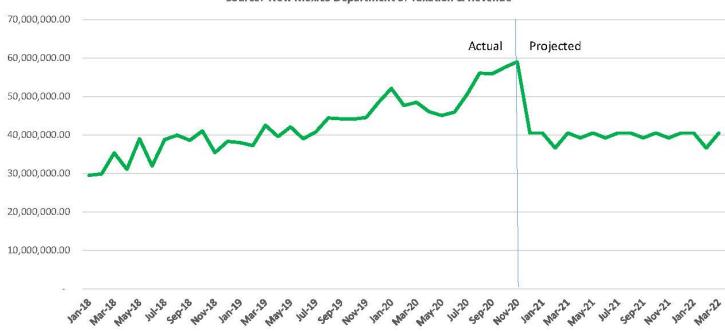
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Monthly Gas Production - Lea County January 2018 through November 2020 Actual December 2020 through April 2022 Estimated

Source: New Mexico Department of Taxation & Revenue



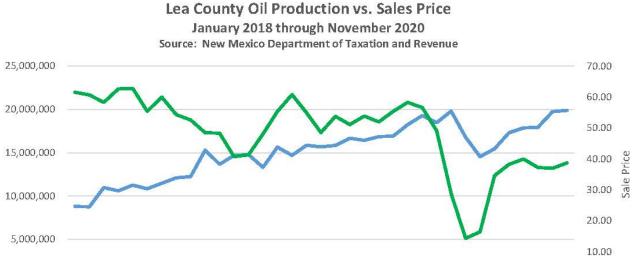
Production estimates based upon 80% of prior 12 month average

Oil Production Bbls

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Revenue Assumptions Oil and Gas Production Revenue



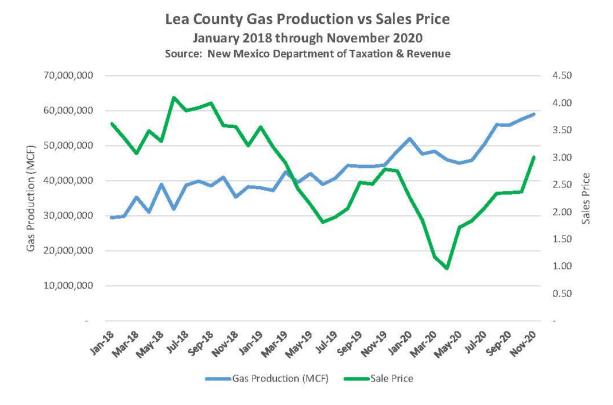


02/04/2021

Oil Production ——Sales Price





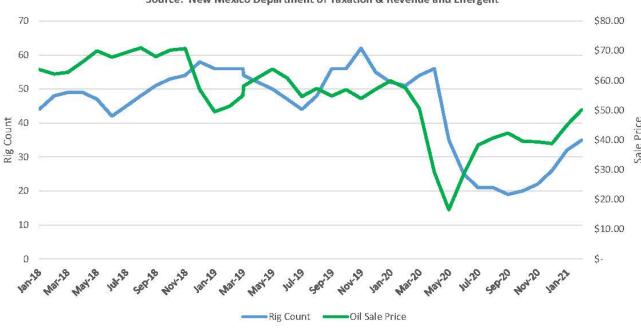




Lea County Rig Count versus Sale Price

January 2018 through January 2021

Source: New Mexico Department of Taxation & Revenue and Energent









Trailing 12 month average discount – 8.60%





Using the variables discussed above a reasonable estimate of Oil and Gas Production Tax Revenue is:

FY21/22 Production	n Tax Estimate		
Month	🛂 Estimated Oil Prod. 🔀	EIA Oil Price 🔼	Budget Price 👱
Jul-21	2,874,170	52	39.20
Aug-21	2,864,359	50	37.63
Sep-21	2,723,972	49	36.85
Oct-21	2,765,183	48	36.06
Nov-21	2,765,183	48	36.06
Dec-21	2,673,906	48	36.06
Jan-22	2,767,330	48	36.06
Feb-22	2,682,217	48	36.06
Mar-22	2,780,212	48	36.06
Apr-22	2,852,343	49	36.85
May-22	2,574,370	49	36.85
Jun-22	2,896,563	50	37.63
Total	33,219,806	49	36.78
FY20/21 Budget	13,000,000		
Increase	20,219,806		

Revenue Assumptions Oil and Gas Equipment Tax



- Oil and Gas Equipment taxation is governed by NMSA Sections 7-34-1 to 7-34-20.
- Each year Taxation and Revenue will compute the value of products of each production unit for the previous calendar year. The taxable value is an amount equal to 27% of the value of products of each production unit. The assessed value shall be determined by applying the uniform assessment ration to the taxable value. The tax shall be at the rate certified to the division by the department of finance and administration.
- Tax statements are due to the operators on or before October 15th of each year and payment is due to the commission on or before November 30th. The commission will report to each county the amount of tax paid along with the distribution.

Revenue Assumptions Oil and Gas Equipment Tax



- A preliminary report is sent out in March or April each year
 that shows the assessed value for each taxing jurisdiction in
 the county based on the previous calendar year along with
 the amount of tax due for the year. Lea County has noted that
 the estimate of taxes due is reasonably close to amounts
 collected.
- For preliminary FY 21/22 budget purposes, Lea County will use approximately 75% of FY21 revenue. It is estimated that the tax due will increase for FY 21/22 and using YTD received will be a conservative estimate at this time. The estimate will be revised once the preliminary report is received in April or May 2021.
- The amount for discussion purposes is: \$7,597,846

Revenue Assumptions Property Tax Revenue



- Property tax revenues are based upon values certified by the County Assessor in June of each year and calculated using approved tax rates for each type of property.
- At September 30, 2020, the projected property tax revenue for FY 20/21 is \$24,052,126 based upon property values and tax rates on that date. History shows that Lea County generally collects about 97.5% of projected which would be approximately \$23,450,823.
- The Lea County Tax Assessor advises that property values certified in June 2021 will likely be greater than current values resulting in higher property tax collections.
- Lea County will the use projected property tax revenue for preliminary budgeting purposes and will adjust when the new values are certified in June 2021.

Revenue Assumptions Payments in Lieu of Taxes (PILTS)



• Lea County has several PILTS in place with various companies and the federal government:

Name of Entity	Amount of PILT
Corporate IRB's	\$ 1,800,000
Federal Government	\$ 1,100,000
Totals	\$ 2,900,000



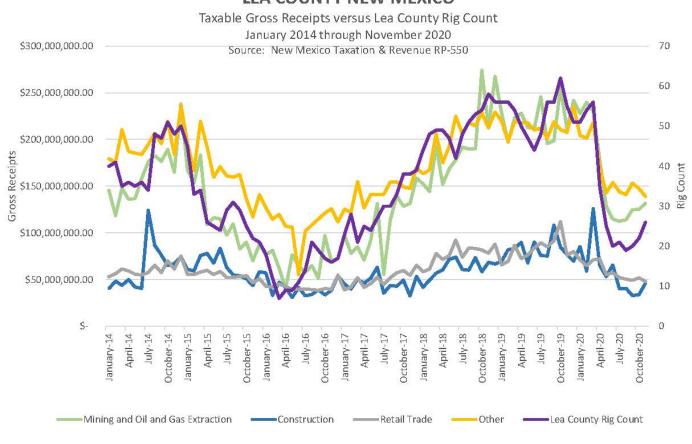
- Lea County has enacted a .375% tax to cover Indigent Care and other County Services. The Indigent is a .125% County wide increment and other portion is a .125% County wide and a .125% that is only assessed on taxable amounts outside of the municipal boundaries. Historically, the amount received each month is allocated on a 60% - 40% basis. NM Taxation and Revenue provides Lea County with a breakout each month detailing the allocation.
- Based upon the following graphs it can be shown that there is a close relationship between GRT collected and the price of oil.

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Revenue Assumptions Indigent & Local Option GRT



LEA COUNTY NEW MEXICO



02/04/2021 25



Lea County commissioned the UNM Bureau of Business and Economic Research to perform a study and develop a model to forecast GRT revenue for the County going forward. The study was completed in September 2018 and the County will use the formula developed to forecast GRT revenue for the FY 21/22 fiscal year. Assumptions for the fiscal year include using the average WTI price estimate for the period by the EIA of \$40.00 and an average rig count of 15.



 Lea County estimates that GRT Revenue for the FY21/22 year will be \$11,618,784. Based on the above allocation the amounts will be as follows:

Тах Туре	Budget Amount
Local Option GRT	\$ 6,971,270
Indigent GRT	\$ 4,647,514
Total GRT	\$ 11,618,784



• FY 21/22 GRT Estimate: \$ 11,618,784

• FY 20/21 GRT YTD: \$ 7,040,000

• FY19/20 GRT Actual: \$ 23,650,984

The FY21/22 budget is approximately 82% of the projected FY20/21 revenue of \$14,240,000.

Revenue Assumptions Other Revenues



- Interest revenue includes interest on investments, unpaid taxes and other fees.
- County Clerk fees include the \$18 recording fees charged for each document recorded, a \$10 fee for each marriage licenses issued, fees charged for document copies and other fees as allowed by statute.
- Each year Lea County collects an administrative fee totaling 3% of tipping fees from the Lea County Solid Waste Authority for operational oversight and accounting services. This fee is posted to the Environmental GRT fund.
- Lea County is eligible to receive Lodger's Tax grants to assist with county quality of life productions.
- Lea County receives a share of motor vehicle fees collected by the state.

Revenue Assumptions FY 21/22 Preliminary General Fund Revenue Estimate

	FY 21 Budget	FY 22 Estimate	\$ Change	% Change
Property Taxes	18,699,889	23,950,823	5,250,934	28.08%
Oil & Gas Production Taxes	13,000,000	33,219,805	20,219,805	155.54%
Oil & Gas Equipment Taxes	5,000,000	7,597,846	2,597,846	51.96%
Payment in Lieu of Taxes	2,900,000	2,900,000	4	0.00%
Gross Receipts Taxes	3,750,107	6,971,270	3,221,163	85.90%
Fees, Permits, Misc.	1,585,655	1,705,035	119,380	7.53%
	44,935,651	76,344,779	31,409,128	69.90%



FUNDS AVAILABLE FOR CURRENT YEAR OPERATIONS

FY 22 Revenue Budget (Projected)

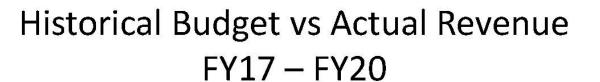
Projected FY 22 General Fun	d Revenue
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\$ 76,344,779

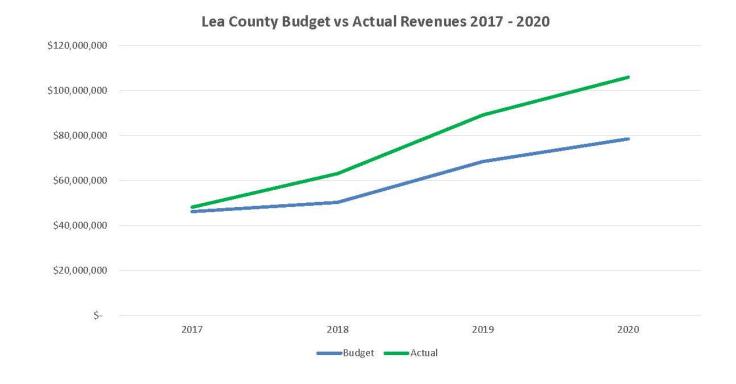
Federal Oil & Gas Policies	UNKNOWN
State Oil & Gas Policies	UNKNOWN
Future Oil Production	UNKNOWN
Future Oil Price	UNKNOWN
Future Rig Count	UNKNOWN

Proposed FY 22 General Fund Revenue Budget

\$ 53,300,778







	Frozen Positions FY 20/21						
Facilities -	1 Custodian Supervisor 1 Custodian	Detention Center -	6 Detention Officers 1 Business Manager				
Assessor -	1 Field Appraiser	Fairgrounds –	1 Maintenance Supervisor1 Maintenance Tech				
Sheriff -	4 Deputies	Event Center –	1 Administrative Coord1 Operations Tech				
Planning -	1 Engineer	LCCA - Finance -	3 Dispatchers1 Assistant Finance Director				
			1 Staff Accountant				
3 S	Crew Supervisors enior Equipment Operators quipment Operators	Airport -	1 Firefighter				
1 L 1 V	ead Man Velder Vechanic	Total Salary/Benefits	s frozen for FY 20/21 \$2,967,674				

Proposed Unfrozen Positions

Airport - 1 Firefighter

LCCA - 3 Dispatchers

Environmental - 1 Environmental Tech

Facilities - 2 Custodians*

Sheriff - 2 Deputies

Total Salary/Benefits Unfrozen - \$667,497 annual cost \$278,123 cost for remainder of 20/21

* Save \$60,280 annual operational cost

FY 22 Budget - Discussion of Outside Agency Funding

	FY 20	FY 21
Economic Development		
Airline Support	1,150,000.00	1,150,000.00
EDC of Lea County	410,000.00	393,000.00
Lovington Main Street	75,000.00	72,000.00
Lovington EDC	25,000.00	24,000.00
	1,660,000.00	1,639,000.00
Community Development		
CASA of Lea County	50,000.00	50,000.00
Meals to You (through Nor-Lea)	26,000.00	26,000.00
Option, Inc.	60,000.00	60,000.00
Salvation Army	15,000.00	14,000.00
WHI Hobbs	25,000.00	25,000.00
The Phoenix House	-	50,000.00
	176,000.00	225,000.00
Agricultural Agent		
NMSU Agricultural & Home Extension	108,242.00	103,912.00
Soil & Water Conservation	65,000.00	62,400.00
USDA	58,500.00	56,160.00
	231,742.00	222,472.00
Indigent Mental Health		
Community Drug Coalition	62,500.00	56,000.00
Guidance Center	24,000.00	20,000.00
My Power	44,000.00	44,000.00
Opportunity House	50,000.00	48,000.00
Palmer Drug Abuse Program	50,000.00	50,000.00
	230,500.00	218,000.00
Total	2,298,242.00	2,304,472.00



COMMISSION MAY CONVENE IN CLOSED SESSION to Discuss Limited Personnel Matters, Namely the County Manager; as Authorized by the NMSA 1978 § 10-15-1 H (2)

COMMISSION MAY CONVENE IN OPEN SESSION to take Action, if any, on the Closed Session Item(s)







Please join us at our next meeting:

on

Thursday, February 18, 2021 at 9:00 A.M.