



# Consideration of Lea County Resolution No. 22-DEC-281R Approving Budget Adjustments No. 3 for Fiscal Year 2022 - 2023.

## FY 23 Budget Adjustments #3

SUMMARY OF ADJUSTMENTS						
	Revenue	Expense	Net Effect	Transfers	Budget	% Inc. (Dec). In Budgeted Exp
GENERAL FUND (unrestricted)	39,853	(531,191)	571,044	(572,000)	53,731,119	-0.99%
ROAD FUND	-	-	-	-	31,389,280	0.00%
SPECIAL REV FUNDS (restricted)	54,020	625,064	(571,044)	572,000	104,543,796	0.60%
CAPITAL PROJECTS FUND	55,000	10,055,000	(10,000,000)	-	59,950,247	16.77%
ENTERPRISE FUNDS	-	-	-	-	148,434	0.00%
TRUST & AGENCY (restricted)	-	-	-	-	19,386,629	0.00%
<b>Total</b>	<b>148,873</b>	<b>10,148,873</b>	<b>(10,000,000)</b>	<b>-</b>	<b>269,149,505</b>	<b>3.77%</b>

**LEA COUNTY BOARD OF COUNTY COMMISSIONERS****AGENDA ITEM SUMMARY FORM****LCBCC Meeting Date: Thursday, December 8, 2022**

Submit this summary form &amp; all attachments to agenda@leacounty.net by:

**Monday, November 28, 2022***County Manager Approval required for all time sensitive issues that do not meet the above deadline.*

<b>DATE SUBMITTED</b> mm-dd-yyyy: 12/02/2022	<b>SUBMITTED BY</b> Name, Title, Dept: Chip Low - Finance Director
<b>SUBJECT:</b> FY 23 Budget Adjustment #3	<b>ATTACHMENT(S):</b> 1. Budget Adjustment Worksheet 2. Budget Adjustment #3 Resolution
<b>NO. OF ORIGINALS FOR SIGNATURE:</b>	<b>ACTION REQUESTED:</b>  Action Item
<b>BUDGET LINE ITEM NUMBER:</b> See budget worksheet	<b>FISCAL BUDGET YEAR:</b> FY 23

**STRATEGIC PLAN** Implementation of 5 Year Strategic Plan:

The information in the financial report meets the goals in Section 3.1 on Accountability which is "Lea County is responsible for the public's tax dollars in a fiscally conservative and transparent manner". Performance measures that apply are 3.1.1, 3.1.2, 3.1.4 and 3.1.5.

**SUMMARY:**

This is the third budget adjustment of FY 23. There are revenue increases of \$148,873 and expenditure increases of \$10,148,873 which results in a net increase of \$10,000,000 to the cash balance. Lea County is allocating \$10,000,000 of Capital Projects reserves to the reconstruction of College Lane. Lea County continues to meet the required state and local reserve requirements.

<b>Requested Items Needed for Presentation</b> Easels/Laptop/Projector/Etc.: Easel <input type="checkbox"/> Laptop <input checked="" type="checkbox"/> Projector <input checked="" type="checkbox"/> Other: <input type="checkbox"/> <small>If checked, how many:</small>	<b>See Additional Summary Attached</b> <input type="checkbox"/>
<b>SUBMITTER'S RECOMMENDATION(S):</b> Recommend approval.	<b>Submitter's Signature</b> Department Director, Etc. Henry C Low Jr <small>Digitally signed by Henry C Low Jr Date: 2022.12.02 14:50:41 -07'00'</small>
<b>FINANCE REVIEW</b> Fiscal Impact/Cost: The financial impact to Lea County will be a net decrease in budgeted cash of \$10,000,000. The County will continue to meet the required state and local reserve requirements.	<b>Reviewed by Finance Director</b> Henry C Low Jr <small>Digitally signed by Henry C Low Jr Date: 2022.12.02 14:51:32 -07'00'</small>
<b>LEGAL REVIEW:</b> (Note: Travel does not need legal review)	<b>Reviewed by County Attorney</b>
<b>COUNTY MANAGER REVIEW:</b>	<b>Approved by County Manager</b> to be Placed on Agenda 

Item No. 0310**RECORDING SECRETARY'S USE ONLY ~ COMMISSION ACTION TAKEN**

Approved: _____	Denied: _____	Other: _____
Resolution No. <u>22-DEC-281R</u>	Policy No. _____	Ordinance No. _____
Continued To: _____	Referred To: _____	Comments: _____

**STATE OF NEW MEXICO  
COUNTY OF LEA  
RESOLUTION NO. 22-DEC-281R**

**RESOLUTION APPROVING BUDGET  
ADJUSTMENTS NO. 3 FOR FISCAL YEAR 2022 - 2023**

**WHEREAS**, the Board of County Commissioners of Lea County, of the State of New Mexico, needs to adjust the current approved budget for fiscal year 2022-2023; *and*

**WHEREAS**, said budget was adjusted on the basis of need and through cooperation with all user departments, elected officials and other department supervisors; *and*

**WHEREAS**, it is the majority opinion of this Board that the adjusted budget meets the requirements as currently determined for fiscal year 2022-2023.

**NOW, THEREFORE, BE IT HEREBY RESOLVED**, that the Board of County Commissioners of Lea County, of the State of New Mexico, hereby adopts the budget adjustments hereinabove described and attached and respectfully requests approval from the State of New Mexico Department of Finance and Administration Local Government Division.

**PASSED, APPROVED AND ADOPTED** on this 8th day of December 2022 by the Lea County Board of County Commissioners in an open meeting in Lovington, New Mexico.

**LEA COUNTY BOARD OF COUNTY COMMISSIONERS**

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

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Gary G. Eidson (District 3), Vice Chair  
Voted: Yes   No   Abstain

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Rebecca Long (District 2), Member  
Voted: Yes   No   Abstain

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

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

**ATTEST:** Keith Manes  
Lea County Clerk

**APPROVED AS TO FORM AND LEGAL  
SUFFICIENCY:**

By: \_\_\_\_\_  
Tryon Hassen, Chief Deputy Clerk

\_\_\_\_\_  
John W. Caldwell, County Attorney

## Attachment A

**BUDGET ADJUSTMENT #3**

Thursday, December 8, 2022

**SUMMARY OF BUDGET ADJUSTMENTS TO DATE FOR FY 22/23**

	Approved Budget	Adj #1 09/08/2022	Adj #2 11/17/2022	Adj #3 12/08/2022				Total
<b>REVENUE ADJUSTMENTS</b>								
GENERAL FUND (unrestricted)	87,885,391	15,000	12,209,657	39,853	-	-	-	100,149,901
ROAD FUND	1,931,070	-	-	-	-	-	-	1,931,070
SPECIAL REV FUNDS (restricted)	27,524,022	5,113,761	354,542	54,020	-	-	-	33,046,345
CAPITAL PROJECTS FUND	4,063,000	-	-	55,000	-	-	-	4,118,000
ENTERPRISE FUNDS	-	-	-	-	-	-	-	-
TRUST & AGENCY (restricted)	10,890,561	300,000	393,167	-	-	-	-	11,583,728
<b>Total</b>	<b>132,294,044</b>	<b>5,428,761</b>	<b>12,957,366</b>	<b>148,873</b>	-	-	-	<b>150,829,044</b>
	Approved Budget	Adj #1 09/08/2022	Adj #2 11/17/2022	Adj #3 12/08/2022				Total
<b>EXPENDITURE ADJUSTMENTS</b>								
GENERAL FUND (unrestricted)	50,887,337	90,000	3,284,973	(531,191)	-	-	-	53,731,119
ROAD FUND	31,389,280	-	-	-	-	-	-	31,389,280
SPECIAL REV FUNDS (restricted)	99,528,814	3,585,376	804,542	625,064	-	-	-	104,543,796
CAPITAL PROJECTS FUND	49,476,247	-	419,000	10,055,000	-	-	-	59,950,247
ENTERPRISE FUNDS	148,434	-	-	-	-	-	-	148,434
TRUST & AGENCY (restricted)	13,193,462	300,000	5,893,167	-	-	-	-	19,386,629
<b>Total</b>	<b>244,623,574</b>	<b>3,975,376</b>	<b>10,401,682</b>	<b>10,148,873</b>	-	-	-	<b>269,149,505</b>
	Cash Effect per Resolution	Adj #1 09/08/2022	Adj #2 11/17/2022	Adj #3 12/08/2022				
<b>NET EFFECT CASH</b>								
GENERAL FUND (unrestricted)	36,998,054	(75,000)	8,924,684	571,044	-	-	-	46,418,782
ROAD FUND	(29,458,210)	-	-	-	-	-	-	(29,458,210)
SPECIAL REVFUNDS (restricted)	(72,004,792)	1,528,385	(450,000)	(571,044)	-	-	-	(71,497,451)
CAPITAL PROJECTS FUND	(45,413,247)	-	(419,000)	(10,000,000)	-	-	-	(55,832,247)
PROPRIETARY FUND	(148,434)	-	-	-	-	-	-	(148,434)
TRUST & AGENCY (restricted)	(2,302,901)	-	(5,500,000)	-	-	-	-	(7,802,901)
	<b>(112,329,530)</b>	<b>1,453,385</b>	<b>2,555,684</b>	<b>(10,000,000)</b>	-	-	-	<b>(118,320,461)</b>

## Attachment A

### 1 Information Technology

Department	Line Item Description	Fund	Dept.	Line	Current Budget	Current Expended	% Used	Proposed Adjustment	Adjusted Line Item Budget	Justification
Information Technology	Overtime	401	42	5008	8,000	8,527	106.6%	8,000	16,000	Increased costs
Information Technology	FICA	401	42	5100	74,237	19,758	26.6%	612	74,849	Increased costs
Increase (Decrease) in budgeted expenditures								8,612		

### 2 Lea County Sheriff

Department	Line Item Description	Fund	Dept.	Line	Current Budget	Current Expended	% Used	Proposed Adjustment	Adjusted Line Item Budget	Justification
Lea County Sheriff	Full-Time Positions	401	47	5002	6,562,272	2,748,197	41.9%	(241,433)	6,320,839	Reclass to LCDTF
Lea County Sheriff	Overtime	401	47	5008	860,000	260,330	30.3%	(47,774)	812,226	Reclass to LCDTF
Lea County Sheriff	FICA	401	47	5100	585,516	238,163	40.7%	(35,176)	550,340	Reclass to LCDTF
Lea County Sheriff	Health Insurance	401	47	5102	1,640,306	638,115	38.9%	(102,929)	1,537,377	Reclass to LCDTF
Lea County Sheriff	PERA	401	47	5106	2,208,696	805,032	36.4%	(128,460)	2,080,236	Reclass to LCDTF
Lea County Sheriff	Retiree Health Insurance	401	47	5104	234,098	88,353	37.7%	(13,562)	220,536	Reclass to LCDTF
Lea County Sheriff	Travel/Per Diem	401	47	5600	53,789	9,010	16.8%	(1,710)	52,079	Reclass to LCDTF
Lea County Sheriff	Vacation	401	47	5010	35,000	41,326	118.1%	15,000	50,000	Higher Turnover
Lea County Sheriff	Vehicle - Maintenance	401	47	5502	140,000	65,297	46.6%	16,241	156,241	Insurance Repairs
Increase (Decrease) in budgeted expenditures								(539,803)		

Department	Line Item Description	Fund	Dept.	Line	Current Budget	Current Revenue	% Received	Proposed Adjustment	Adjusted Line Item Budget	Justification
General Fund	Miscellaneous	401	37	4319	15,000	111,807	745.4%	23,612	38,612	Training Facility Grant
General Fund	Insurance Recovery	401	37	4316	2,422,805	2,443,654	100.9%	16,241	2,439,046	Storm proceeds
Increase (Decrease) in budgeted revenue								39,853		

Total proposed General Fund Revenue Adjustments:	39,853
Less:	
Total Proposed General Fund Expenditure Adjustments:	(531,191)
Net Effect on Budget Cash Position	571,044

## Attachment A

### 3 Fair & Rodeo Fund

Department	Line Item Description	Fund	Dept.	Line	Current Budget	Current Expended	% Used	Proposed Adjustment	Adjusted Line Item Budget	Justification
Fair & Rodeo Fund	Overtime	461	57	5008	85,000	99,182	116.7%	20,000	105,000	Increased costs
Fair & Rodeo Fund	FICA	461	57	5100	9,414	1,290	13.7%	1,530	10,944	Increased costs
Increase (Decrease) in budgeted expenditures								20,000		

Department	Line Item Description	Fund	Dept.	Line	Current Budget	Current Revenue	% Received	Proposed Adjustment	Adjusted Line Item Budget	Justification
Fair & Rodeo Fund	Fair Carinal Rental	461	37	4612	190,000	246,086	129.5%	20,000	210,000	Additional Funds Rec'd
Increase (Decrease) in budgeted revenue								20,000		

### 4 Lea County DTF

Department	Line Item Description	Fund	Dept.	Line	Current Budget	Current Expended	% Used	Proposed Adjustment	Adjusted Line Item Budget	Justification
Lea County DTF	Full-Time Positions	608	47	5002	250,716	68,267	27.2%	241,433	492,149	Reclass from LCSC
Lea County DTF	Overtime	608	47	5008	-	9,186	0.0%	47,774	47,774	Reclass from LCSC
Lea County DTF	FICA	608	47	5100	5,213	5,637	108.1%	35,176	40,389	Reclass from LCSC
Lea County DTF	Health Insurance	608	47	5102	15,073	11,219	74.4%	102,929	118,002	Reclass from LCSC
Lea County DTF	PERA	608	47	5106	12,717	18,904	148.7%	128,460	141,177	Reclass from LCSC
Lea County DTF	Retiree Health Insurance	608	47	5104	1,942	1,865	96.0%	13,562	15,504	Reclass from LCSC
Lea County DTF	Travel/Per Diem	608	47	5600	-	636	0.0%	1,710	1,710	Reclass from LCSC
Increase (Decrease) in budgeted expenditures								571,044		

### 5 Region VI DTF

Department	Line Item Description	Fund	Dept.	Line	Current Budget	Expended	% Used	Adjustment	Item Budget	Justification
Region VI DTF	REG VI - Admin	609	47	7203	98,945	14,162	14.3%	15,860	114,805	Modification #1
Region VI DTF	Prior Region VI HIDTA Grant	609	47	7204	191,940	195,100	101.6%	3,160	195,100	Adjust PY Income
Increase (Decrease) in budgeted expenditures								19,020		

Department	Line Item Description	Fund	Dept.	Line	Current Budget	Revenue	% Received	Adjustment	Item Budget	Justification
Lea County DTF	REG VI - Admin	609	36	4213	98,945	33,466	33.8%	15,860	114,805	Modification #1
Lea County DTF	Prior Region VI Grant	609	36	4214	191,940	-	0.0%	3,160	195,100	Adjust PY Income
Increase (Decrease) in budgeted revenue								19,020		

## Attachment A

### 6 LCDTF Forfeitures Fund

Department	Line Item Description	Fund	Dept.	Line	Current Budget	Expended	% Used	Adjustment	Item Budget	Justification
LCDTF Forfeitures Fund	Forfeitures Expense	610	47	7228	17,727	20,761	117.1%	15,000	32,727	Additional Funds Rec'd
	Increase (Decrease) in budgeted expenditures							15,000		

  

Department	Line Item Description	Fund	Dept.	Line	Current Budget	Revenue	% Received	Adjustment	Item Budget	Justification
LCDTF Forfeitures Fund	Forfeiture Revenue	610	37	4224	-	15,000	0.0%	15,000	15,000	Additional Funds Rec'd
	Increase (Decrease) in budgeted revenue							15,000		

Total proposed Special Revenue Adjustments:	54,020
Less:	
Total Proposed Special Expenditure Adjustments:	625,064
Net Effect on Budget Cash Position	(571,044)



## Attachment A

### 7 Capital Projects

Department	Line Item Description	Fund	Dept.	Line	Current Budget	Current Expended	% Used	Proposed Adjustment	Adjusted Line Item Budget	Justification
Commission	New Road Construction	430	40	9800	-	-	0.0%	10,000,000	10,000,000	College Lane Reconstruct
Commission	Sheriff's Office	430	40	9032	200,000	-	0.0%	55,000	255,000	Training Facility Grant
Increase (Decrease) in budgeted expenditures								10,055,000		

Department	Line Item Description	Fund	Dept.	Line	Current Budget	Current Revenue	% Received	Proposed Adjustment	Adjusted Line Item Budget	Justification
Commission	NM Legislative Grant	430	36	4102	4,063,000	-	0.0%	55,000	4,118,000	Training Facility Grant
Increase (Decrease) in budgeted revenue								55,000		
Road construction will be funded by a capital reserve balance of \$75,877,696.										

Total proposed Special Revenue Adjustments:	55,000
Less:	
Total Proposed Special Expenditure Adjustments:	10,055,000
Net Effect on Budget Cash Position	(10,000,000)

**BUDGET ADJUSTMENT #3**

December 8, 2022

**SUMMARY OF ADJUSTMENTS**

	Revenue	Expense	Net Effect	Transfers	Budget	% Inc. (Dec). In Budgeted Exp
GENERAL FUND (unrestricted)	39,853	(531,191)	571,044	(572,000)	53,731,119	-0.99%
ROAD FUND	-	-	-	-	31,389,280	0.00%
SPECIAL REV FUNDS (restricted)	54,020	625,064	(571,044)	572,000	104,543,796	0.60%
CAPITAL PROJECTS FUND	55,000	10,055,000	(10,000,000)	-	59,950,247	16.77%
ENTERPRISE FUNDS	-	-	-	-	148,434	0.00%
TRUST & AGENCY (restricted)	-	-	-	-	19,386,629	0.00%
<b>Total</b>	<b>148,873</b>	<b>10,148,873</b>	<b>(10,000,000)</b>	<b>-</b>	<b>269,149,505</b>	<b>3.77%</b>

**Summary By Expenditure Type**

	Revenue	Expense	Net Effect
Operations	93,873	93,873	-
Capital	55,000	10,055,000	(10,000,000)
Trust & Agency	-	-	-
	<b>148,873</b>	<b>10,148,873</b>	<b>(10,000,000)</b>

Note: This budget adjustment maintains the State required and County imposed reserve requirements.

**BUDGET ADJUSTMENT #3**  
**December 8, 2022**

**BUDGETED CASH TRANSFERS**

<u>TRANSFERS</u>	<u>CURRENT</u>	<u>ADJUSTMENT</u>	<u>ADJUSTED</u>	
401-99-9999 - General Fund	\$ (52,289,599.00)	\$ (572,000.00)	\$ (52,861,599.00)	
609-38-4998 - HIDTA Reg VI	\$ -	\$ 572,000.00	\$ 572,000.00	