

COUNTY OF LINCOLN
New Mexico
Special Meeting
Board of County Commissioners

Preston Stone, Chairman
Elaine Allen, Member
Lynn Willard, Member
Rhonda Burrows, Clerk
Robert Shepperd, Sheriff

Dallas Draper, Vice Chairman
Thomas F. Stewart, Member
Paul Baca, Assessor
Beverly Calaway, Treasurer
Stirling Spencer, Probate Judge

Nita Taylor, County Manager

AGENDA

**County Commission Chambers, Carrizozo, New Mexico, Wednesday,
October 25, 2016 @ 2:00 P.M.**

1. Call to Order
2. Roll Call
3. Invocation
4. Pledge of Allegiance
 - a. Pledge – U.S. A. Flag
 - b. Salute – N.M. Flag (“I salute the flag of the State of New Mexico, the Zia Symbol of perfect friendship among united cultures”)
5. Approval of Agenda
6. Resolution 2016-20; A Resolution of the County Commission of the County of Lincoln, New Mexico affirming the actions of the County Commission undertaken at a Special Meeting held on September 9, 2016; and providing certain other matters in connection therewith.
 - a. Approval of Consent Agenda
 - Approval of Sun Valley Water & Sanitation District Mill Levy Request
 - b. Approval/Imposition of 2015-2016 Property Tax Rates
 - c. Approve Per Diem & Mileage Policy by Resolution 2016-10
 - d. Approve Resolution 2016-11 & Proclamation calling for approval of a General Obligation Bond on the 2016 General Election for the funding and construction of a new hospital
 - e. Lincoln County Solid Waste Billing – Letter to Fox Run Subdivision Landowners
7. Signing of Official Documents
8. Next Meetings:
 - a. November 10, 2016, Special Commission Meeting
 - b. November 15, 2016, Regular Commission Meeting
9. Adjourn

PLEASE NOTE: ALL SUBJECTS LISTED ON THIS AGENDA ARE TO BE CONSIDERED ACTION ITEMS BY THE BOARD OF COUNTY COMMISSIONERS UNLESS OTHERWISE INDICATED.

Agenda Item No. 6

SUBJECT: Approval of Resolution:

1. Resolution 2016-20; A Resolution of the County Commission of the County of Lincoln, New Mexico affirming the actions of the County Commission undertaken at a Special Meeting held on September 9, 2016; and providing certain other matters in connection therewith.

LINCOLN COUNTY, NEW MEXICO

RESOLUTION NO. 2016-20

A RESOLUTION OF THE COUNTY COMMISSION OF THE COUNTY OF LINCOLN, NEW MEXICO AFFIRMING THE ACTIONS OF THE COUNTY COMMISSION UNDERTAKEN AT A SPECIAL MEETING HELD ON SEPTEMBER 9, 2016; AND PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the County of Lincoln, New Mexico (the "County") is a legally and regularly created, established, organized and existing county under the general laws of the State of New Mexico; and

WHEREAS, the Board of County Commissioners (the "Commission") is the governing body of the County; and

WHEREAS, the Commission held a special meeting on September 9, 2016 wherein the Commission took action related to various items listed on a publicly available Agenda, attached hereto as Appendix "A"; and

WHEREAS, the Commission's actions and votes related to the items listed on the Agenda are memorialized in approved written minutes of the Commission, attached hereto as Appendix "B"; and

WHEREAS, the Commission desires to affirm its actions taken on September 9, 2016 as set forth in Appendix "B".

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE COUNTY OF LINCOLN, NEW MEXICO THAT:

Section 1. Affirmation of Prior Acts. All prior acts of the Commission taken during the Special County Commission Meeting held on September 9, 2016, are hereby affirmed as set forth in Appendix "B" attached hereto. In particular, the Commission affirms the following items as listed in the Agenda from the September 9, 2016 special meeting:

- (6) Approval of Consent Agenda
 - (a) Approval of Sun Valley Water and Sanitation District Mill Levy Request.
- (7) Approval/Imposition of 2015-2016 Property Tax Rates
- (8) Approve Per Diem & Mileage Policy by Resolution 2016-10
- (9) Approve Resolution 2016-11 & Proclamation calling for approval of a General Obligation Bond on the 2016 General Election for funding and construction of a new hospital

(10) Lincoln County Solid Waste Billing – Letter to Fox Run Subdivision
Landowners

Section 2. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption.

ADOPTED AND APPROVED this _____ day of October, 2016.

**BOARD OF COMMISSIONERS OF
LINCOLN COUNTY, NEW MEXICO**

Preston Stone, Chairman

Dallas Draper, Vice Chair

Elaine Allen, Member

Tom Stewart, Member

Lynn, Willard, Member

ATTEST:

Rhonda Burrows, County Clerk

APPENDIX "A"

Agenda for Special Meeting of Lincoln County Commission
Held on September 9, 2016

COUNTY OF LINCOLN
New Mexico
Special Meeting
Board of County Commissioners

Preston Stone, Chairwoman
Elaine Allen, Member
Dr. Lynn Willard, Member
Beverly Calaway, Treasurer
Rhonda B. Burrows, Clerk

Dallas Draper, Vice-Chair
Thomas F. Stewart, Member
Robert Shepperd, Sheriff
Paul Baca, Assessor
Stirling Spencer, Probate Judge

Nita Taylor, County Manager

Agenda

Friday, September 9, 2016 @ 8:30 a.m.

1. Call to Order
2. Roll Call
3. Invocation
4. Pledge of Allegiance
 - A. Pledge – U.S.A. Flag
 - B. Salute – N.M. Flag – (“I salute the flag of the State of New Mexico, the Zia Symbol of perfect friendship among united cultures”)
5. Approval of Agenda
6. Approval of Consent Agenda
 - a. Approval of Sun Valley Water & Sanitation District Mill Levy Request
7. Approval/Imposition of 2015-2016 Property Tax Rates
8. Approve Per Diem & Mileage Policy by Resolution 2016-10
9. Approve Resolution 2016-11 & Proclamation calling for approval of a General Obligation Bond on the 2016 General Election for the funding and construction of a new hospital
10. Lincoln County Solid Waste Billing – Letter to Fox Run Subdivision Landowners
11. Signing of Official Documents if needed
12. Next Regular Meeting –Tuesday, September 27, 2016
13. Adjournment

PLEASE NOTE: ALL SUBJECTS LISTED ON THIS AGENDA ARE TO BE CONSIDERED ACTION ITEMS BY THE BOARD OF COUNTY COMMISSIONERS UNLESS OTHERWISE INDICATED.

September 9, 2016: THIS AGENDA IS SUBJECT TO CHANGE

APPENDIX "B"

Minutes of County Commission Meeting
Held on September 9, 2016

COUNTY OF LINCOLN



TRUE AND CORRECT COPY OF
ORIGINAL RECORD FILED IN
LINCOLN COUNTY, NEW MEXICO

RHONDA B. BURROWS, COUNTY CLERK

BY Charlotte Emmes DEPUTY

DATE 10/17/16

New Mexico
Special Meeting
Board of County Commissioners

Preston Stone, Chair
Dallas Draper, Vice Chair

Thomas F. Stewart, Member
Elaine Allen, Member
Lynn Willard, Member

Minutes
Friday, September 9, 2016

Minutes of the Special Meeting of the Lincoln County Commission held at 8:30 AM on September 9, 2016 in the County Commission Chambers, Lincoln County Courthouse, in Carrizozo, New Mexico.

1. Call to Order

Chair Stone called the Special Meeting of the Board of County Commissioners to order at 8:30 PM.

2. Roll Call

Roll Call.

Present: Chair Stone, Commissioner Stewart, Commissioner Draper.
Absent: Commissioner Allen, Commissioner Willard.

Others present included Nita Taylor, County Manager; Alan Morel, County Attorney; and Rhonda Burrows, County Clerk.

3. Invocation

The invocation was presented by Chair Stone.

4. Pledge of Allegiance

- a. Pledge -- US Flag
- b. Salute -- NM Flag

5. Approval of Agenda

Motion: Acceptance of the Agenda and authorized the Chair to move items as necessary;
Action: Approve, Moved by Commissioner Stewart, Seconded by Commissioner Draper.
Vote: Motion carried by unanimous vote (summary: Yes = 3).
Yes: Chair Stone, Commissioner Stewart, Commissioner Draper.
Absent: Commissioner Allen, Commissioner Willard

6. Approval of Consent Agenda

- a) Approval of Sun Valley Water and Sanitation District Mill Levy Request

Motion: Approval of the Consent Agenda. **Action:** Approve, Moved by Commissioner Stewart, Seconded by Commissioner Draper.
Vote: Motion carried by unanimous vote (summary: Yes = 3).
Yes: Chair Stone, Commissioner Stewart, Commissioner Draper.
Absent: Commissioner Allen, Commissioner Willard

SEE EXHIBIT A: Copies of Consent Items are attached hereto in reference thereto made a part hereof.

7. Approval/Imposition of 2015-2016 Property Tax Rates

Nita Taylor, Manager reminded New Mexico State Statute 7-38-34 requires the Board of County Commissioners to issue a written order imposing the tax at the rates set on the net taxable value of property allocated to the appropriate governmental units; Ms. Taylor provided a copy of the

letter and rates received from the New Mexico Department of Finance and Administration (DFA) on September 6, 2016.

Beverly Calaway, Treasurer explained when rates were received from DFA, the Treasurer's office conducts a review for accuracy. Ms. Calaway stated the rates initially sent by DFA included an error in the imposition of the Hospital Mill Levy for clinics which was reported as 1 mill but the County Commission had in fact imposed only .6 mills for clinic operations. Ms. Calaway stated this necessitated a recalculation by DFA and a re-issuance of the letter to impose the rates. Ms. Calaway stated the amended certificate of 2016 Property Tax rates was verified for accuracy by both the Lincoln County Treasurer and the Assessor

Ms. Calaway informed Lincoln County served as the fiscal agent collecting for the State of New Mexico, Lincoln County, five municipalities, five school districts, seven special soil and water districts, predator control, livestock boards, Lincoln County Medical Center, the rural clinics and Eastern New Mexico University -- Ruidoso. Ms. Calaway stated the Treasurer's Office contacts each entity concerning the 2016 tax rates and project revenue yields from the rates.

Paul Baca, Assessor informed Lincoln County's valuation increased by approximately 3.1% over the prior year. Mr. Baca stated he recently conducted a recalculation of valuation which revealed an additional increase in value of approximately 2.2% which equates to approximately \$2.7 million dollars. Mr. Baca stated this increase in value resulted from settlement of protests to valuation. Mr. Baca clarified values under protest were not included in total valuation until the protests were settled. Mr. Baca stated \$2.7 million in valuation would result in increased revenues of approximately \$25,000.

Mr. Baca discussed the current decline in the market value of livestock but explained this decline was not reflected in the 2016 valuations because the values assigned by Property Tax Division were based on last year's market performance. Mr. Baca anticipated livestock valuation would decline in 2016. Mr. Baca stated he recently learned only New Mexico and Montana tax livestock.

Mr. Baca noted due to a prior over valuation there was a decline in central assessment valuation of over \$1 million within the municipality of Capitan. Mr. Baca stated however Lincoln County's total central assessment valuation increased almost \$10 million from 2015.

Commissioner Stewart questioned if central assessment referred to valuation of utilities, power lines, and similar properties.

Mr. Baca stated this was correct adding central assessment also included pipelines, electrical companies, gas companies and railroads. Mr. Baca stated the State of New Mexico was responsible for assessing these properties and providing the information to each county. Mr. Baca noted there were central assessment protests still pending amounting to approximately \$2.7 million which once resolved would add to Lincoln County's valuation.

There was a general discussion regarding the impact of various market changes on livestock valuation; the effect of increased valuation on tax rates, and the effect of entity budget requests on tax rates.

Motion: Approve the 2016 Certificate of Tax Rates and authorize the Chair to sign the written order to impose the rates, **Action:** Approve, **Moved by** Commissioner Stewart, **Seconded by** Commissioner Draper.

Commissioner Draper noted the stable incremental growth in Lincoln County's taxable value since 2012.

Paul Baca, Assessor stated the Treasurer had informed him the County's operational tax rate declined this year.

Vote: Motion carried by unanimous vote (summary: Yes = 3).
Yes: Chair Stone, Commissioner Stewart, Commissioner Draper.
Absent: Commissioner Allen, Commissioner Willard

8. Approve Per Diem & Mileage Policy by Resolution 2016-10

Ms. Taylor presented the Resolution to modify the mileage reimbursement rate for employees and elected officials utilizing private vehicles for travel associated with official activities. Ms. Taylor informed the County was required to review and impose the federal mileage reimbursement rate which had declined from .55 cents to .54 cents per mile.

Motion: Adopt Resolution 2016-10, **Action:** Approve, **Moved by** Commissioner Stewart, **Seconded by** Commissioner Draper.

Vote: Motion carried by unanimous vote (summary: Yes = 3).

Yes: Chair Stone, Commissioner Stewart, Commissioner Draper.

Absent: Commissioner Allen, Commissioner Willard

SEE EXHIBIT B: Copy of Resolution 2016-10 is attached hereto in reference thereto made a part hereof.

9. Approve Resolution 2016-11 & Proclamation call for approval of a General Obligation Bond on the 2016 General Election for the funding and construction of a new hospital

Ms. Taylor reminded of the prior approval of the Amended and Restated Agreement between Lincoln County and Presbyterian Healthcare Services during the August 24, 2016 Special Meeting. Ms. Taylor discussed the proposed terms and conditions established by the agreement and the intent to finance the construction of a new hospital facility utilizing lease revenues to service the debt for construction. Ms. Taylor also discussed the Board of County Commissioners' plan to submit a question to the voters requesting authorization for issuance of general obligation bonds. Ms. Taylor stated the ballot question would provide the necessary mechanism to obtain voter approval for the construction project and if approved, to secure a stable revenue stream necessary to obtain construction financing. Ms. Taylor clarified the intent was to utilize lease revenues to service the debt and not to impose any tax increase authorized by the authority to issue general obligation bonds.

Chris Muirhead, with the Modrall Sperling Law Firm and Bond Counsel for Lincoln County presented the Election Proclamation and associated Resolution 2016-11 which defined the question to be submitted to the voters on the 2016 General Election Ballot. Mr. Muirhead stated the terminology for the question was taken from New Mexico State Statute authorizing the issuance of county general obligation bonds.

Commissioner Draper suggested amending the language of the question to clarify for the voters the intention of the County Commission to utilize lease proceeds to service the debt rather than to impose a tax increase.

Mr. Muirhead explained general obligation bonds were considered the most secure public issuance of debt and discussed the usage of bonds as a legal mechanism to fulfill the debt service if a default or shortfall in the lease payment occurred. Mr. Muirhead stated the approval of a bond did not preclude Lincoln County from utilizing other revenue sources to pay the debt. Mr. Muirhead commented on timing considerations and the need to have revenues on hand for the initial debt service payment so as not to trigger the imposition of the ad valorem tax.

There was discussion regarding the necessary protections for bond holders and the addition of language to clarify for voters the intent to impose the tax "as necessary".

Erick Harrigan, of RBC Capital Markets clarified a General Obligation Bond does commit the taxing authority to repayment of the bond but the actual security documents would contain language which provides for the ability to use all any and all resources for debt service payment which is why it is considered the most securable for debt issued. Mr. Harrigan expressed belief any minor language change would not affect the "marketability" of the bonds.

Commissioner Stewart suggested a recess to modify the Resolution and the question to add the language "as necessary" to the question.

Chair Stone recessed the Special Meeting at 9:12 AM and reconvened at 9:26 AM.

Mr. Muirhead stated after conferring with Alan Morel, County Attorney and Mr. Harrigan there was strong agreement to revise the question as follows:

"Shall Lincoln County be authorized to issue up to \$25,000,000 of general obligation bonds, to be paid from property taxes, if necessary, for the purpose of acquiring, constructing, designing, equipping and furnishing, and to acquire land for, a county hospital?"

Motion: Approve the Election Proclamation and Adopt Resolution 2016-11, **Action:** Approve, **Moved by** Commissioner Stewart, **Seconded by** Commissioner Draper.

Chair Stone noted the Proclamation included language which limited the effective interest rate to "not more than ten percent (10%) per year And the general obligation bonds shall mature not more than twenty (20) years from their date." Chair Stone questioned what interest rate was anticipated.

Mr. Multhead stated the interest rate limitation and the maximum maturity date were set by New Mexico State Statute and deferred the question to Mr. Harrigan.

Mr. Harrigan provided background information regarding the issuance of bonds at a fixed rate versus a variable rate and expressed a strong belief these bonds would be issued as "fixed rate" bonds. Mr. Harrigan discussed current market conditions and interest rates and suggested the County could anticipate the sale of the bonds with a 3 ¼% to 3 ½% interest rate for planning purposes.

Commissioner Draper questioned the timeline for issuance of the bonds relative to the ability to "lock in" an optimal rate in light of current economic uncertainties.

Mr. Harrigan stated if the question was approved by the voters, RBC would monitor the markets and make recommendation to Lincoln County as to the best timing for the sale of the bonds.

Vote: Motion carried by unanimous vote (summary: Yes = 3).
Yes: Chair Stone, Commissioner Stewart, Commissioner Draper.
Absent: Commissioner Allen, Commissioner Willard

SEE EXHIBIT C: Copy of Resolution 2016-10 is attached hereto in reference thereto made a part hereof.

10. Lincoln County Solid Waste Billing-Fox Run Subdivision

Motion: Table Item 10 until the Regular Meeting on September 27, 2016, **Action:** Approve, **Moved by** Commissioner Draper, **Seconded by** Commissioner Stewart.
Vote: Motion carried by unanimous vote (summary: Yes = 3).
Yes: Chair Stone, Commissioner Stewart, Commissioner Draper.

11. Signing of Official Documents

12. Next Meeting

Regular Meeting -- September 27, 2016

13. Adjournment

There being no further business to come before the Board of County Commissioners, Chair Stone adjourned the meeting at 9:42 AM.

County of Lincoln
Board of County Commissioners



Preston Stone, Chair



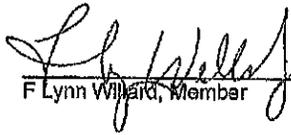
Dallas Draper, Vice Chair



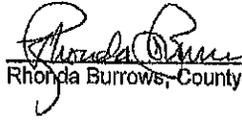
Elaine Allen, Member



Thomas F Stewart, Member


F Lynn Willard, Member

ATTEST:


Rhonda Burrows, County Clerk

September 27, 2016
Date Approved

