

NEW MEXICO
LEGISLATIVE
FINANCE
COMMITTEE

Local Government Dashboard:
**Eddy County &
City of Carlsbad**

Legislative Finance Committee Hearing

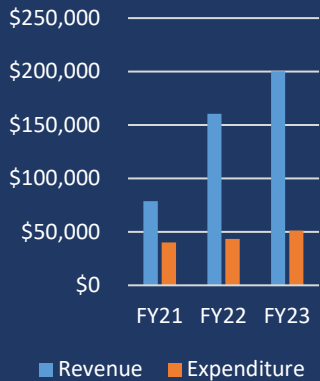
June 11-13

Carlsbad, New Mexico

Economy & Finance

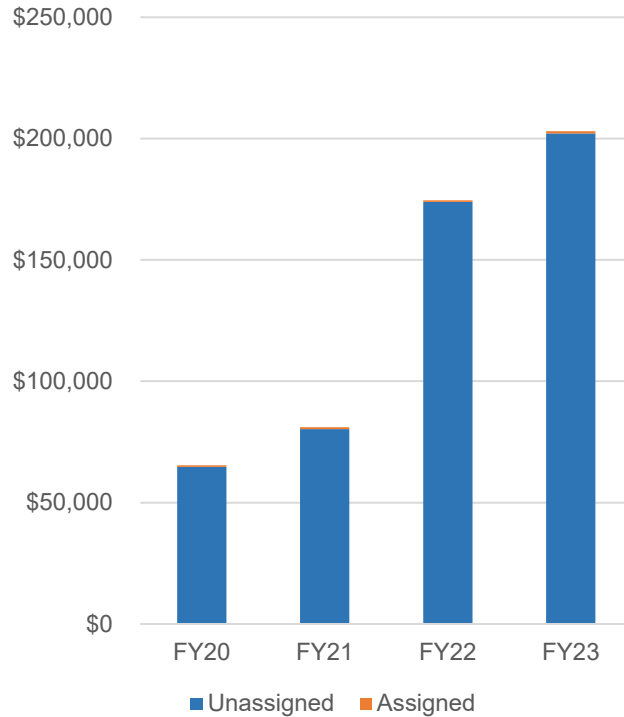
Eddy County's taxable gross receipts in agriculture, forestry, fishing, and hunting has increased by \$6.7 million, or 127 percent from this time last year. Construction is still the largest industry of the county's taxable gross receipts, making 38 percent of total taxable gross receipts, followed by retail trade at 12 percent.

Eddy County Revenue vs. Expenditure (in thousands)



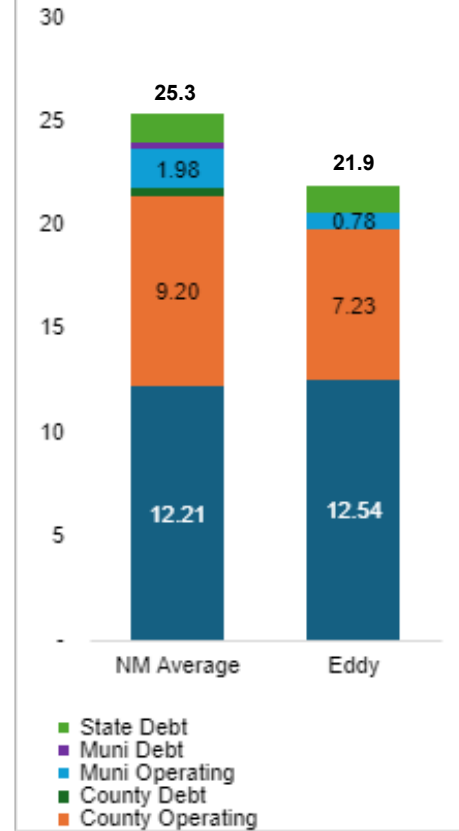
*OSA Audits

Eddy County General Fund Balance (in thousands)



*OSA Audits

Residential Property Tax Mills by Use, 2021



*LFC Analysis

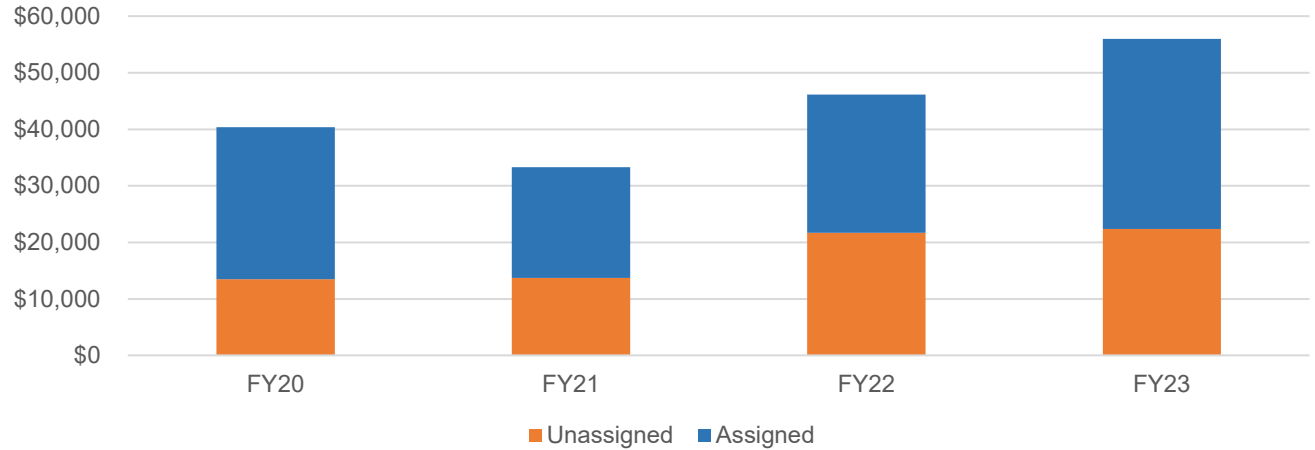
- Eddy County's general fund is primarily made of unassigned funds. Unassigned fund balance represents money that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The County has had less than \$1 million in assigned general fund over the last four fiscal years. Eddy County's general fund increased by \$93 million from FY21 to FY22 mainly due to increases in oil and gas production and equipment taxes.
- Eddy County residents are paying less in property tax in relation to their property value than the New Mexico average. The main driver of this is levies for Eddy County's operating fund. Operating fund levies are imposed by county commissioners but are adjusted by the Department of Finance and Administration (DFA) for yield control.

Economy & Finance

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*Following the Office of the State Auditor's FY23 audit, the City of Carlsbad did not properly track grant billings on time, causing accruals to be based on cash receipts rather than actual expenditures, resulting in understatements of revenues attributable to these grants.

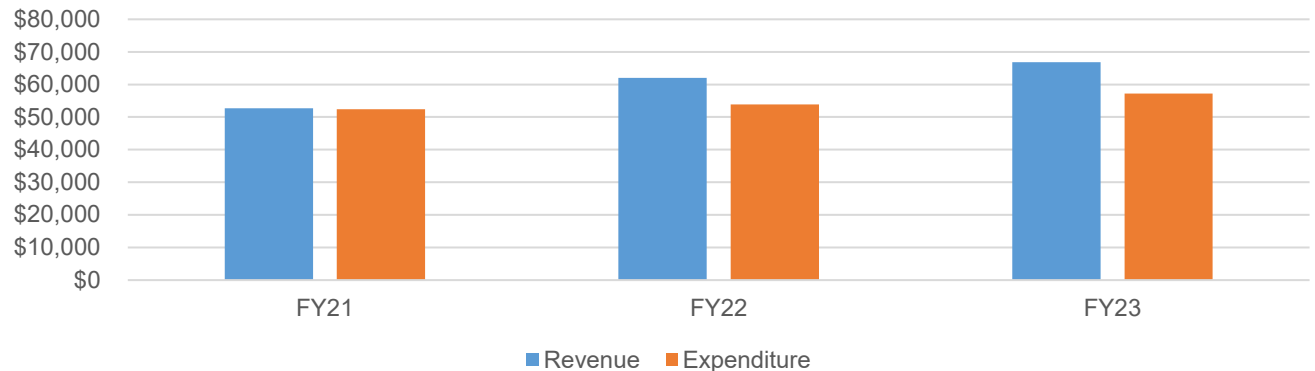
City of Carlsbad General Fund Balance (in thousands)



*OSA Audits

- The City of Carlsbad general fund is made of both assigned and unassigned fund balance. The City received more revenue from levied property tax in FY23 than in FY22. The City also saw higher increases in special revenues in FY23 than F22, receiving more funding for fire protection, law enforcement protection, and capital outlay.
- The City of Carlsbad spent the remaining of its American Rescue Plan Act (ARPA) funds in FY23, with \$2.3 million of ARPA funds going towards public safety efforts.

City of Carlsbad Revenue vs. Expenditure (in thousands)



Leadership & Resources

Eddy County Leadership

- **County Commissioners:**
Jon Henry
Ernie Carlson
Fred Beard
Sarah Cordova
James W. "Bo" Bowen
- **County Manager:**
Roberta Gonzales
- **County Clerk:**
Cara Cook



EDDY COUNTY

NEW MEXICO



Leadership & Resources

City of Carlsbad Leadership

- **Mayor:**
Rick Lopez
- **City Council:**
Lisa A. Anaya-Flores
Edward T. Rodriguez
JJ Chavez
Jeff Forrest
Karla Hamel Niemeier
Mary Garwood
Anthony Foreman
Mark Waltersheid
- **City Administrator :**
Wendy Austin