

UNION COUNTY  
Resolution No. 2022-35

SPECIAL REVENUE FUND CREATION AUTHORITY FOR THE LOCAL GOVERNMENT ABATEMENT FUND FUNDED BY THE OPIOID SETTLEMENT.

WHEREAS, the authority for creation of special revenue sources must be approved by the Board of Commissioners; and

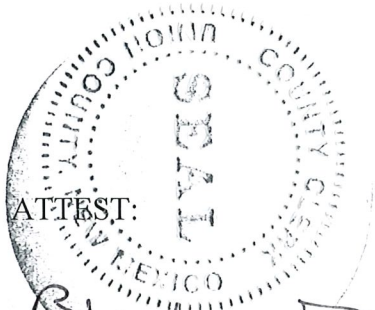
WHEREAS, the New Mexico Opioid Allocation Agreement requires Local Governments receiving Opioid Settlement monies to create a separate fund called the "LG Abatement Fund"; and

WHEREAS, the New Mexico Department of Finance and Administration Local Government Division sent out Memorandum BFB#22-04 creating the LG Abatement Fund in State's LGMBS system (Fund 27000); and

WHEREAS, the New Mexico Opioid Allocation Agreement and the National Opioid Settlement distributions will fund the new fund.

NOW THEREFORE, BE IT RESOLVED by the Board of Union County Commissioners that the Local Government Abatement Fund (606) be created.

APPROVED AND ADOPTED this 10th day of May, 2021.

ATTEST:  
  
*Brenda Green*  
Brenda Green, County Clerk

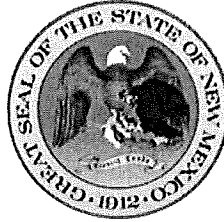
BOARD OF COMMISSIONERS – UNION COUNTY, NEW MEXICO

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STATE OF NEW MEXICO  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
LOCAL GOVERNMENT DIVISION  
Bataan Memorial Building ♦ 407 Galisteo St. ♦ Suite 202 ♦ Santa Fe, NM 87501  
PHONE (505) 827-4950 ♦ FAX (505) 827-4948

**MEMORANDUM BFB #22-04**

TO: New Mexico Counties and Municipalities

FROM: Brenda L. Suazo-Giles, Budget & Finance Bureau Chief  
Local Government Division *Brenda L. Suazo-Giles*

DATE: April 11, 2022

SUBJECT: New Fund "27000 LG Abatement Opioid Fund" Created on LGBMS

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The Department of Finance and Administration, Local Government Division (LGD) has updated the Local Government Budget Management System (LGBMS) chart of accounts to assist in tracking the opioid settlement funds awarded to eligible counties and municipalities via the New Mexico Opioid Allocation Agreement (NMOAA). Pursuant to NMOAA requirements, every participating local government shall create a separate fund, called the "LG Abatement Fund". Abatement funds shall not be commingled with any other money or funds of the local government.

We are requiring that participating counties and municipalities budget their NMOAA award in their **Fiscal Year 2022-2023 Final Budget** under Fund "27000 LG Abatement Opioid Fund" using available line items that best fit settlement agreement requirements. If your local government receives their award in Fiscal Year 2021-2022, then a BAR (budget adjustment request) may be submitted on LGBMS after being approved by your governing body.

As a reminder, the deadline for submitting Fiscal Year 2021-2022 BARs and the Fiscal Year 2022-2023 Final Budget is July 31, 2022. The updated budget template may be downloaded directly from LGBMS and is also attached to this memorandum for your convenience.

If you have questions, please contact your assigned analyst. Staff contact information can be found here: <https://www.nmdfa.state.nm.us/local-government/budget-finance-bureau/>

xc: Donnie Quintana, Local Government Division Director  
BFB Analysts  
Brian Colón, State Auditor  
AJ Forte, NMML Executive Director  
Steve Kopelman, NMC Executive Director  
File

## NEW MEXICO OPIOID ALLOCATION AGREEMENT

### A. Definitions

As used in this New Mexico Opioid Allocation Agreement (“NMOAA”):

1. “Local Government” shall mean every litigating county and city, each county regardless of population, each city with a population exceeding 10,000, and any Special District as that term is defined in the Master Settlement Agreements within the geographic boundaries of the State of New Mexico.<sup>1</sup> For avoidance of doubt, Local Governments within this definition are identified on Exhibit A hereto.
2. “Opioid Funds” shall mean monetary amounts obtained through a Settlement as defined in this NMOAA.
3. “Opioid Related Expenditure” shall mean an expenditure consistent with the categories enumerated in Exhibit E to the Distributor Master Settlement Agreement and the J&J Master Settlement Agreement found at <https://nationalopioidsettlement.com/> and attached hereto as Exhibit B.
4. “Parties” shall mean the State of New Mexico and Participating Local Governments.
5. “Pharmaceutical Supply Chain Participant” shall mean any entity that engages in or has engaged in the manufacture, marketing, promotion, distribution or dispensing of an opioid analgesic, including but not limited to those persons or entities identified as Defendants in the matter captioned *In re: Opioid Litigation*, MDL 2804 pending in the United States District Court for the Northern District of Ohio.
6. “Participating Local Government” is any Local Government that agrees to be bound by a Settlement by Participation Agreement necessary to effectuate that Settlement or other similar document.
7. “Settlement” shall mean the settlement reached with the Distributor Opioid Defendants, namely McKesson Corporation, AmerisourceBergen Corporation, and Cardinal Health, Inc. (each a “Settling Distributor”) and the settlement reached with Janssen (“J&J”)<sup>2</sup> (referenced as “National Distributor Settlement” and “J&J Settlement”) with certain states and local government entities that the State of New Mexico and its Local Governments have the option to join. For avoidance of doubt, a Settlement shall not include the resolution of any other legal or equitable claims alleged against any other Supply Chain Participant other than the Settling Distributors and J&J.

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<sup>1</sup> The population figures contained in this NMOAA shall be derived from the published U.S. Census Bureau’s population estimates for July 1, 2019, released May 2020 as set forth in the Master Settlement Agreements.

<sup>2</sup> “Janssen” means Johnson & Johnson, Janssen Pharmaceuticals, Inc., OrthoMcNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceuticals, Inc.

Settlement Agreements. The Settlement Administrator shall make all distributions to Regions with more than one member or their members in accordance with instructions received or the default allocation described in the previous sentence; provided, however, that the Settlement Administrator shall not make any distributions to a Region with more than one member prior to July 1, 2022, or such later deadline to reach an agreement agreed to by the members of a Region and timely communicated to the Settlement Administrator.

6. Except as provided herein or as provided by court order, 100% of the State Share and the LG Share, regardless of allocation, shall be utilized only for Opioid Related Expenditures.

### C. Compliance Reporting and Accountability

1. Every Participating Local Government shall create a separate fund or project on its financial books and records that is designated for the receipt and expenditure of each entity's portion of the LG Share, called the "LG Abatement Fund." Funds in an LG Abatement Fund shall not be commingled with any other money or funds of the Local Government. A Local Government may invest LG Abatement Fund funds consistent with the investment of other funds of a Local Government.
2. Funds in a LG Abatement Fund may be expended by a Local Government only for Opioid Related Expenditures. For avoidance of doubt, funds in a LG Abatement Fund may not be expended for costs, disbursements, or payments made or incurred prior to the Settlement.
3. As part of the State or a Participating Local Government's annual audit pursuant to the State Audit Act, NMSA 1978, Chapter 12, Article 6, both the State fund and each LG Abatement Fund shall be audited to provide reasonable assurances that the LG Abatement Fund disbursements are consistent with the terms of this NMOAA. If any such audit reveals an expenditure inconsistent with the terms of this NMOAA, the State or the Local Government shall immediately redirect an amount equal to the funds associated with the inconsistent expenditure from another revenue source that may permissibly be expended for such purposes to an Opioid Related Expenditure. Either the State or the Participating Local Government who has been found to have expended funds inconsistently with this NMOAA will be ineligible to receive further distributions of the LG Share unless and until such a redirection is accomplished and confirmed by the State Auditor. The Settlement Administrator shall be instructed to hold either the State or that Local Government's future portion of the LG Share in escrow until instructed to release those funds by the State Auditor.
4. Local Governments may combine their respective portion of the LG Share with other Local Governments or the State.

Region	Percentage
<b>Albuquerque City</b>	22.7540246633%
<b>Bernalillo County</b>	18.6169292699%
<b>Catron County</b>	0.1129940051%
<b>Chaves County</b>	2.5358877708%
Roswell City	
<b>Cibola County</b>	0.7723148257%
<b>Colfax County</b>	0.7448541610%
<b>Curry County</b>	1.4056466248%
Clovis City	
<b>De Baca County</b>	0.0650725663%
<b>Dona Ana County</b>	7.0811945176%
Las Cruces City	
Sunland Park City	
<b>Eddy County</b>	2.5979985848%
Artesia City	
Carlsbad City	
<b>Grant County</b>	1.8057321396%
<b>Guadalupe County</b>	0.1869187026%
<b>Harding County</b>	0.0102668257%
<b>Hidalgo County</b>	0.1965507765%
<b>Lea County</b>	2.0400522723%
Hobbs City	
Lovington City	
<b>Lincoln County</b>	1.2208675842%
<b>Los Alamos County</b>	0.5915454490%
<b>Luna County</b>	0.8374453274%
Deming City	
<b>McKinley County</b>	1.0214669791%
Gallup City	
<b>Mora County</b>	0.1903934157%
<b>Otero County</b>	2.5746166552%
Alamogordo City	
<b>Quay County</b>	0.4733520608%
<b>Rio Arriba County</b>	4.5982959101%
Española City	
<b>Roosevelt County</b>	0.3148139409%
Portales City	
<b>San Juan County</b>	3.8184895185%
Farmington City	
<b>San Miguel County</b>	1.6661207044%
Las Vegas City	
<b>Sandoval County</b>	4.5573671729%
Bernalillo Town	

Rio Rancho City	
<b>Santa Fe City</b>	4.5408953413%
<b>Santa Fe County</b>	3.5143193357%
<b>Sierra County</b>	1.0308488455%
<b>Socorro County</b>	0.7363065077%
<b>Taos County</b>	1.7429125688%
<b>Torrance County</b>	0.7071523256%
<b>Union County</b>	0.1108929666%
<b>Valencia County</b>	3.8283030105%
Los Lunas Village	