

STATE OF NEW MEXICO
EDDY COUNTY

*Basic Financial Statements and
Required Supplementary Information
For the Year Ended June 30, 2009
and Independent Auditors' Report*

**STATE OF NEW MEXICO
EDDY COUNTY**

**ANNUAL FINANCIAL REPORT
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JUNE 30, 2009**

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201 E. Main, Suite 500
El Paso, Texas 79901
Tel. (915) 532-2901
Fax (915) 532-0807
www.cpa-sp.com

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas,
New Mexico State Auditor
The Office of Management and Budget and
The Board of Commissioners
Eddy County
Carlsbad, New Mexico

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Eddy County (the "County"), as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the County's nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2009, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the County as of June 30, 2009, and the respective changes in financial position thereof and the respective budgetary comparisons for the nonmajor governmental funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2009, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 10 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, and the combining and individual fund financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The additional schedules listed as "Supplementary Information and Supporting Schedules" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in blue ink that reads "Jack & Potts, LLP". The signature is written in a cursive, flowing style.

November 10, 2009

**STATE OF NEW MEXICO
EDDY COUNTY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2009**

This discussion and analysis of the County of Eddy's (County) financial performance provides an overview of the County's financial activities for the fiscal year ending June 30, 2009. The MD&A should be read in conjunction with the accompanying transmittal letter, the basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded liabilities at the close of FY 2009 by \$101,008,949 (net assets) for an increase of 10% over 2008. Of this amount, \$4,049,592 is restricted for specific purposes. As required by GASB 34, net assets also reflect \$51,508,933 that is invested in capital assets net of related debt.
- In contrast to the government wide statements, the fund statements report a combined fund balance at year end of \$51,020,277.
- Eddy County has no General Obligation Bond indebtedness.
- Oil and Gas production and equipment taxes were up to \$13,742,742 for 2009
- Gasoline and motor vehicle taxes remained flat at \$1,156,189 for 2009
- Gross Receipts Taxes were up to \$9,276,509 for 2009.
- Overall expenditures increased 6%.
- Overall fund balance showed a 12.75% increase for 2009.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts: management's discussion and analysis (this section); the basic financial statements; and other required supplementary information. The basic financial statements include two kinds of statements that present different views of the County.

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the County's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services like public safety were financed in the short term as well as what remains for spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to these required elements, a section with combining statements provides more details about the County's non-major governmental funds which are added together and presented in a single column in the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide statements report information about the County as a whole using accounting methods similar to those used in private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current fiscal year's revenues and expenses are accounted for in the statement of activities regardless of when cash was received or paid.

The two government-wide statements report the County's net assets and how they have changed. Net

assets, the difference between the County's assets and liabilities, is one way to measure the County's financial health, or position.

- Over-time, increase or decreases in the County's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the health of the County you need to consider additional non-financial factors such as changes in the County's tax base and the condition of the County's roads.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Of the County's total assets of \$105,110,924, the largest components are: (1) cash and cash equivalents of \$49,455,950 or 47% and (2) capital assets net of accumulated depreciation of \$51,599,624 or 49%.

The County's net assets for fiscal year ended June 30, 2008 and 2009 are summarized as follows:

Governmental Activities		
	<u>2008</u>	<u>2009</u>
Current and other assets	\$ 48,441,461	\$ 53,511,300
Capital assets (net of depreciation)	52,174,406	51,599,624
Total assets	<u>\$100,615,867</u>	<u>\$105,110,924</u>
Current liabilities	\$ 2,590,523	\$ 1,673,879
Long-term liabilities	2,331,833	2,650,133
Total liabilities	<u>\$ 4,922,356</u>	<u>\$ 4,324,012</u>
Net assets:		
Invested in capital assets, net of related debt	\$ 52,067,033	\$ 51,508,933
Restricted	4,124,217	4,049,592
Unrestricted	39,502,261	45,228,387
Total net assets	<u>\$ 95,693,511</u>	<u>\$100,786,912</u>

MAJOR REVENUE FUNDS

Fund	(Reflected in thousands of dollars)		
	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund	\$ 26,559	\$ 29,654	\$ 33,476
Environmental Services	1,428	1,606	1,542
County Indigent Fund	2,644	2,899	3,819
Protest Suspense Fund	48	48	16
Fire Excise Tax - Gross Receipts Fund	2,429	1,229	1,547
Capital Improvements Fund	974	765	(69)

EXPLANATION OF MAJOR REVENUE FUND DIFFERENCES

General Fund - the increase in the general fund revenue from 2008 to 2009 is attributed to an increase in oil and gas revenues for the year.

Environmental Services - The gross receipts revenue has remained relatively flat over the past year showing a slight increase from 2008 to 2009. This is due mainly to continued activity in the oil and gas industry.

Indigent Fund - this fund is supported mainly through county wide gross receipts taxes which have remained relatively flat due to continued oil and gas activity.

Fire Excise - The gross receipts revenue has remained relatively flat over the past year showing a slight decrease from 2008 to 2009. This is due mainly to continued activity in the oil and gas industry.

Capital Improvements - The decrease in the capital improvement revenues are due to moving that portion of General Fund Gross Receipts Tax once placed into the Capital Improvements Fund back into the General Fund.

Protest Suspense Fund - this fund was created in the current year to account for taxes that are being protested. Total tax payments are placed in this fund until the matter has been resolved. When matters have been resolved, funds will revert to either the tax payer or the tax fund.

**MAJOR REVENUE SOURCES (Cash Basis)
(Reflected in thousands of dollars)**

	<u>2007</u>	<u>2008</u>	<u>2009</u>
Property Taxes	\$ 7,833	\$ 7,302	\$ 7,950
Oil and Gas Production	9,701	10,992	12,248
Oil and Gas Equipment	2,105	2,385	2,182
Interest on Investments	1,479	1,452	490
PILT	1,907	1,882	4,240
Indigent GRT	2,625	3,135	3,262
Environmental GRT	1,253	1,529	1,350
Fire Excise GRT	2,507	2,982	2,702

EXPLANATION OF MAJOR REVENUE SOURCES

Property Taxes (residential & non residential) - the increase in property taxes is attributed to an increase in the overall property valuation. The county property tax rate has remained at 7.5 for over 16 years. Any deviation from that collection rate is determined by a state yield control formula which may reduce the collection rate on residential property.

Oil and Gas Production - the increase in Oil and Gas production is attributed to higher crude oil and natural gas prices.

Oil and Gas Equipment - this funding source showed an increase over last year, and is attributed to taxes levied on equipment located in Eddy County at the end of the calendar year.

Interest on Investments - the decrease in revenue from 2008 to 2009 reflects the drop in stock market values in October of 2008 and the subsequent impact on the State of New Mexico Investment Pool.

PILT - Payment in Lieu of Taxes ("PILT") is revenue provided by the Federal government for federally owned land in the County for which no property tax is levied/collected. In years prior to 2009, Congress has not fully funded the PILT payments to local governments. The increase from 2008 to 2009 is the result of the Congress passing a new law which fully funds the PILT payments to local governments.

Indigent, Environmental Services and Fire Excise Gross Receipts Taxes - These taxes have increased in activity in the oil and gas industry.

CASH BALANCES ON JUNE 30,

	2007	2008	2009
	34,421	42,969	49,455

**MAJOR EXPENDITURE FUNDS
(Reflected in thousands of dollars)**

<u>Fund</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund	\$ 20,715	\$ 22,724	\$ 24,818
Environmental Services	740	1,318	1,321
County Indigent Fund	2,806	2,973	3,424
Capital Improvements Fund	763	1,583	349
Fire Excise Tax - Gross Receipts Fund	2,027	1,583	2,247

GENERAL FUND BUDGET VARIANCES

The General Fund budgetary report shows the following significant variances between the final budget and the actual amounts:

There was a positive variance of approximately \$2.8 million in tax revenues due primarily to increased oil and gas activity, and an increase in the gross receipts tax.

CAPITAL ASSETS ACTIVITY

A summary of capital assets and changes occurring during the year ended June 30, 2009 follows:

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2009</u>
Capital assets not being depreciated				
Land	\$ 3,824,405	\$ 50,634	\$ -	\$ 3,875,039
Construction in progress	<u>2,832,673</u>	<u>1,059,530</u>	<u>(2,606,567)</u>	<u>1,285,636</u>
Total capital assets not being depreciated	<u>6,657,078</u>	<u>1,110,164</u>	<u>(2,606,567)</u>	<u>5,160,675</u>
Capital assets being depreciated				
Landfill	686,696	-	-	686,696
Building and building improvements	24,213,114	-	-	24,213,114
Infrastructure	27,989,625	1,342,052	(45,614)	29,286,063
Equipment and furnishings	<u>25,266,895</u>	<u>3,781,501</u>	<u>(958,347)</u>	<u>28,090,049</u>
Total capital assets being depreciated	<u>78,156,330</u>	<u>5,123,553</u>	<u>(1,003,961)</u>	<u>82,275,922</u>

Less accumulated depreciation for:				
Buildings and building improvements	8,142,194	691,560	-	8,833,754
Infrastructure	10,707,479	1,156,095	(17,568)	11,846,006
Equipment and furnishings	<u>13,789,328</u>	<u>1,884,764</u>	<u>(516,880)</u>	<u>15,157,212</u>
Total accumulated depreciation	<u>32,639,001</u>	<u>3,732,419</u>	<u>(534,448)</u>	<u>35,836,972</u>
Total capital assets being depreciated, net	<u>45,517,329</u>	<u>1,391,134</u>	<u>(469,513)</u>	<u>46,438,950</u>
Government activities capital assets, net	<u>\$ 52,174,407</u>	<u>\$ 2,501,298</u>	<u>\$ (3,076,080)</u>	<u>\$ 51,599,625</u>

The major activities in capital assets for the year were construction of new fire stations, purchase of fire trucks, and improvements to the roads infrastructure system.

EDDY COUNTY DEMOGRAPHICS

Census Population

1900 - 963 / 1990 - 48,646 / 2000 - 51,658 / 2005 - 51,437 (estimated)

County Classification

Class "B" (pop. < 100,000) "Over" (> \$300,000,000 in valuation)
 2007 Valuation - \$2,555,746,565 2008 Valuation - \$2,752,928,930
 Increase of 7%

Land Area

4,182 sq. miles

Property Ownership

60% Federal /20% State /2% Local /18% private

County Road Miles Maintained

1,240

2008 - 2009 Expenditures

\$36,217,405

Municipalities

Carlsbad, Artesia, Loving, Hope

HISTORY AND OPERATION OF EDDY COUNTY NEW MEXICO

Eddy County was established in 1889 when Lincoln County split into Lincoln, Chaves and Eddy Counties. At that time its boundaries went from the Texas State Line to the South, to the Texas State Line to the East. Eddy County is now one of 33 counties in the state of New Mexico and encompasses approximately 4,200 square miles of surface area.

There are four incorporated municipalities within Eddy County: Carlsbad, Artesia, Hope and Loving. There are also numerous rural communities such as Otis, Malaga, Happy Valley, Cottonwood, Atoka and Riverside. There are over 30 rural water cooperatives in Eddy County, none of which are controlled by the County.

The County is headed up by five elected county commissioners, who appoint a county manager to run the day to

day affairs of the County. There are also five other elected positions, the Clerk, Treasurer, Assessor, Sheriff and Probate Judge, who are responsible for the statutory duties of their respective offices and act as department heads for those departments.

Eddy County is statutorily responsible for housing various state agencies which include the District Court, District Attorney, Juvenile Probation and Parole Office and two County Health Offices.

Eddy County maintains approximately 275 full time positioned employees, and an additional 24 part-time or temporary employees in 27 departments.

County governments historically receive most of their operating funds through Ad Valorem or property taxes. Of the 4,200 square miles in Eddy County, only 18% is privately owned and subject to property tax. 22% is controlled by the State and Local Government and about 60% is controlled by federal agencies such as the Bureau of Land Management, Bureau of Reclamation, National Park Service, Department of Energy and the U. S. Forrest Service.

The County Road Department maintains approximately 1,300 miles of county roads, along with signage and vector control throughout the County.

Eddy County is classified as a Class "B Over" county, which means it has a population of under 100,000 with property values over \$300,000,000. The county's net taxable value for 2008 was \$2.7 billion, which generates about \$8 million in revenue for the county. We continue to maintain the lowest mil rate in the state.

Other major sources of revenue include Oil & Gas production taxes, which generated about \$34 million this year, Gross Receipts taxes, which generate about \$10.5 million, and Payment In Lieu of Taxes (PILT) from the federal government which generated just over \$4.2 million. We also receive gasoline taxes, motor vehicle taxes, state fire funds along with various grants and reimbursements.

Eddy County ran a 2008/2009 general fund budget of approximately \$39.7 million. With special funds such as the Eagle Draw Flood District, 12 Volunteer Fire Departments, DWI and Drug programs and Artesia Motor Vehicle Department, the total operating budget is around \$43.8 million. There are over 100 funds administered by Eddy County.

EDDY COUNTY DEPARTMENTS & SERVICES

COUNTY COMMISSION AND ADMINISTRATION

The County Commission sets the policy by which the county operates through resolutions and ordinances. The Commission serves as the County Finance Board as well as the Indigent Hospital Claims Board. Commissioners are elected by district for four year terms and are limited to two consecutive terms. They appoint a County Manager who oversees the day to day activities of the county, which includes the operations of the following: finance department, human resources department, facilities management department, information systems department, indigent program, DWI program, detention department, emergency management department and road department.

COUNTY ASSESSOR

The Assessor's office is run by the elected County Assessor, whose duties include the proper assessment of all property subject to valuation for taxation purposes within the county.

COUNTY CLERK

The Clerk's office is run by the elected County Clerk, whose duties include acting as ex officio clerk to the County Commission, recording and filing of official documents in the county, keeping historic records of the county, issuing marriage licenses, and is responsible for the partisan election process within Eddy County.

COUNTY SHERIFF

The elected County Sheriff is the principle preserver of the peace in the county. The sheriff and his deputies are empowered to suppress assaults, batteries, apprehend and commit to jail all offenders violating statutes, ordinances and other laws. The sheriff is also responsible for serving and executing all processes, writs and other orders directed to him by the courts. The sheriff also provides for courthouse security.

COUNTY TREASURER

The elected County Treasurer is responsible for the supervision of all county moneys received and disbursed, regular accounts of all warrants drawn and paid, and serves ex officio as the county tax collector. All fiscal activities with the county must be coordinated through the County Treasurer.

PROBATE JUDGE

The Probate Judge is elected countywide, and is required to hold court in the county seat. This is a part time position of the county, and is elected for four year terms.

ROAD DEPARTMENT

The County Road Department maintains approximately 1300 miles of county roads, along with keeping proper signs on these roads throughout the county. They also operate a vector control department to assist in the control of mosquitoes and other insects in the county.

DETENTION

Both the Adult and Juvenile Detention Centers are operated by the county, under the control of the County Commission. These facilities serve inmates who are awaiting trial, as well as those who have been sentenced for less than 365 days.

EMERGENCY PREPAREDNESS

The Emergency Preparedness office oversees the County Emergency Operations Plan for the entire county. He also provides supervision as the County Fire Marshall for the 12 volunteer departments located throughout the county.

SPECIAL SERVICES

The county also has several special services including our information systems department, Geographic Information System for updated county maps, rural addressing, planning and zoning, DWI programs as well as other special projects and services.

EDDY COUNTY MISSION STATEMENT

Eddy County will provide leadership, service, policies and direction for the enhancement of safety, health, economic and infrastructure development based on the principles of ethical management, fiscal responsibility, open-mindedness, vision and integrity while preserving the trust placed in us by the citizens of Eddy County

VISION STATEMENT

EXCELLENCE IN LEADERSHIP QUALITY SERVICE VISION

Eddy County continues to move forward as a leader in county government in New Mexico. As a class "B Over" county, we maintain one of the lowest property tax rates in the state, while maintaining a healthy, fiscally responsible operation.

The County Commission acquired the Eddy County Administration Complex at 101 W. Greene in 1998, showing their dedication to the stability of downtown Carlsbad, while securing land for the future needs of the county.

To avoid closure by the State of New Mexico, Eddy County took over the operation of the Artesia Motor Vehicle Office in 1999 in order to continue this vital service to the citizens of North Eddy County. Eddy County is the only county in New Mexico to operate an MVD field office.

Eddy County strives to work with the local municipalities to bring better services without duplication, where practical. We currently partner with the Cities of Carlsbad and Artesia on our fire and ambulance services as well as operating only one landfill in the county.

The County Commission and Elected Officials of Eddy County thank you for your trust and support as they serve you during their terms.

PHILOSOPHY

The Eddy County Commission has maintained a philosophy of progressive conservatism. While maintaining a property tax rate of 7.5 out of a possible 11.850, the commission strives to provide the best possible service at the lowest possible tax rate. As a service organization, a major percentage of the budget is dedicated to personnel expenses. Eddy County is constantly burdened with unfunded state and federal mandates, and strives to continue a high level of service with minimal growth in government.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and investors, with a general overview of the County's finances, and to show the County's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Office of the County Manager, Eddy County Administration Complex, 101 W. Greene, Carlsbad, NM 88220, (575) 887 9511.

STATE OF NEW MEXICO
EDDY COUNTY

STATEMENT OF NET ASSETS
JUNE 30, 2009

	Governmental Activities	Component Unit
ASSETS:		
Cash and cash equivalents	\$ 49,456,849	\$ 203,050
Receivables:		
Taxes	2,385,044	-
Intergovernmental	145,467	-
Interest	66,042	-
Other	267,433	-
Prepaid assets	359,937	-
Restricted assets:		
Cash and cash equivalents temporarily restricted for:		
Landfill closure and postclosure	831,424	-
Capital assets net of accumulated depreciation	<u>51,599,624</u>	<u>-</u>
 Total assets	 <u>\$ 105,111,820</u>	 <u>\$ 203,050</u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 1,318,309	\$ 3,431
Accrued expenses	535,001	15,874
Noncurrent liabilities:		
Compensated absences:		
Due within one year	240,280	3,971
Due after one year	422,734	11,999
Loans payable:		
Due within one year	17,084	-
Due after one year	73,607	-
Landfill closure, due after one year	<u>1,880,458</u>	<u>-</u>
Total liabilities	<u>4,487,473</u>	<u>35,275</u>
NET ASSETS:		
Invested in capital assets, net of related debt	51,508,933	-
Restricted for:		
Capital projects	9,049,592	-
Special revenue funds	4,301,503	-
Unrestricted	<u>35,764,319</u>	<u>167,775</u>
 Total net assets	 <u>100,624,347</u>	 <u>167,775</u>
 Total liabilities and net assets	 <u>\$ 105,111,820</u>	 <u>\$ 203,050</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Functions/Programs	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets		
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Component Unit
Primary Government:						
Governmental Activities:						
General government	\$ 14,371,990	\$ 769,779	\$ 1,447,294	\$ -	\$ (12,154,917)	\$ -
Public safety	14,815,151	579,495	3,826,508	-	(10,409,148)	-
Highways and roads	4,508,955	-	431,111	-	(4,077,844)	-
Health and sanitation	5,276,237	141,503	331,196	-	(4,803,538)	-
Culture and recreation	1,903,059	-	168,264	-	(1,734,795)	-
Interest on long-term debt	3,017	-	-	-	(3,017)	-
Total primary government	40,878,409	1,490,777	6,204,373	-	(33,183,259)	-
Component Unit:						
Public Safety	766,182	-	852,012	-	-	85,830
Total primary component unit	\$ 766,182	\$ -	\$ 852,012	\$ -	\$ -	\$ 85,830
General Revenues:						
Property taxes					8,337,867	-
Gross receipts taxes					9,276,509	-
Oil and gas taxes					13,742,119	-
Payment in lieu of taxes					4,239,851	-
Motor vehicle and fuel taxes					1,156,189	-
Other					221,994	-
Miscellaneous revenue					1,209,263	-
Unrestricted investment earnings					481,759	-
Gain (loss) on disposal of capital assets					(469,511)	-
Total general revenues and transfers					38,196,040	-
Change in net assets					5,012,781	85,830
Net assets - beginning					95,693,511	-
Restatement					(81,945)	81,945
Net assets - beginning as restated					95,611,566	81,945
Net assets - ending					\$ 100,624,347	\$ 167,775

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2009

	General Fund	Construction Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 17,043,088	\$ 1,407,149	\$ 31,006,612	\$ 49,456,849
Receivables:				
Taxes	1,723,757	-	661,287	2,385,044
Intergovernmental	3,508	-	141,959	145,467
Interest	66,042	-	-	66,042
Other	192,014	-	75,419	267,433
Prepaid expenses	359,937	-	-	359,937
Interfund receivable	50,449	-	-	50,449
Restricted cash and cash equivalents	-	-	831,424	831,424
Total assets	<u>\$ 19,438,795</u>	<u>\$ 1,407,149</u>	<u>\$ 32,716,701</u>	<u>\$ 53,562,645</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 301,275	\$ -	\$ 1,017,034	\$ 1,318,309
Accrued expenses	492,584	-	42,417	535,001
Interfund payable	-	-	50,449	50,449
Deferred revenue	696,455	-	78,980	775,435
Total liabilities	<u>1,490,314</u>	<u>-</u>	<u>1,188,880</u>	<u>2,679,194</u>
Fund balances:				
Reserved for:				
Prepaid expenses	359,937	-	-	359,937
Landfill closure	-	-	831,424	831,424
Unreserved:				
Undesignated, reported in:				
General fund	17,588,544	-	-	17,588,544
Special revenue fund	-	1,407,149	21,646,805	23,053,954
Capital projects fund	-	-	9,049,592	9,049,592
Debt service funds	-	-	-	-
Total fund balances	<u>17,948,481</u>	<u>1,407,149</u>	<u>31,527,821</u>	<u>50,883,451</u>
Total liabilities and fund balances	<u>\$ 19,438,795</u>	<u>\$ 1,407,149</u>	<u>\$ 32,716,701</u>	<u>\$ 53,562,645</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

RECONCILIATION OF THE BALANCE SHEET TO THE
STATEMENT OF NET ASSETS
JUNE 30, 2009

Amounts reported for government activities in the statement of net assets are different because:

Fund balances - total governmental funds	\$ 50,883,451
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	51,599,624
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds:	
Property taxes	775,435
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	<u>(2,634,163)</u>
Net assets - Statement of Net Assets	<u>\$100,624,347</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

	<u>General Fund</u>	<u>Construction Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Revenues:				
Taxes				
Property	\$ 7,950,186	\$ -	\$ 353,487	\$ 8,303,673
Gross receipts	3,275,448	2,953	5,998,108	9,276,509
Oil and gas taxes	13,742,119	-	-	13,742,119
Gasoline and motor vehicle	1,156,189	-	-	1,156,189
Other	151,959	-	70,033	221,992
Intergovernmental				
Federal operating grants	16,000	-	2,339,428	2,355,428
State operating grants	5,260,765	-	2,828,032	8,088,797
Charges for services	442,921	-	143,041	585,962
Licenses and fees	521,629	-	383,187	904,816
Investment income	481,759	-	-	481,759
Miscellaneous	477,887	-	731,376	1,209,263
Total revenues	<u>33,476,862</u>	<u>2,953</u>	<u>12,846,692</u>	<u>46,326,507</u>
Expenditures:				
Current:				
General government	10,924,257	-	2,458,095	13,382,352
Public safety	8,602,335	631,155	4,729,269	13,962,759
Highways and roads	4,094,323	-	46,500	4,140,823
Health and sanitation	71,639	-	4,910,673	4,982,312
Culture and recreation	1,748,630	-	124,231	1,872,861
Debt service	-	-	19,699	19,699
Capital outlay	-	-	2,288,163	2,288,163
Total expenditures	<u>25,441,184</u>	<u>631,155</u>	<u>14,576,630</u>	<u>40,648,969</u>
Excess (deficiency) of revenues over expenditures	<u>8,035,678</u>	<u>(628,202)</u>	<u>(1,729,938)</u>	<u>5,677,538</u>
Other financing sources (uses):				
Operating transfers in (out)	<u>(1,517,654)</u>	<u>2,137,000</u>	<u>(619,346)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,517,654)</u>	<u>2,137,000</u>	<u>(619,346)</u>	<u>-</u>
Net changes in fund balances	6,518,024	1,508,798	(2,349,284)	5,677,538
Fund balance - beginning of year	11,430,457	(101,649)	28,959,050	40,287,858
Restatement	-	-	4,918,055	4,918,055
Fund balance - beginning of the year, restated	<u>11,430,457</u>	<u>(101,649)</u>	<u>33,877,105</u>	<u>45,205,913</u>
Fund balance - end of year	<u>\$ 17,948,481</u>	<u>\$ 1,407,149</u>	<u>\$ 31,527,821</u>	<u>\$ 50,883,451</u>

See accompanying notes to financial statements.

For Basis of Fund Balance Restatement see note 14 in the notes to the financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN THE FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

Net change in fund balances - total governmental funds	\$ 5,677,538
The changes in net assets reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense of \$3,732,419 exceeded capital outlays of \$3,627,149 in the current period.	(105,270)
Disposition of capital assets	(469,511)
Property taxes collected during the fiscal year, made available to pay for the current period's expenditures, reported as deferred revenue in the funds in the previous fiscal year.	34,194
Repayment of bond principal is an expenditure in the governmental funds but reduce the liability in the statement of net assets.	16,682
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. This is the amount of compensated absences liability and landfill closure liability.	<u>(140,852)</u>
Change in net assets of governmental activities	<u>\$ 5,012,781</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ 6,790,000	\$ 7,775,078	\$ 7,940,457	\$ 165,379
Gross receipts	2,650,494	5,566,416	3,261,575	(2,304,841)
Oil and gas taxes	11,022,000	11,668,257	14,448,305	2,780,048
Gasoline and motor vehicle	1,050,000	1,050,000	1,092,998	42,998
Other	150,300	150,300	150,394	94
Intergovernmental:				
Federal operating grants	416,000	416,000	16,000	(400,000)
State operating grants	2,387,755	3,614,123	5,260,737	1,646,614
Charges for services	350,100	350,100	425,481	75,381
Licenses and fees	607,646	635,500	528,475	(107,025)
Investment income	750,000	750,000	490,552	(259,448)
Miscellaneous	503,508	568,508	705,835	137,327
Total revenues	26,677,803	32,544,282	34,320,809	1,776,527
Expenditures:				
Current:				
General government	11,315,059	12,170,063	11,104,294	1,065,769
Public safety	8,603,108	8,987,744	8,187,331	800,413
Highways and roads	3,548,172	3,765,053	4,244,965	(479,912)
Health and sanitation	103,663	105,369	86,381	18,988
Culture and recreation	1,826,700	1,836,700	1,718,722	117,978
Capital outlay	760,000	811,500	-	811,500
Total expenditures	26,156,702	27,676,429	25,341,693	2,334,736
Excess (deficiency) of revenues over expenditures	521,101	4,867,853	8,979,116	4,111,263
Other financing sources (uses):				
Operating transfers in (out)	6,110,000	6,131,231	(2,140,574)	(8,271,805)
Total other financing sources (uses)	6,110,000	6,131,231	(2,140,574)	(8,271,805)
Net changes in fund balances	6,631,101	10,999,084	6,838,542	(4,160,542)
Fund balance - beginning of year	-	-	11,430,457	11,430,457
Fund balance - end of year			<u>\$ 18,268,999</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			6,838,542	
Net revenue accruals			(843,949)	
Net expenditure accruals			523,431	
Net change in fund balance GAAP basis			<u>\$ 6,518,024</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

CONSTRUCTION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Gross receipts	\$ -	\$ 387,000	\$ 2,953	\$ (384,047)
Total revenues	-	387,000	2,953	(384,047)
Expenditures:				
Current:				
Public safety	1,175,200	1,333,200	1,026,544	306,656
Capital outlay	20,000	17,000	-	17,000
Total expenditures	1,195,200	1,350,200	1,026,544	323,656
Excess (deficiency) of revenues over expenditures	(1,195,200)	(963,200)	(1,023,591)	(60,391)
Other financing sources (uses):				
Operating transfers in (out)	1,815,000	1,815,000	2,137,000	322,000
Total other financing sources (uses)	1,815,000	1,815,000	2,137,000	322,000
Net changes in fund balances	619,800	851,800	1,113,409	261,609
Fund balance - beginning of year	-	-	(101,649)	(101,649)
Fund balance - end of year			<u>\$ 1,011,760</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			1,113,409	
Net revenue accruals			-	
Net expenditure accruals			395,389	
Net change in fund balance GAAP basis			<u>\$ 1,508,798</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUNDS
JUNE 30, 2009

ASSETS

Cash and temporary investments	\$ 1,181,440
Receivables:	
Property taxes	1,704,053
Other taxes	<u>621,473</u>
Total assets	<u>\$ 3,506,966</u>

LIABILITIES

Due to other taxing units	<u>\$ 3,506,966</u>
Total liabilities	<u>\$ 3,506,966</u>

See accompanying notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Eddy County (the "County"), New Mexico was created in 1891 in accordance with Section 40-3-1 NMSA 1978. The powers of the County are exercised by an elected Board of County Commissioners. During general elections in the State of New Mexico, a County Treasurer, County Clerk, Probate Judge, County Sheriff, County Assessor, and County Commissioners are elected. The County is operated by a County Manager who is appointed by the County Commissioners.

The County assesses, collects, and distributes all property taxes, records property and legal documents, provides law enforcement services, health and social services, culture and recreation, tourist promotion and maintains County roads.

This summary of significant accounting policies of the County is presented to assist in the understanding of the County's financial statements. The financial statements and notes are the representation of the County's management who is responsible for their integrity and objectivity. The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the government's accounting policies are described below.

A. Reporting Entity

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements 14 and 39. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government wide financial statements to emphasize that it is legally separate from the government.

The basic but not the only criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities.

In conformity with the criteria discussed above, the financial statements of the Eddy County Communications Authority have been included in the financial reporting entity as a discretely presented component unit. This unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County. The separate audit report for the component unit can be obtained by contacting Eddy County Communications Authority at 102 N. Canal Street, Carlsbad, NM 88220.

Eddy County entered into a partnership with the Eddy-Lea Energy Alliance which combines Eddy County, Lea County, City of Hobbs and City of Carlsbad. The financial responsibility is split equally between the four entities involved. In 2009, Eddy County contributed \$242,500 for their portion of the purchase of land located in Eddy and Lea Counties. While Eddy County has a presence on the ELEA board, they do not have a majority vote and do not have the ability to exercise oversight responsibility.

B. Basis of Presentation

Government-Wide and Fund Financial Statements—The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for support. The County has elected to follow Financial Accounting Standards Board (FASB) pronouncements issued subsequent to November 30, 1989. The County follows all applicable GASB pronouncements and FASB pronouncements issued prior to November 30, 1989, unless they conflict with GASB pronouncements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting

Government-Wide Financial Statements—The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements—The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Construction Fund is to account for the acquisition or construction of major capital facilities.

Additionally, the government reports the following fund types:

The Fiduciary Funds account for the collection and payment of property taxes and special fees to other governmental agencies.

As a general rule the effect of interfund activity has been eliminated from the government wide financial statements. Exceptions to this general rule are payments in lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets or Equity

Deposits and Investments—The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with original maturities of twelve months or less from the date of acquisition.

State statutes authorize the County to invest in certificates of deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Investments for the County are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables—Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government wide financial statements.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after May 10 are considered delinquent. The taxes attach as an enforceable lien on property as of January 1st.

Prepaid Items—Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government wide and fund financial statements.

Capital Assets—Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental column in the government wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9C(5).

The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. However, infrastructure assets are not depreciated. The County has elected to use the modified method in accounting for infrastructure assets. The modified method allows governments to report as expenses in lieu of depreciation, infrastructure expenditures which maintain the asset but do not add to nor improve the asset. Additions and improvements to infrastructure assets are capitalized. The County uses an asset management system to rate the condition of infrastructure assets and quantify the results of maintenance efforts.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	25-40
Building Improvements	25-40
Vehicle and equipment	5-15
Computer hardware	5
Software	5-20
Roads	25

Accrued Expenses—Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2009, along with the applicable PERA and Retiree Health Care.

Deferred Revenues—Accounting principles generally accepted in the United States of America require that grant revenue be recognized at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as deferred revenues.

Compensated Absences—The County permits county employees to accumulate a limited amount of earned but unused vacation, which will be paid if not used, upon termination from the County. Accumulated sick leave benefits vest with each employee in accordance with County policy. All vacation pay and applicable accumulated sick leave is accrued when incurred in the government wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignation and retirements. No liability is reported for unpaid accumulated sick leave, as no payment is required upon termination of service by employees.

Long term Obligations—In the government-wide fund financial statements, long term debt and other long term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

Fund Equity—In the fund financial statements, governmental funds report reservations of fund balance that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Net Assets—Net assets of the County are classified in three components. Net assets

invested in capital assets net of related debt consist of capital assets net of accumulated depreciation and reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. Restricted expendable net assets are noncapital net assets that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the County, including amounts deposited with trustees as required by revenue bond indentures. Unrestricted net assets are remaining net assets that do not meet the definition of invested in capital assets net of related debt or restricted.

Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets of the County are prepared prior to June 1 and must be approved by resolution of the Board of County Commissioners, and submitted to the Department of Finance and Administration for State approval. Once the budget has been formally approved, any amendments must also be approved by the Board of County Commissioners and the Department of Finance and Administration. A separate budget is prepared for each fund. Line items within each budget may be over expended; however, it is not legally permissible to over expend any budget in total.

These budgets are prepared on the Non-GAAP budgetary basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.

The County is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

Other required individual fund disclosures

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

A. Deficit fund balance of individual funds:

EMS - Happy Valley	\$ 194
Sun County Fire District	1,356
Riverside Fire District	3,120
EMS - Malaga	845
EMS - La Huerta	324
CDBG Colonias	102,191
Civil Emergency	205,750

B. Designated cash appropriations in excess of available balances:

Happy Valley Fire District	1,584
Joel Fire District	1,769
Loco Hills	4,397
Otis Fire District	102,101
Sun Country Fire District	9,954
HIDTA Grant	33,544
CDBG Colonias	42,279
DWI Distribution	15,174

C. Excess of fund actual expenditures over budget:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Over</u>
	<u>Amount</u>	<u>Amount</u>	<u>Expended</u>
Protest Suspense Fund	-	432	(432)

The overexpenditures were funded in part by greater than anticipated revenues, available fund balance and future anticipated revenue.

3. **DEPOSITS AND INVESTMENTS**

State statutes authorize the investment of County funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the County properly followed State investment requirements as of June 30, 2009.

Deposits of funds may be made in interest or non interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the County. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

The rate of interest in non demand interest bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

Excess, of funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the County for at least one half of the amount on deposit with the institution.

As of June 30, 2009 \$48,784,640 of the County's bank balances of \$51,034,640 were exposed to custodial credit risk as follows:

	Carlsbad National Bank	Artesia National Bank	Western Bank
Year ended June 30, 2009			
Total amount of deposits	\$ 19,963,324	\$ 3,665,187	\$ 2,800,000
FDIC Coverage	<u>(500,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>
Total uninsured public funds	19,463,324	3,415,187	2,550,000
Collateralized by securities held by the pledging institution or by its trust department or agent in other than the County's name	<u>15,755,323</u>	<u>2,433,791</u>	<u>1,783,100</u>
Uninsured and uncollateralized	<u>\$ 3,708,001</u>	<u>\$ 981,396</u>	<u>\$ 766,900</u>
Collateral requirement (50% of uninsured public funds)	\$ 9,731,662	\$ 1,707,594	\$ 1,275,000
Pledged securities	<u>15,755,323</u>	<u>2,433,791</u>	<u>1,783,100</u>
Over (under) collateralization	<u>\$ 6,023,661</u>	<u>\$ 726,197</u>	<u>\$ 508,100</u>

	Pioneer Bank	Western Commerce Bank	Wells Fargo Bank
Year ended June 30, 2009			
Total amount of deposits	\$ 5,400,008	\$ 11,106,121	\$ 3,800,000
FDIC Coverage	<u>(250,000)</u>	<u>(500,000)</u>	<u>(250,000)</u>
Total uninsured public funds	5,150,008	10,606,121	3,550,000
Collateralized by securities held by the pledging institution or by its trust department or agent in other than the County's name	<u>3,630,840</u>	<u>6,839,109</u>	<u>2,089,920</u>
Uninsured and uncollateralized	<u>\$ 1,519,168</u>	<u>\$ 3,767,012</u>	<u>\$ 1,460,080</u>
Collateral requirement (50% of uninsured public funds)	\$ 2,575,004	\$ 5,303,061	\$ 1,775,000
Pledged securities	<u>3,630,840</u>	<u>6,839,109</u>	<u>2,089,920</u>
Over (under) collateralization	<u>\$ 1,055,836</u>	<u>\$ 1,536,048</u>	<u>\$ 314,920</u>

	First National Bank	Total
Year ended June 30, 2009		
Total amount of deposits	\$ 4,300,000	\$ 51,034,640
FDIC Coverage	<u>(250,000)</u>	<u>(2,250,000)</u>
Total uninsured public funds	4,050,000	48,784,640
Collateralized by securities held by the pledging institution or by its trust department or agent in other than the County's name	<u>2,063,325</u>	<u>34,595,408</u>
Uninsured and uncollateralized	<u>\$ 1,986,675</u>	<u>\$ 14,189,232</u>
Collateral requirement (50% of uninsured public funds)	\$ 2,025,000	\$ 24,392,321
Pledged securities	<u>2,063,325</u>	<u>34,595,408</u>
Over (under) collateralization	<u>\$ 38,325</u>	<u>\$ 10,203,087</u>

The collateral pledged is listed on the supplemental schedule of collateral pledged by depositor of public funds on this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

Custodial Credit Risk Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the

counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have an investment policy for custodial credit risk. New Mexico State Statutes require collateral pledged to be delivered for securities underlying an overnight repurchase agreement, or a joint safekeeping receipt be issued to the County for at least one hundred two percent of the fair value of the securities underlying overnight repurchase accounts invested with the institution. At June 30, 2009, the County's investment balances were exposed to custodial credit risk as follows:

	New MexiGROW LGIP	Total
Year ended June 30, 2009		
Investment in the State Treasurer's Local Government Investment Pool	\$ 304,927	\$ 304,927
Total Investments subject to custodial credit risk	<u>\$ 304,927</u>	<u>\$ 304,927</u>

Credit and Interest Rate Risk

As of June 30, 2009, the County's investments were rated as follows:

	Rating	Fair Value	Weighted Average Maturity
New MexiGROW LGIP	AAAm	\$ 304,927	24-days

The New MexiGROW Local Government Investment Pool's (LGIP) investments are valued at fair value based on quoted market prices as of the valuation date. The LGIP is not SEC registered. The New Mexico State Treasurer is authorized to invest the short term investment funds, with the advice and consent of the State Board of Finance, in accordance with Sections 6-10-10-1 through 6-10-10 P and Sections 6-10-10.1 A and E, NMSA 1978. The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the LGIP is voluntary.

The County does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

The County utilizes pooled accounts for their funds. The General, Special Revenue, Capital Projects, Debt Service and Agency funds are all in multiple accounts. Separate accounts also exist for sheriffs and confiscation related funds.

Reconciliation to the Statement of Net Assets

The carrying amounts of deposits and investments shown above are included in the County's statement of net assets as follows:

Carrying amount	Governmental Activities	Component Unit
Deposits	\$ 7,767,903	\$ 203,050
Investments	43,700,410	-
Petty Cash	1,400	-
	<u>\$ 51,469,713</u>	<u>\$ 203,050</u>
Included in the following Statement of Net Assets captions		
Cash and cash equivalents	\$ 49,456,849	\$ 203,050
Restricted cash and cash equivalents	831,424	-
	<u>50,288,273</u>	<u>203,050</u>
Agency funds	<u>1,181,440</u>	<u>-</u>
	<u>\$ 51,469,713</u>	<u>\$ 203,050</u>

4. ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2009, are as follows:

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Taxes Receivable:			
Property taxes	\$ 740,676	\$ 82,411	\$ 823,087
State of New Mexico			
Oil and gas taxes	581,689	-	581,689
Gasoline	189,804	-	189,804
Gross receipts taxes	209,914	414,817	624,731
Other	1,674	164,061	165,735
	<u>1,723,757</u>	<u>661,289</u>	<u>2,385,046</u>
Intergovernmental:			
Grants	3,508	141,959	145,467
Other:			
Charges for services	88,504	-	88,504
Licences and fees	77,680	73,913	151,593
Other	25,831	1,506	27,337
	<u>195,523</u>	<u>217,378</u>	<u>412,901</u>
Accrued interest	66,042	-	66,042
	<u>\$ 1,985,322</u>	<u>\$ 878,667</u>	<u>\$ 2,863,989</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current fiscal year deferred revenue which related to delinquent property taxes was \$775,435. There was also \$1,786,180 recorded as revenue for tax payments received under protest which are held in a separate fund until disposition of the protest.

5. INTERFUND RECEIVABLES, PAYABLE AND TRANSFERS

Interfund transfers reflect a temporary transfer of cash due to temporary needs within the fund. The composition of interfund transfers during the year ended June 30, 2009 is as follows:

Transfers In	Transfers Out	Amount
Artesia Motor Vehicle	General Fund	\$ 33,000
Payroll Benefit	General Fund	4,600,000
Communications Center	General Fund	622,922
Farm and Range	General Fund	15,500
Recreation	General Fund	29,500
Civil Emergency	General Fund	101,500
Insurance	General Fund	500,000
County Aircraft	General Fund	10,000
Road	General Fund	1,000,000
Healthier services	General Fund	500,000
County Indigent	General Fund	61,000
County Indigent	General Fund	93,643
Big Brother Big Sister	General Fund	14,527
Insurance	General Fund	10,000
Construction	General Fund	1,000,000
Construction	General Fund	387,000
County Indigent	Healthier Services	154,000
General Fund	Atoka Fire	1,769
General Fund	Cottonwood Fire	1,769
General Fund	Happy Valley Fire	1,769
General Fund	Joel Fire	1,769
General Fund	La Huerta Fire	1,769
General Fund	Loco Hills Fire	1,769
General Fund	Otis Fire	1,769
General Fund	White City Fire	1,769
General Fund	Sun Country Fire	1,769
General Fund	Queen Fire	1,769
General Fund	Riverside Fire	1,769
General Fund	Malaga Fire	1,769
County Indigent	Healthier Services	190,000
CBAD DWI BLDG Remodel	Construction	750,000
Healthier Services	Health Office Reserve	1,000,000
Civil Emergency	Fire Excise Tax- Gross Receipts	25,000
Fire Excise Reserve	Fire Excise Tax- Queen VFD	100,000
Fire Excise Reserve	Fire Excise Tax- Atoka VFD	100,000
Fire Excise- La Huerta	EMS La Huerta	583
WIPP Hazmat	Fire Excise Tax- Administration	31,057
Fire Excise - Reserve	Fire Excise Tax- Sun Country	100,000
Malaga Fire	Fire Excise Tax- Malaga VFD	900
		<u>\$ 11,451,360</u>

The County recorded interfund receivables (payables) to reflect a temporary loan between funds. These funds are expected to be paid back within a year:

Due To	Due From	Amount
General Fund	Civil Emergency	\$ 54,493
HIDTA - Grant Metro Agency	Civil Emergency	<u>(4,045)</u>
		<u>\$ 50,448</u>

6. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2009 is as follows:

	Balance June 30, 2008	Additions	Retirements	Balance June 30, 2009
Capital assets not being depreciated				
Land	\$ 3,824,405	\$ 50,634	\$ -	\$ 3,875,039
Construction in progress	<u>2,832,672</u>	<u>1,059,530</u>	<u>(2,606,567)</u>	<u>1,285,635</u>
Total capital assets not being depreciated	<u>6,657,077</u>	<u>1,110,164</u>	<u>(2,606,567)</u>	<u>5,160,674</u>
Capital assets being depreciated				
Landfill	686,696	-	-	686,696
Building and building improvements	24,213,114	-	-	24,213,114
Infrastructure	27,989,625	1,342,052	(45,614)	29,286,063
Equipment and furnishings	<u>25,266,895</u>	<u>3,781,501</u>	<u>(958,347)</u>	<u>28,090,049</u>
Total capital assets being depreciated	<u>78,156,330</u>	<u>5,123,553</u>	<u>(1,003,961)</u>	<u>82,275,922</u>
Less accumulated depreciation for:				
Buildings and building improvements	8,142,194	691,560	-	8,833,754
Infrastructure	10,707,479	1,156,095	(17,568)	11,846,006
Equipment and furnishings	<u>13,789,328</u>	<u>1,884,764</u>	<u>(516,880)</u>	<u>15,157,212</u>
Total accumulated depreciation	<u>32,639,001</u>	<u>3,732,419</u>	<u>(534,448)</u>	<u>35,836,972</u>
Total capital assets being depreciated, net	<u>45,517,329</u>	<u>1,391,134</u>	<u>(469,513)</u>	<u>46,438,950</u>
Government activities capital assets, net	<u>\$ 52,174,406</u>	<u>\$ 2,501,298</u>	<u>\$ (3,076,080)</u>	<u>\$ 51,599,624</u>

Depreciation expense for the year ended June 30, 2009 was charged to the following functions and funds:

General government	\$ 1,457,508
Public safety	1,255,379
Highways and roads	542,174
Health and sanitation	477,358
	<u>\$ 3,732,419</u>

7. **LONG TERM DEBT**

New Mexico Finance Authority (NMFA) Loans

On September 12, 2003, the County entered into a loan agreement with NMFA to finance the costs of a fire pumper vehicle. The original amount of the loan was \$169,750. The loan bears interest at rates ranging from 3.07% to 3.32% and will mature May 1, 2014. The principal payments are due annually and interest payments are due semi annually and are payable solely from the County's pledged Fire Protection revenues. The County is not aware of any instances of non compliance with the significant requirements of the loan agreement.

Loan debt service requirements to maturity are as follows:

<u>Years ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 17,084	\$ 3,376	\$ 20,460
2011	17,673	2,831	20,504
2012	18,336	2,214	20,550
2013	19,068	1,530	20,598
2014	18,530	792	19,322
	<u>\$ 90,691</u>	<u>\$ 10,743</u>	<u>\$ 101,434</u>

Changes in long term liabilities

Long term liability activity for the year ended June 30, 2009, was as follows:

Governmental Activities

	Balance June 30, 2008	Additions	Reductions	Balance June 30, 2009	Due Within One Year
NMFA Loans					
September 2003	\$ 107,373	\$ -	\$ 16,682	\$ 90,691	\$ 17,084
Compensated absences	626,747	815,655	779,388	663,014	240,734
Landfill closure	<u>1,763,673</u>	<u>116,785</u>	<u>-</u>	<u>1,880,458</u>	<u>-</u>
Total primary government	<u>\$ 2,497,793</u>	<u>\$ 932,440</u>	<u>\$ 796,070</u>	<u>\$ 2,634,163</u>	<u>\$ 257,818</u>

Component Unit

	Balance June 30, 2008	Additions	Reductions	Balance June 30, 2009	Due Within One Year
Compensated Absences	<u>\$ 12,199</u>	<u>\$ 7,979</u>	<u>\$ 4,208</u>	<u>\$ 15,970</u>	<u>\$ 3,971</u>

Liabilities for compensated absences are generally liquidated by the fund from which the employee's salaries are paid; the majority of the County's liability has been satisfied by payments from the General Fund

8. RISK MANAGEMENT

Eddy County is a member and is insured through the New Mexico County Insurance Authority. The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The Authority acts as the common carrier for the State of New Mexico counties. The County pays an annual premium to the Authority based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. The Actuarial gains and losses were not available at the date of this report. However, the County is not liable for more than the premiums paid.

The County participates in the New Mexico County Insurance Authority Workers' Compensation Pool. The pool is self insured for workers' compensation claims up to \$300,000. Above that amount, the pool maintains an Excess Employers' Reinsurance Policy.

9. PERA PENSION PLAN

Plan Description. Substantially all of Eddy County's full time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11 NMSA 1978). The Public Employee Retirement Association (PERA) is the administrator of the plan, which is a cost sharing, multiple employer defined benefit retirement plan. The plan provides for retirement, disability benefits, survivor benefits, and cost of living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to PERA, P. O. Box 2123, Santa Fe, New Mexico 87504 2123.

Funding Policy. Plan members are required to contribute 15.65% for municipal employees and 16.3% of gross salaries for law enforcement employees. The County is required to contribute 18.5% for law enforcement plan members and 11.65% for all other plan members. The contribution requirements of plan members and Eddy County are established under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The County's contributions to PERA for the years ended June 30, 2009, 2008, and 2007 were \$1,297,990, \$1,208,157, and \$1,750,000, respectively, equal to the amount of the required contributions for the years, respectively.

10. POST EMPLOYMENT BENEFITS

The Retiree Health Care Act (the "Act") (Chapter 10, Article 7C, NMSA, 1978) provides comprehensive core group health insurance for persons who have retired from certain public service in New Mexico. The purpose is to provide eligible retirees, their spouses, dependents, and surviving spouses and dependents with health insurance consisting of a plan, or optional plans, of benefits that can be purchased by funds flowing into Retiree Health Care Fund and by co-payments or out of pocket payments by eligible retirees. Monies flow to the Retiree Health Care Fund on pay as you go basis from eligible employers and eligible retirees.

Eligible employers are institutions of higher education, school districts, or other entities participating in the Public School Insurance Authority, state agencies, state courts, magistrate courts, municipalities or counties, which are affiliated under or covered by the Education Retirement Act (ERA), Public Employees Retirement Association (PERA), Volunteer Firefighters Retirement Act, Judicial Retirement Act or the Magistrate Retirement Act.

Eligible retirees are: (1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the Retiree Health Care Act on the person's behalf unless that person retires before the employer's NMRHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; or (2) retirees defined by the Act who retired prior to July 1, 1990; and former legislators who served at least two years. Each participating employer makes contributions to the fund in the amount of 1.3 percent of each participating employee's annual salary. Each employee contributes to the fund an employee contribution in an amount equal to .65 percent of the employee's salary. Each participating retiree pays a monthly premium for the medical plus basic life plan and an additional participation fee of five dollars (\$5.00) if the eligible participant retired prior to the employer's NMRHCA effective date or is a former legislator. Participants may also enroll in optional plans of coverage.

Contributions from participating employers and participating employees become the property of the Retiree Health Care Fund and are not refundable under any circumstances, including termination of employment or termination of the participating employer's operation or participation in the Retiree Health Care Act. The employer, employee, and retiree contributions are required to be remitted to the Retiree Health Care Authority on a monthly basis.

The Retiree Health Care Authority issued a separate, publicly available audited financial report that includes post employment benefit expenditures of premiums and claims paid, participant contributions (employer, employee, and retiree), and net expenditures for the fiscal year. The report also includes the approximate number of retirees participating in the plan. That report may be obtained by writing to the Retiree Health Care Authority, 4308 Carlisle Blvd. NE, Suite 104, Albuquerque, NM 87109.

For the years ended June 30, 2009, 2008, and 2007, the County remitted \$134,650, \$123,015, and \$42,500, respectively, in employer contributions to the Retiree Health Care Authority.

11. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the County expects such amount, if any, to be immaterial.

The County is involved in various claims and lawsuits arising in the normal course of business. The County is insured through the New Mexico County Insurance Authority. In the opinion of management, the outcome of these matters will not have a material effect on the financial position of the County.

12. LANDFILL CLOSURE AND POSTCLOSURE CARE

State and federal laws and regulations require that upon closing, the County of Eddy and the City of Carlsbad place a final cover on their landfill and perform certain maintenance and monitoring functions at the landfill site for thirty years after the closure of the landfill. An expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. Based on a joint powers agreement between the County and the City of Carlsbad, the closure and postclosure care costs will be shared at 50% for each governmental agency. The recognition of these landfill closure and postclosure care costs is based on the amount of the landfill used during each year.

The total estimated liability for landfill closure costs is \$15,447,127 as of June 30, 2009, which is based on the cumulative capacity of 6,640,000 cubic gate yards of air space to be used over its estimated life of 20 years. It is estimated that an additional \$2,269,500 of postclosure care costs will be recognized over 30 years after the landfill site is closed. The estimated total current cost of the landfill closure and postclosure care of \$17,716,627 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2009. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology or changes in state and federal landfill laws and regulations.

The following calculation details the current amount recognized for landfill closure and postclosure care reflected in the County's liabilities:

Estimated landfill closure cost	\$ 15,447,127
Estimated landfill postclosure care cost	<u>2,269,500</u>
 Total estimated closure and postclosure costs	 <u>\$ 17,716,627</u>
 Total capacity used to date (approximately 1,483,196 cubic gate yards)	 22.34%
Estimated closure and postclosure care costs	\$ 3,957,574
Prior liability recognized	<u>3,724,018</u>
Total current year liability	233,556
	<u>50%</u>
Eddy County portion	116,785
Prior year liability recognized	<u>1,763,673</u>
 Estimated liability for the year ended June 30, 2009	 <u>\$ 1,880,458</u>

13. ACCOUNTING STANDARDS

In June 2007, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 51, Accounting and Financial Reporting for Intangible Assets which is effective for financial statements for periods beginning after June 15, 2009. The Statement establishes uniform financial reporting standards for intangible assets. The County incorporated this statement for the current fiscal year, and believes it had no significant effect on the financial statements for the year.

In November 2007, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 52, Land Held as Investments by Endowments, which is effective for financial statements for periods beginning after June 15, 2008, with earlier application encouraged. This Statement establishes standards for the reporting of land and other real estate by endowment. The County is analyzing the effect that this statement will have on its financial statements, and currently believes it will have no significant effect on the financial statements for the upcoming year.

In June, 2008 the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, which is effective for all periods beginning after June 15, 2009. The statement is intended to improve how governments report information about derivative instruments. The County is analyzing the effect that this statement will have on its financial statements, and currently believes it will have no significant effect on the financial statements on the upcoming year.

14. FUND BALANCE AND NET ASSETS RESTATEMENT

During the year ended June 30, 2009, the County's net assets and fund balance were adjusted to correct the incorrect inclusion of a component unit in the primary governmental activities in previous years and the reclassification of a major fund to a nonmajor fund as follows:

Component unit	\$ (81,945)
Reclassification of the Loop Road Reserve Fund from a major fund to a nonmajor fund	<u>5,000,000</u>
Total restatement	<u>\$ 4,918,055</u>

SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
EDDY COUNTY

NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009

SPECIAL REVENUE FUNDS

Farm and Range Fund - To account for soil conservation activities within the County. Financing is provided by the Taylor Grazing Act. (6-11-6 NMSA 1978)

Recreation Fund - To account for the operation, maintenance, and construction of County owned recreational facilities. Financing is provided by cigarette tax and other miscellaneous sources. (7-12-15 NMSA 1978)

Environmental Services Fund - To account for environmental services gross receipts tax to be used to cover expenses associated with landfills, water systems and other environmental services. Authority for creation of this fund is contained in Resolution R-96-31.

County Indigent Special Revenue Fund - To account for revenues received from state shared gross receipts taxes for hospital service for indigent citizens of the County. The fund was created by authority of state statute Section 7-2OE-9, NMSA 1978 Compilation.

Fire District Funds - To account for the operations and maintenance of the County's fire districts. Financing is provided by allotments from the State of New Mexico and expenditures restricted by Section 59A-53-1 to 53A-53-17 NMSA 1978.

Property Valuation Fund - To account for administrative charges collected from ad valorem levies and used for appraisal as specified in Section 7-38-38.1 NMSA 1978.

Emergency Medical Service Funds - To account for funds used in the establishment, operation, maintenance, training, and licensing of local emergency medical services components in order to reduce injury and loss of life, pursuant to the Emergency Medical Services Fund Act, Section 24-10A-1 to 24-10A-10 NMSA 1978.

HIDTA Grant - Pecos Valley Drug Task Force - To account for federal grant funds used to maintain intelligence files, carry out narcotic investigations and multi jurisdictional investigations, pursuant to the authority of the Anti Drug Abuse Act of 1988, Public Law 100-690, Title VI, Subtitle C.

GIS - To account for the funds utilized in the creation of an emergency mapping system. The authority for creation of this Special Revenue Fund is contained in commission resolution number R-99-29.

County Clerk Recording and Filing - To account for funds received from charges for County services used to maintain Clerk equipment pursuant to the authority of Section 4-8-16F NMSA 1978.

Treasurer's Collection Fund - To account for Eddy County Treasurer's Department collection of funds obtained by demand warrants and insufficient fund collections. Authority for creation of this fund is contained in resolution R-02-07.

Health Services Fund - Funded by general fund for salaries and benefits of the Indigent Services department and other operating expenses not covered by the 1/8th GRT for Indigent.

Protest Suspense Fund - This fund is used to account for any tax payments received under protest. This money is invested in a segregated account and will be disbursed upon resolution of the protest, either as a refund to the taxpayer, or to the general fund as tax revenue.

Artesia Motor Vehicle Fund - To account for state funds used to operate the Artesia Motor Vehicle Office. Authority for creation of this fund is contained in resolution R-99-53.

Law Enforcement Protection Act Fund - To account for a state grant restricted to training and equipment purchases for use in law enforcement. (29-13-1 NMSA 1978).

Correction Fees Fund - To account for special fees received on citations and used to pay for prisoners board as specified in Section 33-3-25 NMSA 1978.

Law Enforcement Traffic Safety Fund - To account for a state grant restricted to training and equipment purchases for use in traffic safety law enforcement.

Jail Concession and Jail Improvements - To account for revenues received from inmate telephone calls and commissary services which are reinvested in jail and law enforcement items and inmate recreational supplies. The authority for creation of this fund is contained in agreement A-93-94.

Health Office Reserve Fund - This fund is used to account for monies set aside for the future health office facility.

CDBG Colonias Fund - To account for funds used to develop viable urban communities, decent housing and a suitable living environment, and expanded economic opportunities, principally for persons of low and moderate income, pursuant to the authority of Title I of the Housing and Community Development Act of 1974 (Public Law 93-383).

E911 Addressing Program Fund - To account for grant funds to implement an emergency addressing system pursuant to New Mexico grant number 98-A-1-G-46.

COPS Grant - To offset the cost of a temporary employee in the Drug Task Force. This special federal fund grant is awarded to provide intervention on local "Meth Labs". Authority for creation of this fund is contained in R-02-60.

Life Line - To account for funds received for the Eddy County Detention Center Lifeline Intervention Program.

Lodger's Tax Fund - To account for lodgers tax revenues restricted to the promotion of rural areas within the County as specified in Section 3-38-14 to 3-38-24 NMSA 1978.

Eddy County DWI Fund - To account for State of New Mexico grant funds used to provide DWI and alcohol rehabilitation. Program assets include DWI prevention, law enforcement and deterrence, screening and assessment, and treatment. Authority for creation of this fund is contained in agreement A-94-24 (State project #93 D-1-G-16).

Traffic Safety Fund - To account for state grants used to develop and implement training programs related to traffic safety pursuant to New Mexico grant 25-CD-95-31.

Maternal and Child Health Fund - To account for the County's health planning process. The allocation for this process has historically been from the New Mexico Department of Health and distributed on a reimbursement basis. Authority for creation of this fund is contained in R-03-61.

Local Law Enforcement Block Grant Fund - To pay for special schools and training, along with travel for special events such as red ribbon campaigns. Authority for creation of this fund is contained in R-02-56.

Region VI Task Force Fund - To account for activities related to drug task force law enforcement in the Region VI area. Multi - Jurisdictional task force - Otero County, Chaves County, Lea County, Eddy County, and Lincoln County.

Pecos Valley Drug Task Force Fund - To account for quasi organizational confiscation and seizure funds obtained through laws enforcement activities between Eddy County Sheriffs Department, City of Carlsbad and Artesia Police Departments. Authority for creation of this fund is contained in resolution 97-17.

Sheriff's Special - Confiscation and Seizure Fund to account for Eddy County Sheriffs Department Confiscation and Seizure funds obtained through law enforcement activities. Authority for creation of this fund is contained in resolution R-63.

Artesia Eagle Draw Fund - To account for taxes levied and collected to construct and maintain dikes, dams, embankments, ditches or such other structures or excavations necessary to prevent flood waters from damaging property or endangering human life. Authority for creation of this fund is contained in agreement A-96-29.

Fire Excise Tax Funds - To account for fire excise tax revenue for the volunteer fire departments.

Big Brothers Big Sisters Fund - One time state legislature funding to account for the Big Brothers Big Sisters program revenue awarded.

WIPP Hazmat Fund - To account for the once a year award to the Emergency Management Department provided by the Waste Isolation Pilot Plan to help provide training or equipment in HAZMAT cleanup.

Communication Center Reserve - These monies were set aside to purchase equipment for the Central Communications Authority (Joint Communication/Dispatch), more specifically furnishings and CAD/RMS radio equipment for the new facility once construction was complete.

Capital Improvements Fund - This fund is used to account for financial resources designated for acquisition of equipment and furnishings.

CAPITAL PROJECTS FUND

Jail Expansion Reserve Special Revenue Fund - Used to account for financial resources reserved for the future expansion of jail facilities.

Legislative Appropriations Special Revenue Fund - Used to track the various grants received from state legislature on an annual basis, rather than track the grants through the general fund under the county commission, as done previously. Authority for creation of this fund is contained in R-02-37.

Loop Road Reserve Fund - This fund is used to account for monies set aside for the future construction of the loop road bypass.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

Special Revenue Funds									
ASSETS	Farm and Range	Recreation	Environmental Services	County Indigent	Atoka Fire District	Cottonwood Fire District	Happy Valley Fire District		
Cash and cash equivalents	\$ 642	\$ 9,397	\$ 1,758,637	\$ 619,455	\$ 243,813	\$ 62,694	\$ 5,850		
Receivables:									
Taxes	-	21	68,301	209,913	-	-	-		
Intergovernmental	-	-	-	-	-	-	-		
Other	-	-	45,386	-	-	-	-		
Interfund receivable	-	-	-	-	-	-	-		
Restricted cash and cash equivalents	-	-	831,424	-	-	-	-		
Total assets	\$ 642	\$ 9,418	\$ 2,703,748	\$ 829,368	\$ 243,813	\$ 62,694	\$ 5,850		
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ -	\$ 318	\$ 63,259	\$ -	\$ 7,579	\$ 2,197	\$ 931		
Accrued expenses	-	-	12,400	-	-	-	-		
Advances from general fund	-	-	-	-	-	-	-		
Interfund payable	-	-	-	-	-	-	-		
Deferred revenue	-	-	-	-	-	-	-		
Total liabilities	-	\$ 318	\$ 75,659	\$ -	\$ 7,579	\$ 2,197	\$ 931		
Fund balances:									
Reserved for:									
Landfill closure	-	-	831,424	-	-	-	-		
Unreserved:									
Undesignated, reported in:									
Special revenue fund	642	9,100	1,796,665	829,368	236,234	60,497	4,919		
Capital projects fund	-	-	-	-	-	-	-		
Debt service funds	-	-	-	-	-	-	-		
Total fund balances	\$ 642	\$ 9,100	\$ 2,628,089	\$ 829,368	\$ 236,234	\$ 60,497	\$ 4,919		
Total liabilities and fund balances	\$ 642	\$ 9,418	\$ 2,703,748	\$ 829,368	\$ 243,813	\$ 62,694	\$ 5,850		

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

ASSETS	Special Revenue Funds							EMS - Atoka
	Joel Fire District	La Huerta Fire District	Loco Hills Fire District	Oris Fire District	White's City Fire District	Property Valuation		
Cash and cash equivalents:	\$ 163,538	\$ 50,894	\$ 20,236	\$ 28,385	\$ 133,825	\$ 514,884	\$ 1,400	
Receivables:								
Taxes	-	-	-	-	-	20,207	-	
Intergovernmental	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	
Interfund receivable	-	-	-	-	-	-	-	
Restricted cash and cash equivalents	-	-	-	-	-	-	-	
Total assets	\$ 163,538	\$ 50,894	\$ 20,236	\$ 28,385	\$ 133,825	\$ 535,091	\$ 1,400	
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 156,534	\$ 2,716	\$ 2,753	\$ 10,824	\$ 133,825	\$ 2,223	\$ -	
Accrued expenses	-	-	-	-	-	-	-	
Advances from general fund	-	-	-	-	-	-	-	
Interfund payable	-	-	-	-	-	-	-	
Deferred revenue	-	-	-	-	-	17,073	-	
Total liabilities	\$ 156,534	\$ 2,716	\$ 2,753	\$ 10,824	\$ 133,825	\$ 19,296	\$ -	
Fund balances:								
Reserved for:								
Landfill closure	-	-	-	-	-	-	-	
Unreserved:								
Undesignated, reported in:								
Special revenue fund	7,004	48,178	17,483	17,561	-	515,795	1,400	
Capital projects fund	-	-	-	-	-	-	-	
Debt service funds	-	-	-	-	-	-	-	
Total fund balances	\$ 7,004	\$ 48,178	\$ 17,483	\$ 17,561	\$ -	\$ 515,795	\$ 1,400	
Total liabilities and fund balances	\$ 163,538	\$ 50,894	\$ 20,236	\$ 28,385	\$ 133,825	\$ 535,091	\$ 1,400	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

ASSETS	Special Revenue Funds						
	EMS - Loco Hills	EMS - Happy Valley	EMS - Joel	Sun County Fire District	Queen Fire District	Riverside Fire District	EMS - Queen
Cash and cash equivalents:	\$ 2,897	\$ 793	\$ 675	\$ 178,108	\$ 85,211	\$ 31	\$ 1,200
Receivables:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Interfund receivable	-	-	-	-	-	-	-
Restricted cash and cash equivalents	-	-	-	-	-	-	-
Total assets	\$ 2,897	\$ 793	\$ 675	\$ 178,108	\$ 85,211	\$ 31	\$ 1,200
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 638	\$ 987	\$ -	\$ 179,464	\$ 325	\$ 3,151	\$ -
Accrued expenses	-	-	-	-	-	-	-
Advances from general fund	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
Total liabilities	\$ 638	\$ 987	\$ -	\$ 179,464	\$ 325	\$ 3,151	\$ -
Fund balances:							
Reserved for:							
Landfill closure	-	-	-	-	-	-	-
Unreserved:							
Undesignated, reported in:							
Special revenue fund	2,259	(194)	675	(1,356)	84,886	(3,120)	1,200
Capital projects fund	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-
Total fund balances	\$ 2,259	\$ (194)	\$ 675	\$ (1,356)	\$ 84,886	\$ (3,120)	\$ 1,200
Total liabilities and fund balances	\$ 2,897	\$ 793	\$ 675	\$ 178,108	\$ 85,211	\$ 31	\$ 1,200

See accompanying notes to financial statements

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds							County Clerk Recording and Filing
	EMS - Sun Country	Pecos Valley Drug Task Force	EMS - Riverside	EMS - Cottonwood	EMS - Olits	GIS Grant		
ASSETS								
Cash and cash equivalents:	\$ 5,651	\$ 12,462	\$ 2,932	\$ 31,963	\$ 7,257	\$ 484,412	\$ 295,375	
Receivables:								
Taxes	-	-	-	-	-	282	7,616	
Intergovernmental	-	55,611	-	-	-	-	-	
Other	-	-	-	-	-	-	-	
Interfund receivable	-	-	-	-	-	-	-	
Restricted cash and cash equivalents	-	-	-	-	-	-	-	
Total assets	\$ 5,651	\$ 68,073	\$ 2,932	\$ 31,963	\$ 7,257	\$ 484,694	\$ 302,991	
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ -	\$ 10,534	\$ 204	\$ -	\$ 1,259	\$ -	\$ 115	
Accrued expenses	-	5,822	-	-	-	-	-	
Advances from general fund	-	-	-	-	-	-	-	
Interfund payable	-	(4,045)	-	-	-	-	-	
Deferred revenue	-	-	-	-	-	-	-	
Total liabilities	\$ -	\$ 12,311	\$ 204	\$ -	\$ 1,259	\$ -	\$ 115	
Fund balances:								
Reserved for:								
Landfill closure	-	-	-	-	-	-	-	
Unreserved:								
Undesignated, reported in:								
Special revenue fund	5,651	55,762	2,728	31,963	5,998	484,694	302,876	
Capital projects fund	-	-	-	-	-	-	-	
Debt service funds	-	-	-	-	-	-	-	
Total fund balances	<u>5,651</u>	<u>55,762</u>	<u>2,728</u>	<u>31,963</u>	<u>5,998</u>	<u>484,694</u>	<u>302,876</u>	
Total liabilities and fund balances	\$ 5,651	\$ 68,073	\$ 2,932	\$ 31,963	\$ 7,257	\$ 484,694	\$ 302,991	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

ASSETS	Special Revenue Funds						
	EMS - Malaga	Treasurer's Collection Fund	Malaga Fire District	Health Services	Protest Suspense Fund	Artesia Motor Vehicle	EMS - La Huerta
Cash and cash equivalents:	\$ 900	\$ 9,638	\$ 21,930	\$ 207,796	\$ 1,892,363	\$ 17,041	\$ 1
Receivables:							
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	2,850	-	-	-	-	-
Other	-	-	-	-	-	23,645	-
Interfund receivable	-	-	-	-	-	-	-
Restricted cash and cash equivalents	-	-	-	-	-	-	-
Total assets	\$ 900	\$ 12,488	\$ 21,930	\$ 207,796	\$ 1,892,363	\$ 40,686	\$ 1
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 1,745	\$ -	\$ 11,037	\$ 11,849	\$ -	\$ 437	\$ 325
Accrued expenses	-	-	-	4,445	-	5,903	-
Advances from general fund	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
Total liabilities	\$ 1,745	\$ -	\$ 11,037	\$ 16,294	\$ -	\$ 6,340	\$ 325
Fund balances:							
Reserved for:							
Landfill closure	-	-	-	-	-	-	-
Unreserved:							
Undesignated, reported in:							
Special revenue fund	(845)	12,488	10,893	191,502	1,892,363	34,346	(324)
Capital projects fund	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-
Total fund balances	(845)	12,488	10,893	191,502	1,892,363	34,346	(324)
Total liabilities and fund balances	\$ 900	\$ 12,488	\$ 21,930	\$ 207,796	\$ 1,892,363	\$ 40,686	\$ 1

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING-BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

ASSETS	Special Revenue Funds						
	EMS - White's City	Law Enforcement Protection Act	Law Enforcement Traffic Safety Grant	Jail Improvements	Health Office Reserve	CDBG Colonias	
Cash and cash equivalents	\$ 738	\$ -	\$ 14,008	\$ 285,888	\$ 355,000	\$ -	
Receivables:							
Taxes	-	-	282,040	-	-	(102,191)	
Intergovernmental	-	47,000	-	-	-	-	
Other	-	-	-	-	-	-	
Interfund receivable	-	-	-	-	-	-	
Restricted cash and cash equivalents	-	-	-	-	-	-	
Total assets	\$ 738	\$ 47,001	\$ 282,040	\$ 285,888	\$ 355,000	\$ (102,191)	
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ 1,166	\$ 35,801	\$ -	\$ -	\$ -	
Accrued expenses	-	-	-	-	-	-	
Advances from general fund	-	-	-	-	-	-	
Interfund payable	-	-	-	-	-	-	
Deferred revenue	-	-	-	-	-	-	
Total liabilities	-	\$ 1,166	\$ 35,801	-	-	-	
Fund balances:							
Reserved for:							
Landfill closure	-	-	-	-	-	-	
Unreserved:							
Undesignated, reported in:							
Special revenue fund	738	45,835	246,239	285,888	355,000	(102,191)	
Capital projects fund	-	-	-	-	-	-	
Debt service funds	-	-	-	-	-	-	
Total fund balances	738	45,835	246,239	285,888	355,000	(102,191)	
Total liabilities and fund balances	\$ 738	\$ 47,001	\$ 282,040	\$ 285,888	\$ 355,000	\$ (102,191)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

Special Revenue Funds									
ASSETS	E-911 Addressing Program	COPS Grant	Life line	Lodger's Tax	Eddy County DWI Fund	Traffic Safety Fund	Maternal and Child Health		
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents:	79	-	131,139	50,271	18,996	43,242			
Receivables:									
Taxes	-	-	-	15,160	-	-	-	-	12,858
Intergovernmental	-	-	-	-	-	-	-	-	13,833
Other	-	-	-	-	4,113	2,275	-	-	-
Interfund receivable	-	-	-	-	-	-	-	-	-
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-	-
Total assets	79	-	131,139	65,431	23,109	45,517	-	-	26,691
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	-	-	-	-	2,213	2,165	-	-	1,697
Accrued expenses	-	-	-	-	4,820	-	-	-	2,166
Advances from general fund	-	-	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	7,033	2,165	-	-	3,863
Fund balances:									
Reserved for:									
Landfill closure	-	-	-	-	-	-	-	-	-
Unreserved:									
Undesignated, reported in:									
Special revenue fund	79	-	131,139	65,431	16,076	43,352	-	-	22,828
Capital projects fund	-	-	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-
Total fund balances	79	-	131,139	65,431	16,076	43,352	-	-	22,828
Total liabilities and fund balances	79	-	131,139	65,431	23,109	45,517	-	-	26,691

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

Special Revenue Funds										
ASSETS	Local Law Enforcement Block Grant	Region VI Task Force	Forfeitures Task Force	Pecos Valley Drug Task Force	Sheriff's Special	Artusia Eagle Draw	Fire Excise Reserve Fund	Fire Excise - Queen VFD		
Cash and cash equivalents:	\$ 24,495	\$ 107,396	\$ 155,984	\$ 155,984	\$ 7,005	\$ 766,189	\$ 500,000	\$ 49,778		
Receivables:										
Taxes	-	-	-	-	-	62,204	-	4,462		
Intergovernmental	-	22,665	-	-	-	-	-	-		
Other	-	-	-	-	-	-	-	-		
Interfund receivable	-	-	-	-	-	-	-	-		
Restricted cash and cash equivalents	-	-	-	-	-	-	-	-		
Total assets	\$ 24,495	\$ 130,061	\$ 155,984	\$ 155,984	\$ 7,005	\$ 828,393	\$ 500,000	\$ 54,240		
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable	\$ -	\$ 7,792	\$ 74,890	\$ 74,890	\$ -	\$ 12,583	\$ -	\$ -		
Accrued expenses	-	-	-	-	-	-	-	-		
Advances from general fund	-	-	-	-	-	-	-	-		
Interfund payable	-	-	-	-	-	-	-	-		
Deferred revenue	-	-	-	-	-	61,907	-	-		
Total liabilities	-	7,792	74,890	74,890	-	74,490	-	-		
Fund balances:										
Reserved for:										
Landfill closure	-	-	-	-	-	-	-	-		
Unreserved:										
Undesignated, reported in:										
Special revenue fund	24,495	122,269	81,094	81,094	7,005	753,903	500,000	54,240		
Capital projects fund	-	-	-	-	-	-	-	-		
Debt service funds	-	-	-	-	-	-	-	-		
Total fund balances	24,495	122,269	81,094	81,094	7,005	753,903	500,000	54,240		
Total liabilities and fund balances	\$ 24,495	\$ 130,061	\$ 155,984	\$ 155,984	\$ 7,005	\$ 828,393	\$ 500,000	\$ 54,240		

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds						
ASSETS	Fire Excise - Atoka VFD	Fire Excise - Cottonwood	Fire Excise - Happy Valley	Fire Excise - Joel VFD	Fire Excise - La Huerta VFD	Fire Excise - Loco Hills VFD	Fire Excise - Otis
Cash and cash equivalents:	\$ 49,778	\$ 417,276	\$ 193,966	\$ 169,129	\$ 112,383	\$ 348,847	\$ 302,458
Receivables:							
Taxes	4,462	4,462	4,462	4,462	4,462	4,462	4,462
Intergovernmental	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Interfund receivable	-	-	-	-	-	-	-
Restricted cash and cash equivalents	-	-	-	-	-	-	-
Total assets	\$ 54,240	\$ 421,738	\$ 198,428	\$ 173,591	\$ 116,845	\$ 353,309	\$ 306,920
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ 6,232	\$ 74,705	\$ -	\$ -	\$ -
Accrued expenses	-	-	-	-	-	-	-
Advances from general fund	-	-	-	-	-	-	-
Interfund payable	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-	-
Total liabilities	-	-	6,232	74,705	-	-	-
Fund balances:							
Reserved for:							
Landfill closure	-	-	-	-	-	-	-
Unreserved:							
Undesignated, reported in:							
Special revenue fund	54,240	421,738	192,196	98,886	116,845	353,309	306,920
Capital projects fund	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-
Total fund balances	\$ 54,240	\$ 421,738	\$ 192,196	\$ 98,886	\$ 116,845	\$ 353,309	\$ 306,920
Total liabilities and fund balances	\$ 54,240	\$ 421,738	\$ 198,428	\$ 173,591	\$ 116,845	\$ 353,309	\$ 306,920

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

ASSETS	Special Revenue Funds							
	White's City	Fire Excise Riverside	Fire Excise Administration	Fire Excise Loving	Fire Excise Hope	Fire Excise Sun County	Fire Excise Malaga	
Cash and cash equivalents:	\$ 249,854	\$ 421,885	\$ 52,779	\$ 167,565	\$ 97,883	\$ 49,778	\$ 121,509	
Receivables:								
Taxes	-	4,462	2,732	2,231	2,231	4,462	4,462	
Intergovernmental	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	
Interfund receivable	-	-	-	-	-	-	-	
Restricted cash and cash equivalents	-	-	-	-	-	-	-	
Total assets	\$ 249,854	\$ 426,347	\$ 55,511	\$ 169,796	\$ 100,114	\$ 54,240	\$ 125,971	
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ -	\$ 173,416	\$ 60	\$ -	\$ 814	\$ -	\$ -	
Accrued expenses	-	-	-	-	-	-	-	
Advances from general fund	-	-	-	-	-	-	-	
Interfund payable	-	-	-	-	-	-	-	
Deferred revenue	-	-	-	-	-	-	-	
Total liabilities	-	173,416	60	-	814	-	-	
Fund balances:								
Reserved for:								
Landfill closure	-	-	-	-	-	-	-	
Unreserved:								
Undesignated, reported in:								
Special revenue fund	249,854	252,931	55,451	169,796	99,300	54,240	125,971	
Capital projects fund	-	-	-	-	-	-	-	
Debt service funds	-	-	-	-	-	-	-	
Total fund balances	249,854	252,931	55,451	169,796	99,300	54,240	125,971	
Total liabilities and fund balances	\$ 249,854	\$ 426,347	\$ 55,511	\$ 169,796	\$ 100,114	\$ 54,240	\$ 125,971	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

ASSETS	Carlsbad Transfer Station Reserve	Special Revenue Funds					WIPP Hazmat Fund	Jail Concession
		Other Reserves *	Emergency	Big Brother Big Sister	Civil	Emergency		
Cash and cash equivalents:	\$ 1,000,000	\$ 2,699,871	\$ (137,287)	\$ -	\$ -	\$ 36,057	\$ 65,920	
Receivables:								
Taxes	-	-	-	-	-	-	1,753	
Intergovernmental	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	
Interfund receivable	-	-	-	-	-	-	-	
Restricted cash and cash equivalents	-	-	-	-	-	-	-	
Total assets	\$ 1,000,000	\$ 2,699,871	\$ (137,287)	\$ -	\$ -	\$ 36,057	\$ 67,673	
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ -	\$ -	7,108	\$ -	\$ -	\$ -	80	
Accrued expenses	-	-	6,861	-	-	-	-	
Interfund payable	-	-	54,494	-	-	-	-	
Deferred revenue	-	-	-	-	-	-	-	
Total liabilities	-	-	68,463	-	-	-	80	
Fund balances:								
Reserved for:								
Landfill closure	-	-	-	-	-	-	-	
Unreserved:								
Undesignated, reported in:								
Special revenue fund	1,000,000	2,699,871	(205,750)	-	-	36,057	67,593	
Capital projects fund	-	-	-	-	-	-	-	
Debt service funds	-	-	-	-	-	-	-	
Total fund balances	1,000,000	2,699,871	(205,750)	-	-	36,057	67,593	
Total liabilities and fund balances	\$ 1,000,000	\$ 2,699,871	\$ (137,287)	\$ -	\$ -	\$ 36,057	\$ 67,673	

* Other Reserves includes the following funds: Public Safety, Drug Rehab, Clerk's Office and Artesia Sub Office Reserves. See accompanying notes to financial statements.

**STATE OF NEW MEXICO
EDDY COUNTY**

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009**

	Special Revenue Funds			
	Communications Center Reserve	Fire Excise Tax - Gross Receipts	Capital Improvements	Total
ASSETS				
Cash and cash equivalents:	\$ 1,003,265	\$ 1,426,908	\$ 3,521,368	\$ 21,946,394
Receivables:				
Taxes	-	80,322	139,232	661,287
Intergovernmental	-	-	-	141,959
Other	-	-	-	75,419
Interfund receivable	-	-	-	-
Restricted cash and cash equivalents	-	-	-	831,424
Total assets	\$ 1,003,265	\$ 1,507,230	\$ 3,660,600	\$ 23,656,483
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 457	\$ -	\$ 1,006,408
Accrued expenses	-	-	-	42,417
Advances from general fund	-	-	-	-
Interfund payable	-	-	-	50,449
Deferred revenue	-	-	-	78,980
Total liabilities	-	457	-	1,178,254
Fund balances				
Reserved for:				
Landfill closure	-	-	-	831,424
Unreserved:				
Undesignated, reported in:				
Special revenue fund	1,003,265	1,506,773	3,660,600	21,646,805
Capital projects fund	-	-	-	-
Debt service funds	-	-	-	-
Total fund balances	1,003,265	1,506,773	3,660,600	22,478,229
Total liabilities and fund balances	\$ 1,003,265	\$ 1,507,230	\$ 3,660,600	\$ 23,656,483

See accompanying notes to financial statements.

**STATE OF NEW MEXICO
EDDY COUNTY**

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009**

	Capital Project Funds				
ASSETS	Jail Expansion Reserve	Legislative Appropriations	Loop Road Reserve	Total	Grand Total
Cash and cash equivalents:	\$ 4,000,000	\$ 60,218	\$ 5,000,000	\$ 9,060,218	\$ 31,006,612
Receivables:					
Taxes	-	-	-	-	661,287
Intergovernmental	-	-	-	-	141,959
Other	-	-	-	-	75,419
Interfund receivable	-	-	-	-	831,424
Total assets	\$ 4,000,000	\$ 60,218	\$ 5,000,000	\$ 9,060,218	\$ 32,716,701
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 10,626	\$ -	\$ 10,626	\$ 1,017,034
Accrued expenses	-	-	-	-	42,417
Advances from general fund	-	-	-	-	-
Interfund payable	-	-	-	-	50,449
Deferred revenue	-	-	-	-	78,980
Total liabilities	-	10,626	-	10,626	1,188,880
Fund balances:					
Reserved for:					
Landfill closure	-	-	-	-	831,424
Unreserved:					
Undesignated, reported in:					
Special revenue fund	-	-	-	-	21,646,805
Capital projects fund	4,000,000	49,592	5,000,000	9,049,592	9,049,592
Debt service funds	-	-	-	-	-
Total fund balances	4,000,000	49,592	5,000,000	9,049,592	31,527,821
Total liabilities and fund balances	\$ 4,000,000	\$ 60,218	\$ 5,000,000	\$ 9,060,218	\$ 32,716,701

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds						
	Farm and Range	Recreation	Environmental Services	County Indigent	Atoka District	Cottonwood Fire District	Happy Valley Fire District
Revenues:							
Taxes:							
Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross receipts:							
Gasoline and motor vehicle	-	-	1,315,208	3,205,831	-	-	-
Other	-	162	-	-	-	-	-
Intergovernmental:							
Federal operating grants	-	-	-	-	-	-	-
State operating grants	30,290	-	-	-	127,890	127,890	19,699
Charges for services	-	-	-	-	-	-	-
Licenses and fees	-	-	226,906	-	-	-	-
Miscellaneous	-	-	-	613,221	-	131	67,162
Total revenues	<u>30,290</u>	<u>162</u>	<u>1,542,114</u>	<u>3,819,052</u>	<u>127,890</u>	<u>128,021</u>	<u>86,861</u>
Expenditures:							
Current:							
General government	-	-	390,553	-	-	50,784	-
Public safety	-	-	-	-	79,319	-	70,375
Highways and roads	46,500	-	-	-	-	-	-
Health and sanitation	-	-	931,278	3,423,960	-	-	-
Culture and recreation	-	52,494	-	-	-	-	-
Debt service	-	-	-	-	-	-	19,699
Capital outlay	-	-	25,241	-	-	13,977	-
Total expenditures	<u>46,500</u>	<u>52,494</u>	<u>1,347,072</u>	<u>3,423,960</u>	<u>79,319</u>	<u>64,761</u>	<u>90,074</u>
Excess (deficiency) of revenues over expenditures	<u>(16,210)</u>	<u>(52,332)</u>	<u>195,042</u>	<u>395,092</u>	<u>48,571</u>	<u>63,260</u>	<u>(3,213)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Operating transfers in (out)	15,500	29,500	-	190,643	(1,769)	(1,769)	(589)
Total other financing sources (uses)	<u>15,500</u>	<u>29,500</u>	<u>-</u>	<u>190,643</u>	<u>(1,769)</u>	<u>(1,769)</u>	<u>(589)</u>
Net changes in fund balances	(710)	(22,832)	195,042	585,735	46,802	61,491	(3,802)
Fund balance - beginning of year	1,352	31,932	2,433,047	243,633	189,432	(994)	8,721
Fund balance - end of year	<u>642</u>	<u>9,100</u>	<u>2,628,089</u>	<u>829,368</u>	<u>236,234</u>	<u>60,497</u>	<u>4,919</u>

Continued

STATE OF NEW MEXICO
 EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2009

	Special Revenue Funds							EMS - Aibka
	Joel Fire District	La Huerta Fire District	Loco Hills Fire District	Otis Fire District	White's City Fire District	Property Valuation		
Revenues:								
Taxes:								
Property	-	-	-	-	-	232,657	-	-
Gross receipts:								
Gasoline and motor vehicle	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
Federal operating grants	-	-	-	-	-	-	-	-
State operating grants	150,326	135,120	42,632	121,158	77,524	-	-	3,986
Charges for services	-	-	-	-	-	-	-	-
Licenses and fees	-	-	-	-	-	-	-	-
Miscellaneous	-	191	-	-	-	-	-	-
Total revenues	<u>150,326</u>	<u>135,120</u>	<u>42,823</u>	<u>121,158</u>	<u>77,524</u>	<u>232,657</u>	<u>-</u>	<u>3,986</u>
Expenditures:								
Current:								
General government	-	-	-	-	-	60,522	-	-
Public safety	83,341	105,853	34,511	117,519	28,517	-	-	3,873
Highways and roads	-	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Capital outlay	139,377	20,982	-	10,287	133,825	12,000	-	-
Total expenditures	<u>222,718</u>	<u>126,835</u>	<u>34,511</u>	<u>127,806</u>	<u>162,342</u>	<u>72,522</u>	<u>-</u>	<u>3,873</u>
Excess (deficiency) of revenues over expenditures	<u>(72,392)</u>	<u>8,285</u>	<u>8,312</u>	<u>(6,648)</u>	<u>(84,818)</u>	<u>160,135</u>	<u>-</u>	<u>113</u>
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Operating transfers in (out)	45,507	(1,769)	(1,769)	43,800	(1,769)	-	-	-
Total other financing sources (uses)	<u>45,507</u>	<u>(1,769)</u>	<u>(1,769)</u>	<u>43,800</u>	<u>(1,769)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(26,885)	6,516	6,543	37,152	(86,587)	160,135	-	113
Fund balance - beginning of year	33,889	41,662	10,940	(19,591)	86,587	355,660	-	1,287
Fund balance - end of year	<u>\$ 7,004</u>	<u>\$ 48,178</u>	<u>\$ 17,483</u>	<u>\$ 17,561</u>	<u>\$ -</u>	<u>\$ 515,795</u>	<u>\$ -</u>	<u>\$ 1,400</u>

Continued

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds						
	EMS - Loco Hills	EMS - Happy Valley	EMS - Joel	Sun Country Fire District	Queen Fire Fire District	Riverside Fire District	EMS - Queen
Revenues:							
Taxes:							
Property	-	-	-	-	-	-	-
Gross receipts:							
Gasoline and motor vehicle	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
Federal operating grants	-	-	-	-	-	-	-
State operating grants	7,132	5,151	5,000	127,926	42,632	42,632	3,048
Charges for services	-	-	-	-	-	-	-
Licenses and fees	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>7,132</u>	<u>5,151</u>	<u>5,000</u>	<u>127,926</u>	<u>42,632</u>	<u>42,632</u>	<u>3,048</u>
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Public safety	7,220	5,218	5,865	125,975	24,582	39,493	4,331
Highways and roads	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	143,386	-	-	-
Total expenditures	<u>7,220</u>	<u>5,218</u>	<u>5,865</u>	<u>269,361</u>	<u>24,582</u>	<u>39,493</u>	<u>4,331</u>
Excess (deficiency) of revenues over expenditures	<u>(88)</u>	<u>(67)</u>	<u>(865)</u>	<u>(141,435)</u>	<u>18,050</u>	<u>3,139</u>	<u>(1,283)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Operating transfers in (out)	-	-	-	(1,769)	(1,769)	(1,769)	-
Total other financing sources (uses)	-	-	-	(1,769)	(1,769)	(1,769)	-
Net changes in fund balances	<u>(88)</u>	<u>(67)</u>	<u>(865)</u>	<u>(143,204)</u>	<u>16,281</u>	<u>1,370</u>	<u>(1,283)</u>
Fund balance - beginning of year	<u>2,347</u>	<u>(127)</u>	<u>1,540</u>	<u>141,848</u>	<u>68,605</u>	<u>(4,490)</u>	<u>2,483</u>
Fund balance - end of year	<u>\$ 2,259</u>	<u>\$ (194)</u>	<u>\$ 675</u>	<u>\$ (1,356)</u>	<u>\$ 84,886</u>	<u>\$ (3,120)</u>	<u>\$ 1,200</u>

Continued

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds							County Clerk Recording and Filing
	EMS - Sun Country	Pecos Valley Drug Task Force	EMS - Riverside	EMS - Cottonwood	EMS - Otis	GIS Grant		
Revenues:								
Taxes:								
Property	-	-	-	-	-	-	-	-
Gross receipts:								
Gasoline and motor vehicle	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
Federal operating grants	-	362,590	-	-	-	-	-	-
State operating grants	7,120	-	7,000	7,223	7,000	-	7,392	-
Charges for services	-	-	-	-	-	-	-	-
Licenses and fees	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-
Total revenues	7,120	362,590	7,000	7,223	7,000	-	7,392	48,348
								48,348
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	8,744
Public safety	1,469	367,797	8,643	5,217	8,089	-	5,001	-
Highways and roads	-	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total expenditures	1,469	367,797	8,643	5,217	8,089	-	5,001	8,744
Excess (deficiency) of revenues over expenditures	5,651	(5,207)	(1,643)	2,006	(1,089)	-	2,391	39,604
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	-
Operating transfers in (out)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	-
Net changes in fund balances	5,651	(5,207)	(1,643)	2,006	(1,089)	-	2,391	39,604
Fund balance - beginning of year	-	60,969	4,371	29,957	7,087	-	482,303	263,272
Fund balance - end of year	5,651	55,762	2,728	31,963	5,998	-	484,694	302,876

Continued

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds						
	EMS - Malaga	Treasurer's Collection Fund	Malaga Fire District	Health Services	Protest Suspense Fund	Artesia Motor Vehicle	EMS - La Huerta
Revenues:							
Taxes:							
Property	-	-	-	-	16,027	-	-
Gross receipts:							
Gasoline and motor vehicle	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
Federal operating grants	-	-	-	-	-	-	-
State operating grants	7,096	-	42,632	-	-	-	5,000
Charges for services	-	5,496	-	-	-	-	-
Licenses and fees	-	-	-	-	-	137,668	-
Miscellaneous	-	-	-	-	-	524	-
Total revenues	<u>7,096</u>	<u>5,496</u>	<u>42,632</u>	-	<u>16,027</u>	<u>138,192</u>	<u>5,000</u>
Expenditures:							
Current:							
General government	-	3,496	-	-	432	181,409	-
Public safety	7,944	-	47,397	-	-	-	5,010
Highways and roads	-	-	-	-	-	-	-
Health and sanitation	-	-	-	466,023	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	<u>7,944</u>	<u>3,496</u>	<u>47,397</u>	<u>466,023</u>	<u>432</u>	<u>181,409</u>	<u>5,010</u>
Excess (deficiency) of revenues over expenditures	<u>(848)</u>	<u>2,000</u>	<u>(4,765)</u>	<u>(466,023)</u>	<u>15,595</u>	<u>(43,217)</u>	<u>(10)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Operating transfers in (out)	<u>900</u>	-	<u>(1,769)</u>	<u>654,000</u>	-	<u>33,000</u>	<u>583</u>
Total other financing sources (uses)	<u>900</u>	-	<u>(1,769)</u>	<u>654,000</u>	-	<u>33,000</u>	<u>583</u>
Net changes in fund balances	<u>52</u>	<u>2,000</u>	<u>(6,534)</u>	<u>187,977</u>	<u>15,595</u>	<u>(10,217)</u>	<u>573</u>
Fund balance - beginning of year	<u>(897)</u>	<u>10,488</u>	<u>17,427</u>	<u>3,525</u>	<u>1,876,768</u>	<u>44,563</u>	<u>(897)</u>
Fund balance - end of year	<u>\$(845)</u>	<u>\$ 12,488</u>	<u>\$ 10,893</u>	<u>\$ 191,502</u>	<u>\$ 1,892,363</u>	<u>\$ 34,346</u>	<u>\$ (324)</u>

Continued

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds						
	EMS - White's City	Law Enforcement Protection Act	Correction Fees	Law Enforcement Safety Grant	Jail Improvements	Health Office Reserve	CDBG Colonias
Revenues:							
Taxes:							
Property	-	-	-	-	-	-	-
Gross receipts:							
Gasoline and motor vehicle	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
Federal operating grants	-	-	-	-	-	-	9,092
State operating grants	7,895	47,000	201,292	-	-	-	-
Charges for services	-	-	-	-	83,000	-	-
Licenses and fees	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	1,929	-	-
Total revenues	<u>7,895</u>	<u>47,000</u>	<u>201,292</u>	-	<u>84,929</u>	-	<u>9,092</u>
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Public safety	6,697	48,167	241,552	4,025	3,388	-	-
Highways and roads	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	71,742
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	<u>6,697</u>	<u>48,167</u>	<u>241,552</u>	<u>4,025</u>	<u>3,388</u>	-	<u>71,742</u>
Excess (deficiency) of revenues over expenditures	<u>1,198</u>	<u>(1,167)</u>	<u>(40,260)</u>	<u>(4,025)</u>	<u>81,541</u>	-	<u>(62,650)</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Operating transfers in (out)	-	-	-	19,187	-	(1,000,000)	-
Total other financing sources (uses)	-	-	-	<u>19,187</u>	-	<u>(1,000,000)</u>	-
Net changes in fund balances	<u>1,198</u>	<u>(1,167)</u>	<u>(40,260)</u>	<u>15,162</u>	<u>81,541</u>	<u>(1,000,000)</u>	<u>(62,650)</u>
Fund balance - beginning of year	<u>(460)</u>	<u>47,002</u>	<u>286,499</u>	<u>(1,154)</u>	<u>204,347</u>	<u>1,355,000</u>	<u>(39,541)</u>
Fund balance - end of year	<u>\$ 738</u>	<u>\$ 45,835</u>	<u>\$ 246,239</u>	<u>\$ 14,008</u>	<u>\$ 285,888</u>	<u>\$ 355,000</u>	<u>\$ (102,191)</u>

Continued

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

		Special Revenue Funds						
E-911								
Revenues:	Addressing Program	COPS Grant	Life line	Lodger's Tax	Eddy County DWI Fund	Traffic Safety Fund	Maternal and Child Health	
Taxes:								
Property	-	-	-	-	-	-	-	
Gross receipts:								
Gasoline and motor vehicle	-	-	-	-	-	-	-	
Other	-	-	-	69,871	-	-	-	
Intergovernmental:								
Federal operating grants	-	-	165,824	-	344,694	12,586	68,000	
State operating grants	-	-	-	-	-	-	-	
Charges for services	-	-	-	-	-	22,850	-	
Licenses and fees	-	-	-	-	18,613	-	-	
Miscellaneous	-	-	-	-	(130)	-	-	
Total revenues	-	-	165,824	69,871	363,177	35,436	68,000	
Expenditures:								
Current:								
General government	-	-	-	-	-	-	82,738	
Public safety	-	-	-	-	373,724	39,911	-	
Highways and roads	-	-	-	-	-	-	-	
Health and sanitation	-	-	17,670	-	-	-	-	
Culture and recreation	-	-	-	71,737	-	-	-	
Debt service	-	-	-	-	-	-	-	
Capital outlay	-	-	-	-	-	-	-	
Total expenditures	-	-	17,670	71,737	373,724	39,911	82,738	
Excess (deficiency) of revenues over expenditures	-	-	148,154	(1,866)	(10,547)	(4,475)	(14,738)	
Other financing sources (uses):								
Sale of capital assets	-	-	-	-	-	-	-	
Operating transfers in (out)	-	-	-	-	-	-	-	
Total other financing sources (uses)	-	-	-	-	-	-	-	
Net changes in fund balances	-	-	148,154	(1,866)	(10,547)	(4,475)	(14,738)	
Fund balance - beginning of year	79	-	(17,015)	67,297	26,623	47,827	37,566	
Fund balance - end of year	\$ 79	\$ -	\$ 131,139	\$ 65,431	\$ 16,076	\$ 43,352	\$ 22,828	

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STATE OF NEW MEXICO
EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds									
	Local Law Enforcement Block Grant	Region VI Task Force	Forfeitures Pecos Valley Drug Task Force	Sheriffs' Special	Artesia Eagle Draw	Fire Excise Reserve Fund	Fire Excise - Queen VFD			
Revenues:										
Taxes:										
Property	-	-	-	-	104,803	-	-	-	-	-
Gross receipts:										
Gasoline and motor vehicle	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Intergovernmental:										
Federal operating grants	-	155,135	-	-	-	-	-	-	-	-
State operating grants	-	-	92,538	-	-	-	-	-	-	79,660
Charges for services	-	-	-	-	-	-	-	-	-	-
Licenses and fees	-	-	-	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total revenues	-	155,135	92,538	-	104,803	-	-	-	-	79,660
Expenditures:										
Current:										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	144,392	172,949	(899)	56,001	-	-	-	-	-
Highways and roads	-	-	-	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	144,392	172,949	(899)	56,001	-	-	-	-	-
Total expenditures	-	144,392	172,949	(899)	56,001	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	10,743	(80,411)	899	48,802	-	-	-	-	79,660
Other financing sources (uses):										
Operating transfers in (out)	-	-	-	-	-	300,000	-	-	300,000	(100,000)
Total other financing sources (uses)	-	-	-	-	-	300,000	-	-	300,000	(100,000)
Net changes in fund balances	-	10,743	(80,411)	899	48,802	300,000	-	-	300,000	(20,340)
Fund balance - beginning of year	24,495	111,526	161,505	6,106	705,101	200,000	-	-	200,000	74,580
Fund balance - end of year	\$ 24,495	\$ 122,269	\$ 81,094	\$ 7,005	\$ 753,903	\$ 500,000	\$	\$	\$ 500,000	\$ 54,240

Continued

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds						
	Fire Excise - Atioka VFD	Fire Excise - Cottonwood	Fire Excise - Happy Valley	Fire Excise - Joel VFD	Fire Excise - La Huerta VFD	Fire Excise - Loco Hills VFD	Fire Excise - Otis
Revenues:							
Taxes:							
Property	-	-	-	-	-	-	-
Gross receipts:							
Gasoline and motor vehicle	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
Federal operating grants	-	-	-	-	-	-	-
State operating grants	79,660	79,660	79,660	79,660	79,704	79,660	79,660
Charges for services	-	-	-	-	-	-	-
Licenses and fees	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>79,660</u>	<u>79,660</u>	<u>79,660</u>	<u>79,660</u>	<u>79,704</u>	<u>79,660</u>	<u>79,660</u>
Expenditures:							
Current:							
General government	-	12,087	38,741	94,459	65,020	2,890	7,489
Public safety	-	-	-	-	-	-	-
Highways and roads	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	22,192	-	66,892	-	-	-
Total expenditures	-	<u>34,279</u>	<u>38,741</u>	<u>161,351</u>	<u>65,020</u>	<u>2,890</u>	<u>7,489</u>
Excess (deficiency) of revenues over expenditures	<u>79,660</u>	<u>45,381</u>	<u>40,919</u>	<u>(81,691)</u>	<u>14,684</u>	<u>76,770</u>	<u>72,171</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Operating transfers in (out)	(100,000)	-	-	-	(583)	-	-
Total other financing sources (uses)	<u>(100,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(583)</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	(20,340)	45,381	40,919	(81,691)	14,101	76,770	72,171
Fund balance - beginning of year	<u>74,580</u>	<u>376,357</u>	<u>151,277</u>	<u>180,577</u>	<u>102,744</u>	<u>276,539</u>	<u>234,749</u>
Fund balance - end of year	<u>\$ 54,240</u>	<u>\$ 421,738</u>	<u>\$ 192,196</u>	<u>\$ 98,886</u>	<u>\$ 116,845</u>	<u>\$ 353,309</u>	<u>\$ 306,920</u>

Continued

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds						
	Fire Excise - White's City	Fire Excise - Riverside	Fire Excise - Administration	Fire Excise - Loving	Fire Excise - Hope	Fire Excise - Sun Country	Fire Excise - Malaga
Revenues:							
Taxes:							
Property	-	-	-	-	-	-	-
Gross receipts:							
Gasoline and motor vehicle	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
Federal operating grants	-	-	-	-	-	-	-
State operating grants	75,198	79,660	52,608	39,830	39,830	79,660	79,660
Charges for services	-	-	-	-	-	-	-
Licenses and fees	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenues	<u>75,198</u>	<u>79,660</u>	<u>52,608</u>	<u>39,830</u>	<u>39,830</u>	<u>79,660</u>	<u>79,660</u>
Expenditures:							
Current:							
General government	6,933	10,269	84,501	58,784	4,845	-	11,211
Public safety	-	-	-	-	-	-	-
Highways and roads	-	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Capital outlay	-	173,416	-	-	-	-	-
Total expenditures	<u>6,933</u>	<u>183,685</u>	<u>84,501</u>	<u>58,784</u>	<u>4,845</u>	<u>-</u>	<u>11,211</u>
Excess (deficiency) of revenues over expenditures	<u>68,265</u>	<u>(104,025)</u>	<u>(31,893)</u>	<u>(18,954)</u>	<u>34,985</u>	<u>79,660</u>	<u>68,449</u>
Other financing sources (uses):							
Sale of capital assets	-	-	-	-	-	-	-
Operating transfers in (out)	-	-	(31,057)	-	-	(100,000)	(900)
Total other financing sources (uses)	-	-	(31,057)	-	-	(100,000)	(900)
Net changes in fund balances	<u>68,265</u>	<u>(104,025)</u>	<u>(62,950)</u>	<u>(18,954)</u>	<u>34,985</u>	<u>(20,340)</u>	<u>67,549</u>
Fund balance - beginning of year	<u>181,589</u>	<u>356,956</u>	<u>118,401</u>	<u>188,750</u>	<u>64,315</u>	<u>74,580</u>	<u>58,422</u>
Fund balance - end of year	<u>\$ 249,854</u>	<u>\$ 252,931</u>	<u>\$ 55,451</u>	<u>\$ 169,796</u>	<u>\$ 99,300</u>	<u>\$ 54,240</u>	<u>\$ 125,971</u>

Continued

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds					
	Carlsbad Transfer Station Reserve	Other Reserves *	Civil Emergency	Big Brother Big Sister	WIPP Hazmamt Fund	Jail Concession
Revenues:						
Taxes:						
Property	-	-	-	-	-	-
Gross receipts	-	-	-	-	-	-
Gasoline and motor vehicle	-	-	-	-	-	-
Intergovernmental:						
Federal operating grants	-	-	-	-	5,000	-
State operating grants	-	-	188,957	(14,527)	-	-
Charges for services	-	-	10,625	-	-	13,678
Licenses and fees	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenues	-	-	199,582	(14,527)	5,000	13,678
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	372,150	-	-	8,752
Highways and roads	-	-	-	-	-	-
Health and sanitation	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Capital outlay	-	1,000,129	-	-	-	-
Total expenditures	-	1,000,129	372,150	-	-	8,752
Excess (deficiency) of revenues over expenditures	-	(1,000,129)	(172,568)	(14,527)	5,000	4,926
Other financing sources (uses):						
Sale of capital assets	-	-	-	-	-	-
Operating transfers in (out)	-	(750,000)	126,500	14,527	31,057	-
Total other financing sources (uses)	-	(750,000)	126,500	14,527	31,057	-
Net changes in fund balances	-	(1,750,129)	(46,068)	-	36,057	4,926
Fund balance - beginning of year	1,000,000	4,450,000	(159,682)	-	-	62,667
Fund balance - end of year	\$ 1,000,000	\$ 2,699,871	\$ (205,750)	\$ -	\$ 36,057	\$ 67,593

* Other Reserves includes the following funds: Public Safety, Drug Rehab, Clerk's Office and Artesia Office Reserve.
See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds			Total
	Communications CenterReserve	Fire Excise Tax - Gross Receipts	Capital Improvement	
Revenues:				
Taxes:				
Property	-	-	-	353,487
Gross receipts:	-	1,546,685	(69,616)	5,998,108
Other	-	-	-	70,033
Intergovernmental:				
Federal operating grants	-	-	-	1,054,921
State operating grants	-	-	-	2,828,032
Charges for services	-	-	-	143,041
Licenses and fees	-	-	-	383,187
Miscellaneous	-	-	-	731,376
Total revenues	<u>-</u>	<u>1,546,685</u>	<u>(69,616)</u>	<u>11,562,185</u>
Expenditures:				
Current:				
General government	-	-	-	1,180,908
Public safety	-	2,070,902	-	4,729,269
Highways and roads	-	-	-	46,500
Health and sanitation	-	-	-	4,910,673
Culture and recreation	-	-	-	124,231
Debt service	-	-	-	19,699
Capital outlay	-	176,559	349,900	2,288,163
Total expenditures	<u>-</u>	<u>2,247,461</u>	<u>349,900</u>	<u>13,299,443</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(700,776)</u>	<u>(419,516)</u>	<u>(1,737,258)</u>
Other financing sources (uses):				
Operating transfers in (out)	-	(25,000)	-	(619,346)
Total other financing sources (uses)	<u>-</u>	<u>(25,000)</u>	<u>-</u>	<u>(619,346)</u>
Net changes in fund balances	-	(725,776)	(419,516)	(2,356,604)
Fund balance - beginning of year	-	-	-	17,518,903
Fund balance - restatement	1,003,265	2,232,549	4,080,116	7,315,930
Fund balance - beginning of year, restated	-	-	-	24,834,833
Fund balance - end of year	<u>\$ 1,003,265</u>	<u>\$ 1,506,773</u>	<u>\$ 3,660,600</u>	<u>\$ 22,478,229</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Capital Project Funds			Total	Grand Total
	Jail Expansion Reserve	Legislative Appropriations	Loop Road Reserve		
Revenues:					
Taxes:					
Property	-	-	-	-	353,487
Gross receipts:	-	-	-	-	5,998,108
Gasoline and motor vehicle	-	-	-	-	-
Other	-	-	-	-	70,033
Intergovernmental:					
Federal operating grants	-	1,284,507	-	1,284,507	2,339,428
State operating grants	-	-	-	-	2,828,032
Charges for services	-	-	-	-	143,041
Licenses and fees	-	-	-	-	383,187
Miscellaneous	-	-	-	-	731,376
Total revenues	-	1,284,507	-	1,284,507	12,846,692
Expenditures:					
Current:					
General government	-	1,277,187	-	1,277,187	2,458,095
Public safety	-	-	-	-	4,729,269
Highways and roads	-	-	-	-	46,500
Health and sanitation	-	-	-	-	4,910,673
Culture and recreation	-	-	-	-	124,231
Debt service	-	-	-	-	19,699
Capital outlay	-	-	-	-	2,288,163
Total expenditures	-	1,277,187	-	1,277,187	14,576,630
Excess (deficiency) of revenues over expenditures	-	7,320	-	7,320	(1,729,938)
Other financing sources (uses):					
Sale of capital assets	-	-	-	-	-
Operating transfers in (out)	-	-	-	-	(619,346)
Total other financing sources (uses)	-	-	-	-	(619,346)
Net changes in fund balances	-	7,320	-	7,320	(2,349,284)
Fund balance - beginning of year	4,000,000	42,272	5,000,000	4,124,217	28,959,050
Fund balance - restatement	-	-	-	4,918,055	4,918,055
Fund balance - beginning of year, restated	-	-	-	9,042,272	33,877,105
Fund balance - end of year	\$ 4,000,000	\$ 49,592	\$ 5,000,000	\$ 9,049,592	\$ 31,527,821

Concluded

SPECIAL REVENUE FUNDS

STATE OF NEW MEXICO
EDDY COUNTY

FARM AND RANGE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 30,000	\$ 30,000	\$ 30,290	\$ 290
Total revenues	30,000	30,000	30,290	290
Expenditures:				
Current:				
Highways and roads	46,500	46,500	46,500	-
Total expenditures	46,500	46,500	46,500	-
Excess (deficiency) of revenues over expenditures	(16,500)	(16,500)	(16,210)	290
Other financing sources (uses):				
Designated cash	2,100	1,000	-	(1,000)
Operating transfers in (out)	14,400	15,500	15,500	-
Total other financing sources (uses)	16,500	16,500	15,500	(1,000)
Net changes in fund balances	-	-	(710)	(710)
Fund balance - beginning of year	-	-	1,352	1,352
Fund balance - end of year	\$ -	\$ -	\$ 642	\$ 642

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

RECREATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Other	\$ 100	\$ 100	\$ 168	\$ 68
Total revenues	100	100	168	68
Expenditures:				
Current:				
Culture and recreation	61,522	61,522	52,248	9,274
Total expenditures	61,522	61,522	52,248	9,274
Excess (deficiency) of revenues over expenditures	(61,422)	(61,422)	(52,080)	9,342
Other financing sources (uses):				
Designated cash	31,822	31,922	-	(31,922)
Operating transfers in (out)	29,600	29,500	29,500	-
Total other financing sources (uses)	61,422	61,422	29,500	(31,922)
Net changes in fund balances	-	-	(22,580)	(22,580)
Fund balance - beginning of year	-	-	31,932	31,932
Fund balance - end of year			\$ 9,352	
Reconciliation of budgetary basis to GAAP basis:			(22,580)	
Net changes in fund balance budgetary basis				
Net revenue accruals			(6)	
Net expenditure accruals			(246)	
Net change in fund balance GAAP basis			\$ (22,832)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

ENVIRONMENTAL SERVICES
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Gross receipts	\$ 1,125,000	\$ 1,125,000	\$ 1,350,922	\$ 225,922
Intergovernmental:				
State operating grants	400,000	400,000	-	(400,000)
Licenses and fees	200,000	200,000	225,365	25,365
Total revenues	<u>1,725,000</u>	<u>1,725,000</u>	<u>1,576,287</u>	<u>(148,713)</u>
Expenditures:				
Current:				
General government	420,900	420,900	396,406	24,494
Health and sanitation	1,213,774	1,220,235	932,029	288,206
Capital outlay	87,870	87,870	25,241	62,629
Total expenditures	<u>1,722,544</u>	<u>1,729,005</u>	<u>1,353,676</u>	<u>375,329</u>
Excess (deficiency) of revenues over expenditures	<u>2,456</u>	<u>(4,005)</u>	<u>222,611</u>	<u>226,616</u>
Designated cash	-	4,005	-	4,005
Total other financing sources (uses)	-	4,005	-	4,005
Net changes in fund balances	<u>2,456</u>	<u>-</u>	<u>222,611</u>	<u>230,621</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>2,433,049</u>	<u>2,433,049</u>
Fund balance - end of year			<u>\$ 2,655,660</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			222,611	
Net revenue accruals			(34,173)	
Net expense accruals			6,604	
Net change in fund balance GAAP basis			<u>\$ 195,042</u>	

See accompanying notes to financial statements.9

STATE OF NEW MEXICO
 EDDY COUNTY

INDIGENT HOSPITAL CLAIMS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Gross receipts	\$ 2,650,494	\$ 2,783,208	\$ 3,261,575	\$ 478,367
Intergovernmental:				
State operating grants	40,000	40,000	-	(40,000)
Miscellaneous	589,000	589,000	614,221	25,221
Total revenues	<u>3,279,494</u>	<u>3,412,208</u>	<u>3,875,796</u>	<u>463,588</u>
Expenditures:				
Current:				
Health and sanitation	<u>3,190,513</u>	<u>3,546,870</u>	<u>3,446,983</u>	<u>99,887</u>
Total expenditures	<u>3,190,513</u>	<u>3,546,870</u>	<u>3,446,983</u>	<u>99,887</u>
Excess (deficiency) of revenues over expenditures	<u>88,981</u>	<u>(134,662)</u>	<u>428,813</u>	<u>563,475</u>
Other financing sources (uses):				
Designated cash	4,019	73,662	-	(73,662)
Operating transfers in (out)	<u>(93,000)</u>	<u>61,000</u>	<u>190,643</u>	<u>129,643</u>
Total other financing sources (uses)	<u>(88,981)</u>	<u>134,662</u>	<u>190,643</u>	<u>55,981</u>
Net changes in fund balances	-	-	619,456	619,456
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>243,633</u>	<u>243,633</u>
Fund balance - end of year			<u>\$ 863,089</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			619,456	
Net revenue accruals			(56,745)	
Net expense accruals			<u>23,024</u>	
Net change in fund balance GAAP basis			<u>\$ 585,735</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

ATOKA FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Intergovernmental:				
State operating grants	\$ 127,890	\$ 127,890	\$ 127,890	\$ -
Total revenues	<u>127,890</u>	<u>127,890</u>	<u>127,890</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	273,738	73,682	79,065	(5,383)
Capital outlay	<u>50,890</u>	<u>236,628</u>	<u>-</u>	<u>236,628</u>
Total expenditures	<u>324,628</u>	<u>310,310</u>	<u>79,065</u>	<u>231,245</u>
Excess (deficiency) of revenues over expenditures	<u>(196,738)</u>	<u>(182,420)</u>	<u>48,825</u>	<u>231,245</u>
Other financing sources (uses):				
Designated cash	196,738	182,420	-	(182,420)
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>(1,769)</u>	<u>(1,769)</u>
Total other financing sources (uses)	<u>196,738</u>	<u>182,420</u>	<u>(1,769)</u>	<u>(184,189)</u>
Net changes in fund balances	-	-	47,056	47,056
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>189,432</u>	<u>189,432</u>
Fund balance - end of year			<u>\$ 236,488</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			47,056	
Net revenue accruals			-	
Net expense accruals			<u>(254)</u>	
Net change in fund balance GAAP basis			<u>\$ 46,802</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COTTONWOOD FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 127,890	\$ 127,890	\$ 127,890	\$ -
Miscellaneous	-	131	131	-
Total revenues	<u>127,890</u>	<u>128,021</u>	<u>128,021</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	77,000	73,682	50,712	22,970
Capital outlay	<u>50,890</u>	<u>46,490</u>	<u>13,977</u>	<u>32,513</u>
Total expenditures	<u>127,890</u>	<u>120,172</u>	<u>64,689</u>	<u>55,483</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>7,849</u>	<u>63,332</u>	<u>55,483</u>
Other financing sources (uses):				
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>(1,769)</u>	<u>(1,769)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,769)</u>	<u>(1,769)</u>
Net changes in fund balances	-	7,849	61,563	53,714
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>(994)</u>	<u>(994)</u>
Fund balance - end of year			<u>\$ 60,569</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			61,563	
Net revenue accruals			-	
Net expense accruals			<u>(72)</u>	
Net change in fund balance GAAP basis			<u>\$ 61,491</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

HAPPY VALLEY FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 67,134	\$ 67,134	\$ 67,237	\$ 103
Miscellaneous	-	103	-	(103)
Total revenues	<u>67,134</u>	<u>67,237</u>	<u>67,237</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	64,439	64,439	75,132	(10,693)
Capital outlay	<u>16,134</u>	<u>11,334</u>	<u>-</u>	<u>11,334</u>
Total expenditures	<u>80,573</u>	<u>75,773</u>	<u>75,132</u>	<u>641</u>
Excess (deficiency) of revenues over expenditures	<u>(13,439)</u>	<u>(8,536)</u>	<u>(7,895)</u>	<u>641</u>
Designated cash	13,439	10,305	-	(10,305)
Operating transfers in (out)	<u>-</u>	<u>(1,769)</u>	<u>(589)</u>	<u>1,180</u>
Total other financing sources (uses)	<u>13,439</u>	<u>8,536</u>	<u>(589)</u>	<u>(9,125)</u>
Net changes in fund balances	-	-	(8,484)	(8,484)
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>8,721</u>	<u>8,721</u>
Fund balance - end of year			<u>\$ 237</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(8,484)	
Net revenue accruals			19,624	
Net expense accruals			<u>(14,942)</u>	
Net change in fund balance GAAP basis			<u>\$ (3,802)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

JOEL FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 150,326	\$ 150,326	\$ 150,326	\$ -
Total revenues	150,326	150,326	150,326	-
Expenditures:				
Current:				
Public safety	102,000	99,623	84,618	15,005
Capital outlay	147,918	84,592	-	84,592
Total expenditures	249,918	184,215	84,618	99,597
Excess (deficiency) of revenues over expenditures	(99,592)	(33,889)	65,708	99,597
Other financing sources (uses):				
Designated cash	99,592	35,658	-	(35,658)
Operating transfers in (out)	-	(1,769)	45,507	47,276
Total other financing sources (uses)	99,592	33,889	45,507	11,618
Net changes in fund balances	-	-	111,215	111,215
Fund balance - beginning of year	-	-	33,889	33,889
Fund balance - end of year			\$ 145,104	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			111,215	
Net revenue accruals			-	
Net expense accruals			(138,100)	
Net change in fund balance GAAP basis			\$ (26,885)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

LA HUERTA FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 134,620	\$ 134,620	\$ 135,120	\$ 500
Total revenues	<u>134,620</u>	<u>134,620</u>	<u>135,120</u>	<u>500</u>
Expenditures:				
Current:				
Public safety	128,513	92,000	113,260	(21,260)
Capital outlay	<u>57,620</u>	<u>84,236</u>	<u>20,982</u>	<u>63,254</u>
Total expenditures	<u>186,133</u>	<u>176,236</u>	<u>134,242</u>	<u>41,994</u>
Excess (deficiency) of revenues over expenditures	<u>(51,513)</u>	<u>(41,616)</u>	<u>878</u>	<u>42,494</u>
Other financing sources (uses):				
Designated cash	51,513	41,616	-	(41,616)
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>(1,769)</u>	<u>(1,769)</u>
Total other financing sources (uses)	<u>51,513</u>	<u>41,616</u>	<u>(1,769)</u>	<u>(43,385)</u>
Net changes in fund balances	-	-	(891)	(891)
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>41,663</u>	<u>41,663</u>
Fund balance - end of year			<u>\$ 40,772</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(891)	
Net revenue accruals			-	
Net expense accruals			<u>7,407</u>	
Net change in fund balance GAAP basis			<u>\$ 6,516</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

LOCO HILLS DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 42,632	\$ 42,632	\$ 42,632	\$ -
Miscellaneous	-	-	191	191
Total revenues	42,632	42,632	42,823	191
Expenditures:				
Current:				
Public safety	41,019	41,019	32,131	8,888
Capital outlay	12,632	12,553	-	12,553
Total expenditures	53,651	53,572	32,131	21,441
Excess (deficiency) of revenues over expenditures	(11,019)	(10,940)	10,692	21,632
Designated cash	11,019	10,940	-	10,940
Operating transfers in (out)	-	-	(1,769)	(1,769)
Total other financing sources (uses)	11,019	10,940	(1,769)	9,171
Net changes in fund balances	-	-	8,923	30,803
Fund balance - beginning of year	-	-	6,543	6,543
Fund balance - end of year			\$ 15,466	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			8,923	
Net revenue accruals			-	
Net expense accruals			(2,380)	
Net change in fund balance GAAP basis			\$ 6,543	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

OTIS FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 121,158	\$ 121,158	\$ 121,158	\$ -
Total revenues	121,158	121,158	121,158	-
Expenditures:				
Current:				
Public safety	169,510	105,372	173,514	(68,142)
Capital outlay	34,158	98,296	-	98,296
Total expenditures	203,668	203,668	173,514	30,154
Excess (deficiency) of revenues over expenditures	(82,510)	(82,510)	(52,356)	30,154
Other financing sources (uses):				
Designated cash	82,510	82,510	-	(82,510)
Operating transfers in (out)	-	-	43,800	43,800
Total other financing sources (uses)	82,510	82,510	43,800	(38,710)
Net changes in fund balances	-	-	(8,556)	(8,556)
Fund balance - beginning of year	-	-	(19,591)	(19,591)
Fund balance - end of year			\$ (28,147)	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(8,556)	
Net revenue accruals			-	
Net expense actuals			45,708	
Net change in fund balance GAAP basis			\$ 37,152	

See accompanying notes to financial statements.

**STATE OF NEW MEXICO
EDDY COUNTY**

**WHITE'S CITY FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Miscellaneous	\$ 77,409	\$ 77,409	\$ 77,524	\$ 115
Total revenues	<u>77,409</u>	<u>77,409</u>	<u>77,524</u>	<u>115</u>
Expenditures:				
Current:				
General government	138,791	44,897	29,720	15,177
Capital outlay	26,409	19,899	-	19,899
Total expenditures	<u>165,200</u>	<u>64,796</u>	<u>29,720</u>	<u>35,076</u>
Excess (deficiency) of revenues over expenditures	<u>(87,791)</u>	<u>12,613</u>	<u>47,804</u>	<u>35,191</u>
Other financing sources (uses):				
Designated cash	87,791	-	-	-
Operating transfers in (out)	-	-	(1,769)	(1,769)
Total other financing sources (uses)	<u>87,791</u>	<u>-</u>	<u>(1,769)</u>	<u>(1,769)</u>
Net changes in fund balances	-	12,613	46,035	33,422
Fund balance - beginning of year	-	-	86,587	86,587
Fund balance - end of year			<u>\$ 132,622</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			46,035	
Net revenue accruals			-	
Net expense accruals			(132,622)	
Net change in fund balance GAAP basis			<u>\$ (86,587)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

PROPERTY VALUATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Property	\$ 150,000	\$ 150,000	\$ 232,327	\$ 82,327
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>232,327</u>	<u>82,327</u>
Expenditures:				
Current:				
General government	376,410	71,910	61,627	10,283
Capital outlay	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>-</u>
Total expenditures	<u>388,410</u>	<u>83,910</u>	<u>73,627</u>	<u>10,283</u>
Excess (deficiency) of revenues over expenditures	<u>(238,410)</u>	<u>66,090</u>	<u>158,700</u>	<u>92,610</u>
Other financing sources (uses):				
Designated cash	<u>238,410</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>238,410</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	66,090	158,700	92,610
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>355,660</u>	<u>355,660</u>
Fund balance - end of year			<u>\$ 514,360</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			158,700	
Net revenue accruals			331	
Net expense accruals			<u>1,104</u>	
Net change in fund balance GAAP basis			<u>\$ 160,135</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

EMS - ATOKA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 5,211	\$ 5,211	\$ 3,986	\$ (1,225)
Total revenues	5,211	5,211	3,986	(1,225)
Expenditures:				
Current:				
Public safety	6,479	5,148	3,873	1,287
Total expenditures	6,479	5,148	3,873	1,287
Excess (deficiency) of revenues over expenditures	(1,268)	63	113	62
Other financing sources (uses):				
Designated cash	1,268	-	-	-
Total other financing sources (uses)	1,268	-	-	-
Net changes in fund balances	-	63	113	62
Fund balance - beginning of year	-	-	1,287	1,287
Net change in fund balance GAAP basis	\$ -	\$ 63	\$ 1,400	\$ 1,349

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

EMS - LOCO HILLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 7,141	\$ 7,132	\$ 7,132	\$ -
Total revenues	<u>7,141</u>	<u>7,132</u>	<u>7,132</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	<u>9,488</u>	<u>6,707</u>	<u>6,583</u>	<u>124</u>
Total expenditures	<u>9,488</u>	<u>6,707</u>	<u>6,583</u>	<u>124</u>
Excess (deficiency) of revenues over expenditures	<u>(2,347)</u>	<u>425</u>	<u>549</u>	<u>124</u>
Other financing sources (uses):				
Designated cash	<u>2,347</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>2,347</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	425	549	124
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>2,347</u>	<u>2,347</u>
Fund balance - end of year			<u>\$ 2,896</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			549	
Net revenue accruals			-	
Net expense accruals			<u>(637)</u>	
Net change in fund balance GAAP basis			<u>\$ (88)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

EMS - HAPPY VALLEY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 5,161	\$ 5,151	\$ 5,151	\$ -
Total revenues	5,161	5,151	5,151	-
Expenditures:				
Current:				
Public safety	5,161	5,014	4,358	656
Total expenditures	5,161	5,014	4,358	656
Excess (deficiency) of revenues over expenditures	-	137	793	656
Other financing sources (uses):				
Net changes in fund balances	-	137	793	656
Fund balance - beginning of year	-	-	(127)	(127)
Fund balance - end of year			\$ 666	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			793	
Net revenue accruals			-	
Net expense accruals			(860)	
Net change in fund balance GAAP basis			\$ (67)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

EMS - JOEL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Total revenues	5,000	5,000	5,000	-
Expenditures:				
Current:				
Public safety	6,540	6,540	5,865	675
Total expenditures	6,540	6,540	5,865	675
Excess (deficiency) of revenues over expenditures	(1,540)	(1,540)	(865)	675
Other financing sources (uses):				
Designated cash	1,540	865	-	(865)
Total other financing sources (uses)	1,540	1,540	-	(865)
Net changes in fund balances	-	-	(865)	(190)
Fund balance - beginning of year	-	-	1,540	1,540
Fund balance - end of year	\$ -	\$ -	\$ 675	\$ 1,350

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

SUN COUNTRY FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 127,890	\$ 127,890	\$ 128,301	\$ 411
Total revenues	127,890	127,890	128,301	411
Expenditures:				
Current:				
Public safety	220,386	92,000	91,955	45
Capital outlay	50,890	187,692	-	187,692
Total expenditures	271,276	279,692	91,955	187,737
Excess (deficiency) of revenues over expenditures	(143,386)	(151,802)	36,346	188,148
Other financing sources (uses):				
Designated cash	143,386	151,802	-	(151,802)
Operating transfers in (out)	-	-	(1,769)	(1,769)
Total other financing sources (uses)	143,386	151,802	(1,769)	(153,571)
Net changes in fund balances	-	-	34,577	34,577
Fund balance - beginning of year	-	-	141,848	141,848
Fund balance - end of year			\$ 176,425	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			34,577	
Net revenue accruals			(375)	
Net expense accruals			(177,406)	
Net change in fund balance GAAP basis			\$ (143,204)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

QUEEN FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 42,632	\$ 42,632	\$ 42,632	\$ -
Total revenues	<u>42,632</u>	<u>42,632</u>	<u>42,632</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	100,158	45,000	25,810	19,190
Capital outlay	<u>12,632</u>	<u>66,230</u>	<u>-</u>	<u>66,230</u>
Total expenditures	<u>112,790</u>	<u>111,230</u>	<u>25,810</u>	<u>85,420</u>
Excess (deficiency) of revenues over expenditures	<u>(70,158)</u>	<u>(68,598)</u>	<u>16,822</u>	<u>85,420</u>
Other financing sources (uses):				
Designated cash	70,158	68,598	-	(68,598)
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>(1,769)</u>	<u>(1,769)</u>
Total other financing sources (uses)	<u>70,158</u>	<u>68,598</u>	<u>(1,769)</u>	<u>(70,367)</u>
Net changes in fund balances	-	-	15,053	15,053
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>68,605</u>	<u>68,605</u>
Fund balance - end of year			<u>\$ 83,658</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			15,053	
Net revenue accruals			-	
Net expense accruals			<u>1,228</u>	
Net change in fund balance GAAP basis			<u>\$ 16,281</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

RIVERSIDE FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 42,632	\$ 42,632	\$ 42,632	\$ -
Total revenues	<u>42,632</u>	<u>42,632</u>	<u>42,632</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	33,574	31,776	40,832	(9,056)
Capital outlay	<u>9,058</u>	<u>9,058</u>	<u>-</u>	<u>9,058</u>
Total expenditures	<u>42,632</u>	<u>40,834</u>	<u>40,832</u>	<u>2</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>1,798</u>	<u>1,800</u>	<u>2</u>
Other financing sources (uses):				
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>(1,769)</u>	<u>(1,769)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,769)</u>	<u>(1,769)</u>
Net changes in fund balances	-	1,798	31	(1,767)
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>(4,490)</u>	<u>(4,490)</u>
Fund balance - end of year			<u>\$ (4,459)</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			31	
Net revenue accruals			-	
Net expense accruals			<u>1,339</u>	
Net change in fund balance GAAP basis			<u>\$ 1,370</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

EMS - QUEEN

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 3,051	\$ 3,048	\$ 3,048	\$ -
Total revenues	3,051	3,048	3,048	-
Expenditures:				
Current:				
Public safety	5,534	5,531	4,331	1,200
Total expenditures	5,534	5,531	4,331	1,200
Excess (deficiency) of revenues over expenditures	(2,483)	(2,483)	(1,283)	1,200
Other financing sources (uses):				
Designated cash	2,483	2,483	-	(2,483)
Total other financing sources (uses)	2,483	2,483	-	(2,483)
Net changes in fund balances	-	-	(1,283)	(1,283)
Fund balance - beginning of year	-	-	2,483	2,483
Fund balance - end of year	\$ -	\$ -	\$ 1,200	\$ 1,200

See accompanying notes to financial statements.

STATE OF NEW MEXICO
 EDDY COUNTY

EMS - SUN COUNTRY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 7,120	\$ 7,120	\$ 7,120	\$ -
Total revenues	7,120	7,120	7,120	-
Expenditures:				
Current:				
Public safety	7,129	7,120	1,469	5,651
Total expenditures	7,129	7,120	1,469	5,651
Excess (deficiency) of revenues over expenditures	(9)	-	5,651	5,651
Other financing sources (uses):				
Designated cash	9	-	-	-
Total other financing sources (uses)	9	-	-	-
Net changes in fund balances	-	-	5,651	5,651
Fund balance - end of year	\$ -	\$ -	\$ 5,651	\$ 5,651

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

HIDTA GRANT - PECOS VALLEY DRUG TAKS FORCE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
Federal operating grants	\$ 313,128	\$ 313,128	\$ 323,424	\$ 10,296
Total revenues	313,128	313,128	323,424	10,296
Expenditures:				
Current:				
Public safety	287,766	407,641	375,372	32,269
Total expenditures	287,766	407,641	375,372	32,269
Excess (deficiency) of revenues over expenditures	25,362	(94,513)	(51,948)	42,565
Other financing sources (uses):				
Designated cash	-	94,513	-	(94,513)
Total other financing sources (uses)	-	94,513	-	(94,513)
Net changes in fund balances	25,362	-	(51,948)	(51,948)
Fund balance - beginning of year	-	-	60,969	60,969
Fund balance - end of year			\$ 9,021	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(51,948)	
Net revenue accruals			39,166	
Net expense accruals			7,575	
Net change in fund balance GAAP basis			\$ (5,207)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

EMS - RIVERSIDE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 7,000	\$ 7,000	\$ 7,000	\$ -
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	<u>11,371</u>	<u>11,371</u>	<u>8,438</u>	<u>2,933</u>
Total expenditures	<u>11,371</u>	<u>11,371</u>	<u>8,438</u>	<u>2,933</u>
Excess (deficiency) of revenues over expenditures	<u>(4,371)</u>	<u>(4,371)</u>	<u>(1,438)</u>	<u>2,933</u>
Other financing sources (uses):				
Designated cash	<u>4,371</u>	<u>4,371</u>	<u>-</u>	<u>(4,371)</u>
Total other financing sources (uses)	<u>4,371</u>	<u>4,371</u>	<u>-</u>	<u>(4,371)</u>
Net changes in fund balances	-	-	(1,438)	(1,438)
Fund balance - beginning of year	-	-	4,371	4,371
Fund balance - end of year			<u>\$ 2,933</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(1,438)	
Net revenue accruals			-	
net expense accruals			<u>(205)</u>	
Net change in fund balance GAAP basis			<u>\$ (1,643)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

EMS - COTTONWOOD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 7,238	\$ 7,223	\$ 7,223	\$ -
Total revenues	7,238	7,223	7,223	-
Expenditures:				
Current:				
Public safety	37,195	37,180	5,217	31,963
Total expenditures	37,195	37,180	5,217	31,963
Excess (deficiency) of revenues over expenditures	(29,957)	(29,957)	2,006	31,963
Other financing sources (uses):				
Designated cash	29,957	29,957	-	(29,957)
Total other financing sources (uses)	29,957	29,957	-	(29,957)
Net changes in fund balances	-	-	2,006	2,006
Fund balance - beginning of year	-	-	29,957	29,957
Fund balance - end of year	\$ -	\$ -	\$ 31,963	\$ 31,963

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

EMS - OTIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 7,000	\$ 7,000	\$ 7,000	\$ -
Total revenues	7,000	7,000	7,000	-
Expenditures:				
Current:				
Public safety	14,762	14,087	7,506	6,581
Total expenditures	14,762	14,087	7,506	6,581
Excess (deficiency) of revenues over expenditures	(7,762)	(7,087)	(506)	6,581
Other financing sources (uses):				
Designated cash	7,762	7,087	-	(7,087)
Total other financing sources (uses)	7,762	7,087	-	(7,087)
Net changes in fund balances	-	-	(506)	(506)
Fund balance - beginning of year	-	-	7,087	7,087
Fund balance - end of year			<u>\$ 6,581</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(506)	
Net revenue accruals			-	
Net expense accruals			(583)	
Net change in fund balance GAAP basis			<u>\$ (1,089)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

GIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 10,000	\$ 10,000	\$ 8,030	\$ (1,970)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>8,030</u>	<u>(1,970)</u>
Expenditures:				
Current:				
General government	408,000	390,000	5,001	384,999
Capital outlay	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>40,000</u>
Total expenditures	<u>448,000</u>	<u>430,000</u>	<u>5,001</u>	<u>424,999</u>
Excess (deficiency) of revenues over expenditures	<u>(438,000)</u>	<u>(420,000)</u>	<u>3,029</u>	<u>423,029</u>
Other financing sources (uses):				
Designated cash	<u>438,000</u>	<u>420,000</u>	<u>-</u>	<u>(420,000)</u>
Total other financing sources (uses)	<u>438,000</u>	<u>420,000</u>	<u>-</u>	<u>(420,000)</u>
Net changes in fund balances	-	-	3,029	3,029
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>482,303</u>	<u>482,303</u>
Fund balance - end of year			<u>\$ 485,332</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			3,029	
Net revenue accruals			(638)	
Net expense accruals			-	
Net change in fund balance GAAP basis			<u>\$ 2,391</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

COUNTY CLERK RECORDING AND FILING
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 50,000	\$ 50,000	\$ 49,660	\$ (340)
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>49,660</u>	<u>(340)</u>
Expenditures:				
Current:				
General government	139,830	6,080	13,295	(7,215)
Capital outlay	<u>56,000</u>	<u>56,000</u>	-	<u>56,000</u>
Total expenditures	<u>195,830</u>	<u>62,080</u>	<u>13,295</u>	<u>48,785</u>
Excess (deficiency) of revenues over expenditures	<u>(145,830)</u>	<u>(12,080)</u>	<u>36,365</u>	<u>48,445</u>
Other financing sources (uses):				
Designated cash	<u>145,830</u>	<u>12,080</u>	-	<u>(12,080)</u>
Total other financing sources (uses)	<u>145,830</u>	<u>12,080</u>	-	<u>(12,080)</u>
Net changes in fund balances	-	-	36,365	36,365
Fund balance - beginning of year	-	-	<u>263,272</u>	<u>263,272</u>
Fund balance - end of year			<u>\$ 299,637</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			36,365	
Net revenue accruals			(1,312)	
Net expense accruals			<u>4,551</u>	
Net change in fund balance GAAP basis			<u>\$ 39,604</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

EMS - MALAGA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 7,103	\$ 7,996	\$ 7,096	\$ (900)
Total revenues	<u>7,103</u>	<u>7,996</u>	<u>7,096</u>	<u>(900)</u>
Expenditures:				
Current:				
Public safety	<u>7,103</u>	<u>7,099</u>	<u>7,096</u>	<u>3</u>
Total expenditures	<u>7,103</u>	<u>7,099</u>	<u>7,096</u>	<u>3</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>897</u>	<u>-</u>	<u>(897)</u>
Other financing sources (uses):				
Designated cash	<u>7</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>900</u>	<u>900</u>
Total other financing sources (uses)	<u>7</u>	<u>7</u>	<u>900</u>	<u>900</u>
Net changes in fund balances	<u>7</u>	<u>904</u>	<u>900</u>	<u>3</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>(1,797)</u>	<u>(1,797)</u>
Fund balance - end of year			<u>\$ (897)</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			900	
Net revenue accruals			-	
Net expense accruals			<u>(848)</u>	
Net change in fund balance GAAP basis			<u>\$ 52</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

TREASURER'S COLLECTION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 8,000	\$ 8,000	\$ 5,671	\$ (2,329)
Total revenues	8,000	8,000	5,671	(2,329)
Expenditures:				
Current:				
General government	1,000	5,000	3,496	1,504
Total expenditures	1,000	5,000	3,496	1,504
Excess (deficiency) of revenues over expenditures	7,000	3,000	2,175	(825)
Net changes in fund balances	7,000	3,000	2,175	(825)
Fund balance - beginning of year	-	-	10,488	10,488
Fund balance - end of year			\$ 12,663	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			2,175	
Net revenue accruals			(175)	
Net expense accruals			-	
Net change in fund balance GAAP basis			\$ 2,000	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

MALAGA FIRE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 42,632	\$ 42,632	\$ 42,632	\$ -
Total revenues	<u>42,632</u>	<u>42,632</u>	<u>42,632</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	48,895	30,000	40,328	(10,328)
Capital outlay	<u>12,632</u>	<u>30,057</u>	-	<u>30,057</u>
Total expenditures	<u>61,527</u>	<u>60,057</u>	<u>40,328</u>	<u>19,729</u>
Excess (deficiency) of revenues over expenditures	<u>(18,895)</u>	<u>(17,425)</u>	<u>2,304</u>	<u>19,729</u>
Other financing sources (uses):				
Designated cash	<u>18,895</u>	<u>17,425</u>	-	<u>(17,425)</u>
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>(1,769)</u>	<u>(1,769)</u>
Total other financing sources (uses)	<u>18,895</u>	<u>17,425</u>	<u>(1,769)</u>	<u>(19,194)</u>
Net changes in fund balances	-	-	535	535
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>17,427</u>	<u>17,427</u>
Fund balance - end of year			<u>\$ 17,962</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			535	
Net revenue accruals			-	
Net expense accruals			<u>(7,069)</u>	
Net change in fund balance GAAP basis			<u>\$ (6,534)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

HEALTH SERVICES
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Gross receipts	\$ -	\$ 190,000	\$ -	\$ (190,000)
Total revenues	-	190,000	-	(190,000)
Expenditures:				
Current:				
Health and sanitation	659,061	657,524	458,463	199,061
Total expenditures	659,061	657,524	458,463	199,061
Excess (deficiency) of revenues over expenditures	(659,061)	(467,524)	(458,463)	9,061
Other financing sources (uses):				
Designated cash	5,061	-	-	-
Operating transfers in (out)	654,000	654,000	654,000	-
Total other financing sources (uses)	659,061	654,000	654,000	-
Net changes in fund balances	-	186,476	195,537	9,061
Fund balance - beginning of year	-	-	3,525	3,525
Fund balance - end of year			<u>\$ 199,062</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			195,537	
Net revenue accruals			-	
Net expense accruals			(7,560)	
Net change in fund balance GAAP basis			<u>\$ 187,977</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
 EDDY COUNTY

CARLSBAD TRANSFER STATION RESERVE
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Net changes in fund balances	-	-	-	-
Fund balance - beginning of year	-	-	1,000,000	1,000,000
Fund balance - end of year	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

PROTEST SUSPENSE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Property	\$ -	\$ -	\$ 16,027	\$ 16,027
Total revenues	-	-	16,027	16,027
General government	-	-	432	(432)
Total expenditures	-	-	432	(432)
Excess of revenues over expenditures	-	-	15,595	15,595
Other financing sources (uses):				
Net changes in fund balances	-	-	15,595	15,595
Fund balance - beginning of year	-	-	1,876,768	1,876,768
Fund balance - end of year	\$ -	\$ -	\$ 1,892,363	\$ 1,892,363

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

ARTESIA MOTOR VEHICLE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Licenses and fees	\$ 158,000	\$ 158,000	\$ 138,135	\$ (19,865)
Miscellaneous	1,000	1,000	555	(445)
Total revenues	159,000	159,000	138,690	(20,310)
Expenditures:				
Current:				
General government	216,888	230,833	185,815	45,018
Total expenditures	216,888	230,833	185,815	45,018
Excess (deficiency) of revenues over expenditures	(57,888)	(71,833)	(47,125)	24,708
Other financing sources (uses):				
Designated cash	24,888	38,833	-	(38,833)
Operating transfers in (out)	33,000	33,000	33,000	-
Total other financing sources (uses)	57,888	71,833	33,000	(38,833)
Net changes in fund balances	-	-	(14,125)	(14,125)
Fund balance - beginning of year	-	-	44,563	44,563
Fund balance - end of the year			30,438	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(14,125)	
Net revenue accruals			(498)	
Net expense accruals			4,406	
Net change in fund balance GAAP basis			\$ (10,217)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

OTHER RESERVES *

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Capital outlay	-	1,000,129	1,000,129	-
Total expenditures	-	1,000,129	1,000,129	-
Excess (deficiency) of revenues over expenditures	-	(1,000,129)	(1,000,129)	-
Other financing sources (uses):				
Designated cash	750,000	1,000,129	-	1,000,129
Operating transfers in (out)	\$ (750,000)	\$ -	\$ (750,000)	\$ (750,000)
Total other financing sources (uses)	-	1,000,129	(750,000)	250,129
Net changes in fund balances	-	-	(1,750,129)	250,129
Fund balance - beginning of year	-	-	4,450,000	4,450,000
Fund balance - end of year	\$ -	\$ -	\$ 2,699,871	\$ 4,700,129

* Other Reserves includes the following funds: Public Safety, Drug Rehab, Clerk's Office and Artesia Sub Office Reserves.

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

EMS - LA HUERTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 5,000	\$ 5,583	\$ 5,000	\$ (583)
Total revenues	5,000	5,583	5,000	(583)
Expenditures:				
Current:				
Public safety	5,000	5,583	5,582	1
Total expenditures	5,000	5,583	5,582	1
Excess (deficiency) of revenues over expenditures	-	-	(582)	(582)
Other financing sources (uses):				
Operating transfers in (out)	-	583	583	-
Total other financing sources (uses)	-	583	583	-
Net changes in fund balances	-	583	1	(582)
Fund balance - beginning of year	-	-	(897)	(897)
Fund balance - end of year			\$ (896)	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			1	
Net revenue accruals			-	
Net expense accruals			572	
Net change in fund balance GAAP basis			\$ 573	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

EMS - WHITE'S CITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 7,257	\$ 7,241	\$ 7,895	\$ 654
Total revenues	<u>7,257</u>	<u>7,241</u>	<u>7,895</u>	<u>654</u>
Expenditures:				
Current:				
Public safety	<u>7,257</u>	<u>7,241</u>	<u>7,157</u>	<u>84</u>
Total expenditures	<u>7,257</u>	<u>7,241</u>	<u>7,157</u>	<u>84</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>738</u>	<u>738</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>738</u>	<u>738</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>(460)</u>	<u>(460)</u>
Fund balance - end of year			<u>\$ 278</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			738	
Net revenue accruals			-	
Net expense accruals			460	
Net change in fund balance GAAP basis			<u>\$ 1,198</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

LAW ENFORCEMENT PROTECTION ACT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 47,000	\$ 47,000	\$ 47,000	\$ -
Total revenues	<u>47,000</u>	<u>47,000</u>	<u>47,000</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	30,000	30,000	47,000	(17,000)
Capital outlay	<u>17,000</u>	<u>17,000</u>	<u>-</u>	<u>17,000</u>
Total expenditures	<u>47,000</u>	<u>47,000</u>	<u>47,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net changes in fund balances	-	-	-	-
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>47,002</u>	<u>47,002</u>
Fund balance - end of year			<u>\$ 47,002</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			-	
Net revenue accruals			-	
Net expense accruals			(1,167)	
Net change in fund balance GAAP basis			<u>\$ (1,167)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

CORRECTION FEES
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 150,000	\$ 150,000	\$ 201,292	\$ 51,292
Total revenues	150,000	150,000	201,292	51,292
Expenditures:				
Current:				
Public safety	200,000	205,752	205,751	1
Total expenditures	200,000	205,752	205,751	1
Excess (deficiency) of revenues over expenditures	(50,000)	(55,752)	(4,459)	51,293
Designated cash	50,000	55,752	-	55,752
Total other financing sources (uses)	50,000	55,752	-	55,752
Net changes in fund balances	-	-	(4,459)	107,045
Fund balance - beginning of year	-	-	286,499	286,499
Fund balance - end of year			<u>\$ 282,040</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(4,459)	
Net revenue accruals			-	
Net expense accruals			(35,801)	
Net change in fund balance GAAP basis			<u>\$ (40,260)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

LAW ENFORCEMENT TRAFFIC SAFETY GRANT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 20,000	\$ 20,000	\$ -	\$ (20,000)
Total revenues	20,000	20,000	-	(20,000)
Expenditures:				
Current:				
Public safety	12,000	12,000	5,179	6,821
Capital outlay	8,000	6,839	-	6,839
Total expenditures	20,000	18,839	5,179	13,660
Excess (deficiency) of revenues over expenditures	-	1,161	(5,179)	(6,340)
Other financing sources (uses):				
Operating transfers in (out)	-	19,187	19,187	-
Total other financing sources (uses)	-	19,187	19,187	-
Net changes in fund balance	-	20,348	14,008	(6,340)
Fund balance - beginning of year	-	-	(1,154)	(1,154)
Fund balance - end of year			\$ 12,854	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			14,008	
Net revenue accruals			-	
Net expense accruals			1,154	
Net change in fund balance GAAP basis			\$ 15,162	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

JAIL IMPROVEMENTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 60,000	\$ 60,000	\$ 83,000	\$ 23,000
Miscellaneous	50	50	1,929	1,879
Total revenues	60,050	60,050	84,929	24,879
Expenditures:				
Current:				
Public safety	42,000	42,000	5,098	36,902
Capital outlay	18,000	18,000	-	18,000
Total expenditures	60,000	60,000	5,098	54,902
Excess (deficiency) of revenues over expenditures	50	50	79,831	79,781
Other financing sources (uses):				
Net changes in fund balance	50	50	79,831	79,781
Fund balance - beginning of year	-	-	204,347	204,347
Fund balance - end of year			\$ 284,178	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			79,831	
Net revenue accruals			-	
Net expense accruals			1,710	
Net change in fund balance GAAP basis			\$ 81,541	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

HEALTH OFFICE RESERVE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Operating transfers in	1,065,000	-	-	-
Operating transfers (out)	(1,065,000)	(1,065,000)	(1,000,000)	65,000
Total other financing sources (uses)	-	(1,065,000)	(1,000,000)	65,000
Net changes in fund balance	-	(1,065,000)	(1,000,000)	65,000
Fund balance - beginning of year	-	-	1,355,000	1,355,000
Fund balance - end of year	\$ -	\$ (1,065,000)	\$ 355,000	\$ 1,420,000

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

CDBG - COLONIAS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
Federal operating grants	\$ 500,000	\$ 657,500	\$ 69,004	\$ (588,496)
Total revenues	500,000	657,500	69,004	(588,496)
Expenditures:				
Current:				
Health and sanitation	502,738	660,238	71,742	588,496
Total expenditures	502,738	660,238	71,742	588,496
Excess (deficiency) of revenues over expenditures	(2,738)	(2,738)	(2,738)	-
Designated cash	2,738	2,738	-	(2,738)
Total other financing sources (uses)	2,738	2,738	-	(2,738)
Net changes in fund balance	-	-	(2,738)	(2,738)
Fund balance - beginning of year	-	-	(39,541)	(39,541)
Fund balance - end of year			\$ (42,279)	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(2,738)	
Net Revenue Accruals			(59,912)	
Net Revenue Accruals			-	
Net change in fund balance GAAP basis			\$ (62,650)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
 EDDY COUNTY

E-911 ADDRESSING PROGRAM
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget-</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Fund balance - beginning of year	\$ -	\$ -	\$ 79	\$ 79
Fund balance - end of year	\$ -	\$ -	\$ 79	\$ 79

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

LIFE LINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts			Variance with Final Budget- Positive (Negative)
	Original	Final	Actual Amounts	
Federal operating grants	\$ 165,824	\$ 165,824	\$ 165,824	\$ -
Total revenues	165,824	165,824	165,824	-
Expenditures:				
Current:				
Health and sanitation	\$ 62,324	\$ 62,324	\$ 60,105	\$ 2,219
Total expenditures	62,324	62,324	60,105	2,219
Excess (deficiency) of revenues over expenditures	103,500	103,500	105,719	2,219
Net changes in fund balance	103,500	103,500	105,719	2,219
Fund balance - beginning of year	-	-	(17,015)	(17,015)
Fund balance - end of year			\$ 88,704	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			105,719	
Net revenue accruals			-	
Net expense accruals			42,435	
Net change in fund balance GAAP basis			\$ 148,154	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

LODGER'S TAX
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Other	\$ 56,000	\$ 56,000	\$ 66,389	\$ 10,389
Total revenues	56,000	56,000	66,389	10,389
Expenditures:				
Current:				
Culture and recreation	62,000	77,000	73,482	3,518
Total expenditures	62,000	77,000	73,482	3,518
Excess (deficiency) of revenues over expenditures	(6,000)	(21,000)	(7,093)	13,907
Other financing sources (uses):				
Designated cash	6,000	21,000	-	(21,000)
Total other financing sources (uses)	6,000	21,000	-	(21,000)
Net changes in fund balance	-	-	(7,093)	(7,093)
Fund balance - beginning of year	-	-	67,297	67,297
Fund balance - end of year			\$ 60,204	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(7,093)	
Net revenue accruals			3,482	
Net expense accruals			1,745	
Net change in fund balance GAAP basis			\$ (1,866)	

See accompanying notes to financial statements.

**STATE OF NEW MEXICO
EDDY COUNTY**

**DWI - DISTRIBUTION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
Federal operating grants	\$ 374,445	\$ 374,445	\$ 343,794	\$ (30,651)
Licenses and fees	-	-	18,379	18,379
Total revenues	<u>374,445</u>	<u>374,445</u>	<u>362,173</u>	<u>(12,272)</u>
Expenditures:				
Current:				
Public safety	403,242	416,242	371,582	44,660
Total expenditures	<u>403,242</u>	<u>416,242</u>	<u>371,582</u>	<u>44,660</u>
Excess (deficiency) of revenues over expenditures	<u>(28,797)</u>	<u>(41,797)</u>	<u>(9,409)</u>	<u>32,388</u>
Other financing sources (uses):				
Designated cash	<u>28,797</u>	<u>41,797</u>	<u>-</u>	<u>(41,797)</u>
Total other financing sources (uses)	<u>28,797</u>	<u>41,797</u>	<u>-</u>	<u>(41,797)</u>
Net changes in fund balance	-	-	(9,409)	(9,409)
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>26,623</u>	<u>26,623</u>
Fund balance - end of year			<u>\$ 17,214</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(9,409)	
Net revenue accruals			1,003	
Net expense accruals			<u>(2,141)</u>	
Net change in fund balance GAAP basis			<u>\$ (10,547)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

TRAFFIC SAFETY FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
Federal operating grants	\$ 35,000	\$ 35,000	\$ 12,586	\$ (22,414)
Charges for services	-	-	26,125	26,125
Total revenues	35,000	35,000	38,711	3,711
Expenditures:				
Current:				
Public safety	49,586	54,586	37,772	16,814
Total expenditures	49,586	54,586	37,772	16,814
Excess (deficiency) of revenues over expenditures	(14,586)	(19,586)	939	20,525
Designated cash	14,586	19,586	-	19,586
Total other financing sources (uses)	14,586	19,586	-	19,586
Net changes in fund balance	-	-	939	40,111
Fund balance - beginning of year	-	-	47,827	47,827
Fund balance - end of year			\$ 48,766	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			939	
Net revenue accruals			(3,275)	
Net expense accruals			(2,139)	
Net change in fund balance GAAP basis			\$ (4,475)	

See accompanying notes to financial statements.

**STATE OF NEW MEXICO
EDDY COUNTY**

**MATERNAL CHILD AND HEALTH
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	<u>\$ 68,000</u>	<u>\$ 68,000</u>	<u>\$ 61,050</u>	<u>\$ (6,950)</u>
Total revenues	<u>68,000</u>	<u>68,000</u>	<u>61,050</u>	<u>(6,950)</u>
Expenditures:				
Current:				
General government	<u>73,135</u>	<u>88,135</u>	<u>84,211</u>	<u>3,924</u>
Total expenditures	<u>73,135</u>	<u>88,135</u>	<u>84,211</u>	<u>3,924</u>
Excess (deficiency) of revenues over expenditures	<u>(5,135)</u>	<u>(20,135)</u>	<u>(23,161)</u>	<u>(3,026)</u>
Other financing sources (uses):				
Designated cash	<u>5,135</u>	<u>20,135</u>	<u>-</u>	<u>(20,135)</u>
Total other financing sources (uses)	<u>5,135</u>	<u>20,135</u>	<u>-</u>	<u>(20,135)</u>
Net changes in fund balance	<u>-</u>	<u>-</u>	<u>(23,161)</u>	<u>(23,161)</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>37,566</u>	<u>37,566</u>
Fund balance - end of year			<u>\$ 14,405</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			<u>(23,161)</u>	
Net revenue accruals			<u>6,950</u>	
Net expense accruals			<u>1,473</u>	
Net change in fund balance GAAP basis			<u>\$ (14,738)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

LOCAL LAW ENFORCEMENT BLOCK GRANT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
Expenditures:				
Current:				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net changes in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	24,495	24,495
Fund balance - end of year	\$ -	\$ -	\$ 24,495	\$ 24,495

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

REGION VI TASK FORCE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Federal operating grants	\$ 177,938	\$ 177,938	\$ 156,060	\$ (21,878)
Total revenues	<u>177,938</u>	<u>177,938</u>	<u>156,060</u>	<u>(21,878)</u>
Expenditures:				
Current:				
Public safety	\$ 177,938	\$ 177,938	\$ 144,671	\$ 33,267
Total expenditures	<u>177,938</u>	<u>177,938</u>	<u>144,671</u>	<u>33,267</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>11,389</u>	<u>11,389</u>
Other financing sources (uses):				
Net changes in fund balance	-	-	11,389	11,389
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>111,526</u>	<u>111,526</u>
Fund balance - end of year			<u>\$ 122,915</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			11,389	
Net revenue accruals			(925)	
Net expense accruals			279	
Net changes in fund balance GAAP basis			<u>\$ 10,743</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

PECOS VALLEY DRUG TASK FORCE FORFEITURES
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 75,000	\$ 75,000	\$ 76,069	\$ 1,069
Total revenues	<u>75,000</u>	<u>75,000</u>	<u>76,069</u>	<u>1,069</u>
Expenditures:				
Current:				
Public safety	75,000	\$ 75,000	19,200	55,800
Total expenditures	<u>75,000</u>	<u>75,000</u>	<u>19,200</u>	<u>55,800</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>56,869</u>	<u>56,869</u>
Net changes in fund balance	-	-	56,869	56,869
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>161,505</u>	<u>161,505</u>
Fund balance - end of year			<u>\$ 218,374</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			56,869	
Net revenue accruals			16,469	
Net expense accruals			(153,749)	
Net changes in fund balance GAAP basis			<u>\$ (80,411)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
 EDDY COUNTY

CIVIL EMERGENCY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget-Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 655,579	\$ 655,579	\$ 193,593	\$ (461,986)
Charges for services	-	-	10,625	10,625
Total revenues	<u>655,579</u>	<u>655,579</u>	<u>204,218</u>	<u>(451,361)</u>
Expenditures:				
Current:				
Public safety	593,764	\$ 390,651	382,998	7,653
Capital outlay	<u>105,078</u>	<u>25,078</u>	-	<u>25,078</u>
Total expenditures	<u>698,842</u>	<u>415,729</u>	<u>382,998</u>	<u>32,731</u>
Excess (deficiency) of revenues over expenditures	<u>(43,263)</u>	<u>239,850</u>	<u>(178,780)</u>	<u>(418,630)</u>
Other financing sources (uses):				
Operating transfers in (out)	<u>101,500</u>	<u>101,500</u>	<u>126,500</u>	<u>25,000</u>
Total other financing sources (uses)	<u>101,500</u>	<u>101,500</u>	<u>126,500</u>	<u>25,000</u>
Net changes in fund balance	58,237	341,350	(52,280)	(393,630)
Fund balance - beginning of year	-	-	<u>(159,682)</u>	<u>(159,682)</u>
Fund balance - end of year			<u>\$ (211,962)</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(52,280)	
Net revenue accruals			(4,636)	
Net expense accruals			<u>10,848</u>	
Net changes in fund balance GAAP basis			<u>\$ (46,068)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

ARTESIA EAGLE DRAW
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Property	\$ 250,000	\$ 250,000	\$ 105,668	\$ (144,332)
Total revenues	250,000	250,000	105,668	(144,332)
Expenditures:				
Current:				
Public safety	752,500	752,500	65,461	687,039
Total expenditures	752,500	752,500	65,461	687,039
Excess (deficiency) of revenues over expenditures	(502,500)	(502,500)	40,207	542,707
Other financing sources (uses):				
Designated cash	502,500	502,500	-	(502,500)
Total other financing sources (uses)	502,500	502,500	-	(502,500)
Net changes in fund balance	-	-	40,207	40,207
Fund balance - beginning of year	-	-	705,101	705,101
Fund balance - end of year			\$ 745,308	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			40,207	
Net revenue accruals			(865)	
Net expense accruals			9,460	
Net changes in fund balance GAAP basis			\$ 48,802	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
 EDDY COUNTY

FIRE EXCISE - RESERVE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Varlance with Flnal Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other financing sources (uses):				
Operating transfers in (out)	\$ -	\$ 300,000	\$ 300,000	\$ -
Total other financing sources (uses)	-	300,000	300,000	-
Net changes in fund balance	-	300,000	300,000	-
Fund balance - beginning of year	-	200,000	200,000	-
Fund balance - end of year	\$ -	\$ 500,000	\$ 500,000	\$ -

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - QUEEN VFD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 66,000	\$ 66,000	\$ 81,471	\$ 15,471
Total revenues	<u>66,000</u>	<u>66,000</u>	<u>81,471</u>	<u>15,471</u>
Expenditures:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>66,000</u>	<u>66,000</u>	<u>81,471</u>	<u>15,471</u>
Other financing sources (uses):				
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>
Net changes in fund balance	<u>66,000</u>	<u>66,000</u>	<u>(18,529)</u>	<u>(84,529)</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>74,580</u>	<u>74,580</u>
Fund balance - end of year			<u>\$ 56,051</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(18,529)	
Net revenue accruals			(1,811)	
Net expense accruals			-	
Net changes in fund balance GAAP basis			<u>\$ (20,340)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - ATOKA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 66,000	\$ 66,000	\$ 81,471	\$ 15,471
Total revenues	66,000	66,000	81,471	15,471
Expenditures:				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	66,000	66,000	81,471	15,471
Other financing sources (uses):				
Operating transfers in (out)	-	-	(100,000)	(100,000)
Total other financing sources (uses)	-	-	(100,000)	(100,000)
Net changes in fund balance	66,000	66,000	(18,529)	(84,529)
Fund balance - beginning of year	-	-	74,580	74,580
Fund balance - end of year			<u>\$ 56,051</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(18,529)	
Net revenue accruals			(1,811)	
Net expense accruals			-	
Net changes in fund balance GAAP basis			<u>\$ (20,340)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - COTTONWOOD
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 66,000	\$ 66,000	\$ 81,471	\$ 15,471
Total revenues	<u>66,000</u>	<u>66,000</u>	<u>81,471</u>	<u>15,471</u>
Expenditures:				
Public safety	26,000	26,000	12,087	13,913
Capital outlay	<u>483,831</u>	<u>416,357</u>	<u>95,939</u>	<u>320,418</u>
Total expenditures	<u>509,831</u>	<u>442,357</u>	<u>108,026</u>	<u>334,331</u>
Excess (deficiency) of revenues over expenditures	<u>(443,831)</u>	<u>(376,357)</u>	<u>(26,555)</u>	<u>349,802</u>
Other financing sources (uses):				
Designated cash	443,831	376,357	-	(376,357)
Total other financing sources (uses)	<u>443,831</u>	<u>376,357</u>	<u>-</u>	<u>(376,357)</u>
Net changes in fund balance	<u>-</u>	<u>-</u>	<u>(26,555)</u>	<u>(26,555)</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>376,357</u>	<u>376,357</u>
Fund balance - end of year			<u>\$ 349,802</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(26,555)	
Net revenue accruals			(1,811)	
Net expense accruals			73,747	
Net changes in fund balance GAAP basis			<u>\$ 45,381</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - HAPPY VALLEY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 66,000	\$ 66,000	\$ 81,471	\$ 15,471
Total revenues	66,000	66,000	81,471	15,471
Expenditures:				
Public safety	26,000	26,000	32,509	(6,509)
Capital outlay	185,004	185,004	-	185,004
Total expenditures	211,004	211,004	32,509	178,495
Excess (deficiency) of revenues over expenditures	(145,004)	(145,004)	48,962	193,966
Other financing sources (uses):				
Designated cash	145,004	145,004	-	(145,004)
Total other financing sources (uses)	145,004	145,004	-	(145,004)
Net changes in fund balance	-	-	48,962	48,962
Fund balance - beginning of year	-	-	151,277	151,277
Fund balance - end of year			<u>\$ 200,239</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			48,962	
Net revenue accruals			(1,811)	
Net expense accruals			(6,232)	
Net changes in fund balance GAAP basis			<u>\$ 40,919</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - JOEL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 66,000	\$ 66,000	\$ 81,471	\$ 15,471
Total revenues	66,000	66,000	81,471	15,471
Expenditures:				
Public safety	26,000	81,647	86,647	(5,000)
Capital outlay	214,304	5,000	-	5,000
Total expenditures	240,304	86,647	86,647	-
Excess (deficiency) of revenues over expenditures	(174,304)	(20,647)	(5,176)	15,471
Other financing sources (uses):				
Designated cash	174,304	20,647	-	(20,647)
Total other financing sources (uses)	174,304	20,647	-	(20,647)
Net changes in fund balance	-	-	(5,176)	(5,176)
Fund balance - beginning of year	-	-	180,577	180,577
Fund balance - end of year			\$ 175,401	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(5,176)	
Net revenue accruals			(1,811)	
Net expense accruals			(74,704)	
Net changes in fund balance GAAP basis			\$ (81,691)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - LA HUERTA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 66,000	\$ 66,000	\$ 81,515	\$ 15,515
Total revenues	66,000	66,000	81,515	15,515
Expenditures:				
Public safety	26,000	26,000	65,020	(39,020)
Capital outlay	136,471	136,471	-	136,471
Total expenditures	162,471	162,471	65,020	97,451
Excess (deficiency) of revenues over expenditures	(96,471)	(96,471)	16,495	112,966
Other financing sources (uses):				
Designated cash	96,471	96,471	-	(96,471)
Operating transfers in (out)	-	-	(583)	(583)
Total other financing sources (uses)	96,471	96,471	(583)	(97,054)
Net changes in fund balance	-	-	15,912	15,912
Fund balance - beginning of year	-	-	102,744	102,744
Fund balance - end of year			\$ 118,656	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			15,912	
Net revenue accruals			(1,811)	
Net expense accruals			-	
Net changes in fund balance GAAP basis			\$ 14,101	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - LOCO HILLS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 66,000	\$ 66,000	\$ 81,471	\$ 15,471
Total revenues	66,000	66,000	81,471	15,471
Expenditures:				
Public safety	26,000	26,000	2,890	23,110
Capital outlay	310,266	310,266	-	310,266
Total expenditures	336,266	336,266	2,890	333,376
Excess (deficiency) of revenues over expenditures	(270,266)	(270,266)	78,581	348,847
Other financing sources (uses):				
Designated cash	270,266	270,266	-	(270,266)
Total other financing sources (uses)	270,266	270,266	-	(270,266)
Net changes in fund balance	-	-	78,581	78,581
Fund balance - beginning of year	-	-	276,539	276,539
Fund balance - end of year			\$ 355,120	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			78,581	
Net revenue accruals			(1,811)	
Net expense accruals			-	
Net changes in fund balance GAAP basis			\$ 76,770	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - OTIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 66,000	\$ 66,000	\$ 81,471	\$ 15,471
Total revenues	<u>66,000</u>	<u>66,000</u>	<u>81,471</u>	<u>15,471</u>
Expenditures:				
Public safety	26,000	26,000	7,489	18,511
Capital outlay	<u>268,476</u>	<u>268,476</u>	<u>-</u>	<u>268,476</u>
Total expenditures	<u>294,476</u>	<u>294,476</u>	<u>7,489</u>	<u>286,987</u>
Excess (deficiency) of revenues over expenditures	<u>(228,476)</u>	<u>(228,476)</u>	<u>73,982</u>	<u>302,458</u>
Other financing sources (uses):				
Designated cash	228,476	228,476	-	(228,476)
Total other financing sources (uses)	<u>228,476</u>	<u>228,476</u>	<u>-</u>	<u>(228,476)</u>
Net changes in fund balance	<u>-</u>	<u>-</u>	<u>73,982</u>	<u>73,982</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>234,749</u>	<u>234,749</u>
Fund balance - end of year			<u>\$ 308,731</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			73,982	
Net revenue accruals			(1,811)	
Net expense accruals			-	
Net changes in fund balance GAAP basis			<u>\$ 72,171</u>	

See accompanying notes to financial statements.

**STATE OF NEW MEXICO
EDDY COUNTY**

**FIRE EXCISE - WHITE'S CITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 66,000	\$ 66,000	\$ 81,471	\$ 15,471
Total revenues	<u>66,000</u>	<u>66,000</u>	<u>81,471</u>	<u>15,471</u>
Expenditures:				
Public safety	26,000	26,000	6,987	19,013
Capital outlay	<u>215,370</u>	<u>215,370</u>	<u>-</u>	<u>215,370</u>
Total expenditures	<u>241,370</u>	<u>241,370</u>	<u>6,987</u>	<u>234,383</u>
Excess (deficiency) of revenues over expenditures	<u>(175,370)</u>	<u>(175,370)</u>	<u>74,484</u>	<u>249,854</u>
Other financing sources (uses):				
Designated cash	175,370	175,370	-	(175,370)
Total other financing sources (uses)	<u>175,370</u>	<u>175,370</u>	<u>-</u>	<u>(175,370)</u>
Net changes in fund balance	<u>-</u>	<u>-</u>	<u>74,484</u>	<u>74,484</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>181,589</u>	<u>181,589</u>
Fund balance - end of year			<u>\$ 256,073</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			74,484	
Net revenue accruals			(6,273)	
Net expense accruals			54	
Net changes in fund balance GAAP basis			<u>\$ 68,265</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - RIVERSIDE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 66,000	\$ 66,000	\$ 81,471	\$ 15,471
Total revenues	66,000	66,000	81,471	15,471
Expenditures:				
Public safety	26,000	26,000	10,269	15,731
Capital outlay	390,683	-	-	-
Total expenditures	416,683	26,000	10,269	15,731
Excess (deficiency) of revenues over expenditures	(350,683)	40,000	71,202	31,202
Other financing sources (uses):				
Designated cash	350,683	-	-	-
Total other financing sources (uses)	350,683	-	-	-
Net changes in fund balance	-	40,000	71,202	31,202
Fund balance - beginning of year	-	-	356,956	356,956
Fund balance - end of year			\$ 428,158	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			71,202	
Net revenue accruals			(1,811)	
Net expense accruals			(173,416)	
Net changes in fund balance GAAP basis			\$ (104,025)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - ADMINISTRATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ 42,000	\$ 42,000	\$ 54,037	\$ 12,037
Total revenues	<u>42,000</u>	<u>42,000</u>	<u>54,037</u>	<u>12,037</u>
Expenditures:				
Public safety	31,000	31,000	85,098	(54,098)
Capital outlay	<u>125,897</u>	<u>125,897</u>	<u>-</u>	<u>125,897</u>
Total expenditures	<u>156,897</u>	<u>156,897</u>	<u>85,098</u>	<u>71,799</u>
Excess (deficiency) of revenues over expenditures	<u>(114,897)</u>	<u>(114,897)</u>	<u>(31,061)</u>	<u>83,836</u>
Other financing sources (uses):				
Designated cash	114,897	114,897	-	(114,897)
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>(31,057)</u>	<u>(31,057)</u>
Total other financing sources (uses)	<u>114,897</u>	<u>114,897</u>	<u>(31,057)</u>	<u>(145,954)</u>
Net changes in fund balance	<u>-</u>	<u>-</u>	<u>(62,118)</u>	<u>(62,118)</u>
Fund balance - beginning of year	<u>-</u>	<u>-</u>	<u>118,401</u>	<u>118,401</u>
Fund balance - end of year			<u>\$ 56,283</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(62,118)	
Net revenue accruals			(1,429)	
Net expense accruals			597	
Net changes in fund balance GAAP basis			<u>\$ (62,950)</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - LOVING
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 33,000	\$ 33,000	\$ 40,736	\$ 7,736
Total revenues	33,000	33,000	40,736	7,736
Expenditures:				
Public safety	16,000	16,000	58,784	(42,784)
Capital outlay	202,614	202,614	-	202,614
Total expenditures	218,614	218,614	58,784	159,830
Excess (deficiency) of revenues over expenditures	(185,614)	(185,614)	(18,048)	167,566
Other financing sources (uses):				
Designated cash	185,614	185,614	-	(185,614)
Total other financing sources (uses)	185,614	185,614	-	(185,614)
Net changes in fund balance	-	-	(18,048)	(18,048)
Fund balance - beginning of year	-	-	188,750	188,750
Fund balance - end of year			\$ 170,702	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(18,048)	
Net revenue accruals			(906)	
Net expense accruals			-	
Net changes in fund balance GAAP basis			\$ (18,954)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - HOPE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 33,000	\$ 33,000	\$ 40,736	\$ 7,736
Total revenues	33,000	33,000	40,736	7,736
Expenditures:				
Public safety	16,000	16,000	4,032	11,968
Capital outlay	78,179	78,179	-	78,179
Total expenditures	94,179	94,179	4,032	90,147
Excess (deficiency) of revenues over expenditures	(61,179)	(61,179)	36,704	97,883
Other financing sources (uses):				
Designated cash	61,179	61,179	-	(61,179)
Total other financing sources (uses)	61,179	61,179	-	(61,179)
Net changes in fund balance	-	-	36,704	36,704
Fund balance - beginning of year	-	-	64,316	64,316
Fund balance - end of year			\$ 101,020	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			36,704	
Net revenue accruals			(905)	
Net expense accruals			(814)	
Net changes in fund balance GAAP basis			\$ 34,985	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - SUN COUNTRY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 66,000	\$ 66,000	\$ 81,471	\$ 15,471
Total revenues	66,000	66,000	81,471	15,471
Expenditures:				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	66,000	66,000	81,471	15,471
Other financing sources (uses):				
Operating transfers in (out)	-	-	(100,000)	(100,000)
Total other financing sources (uses)	-	-	(100,000)	(100,000)
Net changes in fund balance	66,000	66,000	(18,529)	(84,529)
Fund balance - beginning of year	-	-	74,580	74,580
Fund balance - end of year			\$ 56,051	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(18,529)	
Net revenue accruals			(1,811)	
Net expense accruals			-	
Net changes in fund balance GAAP basis			\$ (20,340)	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

FIRE EXCISE - MALAGA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
State operating grants	\$ 66,000	\$ 66,000	\$ 81,471	\$ 15,471
Total revenues	66,000	66,000	81,471	15,471
Expenditures:				
Public safety	26,000	26,000	30,535	(4,535)
Capital outlay	111,472	4,535	-	4,535
Total expenditures	137,472	30,535	30,535	-
Excess (deficiency) of revenues over expenditures	(71,472)	35,465	50,936	15,471
Other financing sources (uses):				
Designated cash	71,472	-	-	-
Operating transfers in (out)	-	-	(900)	(900)
Total other financing sources (uses)	71,472	-	(900)	(900)
Net changes in fund balance	-	35,465	50,036	14,571
Fund balance - beginning of year	-	-	58,422	58,422
Fund balance - end of year			\$ 108,458	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			50,036	
Net revenue accruals			(1,811)	
Net expense accruals			19,324	
Net changes in fund balance GAAP basis			\$ 67,549	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

SHERIFF'S SPECIAL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
Public safety	-	135	135	-
Total expenditures	<u>-</u>	<u>135</u>	<u>135</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(135)</u>	<u>(135)</u>	<u>-</u>
Designated cash	-	135	-	135
Total other financing sources (uses)	<u>-</u>	<u>135</u>	<u>-</u>	<u>135</u>
Net changes in fund balance	<u>-</u>	<u>-</u>	<u>(135)</u>	<u>135</u>
Fund balance - beginning of year	<u>\$ -</u>	<u>-</u>	<u>\$ 6,106</u>	<u>\$ 6,106</u>
Fund balance - end of year			<u>\$ 5,971</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(135)	
Net revenue accruals			-	
Net expense accruals			<u>1,034</u>	
Net changes in fund balance GAAP basis			<u>\$ 899</u>	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

**BIG BROTHER BIG SISTER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
State operating grants	\$ -	\$ 14,527	\$ -	\$ (14,527)
Total revenues	-	14,527	-	(14,527)
General government	-	14,527	14,527	-
Total expenditures	-	14,527	14,527	-
Excess (deficiency) of revenues over expenditures	-	-	(14,527)	(14,527)
Operating transfers in (out)	-	-	14,527	14,527
Total other financing sources (uses)	-	-	14,527	14,527
Net changes in fund balance	-	-	-	-
Fund balance - beginning of year	\$ -	-	\$ -	\$ -
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

WIPP HAZMAT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
Federal operating grants	\$ -	\$ -	\$ 5,000	\$ 5,000
Total revenues	<u>-</u>	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Expenditures:				
General government	-	31,057	-	31,057
Total expenditures	<u>-</u>	<u>31,057</u>	<u>-</u>	<u>31,057</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(31,057)</u>	<u>5,000</u>	<u>36,057</u>
Operating transfers in (out)	-	31,057	31,057	-
Total other financing sources (uses)	<u>-</u>	<u>31,057</u>	<u>31,057</u>	<u>-</u>
Net changes in fund balance	<u>-</u>	<u>-</u>	<u>36,057</u>	<u>36,057</u>
Fund balance - beginning of year	\$ -	-	\$ -	\$ -
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,057</u>	<u>\$ 36,057</u>

See accompanying notes to financial statements.

**STATE OF NEW MEXICO
EDDY COUNTY**

**JAIL CONCESSION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
Charges for services	9,000	9,000	13,678	4,678
Total revenues	9,000	9,000	13,678	4,678
Public safety	15,000	15,000	8,752	6,248
Total expenditures	15,000	15,000	8,752	6,248
Excess (deficiency) of revenues over expenditures	(6,000)	(6,000)	4,926	10,926
Designated cash	6,000	6,000	-	6,000
Operating transfers in (out)	-	-	-	-
Total other financing sources (uses)	6,000	6,000	-	6,000
Net changes in fund balance	-	-	4,926	16,926
Fund balance - beginning of year	\$ -	-	\$ -	\$ -
Fund balance - end of year	\$ -	\$ -	\$ 4,926	\$ 16,926

See accompanying notes to financial statements.

STATE OF NEW MEXICO
 EDDY COUNTY

CONSOLIDATED DISPATCH RESERVE
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Taxes				
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net changes in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	1,003,265	1,003,265
Fund balance - end of year	\$ -	\$ -	\$ 1,003,265	\$ 1,003,265

See accompanying notes to financial statements.

**STATE OF NEW MEXICO
EDDY COUNTY**

**FIRE EXCISE TAX - GROSS RECEIPTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes				
Gross receipts	\$ 1,298,000	\$ 1,588,685	\$ 1,588,685	\$ -
Total revenues	<u>1,298,000</u>	<u>1,588,685</u>	<u>1,588,685</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	2,026,262	2,026,262	2,086,365	(60,103)
Capital outlay	2,006,729	1,369,386	459,969	909,417
Total expenditures	<u>4,032,991</u>	<u>3,395,648</u>	<u>2,546,334</u>	<u>849,314</u>
Excess (deficiency) of revenues over expenditures	<u>(2,734,991)</u>	<u>(1,806,963)</u>	<u>(957,649)</u>	<u>849,314</u>
Other financing sources (uses):				
Designated cash	2,734,991	1,831,963	-	(1,831,963)
Operating transfers in (out)	-	(25,000)	(25,000)	-
Total other financing sources (uses)	<u>2,734,991</u>	<u>1,806,963</u>	<u>(25,000)</u>	<u>(1,831,963)</u>
Net changes in fund balance	-	-	(982,649)	(982,649)
Fund balance - beginning of year	-	-	2,232,549	2,232,549
Fund balance - end of year			<u>\$ 1,249,900</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(982,649)	
Net revenue accruals			(42,000)	
Net expense accruals			298,873	
Net changes in fund balance GAAP basis			<u>\$ (725,776)</u>	

See accompanying notes to financial statements.

**STATE OF NEW MEXICO
EDDY COUNTY**

**CAPITAL IMPROVEMENTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes				
Expenditures:				
Current:				
Capital outlay	<u>412,071</u>	<u>388,371</u>	<u>372,989</u>	<u>15,382</u>
Total expenditures	<u>412,071</u>	<u>388,371</u>	<u>372,989</u>	<u>15,382</u>
Excess (deficiency) of revenues over expenditures	<u>(412,071)</u>	<u>(388,371)</u>	<u>(372,989)</u>	<u>15,382</u>
Designated cash	412,071	388,371	-	388,371
Total other financing sources (uses)	<u>412,071</u>	<u>388,371</u>	-	<u>388,371</u>
Net changes in fund balance	-	-	(372,989)	403,753
Fund balance - beginning of year	<u>-</u>	<u>-</u>	4,080,116	<u>4,080,116</u>
Fund balance - end of year			<u>\$ 3,707,127</u>	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			(372,989)	
Net revenue accruals			(69,616)	
Net expense accruals			23,089	
Net changes in fund balance GAAP basis			<u>\$ (419,516)</u>	

See accompanying notes to financial statements.

CAPITAL PROJECTS FUNDS

STATE OF NEW MEXICO
EDDY COUNTY

LEGISLATIVE APPROPRIATIONS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
Federal operating grants	\$ 4,660,102	\$ 4,660,102	\$ 1,664,322	\$ (2,995,780)
Total revenues	4,660,102	4,660,102	1,664,322	(2,995,780)
Expenditures:				
General government	4,082,430	4,082,858	1,498,605	2,584,253
Total expenditures	4,082,430	4,082,858	1,498,605	2,584,253
Excess (deficiency) of revenues over expenditures	577,672	577,244	165,717	(411,527)
Net changes in fund balance	577,672	577,244	165,717	(411,527)
Fund balance - beginning of year	-	-	42,272	42,272
Fund balance - end of year			\$ 207,989	
Reconciliation of budgetary basis to GAAP basis:				
Net changes in fund balance budgetary basis			165,717	
Net revenue accruals			(379,815)	
Net expense accruals			221,418	
Net changes in fund balance GAAP basis			\$ 7,320	

See accompanying notes to financial statements.

STATE OF NEW MEXICO
 EDDY COUNTY

JAIL EXPANSION RESERVE
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental:				
Expenditures:				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net changes in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	4,000,000	4,000,000
Fund balance - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,000,000</u>	<u>\$ 4,000,000</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO
 EDDY COUNTY

LOOP ROAD RESERVE
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Other financing sources (uses):				
Operating transfers in out	\$ -	\$ -	\$ -	\$ -
Total other financing sources (uses)	-	-	-	-
Net changes in fund balances	-	-	-	-
Fund balance - beginning of year	-	-	5,000,000	5,000,000
Fund balance - end of year	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000

See accompanying notes to financial statements.

FIDUCIARY FUNDS

STATE OF NEW MEXICO
 EDDY COUNTY

SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
 AGENCY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2009

	Balance June 30, 2008	Additions	Deductions	Balance June 30, 2009
ASSETS:				
Cash and cash equivalents	\$ 2,191,195	\$ -	\$ 1,009,755	\$ 1,181,440
Receivables:				
Property taxes	1,588,135	115,918	-	1,704,053
Other	1,212,949	-	591,476	621,473
	<u>4,992,279</u>	<u>115,918</u>	<u>1,601,231</u>	<u>3,506,966</u>
Total assets				
	<u>4,992,279</u>	<u>115,918</u>	<u>1,601,231</u>	<u>3,506,966</u>
LIABILITIES:				
Due to other governmental agency	\$ 4,992,279	\$ -	\$ 1,485,313	\$ 3,506,966
	<u>4,992,279</u>	<u>-</u>	<u>1,485,313</u>	<u>3,506,966</u>

See accompanying notes to financial statements.

STATE OF NEW MEXICO
EDDY COUNTY

SUPPLEMENTAL SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY OF PUBLIC FUNDS
JUNE 30, 2009

Type of Security	Security Number	CUSIP Number	Maturity Date	Carlsbad National Bank	Artesia National Bank	Western Bank	Pioneer Bank	Western Commerce Bank	Wells Fargo Bank	First National Bank	Total
Total amount of deposits				\$ 19,963,324	\$ 3,665,187	\$ 2,800,000	\$ 5,400,008	\$ 11,106,121	\$ 3,800,000	\$ 4,300,000	\$ 51,034,640
Less FDIC or FSLIC coverage				500,000	250,000	250,000	250,000	500,000	250,000	250,000	2,250,000
Total uninsured public Funds				19,463,324	3,415,187	2,550,000	5,150,008	10,606,121	3,550,000	4,050,000	48,784,640
Collateral requirement 50%				9,731,662	1,707,594	1,275,000	2,575,004	5,303,061	1,775,000	2,025,000	24,392,321
FHLB 1277		3133XD784	12/11/2009								1,018,880
FHLB 1302		3133XPBC7	3/11/2011								1,023,307
FHLB 1270		3133XENX3	5/15/2009								1,060,868
FHLB 1255		3133X8EL2	7/7/2010								1,004,267
FHLB 1264		3133XD7A9	12/10/2010								1,053,259
FHLB 1263		31331VGB6	9/22/2009								1,009,984
FHLB 1292		3133XCA78	7/7/2010								1,039,475
FHLB 1274		3133XDZ20	11/27/2015								1,141,681
FHLB 1306		31331YT91	11/21/2014								691,028
FHLB 1317		3133XSZ9	2/11/2011								1,007,372
FHLB 1316		31331VGY6	4/25/2011								1,065,320
FHLB 1313		3133XHPH9	11/18/2011								2,152,471
FHLB 1303		31410GZS1	12/01/2019								1,600,185
FHLB 1267		31402RAJ8	03/01/2020								887,226
FNMA 791523		31405KLC3	7/1/2034		281,527						281,527
FNMA 780373		31404V6J2	6/1/2019		728,298						728,298
FNMA 685946		31405KLC3	9/1/2032		235,479						235,479
FHLMC 781910		31349TDP3	9/1/2034		285,105						285,105
FFCB Callable		31331X2C5	9/8/2017		903,382						903,382
FNMA 2523886		31371HJ74	4/1/2019			48,409					48,409
Torrance City											
891398AV1		891398AV1	8/1/2011			250,000					250,000
GNMA 357578		36203N2K3	5/15/2023			57,440					57,440
FNMA 255163		31371LML0	3/1/2014			179,757					179,757
FNMA 255325		31371LSN0	7/1/2011			371,272					371,272
GNMA 80899		36225C7M2	5/20/2034			175,720					175,720
FNMA 899240		31410WBH0	3/1/2022			700,502					700,502

Continued

STATE OF NEW MEXICO
EDDY COUNTY

SUPPLEMENTAL SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY OF PUBLIC FUNDS
JUNE 30, 2009

			Carlisbad National Bank	Artesia National Bank	Western Bank	Pioneer Bank	Western Commerce Bank	Wells Fargo Bank	First National Bank	Total
FNMA 1 YR LBR	805152	1/1/2035	-	-	-	2,496,789	-	-	-	-
FNMA 1 YR CMT	780385	6/1/2034	-	-	-	258,516	-	-	-	-
FHLMC 1 YR CMT	781721	7/1/2034	-	-	-	667,905	-	-	-	-
FHLMC 1 YR CMT	782847	11/1/2034	-	-	-	207,630	-	-	-	-
GNMA 8004 A	3620213M8	7/20/2022	-	-	-	-	30,811	-	-	30,811
GNMA 8089 B	3620217A0	12/20/2022	-	-	-	-	18,141	-	-	18,141
GNMA 8120	36202KAV7	1/20/2023	-	-	-	-	28,690	-	-	28,690
GNMA 8157	36202KB20	3/20/2023	-	-	-	-	27,713	-	-	27,713
GNMA 8175	36202KCL7	4/20/2023	-	-	-	-	19,774	-	-	19,774
GNMA 8954	36202KSP6	4/20/2022	-	-	-	-	50,806	-	-	50,806
GNMA 2716m	36202DAR2	2/20/2029	-	-	-	-	26,999	-	-	26,999
GNMA 780656	36225AWR7	10/15/2027	-	-	-	-	62,254	-	-	62,254
GNMA 375005	36204NR25	12/15/2023	-	-	-	-	93,555	-	-	93,555
GNMA 2701	36202DA A9	1/20/2029	-	-	-	-	102,381	-	-	102,381
GNMA 8850	36202KZP3	4/20/2026	-	-	-	-	70,457	-	-	70,457
GNMA 8877	36202K2J3	5/20/2026	-	-	-	-	67,057	-	-	67,057
GNMA 80635	36225CV52	9/20/2032	-	-	-	-	129,337	-	-	129,337
GNMA 8321	36202KG66	2/20/2018	-	-	-	-	238,744	-	-	238,744
GNMA 80507	36225CR57	4/20/2031	-	-	-	-	166,015	-	-	166,015
GNMA 8634	36202K5X4	5/20/2025	-	-	-	-	96,530	-	-	96,530
GNMA 3215	36202DSC6	3/20/2032	-	-	-	-	147,678	-	-	147,678
GNMA 80628	36225CVW3	8/20/2032	-	-	-	-	131,664	-	-	131,664
GNMA 8765	36202KW27	12/20/2025	-	-	-	-	45,507	-	-	45,507
GNMA 780615	36225AVG2	8/15/2027	-	-	-	-	62,823	-	-	62,823
GNMA 80664	36225CW28	1/20/2033	-	-	-	-	166,239	-	-	166,239
GNMA 254587	31371KXQ9	12/1/2022	-	-	-	-	648,956	-	-	648,956
GNMA 254863	31371LB81	8/1/2013	-	-	-	-	480,623	-	-	480,623
GNMA 725946	31402DP79	11/1/1934	-	-	-	-	1,740,415	-	-	1,740,415
GNMA 918314	31411YGX5	4/1/1937	-	-	-	-	1,476,793	-	-	1,476,793
GNMA 004216	06202EVH9	8/20/1938	-	-	-	-	709,149	-	-	709,149
FNCL 831480	31407HXH4	4/1/2036	-	-	-	-	2,089,920	-	-	2,089,920

Continued

STATE OF NEW MEXICO
EDDY COUNTY

SUPPLEMENTAL SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY OF PUBLIC FUNDS
JUNE 30, 2009

			Carlsbad National Bank	Artesia National Bank	Western Bank	Pioneer Bank	Western Commerce Bank	Wells Fargo Bank	First National Bank	Total
SANTA FE NM			-	-	-	-	-	-	125,298	125,298
FGIC INSD	801891EEO	8/1/2009	-	-	-	-	-	-	150,360	150,360
SANTA FE NM FG INSD	801891EE8	8/1/2010	-	-	-	-	-	-	102,346	102,346
Los Lunas NM - AMBAC INSD	545559CR5	4/1/2011	-	-	-	-	-	-	796,943	796,943
FHLB 1 Time Call 9/8/11	3133XGSE5	9/8/2016	-	-	-	-	-	-	388,152	388,152
MBS FHLMC E97112	3128H43V9	5/1/2018	-	-	-	-	-	-	97,735	97,735
MBS GNMA 1598683	36200ECU3	5/15/2018	-	-	-	-	-	-	82,929	82,929
MBS FHLMC MR30291	31282CKCO	7/1/2018	-	-	-	-	-	-	183,493	183,493
MBX FNMA 1R- YR SF 3465	36202DZ61	11/20/2018	-	-	-	-	-	-	136,069	136,069
MBS GNMA 798046	31405STB0	1/1/2020	-	-	-	-	-	-	2,089,920	2,089,920
Total pledged securities			15,755,323	2,433,791	1,783,100	3,630,840	6,839,109	2,089,920	2,063,325	34,595,408
Over (under) pledged			6,023,661	726,197	508,100	1,055,836	1,536,048	314,920	38,325	10,203,087

STATE OF NEW MEXICO
EDDY COUNTY

SUPPLEMENTAL SCHEDULE OF DEPOSITS AND INVESTMENT ACCOUNTS
JUNE 30, 2009

Deposit or Investment Account Type	Carlsbad National Bank	Artesia National Bank	Western Bank	Pioneer Bank	Western Commerce Bank	Wells Fargo Bank	First National Bank
Certificate of deposit	\$ 1,000,000	\$ 500,000	\$ 2,000,000	\$ 2,000,000	\$ 500,000	\$ 3,800,000	\$ 500,000
Certificate of deposit	1,000,000	500,000	500,000	400,000	500,000	-	500,000
Certificate of deposit	6,000,000	500,000	300,000	500,000	9,500,000	-	500,000
Certificate of deposit	3,000,000	500,000	-	500,000	500,000	-	500,000
Certificate of deposit	500,000	500,000	-	500,000	-	-	500,000
Certificate of deposit	500,000	500,000	-	500,000	-	-	300,000
Certificate of deposit	500,000	500,000	-	500,000	-	-	500,000
Certificate of deposit	172,026	-	-	500,008	-	-	500,000
Certificate of deposit	12,152	-	-	-	-	-	500,000
Sheriff's special	-	-	-	-	7,005	-	-
Checking account	7,174,278	165,187	-	-	9,496	-	-
Checking account	104,868	-	-	-	89,620	-	-
Amounts on deposit	19,963,324	3,665,187	2,800,000	5,400,008	11,106,121	3,800,000	4,300,000
Outstanding items	-	-	-	-	-	-	-
Cash on hand	-	-	-	-	-	-	-
	\$19,963,324	\$ 3,665,187	\$ 2,800,000	\$ 5,400,008	\$ 11,106,121	\$ 3,800,000	\$ 4,300,000

Continued

STATE OF NEW MEXICO
 EDDY COUNTY

SUPPLEMENTAL SCHEDULE OF DEPOSITS AND INVESTMENT ACCOUNTS
 JUNE 30, 2009

Deposit or Investment Account Type	Government Investment Pool	Total
Certificate of deposit	\$ -	\$ 10,300,000
Certificate of deposit	-	3,400,000
Certificate of deposit	-	17,300,000
Certificate of deposit	-	5,000,000
Certificate of deposit	-	2,000,000
Certificate of deposit	-	1,800,000
Certificate of deposit	-	2,000,000
Certificate of deposit	-	1,172,034
Certificate of deposit	-	512,152
Certificate of deposit	-	7,005
Checking account	-	7,348,961
Checking account	-	194,488
NM State Investment Pool	<u>304,927</u>	<u>304,927</u>
Amounts on deposit	304,927	51,339,567
Outstanding items	-	-
Cash on hand	-	<u>1,400</u>
	<u>\$ 304,927</u>	<u>\$ 51,340,967</u>

STATE OF NEW MEXICO
 EDDY COUNTY

SUPPLEMENTAL SCHEDULE OF TAX ROLL RECONCILIATION - PROPERTY TAXES RECEIVABLE
 JUNE 30, 2009

Property taxes receivable, beginning of year	\$ 2,367,750
Changes to tax roll:	
Net taxes charged to treasurer for fiscal year	23,614,719
Adjustments:	
Additions	991,991
Deletions	<u>(44,090)</u>
Total taxes charged to Treasurer for fiscal year	<u>24,562,620</u>
Total receivables before collections	26,930,370
Collections for fiscal year June 30, 2009	<u>(24,403,230)</u>
	<u>\$ 2,527,140</u>
Property taxes receivable by years:	
2000	\$ 673
2001	871
2002	3,220
2003	28
2004	28
2005	151,557
2006	715,082
2007	1,063,564
2008	<u>592,117</u>
	<u>\$ 2,527,140</u>

STATE OF NEW MEXICO
EDDY COUNTY

SUPPLEMENTAL SCHEDULE OF TAX ROLL RECONCILIATION
JUNE 30, 2009

	Taxes Receivable 7/1/08	Net Taxes Charged to Treasurer	Collections	Taxes Receivable 6/30/09	Distributions
Delinquent taxes	\$ (1,006)	\$ 36,338	\$ 33,393	\$ 1,939	\$ 34,396
State of New Mexico	118,955	1,380,821	1,373,699	126,077	1,359,962
Eddy County Funds:					
County operations	698,408	8,062,932	8,020,664	740,676	7,940,457
EDFD	66,735	102,204	106,736	62,203	105,668
Municipalities:					
Carlsbad	87,343	1,843,729	1,830,352	100,720	1,812,049
Loving	995	10,240	9,975	1,260	9,875
Artesia/Hope	161,237	556,135	555,173	162,199	549,621
Schools:					
Carlsbad	103,774	3,789,018	3,772,271	120,521	3,734,547
Loving	4,932	175,817	173,498	7,251	170,773
Artesia	573,098	3,282,537	3,263,007	592,628	3,230,376
NMSU-C	17,177	2,186,051	2,144,060	59,168	2,144,060
Artesia General Hospital	425,412	2,124,562	2,116,735	433,239	1,370,370
State Specials: Livestock	839	65,715	62,330	4,224	61,706
Hackberry Draw	3,389	6,513	9,031	871	3,967
Pecos Valley Conservatory	90,860	590,823	587,019	94,664	581,148
Cottonwood Walnut Creek	1,735	61,331	59,711	3,355	56,725
CSWC	12,788	251,210	249,442	14,556	236,971
CVSWC Conservatory	845	33,277	32,694	1,428	31,059
PSWC	234	3,367	3,440	161	3,267
	\$ 2,367,750	\$ 24,562,620	\$ 24,403,230	\$ 2,527,140	\$ 23,436,997

STATE OF NEW MEXICO
EDDY COUNTY

SUPPLEMENTAL SCHEDULE OF PROPERTY TAX
JUNE 30, 2009

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Undistributed To-Date	County Receivable at Year End
Eddy County							
1998-2007	\$ 52,522,762	\$ 14,708	\$ 52,665,414	\$ 14,561	\$ 52,138,759	\$ -	\$ 562,054
2008	7,854,209	99,325	7,666,388	98,331	7,589,724	-	178,623
	<u>60,376,971</u>	<u>114,033</u>	<u>60,331,802</u>	<u>112,892</u>	<u>59,728,483</u>	-	<u>740,677</u>
Livestock							
1998-2007	578,660	-	574,118	-	568,377	-	10
2008	66,753	630	61,538	624	60,923	-	4,214
	<u>645,413</u>	<u>630</u>	<u>635,656</u>	<u>624</u>	<u>629,300</u>	-	<u>4,224</u>
EDED							
1998-2007	1,985,358	184	1,964,600	183	1,944,954	-	60,948
2008	36,402	646	57,405	639	56,831	-	1,256
	<u>2,021,760</u>	<u>830</u>	<u>2,022,005</u>	<u>822</u>	<u>2,001,785</u>	-	<u>62,204</u>
Carlsbad CSWC							
1998-2007	1,906,555	1,390	1,933,760	1,320	1,837,072	-	3,352
2008	251,350	5,423	239,950	5,152	227,953	-	11,203
	<u>2,157,905</u>	<u>6,813</u>	<u>2,173,710</u>	<u>6,472</u>	<u>2,065,025</u>	-	<u>14,555</u>
Central Valley SWCD							
1998-2007	232,030	44	232,239	42	220,627	-	255
2008	33,356	1,025	32,104	974	30,499	-	1,173
	<u>265,386</u>	<u>1,069</u>	<u>264,343</u>	<u>1,016</u>	<u>251,126</u>	-	<u>1,428</u>
Total Eddy County	<u>65,467,435</u>	<u>123,375</u>	<u>65,427,516</u>	<u>121,826</u>	<u>64,675,719</u>	-	<u>823,088</u>

STATE OF NEW MEXICO
EDDY COUNTY

SUPPLEMENTAL SCHEDULE OF PROPERTY TAX
JUNE 30, 2009

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Undistributed To-Date	County Receivable at Year End
State of New Mexico							
1998-2007	\$ 10,069,212	\$ 2,667	\$ 10,079,131	\$ 2,640	\$ 9,978,340	\$ -	\$ 94,346
2008	1,352,504	17,541	1,319,201	17,366	1,306,009	-	31,730
	11,421,716	20,208	11,398,332	20,006	11,284,349	-	126,076
Municipalities:							
City of Carlsbad							
1998-2007	12,669,499	11,498	12,616,065	9,403	12,489,904	-	23,250
2008	1,845,110	44,082	1,766,253	43,641	1,748,590	-	77,470
	14,514,609	55,580	14,382,318	53,044	14,238,494	-	100,720
Loving							
1998-2007	76,075	113	75,203	112	74,451	-	358
2008	10,243	326	9,338	323	9,244	-	903
	86,318	439	84,541	435	83,695	-	1,261
City of Artesia							
1998-2007	2,751,835	181	2,639,370	179	2,612,977	-	153,098
2008	483,164	3,906	473,514	3,867	468,779	-	8,990
	3,234,999	4,087	3,112,884	4,046	3,081,756	-	162,088
Hope							
1998-2007	42,190	-	41,632	-	41,216	-	7
2008	13,181	129	13,078	127	12,948	-	103
	55,371	129	54,710	127	54,164	-	110
Total Municipalities	17,891,297	60,235	17,634,453	57,652	17,458,109	-	264,179
Pecos Valley Conservatory (PVCD)							
1998-2007	2,849,132	358	2,818,463	354	2,790,279	-	81,791
2008	356,033	6,453	519,892	6,388	514,693	-	12,874
	3,205,165	6,811	3,338,355	6,742	3,304,972	-	94,665
Cottonwood Walnut Creek							
1998-2007	448,752	22	409,745	21	389,258	-	374
2008	61,808	1,149	58,349	1,091	55,432	-	2,981
	510,560	1,171	468,094	1,112	444,690	-	3,355

STATE OF NEW MEXICO
EDDY COUNTY

SUPPLEMENTAL SCHEDULE OF PROPERTY TAX
JUNE 30, 2009

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Undistributed To-Date	County Receivable at Year End
Schools:							
Carlsbad Schools							
1998-2007	28,337,451	10,343	28,712,663	10,240	28,425,537	-	25,670
2008	3,790,773	52,845	3,690,992	52,317	3,654,082	-	94,850
	<u>32,128,224</u>	<u>63,188</u>	<u>32,403,655</u>	<u>62,557</u>	<u>32,079,619</u>	<u>-</u>	<u>120,520</u>
Loving Schools							
1998-2007	1,553,310	783	1,552,070	775	1,536,549	-	2,002
2008	174,850	2,892	169,563	2,863	167,867	-	5,250
	<u>1,728,160</u>	<u>3,675</u>	<u>1,721,633</u>	<u>3,638</u>	<u>1,704,416</u>	<u>-</u>	<u>7,252</u>
Artesia Schools							
1998-2006	19,434,306	1,467	19,085,975	1,452	18,895,115	-	530,003
2007	3,071,722	34,181	3,006,106	33,839	2,976,045	-	62,625
	<u>22,506,028</u>	<u>35,648</u>	<u>22,092,081</u>	<u>35,291</u>	<u>21,871,160</u>	<u>-</u>	<u>592,628</u>
NMSU-Carlsbad							
1998-2007	4,298,476	1,706	4,362,958	1,706	4,362,958	-	4,271
2008	2,188,356	30,560	2,130,612	30,560	2,130,612	-	54,897
	<u>6,486,832</u>	<u>32,266</u>	<u>6,493,570</u>	<u>32,266</u>	<u>6,493,570</u>	<u>-</u>	<u>59,168</u>
Total Schools	62,849,244	134,777	62,710,939	133,752	62,148,765	-	779,568
Artesia General Hospital							
1998-2007	9,524,236	1,109	9,270,104	1,098	9,177,403	-	392,811
2008	1,980,127	22,075	1,937,552	21,855	1,918,176	-	40,429
	<u>11,504,363</u>	<u>23,184</u>	<u>11,207,656</u>	<u>22,953</u>	<u>11,095,579</u>	<u>-</u>	<u>433,240</u>
Hackberry Draw							
1998-2007	26,074	80	25,813	76	24,523	-	211
2008	9,028	155	8,358	147	7,940	-	659
	<u>35,102</u>	<u>235</u>	<u>34,171</u>	<u>223</u>	<u>32,463</u>	<u>-</u>	<u>870</u>
Penasco (PSWC)							
1998-2007	29,053	20	29,031	19	27,580	-	30
2008	3,383	115	3,235	109	3,074	-	131
	<u>32,436</u>	<u>135</u>	<u>32,266</u>	<u>128</u>	<u>30,654</u>	<u>-</u>	<u>161</u>
Non-Rendering							
1998-2007	362,289	35	354,881	35	354,881	-	184
2008	35,003	1,549	33,129	1,549	33,129	-	1,755
	<u>397,292</u>	<u>1,584</u>	<u>388,010</u>	<u>1,584</u>	<u>388,010</u>	<u>-</u>	<u>1,939</u>
Grand Total	\$ 107,847,175	\$ 248,340	\$ 107,212,276	\$ 244,152	\$ 106,187,591	\$ -	\$ 1,704,053

SINGLE AUDIT SECTION



Strickler & Prieto, LLP

201 E. Main, Suite 500
El Paso, Texas 79901
Tel. (915) 532-2901
Fax (915) 532-0807
www.cpa-sp.com

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Hector H. Balderas, New Mexico State Auditor
The Board of Commissioners
Eddy County
Carlsbad, New Mexico

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue funds, and the combining and individual funds and the budgetary comparisons presented as supplementary information of Eddy County (the "County") as of and for the year ended June 30, 2009, and have issued our report thereon dated November 10, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that are required to be reported under *Governmental Auditing Standards January 2007 Revision* paragraphs 5.14 and 5.16, and Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and responses as findings 2005-1, 2007-1, 2009-1, 2009-2 and 2009-3.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the County Commissioners, the County's management, the State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.



November 10, 2009



Strickler & Prieto, LLP

201 E. Main, Suite 500

El Paso, Texas 79901

Tel. (915) 532-2901

Fax (915) 532-0807

www.cpa-sp.com

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Hector H. Balderas, New Mexico State Auditor
The Board of Commissioners
Eddy County
Carlsbad, New Mexico

Compliance

We have audited the compliance of Eddy County (the "County"), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County's compliance with those requirements.

In our opinion the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the entity's internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

The report is intended solely for the information and use of the audit committee, management, others within the organization, County Commission, the Office of the New Mexico State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

A handwritten signature in blue ink that reads "Jack & Trust, LLP". The signature is written in a cursive, stylized font.

November 10, 2009

STATE OF NEW MEXICO
EDDY COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009

Federal Grantor/Pass Through Grantor/Program Title	Federal CFDA No.	Contract/Grant Project/State Number	Award Amount	Federal Expenditures
U.S. Department of Justice				
Passed Through Executive Office of the President				
High Intensity Drug Trafficking Area	16.579	I8PSNP564Z	\$ 299,098	\$ 299,098
High Intensity Drug Trafficking Area	16.579	I7PSNP564Z	35,500	11,833
High Intensity Drug Trafficking Area	16.579	I6PSNP564Z	15,849	2,934
High Intensity Drug Trafficking Area	16.579	I5PSNP564Z	15,000	199
				314,064
Region VI Drug Task Force	16.579	Region VI 08 JAG	207,863	144,671
Lifeline Greenhouse	16.58	2004-DD-BX-1418	165,824	60,105
Total U.S. Department of Justice				518,840
U.S. Department of Homeland Security Office of Domestic Preparedness				
H.S.E.E.P.	97.004	2006-GE-T-0064	150,000	116,154
2009 DOT Grant	20.703	2009-DOT-EXPLO	15,320	13,369
2009 DOT Grant	20.703	2009-DOT-HOT ZONE	7,380	4,398
Civil emergency outreach	97.067	2005-GR-T5-0012	110,000	38,119
Emergency Management Performance Grant	97.042	2008-EMPG-EDDY-500-085	155,973	105,953
State Homeland Security Grant Program	97.004	2007-GE-T7-0023	80,000	65,406
VFD Firefighter Assistance Grant	97.044	EMW-2007-FF-01375	300,000	10,791
Total U.S. Dept of Homeland Security				354,190
U.S. Department of Housing and Urban Development				
Passed Through State of New Mexico Department of Finance and Administration				
Community Development Block Grant	14.228	06-05-EDY-HOR-001-001	63,000	69,004
Community Development Block Grant	14.228	06-C-NR-I-06-G-62	50,000	2,738
Total U.S. Dept of HUD				71,742
Total Expenditures of Federal Awards				\$ 944,772

**STATE OF NEW MEXICO
EDDY COUNTY**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2009**

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards presents the activity of all federal awards of the Eddy County (the "County"). The County is defined in Note 1 of the County's financial Statements. All federal awards received, including those received through other agencies are included on the schedule.

2. BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards is presented using the accrual basis of accounting, which is described in Note 1 of the County's financial statements

**STATE OF NEW MEXICO
EDDY COUNTY**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2009**

A. SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? Yes No
 Significant deficiencies identified that are not considered to
 be material weaknesses? Yes None
 Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major programs:

Material weakness(es) identified? Yes No
 Significant deficiencies identified that are not considered to
 be material weaknesses? Yes None
 Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be
 reported in accordance with section 510(a) of
 Circular A-133? Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
16.579	High Intensity Drug Trafficking Area (HIDTA)
16.579	Region VI Drug Task Force

Dollar threshold used to distinguish between
 type A and type B programs \$300,000

Auditee qualified as low-risk auditee? Yes No

B. FINDINGS - FINANCIAL STATEMENT AUDIT

2005-1: Designated Cash Exceeded

Condition

The County budget exceeded the available cash balance in the following funds:

Happy Valley Fire District	1,584
Joel Fire District	1,769
Loco Hills	4,397
Otis Fire District	102,101
Sun Country Fire District	9,954
HIDTA Grant	33,544
CDBG Colonias	42,279
DWI Distribution	15,174

Criteria

According to 2.2.2.10 NMCA if budgeted expenditures exceed budgeted revenues and the agency budget's cash or fund balance then that amount must not exceed the beginning fiscal year cash or fund balances.

Effect

The County budgeted expenditures that required designated cash that exceeded its beginning fund balance.

Cause

The cause of this condition appears to be inadequate monitoring of the County's budgeting procedures.

Recommendation

Budget for future years should be revised to insure all funds have adequate budget authority for appropriations. Greater attention should be given to the budget monitoring process.

Agency Response

Original budgets were revised to correct this problem. The county also implemented a new budget preparation and budget management report that includes beginning and ending Fund Balances so that Fund Balance can be monitored properly.

2007-1: Preparation of Financial Statements

Condition

The financial statements and related disclosures are not being prepared by the County.

Criteria

According to the American Institute of Certified Public Accountants' Statement on Auditing Standards No. 112, a system of internal control over financial reporting does not stop at the general ledger. Well designed systems include controls over financial statement preparation, including footnote disclosures.

Effect

When sufficient controls over the preparation of financial statements and related disclosures are not designed, implemented and operating effectively, an entity's ability to prevent or detect a misstatement in its financial statements is limited.

Cause

The County's personnel do not have the time and have not been adequately trained in understanding the elements of external financial reporting, including the preparation of financial statements and related footnote disclosures.

Recommendation

We recommend County management and personnel receive training on understanding the requirements of external financial reporting.

The training should include, but not be limited to:

- Selection of appropriate accounting policies:
- Governmental Accounting Standards Board (GASB).
- Generally Accepted Accounting Principles (specifically as applied to governmental units).
- Financial Accounting Standards Board (FASB).
- Understanding the financial reporting entity.
- Government wide financial statements.
- Fund financial statements.
- Notes to the financial statements.
- Required supplementary information.
- Management's discussion and analysis.
- Supplementary information required by the Office of the State Auditor.

In addition, we recommend that the County develop and implement policies and procedures designed to prevent or detect possible misstatements in its financial statements and related footnote disclosures.

Agency Response

We will seek additional training for the Finance Director in the requirements for external reporting. Eddy County will hire or contract with qualified accountants who will perform routine accounting tasks including preparation of preliminary financial statements.

2009-1: Capital Assets Accounting

Condition

1. The amounts reflected in the capital assets inventory listing for cost and accumulated depreciation do not agree with the balances reflected in the general ledger.
2. Completed projects that are recorded in the CIP category are not being recorded in the capital asset listing upon their completion.
3. No records could be provided for the assets disposed of during the year as to any proceeds that were received.
4. There was one instance noted of an addition to fixed assets being recorded on the capital assets listing two months after the date of purchase.

Criteria

Best accounting practices require the application of a sound system of internal controls to provide the members of governance with reasonable assurance that County assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations.

Effect

The County's books or records may be at risk of containing material misstatements, as errors may occur and not be detected within a timely manner. The County may be incorrectly reporting capital assets to members of the governance body.

Cause

The County is not maintaining adequate records of the capital assets due to a lack of employee training and expertise, a lack of diligence in performing procedures, and a lack of proper supervision of the reconciliation process.

Recommendation

County management must develop, implement, and disseminate accounting policies and procedures for capital assets to ensure that the value of the acquired capital assets, either through purchase or contribution, is properly recorded; to determine when the capital assets are placed in service; to determine the proper basis for calculating depreciation expense; to ensure that the subsidiary records agree with the books of record; and that the capital assets disposed of are properly and timely removed. County employees need proper training and direction regarding the verification and reconciliation of the capital assets records.

Agency Response

Conditions 1, 2 and 4: The Finance Department lost the employee who was responsible for keeping the inventory updated and revised in February. We have been unable to hire a qualified replacement so many of the items listed have not been kept up-to-date. We hope to be hiring or contracting someone to help with this in the near future.

Condition 3: The only disposition of assets this past fiscal year has been an e-waste disposal. All inventory disposed of during this process had a disposition sheet filled out to be removed from inventory. There were no auctions and no proceeds collected off of disposed property this reporting period.

2009-2: Late Submission of Audit Report

Condition

The audit report for fiscal year 2009 was not submitted by November 15, 2009, causing the County to be out of compliance with New Mexico State Auditor Rule 2.2.2.9A(1).

Criteria

The New Mexico State Auditor Rule 2.2.2.9A(1) requires audit reports for counties to be submitted by November 15th following the end of the fiscal year.

Effect

The County's financial status and other information is not available to the public and various state agencies in a timely manner.

Cause

The County's records were not in condition whereby a timely audit could be performed. A large number of adjustments had to be made by the IPA to get the books in a condition where a financial statement could be prepared. After the financial statements were prepared by the IPA, the Finance Director of the County took several weeks to give the IPA edits which included multiple changes to budget information that had been previously submitted. After the edits were made by the IPA, the review process again took a number of weeks.

Also, the County's component unit financial statements were not submitted on a timely basis due a lack of timely responses from the Director of the component unit.

Recommendation

We recommend the County and applicable component units have their records in conformity with the New Mexico State Auditor Rule prior to the start of the audit.

Agency Response

The County has been making significant changes to its financial policies and practices. We are in the process of preparing an RFP for a new computer system which will help alleviate many of our current problems. Additionally, we will be seeking support from local CPA firms throughout the year in order to improve our accounting practices.

2009-3: Legal Compliance with Budget

Condition

The County's authorized budget was exceeded by actual expenditures. The County violated state statutes by exceeding the authorized budget as follows:

Fund	Budget Amount	Actual Amount	Over Expended
Protest Suspense Fund	-	432	(432)

Criteria

Section 6-6-6 of the New Mexico State Statutes restricts all officials and governing authorities from approving claims in excess of the approved budget. Additionally, Section 6-6-6 prohibits any payments in excess of the approved budget. County officials and governing authorities have the obligation to follow applicable state statutes.

Effect

Non-compliance with New Mexico State Statutes could subject officials and employees penalties and fines required by state statutes.

Cause

Management failed to monitor the expenses and compare them to the budget.

Recommendation

We suggest that management closely monitor expenditures and budget limitations to ensure compliance with budget restrictions.

Agency Response

The County management will closely monitor actual expenditures in all funds to make sure that actual expenditures don't exceed budgeted amounts.

C. FINDINGS - COMPONENT UNIT

2009-1: Late Submission of Audit Report

Condition

The audit report for fiscal year 2009 was not submitted by November 15, 2009, causing the Central Communications Authority to be out of compliance with New Mexico State Auditor Rule 2.2.2.9A(1).

Criteria

The New Mexico State Auditor Rule 2.2.2.9A(1) requires audit reports for counties to be submitted by November 15th following the end of the fiscal year.

Effect

The Authority's financial status and other information is not available to the public and various state agencies in a timely manner.

Cause

The Authority's delay in submitting Management's Discussion and Analysis report resulted in the late submission of the audit report.

Recommendation

Management's discussion and analysis ("MD&A") is required to be prepared by the Authority. We recommend that the Authority prepare an MD&A template prior to the deadline of the audit so that when final audited number are available, they can be updated quickly in the MD&A template and the audit can be submitted to the State Auditor prior to its due date.

Management's Response

The audit report was submitted to the State Auditor by the contract auditor on November 16, 2009, one day after the report was due to the State Auditor, and immediately following the exit conference held same day (Nov. 16). IPA assured Eddy County that the report would be sent over night the same day from El Paso. IPA lost the managing auditor two weeks before the November 15 deadline. The audit was started on August 31, 2009 allowing plenty of time for the audit to be completed. At the entrance conference held August 31st, Eddy County informed the IPA that there would be a component unit added to the 09 audited financials. Eddy County (ECCCA's fiscal agent) is not responsible for the report not being submitted in a timely manner.

2009-2: Preparation of Financial Statements

Condition

The financial statements and related disclosures are not being prepared by the Authority.

Criteria

According to the American Institute of Certified Public Accountants' Statement on Auditing Standards No. 112, a system of internal control over financial reporting does not stop at the general ledger. Well designed systems include controls over financial statement preparation, including footnote disclosures.

Effect

When sufficient controls over the preparation of financial statements and related disclosures are not designed, implemented and operating effectively, an entity's ability to prevent or detect a misstatement in its financial statements is limited.

Cause

The Authority's personnel do not have the time and have not been adequately trained in understanding the elements of external financial reporting, including the preparation of financial statements and related

footnote disclosures.

Recommendation

We recommend Central Communications Authority management and personnel receive training on understanding the requirements of external financial reporting.

The training should include, but not be limited to:

- Selection of appropriate accounting policies;
- Governmental Accounting Standards Board (GASB).
- Generally Accepted Accounting Principles (specifically as applied to governmental units).
- Financial Accounting Standards Board (FASB).
- Understanding the financial reporting entity.
- Government wide financial statements.
- Fund financial statements.
- Notes to the financial statements.
- Required supplementary information.
- Management's discussion and analysis.
- Supplementary information required by the Office of the State Auditor.

In addition, we recommend that the Authority develop and implement policies and procedures designed to prevent or detect possible misstatements in its financial statements and related footnote disclosures.

Management's Response

ECCCA recognizes the importance of preparing the financial statements and disclosures as required. ECCCA will seek to obtain the recommended training in an effort to alleviate this finding from future audits.

D. FINDINGS - FEDERAL AWARDS

None

E. STATUS OF PRIOR YEAR FINDINGS

2005-1	Budgeting	Repeat
2007-1	Preparation of Financial Statements	Repeat
2007-4	Capital Assets	Partially resolved

STATE OF NEW MEXICO
EDDY COUNTY

EXIT CONFERENCE
FOR THE YEAR ENDED JUNE 30, 2009

An exit conference was conducted on November 16, 2009 in a closed meeting of the County Commissioners pursuant to Section 12-6-5 NMSA, 1978 with the following individuals in attendance:

Eddie County Officials

Allen Sartin
Debbie Penaluna
Lewis Derrick
Terri Richards

County Manager
Finance Director
Commission Chairman
County Treasurer

Strickler & Prieto, LLP

Phillip Strickler

Audit Partner

Financial Statement Preparation

The County's independent public accountants prepared the accompanying financial statements; however, the County is responsible for the financial statement content.