

**STATE OF NEW MEXICO**  
**LINCOLN COUNTY**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2009**

(This page intentionally left blank)

## **INTRODUCTORY SECTION**

**STATE OF NEW MEXICO**  
 Lincoln County  
 Table of Contents  
 June 30, 2009

|   | <u>Exhibit</u> | <u>Page</u> |
|---|----------------|-------------|
| <b>INTRODUCTORY SECTION</b>   |                |             |
| Table of Contents   |                | 4-5         |
| Official Roster   |                | 7           |
| <b>FINANCIAL SECTION</b>  |                |             |
| Independent Auditors' Report  |                | 10-11       |
| Management's Discussion and Analysis  |                | 12-18       |
| <b>BASIC FINANCIAL STATEMENTS</b>   |                |             |
| Government-wide Financial Statements:   |                |             |
| Statement of Net Assets   | A-1            | 20          |
| Statement of Activities   | A-2            | 21          |
| Fund Financial Statements:  |                |             |
| Balance Sheet – Governmental Funds  | B-1            | 22-23       |
| Reconciliation of the Balance Sheet to the Statement of Net Assets  |                | 25          |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds  | B-2            | 26-27       |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities |                | 29          |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (Non-GAAP Budgetary Basis) and Actual – General Fund             | C-1            | 31          |
| Road Fund Special Revenue Fund  | C-2            | 32          |
| Fire Funds Special Revenue Fund   | C-3            | 33          |
| Corrections Fund Special Revenue Fund   | C-4            | 34          |
| Lincoln County Medical Center Special Revenue Fund  | C-5            | 35          |
| Statement of Fiduciary Assets and Liabilities – Agency Funds  | D-1            | 37          |
| <br>NOTES TO FINANCIAL STATEMENTS   |                | <br>38-59   |
| <b>SUPPLEMENTARY INFORMATION</b>  |                |             |
| <u>Statement</u>  |                |             |
| Nonmajor Fund Descriptions  |                | 64-65       |
| <b>COMBINING AND INDIVIDUAL FUND STATEMENTS:</b>  |                |             |
| Combining Balance Sheet – Nonmajor Governmental Funds   | A-1            | 66-73       |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds                                    | A-2            | 74-81       |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (Non-GAAP Budgetary Basis) and Actual:                           |                |             |
| Recreation Special Revenue Fund   | B-1            | 83          |
| Special Programs Special Revenue Fund   | B-2            | 84          |
| Clerk's Equipment Special Revenue Fund  | B-3            | 85          |
| Agreements Special Revenue Fund   | B-4            | 86          |
| Legislative Appropriation Special Revenue Fund  | B-5            | 87          |
| Gas Tax Special Revenue Fund  | B-6            | 88          |
| Predatory Animal Control Special Revenue Fund   | B-7            | 89          |
| Forest Reserve Special Revenue Fund   | B-8            | 90          |
| Lodgers' Tax Special Revenue Fund   | B-9            | 91          |
| Drug Enforcement Grant Special Revenue Fund   | B-10           | 92          |
| Homeland Security Grant Special Revenue Fund  | B-11           | 93          |
| Sheriff's Seizure Special Revenue Fund  | B-12           | 94          |
| Reappraisal Special Revenue Fund  | B-13           | 95          |
| Emergency Medical Services Special Revenue Fund   | B-14           | 96          |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Table of Contents  
 June 30, 2009

|   | <u>Statement</u>    | <u>Page</u> |
|---|---------------------|-------------|
| <b>SUPPLEMENTARY INFORMATION (continued)</b>  |                     |             |
| COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (continued)  |                     |             |
| Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget (Non-GAAP Budgetary Basis) and Actual:   |                     |             |
| Rural Health Clinic Special Revenue Fund  | B-15                | 97          |
| Law Enforcement Protection Special Revenue Fund   | B-16                | 98          |
| Senior Citizen’s Special Revenue Fund   | B-17                | 99          |
| Environmental Gross Receipts Special Revenue Fund   | B-18                | 100         |
| Enhanced 911 Special Revenue Fund   | B-19                | 101         |
| Forest Health Special Revenue Fund  | B-20                | 102         |
| Misdemeanor Compliance Special Revenue Fund   | B-21                | 103         |
| CDBG Grant Special Revenue Fund   | B-22                | 104         |
| Indigent Health Care Special Revenue Fund   | B-23                | 105         |
| Juvenile Justice Grant Special Revenue Fund   | B-24                | 106         |
| HIDTA Partnership Special Revenue Fund  | B-25                | 107         |
| 1st 1/8 GRT Reserve Debt Service Fund   | B-26                | 108         |
| 1st 1/8 GRT Income Debt Service Fund  | B-27                | 109         |
| 1st 1/8 GRT Debt Reserve Debt Service Fund  | B-28                | 110         |
| Capital Improvements Capital Projects Fund  | B-29                | 111         |
|   | <br><u>Schedule</u> |             |
| <b>SUPPORTING SCHEDULES</b>   |                     |             |
| Schedule of Collateral Pledged by Depository for Public Funds   | I                   | 114-115     |
| Schedule of Deposit and Investment Accounts   | II                  | 116-117     |
| Reconciliation of Property Tax Rolls  | III                 | 118-119     |
| Lincoln County Treasurer Property Tax Schedule  | IV                  | 120-153     |
| Schedule of Changes in Fiduciary Assets and Liabilities – Agency Funds  | V                   | 154         |
| Schedule of Legislative Grants  | VI                  | 155         |
| <b>COMPLIANCE SECTION</b>   |                     |             |
| Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> |                     | 158-159     |
| <b>FEDERAL FINANCIAL ASSISTANCE</b>   |                     |             |
| Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133   |                     | 162-163     |
| Schedule of Expenditures of Federal Awards  | VII                 | 164-165     |
| Schedule of Findings and Questioned Costs   | VIII                | 167-173     |
| <b>OTHER DISCLOSURES</b>  |                     | 175         |

(This page intentionally left blank)

**STATE OF NEW MEXICO**

Lincoln County

Official Roster

June 30, 2009

| <u><b>Name</b></u> | <u><b>Elected Officials</b></u> | <u><b>Title</b></u>                 |
|--------------------|---------------------------------|-------------------------------------|
| William T. Battin  |                                 | County Commissioner - Chairman      |
| Eileen M. Sedillo  |                                 | County Commissioner – Vice Chairman |
| Jackie M. Powell   |                                 | County Commissioner                 |
| Donald A. Williams |                                 | County Commissioner                 |
| Dave J. Parks      |                                 | County Commissioner                 |
| Tammie J. Maddox   |                                 | County Clerk                        |
| Beverly A. Calaway |                                 | County Treasurer                    |
| Paul Baca          |                                 | County Assessor                     |
| Richard Virden     |                                 | County Sheriff                      |
| Carrie Sue Spencer |                                 | Count Probate Judge                 |

|                           | <u><b>Administrative Officials</b></u> |                  |
|---------------------------|--|------------------|
| Thomas F. Stewart         |  | County Manager   |
| Charlene “Punkin” Schlarb |  | Finance Director |
| Billie-Jo Guevara         |  | Human Resources  |
| Rachel Monreal            |  | Finance Officer  |
| Orlando Samora            |  | Purchasing Agent |

(This page intentionally left blank)



**FINANCIAL SECTION**



**Accounting & Consulting Group, LLP**

**INDEPENDENT AUDITORS' REPORT**

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

We have audited the accompanying financial statements of the governmental activities, each major fund, the budgetary comparisons for the General Fund and major special revenue funds, and the aggregate remaining fund information of Lincoln County New Mexico (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 and the budgetary comparisons for the remaining 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no opinion. 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, each major fund, and the aggregate remaining fund information of Lincoln County, as of June 30, 2009, and the respective changes in financial position, thereof 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 budgetary comparisons for the remaining 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 3, 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* presented on pages 12-18 is not a required part of the basic financial statements but is 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 financial statements that collectively comprise the County's basic financial statements, the combining and individual fund statements and the budgetary comparisons. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. The accompanying financial information listed as Supporting Schedules I through VI in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the County. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and each of the nonmajor governmental fund financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements and nonmajor governmental funds financial statements, taken as a whole. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

*Accounting & Consulting Group, L.L.P.*

Accounting & Consulting Group, LLP  
Albuquerque, New Mexico  
November 3, 2009

**STATE OF NEW MEXICO**  
Lincoln County  
Management's Discussion and Analysis  
June 30, 2009

As management of Lincoln County (the County), we offer readers of Lincoln County financial statements this narrative overview and analysis of the financial activities of Lincoln County for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with the financial statements of Lincoln County and additional information provided.

### **Financial Highlights**

- The assets of Lincoln County exceeded its liabilities at the close of the most recent fiscal year by \$43,538,952 (*net assets*). Of this amount, \$7,061,587 (*unrestricted net assets*) may be used to meet the County's ongoing obligations to citizens and creditors.
- Change in net assets for the year end was \$4,192,192. The increase is primarily due to an increase in operating grants and contributions and property tax revenue.
- At the end of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$6,732,551 or 123 percent of total general fund expenditures.

### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to Lincoln County's basic financial statements. Lincoln County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of Lincoln County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of Lincoln County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Lincoln County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Lincoln County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs. The governmental activities of Lincoln County include general government, public safety, public works, culture and recreation, and health and welfare.

The government-wide financial statements can be found at Exhibits A-1 and A-2 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Lincoln County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Lincoln County can be divided into two categories: governmental funds and fiduciary funds.

**STATE OF NEW MEXICO**  
Lincoln County  
Management's Discussion and Analysis  
June 30, 2009

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Lincoln County maintains thirty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the general fund, the road special revenue fund, the fire special revenue fund, the corrections special revenue fund, and the Lincoln County Medical Center special revenue fund, all of which are considered to be major funds. Data from the other thirty governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Lincoln County adopts an annual appropriated budget for its general fund and all other funds. A budgetary comparison statement has been provided for the general fund, the corrections special revenue fund, and the Lincoln County Medical Center special revenue fund to demonstrate compliance with this budget. In addition, the individual financial statements of the non-major governmental funds include budgetary comparison data.

The basic governmental fund financial statements can be found at Exhibits B-1 and B-2 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Lincoln County's own programs.

Lincoln County fiduciary funds account for the collection of property taxes and special fees and their remittance to other governmental agencies.

The basic fiduciary fund financial statements can be found at Exhibit D-1 of this report.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 38-59 of this report.

**Other information.** The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 66-81 of this report.

**STATE OF NEW MEXICO**  
Lincoln County  
Management's Discussion and Analysis  
June 30, 2009

**Government-wide Financial Analysis**

Since this is the fourth year to report all activities on the accrual basis of accounting, a detailed comparison to the prior year is presented.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Lincoln County, assets exceeded liabilities by \$43,538,952 and \$22,844,776 at the close of the fiscal years ended June 30, 2009 and June 30, 2008, respectively. The increase in net assets from the prior year is due to the County implementing GASB 34 in respect to infrastructure and recognizing infrastructure assets retroactively to June 30, 1980 in the amount of \$16,656,777. The County also had revenues that exceeded expenditures during the year in the amount of \$4,192,192 which increased net assets in the current year.

A large portion of the County's net assets (68 percent) reflects its investment in capital assets (e.g., land, buildings, other improvements, infrastructure and furniture and equipment) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion (\$6,805,267) of Lincoln County's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$7,061,587) may be used to meet the government's ongoing obligations to citizens and creditors.

Lincoln County is able to report positive balances in all three categories (Invested in capital assets, net of related debt, Restricted, and Unrestricted) of net assets, for the government as a whole as of June 30, 2009.

**Lincoln County's Net Assets**  
**June 30, 2009**

|   | <u>Governmental Activities</u> |                      |
|---|--------------------------------|----------------------|
|   | <u>2009</u>                    | <u>2008</u>          |
| Current and other assets                        | \$ 14,697,690                  | \$ 13,044,810        |
| Capital assets                                  | <u>34,846,664</u>              | <u>16,188,876</u>    |
| Total assets                                    | <u>49,544,354</u>              | <u>29,233,686</u>    |
| Current Liabilities                             | 1,747,537                      | 1,511,769            |
| Non-current liabilities                         | <u>4,257,865</u>               | <u>4,877,141</u>     |
| Total liabilities                               | <u>6,005,402</u>               | <u>6,388,910</u>     |
| Net assets:                                     |                                |                      |
| Invested in capital assets, net of related debt | 29,672,098                     | 11,327,360           |
| Restricted for:                                 |                                |                      |
| Debt service                                    | 517,044                        | 503,502              |
| Capital projects                                | 551                            | 16,453               |
| Other purposes - special revenue                | 6,287,672                      | 6,290,334            |
| Unrestricted                                    | <u>7,061,587</u>               | <u>4,707,127</u>     |
| Total net assets                                | <u>\$ 43,538,952</u>           | <u>\$ 22,844,776</u> |

**STATE OF NEW MEXICO**  
Lincoln County  
Management's Discussion and Analysis  
June 30, 2009

**Changes in Net Assets**

The County's total revenues of \$20,916,541 and program expenses of \$16,724,349 resulted in a change in net assets of \$4,192,192. The County incurred an increase in capital outlay expenditures over the prior year. The County also maintained favorable budget to actual expenditure variances.

This section contains a condensed comparison of revenues and expenditures and explanations for significant differences. The table shows the summarized revenues and expenditures for the years ended June 30, 2009 and June 30, 2008.

**Lincoln County's Change in Net Assets**  
**June 30, 2009**

|   | <u>Governmental Activities</u> |                     |
|---|--------------------------------|---------------------|
|   | <u>2009</u>                    | <u>2008</u>         |
| Program revenues:                           |                                |                     |
| Charges for service                         | \$ 2,467,959                   | \$ 1,561,199        |
| Operating grants and contributions          | 3,488,803                      | 3,695,258           |
| Capital grants and contributions            | 38,736                         | 1,136,702           |
| General revenues:                           |                                |                     |
| Property taxes, levied for general purposes | 10,242,026                     | 9,279,657           |
| Gross receipts taxes                        | 1,569,295                      | 1,569,356           |
| Gasoline and motor vehicle taxes            | 177,606                        | 170,155             |
| Other taxes                                 | 71,952                         | 78,677              |
| Payment in lieu of taxes                    | 2,375,919                      | -                   |
| Local sources                               | 147,783                        | -                   |
| Licenses and fees                           | -                              | 344,022             |
| Interest income                             | 186,664                        | 516,803             |
| Gain (Loss) on disposal of capital assets   | (2,820)                        | 371,554             |
| Special item - debt relief                  | 20,630                         | -                   |
| Miscellaneous income                        | 131,988                        | 165,673             |
|   | <u>20,916,541</u>              | <u>18,889,056</u>   |
| <br>  |                                |                     |
| Program expenses:                           |                                |                     |
| General government                          | 4,289,262                      | 3,838,052           |
| Public safety                               | 5,702,663                      | 5,054,487           |
| Public works                                | 2,282,803                      | 3,107,465           |
| Culture and recreation                      | 142,803                        | 185,944             |
| Health and welfare                          | 4,076,053                      | 4,475,920           |
| Interest on long-term debt                  | 230,765                        | 155,633             |
|   | <u>16,724,349</u>              | <u>16,817,501</u>   |
| <br>  |                                |                     |
| Change in net assets                        | <u>\$ 4,192,192</u>            | <u>\$ 2,071,555</u> |

**STATE OF NEW MEXICO**  
Lincoln County  
Management's Discussion and Analysis  
June 30, 2009

**Financial Analysis of the Government's Funds**

As noted earlier, Lincoln County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of Lincoln County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Lincoln County's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Lincoln County's governmental funds reported combined ending fund balances of \$13,594,955, an increase of \$2,167,114 in comparison with the prior year. Approximately 99 percent of this total amount, \$13,465,428, constitutes *unreserved, undesignated fund balance*, which is available for spending at the government's discretion, and 1 percent of this total amount, \$129,527, is *reserved for prepaid expenses*.

The general fund is the chief operating fund of Lincoln County. At the end of the current fiscal year, *unreserved, undesignated fund balance* of the general fund was \$6,732,551, while total fund balance was \$6,841,808. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved, undesignated fund balance represents 124 percent of total general fund expenditures, while total fund balance represents 126 percent of that same amount. Fund balance of Lincoln County's general fund increased by \$2,437,423 during the current fiscal year. The increase is due to favorable budget variances in revenues and transfers out of the general fund and into other funds.

The Road Fund has a total fund balance of \$121,888. At the end of the current fiscal year, *unreserved, undesignated fund balance* of the road fund was \$121,888. The net decrease in fund balance during the current year in the road fund was \$249,245. This decrease is due primarily to less money being transferred in from the other sources in order to supplement expenditures.

The Fire Funds has total fund balances of \$1,720,194. At the end of the current fiscal year, *unreserved, undesignated fund balance* of the fire fund was \$1,720,194. The net increase in fund balance during the current year in the fire fund was \$39,176. This increase is due primarily to investment income of \$34,013.

The Corrections Fund has a total fund balance of (\$91,874). At the end of the current fiscal year, *unreserved, undesignated fund balance* of the corrections fund was (\$91,874). The net decrease in fund balance during the current year in the corrections fund was \$235,002. This decrease is due primarily to a decrease in license and fees revenues.

The Lincoln County Medical Center Fund has a total fund balance of \$2,808,860, of which \$2,808,860 is *unrestricted and undesignated*. The net decrease in the current year was \$52,379. This decrease was due primarily to a decrease of investment income.

**Budgetary Highlights**

County budgets reflect the same pattern as seen in the revenue and expenditures of the County. The State of New Mexico budget process is defined under state law and regulation. To enhance the process of developing a budget at the county level, Lincoln County utilizes goals and objectives defined by the County Commissioners, community input meetings, long term plans and input from various staff groups to develop the County budget. County priorities are well defined through this process.

GASB 34 does not require a statement presenting the overall result of the budget for each year; however, all major budgetary funds are required to be reported as a separate statement.

The total variation in expenditures from the original and final budgets in the general fund was \$526,481. The significant variations were in general government and public safety, which were increases of \$439,150 and 87,331, respectively. The increase was mainly due to a budget increase to normally County activities.

The following table examines the summary budget performance of the major and aggregate non-major funds for the fiscal year ending June 30, 2009. Detail budget performance is reported in the budgetary comparison statements for each major fund and the statements of revenues and expenditures budget and actual for the non-major funds.



**STATE OF NEW MEXICO**  
Lincoln County  
Management's Discussion and Analysis  
June 30, 2009

**Fund Expenditure Budget Performance**

|                                    | <u>Final Budget</u>      | <u>Actual on Cash<br/>(Budgetary) Basis</u> | <u>Favorable<br/>(Unfavorable)<br/>Variance</u> |
|------------------------------------|--------------------------|---|---|
| General Fund                       | \$ 6,235,375             | \$ 5,395,830                                | \$ 839,545                                      |
| Road Fund                          | 2,902,759                | 1,904,613                                   | 998,146   |
| Fire Fund                          | 2,904,096                | 1,252,637                                   | 1,651,459                                       |
| Corrections Fund                   | 2,819,600                | 2,597,901                                   | 221,699   |
| Lincoln County Medical Center Fund | 5,471,204                | 3,335,455                                   | 2,135,749                                       |
| Other Governmental Funds           | <u>8,406,833</u>         | <u>5,244,946</u>                            | <u>3,161,887</u>                                |
| <br>Total for Governmental Funds   | <br><u>\$ 28,739,867</u> | <br><u>\$ 19,731,382</u>                    | <br><u>\$ 9,008,485</u>                         |

The County amends its budget during the year in response to unexpected changes in its operating environment. The original and final budgets are reported and can be examined in the budgetary comparison statements for each major fund and the statements of revenues and expenditures budget and actual for the non-major funds. The County was very disciplined this year with regards to spending and this was the reason for the favorable variances.

**Capital Asset and Debt Administration**

**Capital assets**

Lincoln County's investment in capital assets for its governmental activities as of June 30, 2009, amounts to \$34,846,664 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, equipment, infrastructure, and other improvements. The table below shows the summarized capital assets of Lincoln County as of June 30, 2009 and June 30, 2008.

**Lincoln County's Capital Assets, Net of Depreciation  
June 30, 2009**

|   | <u>Governmental Activities</u> |                          |
|---|--------------------------------|--------------------------|
|   | <u>2009</u>                    | <u>2008</u>              |
| Property, plan and equipment  |                                |                          |
| Land  | \$ 4,500,313                   | \$ 4,356,292             |
| Construction in progress  | 4,057,537                      | 2,848,062                |
| Buildings and improvements  | 9,473,550                      | 9,097,078                |
| Equipment   | 12,516,747                     | 12,107,068               |
| Infrastructure  | 28,534,538                     | -                        |
| Other improvements  | <u>157,669</u>                 | <u>137,674</u>           |
| <br>Total property, plant and equipment                                     | <br><u>59,240,354</u>          | <br><u>28,546,174</u>    |
| <br>Less: accumulated depreciation  | <br><u>(24,393,690)</u>        | <br><u>(12,357,298)</u>  |
| <br>Total property, plant and equipment, net<br>of accumulated depreciation | <br><u>\$ 34,846,664</u>       | <br><u>\$ 16,188,876</u> |

**STATE OF NEW MEXICO**  
Lincoln County  
Management's Discussion and Analysis  
June 30, 2009

The County recognized \$1,901,774 in depreciation expense during the year. Additional information on Lincoln County's capital assets can be found in the notes to the financial statements.

The County implemented GASB 34 in the current year in which requires the County to report infrastructure assets retroactive to June 30, 1980. This accounting principle should have been implemented in the prior year, however the information was unavailable in the prior year. The County had a restatement of infrastructure cost of \$27,761,296 and related accumulated depreciation of \$11,104,519 for a net restatement of \$16,656,777 which is shown at Exhibit A-2.

The County had several commitments to construction companies at June 30, 2009. Additional information on Lincoln County's commitments can be found in the note 14 of the financial statements.

**Long-term debt**

At June 30, 2009, Lincoln County had total gross receipt revenue bonds outstanding of \$3,475,000, loans and capital leases outstanding of \$1,699,566, all of which is secured by pledged gross receipts tax revenues.

**Lincoln County's Outstanding Debt  
June 30, 2009**

|                              | <u>Governmental Activities</u> |                         |
|------------------------------|--------------------------------|-------------------------|
|                              | <u>2009</u>                    | <u>2008</u>             |
| Gross Receipts Revenue Bonds | \$ 3,475,000                   | \$ 3,570,000            |
| NMFA Loans                   | 924,567                        | 552,847                 |
| Capital Leases               | 774,999                        | 902,699                 |
| Compensated Absences         | <u>164,527</u>                 | <u>138,136</u>          |
| <br>Total outstanding debt   | <br><u>\$ 5,339,093</u>        | <br><u>\$ 5,163,682</u> |

The County reduced bonds payable by their principal payment of \$95,000. The County also added three NMFA loans for additions to the Arabela, Glencoe/Palo Verde, and White Oaks fire department totaling \$553,048. The County made principal payments towards loans and capital leases payable in the amount of \$309,028. Additional information on Lincoln County's long-term debt can be found in the notes to the financial statements.

**Economic Factor and Next Year's Budgets and Rates**

- Inflationary trends in the region compare favorably to national indices.

This factor was considered in preparing Lincoln County's budget for the 2009 fiscal year.

During the current fiscal year, unreserved fund balance in the general fund increased to \$6,732,551. It is intended that the use of this available fund balance will avoid the need to raise taxes or charges during the 2009 fiscal year.

**Request for Information**

This financial report is designed to provide a general overview of Lincoln County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the County Manager, Lincoln County, 300 Central Avenue, Carrizozo, NM 88301.

**BASIC  
FINANCIAL STATEMENTS**

## STATE OF NEW MEXICO

Exhibit A-1

Lincoln County  
Statement of Net Assets  
June 30, 2009

|   | Governmental<br>Activities |
|---|----------------------------|
| <b>Assets</b>                                   |                            |
| Current assets                                  |                            |
| Cash and cash equivalents                       | \$ 4,797,908               |
| Investments                                     | 7,908,297                  |
| Receivables:                                    |                            |
| Property taxes                                  | 608,428                    |
| Other taxes                                     | 243,426                    |
| Other receivables                               | 442,375                    |
| Prepaid expenses                                | 129,527                    |
| Total current assets                            | <u>14,129,961</u>          |
| Noncurrent assets                               |                            |
| Restricted cash and cash equivalents            | 567,729                    |
| Capital assets                                  | 59,240,354                 |
| Less: accumulated depreciation                  | <u>(24,393,690)</u>        |
| Total noncurrent assets                         | <u>35,414,393</u>          |
| Total assets                                    | <u>\$ 49,544,354</u>       |
| <b>Liabilities</b>                              |                            |
| Current liabilities                             |                            |
| Accounts payable                                | \$ 353,557                 |
| Accrued payroll                                 | 296,141                    |
| Accrued interest                                | 16,611                     |
| Current portion of accrued compensated absences | 155,769                    |
| Current portion of bonds and notes payable      | 925,459                    |
| Total current liabilities                       | <u>1,747,537</u>           |
| Noncurrent liabilities                          |                            |
| Accrued compensated absences                    | 8,758                      |
| Loans and capital leases                        | 874,107                    |
| Bonds payable                                   | 3,375,000                  |
| Total noncurrent liabilities                    | <u>4,257,865</u>           |
| Total liabilities                               | <u>6,005,402</u>           |
| <b>Net assets</b>                               |                            |
| Invested in capital assets, net of related debt | 29,672,098                 |
| Restricted for (Note 15):                       |                            |
| Debt service                                    | 517,044                    |
| Capital projects                                | 551                        |
| Other purposes - special revenue                | 6,287,672                  |
| Unrestricted                                    | 7,061,587                  |
| Total net assets                                | <u>\$ 43,538,952</u>       |

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Lincoln County  
Statement of Activities  
For the Year Ended June 30, 2009

Exhibit A-2

| <u>Functions/Programs</u>            | <u>Expenses</u>      | <u>Program Revenues</u>         |   |   | <u>Net (Expense)<br/>Revenue and<br/>Changes in Net<br/>Assets</u> |
|--------------------------------------|----------------------|---------------------------------|---|---|--|
|                                      |                      | <u>Charges for<br/>Services</u> | <u>Operating<br/>Grants and<br/>Contributions</u> | <u>Capital Grants<br/>and<br/>Contributions</u> |  |
| <b>Primary government</b>            |                      |                                 |   |   |  |
| General government                   | \$ 4,289,262         | \$ 498,454                      | \$ 94,358   | \$ -  | \$ (3,696,450)   |
| Public safety                        | 5,702,663            | 752,590                         | 1,612,633   | 30,000  | (3,307,440)  |
| Public works                         | 2,282,803            | 350,249                         | 690,860   | -   | (1,241,694)  |
| Culture and recreation               | 142,803              | -                               | 63,097  | -   | (79,706)   |
| Health and welfare                   | 4,076,053            | 866,666                         | 1,027,855   | 8,736   | (2,172,796)  |
| Interest on long-term debt           | 230,765              | -                               | -   | -   | (230,765)  |
| <i>Total governmental activities</i> | <u>\$ 16,724,349</u> | <u>\$ 2,467,959</u>             | <u>\$ 3,488,803</u>                               | <u>\$ 38,736</u>                                | (10,728,851)   |

**General revenues:**

Taxes:

|                                    |            |
|------------------------------------|------------|
| Property                           | 10,242,026 |
| Gross Receipts                     | 1,569,295  |
| Gasoline and motor vehicle         | 177,606    |
| Other                              | 71,952     |
| Payment in lieu of taxes           | 2,375,919  |
| Local sources                      | 147,783    |
| Interest income                    | 186,664    |
| Miscellaneous income               | 131,988    |
| Loss on disposal of capital assets | (2,820)    |
| Special item - debt relief         | 20,630     |

Total general revenues and special item 14,921,043

Change in net assets 4,192,192

Net assets - beginning 22,844,776

Net assets - reclassification (Note 17) (154,793)

Net assets - restatement (Note 6) 16,656,777

Net assets - as reclassified and restated 39,346,760

Net assets - ending \$ 43,538,952

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**

Lincoln County  
Balance Sheet  
Governmental Funds  
June 30, 2009

|  | <u>General Fund</u> | <u>Road Fund</u>  | <u>Fire Funds</u>   |
|--|---------------------|-------------------|---------------------|
| <i>Assets</i>                              |                     |                   |                     |
| Cash and cash equivalents                  | \$ 1,226,826        | \$ 130,997        | \$ 1,729,907        |
| Investments                                | 5,588,247           | -                 | -                   |
| Receivables:                               |                     |                   |                     |
| Property taxes                             | 499,640             | -                 | -                   |
| Other taxes                                | 422                 | -                 | -                   |
| Other                                      | 21,960              | 31,488            | -                   |
| Prepaid expenses                           | 109,257             | -                 | -                   |
| <i>Total assets</i>                        | <u>\$ 7,446,352</u> | <u>\$ 162,485</u> | <u>\$ 1,729,907</u> |
| <i>Liabilities and fund balances</i>       |                     |                   |                     |
| <i>Liabilities</i>                         |                     |                   |                     |
| Accounts payable                           | \$ 14,379           | \$ -              | \$ 9,713            |
| Accrued payroll                            | 218,041             | 40,597            | -                   |
| Deferred revenue                           | 372,124             | -                 | -                   |
| <i>Total liabilities</i>                   | <u>604,544</u>      | <u>40,597</u>     | <u>9,713</u>        |
| <i>Fund balances</i>                       |                     |                   |                     |
| Reserved for:                              |                     |                   |                     |
| Prepaid expenses                           | 109,257             | -                 | -                   |
| Unreserved, reported in:                   |                     |                   |                     |
| General fund                               | 6,732,551           | -                 | -                   |
| Special revenue funds                      | -                   | 121,888           | 1,720,194           |
| Debt service funds                         | -                   | -                 | -                   |
| Capital projects fund                      | -                   | -                 | -                   |
| <i>Total fund balances</i>                 | <u>6,841,808</u>    | <u>121,888</u>    | <u>1,720,194</u>    |
| <i>Total liabilities and fund balances</i> | <u>\$ 7,446,352</u> | <u>\$ 162,485</u> | <u>\$ 1,729,907</u> |

The accompanying notes are an integral part of these financial statements

| <u>Corrections Fund</u> | <u>Lincoln County<br/>Medical Center</u> | <u>Other<br/>Governmental Funds</u> | <u>Total</u>         |
|-------------------------|--|-------------------------------------|----------------------|
| \$ -                    | \$ 745,615                               | \$ 1,532,292                        | \$ 5,365,637         |
| -                       | 2,050,000                                | 270,050                             | 7,908,297            |
| -                       | 106,845                                  | 1,943                               | 608,428              |
| -                       | -  | 243,004                             | 243,426              |
| 92,490                  | -  | 296,437                             | 442,375              |
| -                       | -  | 20,270                              | 129,527              |
| <u>\$ 92,490</u>        | <u>\$ 2,902,460</u>                      | <u>\$ 2,363,996</u>                 | <u>\$ 14,697,690</u> |
| <br>                    |  |                                     |                      |
| \$ 184,364              | \$ 14,423                                | \$ 130,678                          | \$ 353,557           |
| -                       | -  | 37,503                              | 296,141              |
| -                       | 79,177                                   | 1,736                               | 453,037              |
| <u>184,364</u>          | <u>93,600</u>                            | <u>169,917</u>                      | <u>1,102,735</u>     |
| <br>                    |  |                                     |                      |
| -                       | -  | 20,270                              | 129,527              |
| -                       | -  | -                                   | 6,732,551            |
| (91,874)                | 2,808,860                                | 1,639,603                           | 6,198,671            |
| -                       | -  | 533,655                             | 533,655              |
| -                       | -  | 551                                 | 551                  |
| <u>(91,874)</u>         | <u>2,808,860</u>                         | <u>2,194,079</u>                    | <u>13,594,955</u>    |
| <br>                    |  |                                     |                      |
| <u>\$ 92,490</u>        | <u>\$ 2,902,460</u>                      | <u>\$ 2,363,996</u>                 | <u>\$ 14,697,690</u> |

(This page intentionally left blank)



**STATE OF NEW MEXICO**  
Lincoln County  
Governmental Funds  
Reconciliation of the Balance Sheet to the Statement of Net Assets  
June 30, 2009

Exhibit B-1  
Page 2 of 2

Amounts reported for governmental activities in the Statement of  
Net Assets are different because:

|   |        |                              |
|---|--------|------------------------------|
| Fund balances - total governmental funds  | \$     | 13,594,955                   |
| Capital assets used in governmental activities are not financial resources<br>and, therefore, are not reported in the funds   |        | 34,846,664                   |
| Delinquent property taxes not collected within sixty days after year end<br>are not considered "available" revenues and are considered to be<br>deferred revenue in the fund financial statements, but are considered<br>revenue in the Statement of Activities |        | 453,037                      |
| Certain liabilities, including bonds payable, and current and long-term portions<br>of accrued compensated absences, are not due and payable in the current<br>period and, therefore, are not reported in the funds:  |        |                              |
| Accrued interest payable  |        | (16,611)                     |
| Long-term portion of accrued compensated absences   |        | (8,758)                      |
| Current portion of accrued compensated absences   |        | (155,769)                    |
| Bonds payable   |        | (3,475,000)                  |
| Loans and capital leases  |        | <u>(1,699,566)</u>           |
| <br>Net assets - governmental activities  | <br>\$ | <br><u><u>43,538,952</u></u> |

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Lincoln County  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2009

|  | <u>General Fund</u> | <u>Road Fund</u>  | <u>Fire Funds</u>   |
|--|---------------------|-------------------|---------------------|
| <i>Revenues:</i>   |                     |                   |                     |
| Taxes:   |                     |                   |                     |
| Property   | \$ 7,883,569        | \$ -              | \$ -                |
| Gross receipts   | 80,272              | -                 | -                   |
| Gasoline and motor vehicle taxes                         | -                   | -                 | -                   |
| Other  | 3,768               | -                 | -                   |
| Intergovernmental:                                       |                     |                   |                     |
| Federal operating grants                                 | 73,775              | 690,860           | -                   |
| State operating grants                                   | 1,051               | -                 | 686,381             |
| State capital grants                                     | -                   | -                 | -                   |
| Payment in lieu of taxes                                 | 2,375,919           | -                 | -                   |
| Local sources  | -                   | -                 | -                   |
| Charges for services                                     | 16,911              | -                 | -                   |
| Licenses and fees  | 248,329             | 350,249           | -                   |
| Investment income  | 121,043             | -                 | 34,013              |
| Miscellaneous  | 74,339              | 40,854            | 9,185               |
| <i>Total revenue</i>                                     | <u>10,878,976</u>   | <u>1,081,963</u>  | <u>729,579</u>      |
| <i>Expenditures:</i>                                     |                     |                   |                     |
| Current:   |                     |                   |                     |
| General government                                       | 3,570,737           | -                 | -                   |
| Public safety  | 1,872,376           | -                 | 313,928             |
| Public works   | -                   | 936,190           | -                   |
| Culture and recreation                                   | -                   | -                 | -                   |
| Health and welfare                                       | -                   | -                 | -                   |
| Capital outlay   | -                   | 846,609           | 746,764             |
| Debt service:  |                     |                   |                     |
| Principal  | 20,630              | 107,070           | 181,328             |
| Interest   | -                   | 31,987            | 7,112               |
| <i>Total expenditures</i>                                | <u>5,463,743</u>    | <u>1,921,856</u>  | <u>1,249,132</u>    |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>5,415,233</u>    | <u>(839,893)</u>  | <u>(519,553)</u>    |
| <i>Other financing sources (uses)</i>                    |                     |                   |                     |
| Loan proceeds  | -                   | -                 | 553,048             |
| Proceeds from sale of equipment                          | 23,123              | -                 | 5,681               |
| Transfers in   | 132,731             | 590,648           | -                   |
| Transfers (out)  | (2,999,501)         | -                 | -                   |
| <i>Total other financing sources (uses)</i>              | <u>(2,843,647)</u>  | <u>590,648</u>    | <u>558,729</u>      |
| <i>Special item</i>                                      |                     |                   |                     |
| Debt relief  | 20,630              | -                 | -                   |
| <i>Net change in fund balance</i>                        | 2,592,216           | (249,245)         | 39,176              |
| <i>Fund balance - beginning of year</i>                  | 4,404,385           | 371,133           | 1,681,018           |
| <i>Fund balance - reclassification</i>                   | (154,793)           | -                 | -                   |
| <i>Fund balance - as reclassified</i>                    | <u>4,249,592</u>    | <u>371,133</u>    | <u>1,681,018</u>    |
| <i>Fund balance - end of year</i>                        | <u>\$ 6,841,808</u> | <u>\$ 121,888</u> | <u>\$ 1,720,194</u> |

The accompanying notes are an integral part of these financial statements

| <u>Corrections Fund</u> | <u>Lincoln County<br/>Medical Center</u> | <u>Other<br/>Governmental Funds</u> | <u>Total</u>         |
|-------------------------|--|-------------------------------------|----------------------|
| \$ -                    | \$ 1,754,221                             | \$ 542,940                          | \$ 10,180,730        |
| -                       | -  | 1,489,023                           | 1,569,295            |
| -                       | -  | 177,606                             | 177,606              |
| -                       | -  | 68,184                              | 71,952               |
| -                       | -  | 505,603                             | 1,270,238            |
| 111,664                 | -  | 1,419,469                           | 2,218,565            |
| -                       | -  | 38,736                              | 38,736               |
| -                       | -  | -                                   | 2,375,919            |
| -                       | -  | 147,783                             | 147,783              |
| 525,496                 | 866,666                                  | 195,594                             | 1,604,667            |
| 133,819                 | -  | 130,895                             | 863,292              |
| -                       | 20,780                                   | 10,828                              | 186,664              |
| -                       | -  | 7,610                               | 131,988              |
| <u>770,979</u>          | <u>2,641,667</u>                         | <u>4,734,271</u>                    | <u>20,837,435</u>    |
| -                       | -  | 510,405                             | 4,081,142            |
| 2,584,056               | -  | 685,996                             | 5,456,356            |
| -                       | -  | 218,959                             | 1,155,149            |
| -                       | -  | 128,699                             | 128,699              |
| -                       | 1,083,588                                | 2,660,485                           | 3,744,073            |
| -                       | 1,612,015                                | 734,856                             | 3,940,244            |
| -                       | -  | 95,000                              | 404,028              |
| -                       | -  | 175,055                             | 214,154              |
| <u>2,584,056</u>        | <u>2,695,603</u>                         | <u>5,209,455</u>                    | <u>19,123,845</u>    |
| <u>(1,813,077)</u>      | <u>(53,936)</u>                          | <u>(475,184)</u>                    | <u>1,713,590</u>     |
| -                       | -  | -                                   | 553,048              |
| -                       | 1,557                                    | 4,278                               | 34,639               |
| 1,578,075               | -  | 1,560,813                           | 3,862,267            |
| -                       | -  | (862,766)                           | (3,862,267)          |
| <u>1,578,075</u>        | <u>1,557</u>                             | <u>702,325</u>                      | <u>587,687</u>       |
| -                       | -  | -                                   | 20,630               |
| (235,002)               | (52,379)                                 | 227,141                             | 2,321,907            |
| 143,128                 | 2,861,239                                | 1,966,938                           | 11,427,841           |
| -                       | -  | -                                   | (154,793)            |
| <u>143,128</u>          | <u>2,861,239</u>                         | <u>1,966,938</u>                    | <u>11,273,048</u>    |
| <u>\$ (91,874)</u>      | <u>\$ 2,808,860</u>                      | <u>\$ 2,194,079</u>                 | <u>\$ 13,594,955</u> |

(This page intentionally left blank)

**STATE OF NEW MEXICO**

Lincoln County

Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2009

Exhibit B-2

Page 2 of 2

Amounts reported for governmental activities in the Statement of Activities are different because:

|  |    |           |
|--|----|-----------|
| Net change in fund balances - total governmental funds | \$ | 2,321,907 |
|--|----|-----------|

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:

|                                      |  |             |
|--------------------------------------|--|-------------|
| Capital expenditures                 |  | 3,940,244   |
| Depreciation expense                 |  | (1,901,774) |
| Proceeds from sale of capital assets |  | (34,639)    |
| Loss on disposal of capital assets   |  | (2,820)     |

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds:

|                          |  |        |
|--------------------------|--|--------|
| Change in property taxes |  | 61,296 |
|--------------------------|--|--------|

The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

|  |  |           |
|--|--|-----------|
| Increase in accrued compensated absences       |  | (26,391)  |
| Increase in accrued interest payable           |  | (16,611)  |
| Loan proceeds                                  |  | (553,048) |
| Principal payments on bonds                    |  | 95,000    |
| Principal payments on notes and leases payable |  | 288,398   |
| Debt relief                                    |  | 20,630    |
|  |  | 20,630    |

|   |    |           |
|---|----|-----------|
| Change in net assets of governmental activities | \$ | 4,192,192 |
|---|----|-----------|

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank)

## STATE OF NEW MEXICO

Exhibit C-1

Lincoln 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              | Variances                                     |
|---|--------------------|--------------------|---------------------|---|
|   | Original           | Final              |                     | (Unfavorable)<br>Favorable<br>Final to Actual |
| <i>Revenues:</i>  |                    |                    |                     |   |
| Taxes   |                    |                    |                     |   |
| Property  | \$ 7,146,907       | \$ 7,146,907       | \$ 7,865,980        | \$ 719,073                                    |
| Gross receipts  | 100,000            | 80,272             | 80,272              | -   |
| Gasoline and motor vehicle  | -                  | -                  | -                   | -   |
| Other   | 2,700              | 2,700              | 3,346               | 646   |
| Intergovernmental income:   |                    |                    |                     |   |
| Federal operating grants  | -                  | 71,155             | 83,662              | 12,507  |
| Federal capital grants  | -                  | -                  | -                   | -   |
| State operating grants  | -                  | -                  | -                   | -   |
| State capital grants  | -                  | -                  | -                   | -   |
| Payment in lieu of taxes  | 1,048,754          | 1,325,193          | 2,375,919           | 1,050,726                                     |
| Local sources   | -                  | -                  | -                   | -   |
| Charges for services  | -                  | 20,750             | 17,115              | (3,635)                                       |
| Licenses and fees   | 227,672            | 241,222            | 242,181             | 959   |
| Fines, forfeitures and penalties  | -                  | -                  | -                   | -   |
| Investment income   | -                  | 140,000            | 121,043             | (18,957)                                      |
| Miscellaneous   | 241,528            | 209,000            | 76,544              | (132,456)                                     |
| <i>Total revenues</i>   | <u>8,767,561</u>   | <u>9,237,199</u>   | <u>10,866,062</u>   | <u>1,628,863</u>                              |
| <i>Expenditures:</i>  |                    |                    |                     |   |
| Current:  |                    |                    |                     |   |
| General government  | 3,592,180          | 4,031,330          | 3,542,955           | 488,375                                       |
| Public safety   | 2,101,068          | 2,188,399          | 1,829,907           | 358,492                                       |
| Public Works  | -                  | -                  | -                   | -   |
| Culture and recreation  | -                  | -                  | -                   | -   |
| Health and welfare  | -                  | -                  | -                   | -   |
| Capital outlay  | 5,646              | 5,646              | 2,338               | 3,308   |
| Debt Service:   |                    |                    |                     |   |
| Principal   | 10,000             | 10,000             | 20,630              | (10,630)                                      |
| Interest  | -                  | -                  | -                   | -   |
| <i>Total expenditures</i>   | <u>5,708,894</u>   | <u>6,235,375</u>   | <u>5,395,830</u>    | <u>839,545</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i>                                      | <u>3,058,667</u>   | <u>3,001,824</u>   | <u>5,470,232</u>    | <u>2,468,408</u>                              |
| <i>Other financing sources (uses)</i>   |                    |                    |                     |   |
| Designated cash   | 1,237,138          | 1,591,325          | -                   | (1,591,325)                                   |
| Proceeds from sale of equipment   | -                  | 20,782             | 23,123              | 2,341   |
| Transfers in  | 110,802            | 260,231            | 132,731             | (127,500)                                     |
| Transfers (out)   | (4,406,607)        | (4,874,162)        | (2,999,501)         | 1,874,661                                     |
| <i>Total other financing sources (uses)</i>   | <u>(3,058,667)</u> | <u>(3,001,824)</u> | <u>(2,843,647)</u>  | <u>158,177</u>                                |
| <i>Special item</i>   |                    |                    |                     |   |
| Debt relief   | -                  | -                  | 20,630              | 20,630  |
| <i>Net change in fund balance</i>   | -                  | -                  | 2,647,215           | 2,647,215                                     |
| <i>Fund balance - beginning of year</i>   | -                  | -                  | 4,322,651           | 4,322,651                                     |
| <i>Fund balance - reclassification</i>  | -                  | -                  | (154,793)           | (154,793)                                     |
| <i>Fund balance - as reclassified</i>   | -                  | -                  | 4,167,858           | 4,167,858                                     |
| <i>Fund balance - end of year</i>   | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ 6,815,073</u> | <u>\$ 6,815,073</u>                           |
| Net change in fund balance (non-GAAP budgetary basis)   |                    |                    |                     | \$ 2,647,215                                  |
| Adjustments to revenues for property tax and grant revenues                                   |                    |                    |                     | 12,914  |
| Adjustments to expenditures for insurance, materials, other charges, and payroll expenditures |                    |                    |                     | (67,913)                                      |
| Net change in fund balance (GAAP)   |                    |                    |                     | <u>\$ 2,592,216</u>                           |

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Lincoln County  
 Road Fund Special Revenue 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            | Variances                                     |
|--|--------------------|--------------------|-------------------|---|
|  | Original           | Final              |                   | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                    |                    |                   |   |
| Taxes  |                    |                    |                   |   |
| Property   | \$ -               | \$ -               | \$ -              | \$ -  |
| Gross receipts   | -                  | -                  | -                 | -   |
| Gasoline and motor vehicle   | -                  | -                  | -                 | -   |
| Other  | -                  | -                  | -                 | -   |
| Intergovernmental income:  |                    |                    |                   |   |
| Federal operating grants   | 149,747            | 646,957            | 690,860           | 43,903  |
| Federal capital grants   | -                  | -                  | -                 | -   |
| State operating grants   | 100,770            | 100,770            | -                 | (100,770)                                     |
| State capital grants   | 167,081            | 167,081            | -                 | (167,081)                                     |
| Payment in lieu of taxes   | -                  | -                  | -                 | -   |
| Local sources  | -                  | -                  | -                 | -   |
| Charges for services   | -                  | -                  | -                 | -   |
| Licenses and fees  | 354,000            | 354,000            | 348,136           | (5,864)                                       |
| Fines, forfeitures and penalties   | -                  | -                  | -                 | -   |
| Investment income  | -                  | -                  | -                 | -   |
| Miscellaneous  | -                  | -                  | 40,854            | 40,854  |
| <i>Total revenues</i>  | <u>771,598</u>     | <u>1,268,808</u>   | <u>1,079,850</u>  | <u>(188,958)</u>                              |
| <i>Expenditures:</i>   |                    |                    |                   |   |
| Current:   |                    |                    |                   |   |
| General government   | -                  | -                  | -                 | -   |
| Public safety  | -                  | -                  | -                 | -   |
| Public Works   | 1,276,569          | 1,345,548          | 955,562           | 389,986                                       |
| Culture and recreation   | -                  | -                  | -                 | -   |
| Health and welfare   | -                  | -                  | -                 | -   |
| Capital outlay   | 1,148,154          | 1,418,154          | 809,994           | 608,160                                       |
| Debt Service:  |                    |                    |                   |   |
| Principal  | 138,036            | 139,057            | 107,070           | 31,987  |
| Interest   | -                  | -                  | 31,987            | (31,987)                                      |
| <i>Total expenditures</i>  | <u>2,562,759</u>   | <u>2,902,759</u>   | <u>1,904,613</u>  | <u>998,146</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i>                           | <u>(1,791,161)</u> | <u>(1,633,951)</u> | <u>(824,763)</u>  | <u>809,188</u>                                |
| <i>Other financing sources (uses)</i>  |                    |                    |                   |   |
| Designated cash  | 43,547             | 15,213             | -                 | (15,213)                                      |
| Transfers in   | 1,747,614          | 1,618,738          | 590,648           | (1,028,090)                                   |
| Transfers (out)  | -                  | -                  | -                 | -   |
| <i>Total other financing sources (uses)</i>  | <u>1,791,161</u>   | <u>1,633,951</u>   | <u>590,648</u>    | <u>(1,043,303)</u>                            |
| <i>Net change in fund balance</i>  | -                  | -                  | (234,115)         | (234,115)                                     |
| <i>Fund balance - beginning of year</i>  | -                  | -                  | 365,112           | 365,112                                       |
| <i>Fund balance - end of year</i>  | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ 130,997</u> | <u>\$ 130,997</u>                             |
| Net change in fund balance (non-GAAP budgetary basis)                              |                    |                    |                   | \$ (234,115)                                  |
| Adjustments to revenues for licenses and fees                                      |                    |                    |                   | 2,113   |
| Adjustments to expenditures for materials, other charges, and payroll expenditures |                    |                    |                   | (17,243)                                      |
| Net change in fund balance (GAAP)  |                    |                    |                   | <u>\$ (249,245)</u>                           |

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Lincoln County  
 Fire Funds Special Revenue 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              | Variances                                     |
|--|--------------------|--------------------|---------------------|---|
|  | Original           | Final              |                     | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                    |                    |                     |   |
| Taxes  |                    |                    |                     |   |
| Property   | \$ -               | \$ -               | \$ -                | \$ -  |
| Gross receipts   | -                  | -                  | -                   | -   |
| Gasoline and motor vehicle   | -                  | -                  | -                   | -   |
| Other  | -                  | -                  | -                   | -   |
| Intergovernmental income:  |                    |                    |                     |   |
| Federal operating grants   | -                  | -                  | -                   | -   |
| Federal capital grants   | -                  | -                  | -                   | -   |
| State operating grants   | 563,251            | 722,803            | 686,381             | (36,422)                                      |
| State capital grants   | -                  | -                  | -                   | -   |
| Payment in lieu of taxes   | -                  | -                  | -                   | -   |
| Local sources  | -                  | -                  | -                   | -   |
| Charges for services   | -                  | -                  | -                   | -   |
| Licenses and fees  | -                  | -                  | -                   | -   |
| Fines, forfeitures and penalties   | -                  | -                  | -                   | -   |
| Investment income  | -                  | 29,250             | 34,013              | 4,763   |
| Miscellaneous  | 573,050            | -                  | 9,275               | 9,275   |
| <i>Total revenues</i>  | <u>1,136,301</u>   | <u>752,053</u>     | <u>729,669</u>      | <u>(22,384)</u>                               |
| <i>Expenditures:</i>   |                    |                    |                     |   |
| Current:   |                    |                    |                     |   |
| General government   | -                  | -                  | -                   | -   |
| Public safety  | 705,886            | 693,916            | 304,762             | 389,154                                       |
| Public Works   | -                  | -                  | -                   | -   |
| Culture and recreation   | -                  | -                  | -                   | -   |
| Health and welfare   | -                  | -                  | -                   | -   |
| Capital outlay   | 1,824,968          | 2,019,489          | 759,435             | 1,260,054                                     |
| Debt Service:  |                    |                    |                     |   |
| Principal  | 157,978            | 190,691            | 181,328             | 9,363   |
| Interest   | -                  | -                  | 7,112               | (7,112)                                       |
| <i>Total expenditures</i>  | <u>2,688,832</u>   | <u>2,904,096</u>   | <u>1,252,637</u>    | <u>1,651,459</u>                              |
| <i>Excess (deficiency) of revenues over expenditures</i>                       | <u>(1,552,531)</u> | <u>(2,152,043)</u> | <u>(522,968)</u>    | <u>1,629,075</u>                              |
| <i>Other financing sources (uses)</i>  |                    |                    |                     |   |
| Designated cash  | 1,552,531          | 1,432,939          | -                   | (1,432,939)                                   |
| Loan proceeds  | -                  | 713,248            | 553,048             | (160,200)                                     |
| Proceeds from sale of equipment  | -                  | 5,856              | 5,681               | (175)   |
| Transfers in   | -                  | -                  | -                   | -   |
| Transfers (out)  | -                  | -                  | -                   | -   |
| <i>Total other financing sources (uses)</i>                                    | <u>1,552,531</u>   | <u>2,152,043</u>   | <u>558,729</u>      | <u>(1,593,314)</u>                            |
| <i>Net change in fund balance</i>  | -                  | -                  | 35,761              | 35,761  |
| <i>Fund balance - beginning of year</i>  | -                  | -                  | 1,694,146           | 1,694,146                                     |
| <i>Fund balance - end of year</i>  | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ 1,729,907</u> | <u>\$ 1,729,907</u>                           |
| Net change in fund balance (non-GAAP budgetary basis)                          |                    |                    |                     | \$ 35,761                                     |
| Adjustments to revenues for miscellaneous revenue recognized in the prior year |                    |                    |                     | (90)  |
| Adjustments to expenditures for materials and other charges                    |                    |                    |                     | 3,505   |
| Net change in fund balance (GAAP)  |                    |                    |                     | <u>\$ 39,176</u>                              |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Exhibit C-4

Lincoln County

Corrections Fund Special Revenue 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             | Variations                                    |
|---|--------------------|--------------------|--------------------|---|
|   | Original           | Final              |                    | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>  |                    |                    |                    |   |
| Taxes   |                    |                    |                    |   |
| Property  | \$ -               | \$ -               | \$ -               | \$ -  |
| Gross receipts  | -                  | -                  | -                  | -   |
| Gasoline and motor vehicle                                  | -                  | -                  | -                  | -   |
| Other   | -                  | -                  | -                  | -   |
| Intergovernmental income:                                   |                    |                    |                    |   |
| Federal operating grants                                    | -                  | -                  | -                  | -   |
| Federal capital grants                                      | -                  | -                  | -                  | -   |
| State operating grants                                      | 128,215            | 128,215            | 111,664            | (16,551)                                      |
| State capital grants  | -                  | -                  | -                  | -   |
| Payment in lieu of taxes                                    | -                  | -                  | -                  | -   |
| Local sources   | -                  | -                  | -                  | -   |
| Charges for services  | 894,444            | 894,444            | 512,678            | (381,766)                                     |
| Licenses and fees   | 104,000            | 104,000            | 133,819            | 29,819  |
| Fines, forfeitures and penalties                            | -                  | -                  | -                  | -   |
| Investment income   | -                  | -                  | -                  | -   |
| Miscellaneous   | -                  | -                  | -                  | -   |
| <i>Total revenues</i>                                       | <u>1,126,659</u>   | <u>1,126,659</u>   | <u>758,161</u>     | <u>(368,498)</u>                              |
| <i>Expenditures:</i>  |                    |                    |                    |   |
| Current:  |                    |                    |                    |   |
| General government  | -                  | -                  | -                  | -   |
| Public safety   | 2,762,600          | 2,817,600          | 2,597,901          | 219,699                                       |
| Public Works  | -                  | -                  | -                  | -   |
| Culture and recreation                                      | -                  | -                  | -                  | -   |
| Health and welfare  | -                  | -                  | -                  | -   |
| Capital outlay  | 2,000              | 2,000              | -                  | 2,000   |
| Debt Service:   |                    |                    |                    |   |
| Principal   | -                  | -                  | -                  | -   |
| Interest  | -                  | -                  | -                  | -   |
| <i>Total expenditures</i>                                   | <u>2,764,600</u>   | <u>2,819,600</u>   | <u>2,597,901</u>   | <u>221,699</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i>    | <u>(1,637,941)</u> | <u>(1,692,941)</u> | <u>(1,839,740)</u> | <u>(146,799)</u>                              |
| <i>Other financing sources (uses)</i>                       |                    |                    |                    |   |
| Designated cash   | 261,665            | 72,484             | -                  | (72,484)                                      |
| Transfers in  | 1,376,276          | 1,620,457          | 1,578,075          | (42,382)                                      |
| Transfers (out)   | -                  | -                  | -                  | -   |
| <i>Total other financing sources (uses)</i>                 | <u>1,637,941</u>   | <u>1,692,941</u>   | <u>1,578,075</u>   | <u>(114,866)</u>                              |
| <i>Net change in fund balance</i>                           | -                  | -                  | (261,665)          | (261,665)                                     |
| <i>Fund balance - beginning of year</i>                     | -                  | -                  | 261,665            | 261,665                                       |
| <i>Fund balance - end of year</i>                           | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ -</u>                                   |
| Net change in fund balance (non-GAAP budgetary basis)       |                    |                    |                    | \$ (261,665)                                  |
| Adjustments to revenues for charges for services            |                    |                    |                    | 12,818  |
| Adjustments to expenditures for materials and other charges |                    |                    |                    | 13,845  |
| Net change in fund balance (GAAP)                           |                    |                    |                    | <u>\$ (235,002)</u>                           |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Exhibit C-5

Lincoln County

Lincoln County Medical Center Special Revenue 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              | Variations                                    |
|--|--------------------|--------------------|---------------------|---|
|  | Original           | Final              |                     | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                    |                    |                     |   |
| Taxes  |                    |                    |                     |   |
| Property   | \$ 1,688,410       | \$ 1,688,410       | \$ 1,747,588        | \$ 59,178                                     |
| Gross receipts   | -                  | -                  | -                   | -   |
| Gasoline and motor vehicle   | -                  | -                  | -                   | -   |
| Other  | -                  | -                  | -                   | -   |
| Intergovernmental income:  |                    |                    |                     |   |
| Federal operating grants   | -                  | -                  | -                   | -   |
| Federal capital grants   | -                  | -                  | -                   | -   |
| State operating grants   | -                  | -                  | -                   | -   |
| State capital grants   | -                  | -                  | -                   | -   |
| Payment in lieu of taxes   | -                  | -                  | -                   | -   |
| Local sources  | -                  | -                  | -                   | -   |
| Charges for services   | 800,000            | 800,000            | 933,333             | 133,333                                       |
| Licenses and fees  | -                  | -                  | -                   | -   |
| Fines, forfeitures and penalties   | -                  | -                  | -                   | -   |
| Investment income  | 85,000             | 85,000             | 20,780              | (64,220)                                      |
| Miscellaneous  | -                  | -                  | -                   | -   |
| <i>Total revenues</i>  | <u>2,573,410</u>   | <u>2,573,410</u>   | <u>2,701,701</u>    | <u>128,291</u>                                |
| <i>Expenditures:</i>   |                    |                    |                     |   |
| Current:   |                    |                    |                     |   |
| General government   | -                  | -                  | -                   | -   |
| Public safety  | -                  | -                  | -                   | -   |
| Public Works   | -                  | -                  | -                   | -   |
| Culture and recreation   | -                  | -                  | -                   | -   |
| Health and welfare   | 880,685            | 1,188,293          | 1,083,588           | 104,705                                       |
| Capital outlay   | 3,794,653          | 4,282,911          | 2,251,867           | 2,031,044                                     |
| Debt Service:  |                    |                    |                     |   |
| Principal  | -                  | -                  | -                   | -   |
| Interest   | -                  | -                  | -                   | -   |
| <i>Total expenditures</i>  | <u>4,675,338</u>   | <u>5,471,204</u>   | <u>3,335,455</u>    | <u>2,135,749</u>                              |
| <i>Excess (deficiency) of revenues over expenditures</i>   | <u>(2,101,928)</u> | <u>(2,897,794)</u> | <u>(633,754)</u>    | <u>2,264,040</u>                              |
| <i>Other financing sources (uses)</i>  |                    |                    |                     |   |
| Designated cash  | 2,101,928          | 2,895,854          | -                   | (2,895,854)                                   |
| Proceeds from sale of equipment  | -                  | 1,940              | 1,557               | (383)   |
| Transfers in   | -                  | -                  | -                   | -   |
| Transfers (out)  | -                  | -                  | -                   | -   |
| <i>Total other financing sources (uses)</i>  | <u>2,101,928</u>   | <u>2,897,794</u>   | <u>1,557</u>        | <u>(2,896,237)</u>                            |
| <i>Net change in fund balance</i>  | -                  | -                  | (632,197)           | (632,197)                                     |
| <i>Fund balance - beginning of year</i>  | -                  | -                  | 3,427,812           | 3,427,812                                     |
| <i>Fund balance - end of year</i>  | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ 2,795,615</u> | <u>\$ 2,795,615</u>                           |
| Net change in fund balance (non-GAAP budgetary basis)  |                    |                    |                     | \$ (632,197)                                  |
| Adjustments to revenues for property taxes and charges for services recognized in the prior year |                    |                    |                     | (60,034)                                      |
| Adjustments to expenditures for capital outlay expenses recognized in the prior year             |                    |                    |                     | 639,852                                       |
| Net change in fund balance (GAAP)  |                    |                    |                     | <u>\$ (52,379)</u>                            |

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
Lincoln County  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
June 30, 2009

Exhibit D-1

|                              |                          |
|------------------------------|--------------------------|
| <i>Assets</i>                |                          |
| Cash                         | \$ 216,988               |
| Investments                  | 9,670                    |
| Taxes receivable             | 729,612                  |
| Accounts receivable          | <u>145</u>               |
| <i>Total assets</i>          | <u><u>\$ 956,415</u></u> |
| <br><i>Liabilities</i>       |                          |
| Deposits held in trust       | \$ 226,658               |
| Due to other taxing entities | <u>729,757</u>           |
| <i>Total liabilities</i>     | <u><u>\$ 956,415</u></u> |

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 1. Summary of Significant Accounting Policies**

Lincoln County is a political sub-division of the State of New Mexico established under the provisions of Section 14-14-1 of NMSA, 1978 compilation and regulated by the constitution of the State of New Mexico. The County operates under a Board of County Commissions-manager form of government and provides the following services as authorized by public law: public safety (sheriff, fire, emergency medical, etc.), roads, health and social services, recreation, sanitation, planning and zoning, property assessment, tax collection and general administrative services.

Lincoln County is a body politic and corporate under the name and form of government selected by its qualified electors. The County may:

1. Sue or be sued;
2. Enter into contracts and leases;
3. Acquire and hold property, both real and personal;
4. Have common seal, which may be altered at pleasure;
5. Exercise such other privileges that are incident to corporations of like character or degree that are not inconsistent with the laws of New Mexico.
6. Protect generally the property of its county and its inhabitants;
7. Preserve peace and order within the county; and
8. Establish rates for services provided by the County utilities and revenue-producing projects, including amounts which the governing body determines to be reasonable in the operation of similar facilities.

This summary of significant accounting policies of Lincoln County is presented to assist in the understanding of Lincoln County's financial statements. The financial statements and notes are the representation of Lincoln 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. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statements, subject to the same limitation. The County has elected not to follow subsequent private-sector guidance. The more significant of the County's accounting policies are described below.

*A. Financial 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 No. 14 and No. 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.

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*A. Financial Reporting Entity (continued)*

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. Based upon the application of these criteria, the County does not have any component units required to be reported under GASB Statements No. 14 and No. 39.

*B. 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 does not have any *business-type activities*.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

In the government-wide Statement of Net Assets, the governmental activities column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis, which recognized all long-term assets and receivables as well as long-term debt obligations. The County's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. 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, and financial statement presentation*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. 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 levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements of time, reimbursement and contingencies imposed by the provider are met.

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*C. Measurement focus, basis of accounting, and financial statement presentation (continued)*

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. 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. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the County's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the County's general revenues. Program revenues are categorized as (a) charges for services, which include revenues collected for fees and use of County facilities, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as small cities assistance to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

The County reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The County does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

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.



**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*C. Measurement focus, basis of accounting, and financial statement presentation (continued)*

Under the requirements of GASB No. 34, the County is required to present certain of its governmental funds as major based upon certain criteria. The major funds presented in the fund financial statements include the following, which includes funds that were not required to be presented as major but were at the discretion of management:

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 *Road Special Revenue Fund* is used to maintain roads for which the County has responsibility. Financing sources include gasoline taxes, motor vehicle registration fees and New Mexico Department of Transportation cooperative agreement funds. Expenditures are restricted for construction and maintenance of county roads. The fund was created by authority of state statutes section 67-3-1 NMSA, 1978.

The *Fire Special Revenue Fund* is used to account for revenues and expenditures of fire protection funds for the communities of Bonita, Hondo, Fort Stanton, Lincoln, Nogal, Glencoe-Palo Verde, White Oaks, and Arabela. Funding is provided by allotments from the New Mexico State Fire Marshall's Office. The funds were created under the authority of state statute (see Section 59A-93-5-8 and 59A-53-5, NMSA 1978 Compilation).

The *Corrections Special Revenue Fund* is used to account for the penalty assessments added to each traffic fine in the Magistrate Courts. Expenditures are limited to use in the detention facility improvements. (Authorization is Lincoln County Commission)

The *Lincoln County Medical Center Special Revenue Fund* is used to account for the operations, maintenance and capital purchases of the Lincoln County Medical Center. Financing is provided primarily by a special property tax levy authorized by the county commission.

Additionally, the government reports the following agency fund:

*Fiduciary funds* are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The County's fiduciary funds are used to account for the collection and payment of property taxes and special fees to other governmental agencies. The agency fund is used to account for collection and disbursement of inmate funds for the Lincoln County Detention Center. In addition, the agency fund will track and account for items held for the fire departments located within Lincoln County.

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 and other charges between the government's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*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 three 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 funds and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, delinquent property taxes are recorded as revenue when levied net of estimated refunds and uncollectable amounts.

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<sup>th</sup> are considered delinquent. The taxes attach as an enforceable lien on property as of January 1st.

**Prepaid Expenses:** Prepaid expenses include insurance and contract 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.

**Restricted Assets:** Restricted assets consist of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended.

**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 activities columns 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 (amount not rounded) 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. Lincoln County was a phase II government for purposes of implementing GASB 34. Therefore, the County was required to report its major general infrastructure assets retroactively to June 30, 1980. The County has made the required restatement for infrastructure assets retroactive to June 30, 1980, in order to properly implement GASB 34. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

**STATE OF NEW MEXICO**  
 Lincoln County  
 Notes to the Financial Statements  
 June 30, 2009

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*D. Assets, Liabilities and Net Assets or Fund Equity (continued)*

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 are depreciated using the straight line method over the following estimated useful lives:

| <u>Assets</u>              | <u>Years</u> |
|----------------------------|--------------|
| Buildings and improvements | 45           |
| Equipment                  | 5-20         |
| Infrastructure             | 40           |
| Other Improvements         | 20           |

**Accrued Expenses:** Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2009, along with applicable PERA, FICA, and Medicare payable.

**Deferred Revenues:** There are two types of deferred revenue. Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for deferred revenue (commonly referred to as unearned revenue). The other type of deferred revenue is “unavailable revenue.” Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. It must also be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred revenue.

**Compensated Absences:** Qualified employees are entitled to accumulate annual leave according to a graduated leave schedule of seven days to fifteen days per year, depending on length of service. No more than twenty (20) working days, or one hundred sixty (160) hours of annual leave, may be carried forward from one calendar year to the next. All excess annual leave shall be forfeited, if not used, unless extenuating circumstances warrant approval of an extension by the Board of County Commissioners of Lincoln County.

Qualified employees are entitled to accumulate sick leave at a rate of twelve days per year. Sick leave can be carried over from year to year up to 960 hours (120 days). Upon termination employees receive no pay for sick time accumulated unless they become eligible. Employees eligible for retirement will be reimbursed for fifty percent (50%) of the accumulated sick leave time if a person has been an employee of Lincoln County for a minimum of fifteen (15) consecutive years prior to retirement. In no case shall reimbursed sick leave exceed 240 hours.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net assets.

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*D. Assets, Liabilities and Net Assets or Fund Equity (continued)*

**Long-term Obligations:** In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net assets. For bonds issued after GASB 34 was implemented, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. For fund financial reporting, bond premiums, discounts as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as an other financing source, net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**Fund Equity:** In the fund financial statements, governmental funds report reservation of fund balances that are not available for appropriations 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.

Equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt:  
Net assets invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Assets:  
Consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted Net Assets:  
All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

**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.

**STATE OF NEW MEXICO**  
 Lincoln County  
 Notes to the Financial Statements  
 June 30, 2009

**NOTE 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 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 County Commissioners and the Department of Finance and Administration. A separate budget is prepared for each fund except for the 1<sup>st</sup> 1/8 Gross Receipts Tax Reserve Debt Service Fund. Line items within each budget may be over-expended; however, it is not legally permissible to over-expend any budget in total at the fund level.

These budgets are prepared on the Non-GAAP cash budgetary basis. Budgetary basis expenditures exclude encumbrances. The budget secures 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 properly amended by County Commissioners in accordance with the above procedures. These amendments resulted in the following changes:

|  | Excess (deficiency) of<br>revenues over expenditures |                |
|--|--|----------------|
|  | Original   | Final          |
|  | <u>Budet</u>   | <u>Budget</u>  |
| Budgeted Funds:                                    |  |                |
| General Fund                                       | \$ 3,058,667   | \$ 3,001,824   |
| Road Special Revenue Fund                          | \$ (1,791,161)                                       | \$ (1,633,951) |
| Fire Special Revenue Fund                          | \$ (1,552,531)                                       | \$ (2,152,043) |
| Corrections Special Revenue Fund                   | \$ (1,637,941)                                       | \$ (1,692,941) |
| Lincoln County Medical Center Special Revenue Fund | \$ (2,101,928)                                       | \$ (2,897,794) |
| Other Governmental Funds                           | \$ (3,381,187)                                       | \$ (1,442,095) |

The accompanying Statements of Revenue, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2009 is presented. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 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 collateralized as required by statute.

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 government's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk, other than following state statutes as set forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2009, \$10,991,632 of the County's bank balance of \$12,994,791 was exposed to custodial credit risk. Although the \$10,991,632 was uninsured, it was collateralized by collateral held by the pledging bank's trust department, not in the County's name.

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 3. Deposits and Investments (continued)**

|  | <u>City Bank</u>          | <u>Compass Bank</u>  | <u>First Federal Bank</u> | <u>First National Bank</u>  |
|--|---------------------------|----------------------|---------------------------|-----------------------------|
| Amount of deposits   | \$ 1,177,354              | \$ 2,449,591         | \$ 500,000                | \$ 4,310,017                |
| FDIC coverage  | <u>(250,000)</u>          | <u>(250,000)</u>     | <u>(250,000)</u>          | <u>(250,000)</u>            |
| Total uninsured public funds   | <u>927,354</u>            | <u>2,199,591</u>     | <u>250,000</u>            | <u>4,060,017</u>            |
| Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name | 927,354                   | 2,199,591            | 250,000                   | 4,060,017                   |
| Uninsured and uncollateralized   | <u>\$ -</u>               | <u>\$ -</u>          | <u>\$ -</u>               | <u>\$ -</u>                 |
| Collateral requirement (50%)   | \$ 463,677                | \$ 1,099,796         | \$ 125,000                | \$ 2,030,009                |
| Pledged securities   | 950,000                   | 2,407,776            | 333,275                   | 6,951,876                   |
| Over (under) collateralized  | <u>\$ 486,323</u>         | <u>\$ 1,307,981</u>  | <u>\$ 208,275</u>         | <u>\$ 4,921,868</u>         |
|  | <u>First Savings Bank</u> | <u>LPL Financial</u> | <u>Pioneer Bank</u>       | <u>Southwest Securities</u> |
| Amount of deposits   | \$ 995,000                | \$ 8,159             | \$ 1,250,000              | \$ 245,000                  |
| FDIC coverage  | <u>(250,000)</u>          | <u>(8,159)</u>       | <u>(250,000)</u>          | <u>(245,000)</u>            |
| Total uninsured public funds   | <u>745,000</u>            | <u>-</u>             | <u>1,000,000</u>          | <u>-</u>                    |
| Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name | 745,000                   | -                    | 1,000,000                 | -                           |
| Uninsured and uncollateralized   | <u>\$ -</u>               | <u>\$ -</u>          | <u>\$ -</u>               | <u>\$ -</u>                 |
| Collateral requirement (50%)   | \$ 372,500                | \$ -                 | \$ 500,000                | \$ -                        |
| Pledged securities   | 849,111                   | -                    | 1,223,490                 | -                           |
| Over (under) collateralized  | <u>\$ 476,611</u>         | <u>\$ -</u>          | <u>\$ 723,490</u>         | <u>\$ -</u>                 |
|  | <u>Wells Fargo Bank</u>   | <u>Total</u>         |                           |                             |
| Amount of deposits   | \$ 2,059,670              | \$ 12,994,791        |                           |                             |
| FDIC coverage  | <u>(250,000)</u>          | <u>(2,003,159)</u>   |                           |                             |
| Total uninsured public funds   | <u>1,809,670</u>          | <u>10,991,632</u>    |                           |                             |
| Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name | 1,809,670                 | 10,991,632           |                           |                             |
| Uninsured and uncollateralized   | <u>\$ -</u>               | <u>\$ -</u>          |                           |                             |
| Collateral requirement (50%)   | \$ 904,835                | \$ 5,495,816         |                           |                             |
| Pledged securities   | 1,998,875                 | 14,714,403           |                           |                             |
| Over (under) collateralized  | <u>\$ 1,094,040</u>       | <u>\$ 9,218,587</u>  |                           |                             |

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 3. Deposits and Investments (continued)**

The collateral pledged is listed on Schedule I of this report. The types of collateral 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.

**Investments**

Credit Risk

As of June 30, 2009, the County's investment in the State Treasurer Local Government Investment Pool was rated as AAAM by Standard & Poor's.

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 I 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.

As of June 30, 2009, the County had the following investments and maturities:

| <u>Investment Type</u>       | <u>Weighted<br/>Average<br/>Maturities</u> | <u>Fair Value</u> | <u>Rating</u> |
|------------------------------|--|-------------------|---------------|
| New MexiGROW LGIP            | 43-days                                    | \$ 148,656        | AAAm          |
| U.S. Treasury MM Mutual Fund | <1 year                                    | 837,779           | AAA           |
|                              |  | <u>\$ 986,435</u> |               |

The investments are listed on Schedule II of this report. The types of investment, interest rate, maturity date and fair value per security are included in the schedule.

*Interest Rate Risk – Investments.* 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.

*Concentration of Credit Risk – Investments.* For an investment, concentration credit risk is when any one issuer is 5% or more of the investment portfolio of the County. The investments in the New MexiGROW LGIP and U.S Treasury Money Market Mutual Funds represent 15.1% and 84.9%, respectively, of the investment portfolio. Since the County only purchase investments with the highest credit rating, the additional concentration is not viewed to be an additional risk by the County. The County's policy related to concentration credit risk is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

The County utilizes pooled accounts for their funds. The General, Special Revenue, Capital Projects, and Agency Funds are all in multiple accounts. Separate accounts also exist for Sheriff's Office confiscation related funds.



**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 3. Deposits and Investments** (continued)

**Reconciliation of Cash and Cash Equivalents**

Primary Government

Reconciliation to the Statement of Net Assets

|  |                                 |
|--|---------------------------------|
| Cash and cash equivalents per Exhibit A-1                                  | \$ 4,797,908                    |
| Restricted cash and cash equivalents per Exhibit A-1                       | 567,729                         |
| Cash - Statement of Fiduciary Assets and Liabilities per Exhibit D-1       | 216,988                         |
| Investment - Statement of Fiduciary Assets and Liabilities per Exhibit D-1 | 9,670                           |
| Investments per Exhibit A-1  | <u>7,908,297</u>                |
| <br>Total cash, cash equivalents, and investments                          | <br>13,500,592                  |
| <br>Add: agency cash   | <br>154,793                     |
| Add: outstanding checks  | 330,558                         |
| Less: deposits in transit  | (1,562)                         |
| Less: investments held in NM State Treasurer's LGIP                        | (148,656)                       |
| Less: investments in U.S. Treasury MM mutual fund                          | (567,729)                       |
| Less: investments in LPL Financial US Treasury                             | (270,050)                       |
| Less: petty cash   | <u>(3,155)</u>                  |
| <br>Bank balance of deposits   | <br><u><u>\$ 12,994,791</u></u> |

**NOTE 4. Receivables**

Receivables as of June 30, 2009, are as follows:

|                        | General<br>Fund              | Road<br>Fund                | Corrections<br>Fund         | Lincoln<br>County Medical<br>Center | Other<br>Governmental<br>Funds | Total                          |
|------------------------|------------------------------|-----------------------------|-----------------------------|-------------------------------------|--------------------------------|--------------------------------|
| Property taxes         | \$ 499,640                   | \$ -                        | \$ -                        | \$ 106,845                          | \$ 1,943                       | \$ 608,428                     |
| Other taxes:           |                              |                             |                             |                                     |                                |                                |
| Gross receipts taxes   | -                            | -                           | -                           | -                                   | 220,629                        | 220,629                        |
| Gasoline and oil taxes | -                            | -                           | -                           | -                                   | 13,753                         | 13,753                         |
| Other taxes            | 422                          | -                           | -                           | -                                   | 8,622                          | 9,044                          |
| Other receivables:     |                              |                             |                             |                                     |                                |                                |
| Licenses and fees      | 12,773                       | 31,488                      | -                           | -                                   | -                              | 44,261                         |
| Local sources          | -                            | -                           | -                           | -                                   | 9,999                          | 9,999                          |
| Intergovernmental:     |                              |                             |                             |                                     |                                |                                |
| State                  | 3,976                        | -                           | 92,490                      | -                                   | 241,916                        | 338,382                        |
| Federal                | 5,211                        | -                           | -                           | -                                   | 44,522                         | 49,733                         |
| <br>Totals             | <br><u><u>\$ 522,022</u></u> | <br><u><u>\$ 31,488</u></u> | <br><u><u>\$ 92,490</u></u> | <br><u><u>\$ 106,845</u></u>        | <br><u><u>\$ 541,384</u></u>   | <br><u><u>\$ 1,294,229</u></u> |

In accordance with GASB No. 33, property tax revenues in the amount of \$453,037 that were not collected within the period of availability have been reclassified as deferred revenue in the governmental fund financial statements. All of the above receivables are deemed to be fully collectible.

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 5. Interfund Receivables, Payables, and Transfers**

Net operating transfers, made to close out funds and to supplement other funding sources in the normal course of operations, were as follows:

| <b>Transfers Out</b>                           | <b>Transfers In</b>                            | <b>Amount</b>       |
|--|--|---------------------|
| <b>Primary Government</b>                      |  |                     |
| General Fund                                   | Road Special Revenue Fund                      | \$ 590,648          |
| General Fund                                   | Special Program Special Revenue Fund           | 98,023              |
| General Fund                                   | Agreements Special Revenue Fund                | 300,000             |
| General Fund                                   | Legislative Appropriation Special Revenue Fund | 131,055             |
| General Fund                                   | Gas Tax Special Revenue Fund                   | 87,000              |
| General Fund                                   | Predatory Animal Control Special Revenue Fund  | 24,204              |
| General Fund                                   | Forest Reserve Special Revenue Fund            | 2,000               |
| General Fund                                   | Corrections Special Revenue Fund               | 1,208,906           |
| General Fund                                   | Homeland Security Special Revenue Fund         | 12,265              |
| General Fund                                   | Senior Center Special Revenue Fund             | 74,344              |
| General Fund                                   | Forest Health Special Revenue Fund             | 11,904              |
| General Fund                                   | HIDTA Partnership Special Revenue Fund         | 9,152               |
| General Fund                                   | Capital Improvements Capital Projects Fund     | 450,000             |
| Recreation Speical Revenue Fund                | General Fund                                   | 214                 |
| Legislative Appropriation Special Revenue Fund | General Fund                                   | 30,607              |
| Drug Enforcement Grant Special Revenue Fund    | General Fund                                   | 51,910              |
| CDBG Grant                                     | General Fund                                   | 50,000              |
| 1st 1/8th GRT State Reserve                    | Corrections Special Revenue Fund               | 360,866             |
| 1st 1/8th GRT Income                           | 1st 1/8th GRT State Reserve                    | 360,866             |
| 1st 1/8th Debt Reserve                         | Corrections Special Revenue Fund               | 8,303               |
|  | <b>Total</b>                                   | <b>\$ 3,862,267</b> |

There were no interfund balances at June 30, 2009.

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 6. Capital Assets**

The following is a summary of capital assets and changes occurring during the year ended June 30, 2009. Land and construction in progress are not subject to depreciation.

|   | Balance<br>June 30, 2008 | Restatements         | Additions           | Deletions        | Balance<br>June 30, 2009 |
|---|--------------------------|----------------------|---------------------|------------------|--------------------------|
| <b>Governmental activities:</b>                   |                          |                      |                     |                  |                          |
| Capital assets not being depreciated:             |                          |                      |                     |                  |                          |
| Land  | \$ 4,356,292             | \$ -                 | \$ 144,021          | \$ -             | \$ 4,500,313             |
| Construction in progress                          | 2,848,062                | -                    | 1,209,475           | -                | 4,057,537                |
| <b>Total capital assets not being depreciated</b> | <b>7,204,354</b>         | <b>-</b>             | <b>1,353,496</b>    | <b>-</b>         | <b>8,557,850</b>         |
| Capital assets being depreciated:                 |                          |                      |                     |                  |                          |
| Buildings and improvements                        | 9,097,078                | -                    | 376,472             | -                | 9,473,550                |
| Equipment   | 12,107,068               | -                    | 1,417,039           | 1,007,360        | 12,516,747               |
| Infrastructure                                    | -                        | 27,761,296           | 773,242             | -                | 28,534,538               |
| Other improvements                                | 137,674                  | -                    | 19,995              | -                | 157,669                  |
| <b>Total capital assets being depreciated</b>     | <b>21,341,820</b>        | <b>27,761,296</b>    | <b>2,586,748</b>    | <b>1,007,360</b> | <b>50,682,504</b>        |
| Less accumulated depreciation:                    |                          |                      |                     |                  |                          |
| Buildings and improvements                        | 4,214,689                | -                    | 328,076             | -                | 4,542,765                |
| Equipment   | 8,088,279                | -                    | 896,883             | 969,901          | 8,015,261                |
| Infrastructure                                    | -                        | 11,104,519           | 666,271             | -                | 11,770,790               |
| Other improvements                                | 54,330                   | -                    | 10,544              | -                | 64,874                   |
| <b>Total accumulated depreciation</b>             | <b>12,357,298</b>        | <b>11,104,519</b>    | <b>1,901,774</b>    | <b>969,901</b>   | <b>24,393,690</b>        |
| <b>Total capital assets, net of depreciation</b>  | <b>\$ 16,188,876</b>     | <b>\$ 16,656,777</b> | <b>\$ 2,038,470</b> | <b>\$ 37,459</b> | <b>\$ 34,846,664</b>     |

The County has restated prior year government-wide net assets in order to implement GASB 34 and record Infrastructure Assets retroactive to June 30, 1980 in the amount of \$16,656,777, net of accumulated depreciation.

Depreciation expense for the year ended June 30, 2009 was charged to the function of the governmental activities as follows:

|                      |                     |
|----------------------|---------------------|
| General Government   | \$ 191,472          |
| Public Safety        | 236,992             |
| Public Works         | 1,128,363           |
| Health & Welfare     | 330,843             |
| Culture & Recreation | 14,104              |
| <b>Total</b>         | <b>\$ 1,901,774</b> |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Notes to the Financial Statements  
 June 30, 2009

**NOTE 7. Long-term Debt**

During the year ended June 30, 2009, the following changes occurred in the liabilities reported in the government-wide statement of net assets:

|                              | Balance<br>June 30, 2008 | Additions         | Retirements       | Balance<br>June 30, 2009 | Due Within<br>One Year |
|------------------------------|--------------------------|-------------------|-------------------|--------------------------|------------------------|
| Gross Receipts Revenue Bonds | \$ 3,570,000             | \$ -              | \$ 95,000         | \$ 3,475,000             | \$ 100,000             |
| NMFA Loans                   | 552,847                  | 553,048           | 181,328           | 924,567                  | 96,227                 |
| Capital Leases               | 902,699                  | -                 | 127,700           | 774,999                  | 729,232                |
| Compensated Absences         | 138,136                  | 182,160           | 155,769           | 164,527                  | 155,769                |
| Total long-term debt         | <u>\$ 5,163,682</u>      | <u>\$ 735,208</u> | <u>\$ 559,797</u> | <u>\$ 5,339,093</u>      | <u>\$ 1,081,228</u>    |

Gross Receipts Revenue Bonds

Bonds outstanding at June 30, 2009 consisted of the following bonds.

|   |                       |
|---|-----------------------|
| Gross Receipts Tax Revenue Bond – 4/12/2002 issue |                       |
| Original issue                                    | \$4,035,000           |
| Interest due                                      | December 1 and June 1 |
| Principal due                                     | June 1                |
| Maturity Date                                     | June 1, 2030          |
| Interest rates from 4.25% to 5.125%               |                       |

The annual requirements to amortize the Bonds Payable as of June 30, 2009, including interest payments are as follows:

| Fiscal Year<br>Ending June 30, | Principal           | Interest            | Total Debt<br>Service |
|--------------------------------|---------------------|---------------------|-----------------------|
| 2010                           | \$ 100,000          | \$ 170,780          | \$ 270,780            |
| 2011                           | 105,000             | 166,280             | 271,280               |
| 2012                           | 110,000             | 161,556             | 271,556               |
| 2013                           | 115,000             | 156,880             | 271,880               |
| 2014                           | 120,000             | 151,878             | 271,878               |
| 2015-2019                      | 685,000             | 672,078             | 1,357,078             |
| 2020-2024                      | 870,000             | 486,500             | 1,356,500             |
| 2025-2029                      | 1,110,000           | 243,186             | 1,353,186             |
| 2030-2034                      | 260,000             | 13,326              | 273,326               |
|                                | <u>\$ 3,475,000</u> | <u>\$ 2,222,464</u> | <u>\$ 5,697,464</u>   |

Gross Receipts Revenue Bonds have been liquidated by the 1<sup>st</sup> 1/8 GRT Income Special Revenue Fund in prior years.

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 7. Long-term Debt (continued)**

Loans and Capital Leases

The County has entered into several loan agreements with the New Mexico Finance Authority, wherein the County pledged revenue derived from New Mexico Fire Protection Allotments to cover debt service. This revenue is subject to intercept agreements. Additionally, the County entered into lease agreements as lessee for financing the acquisition of equipment. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The capital leases and NMFA loans are as follows:

**Capital Leases:**

| Description                    | Date of Issue | Balloon Payment Due | Interest Rate | Original Amount of Issue | Balance June 30, 2009 | Balloon Payment Amount |
|--------------------------------|---------------|---------------------|---------------|--------------------------|-----------------------|------------------------|
| 6 Caterpillar Motor Graders    | August 2004   | May 2010            | 4.20%         | 1,058,622                | \$ 709,814            | \$ 681,510             |
| Caterpillar Financial Services | June 2006     | -                   | 7.97%         | 113,906                  | 65,185                | -                      |
| Total Capital Leases           |               |                     |               |                          | <u>\$ 774,999</u>     |                        |

**NMFA Loans:**

| Description      | Date of Issue  | Maturity Date | Interest Rate | Original Amount of Issue | Balance June 30, 2009 |
|------------------|----------------|---------------|---------------|--------------------------|-----------------------|
| NMFA Loan        | May 2005       | May 2015      | 2.34-3.73%    | 40,000                   | \$ 25,536             |
| NMFA Loan        | November 2004  | May 2015      | .83-3.31%     | 144,312                  | 91,566                |
| NMFA Loan        | September 2006 | May 2017      | 3.42-3.95%    | 90,000                   | 74,014                |
| NMFA Loan        | December 2007  | May 2018      | 0%            | 200,000                  | 180,403               |
| NMFA Loan        | December 2008  | May 2019      | 0%            | 121,800                  | 121,800               |
| NMFA Loan        | December 2008  | May 2019      | 2.13-3.94%    | 225,933                  | 225,933               |
| NMFA Loan        | December 2008  | May 2019      | 1.62-3.80%    | 205,315                  | 205,315               |
| Total NMFA Loans |                |               |               |                          | <u>\$ 924,567</u>     |

The annual requirements to amortize the Loans and Capital Leases Payable as of June 30, 2009, including interest payments are as follows:

| Fiscal Year Ending June 30, | Principal           | Interest          | Total Debt Service  |
|-----------------------------|---------------------|-------------------|---------------------|
| 2010                        | \$ 825,459          | \$ 34,806         | \$ 860,265          |
| 2011                        | 120,810             | 16,211            | 137,021             |
| 2012                        | 124,000             | 13,095            | 137,095             |
| 2013                        | 104,835             | 10,456            | 115,291             |
| 2014                        | 104,617             | 8,799             | 113,416             |
| 2015-2019                   | 419,845             | 19,570            | 439,415             |
|                             | <u>\$ 1,699,566</u> | <u>\$ 102,937</u> | <u>\$ 1,802,503</u> |

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 7. Long-term Debt (continued)**

Loans and capital leases have been liquidated by the Fire, Road and Legislative Grants Capital Projects Funds in prior years.

Compensated Absences – Employees of the County are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2009, compensated absences increased \$26,391 over the prior year accrual.

**NOTE 8. Risk Management**

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries and natural disasters.

Lincoln 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 County is not liable for more than the premiums paid.

**NOTE 9. 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. The following fund reflected a deficit fund balance as of June 30, 2009:

**Major Funds**

|                                       |                    |
|---------------------------------------|--------------------|
| Corrections Fund Special Revenue Fund | <u>\$ (91,874)</u> |
|---------------------------------------|--------------------|

**Total Governmental Funds**

|                    |
|--------------------|
| <u>\$ (91,874)</u> |
|--------------------|

The County incurred more expenditures than revenue received in these funds in the current year. The County anticipates these fund balances will not be in a deficit state in subsequent years.

- B. Excess of expenditures over appropriations. There were not any funds with expenditures in excess of appropriations.
- C. Designated cash appropriations in excess of available balances. There were not any funds with designated cash appropriations in excess of available balances.

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 10. PERA Pension Plan**

*Plan Description:* Substantially all of Lincoln 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 for the plan. That report may be obtained by writing to PERA, P. O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is also available on PERA's website at [www.pera.state.nm.us](http://www.pera.state.nm.us)

*Funding Policy:* Plan members are required to contribute the following percentages of their gross salary: 16.3% for law enforcement and fire protection employees; and 15.65% for municipal employees. The County was required to contribute the following percentages of the gross covered salary: 18.5% for law enforcement and fire protection plan members; and 11.65% for municipal plan members. The contribution requirements of plan members and Lincoln County are established in State Statute 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 \$405,491, \$359,892, and \$332,404, respectively, which equals the amount of the required contributions for each fiscal year.

**NOTE 11. Post-Employment Benefits – Retiree Health Care Plan**

*Plan Description.* Lincoln County contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

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 RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which the 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; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

*Funding Policy.* The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at [www.nmrhca.state.nm.us](http://www.nmrhca.state.nm.us).

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 11. Post-Employment Benefits – Retiree Health Care Plan (continued)**

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee’s annual salary; each participating employee is required to contribute .65% of their salary. Employers joining the program after 1/1/98 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature.

Lincoln County’s contributions to the RHCA for the years ended June 30, 2009, and 2008 were \$77,616 and \$71,104, respectively which equaled the required contributions each year.

**NOTE 12. Joint Powers Agreements**

**Solid Waste Collection Services**

|                      |   |
|----------------------|---|
| Participants         | Lincoln County<br>Lincoln County Solid Waste Authority  |
| Responsible party    | Lincoln County<br>Lincoln County Solid Waste Authority  |
| Description          | The Lincoln County Solid Waste Authority has the exclusive rights, licensee, and privilege to provide solid waste collection, removal and disposal services of materials for the County of Lincoln. The County will pay a monthly fee based on collections. |
| Term of agreement    | May 16, 2006 until cancelled  |
| Amount of project    | Unknown   |
| County contributions | Unknown   |
| Audit responsibility | Lincoln County  |



**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 12. Joint Powers Agreements (continued)**

**Medical Services at the Hondo Schools Clinic**

|                      |  |
|----------------------|--|
| Participants         | Lincoln County<br>La Casa de Buena Salud, Inc.   |
| Responsible party    | Lincoln County<br>La Casa de Buena Salud, Inc.   |
| Description          | Lincoln County agrees to contract with La Casa de Buena Salud, Inc. to provide medical services at the Hondo Schools Clinic. |
| Term of agreement    | July 1, 2009 to June 30, 2010  |
| Amount of project    | \$85,000   |
| County contributions | \$85,000   |
| Audit responsibility | Lincoln County   |

**NOTE 13. Contingent Liabilities**

The County is party to 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.

**NOTE 14. Commitments**

The County's commitments as of June 30, 2009 are as follows:

| <u>Project</u>                       | <u>Year Ending</u> | <u>Amount</u>       |
|--------------------------------------|--------------------|---------------------|
| County Fire Station - Arabela        | 2010               | \$ 180,313          |
| County Substation                    | 2010               | 2,429               |
| Detention Center Management Contract | 2010               | 2,455,538           |
| Detention Center Management Contract | 2011               | 2,455,538           |
| Detention Center Management Contract | 2012               | 2,455,538           |
| Total commitments                    |                    | <u>\$ 7,549,356</u> |

**NOTE 15. Restricted Net Assets**

The government-wide statement of net assets reports \$6,805,267 of restricted assets, all of which is restricted by enabling legislation. For descriptions of the related enabling legislation for special revenue, debt service and capital project funds, see pages 41, and 64-65.

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 16. Subsequent Events**

The County received an NMFA loan in the amount of \$203,000 for the purchase of a pumper tanker for the Bonito Fire Department. Payments for this loan are not due until the 2009 fiscal year. Payments for this loan will be made through the Fire Funds Special Revenue Fund.

**LGIP Investment in the Reserve Primacy Fund**

The New Mexico State Treasurer's Office invested a portion of the LGIP in The Reserve Primary Fund ("the Fund"), a money market fund, in fiscal years 2006, 2007, 2008 and 2009. On September 15, 2008, the balance of the LGIP's investment in the Fund was \$381.7 million. On September 16, 2008, The Reserve Primary Fund's net asset value fell below \$1.00 and holdings in the Fund were frozen. Since September 2008, The Reserve Primary Fund has returned approximately \$0.90 per share to shareholders. On February 26, 2009, The Reserve Primary Fund announced that it was withholding \$3.5 billion of the Fund's assets for anticipated and pending litigation against it, which amount could increase or decrease as the Fund evaluates information related to such litigation. As a result, the State Treasurer's Office cannot anticipate what the actual loss to the LGIP from The Reserve Primary Fund may be or when the actual loss may be realized. No actual loss has been realized to date. The total remaining Reserve Primary Fund position as of June 30, 2009, is \$39.5 million. The LGIP's remaining position in The Reserve Primary Fund is a non-performing asset.

On May 5, 2009, the U.S. Securities and Exchange Commission ("SEC") filed a civil lawsuit in federal court against the operators of The Reserve Primary Fund, alleging fraud; seeking the pro rata distribution of the remaining the Fund's assets; and seeking the release of the \$3.5 billion currently being withheld from investors pending the outcome of the lawsuits against The Reserve Primary Fund. The court is scheduled to hold a hearing on the SEC's proposed plan of distribution on September 23, 2009.

On May 20, 2009, the New Mexico Attorney General filed a civil complaint and injunction petition in state district court against The Reserve Primary Fund. The Attorney General's complaint alleges that the Fund setting aside \$3.5 billion to pay legal fees and expenses is a willful and intentional conversion of the investors' assets and a breach of contract. The complaint further alleges that the Fund's failure to honor redemption requests on September 16, 2008, is a breach of contract. Additionally, the Attorney General's injunction petition seeks the release of the investors' pro rata share of the \$3.5 billion The Reserve Primary Fund set aside for its anticipated and pending legal costs.

The New Mexico State Treasurer's Office believes that The Reserve Primary Fund will ultimately end up distributing between 98.38% and 98.77% of the balance that the LGIP had in The Reserve Primary Fund as of September 15, 2008. This means that of the remaining undistributed balance as of June 30, 2009, it is expected the LGIP is to recover between 83.84% and 87.78%. Uncertainty remains, however, as to the timing of these distributions.

**NOTE 17. Fund Balance and Net Assets Reclassification**

The County has reclassified prior year fund balances in the general fund in order to present the deposits held in trust for the fire districts with the County in the amount of \$154,793. The amount has been properly included in the agency funds as of June 30, 2009.

**STATE OF NEW MEXICO**  
Lincoln County  
Notes to the Financial Statements  
June 30, 2009

**NOTE 18. Subsequent Pronouncements**

In July 2007, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 51, Accounting and Financial Reporting for Intangible Assets, which is effective for periods beginning after June 15, 2009. For governments that were classified as phase 1 or phase 2 governments, retroactive reporting is required for intangible assets acquired in fiscal years ending after June 30, 1980, except for those considered to have indefinite useful lives as of the effective date of this Statement and those that would be considered internally generated. Retroactive reporting of these intangible assets by phase 3 governments is encouraged but not required. Retroactive reporting is not required but is permitted for intangible assets considered to have indefinite useful lives as of the effective date of this Statement and those considered to be internally generated. The objective of this Statement is to establish accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments. The County is analyzing the effect that this standard will have on the financial statements, and currently believes it will have no significant effect on the financial statements for the upcoming year.

In March 2009, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which is effective for financial statements for periods beginning after June 15, 2010 with earlier implementation encouraged. GASB Statement No. 54 distinguishes fund balance between amounts that are considered nonspendable, such as fund balance associated with inventories, and other amounts that are classified based on the relative strength of the constraints that control the purpose for which specific amounts can be spent. This statement is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. The County is analyzing the effect that this standard will have on the financial statements.

(This page intentionally left blank)

**SUPPLEMENTARY INFORMATION**

(This page intentionally left blank)

**NONMAJOR GOVERNMENTAL FUNDS**

**STATE OF NEW MEXICO**  
Lincoln County  
Nonmajor Governmental Funds  
June 30, 2009

**Recreation Special Revenue Fund** – To account for revenues and expenditures related to the County’s Youth recreational activities. Funds are provided by the state shared cigarette tax. The fund was created by authority of state statute (see Section 7-12-15, NMSA 1978 Compilation).

**Special Programs Special Revenue Fund**-To account for the County’s support of the community service programs, activities, and events. Authority for creation of the fund is the County Commission at budget adoption and approval.

**Clerk’s Equipment Special Revenue Fund** – To account for revenues and expenditures for control of equipment. The fees collected are restricted in that they may only be used for the purchase of equipment associated with the recording, filing, maintaining, or reproducing of documents in the Office of the County Clerk. This fund was created by authority of state statute (see Section 14-8-2.2, NMSA 1978 Compilation).

**Agreements Special Revenue Fund** - To account for funds transferred from the general fund to pay for agreements and contract that the county has with other entities. Authority for creation of the fund is the County Commission at budget adoption and approval.

**Legislative Appropriation Special Revenue Fund** – To account for funds received from the Legislature for special projects. This fund was created by authority of NMSA 1978, Sections 4-38-13 and 4-38-16.

**Gas Tax Special Revenue Fund**- To account for the collection and use of the gas tax to construct and maintain streets, roads, bridges, and other projects. Funding Authority is Section 7-1-6.26 NMSA, 1978

**Predatory Animal Control Special Revenue Fund**- To account for the management of the County’s population of predatory animals. Financing is provided by specific annual tax levy on livestock authorized by the County Commission.

**Forest Reserve Special Revenue Fund** - To account for funds appropriated to the County for forest health by the federal government authority.

**Lodgers’ Tax Special Revenue Fund**- To account for the county-wide lodgers’ tax collected by the County. Expenditures are limited to promotion of tourism in the County. Authority is Section 3-38-17.1 NMSA 1978.

**Drug Enforcement Grant Special Revenue Fund**- To account for a special grant from the New Mexico Department of Public Safety for drug enforcement purposes as specified in section 19-13-1 NMSA 1978.

**Homeland Security Grant Special Revenue Fund** - To account for funds appropriated to the County for Homeland Security by the federal government authority

**Sheriff’s Seizure Special Revenue Fund**- In accordance with NMSA Section 54-11-33, the sheriff’s covert investigative activity account is funded by formal court awarded forfeitures for such purposes.

**Reappraisal Special Revenue Fund** – To account for funds used to provide valuation services to the County and other local entities. This fund was created by authority of state statute (see Section 7-38-38.1, NMSA 1978 Compilation).

**Emergency Medical Services Special Revenue Fund**- To account for a special grant from the state of New Mexico for purchasing basic medical equipment for the Bonito Fire Department. Authority is a grant from the State of New Mexico.

**Rural Health Clinic Special Revenue Fund** – To account for gross receipts taxes collected to be used for the health and welfare of the County’s citizens. Authority is a local ordinance authorized by Section 7-20E-17, NMSA, 1978.

**Law Enforcement Protection Special Revenue Fund** – To account for revenues and expenditures for maintaining and improving the County’s law enforcement department in order to enhance its efficiency and effectiveness. Funding is from the State appropriation authorized by Section 29-13-3f, NMSA.

**Senior Citizen’s Special Revenue Fund**-To account for the operations of the Senior Center funded by the Eastern NM Area Agency of Aging, fund raising activities, and the County’s contribution. Authorized by ordinance.



**STATE OF NEW MEXICO**  
Lincoln County  
Nonmajor Governmental Funds  
June 30, 2009

**Environmental Gross Receipts Special Revenue Fund** – To account for a gross receipts tax imposed to fund environmental activities, mainly sanitary landfills, water systems and environmental services. Authority is local ordinance authorized by NMSA 1978 7-20E-17.

**Enhanced 911 Special Revenue Fund** - To account for a special grant from the New Mexico Department of Public Safety for enhancing the emergency 911 system. Authority is section 63-9D-1, “Enhanced 911 Act”, NMSA 1978.

**Forest Health Special Revenue Fund** - To account for funds appropriated to the county for forest health by the federal government. The authority for this fund is the Cooperative Forestry Assistance Act of 1998 , Public Law 95-313.

**Misdemeanor Compliance Special Revenue Fund** - To account for funds awarded to the County by the authority of the New Mexico Department of Public Safety. The authority for this fund is established at 31-20-5.1 NMSA 1978.

**CDBG Grant Special Revenue Fund-** To account for a Community Development Block Grant from the State of New Mexico and the Department of Housing and Urban Development to develop viable urban communities by providing decent housing and suitable living environment, and by expanding economic opportunities, principally for low- and moderate- income persons. This program is authorized under Title I of the Housing and Community Development Act of 1974, Public Law 93-383, as amended; 42 U.S.C.-5301 et seq.

**Indigent Health Care 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 (see Section 7-20E-9, NMSA 1978 Compilation).

**Juvenile Justice Grant Special Revenue Fund** – To account for grant funds received from Children, Youth and Family Department to provide a community corrections program and service for the diversion of adjudicated delinquents to community-based settings. Authority for creation is Juvenile Community Corrections Act, Section 33-9a-1 to 33-9a-6 NMSA 1978.

**HIDTA Partnership Special Revenue Fund-** To account for a grant from the National Office of Drug Control Policy utilized in high intensity drug trafficking areas. Authority for creation is contained in Anti-drug Abuse Act of 1988. Public Law 100-690.

**1<sup>st</sup> 1/8 GRT Reserve Debt Service Fund** – To account for 1/8<sup>th</sup> cent of the proceeds from “first one-eighth increment” gross receipts tax imposed by the County for debt service reserve amounts per bond covenants and under NMSA 7-20E-11. Authority for creation of the fund is by County Commission Ordinance 1999-06 and the County Commission budget adoption and approval.

**1<sup>st</sup> 1/8 GRT Income Debt Service Fund** – To account for 1/8<sup>th</sup> cent of the proceeds from “first one-eighth increment” gross receipts tax imposed by the County under NMSA 7-20E-11. Authority for creation of the fund is by County Commission Ordinance 1999-06 and the County Commission budget adoption and approval.

**1<sup>st</sup> 1/8 GRT Debt Reserve Debt Service Fund** – To account for 1/8<sup>th</sup> cent of the proceeds from “first one-eighth increment” gross receipts tax imposed by the County under NMSA 7-20E-11. To account for funds accumulated to make debt service principal and interest payments on bonds owed by the County. Authority for creation of the fund is by county commission Ordinance 1999-06 and the County Commission budget adoption and approval.

**Capital Improvements Capital Projects Fund** – To account for capital expenditures made by the County to acquire vehicles, make renovations to existing County facilities and the purchase of a water tanker. Authority for creation of the fund is by County Commission budget adoption and approval.

**STATE OF NEW MEXICO**  
Lincoln County  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2009

|  | Special Revenue |                  |                   |            |
|--|-----------------|------------------|-------------------|------------|
|  | Recreation      | Special Programs | Clerk's Equipment | Agreements |
| <i>Assets</i>                              |                 |                  |                   |            |
| Cash and cash equivalents                  | \$ 265          | \$ 4,487         | \$ 244,666        | \$ 52,390  |
| Investments                                | -               | -                | -                 | -          |
| Receivables:                               |                 |                  |                   |            |
| Property taxes                             | -               | -                | -                 | -          |
| Other taxes                                | 40              | -                | -                 | -          |
| Other                                      | -               | -                | 145               | 19,532     |
| Prepaid expenses                           | -               | -                | -                 | -          |
| <i>Total assets</i>                        | \$ 305          | \$ 4,487         | \$ 244,811        | \$ 71,922  |
| <i>Liabilities</i>                         |                 |                  |                   |            |
| Accounts payable                           | \$ -            | \$ -             | \$ 92             | \$ 14,640  |
| Accrued payroll                            | -               | -                | -                 | -          |
| Deferred revenue                           | -               | -                | -                 | -          |
| <i>Total liabilities</i>                   | -               | -                | 92                | 14,640     |
| <i>Fund balances</i>                       |                 |                  |                   |            |
| Reserved for:                              |                 |                  |                   |            |
| Prepaid expenses                           | -               | -                | -                 | -          |
| Unreserved, reported in                    |                 |                  |                   |            |
| Special revenue                            | 305             | 4,487            | 244,719           | 57,282     |
| Debt service                               | -               | -                | -                 | -          |
| Capital projects                           | -               | -                | -                 | -          |
| <i>Total fund balances</i>                 | 305             | 4,487            | 244,719           | 57,282     |
| <i>Total liabilities and fund balances</i> | \$ 305          | \$ 4,487         | \$ 244,811        | \$ 71,922  |

The accompanying notes are an integral part of these financial statements

Special Revenue

| Legislative<br>Appropriation | Gas Tax          | Predatory<br>Animal Control | Forest Reserve   | Lodgers' Tax     |
|------------------------------|------------------|-----------------------------|------------------|------------------|
| \$ -                         | \$ 45,967        | \$ 558                      | \$ 21,958        | \$ 75,717        |
| -                            | -                | -                           | -                | -                |
| -                            | -                | 1,943                       | -                | -                |
| -                            | 13,753           | -                           | -                | 8,582            |
| 103,434                      | -                | -                           | -                | -                |
| -                            | -                | -                           | -                | -                |
| <u>\$ 103,434</u>            | <u>\$ 59,720</u> | <u>\$ 2,501</u>             | <u>\$ 21,958</u> | <u>\$ 84,299</u> |
| \$ -                         | \$ -             | \$ -                        | \$ -             | \$ -             |
| -                            | -                | -                           | -                | -                |
| -                            | -                | 1,736                       | -                | -                |
| -                            | -                | 1,736                       | -                | -                |
| -                            | -                | -                           | -                | -                |
| 103,434                      | 59,720           | 765                         | 21,958           | 84,299           |
| -                            | -                | -                           | -                | -                |
| -                            | -                | -                           | -                | -                |
| <u>103,434</u>               | <u>59,720</u>    | <u>765</u>                  | <u>21,958</u>    | <u>84,299</u>    |
| <u>\$ 103,434</u>            | <u>\$ 59,720</u> | <u>\$ 2,501</u>             | <u>\$ 21,958</u> | <u>\$ 84,299</u> |

**STATE OF NEW MEXICO**  
Lincoln County  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2009

|  | Special Revenue              |                            |                   |             |
|--|------------------------------|----------------------------|-------------------|-------------|
|  | Drug<br>Enforcement<br>Grant | Homeland<br>Security Grant | Sheriff's Seizure | Reappraisal |
| <i>Assets</i>                              |                              |                            |                   |             |
| Cash and cash equivalents                  | \$ 9,578                     | \$ -                       | \$ 50,515         | \$ 244,877  |
| Investments                                | -                            | -                          | -                 | -           |
| Receivables:                               |                              |                            |                   |             |
| Property taxes                             | -                            | -                          | -                 | -           |
| Other taxes                                | -                            | -                          | -                 | -           |
| Other                                      | 1,585                        | 21,127                     | -                 | -           |
| Prepaid expenses                           | -                            | 20,270                     | -                 | -           |
|  | \$ 11,163                    | \$ 41,397                  | \$ 50,515         | \$ 244,877  |
| <i>Total assets</i>                        | \$ 11,163                    | \$ 41,397                  | \$ 50,515         | \$ 244,877  |
| <i>Liabilities</i>                         |                              |                            |                   |             |
| Accounts payable                           | \$ 748                       | \$ 21,462                  | \$ -              | \$ 261      |
| Accrued payroll                            | 184                          | -                          | -                 | 3,202       |
| Deferred revenue                           | -                            | -                          | -                 | -           |
|  | 932                          | 21,462                     | -                 | 3,463       |
| <i>Total liabilities</i>                   | 932                          | 21,462                     | -                 | 3,463       |
| <i>Fund balances</i>                       |                              |                            |                   |             |
| Reserved for:                              |                              |                            |                   |             |
| Prepaid expenses                           | -                            | 20,270                     | -                 | -           |
| Unreserved, reported in                    |                              |                            |                   |             |
| Special revenue                            | 10,231                       | (335)                      | 50,515            | 241,414     |
| Debt service                               | -                            | -                          | -                 | -           |
| Capital projects                           | -                            | -                          | -                 | -           |
|  | 10,231                       | 19,935                     | 50,515            | 241,414     |
| <i>Total fund balances</i>                 | 10,231                       | 19,935                     | 50,515            | 241,414     |
| <i>Total liabilities and fund balances</i> | \$ 11,163                    | \$ 41,397                  | \$ 50,515         | \$ 244,877  |

The accompanying notes are an integral part of these financial statements

| Special Revenue                  |                        |                                  |                  |                                 |
|----------------------------------|------------------------|----------------------------------|------------------|---------------------------------|
| Emergency<br>Medical<br>Services | Rural Health<br>Clinic | Law<br>Enforcement<br>Protection | Senior Citizen's | Environmental<br>Gross Receipts |
| \$ 122,883                       | \$ 302,757             | \$ 13,840                        | \$ 41,309        | \$ -                            |
| -                                | -                      | -                                | -                | -                               |
| -                                | -                      | -                                | -                | -                               |
| -                                | -                      | 29,600                           | 22,722           | 21,979                          |
| -                                | -                      | -                                | -                | -                               |
| <u>\$ 122,883</u>                | <u>\$ 302,757</u>      | <u>\$ 43,440</u>                 | <u>\$ 64,031</u> | <u>\$ 21,979</u>                |
| \$ -                             | \$ -                   | \$ -                             | \$ 1,721         | \$ 21,979                       |
| -                                | -                      | -                                | 29,114           | -                               |
| -                                | -                      | -                                | -                | -                               |
| -                                | -                      | -                                | 30,835           | 21,979                          |
| -                                | -                      | -                                | -                | -                               |
| 122,883                          | 302,757                | 43,440                           | 33,196           | -                               |
| -                                | -                      | -                                | -                | -                               |
| -                                | -                      | -                                | -                | -                               |
| <u>122,883</u>                   | <u>302,757</u>         | <u>43,440</u>                    | <u>33,196</u>    | <u>-</u>                        |
| <u>\$ 122,883</u>                | <u>\$ 302,757</u>      | <u>\$ 43,440</u>                 | <u>\$ 64,031</u> | <u>\$ 21,979</u>                |

**STATE OF NEW MEXICO**  
Lincoln County  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2009

|  | Special Revenue |               |                           |            |
|--|-----------------|---------------|---------------------------|------------|
|  | Enhanced 911    | Forest Health | Misdemeanor<br>Compliance | CDBG Grant |
| <i>Assets</i>                              |                 |               |                           |            |
| Cash and cash equivalents                  | \$ 2,951        | \$ -          | \$ 1,470                  | \$ -       |
| Investments                                | -               | -             | -                         | -          |
| Receivables:                               |                 |               |                           |            |
| Property taxes                             | -               | -             | -                         | -          |
| Other taxes                                | -               | -             | -                         | -          |
| Other                                      | -               | 65,867        | -                         | -          |
| Prepaid expenses                           | -               | -             | -                         | -          |
| <i>Total assets</i>                        | \$ 2,951        | \$ 65,867     | \$ 1,470                  | \$ -       |
| <i>Liabilities</i>                         |                 |               |                           |            |
| Accounts payable                           | \$ -            | \$ 30,374     | \$ -                      | \$ -       |
| Accrued payroll                            | -               | -             | -                         | -          |
| Deferred revenue                           | -               | -             | -                         | -          |
| <i>Total liabilities</i>                   | -               | 30,374        | -                         | -          |
| <i>Fund balances</i>                       |                 |               |                           |            |
| Reserved for:                              |                 |               |                           |            |
| Prepaid expenses                           | -               | -             | -                         | -          |
| Unreserved, reported in                    |                 |               |                           |            |
| Special revenue                            | 2,951           | 35,493        | 1,470                     | -          |
| Debt service                               | -               | -             | -                         | -          |
| Capital projects                           | -               | -             | -                         | -          |
| <i>Total fund balances</i>                 | 2,951           | 35,493        | 1,470                     | -          |
| <i>Total liabilities and fund balances</i> | \$ 2,951        | \$ 65,867     | \$ 1,470                  | \$ -       |

The accompanying notes are an integral part of these financial statements

| Special Revenue      |                        |                   | Debt Service        |                         |
|----------------------|------------------------|-------------------|---------------------|-------------------------|
| Indigent Health Care | Juvenile Justice Grant | HIDTA Partnership | 1st 1/8 GRT Reserve | 1st 1/8 GRT Income Fund |
| \$ 101,448           | \$ 29,825              | \$ -              | \$ 160,380          | \$ -                    |
| -                    | -                      | -                 | -                   | -                       |
| -                    | -                      | -                 | -                   | -                       |
| 99,325               | -                      | -                 | -                   | 99,325                  |
| -                    | 14,114                 | 18,311            | -                   | -                       |
| -                    | -                      | -                 | -                   | -                       |
| <u>\$ 200,773</u>    | <u>\$ 43,939</u>       | <u>\$ 18,311</u>  | <u>\$ 160,380</u>   | <u>\$ 99,325</u>        |
| \$ 32,708            | \$ 6,693               | \$ -              | \$ -                | \$ -                    |
| 2,733                | -                      | 2,270             | -                   | -                       |
| -                    | -                      | -                 | -                   | -                       |
| <u>35,441</u>        | <u>6,693</u>           | <u>2,270</u>      | <u>-</u>            | <u>-</u>                |
| -                    | -                      | -                 | -                   | -                       |
| 165,332              | 37,246                 | 16,041            | -                   | -                       |
| -                    | -                      | -                 | 160,380             | 99,325                  |
| -                    | -                      | -                 | -                   | -                       |
| <u>165,332</u>       | <u>37,246</u>          | <u>16,041</u>     | <u>160,380</u>      | <u>99,325</u>           |
| <u>\$ 200,773</u>    | <u>\$ 43,939</u>       | <u>\$ 18,311</u>  | <u>\$ 160,380</u>   | <u>\$ 99,325</u>        |

(This page intentionally left blank)



**STATE OF NEW MEXICO**  
 Lincoln County  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2009

|  | <u>Debt Service</u>         | <u>Capital Projects</u> |   |
|--|-----------------------------|-------------------------|---|
|  | 1st 1/8 GRT<br>Debt Reserve | Capital<br>Improvements | Total Nonmajor<br>Governmental<br>Funds |
| <i>Assets</i>                              |                             |                         |   |
| Cash and cash equivalents                  | \$ 3,900                    | \$ 551                  | \$ 1,532,292                            |
| Investments                                | 270,050                     | -                       | 270,050                                 |
| Receivables:                               |                             |                         |   |
| Property taxes                             | -                           | -                       | 1,943                                   |
| Other taxes                                | -                           | -                       | 243,004                                 |
| Other                                      | -                           | -                       | 296,437                                 |
| Prepaid expenses                           | -                           | -                       | 20,270                                  |
| <i>Total assets</i>                        | \$ 273,950                  | \$ 551                  | \$ 2,363,996                            |
| <i>Liabilities</i>                         |                             |                         |   |
| Accounts payable                           | \$ -                        | \$ -                    | \$ 130,678                              |
| Accrued payroll                            | -                           | -                       | 37,503                                  |
| Deferred revenue                           | -                           | -                       | 1,736                                   |
| <i>Total liabilities</i>                   | -                           | -                       | 169,917                                 |
| <i>Fund balances</i>                       |                             |                         |   |
| Reserved for:                              |                             |                         |   |
| Prepaid expenses                           | -                           | -                       | 20,270                                  |
| Unreserved, reported in                    |                             |                         |   |
| Special revenue                            | -                           | -                       | 1,639,603                               |
| Debt service                               | 273,950                     | -                       | 533,655                                 |
| Capital projects                           | -                           | 551                     | 551                                     |
| <i>Total fund balances</i>                 | 273,950                     | 551                     | 2,194,079                               |
| <i>Total liabilities and fund balances</i> | \$ 273,950                  | \$ 551                  | \$ 2,363,996                            |

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
Lincoln County  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2009

|  | Special Revenue |                  |                   |                  |
|--|-----------------|------------------|-------------------|------------------|
|  | Recreation      | Special Programs | Clerk's Equipment | Agreements       |
| <i>Revenues:</i>   |                 |                  |                   |                  |
| Taxes:   |                 |                  |                   |                  |
| Property   | \$ -            | \$ -             | \$ -              | \$ -             |
| Gross receipts   | -               | -                | -                 | -                |
| Gasoline and motor vehicle taxes                         | -               | -                | -                 | -                |
| Other  | 1,719           | -                | -                 | -                |
| Intergovernmental:                                       |                 |                  |                   |                  |
| Federal operating grants                                 | -               | -                | -                 | 19,532           |
| State operating grants                                   | -               | -                | -                 | -                |
| State capital grants                                     | -               | -                | -                 | -                |
| Local sources  | -               | -                | -                 | -                |
| Charges for services                                     | -               | -                | -                 | -                |
| Licenses and fees  | -               | -                | 37,620            | -                |
| Investment income  | -               | -                | 4,053             | -                |
| Miscellaneous  | -               | 225              | 563               | -                |
| <i>Total revenues</i>                                    | <u>1,719</u>    | <u>225</u>       | <u>42,236</u>     | <u>19,532</u>    |
| <i>Expenditures:</i>                                     |                 |                  |                   |                  |
| Current:   |                 |                  |                   |                  |
| General government                                       | -               | -                | 92,842            | 265,826          |
| Public safety  | -               | -                | -                 | -                |
| Public works   | -               | -                | -                 | -                |
| Culture and recreation                                   | 1,200           | 47,530           | -                 | -                |
| Health and welfare                                       | -               | 47,983           | -                 | -                |
| Capital outlay   | -               | -                | -                 | -                |
| Debt service:  |                 |                  |                   |                  |
| Principal  | -               | -                | -                 | -                |
| Interest   | -               | -                | -                 | -                |
| <i>Total expenditures</i>                                | <u>1,200</u>    | <u>95,513</u>    | <u>92,842</u>     | <u>265,826</u>   |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>519</u>      | <u>(95,288)</u>  | <u>(50,606)</u>   | <u>(246,294)</u> |
| <i>Other financing sources (uses)</i>                    |                 |                  |                   |                  |
| Proceeds from sale of equipment                          | -               | -                | -                 | -                |
| Transfers in   | -               | 98,023           | -                 | 300,000          |
| Transfers (out)  | (214)           | -                | -                 | -                |
| <i>Total other financing sources (uses)</i>              | <u>(214)</u>    | <u>98,023</u>    | <u>-</u>          | <u>300,000</u>   |
| <i>Net change in fund balances</i>                       | 305             | 2,735            | (50,606)          | 53,706           |
| <i>Fund balances - beginning of year</i>                 | <u>-</u>        | <u>1,752</u>     | <u>295,325</u>    | <u>3,576</u>     |
| <i>Fund balances - end of year</i>                       | <u>\$ 305</u>   | <u>\$ 4,487</u>  | <u>\$ 244,719</u> | <u>\$ 57,282</u> |

The accompanying notes are an integral part of these financial statements

Special Revenue

| <u>Legislative<br/>Appropriation</u> | <u>Gas Tax</u>   | <u>Predatory<br/>Animal Control</u> | <u>Forest Reserve</u> | <u>Lodgers' Tax</u> |
|--------------------------------------|------------------|-------------------------------------|-----------------------|---------------------|
| \$ -                                 | \$ -             | \$ 22,601                           | \$ -                  | \$ -                |
| -                                    | -                | -                                   | -                     | -                   |
| -                                    | 177,606          | -                                   | -                     | -                   |
| -                                    | -                | -                                   | -                     | 66,465              |
| -                                    | -                | -                                   | 53,797                | -                   |
| 301,317                              | -                | 29,431                              | -                     | -                   |
| 30,000                               | -                | -                                   | -                     | -                   |
| -                                    | -                | -                                   | -                     | -                   |
| -                                    | -                | -                                   | -                     | -                   |
| -                                    | -                | -                                   | -                     | 1,126               |
| -                                    | -                | -                                   | -                     | -                   |
| <u>331,317</u>                       | <u>177,606</u>   | <u>52,032</u>                       | <u>53,797</u>         | <u>67,591</u>       |
| -                                    | -                | -                                   | -                     | 55,914              |
| 71,923                               | -                | -                                   | -                     | -                   |
| -                                    | 218,959          | -                                   | -                     | -                   |
| 79,969                               | -                | -                                   | -                     | -                   |
| 207,205                              | -                | 75,652                              | 44,573                | -                   |
| 79,256                               | -                | -                                   | -                     | -                   |
| -                                    | -                | -                                   | -                     | -                   |
| -                                    | -                | -                                   | -                     | -                   |
| <u>438,353</u>                       | <u>218,959</u>   | <u>75,652</u>                       | <u>44,573</u>         | <u>55,914</u>       |
| <u>(107,036)</u>                     | <u>(41,353)</u>  | <u>(23,620)</u>                     | <u>9,224</u>          | <u>11,677</u>       |
| -                                    | -                | -                                   | -                     | -                   |
| 131,055                              | 87,000           | 24,204                              | 2,000                 | -                   |
| (30,607)                             | -                | -                                   | -                     | -                   |
| <u>100,448</u>                       | <u>87,000</u>    | <u>24,204</u>                       | <u>2,000</u>          | <u>-</u>            |
| (6,588)                              | 45,647           | 584                                 | 11,224                | 11,677              |
| <u>110,022</u>                       | <u>14,073</u>    | <u>181</u>                          | <u>10,734</u>         | <u>72,622</u>       |
| <u>\$ 103,434</u>                    | <u>\$ 59,720</u> | <u>\$ 765</u>                       | <u>\$ 21,958</u>      | <u>\$ 84,299</u>    |

**STATE OF NEW MEXICO**  
Lincoln County  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2009

|  | Special Revenue              |                            |                   |                   |
|--|------------------------------|----------------------------|-------------------|-------------------|
|  | Drug<br>Enforcement<br>Grant | Homeland<br>Security Grant | Sheriff's Seizure | Reappraisal       |
| <i>Revenues:</i>   |                              |                            |                   |                   |
| Taxes:   |                              |                            |                   |                   |
| Property   | \$ -                         | \$ -                       | \$ -              | \$ -              |
| Gross receipts   | -                            | -                          | -                 | -                 |
| Gasoline and motor vehicle taxes                         | -                            | -                          | -                 | -                 |
| Other  | -                            | -                          | -                 | -                 |
| Intergovernmental:                                       |                              |                            |                   |                   |
| Federal operating grants                                 | -                            | 272,244                    | -                 | -                 |
| State operating grants                                   | 81,553                       | -                          | -                 | -                 |
| State capital grants                                     | -                            | -                          | -                 | -                 |
| Local sources  | -                            | -                          | -                 | -                 |
| Charges for services                                     | -                            | -                          | -                 | 195,594           |
| Licenses and fees  | -                            | -                          | -                 | -                 |
| Investment income  | -                            | -                          | 735               | -                 |
| Miscellaneous  | 3,344                        | -                          | 504               | 424               |
| <i>Total revenues</i>                                    | <u>84,897</u>                | <u>272,244</u>             | <u>1,239</u>      | <u>196,018</u>    |
| <i>Expenditures:</i>                                     |                              |                            |                   |                   |
| Current:   |                              |                            |                   |                   |
| General government                                       | -                            | -                          | -                 | 95,823            |
| Public safety  | 42,867                       | 93,383                     | 289               | -                 |
| Public works   | -                            | -                          | -                 | -                 |
| Culture and recreation                                   | -                            | -                          | -                 | -                 |
| Health and welfare                                       | -                            | -                          | -                 | -                 |
| Capital outlay   | -                            | 171,191                    | -                 | -                 |
| Debt service:  |                              |                            |                   |                   |
| Principal  | -                            | -                          | -                 | -                 |
| Interest   | -                            | -                          | -                 | -                 |
| <i>Total expenditures</i>                                | <u>42,867</u>                | <u>264,574</u>             | <u>289</u>        | <u>95,823</u>     |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>42,030</u>                | <u>7,670</u>               | <u>950</u>        | <u>100,195</u>    |
| <i>Other financing sources (uses)</i>                    |                              |                            |                   |                   |
| Proceeds from sale of equipment                          | -                            | -                          | -                 | -                 |
| Transfers in   | -                            | 12,265                     | -                 | -                 |
| Transfers (out)  | (51,910)                     | -                          | -                 | -                 |
| <i>Total other financing sources (uses)</i>              | <u>(51,910)</u>              | <u>12,265</u>              | <u>-</u>          | <u>-</u>          |
| <i>Net change in fund balances</i>                       | (9,880)                      | 19,935                     | 950               | 100,195           |
| <i>Fund balances - beginning of year</i>                 | <u>20,111</u>                | <u>-</u>                   | <u>49,565</u>     | <u>141,219</u>    |
| <i>Fund balances - end of year</i>                       | <u>\$ 10,231</u>             | <u>\$ 19,935</u>           | <u>\$ 50,515</u>  | <u>\$ 241,414</u> |

The accompanying notes are an integral part of these financial statements

| Special Revenue                  |                        |                                  |                  |                                 |
|----------------------------------|------------------------|----------------------------------|------------------|---------------------------------|
| Emergency<br>Medical<br>Services | Rural Health<br>Clinic | Law<br>Enforcement<br>Protection | Senior Citizen's | Environmental<br>Gross Receipts |
| \$ -                             | \$ 520,339             | \$ -                             | \$ -             | \$ -                            |
| -                                | -                      | -                                | -                | 150,269                         |
| -                                | -                      | -                                | -                | -                               |
| -                                | -                      | -                                | -                | -                               |
| -                                | -                      | -                                | 104,274          | -                               |
| 126,573                          | -                      | 29,600                           | 456,862          | -                               |
| -                                | -                      | -                                | 8,736            | -                               |
| -                                | -                      | -                                | 147,783          | -                               |
| -                                | -                      | -                                | -                | -                               |
| -                                | -                      | -                                | -                | -                               |
| -                                | 4,914                  | -                                | -                | -                               |
| 169                              | -                      | 239                              | 2,055            | -                               |
| <u>126,742</u>                   | <u>525,253</u>         | <u>29,839</u>                    | <u>719,710</u>   | <u>150,269</u>                  |
| -                                | -                      | -                                | -                | -                               |
| 60,597                           | -                      | 24,786                           | -                | -                               |
| -                                | -                      | -                                | -                | -                               |
| -                                | -                      | -                                | -                | -                               |
| -                                | 542,002                | -                                | 755,984          | 166,819                         |
| 28,218                           | 12,960                 | -                                | -                | -                               |
| -                                | -                      | -                                | -                | -                               |
| -                                | -                      | -                                | -                | -                               |
| <u>88,815</u>                    | <u>554,962</u>         | <u>24,786</u>                    | <u>755,984</u>   | <u>166,819</u>                  |
| <u>37,927</u>                    | <u>(29,709)</u>        | <u>5,053</u>                     | <u>(36,274)</u>  | <u>(16,550)</u>                 |
| -                                | -                      | -                                | 4,278            | -                               |
| -                                | -                      | -                                | 74,344           | -                               |
| -                                | -                      | -                                | -                | -                               |
| -                                | -                      | -                                | 78,622           | -                               |
| 37,927                           | (29,709)               | 5,053                            | 42,348           | (16,550)                        |
| <u>84,956</u>                    | <u>332,466</u>         | <u>38,387</u>                    | <u>(9,152)</u>   | <u>16,550</u>                   |
| <u>\$ 122,883</u>                | <u>\$ 302,757</u>      | <u>\$ 43,440</u>                 | <u>\$ 33,196</u> | <u>\$ -</u>                     |

**STATE OF NEW MEXICO**  
Lincoln County  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2009

|  | Special Revenue |               |                           |            |
|--|-----------------|---------------|---------------------------|------------|
|  | Enhanced 911    | Forest Health | Misdemeanor<br>Compliance | CDBG Grant |
| <i>Revenues:</i>   |                 |               |                           |            |
| Taxes:   |                 |               |                           |            |
| Property   | \$ -            | \$ -          | \$ -                      | \$ -       |
| Gross receipts   | -               | -             | -                         | -          |
| Gasoline and motor vehicle taxes                         | -               | -             | -                         | -          |
| Other  | -               | -             | -                         | -          |
| Intergovernmental:                                       |                 |               |                           |            |
| Federal operating grants                                 | -               | -             | -                         | -          |
| State operating grants                                   | -               | 235,914       | -                         | -          |
| State capital grants                                     | -               | -             | -                         | -          |
| Local sources  | -               | -             | -                         | -          |
| Charges for services                                     | -               | -             | -                         | -          |
| Licenses and fees  | -               | -             | 93,275                    | -          |
| Investment income  | -               | -             | -                         | -          |
| Miscellaneous  | -               | -             | -                         | -          |
| <i>Total revenues</i>                                    | -               | 235,914       | 93,275                    | -          |
| <i>Expenditures:</i>                                     |                 |               |                           |            |
| Current:   |                 |               |                           |            |
| General government                                       | -               | -             | -                         | -          |
| Public safety  | -               | -             | 86,291                    | -          |
| Public works   | -               | -             | -                         | -          |
| Culture and recreation                                   | -               | -             | -                         | -          |
| Health and welfare                                       | -               | 212,325       | -                         | -          |
| Capital outlay   | -               | -             | -                         | -          |
| Debt service:  |                 |               |                           |            |
| Principal  | -               | -             | -                         | -          |
| Interest   | -               | -             | -                         | -          |
| <i>Total expenditures</i>                                | -               | 212,325       | 86,291                    | -          |
| <i>Excess (deficiency) of revenues over expenditures</i> | -               | 23,589        | 6,984                     | -          |
| <i>Other financing sources (uses)</i>                    |                 |               |                           |            |
| Proceeds from sale of equipment                          | -               | -             | -                         | -          |
| Transfers in   | -               | 11,904        | -                         | -          |
| Transfers (out)  | -               | -             | -                         | (50,000)   |
| <i>Total other financing sources (uses)</i>              | -               | 11,904        | -                         | (50,000)   |
| <i>Net change in fund balances</i>                       | -               | 35,493        | 6,984                     | (50,000)   |
| <i>Fund balances - beginning of year</i>                 | 2,951           | -             | (5,514)                   | 50,000     |
| <i>Fund balances - end of year</i>                       | \$ 2,951        | \$ 35,493     | \$ 1,470                  | \$ -       |

The accompanying notes are an integral part of these financial statements

| Special Revenue      |                        |                   | Debt Service        |                         |
|----------------------|------------------------|-------------------|---------------------|-------------------------|
| Indigent Health Care | Juvenile Justice Grant | HIDTA Partnership | 1st 1/8 GRT Reserve | 1st 1/8 GRT Income Fund |
| \$ -                 | \$ -                   | \$ -              | \$ -                | \$ -                    |
| 669,377              | -                      | -                 | -                   | 669,377                 |
| -                    | -                      | -                 | -                   | -                       |
| -                    | -                      | -                 | -                   | -                       |
| -                    | -                      | 55,756            | -                   | -                       |
| -                    | 158,219                | -                 | -                   | -                       |
| -                    | -                      | -                 | -                   | -                       |
| -                    | -                      | -                 | -                   | -                       |
| -                    | -                      | -                 | -                   | -                       |
| -                    | -                      | -                 | -                   | -                       |
| 86                   | -                      | 1                 | -                   | -                       |
| <u>669,463</u>       | <u>158,219</u>         | <u>55,757</u>     | <u>-</u>            | <u>669,377</u>          |
| -                    | -                      | -                 | -                   | -                       |
| -                    | 225,471                | 57,718            | -                   | -                       |
| -                    | -                      | -                 | -                   | -                       |
| -                    | -                      | -                 | -                   | -                       |
| 607,942              | -                      | -                 | -                   | -                       |
| -                    | -                      | -                 | -                   | -                       |
| -                    | -                      | -                 | -                   | 95,000                  |
| -                    | -                      | -                 | -                   | 175,055                 |
| <u>607,942</u>       | <u>225,471</u>         | <u>57,718</u>     | <u>-</u>            | <u>270,055</u>          |
| <u>61,521</u>        | <u>(67,252)</u>        | <u>(1,961)</u>    | <u>-</u>            | <u>399,322</u>          |
| -                    | -                      | -                 | -                   | -                       |
| -                    | -                      | 9,152             | 360,866             | -                       |
| -                    | -                      | -                 | (360,866)           | (360,866)               |
| -                    | -                      | <u>9,152</u>      | <u>-</u>            | <u>(360,866)</u>        |
| 61,521               | (67,252)               | 7,191             | -                   | 38,456                  |
| <u>103,811</u>       | <u>104,498</u>         | <u>8,850</u>      | <u>160,380</u>      | <u>60,869</u>           |
| <u>\$ 165,332</u>    | <u>\$ 37,246</u>       | <u>\$ 16,041</u>  | <u>\$ 160,380</u>   | <u>\$ 99,325</u>        |

(This page intentionally left blank)



**STATE OF NEW MEXICO**  
 Lincoln County  
 Nonmajor Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Year Ended June 30, 2009

|  | <u>Debt Service</u>         | <u>Capital Projects</u> |   |
|--|-----------------------------|-------------------------|---|
|  | 1st 1/8 GRT<br>Debt Reserve | Capital<br>Improvements | Total Nonmajor<br>Governmental<br>Funds |
| <i>Revenues:</i>   |                             |                         |   |
| Taxes:   |                             |                         |   |
| Property   | \$ -                        | \$ -                    | \$ 542,940                              |
| Gross receipts   | -                           | -                       | 1,489,023                               |
| Gasoline and motor vehicle taxes                         | -                           | -                       | 177,606                                 |
| Other  | -                           | -                       | 68,184                                  |
| Intergovernmental:                                       |                             |                         |   |
| Federal operating grants                                 | -                           | -                       | 505,603                                 |
| State operating grants                                   | -                           | -                       | 1,419,469                               |
| State capital grants                                     | -                           | -                       | 38,736                                  |
| Local sources  | -                           | -                       | 147,783                                 |
| Charges for services                                     | -                           | -                       | 195,594                                 |
| Licenses and fees  | -                           | -                       | 130,895                                 |
| Investment income  | -                           | -                       | 10,828                                  |
| Miscellaneous  | -                           | -                       | 7,610                                   |
| <i>Total revenues</i>                                    | -                           | -                       | 4,734,271                               |
| <i>Expenditures:</i>                                     |                             |                         |   |
| Current:   |                             |                         |   |
| General government                                       | -                           | -                       | 510,405                                 |
| Public safety  | -                           | 22,671                  | 685,996                                 |
| Public works   | -                           | -                       | 218,959                                 |
| Culture and recreation                                   | -                           | -                       | 128,699                                 |
| Health and welfare                                       | -                           | -                       | 2,660,485                               |
| Capital outlay   | -                           | 443,231                 | 734,856                                 |
| Debt service:  |                             |                         |   |
| Principal  | -                           | -                       | 95,000                                  |
| Interest   | -                           | -                       | 175,055                                 |
| <i>Total expenditures</i>                                | -                           | 465,902                 | 5,209,455                               |
| <i>Excess (deficiency) of revenues over expenditures</i> | -                           | (465,902)               | (475,184)                               |
| <i>Other financing sources (uses)</i>                    |                             |                         |   |
| Proceeds from sale of equipment                          | -                           | -                       | 4,278                                   |
| Transfers in   | -                           | 450,000                 | 1,560,813                               |
| Transfers (out)  | (8,303)                     | -                       | (862,766)                               |
| <i>Total other financing sources (uses)</i>              | (8,303)                     | 450,000                 | 702,325                                 |
| <i>Net change in fund balances</i>                       | (8,303)                     | (15,902)                | 227,141                                 |
| <i>Fund balances - beginning of year</i>                 | 282,253                     | 16,453                  | 1,966,938                               |
| <i>Fund balances - end of year</i>                       | \$ 273,950                  | \$ 551                  | \$ 2,194,079                            |

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank)

## STATE OF NEW MEXICO

Statement B-1

Lincoln County

Recreation Special Revenue 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        | Variations                                    |
|--|------------------|--------------|---------------|---|
|  | Original         | Final        |               | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |              |               |   |
| Taxes:   |                  |              |               |   |
| Property   | \$ -             | \$ -         | \$ -          | \$ -  |
| Gross receipts   | -                | -            | -             | -   |
| Gasoline and motor vehicle                               | -                | -            | -             | -   |
| Other  | 1,300            | 1,679        | 1,679         | -   |
| Intergovernmental:                                       |                  |              |               |   |
| Federal operating grants                                 | -                | -            | -             | -   |
| Federal capital grants                                   | -                | -            | -             | -   |
| State operating grants                                   | -                | -            | -             | -   |
| State capital grants                                     | -                | -            | -             | -   |
| Payment in lieu of taxes                                 | -                | -            | -             | -   |
| Local sources  | -                | -            | -             | -   |
| Charges for services                                     | -                | -            | -             | -   |
| Licenses and fees  | -                | -            | -             | -   |
| Investment income  | -                | -            | -             | -   |
| Miscellaneous  | -                | -            | -             | -   |
| <i>Total revenues</i>                                    | <u>1,300</u>     | <u>1,679</u> | <u>1,679</u>  | <u>-</u>                                      |
| <i>Expenditures:</i>                                     |                  |              |               |   |
| Current:   |                  |              |               |   |
| General government                                       | -                | -            | -             | -   |
| Public safety  | -                | -            | -             | -   |
| Public works   | -                | -            | -             | -   |
| Culture and recreation                                   | 1,200            | 1,200        | 1,200         | -   |
| Health and welfare                                       | -                | -            | -             | -   |
| Capital outlay   | -                | -            | -             | -   |
| Debt service:  |                  |              |               |   |
| Principal  | -                | -            | -             | -   |
| Interest   | -                | -            | -             | -   |
| <i>Total expenditures</i>                                | <u>1,200</u>     | <u>1,200</u> | <u>1,200</u>  | <u>-</u>                                      |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>100</u>       | <u>479</u>   | <u>479</u>    | <u>-</u>                                      |
| <i>Other financing sources (uses)</i>                    |                  |              |               |   |
| Designated cash  | -                | (265)        | -             | 265   |
| Transfers in   | -                | -            | -             | -   |
| Transfers (out)  | (100)            | (214)        | (214)         | -   |
| <i>Total other financing sources (uses)</i>              | <u>(100)</u>     | <u>(479)</u> | <u>(214)</u>  | <u>265</u>                                    |
| <i>Net change in fund balance</i>                        | -                | -            | 265           | 265   |
| <i>Fund balance - beginning of year</i>                  | -                | -            | -             | -   |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>  | <u>\$ 265</u> | <u>\$ 265</u>                                 |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |              |               | \$ 265  |
| Adjustments to revenues for cigarette tax revenues       |                  |              |               | 40  |
| No adjustments to expenditures                           |                  |              |               | -   |
| Net change in fund balance (GAAP)                        |                  |              |               | <u>\$ 305</u>                                 |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-2

Lincoln County

Special Programs Special Revenue 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          | Variations                                    |
|--|------------------|-----------------|-----------------|---|
|  | Original         | Final           |                 | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                 |                 |   |
| Taxes:   |                  |                 |                 |   |
| Property   | \$ -             | \$ -            | \$ -            | \$ -  |
| Gross receipts   | -                | -               | -               | -   |
| Gasoline and motor vehicle                               | -                | -               | -               | -   |
| Other  | -                | -               | -               | -   |
| Intergovernmental:                                       |                  |                 |                 |   |
| Federal operating grants                                 | -                | -               | -               | -   |
| Federal capital grants                                   | -                | -               | -               | -   |
| State operating grants                                   | -                | -               | -               | -   |
| State capital grants                                     | -                | -               | -               | -   |
| Payment in lieu of taxes                                 | -                | -               | -               | -   |
| Local sources  | -                | -               | -               | -   |
| Charges for services                                     | -                | -               | -               | -   |
| Licenses and fees  | -                | -               | -               | -   |
| Investment income  | -                | -               | -               | -   |
| Miscellaneous  | -                | -               | 225             | 225   |
| <i>Total revenues</i>                                    | <u>-</u>         | <u>-</u>        | <u>225</u>      | <u>225</u>                                    |
| <i>Expenditures:</i>                                     |                  |                 |                 |   |
| Current:   |                  |                 |                 |   |
| General government                                       | -                | -               | -               | -   |
| Public safety  | -                | -               | -               | -   |
| Public works   | -                | -               | -               | -   |
| Culture and recreation                                   | 47,675           | 47,675          | 47,530          | 145   |
| Health and welfare                                       | 52,100           | 52,100          | 47,983          | 4,117   |
| Capital outlay   | -                | -               | -               | -   |
| Debt service:  |                  |                 |                 |   |
| Principal  | -                | -               | -               | -   |
| Interest   | -                | -               | -               | -   |
| <i>Total expenditures</i>                                | <u>99,775</u>    | <u>99,775</u>   | <u>95,513</u>   | <u>4,262</u>                                  |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(99,775)</u>  | <u>(99,775)</u> | <u>(95,288)</u> | <u>4,487</u>                                  |
| <i>Other financing sources (uses)</i>                    |                  |                 |                 |   |
| Designated cash  | 1,752            | 1,752           | -               | (1,752)                                       |
| Transfers in   | 98,023           | 98,023          | 98,023          | -   |
| Transfers (out)  | -                | -               | -               | -   |
| <i>Total other financing sources (uses)</i>              | <u>99,775</u>    | <u>99,775</u>   | <u>98,023</u>   | <u>(1,752)</u>                                |
| <i>Net change in fund balance</i>                        | -                | -               | 2,735           | 2,735   |
| <i>Fund balance - beginning of year</i>                  | -                | -               | 1,752           | 1,752   |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ 4,487</u> | <u>\$ 4,487</u>                               |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |                 |                 | \$ 2,735                                      |
| No adjustments to revenues                               |                  |                 |                 | -   |
| No adjustments to expenditures                           |                  |                 |                 | -   |
| Net change in fund balance (GAAP)                        |                  |                 |                 | <u>\$ 2,735</u>                               |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-3

Lincoln County

Clerk's Equipment Special Revenue 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            | Variations                                    |
|--|------------------|------------------|-------------------|---|
|  | Original         | Final            |                   | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                  |                   |   |
| Taxes:   |                  |                  |                   |   |
| Property   | \$ -             | \$ -             | \$ -              | \$ -  |
| Gross receipts   | -                | -                | -                 | -   |
| Gasoline and motor vehicle                               | -                | -                | -                 | -   |
| Other  | -                | -                | -                 | -   |
| Intergovernmental:                                       |                  |                  |                   |   |
| Federal operating grants                                 | -                | -                | -                 | -   |
| Federal capital grants                                   | -                | -                | -                 | -   |
| State operating grants                                   | -                | -                | -                 | -   |
| State capital grants                                     | -                | -                | -                 | -   |
| Payment in lieu of taxes                                 | -                | -                | -                 | -   |
| Local sources  | -                | -                | -                 | -   |
| Charges for services                                     | -                | -                | -                 | -   |
| Licenses and fees  | 40,000           | 40,000           | 37,620            | (2,380)                                       |
| Investment income  | 6,000            | 6,000            | 4,053             | (1,947)                                       |
| Miscellaneous  | -                | -                | 418               | 418   |
| <i>Total revenues</i>                                    | <u>46,000</u>    | <u>46,000</u>    | <u>42,091</u>     | <u>(3,909)</u>                                |
| <i>Expenditures:</i>                                     |                  |                  |                   |   |
| Current:   |                  |                  |                   |   |
| General government                                       | 250,808          | 260,908          | 92,750            | 168,158                                       |
| Public safety  | -                | -                | -                 | -   |
| Public works   | -                | -                | -                 | -   |
| Culture and recreation                                   | -                | -                | -                 | -   |
| Health and welfare                                       | -                | -                | -                 | -   |
| Capital outlay   | -                | -                | -                 | -   |
| Debt service:  |                  |                  |                   |   |
| Principal  | -                | -                | -                 | -   |
| Interest   | -                | -                | -                 | -   |
| <i>Total expenditures</i>                                | <u>250,808</u>   | <u>260,908</u>   | <u>92,750</u>     | <u>168,158</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(204,808)</u> | <u>(214,908)</u> | <u>(50,659)</u>   | <u>164,249</u>                                |
| <i>Other financing sources (uses)</i>                    |                  |                  |                   |   |
| Designated cash  | 204,808          | 214,908          | -                 | (214,908)                                     |
| Transfers in   | -                | -                | -                 | -   |
| Transfers (out)  | -                | -                | -                 | -   |
| <i>Total other financing sources (uses)</i>              | <u>204,808</u>   | <u>214,908</u>   | <u>-</u>          | <u>(214,908)</u>                              |
| <i>Net change in fund balance</i>                        | -                | -                | (50,659)          | (50,659)                                      |
| <i>Fund balance - beginning of year</i>                  | -                | -                | 295,325           | 295,325                                       |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ 244,666</u> | <u>\$ 244,666</u>                             |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |                  |                   | \$ (50,659)                                   |
| Adjustments to revenue for reimbursement revenue         |                  |                  |                   | 145   |
| Adjustments to expenditures for fuel costs               |                  |                  |                   | (92)  |
| Net change in fund balance (GAAP)                        |                  |                  |                   | <u>\$ (50,606)</u>                            |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-4

Lincoln County

Agreements Special Revenue 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           | Variances                                     |
|---|------------------|------------------|------------------|---|
|   | Original         | Final            |                  | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>  |                  |                  |                  |   |
| Taxes:  |                  |                  |                  |   |
| Property  | \$ -             | \$ -             | \$ -             | \$ -  |
| Gross receipts  | -                | -                | -                | -   |
| Gasoline and motor vehicle                                  | -                | -                | -                | -   |
| Other   | -                | -                | -                | -   |
| Intergovernmental:  |                  |                  |                  |   |
| Federal operating grants                                    | 69,500           | 69,500           | -                | (69,500)                                      |
| Federal capital grants                                      | -                | -                | -                | -   |
| State operating grants                                      | -                | -                | -                | -   |
| State capital grants  | -                | -                | -                | -   |
| Payment in lieu of taxes                                    | -                | -                | -                | -   |
| Local sources   | -                | -                | -                | -   |
| Charges for services  | -                | -                | -                | -   |
| Licenses and fees   | -                | -                | -                | -   |
| Investment income   | -                | -                | -                | -   |
| Miscellaneous   | 30,000           | 30,000           | -                | (30,000)                                      |
| <i>Total revenues</i>                                       | <u>99,500</u>    | <u>99,500</u>    | <u>-</u>         | <u>(99,500)</u>                               |
| <i>Expenditures:</i>  |                  |                  |                  |   |
| Current:  |                  |                  |                  |   |
| General government  | 405,867          | 435,867          | 254,411          | 181,456                                       |
| Public safety   | -                | -                | -                | -   |
| Public works  | -                | -                | -                | -   |
| Culture and recreation                                      | -                | -                | -                | -   |
| Health and welfare  | -                | -                | -                | -   |
| Capital outlay  | -                | -                | -                | -   |
| Debt service:   |                  |                  |                  |   |
| Principal   | -                | -                | -                | -   |
| Interest  | -                | -                | -                | -   |
| <i>Total expenditures</i>                                   | <u>405,867</u>   | <u>435,867</u>   | <u>254,411</u>   | <u>181,456</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i>    | <u>(306,367)</u> | <u>(336,367)</u> | <u>(254,411)</u> | <u>81,956</u>                                 |
| <i>Other financing sources (uses)</i>                       |                  |                  |                  |   |
| Designated cash   | 6,801            | 6,801            | -                | (6,801)                                       |
| Transfers in  | 299,566          | 329,566          | 300,000          | (29,566)                                      |
| Transfers (out)   | -                | -                | -                | -   |
| <i>Total other financing sources (uses)</i>                 | <u>306,367</u>   | <u>336,367</u>   | <u>300,000</u>   | <u>(36,367)</u>                               |
| <i>Net change in fund balance</i>                           | -                | -                | 45,589           | 45,589  |
| <i>Fund balance - beginning of year</i>                     | -                | -                | 6,801            | 6,801   |
| <i>Fund balance - end of year</i>                           | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ 52,390</u> | <u>\$ 52,390</u>                              |
| Net change in fund balance (non-GAAP budgetary basis)       |                  |                  |                  | \$ 45,589                                     |
| Adjustments to revenue for FEMA grant revenue               |                  |                  |                  | 19,532  |
| Adjustments to expenditures for materials and other charges |                  |                  |                  | (11,415)                                      |
| Net change in fund balance (GAAP)                           |                  |                  |                  | <u>\$ 53,706</u>                              |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-5

Lincoln County

Legislative Appropriation Special Revenue 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           | Variances                                     |
|---|------------------|------------------|------------------|---|
|   | Original         | Final            |                  | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>  |                  |                  |                  |   |
| Taxes:  |                  |                  |                  |   |
| Property  | \$ -             | \$ -             | \$ -             | \$ -  |
| Gross receipts  | -                | -                | -                | -   |
| Gasoline and motor vehicle                                  | -                | -                | -                | -   |
| Other   | -                | -                | -                | -   |
| Intergovernmental:  |                  |                  |                  |   |
| Federal operating grants                                    | -                | -                | -                | -   |
| Federal capital grants                                      | -                | -                | -                | -   |
| State operating grants                                      | 484,681          | 500,981          | 322,648          | (178,333)                                     |
| State capital grants  | 510,000          | 775,000          | -                | (775,000)                                     |
| Payment in lieu of taxes                                    | -                | -                | -                | -   |
| Local sources   | -                | -                | -                | -   |
| Charges for services  | -                | -                | -                | -   |
| Licenses and fees   | -                | -                | -                | -   |
| Investment income   | -                | -                | -                | -   |
| Miscellaneous   | -                | -                | -                | -   |
| <i>Total revenues</i>                                       | <u>994,681</u>   | <u>1,275,981</u> | <u>322,648</u>   | <u>(953,333)</u>                              |
| <i>Expenditures:</i>  |                  |                  |                  |   |
| Current:  |                  |                  |                  |   |
| General government  | -                | -                | -                | -   |
| Public safety   | 69,819           | 78,119           | 71,923           | 6,196   |
| Public works  | -                | -                | -                | -   |
| Culture and recreation                                      | 87,926           | 97,926           | 79,969           | 17,957  |
| Health and welfare  | 291,936          | 554,936          | 222,555          | 332,381                                       |
| Capital outlay  | 545,000          | 545,000          | 79,256           | 465,744                                       |
| Debt service:   |                  |                  |                  |   |
| Principal   | -                | -                | -                | -   |
| Interest  | -                | -                | -                | -   |
| <i>Total expenditures</i>                                   | <u>994,681</u>   | <u>1,275,981</u> | <u>453,703</u>   | <u>822,278</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i>    | <u>-</u>         | <u>-</u>         | <u>(131,055)</u> | <u>(131,055)</u>                              |
| <i>Other financing sources (uses)</i>                       |                  |                  |                  |   |
| Designated cash   | 30,607           | (100,448)        | -                | 100,448                                       |
| Transfers in  | -                | 131,055          | 131,055          | -   |
| Transfers (out)   | (30,607)         | (30,607)         | (30,607)         | -   |
| <i>Total other financing sources (uses)</i>                 | <u>-</u>         | <u>-</u>         | <u>100,448</u>   | <u>100,448</u>                                |
| <i>Net change in fund balance</i>                           | <u>-</u>         | <u>-</u>         | <u>(30,607)</u>  | <u>(30,607)</u>                               |
| <i>Fund balance - beginning of year</i>                     | <u>-</u>         | <u>-</u>         | <u>30,607</u>    | <u>30,607</u>                                 |
| <i>Fund balance - end of year</i>                           | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>                                   |
| Net change in fund balance (non-GAAP budgetary basis)       |                  |                  |                  | \$ (30,607)                                   |
| Adjustments to revenues for state grant revenue             |                  |                  |                  | 8,669   |
| Adjustments to expenditures for materials and other charges |                  |                  |                  | 15,350  |
| Net change in fund balance (GAAP)                           |                  |                  |                  | <u>\$ (6,588)</u>                             |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-6

Lincoln County

Gas Tax Special Revenue 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           | Variations                                    |
|--|------------------|-----------------|------------------|---|
|  | Original         | Final           |                  | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                 |                  |   |
| Taxes:   |                  |                 |                  |   |
| Property   | \$ -             | \$ -            | \$ -             | \$ -  |
| Gross receipts   | -                | -               | -                | -   |
| Gasoline and motor vehicle   | 165,000          | 165,000         | 177,926          | 12,926  |
| Other  | -                | -               | -                | -   |
| Intergovernmental:   |                  |                 |                  |   |
| Federal operating grants   | -                | -               | -                | -   |
| Federal capital grants   | -                | -               | -                | -   |
| State operating grants   | -                | -               | -                | -   |
| State capital grants   | -                | -               | -                | -   |
| Payment in lieu of taxes   | -                | -               | -                | -   |
| Local sources  | -                | -               | -                | -   |
| Charges for services   | -                | -               | -                | -   |
| Licenses and fees  | -                | -               | -                | -   |
| Investment income  | -                | -               | -                | -   |
| Miscellaneous  | -                | -               | -                | -   |
| <i>Total revenues</i>  | <u>165,000</u>   | <u>165,000</u>  | <u>177,926</u>   | <u>12,926</u>                                 |
| <i>Expenditures:</i>   |                  |                 |                  |   |
| Current:   |                  |                 |                  |   |
| General government   | -                | -               | -                | -   |
| Public safety  | -                | -               | -                | -   |
| Public works   | 252,000          | 252,000         | 218,959          | 33,041  |
| Culture and recreation   | -                | -               | -                | -   |
| Health and welfare   | -                | -               | -                | -   |
| Capital outlay   | -                | -               | -                | -   |
| Debt service:  |                  |                 |                  |   |
| Principal  | -                | -               | -                | -   |
| Interest   | -                | -               | -                | -   |
| <i>Total expenditures</i>  | <u>252,000</u>   | <u>252,000</u>  | <u>218,959</u>   | <u>33,041</u>                                 |
| <i>Excess (deficiency) of revenues over expenditures</i>           | <u>(87,000)</u>  | <u>(87,000)</u> | <u>(41,033)</u>  | <u>45,967</u>                                 |
| <i>Other financing sources (uses)</i>                              |                  |                 |                  |   |
| Designated cash  | -                | -               | -                | -   |
| Transfers in   | 87,000           | 87,000          | 87,000           | -   |
| Transfers (out)  | -                | -               | -                | -   |
| <i>Total other financing sources (uses)</i>                        | <u>87,000</u>    | <u>87,000</u>   | <u>87,000</u>    | <u>-</u>                                      |
| <i>Net change in fund balance</i>                                  | -                | -               | 45,967           | 45,967  |
| <i>Fund balance - beginning of year</i>                            | -                | -               | -                | -   |
| <i>Fund balance - end of year</i>                                  | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ 45,967</u> | <u>\$ 45,967</u>                              |
| Net change in fund balance (non-GAAP budgetary basis)              |                  |                 |                  | \$ 45,967                                     |
| Adjustments to revenues for gas taxes recognized in the prior year |                  |                 |                  | (320)   |
| No adjustments to expenditures                                     |                  |                 |                  | -   |
| Net change in fund balance (GAAP)                                  |                  |                 |                  | <u>\$ 45,647</u>                              |

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-7

Lincoln County

Predatory Animal Control Special Revenue 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          | Variations                                    |
|--|------------------|-----------------|-----------------|---|
|  | Original         | Final           |                 | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                 |                 |   |
| Taxes:   |                  |                 |                 |   |
| Property   | \$ 22,180        | \$ 22,180       | \$ 22,575       | \$ 395  |
| Gross receipts   | -                | -               | -               | -   |
| Gasoline and motor vehicle                               | -                | -               | -               | -   |
| Other  | -                | -               | -               | -   |
| Intergovernmental:                                       |                  |                 |                 |   |
| Federal operating grants                                 | -                | -               | -               | -   |
| Federal capital grants                                   | -                | -               | -               | -   |
| State operating grants                                   | 29,268           | 29,268          | 29,431          | 163   |
| State capital grants                                     | -                | -               | -               | -   |
| Payment in lieu of taxes                                 | -                | -               | -               | -   |
| Local sources  | -                | -               | -               | -   |
| Charges for services                                     | -                | -               | -               | -   |
| Licenses and fees  | -                | -               | -               | -   |
| Investment income  | -                | -               | -               | -   |
| Miscellaneous  | -                | -               | -               | -   |
| <i>Total revenues</i>                                    | <u>51,448</u>    | <u>51,448</u>   | <u>52,006</u>   | <u>558</u>                                    |
| <i>Expenditures:</i>                                     |                  |                 |                 |   |
| Current:   |                  |                 |                 |   |
| General government                                       | -                | -               | -               | -   |
| Public safety  | -                | -               | -               | -   |
| Public works   | -                | -               | -               | -   |
| Culture and recreation                                   | -                | -               | -               | -   |
| Health and welfare                                       | 75,652           | 75,652          | 75,652          | -   |
| Capital outlay   | -                | -               | -               | -   |
| Debt service:  |                  |                 |                 |   |
| Principal  | -                | -               | -               | -   |
| Interest   | -                | -               | -               | -   |
| <i>Total expenditures</i>                                | <u>75,652</u>    | <u>75,652</u>   | <u>75,652</u>   | <u>-</u>                                      |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(24,204)</u>  | <u>(24,204)</u> | <u>(23,646)</u> | <u>558</u>                                    |
| <i>Other financing sources (uses)</i>                    |                  |                 |                 |   |
| Designated cash  | -                | -               | -               | -   |
| Transfers in   | 24,204           | 24,204          | 24,204          | -   |
| Transfers (out)  | -                | -               | -               | -   |
| <i>Total other financing sources (uses)</i>              | <u>24,204</u>    | <u>24,204</u>   | <u>24,204</u>   | <u>-</u>                                      |
| <i>Net change in fund balance</i>                        | -                | -               | 558             | 558   |
| <i>Fund balance - beginning of year</i>                  | -                | -               | -               | -   |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ 558</u>   | <u>\$ 558</u>                                 |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |                 |                 | \$ 558  |
| Adjustments to revenues for property tax revenues        |                  |                 |                 | 26  |
| No adjustments to expenditures                           |                  |                 |                 | -   |
| Net change in fund balance (GAAP)                        |                  |                 |                 | <u>\$ 584</u>                                 |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-8

Lincoln County

Forest Reserve Special Revenue 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           | Variances                                     |
|--|------------------|-----------------|------------------|---|
|  | Original         | Final           |                  | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                 |                  |   |
| Taxes:   |                  |                 |                  |   |
| Property   | \$ -             | \$ -            | \$ -             | \$ -  |
| Gross receipts   | -                | -               | -                | -   |
| Gasoline and motor vehicle                               | -                | -               | -                | -   |
| Other  | -                | -               | -                | -   |
| Intergovernmental:                                       |                  |                 |                  |   |
| Federal operating grants                                 | 14,873           | 52,639          | 53,797           | 1,158   |
| Federal capital grants                                   | -                | -               | -                | -   |
| State operating grants                                   | -                | -               | -                | -   |
| State capital grants                                     | -                | -               | -                | -   |
| Payment in lieu of taxes                                 | -                | -               | -                | -   |
| Local sources  | -                | -               | -                | -   |
| Charges for services                                     | -                | -               | -                | -   |
| Licenses and fees  | -                | -               | -                | -   |
| Investment income  | -                | -               | -                | -   |
| Miscellaneous  | -                | -               | -                | -   |
| <i>Total revenues</i>                                    | <u>14,873</u>    | <u>52,639</u>   | <u>53,797</u>    | <u>1,158</u>                                  |
| <i>Expenditures:</i>                                     |                  |                 |                  |   |
| Current:   |                  |                 |                  |   |
| General government                                       | -                | -               | -                | -   |
| Public safety  | -                | -               | -                | -   |
| Public works   | -                | -               | -                | -   |
| Culture and recreation                                   | -                | -               | -                | -   |
| Health and welfare                                       | 44,573           | 97,212          | 44,573           | 52,639  |
| Capital outlay   | -                | -               | -                | -   |
| Debt service:  |                  |                 |                  |   |
| Principal  | -                | -               | -                | -   |
| Interest   | -                | -               | -                | -   |
| <i>Total expenditures</i>                                | <u>44,573</u>    | <u>97,212</u>   | <u>44,573</u>    | <u>52,639</u>                                 |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(29,700)</u>  | <u>(44,573)</u> | <u>9,224</u>     | <u>53,797</u>                                 |
| <i>Other financing sources (uses)</i>                    |                  |                 |                  |   |
| Designated cash  | 10,734           | 10,734          | -                | (10,734)                                      |
| Transfers in   | 18,966           | 33,839          | 2,000            | (31,839)                                      |
| Transfers (out)  | -                | -               | -                | -   |
| <i>Total other financing sources (uses)</i>              | <u>29,700</u>    | <u>44,573</u>   | <u>2,000</u>     | <u>(42,573)</u>                               |
| <i>Net change in fund balance</i>                        | -                | -               | 11,224           | 11,224  |
| <i>Fund balance - beginning of year</i>                  | -                | -               | 10,734           | 10,734  |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ 21,958</u> | <u>\$ 21,958</u>                              |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |                 |                  | \$ 11,224                                     |
| No adjustments to revenues                               |                  |                 |                  | -   |
| No adjustments to expenditures                           |                  |                 |                  | -   |
| Net change in fund balance (GAAP)                        |                  |                 |                  | <u>\$ 11,224</u>                              |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-9

Lincoln County

Lodgers' Tax Special Revenue 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           | Variations                                    |
|--|------------------|-----------------|------------------|---|
|  | Original         | Final           |                  | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                 |                  |   |
| Taxes:   |                  |                 |                  |   |
| Property   | \$ -             | \$ -            | \$ -             | \$ -  |
| Gross receipts   | -                | -               | -                | -   |
| Gasoline and motor vehicle   | -                | -               | -                | -   |
| Other  | 70,000           | 70,000          | 57,883           | (12,117)                                      |
| Intergovernmental:   |                  |                 |                  |   |
| Federal operating grants   | -                | -               | -                | -   |
| Federal capital grants   | -                | -               | -                | -   |
| State operating grants   | -                | -               | -                | -   |
| State capital grants   | -                | -               | -                | -   |
| Payment in lieu of taxes   | -                | -               | -                | -   |
| Local sources  | -                | -               | -                | -   |
| Charges for services   | -                | -               | -                | -   |
| Licenses and fees  | -                | -               | -                | -   |
| Investment income  | 1,500            | 1,500           | 1,126            | (374)   |
| Miscellaneous  | -                | -               | -                | -   |
| <i>Total revenues</i>  | <u>71,500</u>    | <u>71,500</u>   | <u>59,009</u>    | <u>(12,491)</u>                               |
| <i>Expenditures:</i>   |                  |                 |                  |   |
| Current:   |                  |                 |                  |   |
| General government   | 119,712          | 119,712         | 57,914           | 61,798  |
| Public safety  | -                | -               | -                | -   |
| Public works   | -                | -               | -                | -   |
| Culture and recreation   | -                | -               | -                | -   |
| Health and welfare   | -                | -               | -                | -   |
| Capital outlay   | -                | -               | -                | -   |
| Debt service:  |                  |                 |                  |   |
| Principal  | -                | -               | -                | -   |
| Interest   | -                | -               | -                | -   |
| <i>Total expenditures</i>  | <u>119,712</u>   | <u>119,712</u>  | <u>57,914</u>    | <u>61,798</u>                                 |
| <i>Excess (deficiency) of revenues over expenditures</i>                                 | <u>(48,212)</u>  | <u>(48,212)</u> | <u>1,095</u>     | <u>49,307</u>                                 |
| <i>Other financing sources (uses)</i>  |                  |                 |                  |   |
| Designated cash  | 48,212           | 48,212          | -                | (48,212)                                      |
| Transfers in   | -                | -               | -                | -   |
| Transfers (out)  | -                | -               | -                | -   |
| <i>Total other financing sources (uses)</i>  | <u>48,212</u>    | <u>48,212</u>   | <u>-</u>         | <u>(48,212)</u>                               |
| <i>Net change in fund balance</i>  | -                | -               | 1,095            | 1,095   |
| <i>Fund balance - beginning of year</i>  | -                | -               | 74,622           | 74,622  |
| <i>Fund balance - end of year</i>  | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ 75,717</u> | <u>\$ 75,717</u>                              |
| Net change in fund balance (non-GAAP budgetary basis)                                    |                  |                 |                  | \$ 1,095                                      |
| Adjustments to revenue for lodgers tax revenues  |                  |                 |                  | 8,582   |
| Adjustments to expenditures for materials and other changes recognized in the prior year |                  |                 |                  | 2,000   |
| Net change in fund balance (GAAP)  |                  |                 |                  | <u>\$ 11,677</u>                              |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-10

Lincoln County

Drug Enforcement Grant Special Revenue 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          | Variances                                     |
|--|------------------|-----------------|-----------------|---|
|  | Original         | Final           |                 | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                 |                 |   |
| Taxes:   |                  |                 |                 |   |
| Property   | \$ -             | \$ -            | \$ -            | \$ -  |
| Gross receipts   | -                | -               | -               | -   |
| Gasoline and motor vehicle   | -                | -               | -               | -   |
| Other  | -                | -               | -               | -   |
| Intergovernmental:   |                  |                 |                 |   |
| Federal operating grants   | -                | -               | -               | -   |
| Federal capital grants   | -                | -               | -               | -   |
| State operating grants   | 210,660          | 210,660         | 79,970          | (130,690)                                     |
| State capital grants   | -                | -               | -               | -   |
| Payment in lieu of taxes   | -                | -               | -               | -   |
| Local sources  | -                | -               | -               | -   |
| Charges for services   | -                | -               | -               | -   |
| Licenses and fees  | -                | -               | -               | -   |
| Investment income  | -                | -               | -               | -   |
| Miscellaneous  | -                | -               | 3,342           | 3,342   |
| <i>Total revenues</i>  | <u>210,660</u>   | <u>210,660</u>  | <u>83,312</u>   | <u>(127,348)</u>                              |
| <i>Expenditures:</i>   |                  |                 |                 |   |
| Current:   |                  |                 |                 |   |
| General government   | -                | -               | -               | -   |
| Public safety  | 183,142          | 183,142         | 46,216          | 136,926                                       |
| Public works   | -                | -               | -               | -   |
| Culture and recreation   | -                | -               | -               | -   |
| Health and welfare   | -                | -               | -               | -   |
| Capital outlay   | -                | -               | -               | -   |
| Debt service:  |                  |                 |                 |   |
| Principal  | -                | -               | -               | -   |
| Interest   | -                | -               | -               | -   |
| <i>Total expenditures</i>  | <u>183,142</u>   | <u>183,142</u>  | <u>46,216</u>   | <u>136,926</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i>                                 | <u>27,518</u>    | <u>27,518</u>   | <u>37,096</u>   | <u>9,578</u>                                  |
| <i>Other financing sources (uses)</i>  |                  |                 |                 |   |
| Designated cash  | 24,392           | 24,392          | -               | (24,392)                                      |
| Transfers in   | -                | -               | -               | -   |
| Transfers (out)  | (51,910)         | (51,910)        | (51,910)        | -   |
| <i>Total other financing sources (uses)</i>  | <u>(27,518)</u>  | <u>(27,518)</u> | <u>(51,910)</u> | <u>(24,392)</u>                               |
| <i>Net change in fund balance</i>  | -                | -               | (14,814)        | (14,814)                                      |
| <i>Fund balance - beginning of year</i>  | -                | -               | 24,392          | 24,392  |
| <i>Fund balance - end of year</i>  | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ 9,578</u> | <u>\$ 9,578</u>                               |
| Net change in fund balance (non-GAAP budgetary basis)                                    |                  |                 |                 | \$ (14,814)                                   |
| Adjustments to revenue for state grant revenue   |                  |                 |                 | 1,585   |
| Adjustments to expenditures for materials and other changes recognized in the prior year |                  |                 |                 | 3,349   |
| Net change in fund balance (GAAP)  |                  |                 |                 | <u>\$ (9,880)</u>                             |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-11

Lincoln County

Homeland Security Grant Special Revenue 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          | Variations                                    |
|--|------------------|------------------|-----------------|---|
|  | Original         | Final            |                 | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                  |                 |   |
| Taxes:   |                  |                  |                 |   |
| Property   | \$ -             | \$ -             | \$ -            | \$ -  |
| Gross receipts   | -                | -                | -               | -   |
| Gasoline and motor vehicle                               | -                | -                | -               | -   |
| Other  | -                | -                | -               | -   |
| Intergovernmental:                                       |                  |                  |                 |   |
| Federal operating grants                                 | 150,000          | 396,944          | 251,117         | (145,827)                                     |
| Federal capital grants                                   | -                | -                | -               | -   |
| State operating grants                                   | -                | -                | -               | -   |
| State capital grants                                     | -                | -                | -               | -   |
| Payment in lieu of taxes                                 | -                | -                | -               | -   |
| Local sources  | -                | -                | -               | -   |
| Charges for services                                     | -                | -                | -               | -   |
| Licenses and fees  | -                | -                | -               | -   |
| Investment income  | -                | -                | -               | -   |
| Miscellaneous  | -                | -                | -               | -   |
| <i>Total revenues</i>                                    | <u>150,000</u>   | <u>396,944</u>   | <u>251,117</u>  | <u>(145,827)</u>                              |
| <i>Expenditures:</i>                                     |                  |                  |                 |   |
| Current:   |                  |                  |                 |   |
| General government                                       | -                | -                | -               | -   |
| Public safety  | 94,816           | 113,653          | 92,191          | 21,462  |
| Public works   | -                | -                | -               | -   |
| Culture and recreation                                   | -                | -                | -               | -   |
| Health and welfare                                       | -                | -                | -               | -   |
| Capital outlay   | 26,999           | 171,191          | 171,191         | -   |
| Debt service:  |                  |                  |                 |   |
| Principal  | -                | -                | -               | -   |
| Interest   | -                | -                | -               | -   |
| <i>Total expenditures</i>                                | <u>121,815</u>   | <u>284,844</u>   | <u>263,382</u>  | <u>21,462</u>                                 |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>28,185</u>    | <u>112,100</u>   | <u>(12,265)</u> | <u>(124,365)</u>                              |
| <i>Other financing sources (uses)</i>                    |                  |                  |                 |   |
| Designated cash  | (27)             | (9,130)          | -               | 9,130   |
| Transfers in   | -                | 12,265           | 12,265          | -   |
| Transfers (out)  | (28,158)         | (115,235)        | -               | 115,235                                       |
| <i>Total other financing sources (uses)</i>              | <u>(28,185)</u>  | <u>(112,100)</u> | <u>12,265</u>   | <u>124,365</u>                                |
| <i>Net change in fund balance</i>                        | -                | -                | -               | -   |
| <i>Fund balance - beginning of year</i>                  | -                | -                | -               | -   |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ -</u>                                   |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |                  |                 | \$ -  |
| Adjustments to revenue for federal grant revenues        |                  |                  |                 | 21,127  |
| Adjustments to expenditures for contract costs           |                  |                  |                 | (1,192)                                       |
| Net change in fund balance (GAAP)                        |                  |                  |                 | <u>\$ 19,935</u>                              |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-12

Lincoln County

Sheriff's Seizure Special Revenue 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           | Variations                                    |
|--|------------------|-----------------|------------------|---|
|  | Original         | Final           |                  | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                 |                  |   |
| Taxes:   |                  |                 |                  |   |
| Property   | \$ -             | \$ -            | \$ -             | \$ -  |
| Gross receipts   | -                | -               | -                | -   |
| Gasoline and motor vehicle                               | -                | -               | -                | -   |
| Other  | -                | -               | -                | -   |
| Intergovernmental:                                       |                  |                 |                  |   |
| Federal operating grants                                 | -                | -               | -                | -   |
| Federal capital grants                                   | -                | -               | -                | -   |
| State operating grants                                   | -                | -               | -                | -   |
| State capital grants                                     | -                | -               | -                | -   |
| Payment in lieu of taxes                                 | -                | -               | -                | -   |
| Local sources  | -                | -               | -                | -   |
| Charges for services                                     | -                | -               | -                | -   |
| Licenses and fees  | -                | -               | -                | -   |
| Investment income  | 1,500            | 1,500           | 735              | (765)   |
| Miscellaneous  | -                | -               | 504              | 504   |
| <i>Total revenues</i>                                    | <u>1,500</u>     | <u>1,500</u>    | <u>1,239</u>     | <u>(261)</u>                                  |
| <i>Expenditures:</i>                                     |                  |                 |                  |   |
| Current:   |                  |                 |                  |   |
| General government                                       | -                | -               | -                | -   |
| Public safety  | 9,250            | 9,250           | 289              | 8,961   |
| Public works   | -                | -               | -                | -   |
| Culture and recreation                                   | -                | -               | -                | -   |
| Health and welfare                                       | -                | -               | -                | -   |
| Capital outlay   | 41,578           | 41,578          | -                | 41,578  |
| Debt service:  |                  |                 |                  |   |
| Principal  | -                | -               | -                | -   |
| Interest   | -                | -               | -                | -   |
| <i>Total expenditures</i>                                | <u>50,828</u>    | <u>50,828</u>   | <u>289</u>       | <u>50,539</u>                                 |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(49,328)</u>  | <u>(49,328)</u> | <u>950</u>       | <u>50,278</u>                                 |
| <i>Other financing sources (uses)</i>                    |                  |                 |                  |   |
| Designated cash  | 49,328           | 49,328          | -                | (49,328)                                      |
| Transfers in   | -                | -               | -                | -   |
| Transfers (out)  | -                | -               | -                | -   |
| <i>Total other financing sources (uses)</i>              | <u>49,328</u>    | <u>49,328</u>   | <u>-</u>         | <u>(49,328)</u>                               |
| <i>Net change in fund balance</i>                        | -                | -               | 950              | 950   |
| <i>Fund balance - beginning of year</i>                  | -                | -               | 49,565           | 49,565  |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ 50,515</u> | <u>\$ 50,515</u>                              |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |                 |                  | \$ 950  |
| No adjustments to revenues                               |                  |                 |                  | -   |
| No adjustments to expenditures                           |                  |                 |                  | -   |
| Net change in fund balance (GAAP)                        |                  |                 |                  | <u>\$ 950</u>                                 |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-13

Lincoln County

Reappraisal Special Revenue 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            | Variations                                    |
|--|------------------|------------------|-------------------|---|
|  | Original         | Final            |                   | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                  |                   |   |
| Taxes:   |                  |                  |                   |   |
| Property   | \$ -             | \$ -             | \$ -              | \$ -  |
| Gross receipts   | -                | -                | -                 | -   |
| Gasoline and motor vehicle   | -                | -                | -                 | -   |
| Other  | -                | -                | -                 | -   |
| Intergovernmental:   |                  |                  |                   |   |
| Federal operating grants   | -                | -                | -                 | -   |
| Federal capital grants   | -                | -                | -                 | -   |
| State operating grants   | -                | -                | -                 | -   |
| State capital grants   | -                | -                | -                 | -   |
| Payment in lieu of taxes   | -                | -                | -                 | -   |
| Local sources  | -                | -                | -                 | -   |
| Charges for services   | 172,000          | 172,000          | 195,594           | 23,594  |
| Licenses and fees  | -                | -                | -                 | -   |
| Investment income  | -                | -                | -                 | -   |
| Miscellaneous  | -                | -                | 424               | 424   |
| <i>Total revenues</i>  | <u>172,000</u>   | <u>172,000</u>   | <u>196,018</u>    | <u>24,018</u>                                 |
| <i>Expenditures:</i>   |                  |                  |                   |   |
| Current:   |                  |                  |                   |   |
| General government   | 200,128          | 200,128          | 93,979            | 106,149                                       |
| Public safety  | -                | -                | -                 | -   |
| Public works   | -                | -                | -                 | -   |
| Culture and recreation   | -                | -                | -                 | -   |
| Health and welfare   | -                | -                | -                 | -   |
| Capital outlay   | 114,710          | 114,710          | -                 | 114,710                                       |
| Debt service:  |                  |                  |                   |   |
| Principal  | -                | -                | -                 | -   |
| Interest   | -                | -                | -                 | -   |
| <i>Total expenditures</i>  | <u>314,838</u>   | <u>314,838</u>   | <u>93,979</u>     | <u>220,859</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i>                           | <u>(142,838)</u> | <u>(142,838)</u> | <u>102,039</u>    | <u>244,877</u>                                |
| <i>Other financing sources (uses)</i>  |                  |                  |                   |   |
| Designated cash  | 142,838          | 142,838          | -                 | (142,838)                                     |
| Transfers in   | -                | -                | -                 | -   |
| Transfers (out)  | -                | -                | -                 | -   |
| <i>Total other financing sources (uses)</i>  | <u>142,838</u>   | <u>142,838</u>   | <u>-</u>          | <u>(142,838)</u>                              |
| <i>Net change in fund balance</i>  | -                | -                | 102,039           | 102,039                                       |
| <i>Fund balance - beginning of year</i>  | -                | -                | 142,838           | 142,838                                       |
| <i>Fund balance - end of year</i>  | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ 244,877</u> | <u>\$ 244,877</u>                             |
| Net change in fund balance (non-GAAP budgetary basis)                              |                  |                  |                   | \$ 102,039                                    |
| No adjustments to revenues   |                  |                  |                   | -   |
| Adjustments to expenditures for materials, other charges, and payroll expenditures |                  |                  |                   | (1,844)                                       |
| Net change in fund balance (GAAP)  |                  |                  |                   | <u>\$ 100,195</u>                             |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-14

Lincoln County

Emergency Medical Services Special Revenue 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            | Variations                                    |
|--|------------------|-----------------|-------------------|---|
|  | Original         | Final           |                   | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                 |                   |   |
| Taxes:   |                  |                 |                   |   |
| Property   | \$ -             | \$ -            | \$ -              | \$ -  |
| Gross receipts   | -                | -               | -                 | -   |
| Gasoline and motor vehicle                               | -                | -               | -                 | -   |
| Other  | -                | -               | -                 | -   |
| Intergovernmental:                                       |                  |                 |                   |   |
| Federal operating grants                                 | -                | -               | -                 | -   |
| Federal capital grants                                   | -                | -               | -                 | -   |
| State operating grants                                   | 48,159           | 183,909         | 126,573           | (57,336)                                      |
| State capital grants                                     | -                | -               | -                 | -   |
| Payment in lieu of taxes                                 | -                | -               | -                 | -   |
| Local sources  | -                | -               | -                 | -   |
| Charges for services                                     | -                | -               | -                 | -   |
| Licenses and fees  | -                | -               | -                 | -   |
| Investment income  | -                | -               | -                 | -   |
| Miscellaneous  | -                | -               | 169               | 169   |
| <i>Total revenues</i>                                    | <u>48,159</u>    | <u>183,909</u>  | <u>126,742</u>    | <u>(57,167)</u>                               |
| <i>Expenditures:</i>                                     |                  |                 |                   |   |
| Current:   |                  |                 |                   |   |
| General government                                       | -                | -               | -                 | -   |
| Public safety  | 74,112           | 81,086          | 60,597            | 20,489  |
| Public works   | -                | -               | -                 | -   |
| Culture and recreation                                   | -                | -               | -                 | -   |
| Health and welfare                                       | -                | -               | -                 | -   |
| Capital outlay   | 59,003           | 187,779         | 28,218            | 159,561                                       |
| Debt service:  |                  |                 |                   |   |
| Principal  | -                | -               | -                 | -   |
| Interest   | -                | -               | -                 | -   |
| <i>Total expenditures</i>                                | <u>133,115</u>   | <u>268,865</u>  | <u>88,815</u>     | <u>180,050</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(84,956)</u>  | <u>(84,956)</u> | <u>37,927</u>     | <u>122,883</u>                                |
| <i>Other financing sources (uses)</i>                    |                  |                 |                   |   |
| Designated cash  | 84,956           | 84,956          | -                 | (84,956)                                      |
| Transfers in   | -                | -               | -                 | -   |
| Transfers (out)  | -                | -               | -                 | -   |
| <i>Total other financing sources (uses)</i>              | <u>84,956</u>    | <u>84,956</u>   | <u>-</u>          | <u>(84,956)</u>                               |
| <i>Net change in fund balance</i>                        | -                | -               | 37,927            | 37,927  |
| <i>Fund balance - beginning of year</i>                  | -                | -               | 84,956            | 84,956  |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ 122,883</u> | <u>\$ 122,883</u>                             |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |                 |                   | \$ 37,927                                     |
| No adjustments to revenues                               |                  |                 |                   | -   |
| No adjustments to expenditures                           |                  |                 |                   | -   |
| Net change in fund balance (GAAP)                        |                  |                 |                   | <u>\$ 37,927</u>                              |

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-15

Lincoln County

Rural Health Clinic Special Revenue 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            | Variations                                    |
|--|------------------|-----------------|-------------------|---|
|  | Original         | Final           |                   | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                 |                   |   |
| Taxes:   |                  |                 |                   |   |
| Property   | \$ 502,023       | \$ 502,023      | \$ 520,339        | \$ 18,316                                     |
| Gross receipts   | -                | -               | -                 | -   |
| Gasoline and motor vehicle                               | -                | -               | -                 | -   |
| Other  | -                | -               | -                 | -   |
| Intergovernmental:                                       |                  |                 |                   |   |
| Federal operating grants                                 | -                | -               | -                 | -   |
| Federal capital grants                                   | -                | -               | -                 | -   |
| State operating grants                                   | -                | -               | -                 | -   |
| State capital grants                                     | -                | -               | -                 | -   |
| Payment in lieu of taxes                                 | -                | -               | -                 | -   |
| Local sources  | -                | -               | -                 | -   |
| Charges for services                                     | -                | -               | -                 | -   |
| Licenses and fees  | -                | -               | -                 | -   |
| Investment income  | 10,000           | 10,000          | 4,914             | (5,086)                                       |
| Miscellaneous  | -                | -               | -                 | -   |
| <i>Total revenues</i>                                    | <u>512,023</u>   | <u>512,023</u>  | <u>525,253</u>    | <u>13,230</u>                                 |
| <i>Expenditures:</i>                                     |                  |                 |                   |   |
| Current:   |                  |                 |                   |   |
| General government                                       | -                | -               | -                 | -   |
| Public safety  | -                | -               | -                 | -   |
| Public works   | -                | -               | -                 | -   |
| Culture and recreation                                   | -                | -               | -                 | -   |
| Health and welfare                                       | 545,500          | 545,502         | 542,002           | 3,500   |
| Capital outlay   | 22,590           | 22,588          | 12,960            | 9,628   |
| Debt service:  |                  |                 |                   |   |
| Principal  | -                | -               | -                 | -   |
| Interest   | -                | -               | -                 | -   |
| <i>Total expenditures</i>                                | <u>568,090</u>   | <u>568,090</u>  | <u>554,962</u>    | <u>13,128</u>                                 |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(56,067)</u>  | <u>(56,067)</u> | <u>(29,709)</u>   | <u>26,358</u>                                 |
| <i>Other financing sources (uses)</i>                    |                  |                 |                   |   |
| Designated cash  | 56,067           | 56,067          | -                 | (56,067)                                      |
| Transfers in   | -                | -               | -                 | -   |
| Transfers (out)  | -                | -               | -                 | -   |
| <i>Total other financing sources (uses)</i>              | <u>56,067</u>    | <u>56,067</u>   | <u>-</u>          | <u>(56,067)</u>                               |
| <i>Net change in fund balance</i>                        | -                | -               | (29,709)          | (29,709)                                      |
| <i>Fund balance - beginning of year</i>                  | -                | -               | 332,466           | 332,466                                       |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ 302,757</u> | <u>\$ 302,757</u>                             |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |                 |                   | \$ (29,709)                                   |
| No adjustments to revenues                               |                  |                 |                   | -   |
| No adjustments to expenditures                           |                  |                 |                   | -   |
| Net change in fund balance (GAAP)                        |                  |                 |                   | <u>\$ (29,709)</u>                            |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-16

Lincoln County

Law Enforcement Protection Special Revenue 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           | Variances                                     |
|--|------------------|----------------|------------------|---|
|  | Original         | Final          |                  | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                |                  |   |
| Taxes:   |                  |                |                  |   |
| Property   | \$ -             | \$ -           | \$ -             | \$ -  |
| Gross receipts   | -                | -              | -                | -   |
| Gasoline and motor vehicle                               | -                | -              | -                | -   |
| Other  | -                | -              | -                | -   |
| Intergovernmental:                                       |                  |                |                  |   |
| Federal operating grants                                 | -                | -              | -                | -   |
| Federal capital grants                                   | -                | -              | -                | -   |
| State operating grants                                   | 28,400           | 28,400         | 28,400           | -   |
| State capital grants                                     | -                | -              | -                | -   |
| Payment in lieu of taxes                                 | -                | -              | -                | -   |
| Local sources  | -                | -              | -                | -   |
| Charges for services                                     | -                | -              | -                | -   |
| Licenses and fees  | -                | -              | -                | -   |
| Investment income  | -                | -              | -                | -   |
| Miscellaneous  | -                | -              | 239              | 239   |
| <i>Total revenues</i>                                    | <u>28,400</u>    | <u>28,400</u>  | <u>28,639</u>    | <u>239</u>                                    |
| <i>Expenditures:</i>                                     |                  |                |                  |   |
| Current:   |                  |                |                  |   |
| General government                                       | -                | -              | -                | -   |
| Public safety  | 28,175           | 32,117         | 24,786           | 7,331   |
| Public works   | -                | -              | -                | -   |
| Culture and recreation                                   | -                | -              | -                | -   |
| Health and welfare                                       | -                | -              | -                | -   |
| Capital outlay   | -                | -              | -                | -   |
| Debt service:  |                  |                |                  |   |
| Principal  | -                | -              | -                | -   |
| Interest   | -                | -              | -                | -   |
| <i>Total expenditures</i>                                | <u>28,175</u>    | <u>32,117</u>  | <u>24,786</u>    | <u>7,331</u>                                  |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>225</u>       | <u>(3,717)</u> | <u>3,853</u>     | <u>7,570</u>                                  |
| <i>Other financing sources (uses)</i>                    |                  |                |                  |   |
| Designated cash  | (225)            | 3,717          | -                | (3,717)                                       |
| Transfers in   | -                | -              | -                | -   |
| Transfers (out)  | -                | -              | -                | -   |
| <i>Total other financing sources (uses)</i>              | <u>(225)</u>     | <u>3,717</u>   | <u>-</u>         | <u>(3,717)</u>                                |
| <i>Net change in fund balance</i>                        | -                | -              | 3,853            | 3,853   |
| <i>Fund balance - beginning of year</i>                  | -                | -              | 9,987            | 9,987   |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>    | <u>\$ 13,840</u> | <u>\$ 13,840</u>                              |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |                |                  | \$ 3,853                                      |
| Adjustments to revenues for state grant revenue          |                  |                |                  | 1,200   |
| No adjustments to expenditures                           |                  |                |                  | -   |
| Net change in fund balance (GAAP)                        |                  |                |                  | <u>\$ 5,053</u>                               |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-17

Lincoln County

Senior Citizen's Special Revenue 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           | Variances                                     |
|--|------------------|-----------------|------------------|---|
|  | Original         | Final           |                  | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                 |                  |   |
| Taxes:   |                  |                 |                  |   |
| Property   | \$ -             | \$ -            | \$ -             | \$ -  |
| Gross receipts   | -                | -               | -                | -   |
| Gasoline and motor vehicle   | -                | -               | -                | -   |
| Other  | -                | -               | -                | -   |
| Intergovernmental:   |                  |                 |                  |   |
| Federal operating grants   | 101,856          | 101,856         | 96,586           | (5,270)                                       |
| Federal capital grants   | -                | -               | -                | -   |
| State operating grants   | 436,879          | 446,879         | 454,257          | 7,378   |
| State capital grants   | 15,000           | 15,000          | 8,736            | (6,264)                                       |
| Payment in lieu of taxes   | -                | -               | -                | -   |
| Local source   | 167,788          | 167,788         | 147,617          | (20,171)                                      |
| Charges for services   | -                | -               | -                | -   |
| Licenses and fees  | -                | -               | -                | -   |
| Investment income  | -                | -               | -                | -   |
| Miscellaneous  | -                | -               | 1,991            | 1,991   |
| <i>Total revenues</i>  | <u>721,523</u>   | <u>731,523</u>  | <u>709,187</u>   | <u>(22,336)</u>                               |
| <i>Expenditures:</i>   |                  |                 |                  |   |
| Current:   |                  |                 |                  |   |
| General government   | -                | -               | -                | -   |
| Public safety  | -                | -               | -                | -   |
| Public works   | -                | -               | -                | -   |
| Culture and recreation   | -                | -               | -                | -   |
| Health and welfare   | 745,865          | 826,916         | 746,500          | 80,416  |
| Capital outlay   | -                | -               | -                | -   |
| Debt service:  |                  |                 |                  |   |
| Principal  | -                | -               | -                | -   |
| Interest   | -                | -               | -                | -   |
| <i>Total expenditures</i>  | <u>745,865</u>   | <u>826,916</u>  | <u>746,500</u>   | <u>80,416</u>                                 |
| <i>Excess (deficiency) of revenues over expenditures</i>                           | <u>(24,342)</u>  | <u>(95,393)</u> | <u>(37,313)</u>  | <u>58,080</u>                                 |
| <i>Other financing sources (uses)</i>  |                  |                 |                  |   |
| Designated cash  | (2)              | (5)             | -                | 5   |
| Proceeds from sale of equipment  | -                | 4,278           | 4,278            | -   |
| Transfers in   | 24,344           | 91,120          | 74,344           | (16,776)                                      |
| Transfers (out)  | -                | -               | -                | -   |
| <i>Total other financing sources (uses)</i>  | <u>24,342</u>    | <u>95,393</u>   | <u>78,622</u>    | <u>(16,771)</u>                               |
| <i>Net change in fund balance</i>  | -                | -               | 41,309           | 41,309  |
| <i>Fund balance - beginning of year</i>  | -                | -               | -                | -   |
| <i>Fund balance - end of year</i>  | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ 41,309</u> | <u>\$ 41,309</u>                              |
| Net change in fund balance (non-GAAP budgetary basis)                              |                  |                 |                  | \$ 41,309                                     |
| Adjustments to revenues for state and federal grant revenues                       |                  |                 |                  | 10,523  |
| Adjustments to expenditures for materials, other charges, and payroll expenditures |                  |                 |                  | (9,484)                                       |
| Net change in fund balance (GAAP)  |                  |                 |                  | <u>\$ 42,348</u>                              |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-18

Lincoln County

Environmental Gross Receipts Special Revenue 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         | Variations                                    |
|---|------------------|----------------|----------------|---|
|   | Original         | Final          |                | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>  |                  |                |                |   |
| Taxes:  |                  |                |                |   |
| Property  | \$ -             | \$ -           | \$ -           | \$ -  |
| Gross receipts  | 168,000          | 168,000        | 144,840        | (23,160)                                      |
| Gasoline and motor vehicle                                  | -                | -              | -              | -   |
| Other   | -                | -              | -              | -   |
| Intergovernmental:  |                  |                |                |   |
| Federal operating grants                                    | -                | -              | -              | -   |
| Federal capital grants                                      | -                | -              | -              | -   |
| State operating grants                                      | -                | -              | -              | -   |
| State capital grants  | -                | -              | -              | -   |
| Payment in lieu of taxes                                    | -                | -              | -              | -   |
| Local sources   | -                | -              | -              | -   |
| Charges for services  | -                | -              | -              | -   |
| Licenses and fees   | -                | -              | -              | -   |
| Investment income   | -                | -              | -              | -   |
| Miscellaneous   | -                | -              | -              | -   |
| <i>Total revenues</i>                                       | <u>168,000</u>   | <u>168,000</u> | <u>144,840</u> | <u>(23,160)</u>                               |
| <i>Expenditures:</i>  |                  |                |                |   |
| Current:  |                  |                |                |   |
| General government  | -                | -              | -              | -   |
| Public safety   | -                | -              | -              | -   |
| Public works  | -                | -              | -              | -   |
| Culture and recreation                                      | -                | -              | -              | -   |
| Health and welfare  | 168,000          | 168,000        | 144,840        | 23,160  |
| Capital outlay  | -                | -              | -              | -   |
| Debt service:   |                  |                |                |   |
| Principal   | -                | -              | -              | -   |
| Interest  | -                | -              | -              | -   |
| <i>Total expenditures</i>                                   | <u>168,000</u>   | <u>168,000</u> | <u>144,840</u> | <u>23,160</u>                                 |
| <i>Excess (deficiency) of revenues over expenditures</i>    | <u>-</u>         | <u>-</u>       | <u>-</u>       | <u>-</u>                                      |
| <i>Other financing sources (uses)</i>                       |                  |                |                |   |
| Designated cash   | -                | -              | -              | -   |
| Transfers in  | -                | -              | -              | -   |
| Transfers (out)   | -                | -              | -              | -   |
| <i>Total other financing sources (uses)</i>                 | <u>-</u>         | <u>-</u>       | <u>-</u>       | <u>-</u>                                      |
| <i>Net change in fund balance</i>                           | <u>-</u>         | <u>-</u>       | <u>-</u>       | <u>-</u>                                      |
| <i>Fund balance - beginning of year</i>                     | <u>-</u>         | <u>-</u>       | <u>-</u>       | <u>-</u>                                      |
| <i>Fund balance - end of year</i>                           | <u>\$ -</u>      | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>                                   |
| Net change in fund balance (non-GAAP budgetary basis)       |                  |                |                | \$ -  |
| Adjustments to revenues for gross receipts tax revenue      |                  |                |                | 5,429   |
| Adjustments to expenditures for materials and other charges |                  |                |                | (21,979)                                      |
| Net change in fund balance (GAAP)                           |                  |                |                | <u>\$ (16,550)</u>                            |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-19

Lincoln County

Enhanced 911 Special Revenue 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          | Variations                                    |
|--|------------------|---------------|-----------------|---|
|  | Original         | Final         |                 | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |               |                 |   |
| Taxes:   |                  |               |                 |   |
| Property   | \$ -             | \$ -          | \$ -            | \$ -  |
| Gross receipts   | -                | -             | -               | -   |
| Gasoline and motor vehicle                               | -                | -             | -               | -   |
| Other  | -                | -             | -               | -   |
| Intergovernmental:                                       |                  |               |                 |   |
| Federal operating grants                                 | -                | -             | -               | -   |
| Federal capital grants                                   | -                | -             | -               | -   |
| State operating grants                                   | -                | -             | -               | -   |
| State capital grants                                     | 10,000           | 10,000        | -               | (10,000)                                      |
| Payment in lieu of taxes                                 | -                | -             | -               | -   |
| Local sources  | -                | -             | -               | -   |
| Charges for services                                     | -                | -             | -               | -   |
| Licenses and fees  | -                | -             | -               | -   |
| Investment income  | -                | -             | -               | -   |
| Miscellaneous  | -                | -             | -               | -   |
| <i>Total revenues</i>                                    | <u>10,000</u>    | <u>10,000</u> | <u>-</u>        | <u>(10,000)</u>                               |
| <i>Expenditures:</i>                                     |                  |               |                 |   |
| Current:   |                  |               |                 |   |
| General government                                       | -                | -             | -               | -   |
| Public safety  | 10,000           | 10,000        | -               | 10,000  |
| Public works   | -                | -             | -               | -   |
| Culture and recreation                                   | -                | -             | -               | -   |
| Health and welfare                                       | -                | -             | -               | -   |
| Capital outlay   | -                | -             | -               | -   |
| Debt service:  |                  |               |                 |   |
| Principal  | -                | -             | -               | -   |
| Interest   | -                | -             | -               | -   |
| <i>Total expenditures</i>                                | <u>10,000</u>    | <u>10,000</u> | <u>-</u>        | <u>10,000</u>                                 |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u>         | <u>-</u>      | <u>-</u>        | <u>-</u>                                      |
| <i>Other financing sources (uses)</i>                    |                  |               |                 |   |
| Designated cash  | -                | -             | -               | -   |
| Transfers in   | -                | -             | -               | -   |
| Transfers (out)  | -                | -             | -               | -   |
| <i>Total other financing sources (uses)</i>              | <u>-</u>         | <u>-</u>      | <u>-</u>        | <u>-</u>                                      |
| <i>Net change in fund balance</i>                        | -                | -             | -               | -   |
| <i>Fund balance - beginning of year</i>                  | -                | -             | 2,951           | 2,951   |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>   | <u>\$ 2,951</u> | <u>\$ 2,951</u>                               |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |               |                 | \$ -  |
| No adjustments to revenues                               |                  |               |                 | -   |
| No adjustments to expenditures                           |                  |               |                 | -   |
| Net change in fund balance (GAAP)                        |                  |               |                 | <u>\$ -</u>                                   |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-20

Lincoln County

Forest Health Special Revenue 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          | Variations                                    |
|---|------------------|----------------|-----------------|---|
|   | Original         | Final          |                 | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>  |                  |                |                 |   |
| Taxes:  |                  |                |                 |   |
| Property  | \$ -             | \$ -           | \$ -            | \$ -  |
| Gross receipts  | -                | -              | -               | -   |
| Gasoline and motor vehicle                                  | -                | -              | -               | -   |
| Other   | -                | -              | -               | -   |
| Intergovernmental:  |                  |                |                 |   |
| Federal operating grants                                    | -                | -              | -               | -   |
| Federal capital grants                                      | -                | -              | -               | -   |
| State operating grants                                      | 308,500          | 308,500        | 170,047         | (138,453)                                     |
| State capital grants  | -                | -              | -               | -   |
| Payment in lieu of taxes                                    | -                | -              | -               | -   |
| Local sources   | -                | -              | -               | -   |
| Charges for services  | -                | -              | -               | -   |
| Licenses and fees   | -                | -              | -               | -   |
| Investment income   | -                | -              | -               | -   |
| Miscellaneous   | -                | -              | -               | -   |
| <i>Total revenues</i>                                       | <u>308,500</u>   | <u>308,500</u> | <u>170,047</u>  | <u>(138,453)</u>                              |
| <i>Expenditures:</i>  |                  |                |                 |   |
| Current:  |                  |                |                 |   |
| General government  | -                | -              | -               | -   |
| Public safety   | -                | -              | -               | -   |
| Public works  | -                | -              | -               | -   |
| Culture and recreation                                      | -                | -              | -               | -   |
| Health and welfare  | 308,500          | 308,500        | 181,951         | 126,549                                       |
| Capital outlay  | -                | -              | -               | -   |
| Debt service:   |                  |                |                 |   |
| Principal   | -                | -              | -               | -   |
| Interest  | -                | -              | -               | -   |
| <i>Total expenditures</i>                                   | <u>308,500</u>   | <u>308,500</u> | <u>181,951</u>  | <u>126,549</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i>    | <u>-</u>         | <u>-</u>       | <u>(11,904)</u> | <u>(11,904)</u>                               |
| <i>Other financing sources (uses)</i>                       |                  |                |                 |   |
| Designated cash   | -                | (11,904)       | -               | 11,904  |
| Transfers in  | -                | 11,904         | 11,904          | -   |
| Transfers (out)   | -                | -              | -               | -   |
| <i>Total other financing sources (uses)</i>                 | <u>-</u>         | <u>-</u>       | <u>11,904</u>   | <u>11,904</u>                                 |
| <i>Net change in fund balance</i>                           | <u>-</u>         | <u>-</u>       | <u>-</u>        | <u>-</u>                                      |
| <i>Fund balance - beginning of year</i>                     | <u>-</u>         | <u>-</u>       | <u>-</u>        | <u>-</u>                                      |
| <i>Fund balance - end of year</i>                           | <u>\$ -</u>      | <u>\$ -</u>    | <u>\$ -</u>     | <u>\$ -</u>                                   |
| Net change in fund balance (non-GAAP budgetary basis)       |                  |                |                 | \$ -  |
| Adjustments to revenues for state grant revenue             |                  |                |                 | 65,867  |
| Adjustments to expenditures for materials and other charges |                  |                |                 | (30,374)                                      |
| Net change in fund balance (GAAP)                           |                  |                |                 | <u>\$ 35,493</u>                              |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-21

Lincoln County

Misdemeanor Compliance Special Revenue 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          | Variations                                    |
|--|------------------|----------------|-----------------|---|
|  | Original         | Final          |                 | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                |                 |   |
| Taxes:   |                  |                |                 |   |
| Property   | \$ -             | \$ -           | \$ -            | \$ -  |
| Gross receipts   | -                | -              | -               | -   |
| Gasoline and motor vehicle   | -                | -              | -               | -   |
| Other  | -                | -              | -               | -   |
| Intergovernmental:   |                  |                |                 |   |
| Federal operating grants   | -                | -              | -               | -   |
| Federal capital grants   | -                | -              | -               | -   |
| State operating grants   | -                | -              | -               | -   |
| State capital grants   | -                | -              | -               | -   |
| Payment in lieu of taxes   | -                | -              | -               | -   |
| Local sources  | -                | -              | -               | -   |
| Charges for services   | -                | -              | -               | -   |
| Licenses and fees  | 90,000           | 93,275         | 93,275          | -   |
| Investment income  | -                | -              | -               | -   |
| Miscellaneous  | -                | -              | -               | -   |
| <i>Total revenues</i>  | <u>90,000</u>    | <u>93,275</u>  | <u>93,275</u>   | <u>-</u>                                      |
| <i>Expenditures:</i>   |                  |                |                 |   |
| Current:   |                  |                |                 |   |
| General government   | -                | -              | -               | -   |
| Public safety  | 90,000           | 91,805         | 91,805          | -   |
| Public works   | -                | -              | -               | -   |
| Culture and recreation   | -                | -              | -               | -   |
| Health and welfare   | -                | -              | -               | -   |
| Capital outlay   | -                | -              | -               | -   |
| Debt service:  |                  |                |                 |   |
| Principal  | -                | -              | -               | -   |
| Interest   | -                | -              | -               | -   |
| <i>Total expenditures</i>  | <u>90,000</u>    | <u>91,805</u>  | <u>91,805</u>   | <u>-</u>                                      |
| <i>Excess (deficiency) of revenues over expenditures</i>                                 | <u>-</u>         | <u>1,470</u>   | <u>1,470</u>    | <u>-</u>                                      |
| <i>Other financing sources (uses)</i>  |                  |                |                 |   |
| Designated cash  | -                | (1,470)        | -               | 1,470   |
| Transfers in   | -                | -              | -               | -   |
| Transfers (out)  | -                | -              | -               | -   |
| <i>Total other financing sources (uses)</i>  | <u>-</u>         | <u>(1,470)</u> | <u>-</u>        | <u>1,470</u>                                  |
| <i>Net change in fund balance</i>  | <u>-</u>         | <u>-</u>       | <u>1,470</u>    | <u>1,470</u>                                  |
| <i>Fund balance - beginning of year</i>  | <u>-</u>         | <u>-</u>       | <u>-</u>        | <u>-</u>                                      |
| <i>Fund balance - end of year</i>  | <u>\$ -</u>      | <u>\$ -</u>    | <u>\$ 1,470</u> | <u>\$ 1,470</u>                               |
| Net change in fund balance (non-GAAP budgetary basis)                                    |                  |                |                 | \$ 1,470                                      |
| No adjustments to revenues   |                  |                |                 | -   |
| Adjustments to expenditures for materials and other charges recognized in the prior year |                  |                |                 | 5,514   |
| Net change in fund balance (GAAP)  |                  |                |                 | <u>\$ 6,984</u>                               |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-22

Lincoln County

CDBG Grant Special Revenue 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          | Variations                                    |
|---|------------------|-----------------|-----------------|---|
|   | Original         | Final           |                 | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>  |                  |                 |                 |   |
| Taxes:  |                  |                 |                 |   |
| Property  | \$ -             | \$ -            | \$ -            | \$ -  |
| Gross receipts  | -                | -               | -               | -   |
| Gasoline and motor vehicle  | -                | -               | -               | -   |
| Other   | -                | -               | -               | -   |
| Intergovernmental:  |                  |                 |                 |   |
| Federal operating grants  | -                | -               | -               | -   |
| Federal capital grants  | -                | -               | -               | -   |
| State operating grants  | -                | 50,000          | 50,000          | -   |
| State capital grants  | -                | -               | -               | -   |
| Payment in lieu of taxes  | -                | -               | -               | -   |
| Local sources   | -                | -               | -               | -   |
| Charges for services  | -                | -               | -               | -   |
| Licenses and fees   | -                | -               | -               | -   |
| Investment income   | -                | -               | -               | -   |
| Miscellaneous   | -                | -               | -               | -   |
| <i>Total revenues</i>   | <u>-</u>         | <u>50,000</u>   | <u>50,000</u>   | <u>-</u>                                      |
| <i>Expenditures:</i>  |                  |                 |                 |   |
| Current:  |                  |                 |                 |   |
| General government  | -                | -               | -               | -   |
| Public safety   | -                | -               | -               | -   |
| Public works  | -                | -               | -               | -   |
| Culture and recreation  | -                | -               | -               | -   |
| Health and welfare  | -                | -               | -               | -   |
| Capital outlay  | -                | -               | -               | -   |
| Debt service:   |                  |                 |                 |   |
| Principal   | -                | -               | -               | -   |
| Interest  | -                | -               | -               | -   |
| <i>Total expenditures</i>   | <u>-</u>         | <u>-</u>        | <u>-</u>        | <u>-</u>                                      |
| <i>Excess (deficiency) of revenues over expenditures</i>                      | <u>-</u>         | <u>50,000</u>   | <u>50,000</u>   | <u>-</u>                                      |
| <i>Other financing sources (uses)</i>   |                  |                 |                 |   |
| Designated cash   | -                | (50,000)        | -               | 50,000  |
| Transfers in  | -                | -               | -               | -   |
| Transfers (out)   | -                | -               | (50,000)        | (50,000)                                      |
| <i>Total other financing sources (uses)</i>                                   | <u>-</u>         | <u>(50,000)</u> | <u>(50,000)</u> | <u>-</u>                                      |
| <i>Net change in fund balance</i>   | -                | -               | -               | -   |
| <i>Fund balance - beginning of year</i>                                       | -                | -               | -               | -   |
| <i>Fund balance - end of year</i>   | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ -</u>     | <u>\$ -</u>                                   |
| Net change in fund balance (non-GAAP budgetary basis)                         |                  |                 |                 | \$ -  |
| Adjustments to revenues for state grant revenues recognized in the prior year |                  |                 |                 | (50,000)                                      |
| No adjustments to expenditures  |                  |                 |                 | -   |
| Net change in fund balance (GAAP)   |                  |                 |                 | <u>\$ (50,000)</u>                            |

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-23

Lincoln County

Indigent Health Care Special Revenue 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            | Variances                                     |
|--|------------------|------------------|-------------------|---|
|  | Original         | Final            |                   | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                  |                   |   |
| Taxes:   |                  |                  |                   |   |
| Property   | \$ -             | \$ -             | \$ -              | \$ -  |
| Gross receipts   | 660,000          | 660,000          | 630,921           | (29,079)                                      |
| Gasoline and motor vehicle   | -                | -                | -                 | -   |
| Other  | -                | -                | -                 | -   |
| Intergovernmental:   |                  |                  |                   |   |
| Federal operating grants   | -                | -                | -                 | -   |
| Federal capital grants   | -                | -                | -                 | -   |
| State operating grants   | -                | -                | -                 | -   |
| State capital grants   | -                | -                | -                 | -   |
| Payment in lieu of taxes   | -                | -                | -                 | -   |
| Local sources  | -                | -                | -                 | -   |
| Charges for services   | -                | -                | -                 | -   |
| Licenses and fees  | -                | -                | -                 | -   |
| Investment income  | -                | -                | -                 | -   |
| Miscellaneous  | -                | -                | 86                | 86  |
| <i>Total revenues</i>  | <u>660,000</u>   | <u>660,000</u>   | <u>631,007</u>    | <u>(28,993)</u>                               |
| <i>Expenditures:</i>   |                  |                  |                   |   |
| Current:   |                  |                  |                   |   |
| General government   | -                | -                | -                 | -   |
| Public safety  | -                | -                | -                 | -   |
| Public works   | -                | -                | -                 | -   |
| Culture and recreation   | -                | -                | -                 | -   |
| Health and welfare   | 795,569          | 895,523          | 657,729           | 237,794                                       |
| Capital outlay   | -                | -                | -                 | -   |
| Debt service:  |                  |                  |                   |   |
| Principal  | -                | -                | -                 | -   |
| Interest   | -                | -                | -                 | -   |
| <i>Total expenditures</i>  | <u>795,569</u>   | <u>895,523</u>   | <u>657,729</u>    | <u>237,794</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i>                                 | <u>(135,569)</u> | <u>(235,523)</u> | <u>(26,722)</u>   | <u>208,801</u>                                |
| <i>Other financing sources (uses)</i>  |                  |                  |                   |   |
| Designated cash  | 98,440           | 128,123          | -                 | (128,123)                                     |
| Transfers in   | 37,129           | 107,400          | -                 | (107,400)                                     |
| Transfers (out)  | -                | -                | -                 | -   |
| <i>Total other financing sources (uses)</i>  | <u>135,569</u>   | <u>235,523</u>   | <u>-</u>          | <u>(235,523)</u>                              |
| <i>Net change in fund balance</i>  | -                | -                | (26,722)          | (26,722)                                      |
| <i>Fund balance - beginning of year</i>  | -                | -                | 128,170           | 128,170                                       |
| <i>Fund balance - end of year</i>  | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ 101,448</u> | <u>\$ 101,448</u>                             |
| Net change in fund balance (non-GAAP budgetary basis)                                    |                  |                  |                   | \$ (26,722)                                   |
| Adjustments to revenues for gross receipts tax revenues                                  |                  |                  |                   | 38,456  |
| Adjustments to expenditures for materials and other changes recognized in the prior year |                  |                  |                   | 49,787  |
| Net change in fund balance (GAAP)  |                  |                  |                   | <u>\$ 61,521</u>                              |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-24

Lincoln County

Juvenile Justice Grant Special Revenue 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           | Variances                                     |
|--|------------------|------------------|------------------|---|
|  | Original         | Final            |                  | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                  |                  |   |
| Taxes:   |                  |                  |                  |   |
| Property   | \$ -             | \$ -             | \$ -             | \$ -  |
| Gross receipts   | -                | -                | -                | -   |
| Gasoline and motor vehicle   | -                | -                | -                | -   |
| Other  | -                | -                | -                | -   |
| Intergovernmental:   |                  |                  |                  |   |
| Federal operating grants   | -                | -                | -                | -   |
| Federal capital grants   | -                | -                | -                | -   |
| State operating grants   | 180,000          | 210,209          | 191,159          | (19,050)                                      |
| State capital grants   | -                | -                | -                | -   |
| Payment in lieu of taxes   | -                | -                | -                | -   |
| Local sources  | -                | -                | -                | -   |
| Charges for services   | -                | -                | -                | -   |
| Licenses and fees  | -                | -                | -                | -   |
| Investment income  | -                | -                | -                | -   |
| Miscellaneous  | -                | -                | -                | -   |
| <i>Total revenues</i>  | <u>180,000</u>   | <u>210,209</u>   | <u>191,159</u>   | <u>(19,050)</u>                               |
| <i>Expenditures:</i>   |                  |                  |                  |   |
| Current:   |                  |                  |                  |   |
| General government   | -                | -                | -                | -   |
| Public safety  | 434,000          | 464,209          | 253,804          | 210,405                                       |
| Public works   | -                | -                | -                | -   |
| Culture and recreation   | -                | -                | -                | -   |
| Health and welfare   | -                | -                | -                | -   |
| Capital outlay   | -                | -                | -                | -   |
| Debt service:  |                  |                  |                  |   |
| Principal  | -                | -                | -                | -   |
| Interest   | -                | -                | -                | -   |
| <i>Total expenditures</i>  | <u>434,000</u>   | <u>464,209</u>   | <u>253,804</u>   | <u>210,405</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i>                                 | <u>(254,000)</u> | <u>(254,000)</u> | <u>(62,645)</u>  | <u>191,355</u>                                |
| <i>Other financing sources (uses)</i>  |                  |                  |                  |   |
| Designated cash  | 4,000            | 4,000            | -                | (4,000)                                       |
| Transfers in   | 250,000          | 250,000          | -                | (250,000)                                     |
| Transfers (out)  | -                | -                | -                | -   |
| <i>Total other financing sources (uses)</i>  | <u>254,000</u>   | <u>254,000</u>   | <u>-</u>         | <u>(254,000)</u>                              |
| <i>Net change in fund balance</i>  | -                | -                | (62,645)         | (62,645)                                      |
| <i>Fund balance - beginning of year</i>  | -                | -                | 92,470           | 92,470  |
| <i>Fund balance - end of year</i>  | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ 29,825</u> | <u>\$ 29,825</u>                              |
| Net change in fund balance (non-GAAP budgetary basis)                                    |                  |                  |                  | \$ (62,645)                                   |
| Adjustments to revenues for state grant revenues recognized in the prior year            |                  |                  |                  | (32,940)                                      |
| Adjustments to expenditures for materials and other charges recognized in the prior year |                  |                  |                  | 28,333  |
| Net change in fund balance (GAAP)  |                  |                  |                  | <u>\$ (67,252)</u>                            |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-25

Lincoln County

HIDTA Partnership Special Revenue 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          | Variations                                    |
|--|------------------|---------------|-----------------|---|
|  | Original         | Final         |                 | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |               |                 |   |
| Taxes:   |                  |               |                 |   |
| Property   | \$ -             | \$ -          | \$ -            | \$ -  |
| Gross receipts   | -                | -             | -               | -   |
| Gasoline and motor vehicle                               | -                | -             | -               | -   |
| Other  | -                | -             | -               | -   |
| Intergovernmental:                                       |                  |               |                 |   |
| Federal operating grants                                 | 76,542           | 76,542        | 37,446          | -   |
| Federal capital grants                                   | -                | -             | -               | -   |
| State operating grants                                   | -                | -             | -               | -   |
| State capital grants                                     | -                | -             | -               | -   |
| Payment in lieu of taxes                                 | -                | -             | -               | -   |
| Local sources  | -                | -             | -               | -   |
| Charges for services                                     | -                | -             | -               | -   |
| Licenses and fees  | -                | -             | -               | -   |
| Investment income  | -                | -             | -               | -   |
| Miscellaneous  | -                | -             | -               | -   |
| <i>Total revenues</i>                                    | <u>76,542</u>    | <u>76,542</u> | <u>37,446</u>   | <u>-</u>                                      |
| <i>Expenditures:</i>                                     |                  |               |                 |   |
| Current:   |                  |               |                 |   |
| General government                                       | -                | -             | -               | -   |
| Public safety  | 76,542           | 76,542        | 55,448          | 21,094  |
| Public works   | -                | -             | -               | -   |
| Culture and recreation                                   | -                | -             | -               | -   |
| Health and welfare                                       | -                | -             | -               | -   |
| Capital outlay   | -                | -             | -               | -   |
| Debt service:  |                  |               |                 |   |
| Principal  | -                | -             | -               | -   |
| Interest   | -                | -             | -               | -   |
| <i>Total expenditures</i>                                | <u>76,542</u>    | <u>76,542</u> | <u>55,448</u>   | <u>21,094</u>                                 |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u>         | <u>-</u>      | <u>(18,002)</u> | <u>21,094</u>                                 |
| <i>Other financing sources (uses)</i>                    |                  |               |                 |   |
| Designated cash  | -                | -             | -               | -   |
| Transfers in   | -                | -             | 9,152           | 9,152   |
| Transfers (out)  | -                | -             | -               | -   |
| <i>Total other financing sources (uses)</i>              | <u>-</u>         | <u>-</u>      | <u>9,152</u>    | <u>9,152</u>                                  |
| <i>Net change in fund balance</i>                        | <u>-</u>         | <u>-</u>      | <u>(8,850)</u>  | <u>(8,850)</u>                                |
| <i>Fund balance - beginning of year</i>                  | <u>-</u>         | <u>-</u>      | <u>8,850</u>    | <u>8,850</u>                                  |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>   | <u>\$ -</u>     | <u>\$ -</u>                                   |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |               |                 | \$ (8,850)                                    |
| Adjustments to revenues for state grants revenues        |                  |               |                 | 18,311  |
| Adjustments to expenditures for payroll expenses         |                  |               |                 | (2,270)                                       |
| Net change in fund balance (GAAP)                        |                  |               |                 | <u>\$ 7,191</u>                               |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-26

Lincoln County

1st 1/8 GRT Reserve Debt Service 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            | Variations                                    |
|--|------------------|-------------|-------------------|---|
|  | Original         | Final       |                   | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |             |                   |   |
| Taxes:   |                  |             |                   |   |
| Property   | \$ -             | \$ -        | \$ -              | \$ -  |
| Gross receipts   | -                | -           | -                 | -   |
| Gasoline and motor vehicle                               | -                | -           | -                 | -   |
| Other  | -                | -           | -                 | -   |
| Intergovernmental:                                       |                  |             |                   |   |
| Federal operating grants                                 | -                | -           | -                 | -   |
| Federal capital grants                                   | -                | -           | -                 | -   |
| State operating grants                                   | -                | -           | -                 | -   |
| State capital grants                                     | -                | -           | -                 | -   |
| Payment in lieu of taxes                                 | -                | -           | -                 | -   |
| Local sources  | -                | -           | -                 | -   |
| Charges for services                                     | -                | -           | -                 | -   |
| Licenses and fees  | -                | -           | -                 | -   |
| Investment income  | -                | -           | -                 | -   |
| Miscellaneous  | -                | -           | -                 | -   |
| <i>Total revenues</i>                                    | <u>-</u>         | <u>-</u>    | <u>-</u>          | <u>-</u>                                      |
| <i>Expenditures:</i>                                     |                  |             |                   |   |
| Current:   |                  |             |                   |   |
| General government                                       | -                | -           | -                 | -   |
| Public safety  | -                | -           | -                 | -   |
| Public works   | -                | -           | -                 | -   |
| Culture and recreation                                   | -                | -           | -                 | -   |
| Health and welfare                                       | -                | -           | -                 | -   |
| Capital outlay   | -                | -           | -                 | -   |
| Debt service:  |                  |             |                   |   |
| Principal  | -                | -           | -                 | -   |
| Interest   | -                | -           | -                 | -   |
| <i>Total expenditures</i>                                | <u>-</u>         | <u>-</u>    | <u>-</u>          | <u>-</u>                                      |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u>         | <u>-</u>    | <u>-</u>          | <u>-</u>                                      |
| <i>Other financing sources (uses)</i>                    |                  |             |                   |   |
| Designated cash  | -                | -           | -                 | -   |
| Transfers in   | -                | -           | 360,866           | 360,866                                       |
| Transfers (out)  | -                | -           | (360,866)         | (360,866)                                     |
| <i>Total other financing sources (uses)</i>              | <u>-</u>         | <u>-</u>    | <u>-</u>          | <u>-</u>                                      |
| <i>Net change in fund balance</i>                        | -                | -           | -                 | -   |
| <i>Fund balance - beginning of year</i>                  | -                | -           | 160,380           | 160,380                                       |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u> | <u>\$ 160,380</u> | <u>\$ 160,380</u>                             |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |             |                   | \$ -  |
| No adjustments to revenues                               |                  |             |                   | -   |
| No adjustments to expenditures                           |                  |             |                   | -   |
| Net change in fund balance (GAAP)                        |                  |             |                   | <u>\$ -</u>                                   |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-27

Lincoln County

1st 1/8 GRT Income Debt Service 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           | Variances                                     |
|--|------------------|------------------|------------------|---|
|  | Original         | Final            |                  | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                  |                  |   |
| Taxes:   |                  |                  |                  |   |
| Property   | \$ -             | \$ -             | \$ -             | \$ -  |
| Gross receipts   | 660,000          | 660,000          | 630,921          | (29,079)                                      |
| Gasoline and motor vehicle                               | -                | -                | -                | -   |
| Other  | -                | -                | -                | -   |
| Intergovernmental:                                       |                  |                  |                  |   |
| Federal operating grants                                 | -                | -                | -                | -   |
| Federal capital grants                                   | -                | -                | -                | -   |
| State operating grants                                   | -                | -                | -                | -   |
| State capital grants                                     | -                | -                | -                | -   |
| Payment in lieu of taxes                                 | -                | -                | -                | -   |
| Local sources  | -                | -                | -                | -   |
| Charges for services                                     | -                | -                | -                | -   |
| Licenses and fees  | -                | -                | -                | -   |
| Investment income  | -                | -                | -                | -   |
| Miscellaneous  | -                | -                | -                | -   |
| <i>Total revenues</i>                                    | <u>660,000</u>   | <u>660,000</u>   | <u>630,921</u>   | <u>(29,079)</u>                               |
| <i>Expenditures:</i>                                     |                  |                  |                  |   |
| Current:   |                  |                  |                  |   |
| General government                                       | -                | -                | -                | -   |
| Public safety  | -                | -                | -                | -   |
| Public works   | -                | -                | -                | -   |
| Culture and recreation                                   | -                | -                | -                | -   |
| Health and welfare                                       | -                | -                | -                | -   |
| Capital outlay   | -                | -                | -                | -   |
| Debt service:  |                  |                  |                  |   |
| Principal  | 270,055          | 270,055          | 95,000           | 175,055                                       |
| Interest   | -                | -                | 175,055          | (175,055)                                     |
| <i>Total expenditures</i>                                | <u>270,055</u>   | <u>270,055</u>   | <u>270,055</u>   | <u>-</u>                                      |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>389,945</u>   | <u>389,945</u>   | <u>360,866</u>   | <u>(29,079)</u>                               |
| <i>Other financing sources (uses)</i>                    |                  |                  |                  |   |
| Designated cash  | -                | -                | -                | -   |
| Transfers in   | -                | -                | -                | -   |
| Transfers (out)  | (389,945)        | (389,945)        | (360,866)        | 29,079  |
| <i>Total other financing sources (uses)</i>              | <u>(389,945)</u> | <u>(389,945)</u> | <u>(360,866)</u> | <u>29,079</u>                                 |
| <i>Net change in fund balance</i>                        | -                | -                | -                | -   |
| <i>Fund balance - beginning of year</i>                  | -                | -                | -                | -   |
| <i>Fund balance - end of year</i>                        | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ -</u>                                   |
| Net change in fund balance (non-GAAP budgetary basis)    |                  |                  |                  | \$ -  |
| Adjustments to revenues for gross receipts tax revenues  |                  |                  |                  | 38,456  |
| No adjustments to expenditures                           |                  |                  |                  | -   |
| Net change in fund balance (GAAP)                        |                  |                  |                  | <u>\$ 38,456</u>                              |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-28

Lincoln County

1st 1/8 GRT Debt Reserve Debt Service 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            | Variations                                    |
|--|------------------|-----------------|-------------------|---|
|  | Original         | Final           |                   | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                 |                   |   |
| Taxes:   |                  |                 |                   |   |
| Property   | \$ -             | \$ -            | \$ -              | \$ -  |
| Gross receipts   | -                | -               | -                 | -   |
| Gasoline and motor vehicle   | -                | -               | -                 | -   |
| Other  | -                | -               | -                 | -   |
| Intergovernmental:   |                  |                 |                   |   |
| Federal operating grants   | -                | -               | -                 | -   |
| Federal capital grants   | -                | -               | -                 | -   |
| State operating grants   | -                | -               | -                 | -   |
| State capital grants   | -                | -               | -                 | -   |
| Payment in lieu of taxes   | -                | -               | -                 | -   |
| Local sources  | -                | -               | -                 | -   |
| Charges for services   | -                | -               | -                 | -   |
| Licenses and fees  | -                | -               | -                 | -   |
| Investment income  | 14,258           | 14,258          | 8,303             | (5,955)                                       |
| Miscellaneous  | -                | -               | -                 | -   |
| <i>Total revenues</i>  | <u>14,258</u>    | <u>14,258</u>   | <u>8,303</u>      | <u>(5,955)</u>                                |
| <i>Expenditures:</i>   |                  |                 |                   |   |
| Current:   |                  |                 |                   |   |
| General government   | -                | -               | -                 | -   |
| Public safety  | -                | -               | -                 | -   |
| Public works   | -                | -               | -                 | -   |
| Culture and recreation   | -                | -               | -                 | -   |
| Health and welfare   | -                | -               | -                 | -   |
| Capital outlay   | -                | -               | -                 | -   |
| Debt service:  |                  |                 |                   |   |
| Principal  | -                | -               | -                 | -   |
| Interest   | -                | -               | -                 | -   |
| <i>Total expenditures</i>  | <u>-</u>         | <u>-</u>        | <u>-</u>          | <u>-</u>                                      |
| <i>Excess (deficiency) of revenues over expenditures</i>                   | <u>14,258</u>    | <u>14,258</u>   | <u>8,303</u>      | <u>(5,955)</u>                                |
| <i>Other financing sources (uses)</i>                                      |                  |                 |                   |   |
| Designated cash  | 13,304           | 7,349           | -                 | (7,349)                                       |
| Transfers in   | -                | -               | -                 | -   |
| Transfers (out)  | (27,562)         | (21,607)        | (8,303)           | 13,304  |
| <i>Total other financing sources (uses)</i>                                | <u>(14,258)</u>  | <u>(14,258)</u> | <u>(8,303)</u>    | <u>5,955</u>                                  |
| <i>Net change in fund balance</i>  | -                | -               | -                 | -   |
| <i>Fund balance - beginning of year</i>                                    | -                | -               | 273,950           | 273,950                                       |
| <i>Fund balance - end of year</i>  | <u>\$ -</u>      | <u>\$ -</u>     | <u>\$ 273,950</u> | <u>\$ 273,950</u>                             |
| Net change in fund balance (non-GAAP budgetary basis)                      |                  |                 |                   | \$ -  |
| Adjustments to revenues for investment income recognized in the prior year |                  |                 |                   | (8,303)                                       |
| Net adjustments to expenditures  |                  |                 |                   | -   |
| Net change in fund balance (GAAP)  |                  |                 |                   | <u>\$ (8,303)</u>                             |

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-29

Lincoln County

Capital Improvements Capital Projects 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           | variances                                     |
|--|------------------|------------------|------------------|---|
|  | Original         | Final            |                  | Favorable<br>(Unfavorable)<br>Final to Actual |
| <i>Revenues:</i>   |                  |                  |                  |   |
| Taxes:   |                  |                  |                  |   |
| Property   | \$ -             | \$ -             | \$ -             | \$ -  |
| Gross receipts   | -                | -                | -                | -   |
| Gasoline and motor vehicle   | -                | -                | -                | -   |
| Other  | -                | -                | -                | -   |
| Intergovernmental:   |                  |                  |                  |   |
| Federal operating grants   | -                | -                | -                | -   |
| Federal capital grants   | -                | -                | -                | -   |
| State operating grants   | -                | -                | -                | -   |
| State capital grants   | -                | -                | -                | -   |
| Payment in lieu of taxes   | -                | -                | -                | -   |
| Local sources  | -                | -                | -                | -   |
| Charges for services   | -                | -                | -                | -   |
| Licenses and fees  | -                | -                | -                | -   |
| Investment income  | -                | -                | -                | -   |
| Miscellaneous  | -                | -                | -                | -   |
| <i>Total revenues</i>  | <u>-</u>         | <u>-</u>         | <u>-</u>         | <u>-</u>                                      |
| <i>Expenditures:</i>   |                  |                  |                  |   |
| Current:   |                  |                  |                  |   |
| General government   | -                | -                | -                | -   |
| Public safety  | 805              | 30,805           | 22,671           | 8,134   |
| Public works   | -                | -                | -                | -   |
| Culture and recreation   | -                | -                | -                | -   |
| Health and welfare   | -                | -                | -                | -   |
| Capital outlay   | 973,447          | 943,447          | 453,039          | 490,408                                       |
| Debt service:  |                  |                  |                  |   |
| Principal  | -                | -                | -                | -   |
| Interest   | -                | -                | -                | -   |
| <i>Total expenditures</i>  | <u>974,252</u>   | <u>974,252</u>   | <u>475,710</u>   | <u>498,542</u>                                |
| <i>Excess (deficiency) of revenues over expenditures</i>                                 | <u>(974,252)</u> | <u>(974,252)</u> | <u>(475,710)</u> | <u>498,542</u>                                |
| <i>Other financing sources (uses)</i>  |                  |                  |                  |   |
| Designated cash  | 26,260           | 26,260           | -                | (26,260)                                      |
| Transfers in   | 947,992          | 947,992          | 450,000          | (497,992)                                     |
| Transfers (out)  | -                | -                | -                | -   |
| <i>Total other financing sources (uses)</i>  | <u>974,252</u>   | <u>974,252</u>   | <u>450,000</u>   | <u>(524,252)</u>                              |
| <i>Net change in fund balance</i>  | -                | -                | (25,710)         | (25,710)                                      |
| <i>Fund balance - beginning of year</i>  | -                | -                | 26,261           | 26,261  |
| <i>Fund balance - end of year</i>  | <u>\$ -</u>      | <u>\$ -</u>      | <u>\$ 551</u>    | <u>\$ 551</u>                                 |
| Net change in fund balance (non-GAAP budgetary basis)                                    |                  |                  |                  | \$ (25,710)                                   |
| No adjustments to revenues   |                  |                  |                  | -   |
| Adjustments to expenditures for capital outlay expenditures recognized in the prior year |                  |                  |                  | 9,808   |
| Net change in fund balance (GAAP)  |                  |                  |                  | <u>\$ (15,902)</u>                            |

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank)



**SUPPORTING SCHEDULES**

**STATE OF NEW MEXICO**  
Lincoln County  
Schedule of Collateral Pledged by Depository For Public Funds  
June 30, 2009

| Name of Depository         | Description of Pledged Collateral | Maturity   | CUSIP Number | Fair Market Value<br>June 30, 2009 |
|----------------------------|-----------------------------------|------------|--------------|------------------------------------|
| <b>City Bank</b>           |                                   |            |              |                                    |
|                            | FHLB LOC                          | 11/25/2009 |              | \$ 200,000                         |
|                            | FHLB LOC                          | 12/21/2009 |              | 750,000                            |
|                            | <b>Total City Bank</b>            |            |              | <b>950,000</b>                     |
| <b>Compass Bank</b>        |                                   |            |              |                                    |
|                            | FNMA #889339                      | 12/1/2028  | 31410KBG8    | 389,990                            |
|                            | FHLMC ARM #780996                 | 10/1/1933  | 31349SC92    | 530,506                            |
|                            | FNMA #888346                      | 9/1/1934   | 31410FSF8    | 297,583                            |
|                            | FNMA ARM #886344                  | 7/1/1936   | 31410DWD8    | 1,189,697                          |
|                            | <b>Total Compass Bank</b>         |            |              | <b>2,407,776</b>                   |
| <b>First Federal Bank</b>  |                                   |            |              |                                    |
|                            | FNMA 883004                       | 7/1/2036   | 31410AAD8    | 333,275                            |
|                            | <b>Total First Federal Bank</b>   |            |              | <b>333,275</b>                     |
| <b>First National Bank</b> |                                   |            |              |                                    |
|                            | FHLMC Pool #N31323                | 9/1/2036   | 31261BPG9    | 771,117                            |
|                            | FNMA Pool #256530                 | 12/1/2036  | 31371M4P9    | 899,093                            |
|                            | FNMA Pool #257135                 | 3/1/2036   | 31371NSY2    | 1,125,125                          |
|                            | GNMA II Pool #4363                | 2/20/2039  | 36202EZ44    | 922,758                            |
|                            | FNMA Pool #778991                 | 5/1/2034   | 31404UM64    | 370,083                            |
|                            | Taos NM Gas Tax Rev**             | 10/1/2010  | 875917AP1    | 170,252                            |
|                            | FHLB Callable                     | 4/14/2014  | 3133XTH33    | 977,661                            |
|                            | FHLMC Callable                    | 1/25/2023  | 3128X637     | 481,239                            |
|                            | FNMA Callable                     | 5/16/2023  | 3136F9PC1    | 1,234,548                          |
|                            | <b>Total First National Bank</b>  |            |              | <b>6,951,876</b>                   |
| <b>First Savings Bank</b>  |                                   |            |              |                                    |
|                            | MBS FNMA 10-YR                    | 7/1/2017   | 31371NGQ2    | 12,891                             |
|                            | FHR 2841 BJ                       | 4/15/2018  | 31395ES32    | 312,292                            |
|                            | FHR 3117 PC                       | 6/15/2031  | 31396HVV8    | 523,928                            |
|                            | <b>Total First Savings Bank</b>   |            |              | <b>849,111</b>                     |
| <b>Pioneer Bank</b>        |                                   |            |              |                                    |
|                            | GNMA II                           | 6/20/2030  | 080418/001   | 123,192                            |
|                            | GNMA                              | 12/20/2030 | 080477/001   | 16,830                             |
|                            | FHLMC 3-1                         | 7/1/2033   | 1b0951/001   | 735,601                            |
|                            | FNMA ARM                          | 9/1/2032   | 661745/001   | 31,946                             |
|                            | FNMA                              | 12/1/2035  | 845529/001   | 315,921                            |
|                            | <b>Total Pioneer Bank</b>         |            |              | <b>1,223,490</b>                   |
| <b>Wells Fargo Bank</b>    |                                   |            |              |                                    |
|                            | FNCL 891601                       | 6/1/2036   | 3141QMRW2    | 1,828,165                          |
|                            | GNSF 781038                       | 5/15/2029  | 36225BEK0    | 5,933                              |
|                            | GNSF 781321                       | 12/15/2029 | 36225BG69    | 7,356                              |
|                            | GNSF 781148                       | 7/15/2029  | 36225BHZ4    | 12,011                             |
|                            | GNSF 781259                       | 3/15/2031  | 36225BMG0    | 12,720                             |
|                            | GNSF 781264                       | 3/15/2031  | 36225BMM7    | 32,361                             |
|                            | PRINCIPAL                         | 8/15/2009  | 74251UAC8    | 100,329                            |
|                            | <b>Total Wells Fargo Bank</b>     |            |              | <b>1,998,875</b>                   |
|                            | <b>Total Pledged Collateral</b>   |            |              | <b>\$ 14,714,403</b>               |

\*\* As per NMSA 2.2.2.10 (N) (4), the value of collateral consisting of obligations of the State of New Mexico, it agencies, institutions, counties, municipalities or other subdivisions shall be par value.

See accompanying independent auditors' report

**Name and Location of Safekeeper**

---

Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX

15 South 20th Street, Birmingham, Alabama 35233  
15 South 20th Street, Birmingham, Alabama 35233  
15 South 20th Street, Birmingham, Alabama 35233  
15 South 20th Street, Birmingham, Alabama 35233

Federal Home Loan Bank - Dallas, TX

Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX

125 W. Sioux Ave., Pierre, SD 57501  
125 W. Sioux Ave., Pierre, SD 57501  
125 W. Sioux Ave., Pierre, SD 57501

Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX  
Federal Home Loan Bank - Dallas, TX

333 Market Street, 17th Floor, San Fransico, CA 94105  
333 Market Street, 17th Floor, San Fransico, CA 94105  
333 Market Street, 17th Floor, San Fransico, CA 94105  
333 Market Street, 17th Floor, San Fransico, CA 94105  
333 Market Street, 17th Floor, San Fransico, CA 94105  
333 Market Street, 17th Floor, San Fransico, CA 94105  
333 Market Street, 17th Floor, San Fransico, CA 94105

**STATE OF NEW MEXICO**  
Lincoln County  
Schedule of Deposit and Investment Accounts  
June 30, 2009

| Bank Account Type/Name          | City<br>Bank               | Compass<br>Bank            | First<br>Federal<br>Bank | First<br>National<br>Bank  | First<br>Savings<br>Bank |
|---------------------------------|----------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Money Market Account            | \$ 1,177,354               | \$ -                       | \$ -                     | \$ -                       | \$ -                     |
| Certificate of Deposit          | -                          | 1,000,000                  | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | 500,000                    | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | 500,000                    | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | 199,877                    | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | 249,714                    | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | 500,000                  | -                          | -                        |
| Checking - Operational          | -                          | -                          | -                        | 4,241,513                  | -                        |
| Checking - Sheriff Seizure      | -                          | -                          | -                        | 51,026                     | -                        |
| Checking - Detention Trust      | -                          | -                          | -                        | 12,578                     | -                        |
| Checking - Narcotic             | -                          | -                          | -                        | 1,900                      | -                        |
| Checking - HIDTA                | -                          | -                          | -                        | 2,000                      | -                        |
| Checking - Sheriff's petty cash | -                          | -                          | -                        | 1,000                      | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | 250,000                  |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | 250,000                  |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | 245,000                  |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | 250,000                  |
| Investment**                    | -                          | -                          | -                        | -                          | -                        |
| Money Market Account            | -                          | -                          | -                        | -                          | -                        |
| Investment                      | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| Certificate of Deposit          | -                          | -                          | -                        | -                          | -                        |
| NMFA Reserve Account**          | -                          | -                          | -                        | -                          | -                        |
| <b>Total</b>                    | <u>1,177,354</u>           | <u>2,449,591</u>           | <u>500,000</u>           | <u>4,310,017</u>           | <u>995,000</u>           |
| Reconciling items               | -                          | -                          | -                        | (328,996)                  | -                        |
| <b>Reconciled balance</b>       | <u><u>\$ 1,177,354</u></u> | <u><u>\$ 2,449,591</u></u> | <u><u>\$ 500,000</u></u> | <u><u>\$ 3,981,021</u></u> | <u><u>\$ 995,000</u></u> |

Petty cash

Less: investments per Exhibit A-1

Less: agency funds cash per Exhibit D-1

Less: agency funds investment per Exhibit D-1

Less: reclassification of funds held in trust (Note 17)

Less: restricted cash and cash equivalents per Exhibit A-1

Total unrestricted cash and cash equivalents per Exhibit A-1

\*\*Accounts are U.S. Treasury MMA Mutual Funds

See accompanying independent auditors' report

| LPL<br>Financial<br>Services | LGIP              | Pioneer<br>Bank     | Southwest<br>Securities | Wells<br>Fargo<br>Bank | Bank of<br>Albuquerque | Totals              |
|------------------------------|-------------------|---------------------|-------------------------|------------------------|------------------------|---------------------|
| \$ -                         | \$ -              | \$ -                | \$ -                    | \$ -                   | \$ -                   | \$ 1,177,354        |
| -                            | -                 | -                   | -                       | -                      | -                      | 1,000,000           |
| -                            | -                 | -                   | -                       | -                      | -                      | 500,000             |
| -                            | -                 | -                   | -                       | -                      | -                      | 500,000             |
| -                            | -                 | -                   | -                       | -                      | -                      | 199,877             |
| -                            | -                 | -                   | -                       | -                      | -                      | 249,714             |
| -                            | -                 | -                   | -                       | -                      | -                      | 500,000             |
| -                            | -                 | -                   | -                       | -                      | -                      | 4,241,513           |
| -                            | -                 | -                   | -                       | -                      | -                      | 51,026              |
| -                            | -                 | -                   | -                       | -                      | -                      | 12,578              |
| -                            | -                 | -                   | -                       | -                      | -                      | 1,900               |
| -                            | -                 | -                   | -                       | -                      | -                      | 2,000               |
| -                            | -                 | -                   | -                       | -                      | -                      | 1,000               |
| -                            | -                 | -                   | -                       | -                      | -                      | 250,000             |
| -                            | -                 | -                   | -                       | -                      | -                      | 250,000             |
| -                            | -                 | -                   | -                       | -                      | -                      | 245,000             |
| -                            | -                 | -                   | -                       | -                      | -                      | 250,000             |
| 270,050                      | -                 | -                   | -                       | -                      | -                      | 270,050             |
| 8,159                        | -                 | -                   | -                       | -                      | -                      | 8,159               |
| -                            | 148,656           | -                   | -                       | -                      | -                      | 148,656             |
| -                            | -                 | 500,000             | -                       | -                      | -                      | 500,000             |
| -                            | -                 | 250,000             | -                       | -                      | -                      | 250,000             |
| -                            | -                 | 500,000             | -                       | -                      | -                      | 500,000             |
| -                            | -                 | -                   | 245,000                 | -                      | -                      | 245,000             |
| -                            | -                 | -                   | -                       | 500,000                | -                      | 500,000             |
| -                            | -                 | -                   | -                       | 250,000                | -                      | 250,000             |
| -                            | -                 | -                   | -                       | 300,000                | -                      | 300,000             |
| -                            | -                 | -                   | -                       | 250,000                | -                      | 250,000             |
| -                            | -                 | -                   | -                       | 250,000                | -                      | 250,000             |
| -                            | -                 | -                   | -                       | 9,670                  | -                      | 9,670               |
| -                            | -                 | -                   | -                       | 250,000                | -                      | 250,000             |
| -                            | -                 | -                   | -                       | 250,000                | -                      | 250,000             |
| -                            | -                 | -                   | -                       | -                      | 567,729                | 567,729             |
| 278,209                      | 148,656           | 1,250,000           | 245,000                 | 2,059,670              | 567,729                | 13,981,226          |
| -                            | -                 | -                   | -                       | -                      | -                      | (328,996)           |
| <u>\$ 278,209</u>            | <u>\$ 148,656</u> | <u>\$ 1,250,000</u> | <u>\$ 245,000</u>       | <u>\$ 2,059,670</u>    | <u>\$ 567,729</u>      | <u>13,652,230</u>   |
|                              |                   |                     |                         |                        |                        | 3,155               |
|                              |                   |                     |                         |                        |                        | (7,908,297)         |
|                              |                   |                     |                         |                        |                        | (216,988)           |
|                              |                   |                     |                         |                        |                        | (9,670)             |
|                              |                   |                     |                         |                        |                        | (154,793)           |
|                              |                   |                     |                         |                        |                        | (567,729)           |
|                              |                   |                     |                         |                        |                        | <u>\$ 4,797,908</u> |

**STATE OF NEW MEXICO**  
Lincoln County  
Reconciliation of Property Tax Rolls  
For the Year Ended June 30, 2009

|   |              |
|---|--------------|
| Uncollected taxes, July 1, 2008                 | \$ 1,126,712 |
| Net taxes charged to treasurer for current year | 20,665,743   |
| Current year tax collections                    | (20,446,380) |
| Adjustments                                     | (8,035)      |
|   | 1,338,040    |
| Uncollected taxes June 30, 2009                 | \$ 1,338,040 |

**Detail of taxes distributed by agency:**

**School districts**

|                   |              |
|-------------------|--------------|
| Ruidoso Schools   | \$ 4,047,125 |
| Carrizozo Schools | 321,498      |
| Corona Schools    | 155,554      |
| Hondo Schools     | 208,361      |
| Capitan Schools   | 893,348      |

**Municipalities**

|                          |           |
|--------------------------|-----------|
| Village of Capitan       | 25,711    |
| Town of Carrizozo        | 38,031    |
| Town of Corona           | 8,399     |
| Village of Ruidoso       | 1,964,125 |
| Village of Ruidoso Downs | 327,025   |

**Other**

|                               |           |
|-------------------------------|-----------|
| State of New Mexico           | 1,143,930 |
| 1% Reappraisal                | 195,594   |
| County of Lincoln             | 7,710,160 |
| Predatory Animal Control      | 22,575    |
| ENMU Ruidoso                  | 884,695   |
| Alpine Village Sanitation     | 35,346    |
| Sun Valley Sanitation         | 54,568    |
| Alto Lakes Cons. Dist.        | 475       |
| Carrizozo Soil and Water      | 40,382    |
| Chaves County Soil and Water  | 1,886     |
| Upper Hondo Soil and Water    | 98,297    |
| Claunch Pinto Soil and Water  | 1,368     |
| Carrizozo Health Center       | 520,339   |
| Lincoln County Medical Center | 1,747,588 |
|                               | 1,747,588 |

|                                |                      |
|--------------------------------|----------------------|
| <b>Total Distributed Taxes</b> | <b>\$ 20,446,380</b> |
|--------------------------------|----------------------|

The accompanying notes are an integral part of these financial statements

## Schedule of receivables - delinquent property tax by year

|       |    |                         |
|-------|----|-------------------------|
| 2008  | \$ | 953,291                 |
| 2007  |    | 303,363                 |
| 2006  |    | 63,882                  |
| 2005  |    | 6,529                   |
| 2004  |    | 5,100                   |
| 2003  |    | 2,563                   |
| 2002  |    | 1,664                   |
| 2001  |    | 637                     |
| 2000  |    | 383                     |
| 1999  |    | 628                     |
|       |    | <hr/>                   |
| Total | \$ | <u><u>1,338,040</u></u> |

**Reconciliation of undistributed taxes**

|                                      |    |                 |
|--------------------------------------|----|-----------------|
| Undistributed taxes 7-1-08           | \$ | -               |
| Current year collections             |    | 20,446,380      |
| Current year collections distributed |    | (20,446,380)    |
| Collections held for future periods  |    | -               |
|                                      |    | <hr/>           |
| Undistributed taxes 6-30-09          | \$ | <u><u>-</u></u> |

Property tax receivables are reported in the financial statements as follows:

|  |    |                         |
|--|----|-------------------------|
| Governmental Balance Sheet - Exhibit B-1                                   | \$ | 608,428                 |
| Statement of Fiduciary Assets and Liabilities - Agency Funds - Exhibit D-1 |    | 729,612                 |
|  |    | <hr/>                   |
| Total property taxes receivable  | \$ | <u><u>1,338,040</u></u> |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                        | Property Taxes Levied | Current Changes To Taxes Levied | Adjusted Property Taxes Levied | Previous Amount Collected |
|-------------------------------|-----------------------|---------------------------------|--------------------------------|---------------------------|
| <b>Lincoln County</b>         |                       |                                 |                                |                           |
| County Operational 2008       | \$5,430,142           | -\$10,016                       | \$5,420,126                    | \$0                       |
| County Operational 2007       | \$4,866,627           | \$1,041                         | \$4,867,668                    | \$4,644,830               |
| County Operational 2006       | \$4,314,739           | \$6,278                         | \$4,321,017                    | \$4,258,701               |
| County Operational 2005       | \$3,896,376           | \$18,542                        | \$3,914,918                    | \$3,904,252               |
| County Operational 2004       | \$3,639,565           | \$18,487                        | \$3,658,052                    | \$3,655,742               |
| County Operational 2003       | \$3,303,970           | -\$4,969                        | \$3,299,001                    | \$3,297,893               |
| County Operational 2002       | \$3,191,574           | -\$3,189                        | \$3,188,385                    | \$3,187,782               |
| County Operational 2001       | \$3,084,232           | -\$12,200                       | \$3,072,032                    | \$3,071,778               |
| County Operational 2000       | \$2,872,848           | -\$4,203                        | \$2,868,645                    | \$2,868,568               |
| County Operational 1999       | \$2,696,122           | \$15                            | \$2,696,137                    | \$2,696,010               |
| County Operational 1998       | \$2,613,034           | \$3,930                         | \$2,616,964                    | \$2,616,964               |
| <b>Total Lincoln County</b>   | <b>\$39,909,229</b>   | <b>\$13,716</b>                 | <b>\$39,922,945</b>            | <b>\$34,202,520</b>       |
| <br>                          |                       |                                 |                                |                           |
| Special Projects 2008         | \$2,444,117           | -\$3,001                        | \$2,441,116                    | \$0                       |
| Special Projects 2007         | \$2,269,405           | -\$484                          | \$2,268,921                    | \$2,176,778               |
| Special Projects 2006         | \$1,989,340           | \$663                           | \$1,990,003                    | \$1,965,490               |
| Special Projects 2005         | \$1,883,172           | \$5,233                         | \$1,888,405                    | \$1,883,463               |
| Special Projects 2004         | \$1,700,161           | \$6,072                         | \$1,706,233                    | \$1,705,077               |
| Special Projects 2003         | \$1,621,690           | -\$1,121                        | \$1,620,569                    | \$1,619,991               |
| Special Projects 2002         | \$1,503,751           | -\$1,154                        | \$1,502,597                    | \$1,502,283               |
| Special Projects 2001         | \$1,459,947           | -\$4,154                        | \$1,455,793                    | \$1,455,657               |
| Special Projects 2000         | \$1,357,159           | -\$1,617                        | \$1,355,542                    | \$1,355,494               |
| Special Projects 1999         | \$823,748             | -\$262                          | \$823,486                      | \$823,436                 |
| Special Projects 1998         | \$747,313             | \$719                           | \$748,032                      | \$748,032                 |
| <b>Total Special Projects</b> | <b>\$17,799,803</b>   | <b>\$894</b>                    | <b>\$17,800,697</b>            | <b>\$15,235,701</b>       |
| <br>                          |                       |                                 |                                |                           |
| <b>State of New Mexico</b>    |                       |                                 |                                |                           |
| Debt Service 2008             | \$1,112,058           | -\$1,364                        | \$1,110,694                    | \$0                       |
| Debt Service 2007             | \$1,007,667           | -\$232                          | \$1,007,435                    | \$966,485                 |
| Debt Service 2006             | \$933,890             | \$304                           | \$934,194                      | \$922,706                 |
| Debt Service 2005             | \$844,826             | \$2,330                         | \$847,156                      | \$844,957                 |
| Debt Service 2004             | \$635,552             | \$2,270                         | \$637,822                      | \$637,390                 |
| Debt Service 2003             | \$896,352             | -\$625                          | \$895,727                      | \$895,413                 |
| Debt Service 2002             | \$614,077             | -\$470                          | \$613,607                      | \$613,479                 |
| Debt Service 2001             | \$937,020             | -\$2,665                        | \$934,355                      | \$934,268                 |
| Debt Service 2000             | \$754,581             | -\$901                          | \$753,680                      | \$753,654                 |
| Debt Service 1999             | \$697,597             | -\$221                          | \$697,376                      | \$697,334                 |
| Debt Service 1998             | \$614,078             | \$591                           | \$614,669                      | \$614,669                 |
| <b>Total State of N M</b>     | <b>\$9,047,698</b>    | <b>-\$983</b>                   | <b>\$9,046,715</b>             | <b>\$7,880,355</b>        |

The accompanying notes are an integral part of these financial statements



| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$5,164,661                     | \$5,164,661          | \$255,465                      | -\$255,465                        | \$5,164,661            | \$255,465                           |
| \$142,535                       | \$4,787,365          | \$80,303                       | \$4,564,527                       | \$4,787,365            | \$80,303                            |
| \$44,725                        | \$4,303,426          | \$17,591                       | \$44,725                          | \$4,303,426            | \$17,591                            |
| \$8,853                         | \$3,913,105          | \$1,813                        | \$8,853                           | \$3,913,105            | \$1,813                             |
| \$1,073                         | \$3,656,815          | \$1,237                        | \$1,073                           | \$3,656,815            | \$1,237                             |
| \$461                           | \$3,298,354          | \$647                          | \$461                             | \$3,298,354            | \$647                               |
| \$241                           | \$3,188,023          | \$362                          | \$241                             | \$3,188,023            | \$362                               |
| \$141                           | \$3,071,919          | \$113                          | \$141                             | \$3,071,919            | \$113                               |
| \$2                             | \$2,868,570          | \$75                           | \$2                               | \$2,868,570            | \$75                                |
| \$0                             | \$2,696,010          | \$127                          | \$0                               | \$2,696,010            | \$127                               |
| \$0                             | \$2,616,964          | \$0                            | \$0                               | \$2,616,964            | \$0                                 |
| <b>\$5,362,692</b>              | <b>\$39,565,212</b>  | <b>\$357,733</b>               | <b>\$4,364,558</b>                | <b>\$39,565,212</b>    | <b>\$357,733</b>                    |
| \$2,339,246                     | \$2,339,246          | \$101,870                      | \$2,339,246                       | \$2,339,246            | \$101,870                           |
| \$60,415                        | \$2,237,193          | \$31,728                       | \$60,415                          | \$2,237,193            | \$31,728                            |
| \$18,287                        | \$1,983,777          | \$6,226                        | \$18,287                          | \$1,983,777            | \$6,226                             |
| \$4,202                         | \$1,887,665          | \$740                          | \$4,202                           | \$1,887,665            | \$740                               |
| \$484                           | \$1,705,561          | \$672                          | \$484                             | \$1,705,561            | \$672                               |
| \$264                           | \$1,620,255          | \$314                          | \$264                             | \$1,620,255            | \$314                               |
| \$124                           | \$1,502,407          | \$190                          | \$124                             | \$1,502,407            | \$190                               |
| \$66                            | \$1,455,723          | \$70                           | \$66                              | \$1,455,723            | \$70                                |
| \$1                             | \$1,355,495          | \$47                           | \$1                               | \$1,355,495            | \$47                                |
| \$0                             | \$823,436            | \$50                           | \$0                               | \$823,436              | \$50                                |
| \$0                             | \$748,032            | \$0                            | \$0                               | \$748,032              | \$0                                 |
| <b>\$2,423,089</b>              | <b>\$17,658,790</b>  | <b>\$141,907</b>               | <b>\$2,423,089</b>                | <b>\$17,658,790</b>    | <b>\$141,907</b>                    |
| \$1,063,290                     | \$1,063,290          | \$47,404                       | \$1,063,290                       | \$1,063,290            | \$47,404                            |
| \$26,824                        | \$993,309            | \$14,126                       | \$26,824                          | \$993,309              | \$14,126                            |
| \$8,585                         | \$931,291            | \$2,903                        | \$8,585                           | \$931,291              | \$2,903                             |
| \$1,885                         | \$846,842            | \$314                          | \$1,885                           | \$846,842              | \$314                               |
| \$181                           | \$637,571            | \$251                          | \$181                             | \$637,571              | \$251                               |
| \$146                           | \$895,559            | \$168                          | \$146                             | \$895,559              | \$168                               |
| \$51                            | \$613,530            | \$77                           | \$51                              | \$613,530              | \$77                                |
| \$42                            | \$934,310            | \$45                           | \$42                              | \$934,310              | \$45                                |
| \$1                             | \$753,655            | \$25                           | \$1                               | \$753,655              | \$25                                |
| \$0                             | \$697,334            | \$42                           | \$0                               | \$697,334              | \$42                                |
| \$0                             | \$614,669            | \$0                            | \$0                               | \$614,669              | \$0                                 |
| <b>\$1,101,005</b>              | <b>\$8,981,360</b>   | <b>\$65,355</b>                | <b>\$1,101,005</b>                | <b>\$8,981,360</b>     | <b>\$65,355</b>                     |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                         | Property<br>Taxes<br>Levied | Current Changes<br>To Taxes<br>Levied | Adjusted<br>Property<br>Taxes Levied | Previous<br>Amount<br>Collected |
|--------------------------------|-----------------------------|---------------------------------------|--------------------------------------|---------------------------------|
| <b>Livestock</b>               |                             |                                       |                                      |                                 |
| Cattle 2008                    | \$53,644                    | -\$586                                | \$53,058                             | \$0                             |
| Cattle 2007                    | \$50,119                    | \$72                                  | \$50,191                             | \$49,201                        |
| Cattle 2006                    | \$41,744                    | -\$652                                | \$41,092                             | \$40,823                        |
| Cattle 2005                    | \$38,116                    | -\$237                                | \$37,879                             | \$37,763                        |
| Cattle 2004                    | \$30,882                    | -\$627                                | \$30,255                             | \$30,253                        |
| Cattle 2003                    | \$33,704                    | -\$239                                | \$33,465                             | \$33,463                        |
| Cattle 2002                    | \$39,847                    | -\$2,202                              | \$37,645                             | \$37,643                        |
| Cattle 2001                    | \$36,823                    | -\$503                                | \$36,320                             | \$36,320                        |
| Cattle 2000                    | \$37,716                    | -\$653                                | \$37,063                             | \$37,063                        |
| Cattle 1999                    | \$38,214                    | -\$339                                | \$37,875                             | \$37,875                        |
| Cattle 1998                    | \$37,902                    | -\$333                                | \$37,569                             | \$37,569                        |
| <b>Total Livestock</b>         | <b>\$438,711</b>            | <b>-\$6,299</b>                       | <b>\$432,412</b>                     | <b>\$377,973</b>                |
| <b>Dairy Cattle</b>            |                             |                                       |                                      |                                 |
| Dairy Cattle 2008              | \$43                        | \$0                                   | \$43                                 | \$0                             |
| Dairy Cattle 2007              | \$50                        | -\$16                                 | \$34                                 | \$34                            |
| Dairy Cattle 2006              | \$79                        | \$0                                   | \$79                                 | \$79                            |
| Dairy Cattle 2005              | \$116                       | \$0                                   | \$116                                | \$116                           |
| Dairy Cattle 2004              | \$159                       | -\$5                                  | \$154                                | \$154                           |
| Dairy Cattle 2003              | \$165                       | -\$7                                  | \$158                                | \$158                           |
| Dairy Cattle 2002              | \$165                       | -\$3                                  | \$162                                | \$162                           |
| Dairy Cattle 2001              | \$294                       | \$0                                   | \$294                                | \$294                           |
| Dairy Cattle 2000              | \$266                       | \$0                                   | \$266                                | \$266                           |
| Dairy Cattle 1999              | \$197                       | \$0                                   | \$197                                | \$197                           |
| Dairy Cattle 1998              | \$130                       | -\$1                                  | \$129                                | \$129                           |
| <b>Total Dairy Cattle</b>      | <b>\$1,664</b>              | <b>-\$32</b>                          | <b>\$1,632</b>                       | <b>\$1,589</b>                  |
| <b>Sheep &amp; Goats</b>       |                             |                                       |                                      |                                 |
| Sheep & Goats 2008             | \$1,489                     | -\$7                                  | \$1,482                              | \$0                             |
| Sheep & Goats 2007             | \$1,535                     | -\$4                                  | \$1,531                              | \$1,526                         |
| Sheep & Goats 2006             | \$2,312                     | -\$7                                  | \$2,305                              | \$2,304                         |
| Sheep & Goats 2005             | \$2,052                     | -\$5                                  | \$2,047                              | \$2,047                         |
| Sheep & Goats 2004             | \$2,782                     | -\$129                                | \$2,653                              | \$2,653                         |
| Sheep & Goats 2003             | \$3,169                     | -\$100                                | \$3,069                              | \$3,069                         |
| Sheep & Goats 2002             | \$5,300                     | -\$338                                | \$4,962                              | \$4,962                         |
| Sheep & Goats 2001             | \$4,454                     | -\$97                                 | \$4,357                              | \$4,357                         |
| Sheep & Goats 2000             | \$4,587                     | -\$163                                | \$4,424                              | \$4,424                         |
| Sheep & Goats 1999             | \$6,865                     | \$0                                   | \$6,865                              | \$6,865                         |
| Sheep & Goats 1998             | \$17,035                    | \$0                                   | \$17,035                             | \$17,035                        |
| <b>Total Sheep &amp; Goats</b> | <b>\$51,580</b>             | <b>-\$850</b>                         | <b>\$50,730</b>                      | <b>\$49,242</b>                 |

The accompanying notes are an integral part of these financial statements

| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$51,394                        | \$51,394             | \$1,664                        | \$51,394                          | \$51,394               | \$1,664                             |
| \$741                           | \$49,942             | \$249                          | \$741                             | \$49,942               | \$249                               |
| \$167                           | \$40,990             | \$102                          | \$167                             | \$40,990               | \$102                               |
| \$92                            | \$37,855             | \$24                           | \$92                              | \$37,855               | \$24                                |
| \$0                             | \$30,253             | \$2                            | \$0                               | \$30,253               | \$2                                 |
| \$0                             | \$33,463             | \$2                            | \$0                               | \$33,463               | \$2                                 |
| \$0                             | \$37,643             | \$2                            | \$0                               | \$37,643               | \$2                                 |
| \$0                             | \$36,320             | \$0                            | \$0                               | \$36,320               | \$0                                 |
| \$0                             | \$37,063             | \$0                            | \$0                               | \$37,063               | \$0                                 |
| \$0                             | \$37,875             | \$0                            | \$0                               | \$37,875               | \$0                                 |
| \$0                             | \$37,569             | \$0                            | \$0                               | \$37,569               | \$0                                 |
| <b>\$52,394</b>                 | <b>\$430,367</b>     | <b>\$2,045</b>                 | <b>\$52,394</b>                   | <b>\$430,367</b>       | <b>\$2,045</b>                      |
| \$43                            | \$43                 | \$0                            | \$43                              | \$43                   | \$0                                 |
| \$0                             | \$34                 | \$0                            | \$0                               | \$34                   | \$0                                 |
| \$0                             | \$79                 | \$0                            | \$0                               | \$79                   | \$0                                 |
| \$0                             | \$116                | \$0                            | \$0                               | \$116                  | \$0                                 |
| \$0                             | \$154                | \$0                            | \$0                               | \$154                  | \$0                                 |
| \$0                             | \$158                | \$0                            | \$0                               | \$158                  | \$0                                 |
| \$0                             | \$162                | \$0                            | \$0                               | \$162                  | \$0                                 |
| \$0                             | \$294                | \$0                            | \$0                               | \$294                  | \$0                                 |
| \$0                             | \$266                | \$0                            | \$0                               | \$266                  | \$0                                 |
| \$0                             | \$197                | \$0                            | \$0                               | \$197                  | \$0                                 |
| \$0                             | \$129                | \$0                            | \$0                               | \$129                  | \$0                                 |
| <b>\$43</b>                     | <b>\$1,632</b>       | <b>\$0</b>                     | <b>\$43</b>                       | <b>\$1,632</b>         | <b>\$0</b>                          |
| \$1,197                         | \$1,197              | \$285                          | \$1,197                           | \$1,197                | \$285                               |
| \$1                             | \$1,527              | \$4                            | \$1                               | \$1,527                | \$4                                 |
| \$1                             | \$2,305              | \$0                            | \$1                               | \$2,305                | \$0                                 |
| \$0                             | \$2,047              | \$0                            | \$0                               | \$2,047                | \$0                                 |
| \$0                             | \$2,653              | \$0                            | \$0                               | \$2,653                | \$0                                 |
| \$0                             | \$3,069              | \$0                            | \$0                               | \$3,069                | \$0                                 |
| \$0                             | \$4,962              | \$0                            | \$0                               | \$4,962                | \$0                                 |
| \$0                             | \$4,357              | \$0                            | \$0                               | \$4,357                | \$0                                 |
| \$0                             | \$4,424              | \$0                            | \$0                               | \$4,424                | \$0                                 |
| \$0                             | \$6,865              | \$0                            | \$0                               | \$6,865                | \$0                                 |
| \$0                             | \$17,035             | \$0                            | \$0                               | \$17,035               | \$0                                 |
| <b>\$1,199</b>                  | <b>\$50,441</b>      | <b>\$289</b>                   | <b>\$1,199</b>                    | <b>\$50,441</b>        | <b>\$289</b>                        |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                   |                                | Property<br>Taxes<br>Levied | Current Changes<br>To Taxes<br>Levied | Adjusted<br>Property<br>Taxes Levied | Previous<br>Amount<br>Collected |
|--------------------------|--------------------------------|-----------------------------|---------------------------------------|--------------------------------------|---------------------------------|
| <b>Equine</b>            |                                |                             |                                       |                                      |                                 |
| Equine                   | 2008                           | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Equine                   | 2007                           | \$5,982                     | -\$52                                 | \$5,930                              | \$5,486                         |
| Equine                   | 2006                           | \$5,896                     | -\$85                                 | \$5,811                              | \$5,673                         |
| Equine                   | 2005                           | \$4,671                     | -\$142                                | \$4,529                              | \$4,405                         |
| Equine                   | 2004                           | \$4,619                     | -\$162                                | \$4,457                              | \$4,426                         |
| Equine                   | 2003                           | \$3,526                     | -\$59                                 | \$3,467                              | \$3,457                         |
| Equine                   | 2002                           | \$3,078                     | \$110                                 | \$3,188                              | \$3,178                         |
| Equine                   | 2001                           | \$2,625                     | -\$3                                  | \$2,622                              | \$2,622                         |
| Equine                   | 2000                           | \$2,206                     | -\$3                                  | \$2,203                              | \$2,203                         |
| Equine                   | 1999                           | \$2,171                     | -\$3                                  | \$2,168                              | \$2,168                         |
| Equine                   | 1998                           | \$2,590                     | -\$22                                 | \$2,568                              | \$2,568                         |
|                          | <b>Total Equine</b>            | <b>\$37,364</b>             | <b>-\$421</b>                         | <b>\$36,943</b>                      | <b>\$36,186</b>                 |
| <b>Bison</b>             |                                |                             |                                       |                                      |                                 |
| Bison                    | 2008                           | \$489                       | \$0                                   | \$489                                | \$0                             |
| Bison                    | 2007                           | \$28                        | \$0                                   | \$28                                 | \$28                            |
| Bison                    | 2006                           | \$35                        | \$0                                   | \$35                                 | \$35                            |
| Bison                    | 2005                           | \$60                        | \$0                                   | \$60                                 | \$60                            |
| Bison                    | 2004                           | \$154                       | -\$66                                 | \$88                                 | \$88                            |
| Bison                    | 2003                           | \$139                       | \$0                                   | \$139                                | \$139                           |
| Bison                    | 2002                           | \$199                       | -\$13                                 | \$186                                | \$186                           |
| Bison                    | 2001                           | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Bison                    | 2000                           | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Bison                    | 1999                           | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Bison                    | 1998                           | \$0                         | \$0                                   | \$0                                  | \$0                             |
|                          | <b>Total Bison</b>             | <b>\$1,104</b>              | <b>-\$79</b>                          | <b>\$1,025</b>                       | <b>\$536</b>                    |
| <b>Predatory Control</b> |                                |                             |                                       |                                      |                                 |
| Predatory Control        | 2008                           | \$24,332                    | -\$31                                 | \$24,301                             | <b>\$0</b>                      |
| Predatory Control        | 2007                           | \$23,067                    | \$122                                 | \$23,189                             | \$22,866                        |
| Predatory Control        | 2006                           | \$22,047                    | -\$201                                | \$21,846                             | \$21,761                        |
| Predatory Control        | 2005                           | \$22,460                    | -\$43                                 | \$22,417                             | \$22,381                        |
| Predatory Control        | 2004                           | \$12,897                    | -\$434                                | \$12,463                             | \$12,462                        |
| Predatory Control        | 2003                           | \$15,210                    | -\$325                                | \$14,885                             | \$14,885                        |
| Predatory Control        | 2002                           | \$19,286                    | -\$1,335                              | \$17,951                             | \$17,951                        |
| Predatory Control        | 2001                           | \$18,350                    | -\$327                                | \$18,023                             | \$18,023                        |
| Predatory Control        | 2000                           | \$18,911                    | -\$545                                | \$18,366                             | \$18,366                        |
| Predatory Control        | 1999                           | \$19,731                    | -\$41                                 | \$19,690                             | \$19,690                        |
| Predatory Control        | 1998                           | \$20,504                    | -\$48                                 | \$20,456                             | \$20,456                        |
|                          | <b>Total Predatory Control</b> | <b>\$216,795</b>            | <b>-\$3,208</b>                       | <b>\$213,587</b>                     | <b>\$188,841</b>                |

The accompanying notes are an integral part of these financial statements

| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$252                           | \$5,738              | \$192                          | \$252                             | \$5,738                | \$192                               |
| \$22                            | \$5,695              | \$116                          | \$22                              | \$5,695                | \$116                               |
| \$80                            | \$4,485              | \$44                           | \$80                              | \$4,485                | \$44                                |
| \$0                             | \$4,426              | \$31                           | \$0                               | \$4,426                | \$31                                |
| \$0                             | \$3,457              | \$10                           | \$0                               | \$3,457                | \$10                                |
| \$0                             | \$3,178              | \$10                           | \$0                               | \$3,178                | \$10                                |
| \$0                             | \$2,622              | \$0                            | \$0                               | \$2,622                | \$0                                 |
| \$0                             | \$2,203              | \$0                            | \$0                               | \$2,203                | \$0                                 |
| \$0                             | \$2,168              | \$0                            | \$0                               | \$2,168                | \$0                                 |
| \$0                             | \$2,568              | \$0                            | \$0                               | \$2,568                | \$0                                 |
| \$354                           | \$36,540             | \$403                          | \$354                             | \$36,540               | \$403                               |
| \$489                           | \$489                | \$0                            | \$489                             | \$489                  | \$0                                 |
| \$0                             | \$28                 | \$0                            | \$0                               | \$28                   | \$0                                 |
| \$0                             | \$35                 | \$0                            | \$0                               | \$35                   | \$0                                 |
| \$0                             | \$60                 | \$0                            | \$0                               | \$60                   | \$0                                 |
| \$0                             | \$88                 | \$0                            | \$0                               | \$88                   | \$0                                 |
| \$0                             | \$139                | \$0                            | \$0                               | \$139                  | \$0                                 |
| \$0                             | \$186                | \$0                            | \$0                               | \$186                  | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$489                           | \$1,025              | \$0                            | \$489                             | \$1,025                | \$0                                 |
| \$22,483                        | \$22,483             | \$1,818                        | \$22,483                          | \$22,483               | \$1,818                             |
| \$236                           | \$23,102             | \$87                           | \$236                             | \$23,102               | \$87                                |
| \$54                            | \$21,815             | \$31                           | \$54                              | \$21,815               | \$31                                |
| \$30                            | \$22,411             | \$6                            | \$30                              | \$22,411               | \$6                                 |
| \$0                             | \$12,462             | \$1                            | \$0                               | \$12,462               | \$1                                 |
| \$0                             | \$14,885             | \$0                            | \$0                               | \$14,885               | \$0                                 |
| \$0                             | \$17,951             | \$0                            | \$0                               | \$17,951               | \$0                                 |
| \$0                             | \$18,023             | \$0                            | \$0                               | \$18,023               | \$0                                 |
| \$0                             | \$18,366             | \$0                            | \$0                               | \$18,366               | \$0                                 |
| \$0                             | \$19,690             | \$0                            | \$0                               | \$19,690               | \$0                                 |
| \$0                             | \$20,456             | \$0                            | \$0                               | \$20,456               | \$0                                 |
| \$22,803                        | \$211,644            | \$1,943                        | \$22,803                          | \$211,644              | \$1,943                             |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                      |                          | Property<br>Taxes<br>Levied | Current Changes<br>To Taxes<br>Levied | Adjusted<br>Property<br>Taxes Levied | Previous<br>Amount<br>Collected |
|-----------------------------|--------------------------|-----------------------------|---------------------------------------|--------------------------------------|---------------------------------|
| <b>Village of Capitan</b>   |                          |                             |                                       |                                      |                                 |
| Operational                 | 2008                     | \$25,756                    | -\$5                                  | \$25,751                             | \$0                             |
| Operational                 | 2007                     | \$23,907                    | \$12                                  | \$23,919                             | \$21,794                        |
| Operational                 | 2006                     | \$21,758                    | \$66                                  | \$21,824                             | \$21,022                        |
| Operational                 | 2005                     | \$20,173                    | -\$41                                 | \$20,132                             | \$19,882                        |
| Operational                 | 2004                     | \$19,210                    | -\$13                                 | \$19,197                             | \$19,121                        |
| Operational                 | 2003                     | \$17,925                    | -\$281                                | \$17,644                             | \$17,609                        |
| Operational                 | 2002                     | \$16,998                    | -\$47                                 | \$16,951                             | \$16,947                        |
| Operational                 | 2001                     | \$16,553                    | -\$92                                 | \$16,461                             | \$16,459                        |
| Operational                 | 2000                     | \$15,705                    | -\$181                                | \$15,524                             | \$15,524                        |
| Operational                 | 1999                     | \$15,072                    | -\$45                                 | \$15,027                             | \$15,027                        |
| Operational                 | 1998                     | \$13,902                    | -\$42                                 | \$13,860                             | \$13,860                        |
|                             | <b>Total Operational</b> | <b>\$206,959</b>            | <b>-\$669</b>                         | <b>\$206,290</b>                     | <b>\$177,245</b>                |
|                             |                          |                             |                                       |                                      |                                 |
| Debt                        | 2008                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2007                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2006                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2005                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2004                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2003                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2002                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2001                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2000                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 1999                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 1998                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
|                             | <b>Total Debt</b>        | <b>\$0</b>                  | <b>\$0</b>                            | <b>\$0</b>                           | <b>\$0</b>                      |
| <b>Village of Carrizozo</b> |                          |                             |                                       |                                      |                                 |
| Operational                 | 2008                     | \$39,310                    | -\$13                                 | \$39,297                             | \$0                             |
| Operational                 | 2007                     | \$36,567                    | -\$9                                  | \$36,558                             | \$33,061                        |
| Operational                 | 2006                     | \$34,013                    | -\$32                                 | \$33,981                             | \$32,968                        |
| Operational                 | 2005                     | \$32,594                    | \$161                                 | \$32,755                             | \$32,609                        |
| Operational                 | 2004                     | \$31,957                    | \$113                                 | \$32,070                             | \$32,043                        |
| Operational                 | 2003                     | \$31,647                    | -\$189                                | \$31,458                             | \$31,441                        |
| Operational                 | 2002                     | \$30,347                    | -\$88                                 | \$30,259                             | \$30,244                        |
| Operational                 | 2001                     | \$28,661                    | \$317                                 | \$28,978                             | \$28,964                        |
| Operational                 | 2000                     | \$27,696                    | -\$112                                | \$27,584                             | \$27,571                        |
| Operational                 | 1999                     | \$26,799                    | -\$73                                 | \$26,726                             | \$26,725                        |
| Operational                 | 1998                     | \$25,410                    | \$582                                 | \$25,992                             | \$25,992                        |
|                             | <b>Total Operational</b> | <b>\$345,001</b>            | <b>\$657</b>                          | <b>\$345,658</b>                     | <b>\$301,618</b>                |

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                      |                          | Property<br>Taxes<br>Levied | Current Changes<br>To Taxes<br>Levied | Adjusted<br>Property<br>Taxes Levied | Previous<br>Amount<br>Collected |
|-----------------------------|--------------------------|-----------------------------|---------------------------------------|--------------------------------------|---------------------------------|
| <b>Village of Carrizozo</b> |                          |                             |                                       |                                      |                                 |
| Debt                        | 2008                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2007                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2006                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2005                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2004                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2003                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2002                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2001                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2000                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 1999                     | \$16,855                    | -\$50                                 | \$16,805                             | \$16,805                        |
| Debt                        | 1998                     | \$16,475                    | \$365                                 | \$16,840                             | \$16,840                        |
|                             | <b>Total Debt</b>        | <b>\$33,330</b>             | <b>\$315</b>                          | <b>\$33,645</b>                      | <b>\$33,645</b>                 |
| <b>Village of Corona</b>    |                          |                             |                                       |                                      |                                 |
| Operational                 | 2008                     | \$8,520                     | -\$5                                  | \$8,515                              | \$0                             |
| Operational                 | 2007                     | \$7,911                     | -\$51                                 | \$7,860                              | \$7,761                         |
| Operational                 | 2006                     | \$7,332                     | \$0                                   | \$7,332                              | \$7,321                         |
| Operational                 | 2005                     | \$8,920                     | \$151                                 | \$9,071                              | \$9,070                         |
| Operational                 | 2004                     | \$6,556                     | -\$3                                  | \$6,553                              | \$6,553                         |
| Operational                 | 2003                     | \$5,951                     | -\$6                                  | \$5,945                              | \$5,945                         |
| Operational                 | 2002                     | \$5,911                     | -\$5                                  | \$5,906                              | \$5,902                         |
| Operational                 | 2001                     | \$5,363                     | \$88                                  | \$5,451                              | \$5,451                         |
| Operational                 | 2000                     | \$5,517                     | -\$2                                  | \$5,515                              | \$5,515                         |
| Operational                 | 1999                     | \$5,010                     | \$0                                   | \$5,010                              | \$5,010                         |
| Operational                 | 1998                     | \$4,899                     | \$0                                   | \$4,899                              | \$4,899                         |
|                             | <b>Total Opeartional</b> | <b>\$71,890</b>             | <b>\$167</b>                          | <b>\$72,057</b>                      | <b>\$63,427</b>                 |
| Debt                        | 2008                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2007                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2006                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2005                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2004                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2003                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2002                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2001                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 2000                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 1999                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                        | 1998                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
|                             | <b>Total Debt</b>        | <b>\$0</b>                  | <b>\$0</b>                            | <b>\$0</b>                           | <b>\$0</b>                      |

The accompanying notes are an integral part of these financial statements



| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$16,805             | \$0                            | \$0                               | \$16,805               | \$0                                 |
| \$0                             | \$16,840             | \$0                            | \$0                               | \$16,840               | \$0                                 |
| <b>\$0</b>                      | <b>\$33,645</b>      | <b>\$0</b>                     | <b>\$0</b>                        | <b>\$33,645</b>        | <b>\$0</b>                          |
| \$8,456                         | \$8,456              | \$59                           | \$8,456                           | \$8,456                | \$59                                |
| \$28                            | \$7,789              | \$71                           | \$28                              | \$7,789                | \$71                                |
| \$0                             | \$7,321              | \$11                           | \$0                               | \$7,321                | \$11                                |
| \$0                             | \$9,070              | \$1                            | \$0                               | \$9,070                | \$1                                 |
| \$0                             | \$6,553              | \$0                            | \$0                               | \$6,553                | \$0                                 |
| \$0                             | \$5,945              | \$0                            | \$0                               | \$5,945                | \$0                                 |
| \$4                             | \$5,906              | \$0                            | \$4                               | \$5,906                | \$0                                 |
| \$0                             | \$5,451              | \$0                            | \$0                               | \$5,451                | \$0                                 |
| \$0                             | \$5,515              | \$0                            | \$0                               | \$5,515                | \$0                                 |
| \$0                             | \$5,010              | \$0                            | \$0                               | \$5,010                | \$0                                 |
| \$0                             | \$4,899              | \$0                            | \$0                               | \$4,899                | \$0                                 |
| <b>\$8,488</b>                  | <b>\$71,915</b>      | <b>\$142</b>                   | <b>\$8,488</b>                    | <b>\$71,915</b>        | <b>\$142</b>                        |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| <b>\$0</b>                      | <b>\$0</b>           | <b>\$0</b>                     | <b>\$0</b>                        | <b>\$0</b>             | <b>\$0</b>                          |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                          |      | Property Taxes Levied | Current Changes To Taxes Levied | Adjusted Property Taxes Levied | Previous Amount Collected |
|---------------------------------|------|-----------------------|---------------------------------|--------------------------------|---------------------------|
| <b>Village of Ruidoso</b>       |      |                       |                                 |                                |                           |
| Operational                     | 2008 | \$2,000,847           | \$79                            | \$2,000,926                    | \$0                       |
| Operational                     | 2007 | \$1,810,503           | -\$2,010                        | \$1,808,493                    | \$1,722,453               |
| Operational                     | 2006 | \$1,583,772           | -\$68                           | \$1,583,704                    | \$1,562,134               |
| Operational                     | 2005 | \$1,450,824           | -\$264                          | \$1,450,560                    | \$1,447,108               |
| Operational                     | 2004 | \$1,383,656           | \$1,011                         | \$1,384,667                    | \$1,383,766               |
| Operational                     | 2003 | \$1,290,466           | \$870                           | \$1,291,336                    | \$1,290,929               |
| Operational                     | 2002 | \$1,246,706           | -\$1,902                        | \$1,244,804                    | \$1,244,519               |
| Operational                     | 2001 | \$1,192,127           | -\$6,508                        | \$1,185,619                    | \$1,185,524               |
| Operational                     | 2000 | \$1,118,680           | -\$968                          | \$1,117,712                    | \$1,117,712               |
| Operational                     | 1999 | \$1,063,781           | -\$241                          | \$1,063,540                    | \$1,063,540               |
| Operational                     | 1998 | \$1,018,474           | -\$473                          | \$1,018,001                    | \$1,018,001               |
| <b>Total Operational</b>        |      | <b>\$15,159,836</b>   | <b>-\$10,474</b>                | <b>\$15,149,362</b>            | <b>\$13,035,686</b>       |
|                                 |      |                       |                                 |                                |                           |
| Debt                            | 2008 | \$0                   | \$0                             | \$0                            | \$0                       |
| Debt                            | 2007 | \$0                   | \$0                             | \$0                            | \$0                       |
| Debt                            | 2006 | \$0                   | \$0                             | \$0                            | \$0                       |
| Debt                            | 2005 | \$0                   | \$0                             | \$0                            | \$0                       |
| Debt                            | 2004 | \$0                   | \$0                             | \$0                            | \$0                       |
| Debt                            | 2003 | \$301,751             | \$297                           | \$302,048                      | \$301,947                 |
| Debt                            | 2002 | \$672,409             | -\$906                          | \$671,503                      | \$671,337                 |
| Debt                            | 2001 | \$658,654             | -\$3,008                        | \$655,646                      | \$655,589                 |
| Debt                            | 2000 | \$282,875             | -\$225                          | \$282,650                      | \$282,650                 |
| Debt                            | 1999 | \$1,552,788           | -\$324                          | \$1,552,464                    | \$1,552,464               |
| Debt                            | 1998 | \$1,434,617           | -\$612                          | \$1,434,005                    | \$1,434,005               |
| <b>Total Debt</b>               |      | <b>\$4,903,094</b>    | <b>-\$4,778</b>                 | <b>\$4,898,316</b>             | <b>\$4,897,992</b>        |
| <b>Village of Ruidoso Downs</b> |      |                       |                                 |                                |                           |
| Operational                     | 2008 | \$242,528             | -\$1,438                        | \$241,090                      | \$0                       |
| Operational                     | 2007 | \$222,198             | -\$207                          | \$221,991                      | \$208,447                 |
| Operational                     | 2006 | \$199,114             | -\$201                          | \$198,913                      | \$194,883                 |
| Operational                     | 2005 | \$185,274             | -\$739                          | \$184,535                      | \$183,728                 |
| Operational                     | 2004 | \$177,538             | -\$440                          | \$177,098                      | \$176,964                 |
| Operational                     | 2003 | \$159,774             | -\$292                          | \$159,482                      | \$159,414                 |
| Operational                     | 2002 | \$155,317             | -\$447                          | \$154,870                      | \$154,825                 |
| Operational                     | 2001 | \$153,241             | -\$452                          | \$152,789                      | \$152,751                 |
| Operational                     | 2000 | \$149,349             | -\$449                          | \$148,900                      | \$148,863                 |
| Operational                     | 1999 | \$135,279             | -\$86                           | \$135,193                      | \$135,131                 |
| Operational                     | 1998 | \$127,542             | -\$116                          | \$127,426                      | \$127,426                 |
| <b>Total Operational</b>        |      | <b>\$1,907,154</b>    | <b>-\$4,867</b>                 | <b>\$1,902,287</b>             | <b>\$1,642,432</b>        |

The accompanying notes are an integral part of these financial statements

| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$1,911,864                     | \$1,911,864          | \$89,062                       | \$1,911,864                       | \$1,911,864            | \$89,062                            |
| \$53,964                        | \$1,776,417          | \$32,076                       | \$53,964                          | \$1,776,417            | \$32,076                            |
| \$14,053                        | \$1,576,187          | \$7,517                        | \$14,053                          | \$1,576,187            | \$7,517                             |
| \$3,021                         | \$1,450,129          | \$431                          | \$3,021                           | \$1,450,129            | \$431                               |
| \$471                           | \$1,384,237          | \$430                          | \$471                             | \$1,384,237            | \$430                               |
| \$208                           | \$1,291,137          | \$199                          | \$208                             | \$1,291,137            | \$199                               |
| \$153                           | \$1,244,672          | \$132                          | \$153                             | \$1,244,672            | \$132                               |
| \$57                            | \$1,185,581          | \$38                           | \$57                              | \$1,185,581            | \$38                                |
| \$0                             | \$1,117,712          | \$0                            | \$0                               | \$1,117,712            | \$0                                 |
| \$0                             | \$1,063,540          | \$0                            | \$0                               | \$1,063,540            | \$0                                 |
| \$0                             | \$1,018,001          | \$0                            | \$0                               | \$1,018,001            | \$0                                 |
| <b>\$1,983,791</b>              | <b>\$15,019,477</b>  | <b>\$129,885</b>               | <b>\$1,983,791</b>                | <b>\$15,019,477</b>    | <b>\$129,885</b>                    |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$52                            | \$301,999            | \$49                           | \$52                              | \$301,999              | \$49                                |
| \$89                            | \$671,426            | \$77                           | \$89                              | \$671,426              | \$77                                |
| \$34                            | \$655,623            | \$23                           | \$34                              | \$655,623              | \$23                                |
| \$0                             | \$282,650            | \$0                            | \$0                               | \$282,650              | \$0                                 |
| \$0                             | \$1,552,464          | \$0                            | \$0                               | \$1,552,464            | \$0                                 |
| \$0                             | \$1,434,005          | \$0                            | \$0                               | \$1,434,005            | \$0                                 |
| <b>\$175</b>                    | <b>\$4,898,167</b>   | <b>\$149</b>                   | <b>\$175</b>                      | <b>\$4,898,167</b>     | <b>\$149</b>                        |
| \$219,812                       | \$219,812            | \$21,278                       | \$219,812                         | \$219,812              | \$21,278                            |
| \$7,112                         | \$215,559            | \$6,432                        | \$7,112                           | \$215,559              | \$6,432                             |
| \$2,773                         | \$197,656            | \$1,257                        | \$2,773                           | \$197,656              | \$1,257                             |
| \$608                           | \$184,336            | \$199                          | \$608                             | \$184,336              | \$199                               |
| \$17                            | \$176,981            | \$117                          | \$17                              | \$176,981              | \$117                               |
| \$6                             | \$159,420            | \$62                           | \$6                               | \$159,420              | \$62                                |
| \$7                             | \$154,832            | \$38                           | \$7                               | \$154,832              | \$38                                |
| \$0                             | \$152,751            | \$38                           | \$0                               | \$152,751              | \$38                                |
| \$0                             | \$148,863            | \$37                           | \$0                               | \$148,863              | \$37                                |
| \$0                             | \$135,131            | \$62                           | \$0                               | \$135,131              | \$62                                |
| \$0                             | \$127,426            | \$0                            | \$0                               | \$127,426              | \$0                                 |
| <b>\$230,335</b>                | <b>\$1,872,767</b>   | <b>\$29,520</b>                | <b>\$230,335</b>                  | <b>\$1,872,767</b>     | <b>\$29,520</b>                     |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                                 |                          | Property<br>Taxes<br>Levied | Current Changes<br>To Taxes<br>Levied | Adjusted<br>Property<br>Taxes Levied | Previous<br>Amount<br>Collected |
|--|--------------------------|-----------------------------|---------------------------------------|--------------------------------------|---------------------------------|
| <b>Village of Ruidoso Downs</b>        |                          |                             |                                       |                                      |                                 |
| Debt                                   | 2008                     | \$110,560                   | -\$540                                | \$110,020                            | \$0                             |
| Debt                                   | 2007                     | \$48,165                    | -\$64                                 | \$48,101                             | \$45,091                        |
| Debt                                   | 2006                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                                   | 2005                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                                   | 2004                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                                   | 2003                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                                   | 2002                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                                   | 2001                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                                   | 2000                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                                   | 1999                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Debt                                   | 1998                     | \$0                         | \$0                                   | \$0                                  | \$0                             |
|  | <b>Total Debt</b>        | \$158,725                   | -\$604                                | \$158,121                            | \$45,091                        |
| <b>Eastern NM University - Ruidoso</b> |                          |                             |                                       |                                      |                                 |
| Advalorem                              | 2008                     | \$898,344                   | -\$235                                | \$898,109                            | \$0                             |
| Advalorem                              | 2007                     | \$813,791                   | -\$774                                | \$813,017                            | \$774,295                       |
| Advalorem                              | 2006                     | \$703,195                   | -\$10                                 | \$703,185                            | \$693,290                       |
| Advalorem                              | 2005                     | \$643,543                   | -\$679                                | \$642,864                            | \$640,991                       |
| Advalorem                              | 2004                     | \$610,052                   | \$184                                 | \$610,236                            | \$609,728                       |
| Advalorem                              | 2003                     | \$565,306                   | \$392                                 | \$565,698                            | \$565,477                       |
| Advalorem                              | 2002                     | \$545,508                   | -\$702                                | \$544,806                            | \$544,682                       |
| Advalorem                              | 2001                     | \$525,412                   | -\$2,449                              | \$522,963                            | \$522,909                       |
| Advalorem                              | 2000                     | \$486,394                   | -\$812                                | \$485,582                            | \$485,562                       |
| Advalorem                              | 1999                     | \$462,682                   | -\$106                                | \$462,576                            | \$462,559                       |
| Advalorem                              | 1998                     | \$441,050                   | -\$230                                | \$440,820                            | \$440,820                       |
|  | <b>Total Levy</b>        | \$6,695,277                 | -\$5,421                              | \$6,689,856                          | \$5,740,313                     |
| <b>Capitan Schools</b>                 |                          |                             |                                       |                                      |                                 |
| Operational                            | 2008                     | \$77,852                    | \$16                                  | \$77,868                             | \$0                             |
| Operational                            | 2007                     | \$70,045                    | -\$24                                 | \$70,021                             | \$67,703                        |
| Operational                            | 2006                     | \$60,693                    | \$7                                   | \$60,700                             | \$60,029                        |
| Operational                            | 2005                     | \$53,983                    | -\$157                                | \$53,826                             | \$53,679                        |
| Operational                            | 2004                     | \$48,912                    | -\$15                                 | \$48,897                             | \$48,876                        |
| Operational                            | 2003                     | \$44,764                    | -\$141                                | \$44,623                             | \$44,611                        |
| Operational                            | 2002                     | \$42,612                    | -\$22                                 | \$42,590                             | \$42,587                        |
| Operational                            | 2001                     | \$39,894                    | -\$85                                 | \$39,809                             | \$39,809                        |
| Operational                            | 2000                     | \$36,607                    | -\$35                                 | \$36,572                             | \$36,572                        |
| Operational                            | 1999                     | \$34,190                    | -\$85                                 | \$34,105                             | \$34,105                        |
| Operational                            | 1998                     | \$32,499                    | \$14                                  | \$32,513                             | \$32,513                        |
|  | <b>Total Operational</b> | \$542,051                   | -\$527                                | \$541,524                            | \$460,484                       |

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                    | Property Taxes Levied | Current Changes To Taxes Levied | Adjusted Property Taxes Levied | Previous Amount Collected |
|---------------------------|-----------------------|---------------------------------|--------------------------------|---------------------------|
| <b>Capitan Schools</b>    |                       |                                 |                                |                           |
| Debt Service 2008         | \$237,625             | \$145                           | \$237,770                      | \$0                       |
| Debt Service 2007         | \$245,636             | -\$83                           | \$245,553                      | \$238,100                 |
| Debt Service 2006         | \$255,405             | \$10                            | \$255,415                      | \$252,912                 |
| Debt Service 2005         | \$263,222             | -\$592                          | \$262,630                      | \$261,976                 |
| Debt Service 2004         | \$271,605             | -\$67                           | \$271,538                      | \$271,424                 |
| Debt Service 2003         | \$280,425             | -\$749                          | \$279,676                      | \$279,605                 |
| Debt Service 2002         | \$293,310             | -\$68                           | \$293,242                      | \$293,223                 |
| Debt Service 2001         | \$344,013             | -\$528                          | \$343,485                      | \$343,482                 |
| Debt Service 2000         | \$346,992             | -\$297                          | \$346,695                      | \$346,695                 |
| Debt Service 1999         | \$340,695             | -\$891                          | \$339,804                      | \$339,804                 |
| Debt Service 1998         | \$237,534             | \$67                            | \$237,601                      | \$237,601                 |
| <b>Total Debt Service</b> | \$3,116,462           | -\$3,053                        | \$3,113,409                    | \$2,864,822               |
| <br>                      |                       |                                 |                                |                           |
| Capital Improvments 2008  | \$586,441             | \$358                           | \$586,799                      | \$0                       |
| Capital Improvments 2007  | \$539,859             | -\$181                          | \$539,678                      | \$523,296                 |
| Capital Improvments 2006  | \$472,975             | \$18                            | \$472,993                      | \$468,359                 |
| Capital Improvments 2005  | \$425,858             | -\$969                          | \$424,889                      | \$423,826                 |
| Capital Improvments 2004  | \$396,793             | -\$97                           | \$396,696                      | \$396,528                 |
| Capital Improvments 2003  | \$361,864             | -\$909                          | \$360,955                      | \$360,862                 |
| Capital Improvments 2002  | \$343,656             | -\$82                           | \$343,574                      | \$343,552                 |
| Capital Improvments 2001  | \$328,414             | -\$504                          | \$327,910                      | \$327,907                 |
| Capital Improvments 2000  | \$310,925             | -\$266                          | \$310,659                      | \$310,659                 |
| Capital Improvments 1999  | \$266,423             | -\$691                          | \$265,732                      | \$265,732                 |
| Capital Improvments 1998  | \$252,830             | \$71                            | \$252,901                      | \$252,901                 |
| <b>Total Cap. Imp.</b>    | \$4,286,038           | -\$3,252                        | \$4,282,786                    | \$3,673,622               |
| <br>                      |                       |                                 |                                |                           |
| <b>Carrizozo Schools</b>  |                       |                                 |                                |                           |
| Operational 2008          | \$16,150              | -\$537                          | \$15,613                       | \$0                       |
| Operational 2007          | \$14,865              | \$104                           | \$14,969                       | \$14,002                  |
| Operational 2006          | \$13,820              | \$11                            | \$13,831                       | \$13,700                  |
| Operational 2005          | \$12,779              | \$1,067                         | \$13,846                       | \$13,811                  |
| Operational 2004          | \$12,931              | \$397                           | \$13,328                       | \$13,323                  |
| Operational 2003          | \$12,158              | -\$76                           | \$12,082                       | \$12,077                  |
| Operational 2002          | \$11,207              | -\$9                            | \$11,198                       | \$11,194                  |
| Operational 2001          | \$11,014              | \$24                            | \$11,038                       | \$11,034                  |
| Operational 2000          | \$9,513               | -\$15                           | \$9,498                        | \$9,497                   |
| Operational 1999          | \$8,565               | \$95                            | \$8,660                        | \$8,654                   |
| Operational 1998          | \$8,501               | \$120                           | \$8,621                        | \$8,621                   |
| <b>Total Operational</b>  | \$131,503             | \$1,181                         | \$132,684                      | \$115,913                 |

The accompanying notes are an integral part of these financial statements

| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$230,650                       | \$230,650            | \$7,120                        | \$230,650                         | \$230,650              | \$7,120                             |
| \$5,686                         | \$243,786            | \$1,767                        | \$5,686                           | \$243,786              | \$1,767                             |
| \$2,054                         | \$254,966            | \$449                          | \$2,054                           | \$254,966              | \$449                               |
| \$546                           | \$262,522            | \$108                          | \$546                             | \$262,522              | \$108                               |
| \$36                            | \$271,460            | \$78                           | \$36                              | \$271,460              | \$78                                |
| \$24                            | \$279,629            | \$47                           | \$24                              | \$279,629              | \$47                                |
| \$0                             | \$293,223            | \$19                           | \$0                               | \$293,223              | \$19                                |
| \$3                             | \$343,485            | \$0                            | \$3                               | \$343,485              | \$0                                 |
| \$0                             | \$346,695            | \$0                            | \$0                               | \$346,695              | \$0                                 |
| \$0                             | \$339,804            | \$0                            | \$0                               | \$339,804              | \$0                                 |
| \$0                             | \$237,601            | \$0                            | \$0                               | \$237,601              | \$0                                 |
| <b>\$238,999</b>                | <b>\$3,103,821</b>   | <b>\$9,588</b>                 | <b>\$238,999</b>                  | <b>\$3,103,821</b>     | <b>\$9,588</b>                      |
| \$568,508                       | \$568,508            | \$18,291                       | \$568,508                         | \$568,508              | \$18,291                            |
| \$12,497                        | \$535,793            | \$3,885                        | \$12,497                          | \$535,793              | \$3,885                             |
| \$3,804                         | \$472,163            | \$830                          | \$3,804                           | \$472,163              | \$830                               |
| \$887                           | \$424,713            | \$176                          | \$887                             | \$424,713              | \$176                               |
| \$53                            | \$396,581            | \$115                          | \$53                              | \$396,581              | \$115                               |
| \$32                            | \$360,894            | \$61                           | \$32                              | \$360,894              | \$61                                |
| \$0                             | \$343,552            | \$22                           | \$0                               | \$343,552              | \$22                                |
| \$3                             | \$327,910            | \$0                            | \$3                               | \$327,910              | \$0                                 |
| \$0                             | \$310,659            | \$0                            | \$0                               | \$310,659              | \$0                                 |
| \$0                             | \$265,732            | \$0                            | \$0                               | \$265,732              | \$0                                 |
| \$0                             | \$252,901            | \$0                            | \$0                               | \$252,901              | \$0                                 |
| <b>\$585,784</b>                | <b>\$4,259,406</b>   | <b>\$23,380</b>                | <b>\$585,784</b>                  | <b>\$4,259,406</b>     | <b>\$23,380</b>                     |
| \$14,816                        | \$14,816             | \$797                          | \$14,816                          | \$14,816               | \$797                               |
| \$723                           | \$14,725             | \$244                          | \$723                             | \$14,725               | \$244                               |
| \$84                            | \$13,784             | \$47                           | \$84                              | \$13,784               | \$47                                |
| \$32                            | \$13,843             | \$3                            | \$32                              | \$13,843               | \$3                                 |
| \$3                             | \$13,326             | \$2                            | \$3                               | \$13,326               | \$2                                 |
| \$3                             | \$12,080             | \$2                            | \$3                               | \$12,080               | \$2                                 |
| \$3                             | \$11,197             | \$1                            | \$3                               | \$11,197               | \$1                                 |
| \$3                             | \$11,037             | \$1                            | \$3                               | \$11,037               | \$1                                 |
| \$0                             | \$9,497              | \$1                            | \$0                               | \$9,497                | \$1                                 |
| \$0                             | \$8,654              | \$6                            | \$0                               | \$8,654                | \$6                                 |
| \$0                             | \$8,621              | \$0                            | \$0                               | \$8,621                | \$0                                 |
| <b>\$15,667</b>                 | <b>\$131,580</b>     | <b>\$1,104</b>                 | <b>\$15,667</b>                   | <b>\$131,580</b>       | <b>\$1,104</b>                      |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                    | Property Taxes Levied | Current Changes To Taxes Levied | Adjusted Property Taxes Levied | Previous Amount Collected |
|---------------------------|-----------------------|---------------------------------|--------------------------------|---------------------------|
| <b>Carrizozo Schools</b>  |                       |                                 |                                |                           |
| Debt Service 2008         | \$247,154             | -\$7,519                        | \$239,635                      | \$0                       |
| Debt Service 2007         | \$196,435             | \$1,225                         | \$197,660                      | \$184,880                 |
| Debt Service 2006         | \$167,192             | \$112                           | \$167,304                      | \$165,431                 |
| Debt Service 2005         | \$173,117             | \$12,427                        | \$185,544                      | \$185,005                 |
| Debt Service 2004         | \$182,691             | \$4,813                         | \$187,504                      | \$187,429                 |
| Debt Service 2003         | \$177,534             | -\$885                          | \$176,649                      | \$176,581                 |
| Debt Service 2002         | \$168,078             | -\$135                          | \$167,943                      | \$167,883                 |
| Debt Service 2001         | \$140,757             | \$208                           | \$140,965                      | \$140,914                 |
| Debt Service 2000         | \$128,048             | -\$213                          | \$127,835                      | \$127,819                 |
| Debt Service 1999         | \$147,837             | \$1,356                         | \$149,193                      | \$149,066                 |
| Debt Service 1998         | \$113,472             | \$1,498                         | \$114,970                      | \$114,970                 |
| <b>Total Debt Service</b> | <b>\$1,842,315</b>    | <b>\$12,887</b>                 | <b>\$1,855,202</b>             | <b>\$1,599,978</b>        |
| <br>                      |                       |                                 |                                |                           |
| Capital Improvments 2008  | \$73,893              | -\$2,185                        | \$71,708                       | \$0                       |
| Capital Improvments 2007  | \$67,736              | \$423                           | \$68,159                       | \$63,751                  |
| Capital Improvments 2006  | \$62,815              | \$41                            | \$62,856                       | \$62,148                  |
| Capital Improvments 2005  | \$58,887              | \$4,249                         | \$63,136                       | \$62,953                  |
| Capital Improvments 2004  | \$59,027              | \$1,556                         | \$60,583                       | \$60,559                  |
| Capital Improvments 2003  | \$56,414              | -\$281                          | \$56,133                       | \$56,110                  |
| Capital Improvments 2002  | \$50,848              | -\$41                           | \$50,807                       | \$50,789                  |
| Capital Improvments 2001  | \$50,118              | \$75                            | \$50,193                       | \$50,175                  |
| Capital Improvments 2000  | \$43,673              | -\$74                           | \$43,599                       | \$43,594                  |
| Capital Improvments 1999  | \$39,704              | \$364                           | \$40,068                       | \$40,034                  |
| Capital Improvments 1998  | \$37,598              | \$497                           | \$38,095                       | \$38,095                  |
| <b>Total Cap. Imp.</b>    | <b>\$600,713</b>      | <b>\$4,624</b>                  | <b>\$605,337</b>               | <b>\$528,208</b>          |
| <br>                      |                       |                                 |                                |                           |
| <b>Corona Schools</b>     |                       |                                 |                                |                           |
| Operational 2008          | \$13,978              | \$38                            | \$14,016                       | \$0                       |
| Operational 2007          | \$12,150              | \$55                            | \$12,205                       | \$12,048                  |
| Operational 2006          | \$12,190              | \$210                           | \$12,400                       | \$12,148                  |
| Operational 2005          | \$11,512              | \$379                           | \$11,891                       | \$11,886                  |
| Operational 2004          | \$9,623               | \$608                           | \$10,231                       | \$10,230                  |
| Operational 2003          | \$9,829               | -\$2                            | \$9,827                        | \$9,826                   |
| Operational 2002          | \$9,306               | \$103                           | \$9,409                        | \$9,407                   |
| Operational 2001          | \$9,525               | -\$17                           | \$9,508                        | \$9,507                   |
| Operational 2000          | \$9,176               | \$0                             | \$9,176                        | \$9,176                   |
| Operational 1999          | \$8,367               | -\$10                           | \$8,357                        | \$8,357                   |
| Operational 1998          | \$8,603               | \$45                            | \$8,648                        | \$8,648                   |
| <b>Total Operational</b>  | <b>\$114,259</b>      | <b>\$1,409</b>                  | <b>\$115,668</b>               | <b>\$101,233</b>          |

The accompanying notes are an integral part of these financial statements



| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$226,581                       | \$226,581            | \$13,054                       | \$226,581                         | \$226,581              | \$13,054                            |
| \$9,180                         | \$194,060            | \$3,600                        | \$9,180                           | \$194,060              | \$3,600                             |
| \$1,184                         | \$166,615            | \$689                          | \$1,184                           | \$166,615              | \$689                               |
| \$501                           | \$185,506            | \$38                           | \$501                             | \$185,506              | \$38                                |
| \$38                            | \$187,467            | \$37                           | \$38                              | \$187,467              | \$37                                |
| \$39                            | \$176,620            | \$29                           | \$39                              | \$176,620              | \$29                                |
| \$41                            | \$167,924            | \$19                           | \$41                              | \$167,924              | \$19                                |
| \$35                            | \$140,949            | \$16                           | \$35                              | \$140,949              | \$16                                |
| \$0                             | \$127,819            | \$16                           | \$0                               | \$127,819              | \$16                                |
| \$0                             | \$149,066            | \$127                          | \$0                               | \$149,066              | \$127                               |
| \$0                             | \$114,970            | \$0                            | \$0                               | \$114,970              | \$0                                 |
| \$237,599                       | \$1,837,577          | \$17,625                       | \$237,599                         | \$1,837,577            | \$17,625                            |
| \$67,645                        | \$67,645             | \$4,063                        | \$67,645                          | \$67,645               | \$4,063                             |
| \$3,166                         | \$66,917             | \$1,242                        | \$3,166                           | \$66,917               | \$1,242                             |
| \$448                           | \$62,596             | \$260                          | \$448                             | \$62,596               | \$260                               |
| \$170                           | \$63,123             | \$13                           | \$170                             | \$63,123               | \$13                                |
| \$12                            | \$60,571             | \$12                           | \$12                              | \$60,571               | \$12                                |
| \$12                            | \$56,122             | \$11                           | \$12                              | \$56,122               | \$11                                |
| \$12                            | \$50,801             | \$6                            | \$12                              | \$50,801               | \$6                                 |
| \$12                            | \$50,187             | \$6                            | \$12                              | \$50,187               | \$6                                 |
| \$0                             | \$43,594             | \$5                            | \$0                               | \$43,594               | \$5                                 |
| \$0                             | \$40,034             | \$34                           | \$0                               | \$40,034               | \$34                                |
| \$0                             | \$38,095             | \$0                            | \$0                               | \$38,095               | \$0                                 |
| \$71,477                        | \$599,685            | \$5,652                        | \$71,477                          | \$599,685              | \$5,652                             |
| \$13,733                        | \$13,733             | \$283                          | \$13,733                          | \$13,733               | \$283                               |
| \$133                           | \$12,181             | \$24                           | \$133                             | \$12,181               | \$24                                |
| \$246                           | \$12,394             | \$6                            | \$246                             | \$12,394               | \$6                                 |
| \$5                             | \$11,891             | \$0                            | \$5                               | \$11,891               | \$0                                 |
| \$1                             | \$10,231             | \$0                            | \$1                               | \$10,231               | \$0                                 |
| \$1                             | \$9,827              | \$0                            | \$1                               | \$9,827                | \$0                                 |
| \$2                             | \$9,409              | \$0                            | \$2                               | \$9,409                | \$0                                 |
| \$1                             | \$9,508              | \$0                            | \$1                               | \$9,508                | \$0                                 |
| \$0                             | \$9,176              | \$0                            | \$0                               | \$9,176                | \$0                                 |
| \$0                             | \$8,357              | \$0                            | \$0                               | \$8,357                | \$0                                 |
| \$0                             | \$8,648              | \$0                            | \$0                               | \$8,648                | \$0                                 |
| \$14,122                        | \$115,355            | \$313                          | \$14,122                          | \$115,355              | \$313                               |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                             | Property Taxes Levied | Current Changes To Taxes Levied | Adjusted Property Taxes Levied | Previous Amount Collected |
|------------------------------------|-----------------------|---------------------------------|--------------------------------|---------------------------|
| <b>Corona Schools</b>              |                       |                                 |                                |                           |
| Debt Service 2008                  | \$85,263              | \$232                           | \$85,495                       | \$0                       |
| Debt Service 2007                  | \$82,460              | \$370                           | \$82,830                       | \$81,762                  |
| Debt Service 2006                  | \$81,378              | \$1,383                         | \$82,761                       | \$81,098                  |
| Debt Service 2005                  | \$79,465              | \$2,562                         | \$82,027                       | \$81,992                  |
| Debt Service 2004                  | \$80,187              | \$5,038                         | \$85,225                       | \$85,218                  |
| Debt Service 2003                  | \$51,150              | -\$11                           | \$51,139                       | \$51,135                  |
| Debt Service 2002                  | \$76,641              | \$840                           | \$77,481                       | \$77,469                  |
| Debt Service 2001                  | \$53,741              | -\$97                           | \$53,644                       | \$53,639                  |
| Debt Service 2000                  | \$53,084              | -\$3                            | \$53,081                       | \$53,081                  |
| Debt Service 1999                  | \$72,239              | -\$90                           | \$72,149                       | \$72,149                  |
| Debt Service 1998                  | \$46,113              | \$241                           | \$46,354                       | \$46,354                  |
| <b>Total Debt Service</b>          | <b>\$761,721</b>      | <b>\$10,465</b>                 | <b>\$772,186</b>               | <b>\$683,897</b>          |
| <br>                               |                       |                                 |                                |                           |
| Capital Improvments 2008           | \$56,066              | \$152                           | \$56,218                       | \$0                       |
| Capital Improvments 2007           | \$48,851              | \$219                           | \$49,070                       | \$48,437                  |
| Capital Improvments 2006           | \$49,290              | \$837                           | \$50,127                       | \$49,121                  |
| Capital Improvments 2005           | \$46,896              | \$1,511                         | \$48,407                       | \$48,387                  |
| Capital Improvments 2004           | \$38,831              | \$2,440                         | \$41,271                       | \$41,268                  |
| Capital Improvments 2003           | \$39,637              | -\$9                            | \$39,628                       | \$39,625                  |
| Capital Improvments 2002           | \$37,532              | \$416                           | \$37,948                       | \$37,938                  |
| Capital Improvments 2001           | \$38,400              | -\$69                           | \$38,331                       | \$38,328                  |
| Capital Improvments 2000           | \$36,702              | -\$2                            | \$36,700                       | \$36,700                  |
| Capital Improvments 1999           | \$33,468              | -\$42                           | \$33,426                       | \$33,426                  |
| Capital Improvments 1998           | \$34,412              | \$180                           | \$34,592                       | \$34,592                  |
| <b>Total Cap. Imp.</b>             | <b>\$460,085</b>      | <b>\$5,633</b>                  | <b>\$465,718</b>               | <b>\$407,822</b>          |
| <br>                               |                       |                                 |                                |                           |
| <b>Hondo Valley Public Schools</b> |                       |                                 |                                |                           |
| Operational 2008                   | \$12,438              | -\$2                            | \$12,436                       | \$0                       |
| Operational 2007                   | \$12,621              | \$38                            | \$12,659                       | \$12,258                  |
| Operational 2006                   | \$10,468              | \$45                            | \$10,513                       | \$10,358                  |
| Operational 2005                   | \$10,230              | -\$13                           | \$10,217                       | \$10,190                  |
| Operational 2004                   | \$9,777               | \$61                            | \$9,838                        | \$9,826                   |
| Operational 2003                   | \$8,812               | -\$19                           | \$8,793                        | \$8,785                   |
| Operational 2002                   | \$8,026               | -\$92                           | \$7,934                        | \$7,929                   |
| Operational 2001                   | \$7,985               | \$5                             | \$7,990                        | \$7,988                   |
| Operational 2000                   | \$7,001               | \$8                             | \$7,009                        | \$7,008                   |
| Operational 1999                   | \$6,726               | \$58                            | \$6,784                        | \$6,784                   |
| Operational 1998                   | \$6,316               | \$79                            | \$6,395                        | \$6,395                   |
| <b>Total Operational</b>           | <b>\$100,400</b>      | <b>\$168</b>                    | <b>\$100,568</b>               | <b>\$87,521</b>           |

The accompanying notes are an integral part of these financial statements

| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$83,804                        | \$83,804             | \$1,691                        | \$83,804                          | \$83,804               | \$1,691                             |
| \$913                           | \$82,675             | \$155                          | \$913                             | \$82,675               | \$155                               |
| \$1,626                         | \$82,724             | \$37                           | \$1,626                           | \$82,724               | \$37                                |
| \$35                            | \$82,027             | \$0                            | \$35                              | \$82,027               | \$0                                 |
| \$7                             | \$85,225             | \$0                            | \$7                               | \$85,225               | \$0                                 |
| \$4                             | \$51,139             | \$0                            | \$4                               | \$51,139               | \$0                                 |
| \$12                            | \$77,481             | \$0                            | \$12                              | \$77,481               | \$0                                 |
| \$5                             | \$53,644             | \$0                            | \$5                               | \$53,644               | \$0                                 |
| \$0                             | \$53,081             | \$0                            | \$0                               | \$53,081               | \$0                                 |
| \$0                             | \$72,149             | \$0                            | \$0                               | \$72,149               | \$0                                 |
| \$0                             | \$46,354             | \$0                            | \$0                               | \$46,354               | \$0                                 |
| <b>\$86,406</b>                 | <b>\$770,303</b>     | <b>\$1,883</b>                 | <b>\$86,406</b>                   | <b>\$770,303</b>       | <b>\$1,883</b>                      |
| \$55,044                        | \$55,044             | \$1,174                        | \$55,044                          | \$55,044               | \$1,174                             |
| \$541                           | \$48,978             | \$92                           | \$541                             | \$48,978               | \$92                                |
| \$985                           | \$50,106             | \$21                           | \$985                             | \$50,106               | \$21                                |
| \$20                            | \$48,407             | \$0                            | \$20                              | \$48,407               | \$0                                 |
| \$3                             | \$41,271             | \$0                            | \$3                               | \$41,271               | \$0                                 |
| \$3                             | \$39,628             | \$0                            | \$3                               | \$39,628               | \$0                                 |
| \$10                            | \$37,948             | \$0                            | \$10                              | \$37,948               | \$0                                 |
| \$3                             | \$38,331             | \$0                            | \$3                               | \$38,331               | \$0                                 |
| \$0                             | \$36,700             | \$0                            | \$0                               | \$36,700               | \$0                                 |
| \$0                             | \$33,426             | \$0                            | \$0                               | \$33,426               | \$0                                 |
| \$0                             | \$34,592             | \$0                            | \$0                               | \$34,592               | \$0                                 |
| <b>\$56,609</b>                 | <b>\$464,431</b>     | <b>\$1,287</b>                 | <b>\$56,609</b>                   | <b>\$464,431</b>       | <b>\$1,287</b>                      |
| \$11,881                        | \$11,881             | \$555                          | \$11,881                          | \$11,881               | \$555                               |
| \$256                           | \$12,514             | \$145                          | \$256                             | \$12,514               | \$145                               |
| \$130                           | \$10,488             | \$25                           | \$130                             | \$10,488               | \$25                                |
| \$12                            | \$10,202             | \$15                           | \$12                              | \$10,202               | \$15                                |
| \$0                             | \$9,826              | \$12                           | \$0                               | \$9,826                | \$12                                |
| \$0                             | \$8,785              | \$8                            | \$0                               | \$8,785                | \$8                                 |
| \$0                             | \$7,929              | \$5                            | \$0                               | \$7,929                | \$5                                 |
| \$1                             | \$7,989              | \$1                            | \$1                               | \$7,989                | \$1                                 |
| \$0                             | \$7,008              | \$1                            | \$0                               | \$7,008                | \$1                                 |
| \$0                             | \$6,784              | \$0                            | \$0                               | \$6,784                | \$0                                 |
| \$0                             | \$6,395              | \$0                            | \$0                               | \$6,395                | \$0                                 |
| <b>\$12,280</b>                 | <b>\$99,801</b>      | <b>\$767</b>                   | <b>\$12,280</b>                   | <b>\$99,801</b>        | <b>\$767</b>                        |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                             | Property Taxes Levied | Current Changes To Taxes Levied | Adjusted Property Taxes Levied | Previous Amount Collected |
|------------------------------------|-----------------------|---------------------------------|--------------------------------|---------------------------|
| <b>Hondo Valley Public Schools</b> |                       |                                 |                                |                           |
| Debt Service 2008                  | \$150,090             | -\$30                           | \$150,060                      | \$0                       |
| Debt Service 2007                  | \$171,017             | \$514                           | \$171,531                      | \$166,066                 |
| Debt Service 2006                  | \$156,734             | \$651                           | \$157,385                      | \$155,065                 |
| Debt Service 2005                  | \$143,941             | -\$198                          | \$143,743                      | \$143,356                 |
| Debt Service 2004                  | \$111,667             | \$783                           | \$112,450                      | \$112,300                 |
| Debt Service 2003                  | \$140,075             | -\$294                          | \$139,781                      | \$139,624                 |
| Debt Service 2002                  | \$116,888             | -\$1,277                        | \$115,611                      | \$115,525                 |
| Debt Service 2001                  | \$73,772              | -\$20                           | \$73,752                       | \$73,733                  |
| Debt Service 2000                  | \$106,166             | \$104                           | \$106,270                      | \$106,258                 |
| Debt Service 1999                  | \$81,598              | \$692                           | \$82,290                       | \$82,285                  |
| Debt Service 1998                  | \$113,153             | \$1,401                         | \$114,554                      | \$114,554                 |
| <b>Total Debt Service</b>          | <b>\$1,365,101</b>    | <b>\$2,326</b>                  | <b>\$1,367,428</b>             | <b>\$1,208,766</b>        |
| <br>                               |                       |                                 |                                |                           |
| Capital Improvments 2008           | \$49,733              | -\$10                           | \$49,723                       | \$0                       |
| Capital Improvments 2007           | \$50,966              | \$154                           | \$51,119                       | \$49,490                  |
| Capital Improvments 2006           | \$43,254              | \$180                           | \$43,434                       | \$42,794                  |
| Capital Improvments 2005           | \$43,193              | -\$59                           | \$43,134                       | \$43,016                  |
| Capital Improvments 2004           | \$40,568              | \$286                           | \$40,854                       | \$40,799                  |
| Capital Improvments 2003           | \$38,183              | -\$80                           | \$38,103                       | \$38,059                  |
| Capital Improvments 2002           | \$35,017              | -\$383                          | \$34,634                       | \$34,610                  |
| Capital Improvments 2001           | \$31,942              | \$18                            | \$31,960                       | \$31,952                  |
| Capital Improvments 2000           | \$0                   | \$0                             | \$0                            | \$0                       |
| Capital Improvments 1999           | \$27,658              | \$235                           | \$27,893                       | \$27,891                  |
| Capital Improvments 1998           | \$25,934              | \$316                           | \$26,250                       | \$26,250                  |
| <b>Total Cap. Imp.</b>             | <b>\$386,448</b>      | <b>\$657</b>                    | <b>\$387,104</b>               | <b>\$334,861</b>          |
| <br>                               |                       |                                 |                                |                           |
| <b>Ruidoso Schools</b>             |                       |                                 |                                |                           |
| Operational 2008                   | \$173,171             | -\$34                           | \$173,137                      | \$0                       |
| Operational 2007                   | \$156,180             | -\$127                          | \$156,053                      | \$147,889                 |
| Operational 2006                   | \$135,077             | \$6                             | \$135,083                      | \$133,115                 |
| Operational 2005                   | \$125,130             | -\$143                          | \$124,987                      | \$124,629                 |
| Operational 2004                   | \$117,820             | \$26                            | \$117,846                      | \$117,750                 |
| Operational 2003                   | \$109,482             | \$30                            | \$109,512                      | \$109,475                 |
| Operational 2002                   | \$105,609             | -\$155                          | \$105,454                      | \$105,433                 |
| Operational 2001                   | \$100,289             | -\$553                          | \$99,736                       | \$99,727                  |
| Operational 2000                   | \$92,695              | -\$176                          | \$92,519                       | \$92,516                  |
| Operational 1999                   | \$87,487              | -\$25                           | \$87,462                       | \$87,459                  |
| Operational 1998                   | \$83,248              | -\$46                           | \$83,202                       | \$83,202                  |
| <b>Total Operational</b>           | <b>\$1,286,188</b>    | <b>-\$1,197</b>                 | <b>\$1,284,991</b>             | <b>\$1,101,195</b>        |

The accompanying notes are an integral part of these financial statements

| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$143,424                       | \$143,424            | \$6,636                        | \$143,424                         | \$143,424              | \$6,636                             |
| \$3,485                         | \$169,551            | \$1,980                        | \$3,485                           | \$169,551              | \$1,980                             |
| \$1,941                         | \$157,006            | \$379                          | \$1,941                           | \$157,006              | \$379                               |
| \$170                           | \$143,526            | \$217                          | \$170                             | \$143,526              | \$217                               |
| \$0                             | \$112,300            | \$150                          | \$0                               | \$112,300              | \$150                               |
| \$0                             | \$139,624            | \$157                          | \$0                               | \$139,624              | \$157                               |
| \$0                             | \$115,525            | \$86                           | \$0                               | \$115,525              | \$86                                |
| \$11                            | \$73,744             | \$8                            | \$11                              | \$73,744               | \$8                                 |
| \$2                             | \$106,260            | \$10                           | \$2                               | \$106,260              | \$10                                |
| \$0                             | \$82,285             | \$5                            | \$0                               | \$82,285               | \$5                                 |
| \$0                             | \$114,554            | \$0                            | \$0                               | \$114,554              | \$0                                 |
| \$149,033                       | \$1,357,799          | \$9,629                        | \$149,033                         | \$1,357,799            | \$9,629                             |
| \$47,523                        | \$47,523             | \$2,200                        | \$47,523                          | \$47,523               | \$2,200                             |
| \$1,039                         | \$50,529             | \$590                          | \$1,039                           | \$50,529               | \$590                               |
| \$536                           | \$43,330             | \$104                          | \$536                             | \$43,330               | \$104                               |
| \$51                            | \$43,067             | \$67                           | \$51                              | \$43,067               | \$67                                |
| \$0                             | \$40,799             | \$55                           | \$0                               | \$40,799               | \$55                                |
| \$0                             | \$38,059             | \$44                           | \$0                               | \$38,059               | \$44                                |
| \$0                             | \$34,610             | \$24                           | \$0                               | \$34,610               | \$24                                |
| \$5                             | \$31,957             | \$3                            | \$5                               | \$31,957               | \$3                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$27,891             | \$2                            | \$0                               | \$27,891               | \$2                                 |
| \$0                             | \$26,250             | \$0                            | \$0                               | \$26,250               | \$0                                 |
| \$49,154                        | \$384,015            | \$3,089                        | \$49,154                          | \$384,015              | \$3,089                             |
| \$163,545                       | \$163,545            | \$9,592                        | \$163,545                         | \$163,545              | \$9,592                             |
| \$4,800                         | \$152,689            | \$3,364                        | \$4,800                           | \$152,689              | \$3,364                             |
| \$1,343                         | \$134,458            | \$625                          | \$1,343                           | \$134,458              | \$625                               |
| \$303                           | \$124,932            | \$55                           | \$303                             | \$124,932              | \$55                                |
| \$51                            | \$117,801            | \$45                           | \$51                              | \$117,801              | \$45                                |
| \$20                            | \$109,495            | \$17                           | \$20                              | \$109,495              | \$17                                |
| \$10                            | \$105,443            | \$11                           | \$10                              | \$105,443              | \$11                                |
| \$3                             | \$99,730             | \$6                            | \$3                               | \$99,730               | \$6                                 |
| \$0                             | \$92,516             | \$3                            | \$0                               | \$92,516               | \$3                                 |
| \$0                             | \$87,459             | \$3                            | \$0                               | \$87,459               | \$3                                 |
| \$0                             | \$83,202             | \$0                            | \$0                               | \$83,202               | \$0                                 |
| \$170,075                       | \$1,271,270          | \$13,721                       | \$170,075                         | \$1,271,270            | \$13,721                            |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                               | Property Taxes Levied | Current Changes To Taxes Levied | Adjusted Property Taxes Levied | Previous Amount Collected |
|--------------------------------------|-----------------------|---------------------------------|--------------------------------|---------------------------|
| <b>Ruidoso Schools</b>               |                       |                                 |                                |                           |
| Debt Service 2008                    | \$2,967,321           | -\$812                          | \$2,966,509                    | \$0                       |
| Debt Service 2007                    | \$2,784,900           | -\$2,733                        | \$2,782,167                    | \$2,652,194               |
| Debt Service 2006                    | \$2,414,806           | -\$44                           | \$2,414,762                    | \$2,382,039               |
| Debt Service 2005                    | \$1,321,608           | -\$1,380                        | \$1,320,228                    | \$1,316,376               |
| Debt Service 2004                    | \$1,218,784           | \$407                           | \$1,219,191                    | \$1,218,165               |
| Debt Service 2003                    | \$1,202,703           | \$1,026                         | \$1,203,729                    | \$1,203,240               |
| Debt Service 2002                    | \$1,544,527           | -\$1,850                        | \$1,542,677                    | \$1,542,307               |
| Debt Service 2001                    | \$1,494,570           | -\$6,190                        | \$1,488,380                    | \$1,488,217               |
| Debt Service 2000                    | \$1,481,940           | -\$2,271                        | \$1,479,669                    | \$1,479,604               |
| Debt Service 1999                    | \$1,432,200           | -\$243                          | \$1,431,957                    | \$1,431,901               |
| Debt Service 1998                    | \$1,468,147           | -\$747                          | \$1,467,400                    | \$1,467,400               |
| <b>Total Debt Service</b>            | <b>\$19,331,506</b>   | <b>-\$14,837</b>                | <b>\$19,316,669</b>            | <b>\$16,181,443</b>       |
| <br>                                 |                       |                                 |                                |                           |
| Capital Improvments 2008             | \$1,007,841           | -\$276                          | \$1,007,565                    | \$0                       |
| Capital Improvments 2007             | \$943,075             | -\$925                          | \$942,150                      | \$898,136                 |
| Capital Improvments 2006             | \$797,405             | -\$24                           | \$797,381                      | \$786,752                 |
| Capital Improvments 2005             | \$741,470             | -\$755                          | \$740,715                      | \$738,544                 |
| Capital Improvments 2004             | \$701,256             | \$234                           | \$701,490                      | \$700,899                 |
| Capital Improvments 2003             | \$669,843             | \$571                           | \$670,414                      | \$670,141                 |
| Capital Improvments 2002             | \$626,583             | -\$751                          | \$625,832                      | \$625,682                 |
| Capital Improvments 2001             | \$611,996             | -\$2,538                        | \$609,458                      | \$609,392                 |
| Capital Improvments 2000             | \$565,626             | -\$866                          | \$564,760                      | \$564,735                 |
| Capital Improvments 1999             | \$543,014             | -\$91                           | \$542,923                      | \$542,902                 |
| Capital Improvments 1998             | \$444,977             | -\$228                          | \$444,749                      | \$444,749                 |
| <b>Total Cap. Imp.</b>               | <b>\$7,653,086</b>    | <b>-\$5,649</b>                 | <b>\$7,647,437</b>             | <b>\$6,581,932</b>        |
| <b>Lincoln County Medical Center</b> |                       |                                 |                                |                           |
| Levy 2008                            | \$1,779,389           | -\$2,166                        | \$1,777,223                    | \$0                       |
| Levy 2007                            | \$1,732,400           | -\$326                          | \$1,732,074                    | \$1,661,687               |
| Levy 2006                            | \$1,519,158           | \$1,118                         | \$1,520,276                    | \$1,501,089               |
| Levy 2005                            | \$1,403,217           | \$3,998                         | \$1,407,215                    | \$1,403,441               |
| Levy 2004                            | \$1,297,710           | \$4,552                         | \$1,302,262                    | \$1,301,380               |
| Levy 2003                            | \$646,429             | -\$428                          | \$646,001                      | \$645,786                 |
| Levy 2002                            | \$1,148,255           | -\$880                          | \$1,147,375                    | \$1,147,137               |
| Levy 2001                            | \$1,115,300           | -\$3,255                        | \$1,112,045                    | \$1,111,942               |
| Levy 2000                            | \$887,389             | -\$1,111                        | \$886,278                      | \$886,249                 |
| Levy 1999                            | \$979,762             | -\$18                           | \$979,744                      | \$979,696                 |
| Levy 1998                            | \$935,499             | \$1,502                         | \$937,001                      | \$937,001                 |
| <b>Total LCMC</b>                    | <b>\$13,444,508</b>   | <b>\$2,986</b>                  | <b>\$13,447,494</b>            | <b>\$11,575,408</b>       |

The accompanying notes are an integral part of these financial statements

| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$2,819,042                     | \$2,819,042          | \$147,467                      | \$2,819,042                       | \$2,819,042            | \$147,467                           |
| \$78,832                        | \$2,731,026          | \$51,141                       | \$78,832                          | \$2,731,026            | \$51,141                            |
| \$22,230                        | \$2,404,269          | \$10,493                       | \$22,230                          | \$2,404,269            | \$10,493                            |
| \$3,214                         | \$1,319,590          | \$638                          | \$3,214                           | \$1,319,590            | \$638                               |
| \$492                           | \$1,218,657          | \$534                          | \$492                             | \$1,218,657            | \$534                               |
| \$259                           | \$1,203,499          | \$230                          | \$259                             | \$1,203,499            | \$230                               |
| \$167                           | \$1,542,474          | \$203                          | \$167                             | \$1,542,474            | \$203                               |
| \$61                            | \$1,488,278          | \$102                          | \$61                              | \$1,488,278            | \$102                               |
| \$0                             | \$1,479,604          | \$65                           | \$0                               | \$1,479,604            | \$65                                |
| \$0                             | \$1,431,901          | \$56                           | \$0                               | \$1,431,901            | \$56                                |
| \$0                             | \$1,467,400          | \$0                            | \$0                               | \$1,467,400            | \$0                                 |
| <b>\$2,924,297</b>              | <b>\$19,105,740</b>  | <b>\$210,929</b>               | <b>\$2,924,297</b>                | <b>\$19,105,740</b>    | <b>\$210,929</b>                    |
| \$957,394                       | \$957,394            | \$50,171                       | \$957,394                         | \$957,394              | \$50,171                            |
| \$26,696                        | \$924,832            | \$17,318                       | \$26,696                          | \$924,832              | \$17,318                            |
| \$7,217                         | \$793,969            | \$3,412                        | \$7,217                           | \$793,969              | \$3,412                             |
| \$1,804                         | \$740,348            | \$367                          | \$1,804                           | \$740,348              | \$367                               |
| \$283                           | \$701,182            | \$308                          | \$283                             | \$701,182              | \$308                               |
| \$144                           | \$670,285            | \$129                          | \$144                             | \$670,285              | \$129                               |
| \$68                            | \$625,750            | \$82                           | \$68                              | \$625,750              | \$82                                |
| \$25                            | \$609,417            | \$41                           | \$25                              | \$609,417              | \$41                                |
| \$0                             | \$564,735            | \$25                           | \$0                               | \$564,735              | \$25                                |
| \$0                             | \$542,902            | \$21                           | \$0                               | \$542,902              | \$21                                |
| \$0                             | \$444,749            | \$0                            | \$0                               | \$444,749              | \$0                                 |
| <b>\$993,631</b>                | <b>\$7,575,563</b>   | <b>\$71,874</b>                | <b>\$993,631</b>                  | <b>\$7,575,563</b>     | <b>\$71,874</b>                     |
| \$1,701,405                     | \$1,701,405          | \$75,818                       | \$1,701,405                       | \$1,701,405            | \$75,818                            |
| \$46,122                        | \$1,707,809          | \$24,265                       | \$46,122                          | \$1,707,809            | \$24,265                            |
| \$13,964                        | \$1,515,053          | \$5,223                        | \$13,964                          | \$1,515,053            | \$5,223                             |
| \$3,130                         | \$1,406,571          | \$644                          | \$3,130                           | \$1,406,571            | \$644                               |
| \$369                           | \$1,301,749          | \$513                          | \$369                             | \$1,301,749            | \$513                               |
| \$105                           | \$645,891            | \$110                          | \$105                             | \$645,891              | \$110                               |
| \$95                            | \$1,147,232          | \$143                          | \$95                              | \$1,147,232            | \$143                               |
| \$50                            | \$1,111,992          | \$53                           | \$50                              | \$1,111,992            | \$53                                |
| \$1                             | \$886,250            | \$28                           | \$1                               | \$886,250              | \$28                                |
| \$0                             | \$979,696            | \$48                           | \$0                               | \$979,696              | \$48                                |
| \$0                             | \$937,001            | \$0                            | \$0                               | \$937,001              | \$0                                 |
| <b>\$1,765,241</b>              | <b>\$13,340,649</b>  | <b>\$106,845</b>               | <b>\$1,765,241</b>                | <b>\$13,340,649</b>    | <b>\$106,845</b>                    |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                           |      | Property<br>Taxes<br>Levied | Current Changes<br>To Taxes<br>Levied | Adjusted<br>Property<br>Taxes Levied | Previous<br>Amount<br>Collected |
|----------------------------------|------|-----------------------------|---------------------------------------|--------------------------------------|---------------------------------|
| <b>Rural Clinics</b>             |      |                             |                                       |                                      |                                 |
| Levy                             | 2008 | \$533,701                   | -\$667                                | \$533,034                            | \$0                             |
| Levy                             | 2007 | \$412,626                   | -\$77                                 | \$412,549                            | \$395,785                       |
| Levy                             | 2006 | \$361,713                   | \$265                                 | \$361,978                            | \$357,409                       |
| Levy                             | 2005 | \$333,517                   | \$958                                 | \$334,475                            | \$333,571                       |
| Levy                             | 2004 | \$308,980                   | \$1,084                               | \$310,064                            | \$309,854                       |
| Levy                             | 2003 | \$518,549                   | -\$338                                | \$518,211                            | \$518,027                       |
| Levy                             | 2002 | \$492,121                   | -\$366                                | \$491,755                            | \$491,654                       |
| Levy                             | 2001 | \$477,995                   | -\$1,391                              | \$476,604                            | \$476,560                       |
| Levy                             | 2000 | \$240,420                   | -\$318                                | \$240,102                            | \$240,094                       |
| Levy                             | 1999 | \$306,250                   | -\$61                                 | \$306,189                            | \$306,173                       |
| Levy                             | 1998 | \$292,347                   | \$404                                 | \$292,751                            | \$292,751                       |
| <b>Total Rural Clinics</b>       |      | <b>\$4,278,219</b>          | <b>-\$507</b>                         | <b>\$4,277,712</b>                   | <b>\$3,721,878</b>              |
| <b>Alpine Village Sanitation</b> |      |                             |                                       |                                      |                                 |
| Levy                             | 2008 | \$34,506                    | -\$5                                  | \$34,501                             | \$0                             |
| Levy                             | 2007 | \$32,515                    | \$0                                   | \$32,515                             | \$30,904                        |
| Levy                             | 2006 | \$31,324                    | \$704                                 | \$32,028                             | \$31,711                        |
| Levy                             | 2005 | \$29,844                    | \$2                                   | \$29,846                             | \$29,844                        |
| Levy                             | 2004 | \$28,852                    | \$0                                   | \$28,852                             | \$28,852                        |
| Levy                             | 2003 | \$27,986                    | \$0                                   | \$27,986                             | \$27,986                        |
| Levy                             | 2002 | \$27,655                    | \$0                                   | \$27,655                             | \$27,655                        |
| Levy                             | 2001 | \$27,381                    | \$0                                   | \$27,381                             | \$27,381                        |
| Levy                             | 2000 | \$26,714                    | \$0                                   | \$26,714                             | \$26,714                        |
| Levy                             | 1999 | \$26,064                    | \$0                                   | \$26,064                             | \$26,064                        |
| Levy                             | 1998 | \$25,704                    | \$0                                   | \$25,704                             | \$25,704                        |
| <b>Total Levy</b>                |      | <b>\$318,545</b>            | <b>\$701</b>                          | <b>\$319,246</b>                     | <b>\$282,815</b>                |
| <b>Sun Valley Sanitation</b>     |      |                             |                                       |                                      |                                 |
| Levy                             | 2008 | \$55,070                    | \$0                                   | \$55,070                             | \$0                             |
| Levy                             | 2007 | \$56,326                    | \$0                                   | \$56,326                             | \$54,478                        |
| Levy                             | 2006 | \$46,409                    | -\$130                                | \$46,279                             | \$44,941                        |
| Levy                             | 2005 | \$37,686                    | \$0                                   | \$37,686                             | \$37,618                        |
| Levy                             | 2004 | \$37,111                    | \$0                                   | \$37,111                             | \$37,111                        |
| Levy                             | 2003 | \$35,975                    | -\$543                                | \$35,432                             | \$35,432                        |
| Levy                             | 2002 | \$35,571                    | \$0                                   | \$35,571                             | \$35,571                        |
| Levy                             | 2001 | \$39,178                    | \$0                                   | \$39,178                             | \$39,178                        |
| Levy                             | 2000 | \$29,963                    | \$0                                   | \$29,963                             | \$29,963                        |
| Levy                             | 1999 | \$29,279                    | \$0                                   | \$29,279                             | \$29,279                        |
| Levy                             | 1998 | \$29,803                    | \$0                                   | \$29,803                             | \$29,803                        |
| <b>Total Sun Valley</b>          |      | <b>\$432,371</b>            | <b>-\$673</b>                         | <b>\$431,698</b>                     | <b>\$373,374</b>                |

The accompanying notes are an integral part of these financial statements



| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$510,306                       | \$510,306            | \$22,728                       | \$510,306                         | \$510,306              | \$22,728                            |
| \$10,984                        | \$406,769            | \$5,780                        | \$10,984                          | \$406,769              | \$5,780                             |
| \$3,325                         | \$360,734            | \$1,244                        | \$3,325                           | \$360,734              | \$1,244                             |
| \$745                           | \$334,316            | \$159                          | \$745                             | \$334,316              | \$159                               |
| \$88                            | \$309,942            | \$122                          | \$88                              | \$309,942              | \$122                               |
| \$85                            | \$518,112            | \$99                           | \$85                              | \$518,112              | \$99                                |
| \$40                            | \$491,694            | \$61                           | \$40                              | \$491,694              | \$61                                |
| \$21                            | \$476,581            | \$23                           | \$21                              | \$476,581              | \$23                                |
| \$0                             | \$240,094            | \$8                            | \$0                               | \$240,094              | \$8                                 |
| \$0                             | \$306,173            | \$16                           | \$0                               | \$306,173              | \$16                                |
| \$0                             | \$292,751            | \$0                            | \$0                               | \$292,751              | \$0                                 |
| <b>\$525,594</b>                | <b>\$4,247,472</b>   | <b>\$30,240</b>                | <b>\$525,594</b>                  | <b>\$4,247,472</b>     | <b>\$30,240</b>                     |
| \$33,979                        | \$33,979             | \$522                          | \$33,979                          | \$33,979               | \$522                               |
| \$1,407                         | \$32,311             | \$204                          | \$1,407                           | \$32,311               | \$204                               |
| \$317                           | \$32,028             | \$0                            | \$317                             | \$32,028               | \$0                                 |
| \$0                             | \$29,844             | \$2                            | \$0                               | \$29,844               | \$2                                 |
| \$0                             | \$28,852             | \$0                            | \$0                               | \$28,852               | \$0                                 |
| \$0                             | \$27,986             | \$0                            | \$0                               | \$27,986               | \$0                                 |
| \$0                             | \$27,655             | \$0                            | \$0                               | \$27,655               | \$0                                 |
| \$0                             | \$27,381             | \$0                            | \$0                               | \$27,381               | \$0                                 |
| \$0                             | \$26,714             | \$0                            | \$0                               | \$26,714               | \$0                                 |
| \$0                             | \$26,064             | \$0                            | \$0                               | \$26,064               | \$0                                 |
| \$0                             | \$25,704             | \$0                            | \$0                               | \$25,704               | \$0                                 |
| <b>\$35,703</b>                 | <b>\$318,518</b>     | <b>\$728</b>                   | <b>\$35,703</b>                   | <b>\$318,518</b>       | <b>\$728</b>                        |
| \$53,325                        | \$53,325             | \$1,745                        | \$53,325                          | \$53,325               | \$1,745                             |
| \$389                           | \$54,867             | \$1,459                        | \$389                             | \$54,867               | \$1,459                             |
| \$1,338                         | \$46,279             | \$0                            | \$1,338                           | \$46,279               | \$0                                 |
| \$68                            | \$37,686             | \$0                            | \$68                              | \$37,686               | \$0                                 |
| \$0                             | \$37,111             | \$0                            | \$0                               | \$37,111               | \$0                                 |
| \$0                             | \$35,432             | \$0                            | \$0                               | \$35,432               | \$0                                 |
| \$0                             | \$35,571             | \$0                            | \$0                               | \$35,571               | \$0                                 |
| \$0                             | \$39,178             | \$0                            | \$0                               | \$39,178               | \$0                                 |
| \$0                             | \$29,963             | \$0                            | \$0                               | \$29,963               | \$0                                 |
| \$0                             | \$29,279             | \$0                            | \$0                               | \$29,279               | \$0                                 |
| \$0                             | \$29,803             | \$0                            | \$0                               | \$29,803               | \$0                                 |
| <b>\$55,120</b>                 | <b>\$428,494</b>     | <b>\$3,204</b>                 | <b>\$55,120</b>                   | <b>\$428,494</b>       | <b>\$3,204</b>                      |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                                | Property Taxes Levied | Current Changes To Taxes Levied | Adjusted Property Taxes Levied | Previous Amount Collected |
|---------------------------------------|-----------------------|---------------------------------|--------------------------------|---------------------------|
| <b>Alto Lakes Conserv. Dist.</b>      |                       |                                 |                                |                           |
| Levy 2008                             | \$0                   | \$0                             | \$0                            | \$0                       |
| Levy 2007                             | \$43,605              | \$0                             | \$43,605                       | \$43,173                  |
| Levy 2006                             | \$43,671              | -\$35                           | \$43,636                       | \$43,523                  |
| Levy 2005                             | \$40,019              | -\$54                           | \$39,965                       | \$39,964                  |
| Levy 2004                             | \$0                   | \$0                             | \$0                            | \$0                       |
| Levy 2003                             | \$0                   | \$0                             | \$0                            | \$0                       |
| Levy 2002                             | \$0                   | \$0                             | \$0                            | \$0                       |
| Levy 2001                             | \$0                   | \$0                             | \$0                            | \$0                       |
| Levy 2000                             | \$0                   | \$0                             | \$0                            | \$0                       |
| Levy 1999                             | \$0                   | \$0                             | \$0                            | \$0                       |
| Levy 1998                             | \$0                   | \$0                             | \$0                            | \$0                       |
| <b>Total Alto Lakes</b>               | <b>\$127,295</b>      | <b>-\$89</b>                    | <b>\$127,206</b>               | <b>\$126,660</b>          |
| <b>Carrizozo Soil &amp; Water</b>     |                       |                                 |                                |                           |
| Levy 2008                             | \$41,313              | -\$1,078                        | \$40,235                       | \$0                       |
| Levy 2007                             | \$27,273              | \$248                           | \$27,521                       | \$26,645                  |
| Levy 2006                             | \$27,125              | \$321                           | \$27,446                       | \$27,016                  |
| Levy 2005                             | \$24,934              | \$2,101                         | \$27,035                       | \$27,004                  |
| Levy 2004                             | \$22,812              | \$1,487                         | \$24,299                       | \$24,294                  |
| Levy 2003                             | \$22,157              | -\$4                            | \$22,153                       | \$22,148                  |
| Levy 2002                             | \$20,022              | \$55                            | \$20,077                       | \$20,072                  |
| Levy 2001                             | \$19,693              | -\$7                            | \$19,686                       | \$19,681                  |
| Levy 2000                             | \$19,512              | \$36                            | \$19,548                       | \$19,548                  |
| Levy 1999                             | \$17,273              | \$100                           | \$17,373                       | \$17,362                  |
| Levy 1998                             | \$17,077              | \$962                           | \$18,039                       | \$18,039                  |
| <b>Total Carrizozo S &amp; W</b>      | <b>\$259,191</b>      | <b>\$4,221</b>                  | <b>\$263,412</b>               | <b>\$221,809</b>          |
| <b>Chaves County Soil &amp; Water</b> |                       |                                 |                                |                           |
| Levy 2008                             | \$2,021               | \$0                             | \$2,021                        | \$0                       |
| Levy 2007                             | \$1,987               | \$0                             | \$1,987                        | \$1,976                   |
| Levy 2006                             | \$1,971               | \$0                             | \$1,971                        | \$1,968                   |
| Levy 2005                             | \$1,909               | \$0                             | \$1,909                        | \$1,909                   |
| Levy 2004                             | \$1,863               | \$0                             | \$1,863                        | \$1,863                   |
| Levy 2003                             | \$1,871               | \$0                             | \$1,871                        | \$1,871                   |
| Levy 2002                             | \$1,918               | \$0                             | \$1,918                        | \$1,918                   |
| Levy 2001                             | \$1,909               | \$0                             | \$1,909                        | \$1,909                   |
| Levy 2000                             | \$2,633               | \$0                             | \$2,633                        | \$2,633                   |
| Levy 1999                             | \$1,448               | \$18                            | \$1,466                        | \$1,466                   |
| Levy 1998                             | \$1,054               | \$0                             | \$1,054                        | \$1,054                   |
| <b>Total Chaves County SW</b>         | <b>\$20,584</b>       | <b>\$18</b>                     | <b>\$20,602</b>                | <b>\$18,567</b>           |

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                                | Property Taxes Levied | Current Changes To Taxes Levied | Adjusted Property Taxes Levied | Previous Amount Collected |
|---------------------------------------|-----------------------|---------------------------------|--------------------------------|---------------------------|
| <b>Claunch/Pinto Soil &amp; Water</b> |                       |                                 |                                |                           |
| Levy 2008                             | \$1,597               | \$0                             | \$1,597                        | \$0                       |
| Levy 2007                             | \$1,230               | \$0                             | \$1,230                        | \$1,155                   |
| Levy 2006                             | \$1,345               | \$0                             | \$1,345                        | \$1,345                   |
| Levy 2005                             | \$1,266               | \$0                             | \$1,266                        | \$1,266                   |
| Levy 2004                             | \$1,220               | -\$1                            | \$1,219                        | \$1,219                   |
| Levy 2003                             | \$1,137               | -\$1                            | \$1,136                        | \$1,136                   |
| Levy 2002                             | \$1,127               | -\$1                            | \$1,126                        | \$1,126                   |
| Levy 2001                             | \$1,112               | -\$29                           | \$1,083                        | \$1,083                   |
| Levy 2000                             | \$970                 | -\$28                           | \$942                          | \$942                     |
| Levy 1999                             | \$329                 | \$0                             | \$329                          | \$329                     |
| Levy 1998                             | \$303                 | \$0                             | \$303                          | \$303                     |
| <b>Total Claunch/Pinto</b>            | <b>\$11,636</b>       | <b>-\$60</b>                    | <b>\$11,576</b>                | <b>\$9,904</b>            |
| <b>Upper Hondo Soil &amp; Water</b>   |                       |                                 |                                |                           |
| Levy 2008                             | \$100,244             | -\$2                            | \$100,242                      | \$0                       |
| Levy 2007                             | \$94,828              | -\$8                            | \$94,820                       | \$91,742                  |
| Levy 2006                             | \$90,053              | \$14                            | \$90,067                       | \$89,161                  |
| Levy 2005                             | \$85,948              | -\$275                          | \$85,673                       | \$85,463                  |
| Levy 2004                             | \$83,765              | -\$8                            | \$83,757                       | \$83,730                  |
| Levy 2003                             | \$78,852              | -\$137                          | \$78,715                       | \$78,707                  |
| Levy 2002                             | \$66,270              | -\$15                           | \$66,255                       | \$66,252                  |
| Levy 2001                             | \$64,883              | -\$136                          | \$64,747                       | \$64,744                  |
| Levy 2000                             | \$62,593              | -\$17                           | \$62,576                       | \$62,574                  |
| Levy 1999                             | \$51,184              | \$107                           | \$51,291                       | \$51,291                  |
| Levy 1998                             | \$50,313              | \$44                            | \$50,357                       | \$50,357                  |
| <b>Total Upper Hondo</b>              | <b>\$828,933</b>      | <b>-\$433</b>                   | <b>\$828,500</b>               | <b>\$724,021</b>          |
| <b>Administrative Fee</b>             |                       |                                 |                                |                           |
| Advalorem 2008                        | \$2,003               | \$4                             | \$2,007                        | \$0                       |
| Advalorem 2007                        | \$2,050               | -\$5                            | \$2,045                        | \$1,884                   |
| Advalorem 2006                        | \$2,184               | -\$3                            | \$2,181                        | \$2,116                   |
| Advalorem 2005                        | \$2,336               | -\$30                           | \$2,306                        | \$2,276                   |
| Advalorem 2004                        | \$2,428               | -\$37                           | \$2,391                        | \$2,391                   |
| Advalorem 2003                        | \$2,344               | -\$28                           | \$2,316                        | \$2,316                   |
| Advalorem 2002                        | \$2,134               | -\$36                           | \$2,098                        | \$2,097                   |
| Advalorem 2001                        | \$2,010               | -\$19                           | \$1,991                        | \$1,990                   |
| Advalorem 2000                        | \$1,987               | -\$14                           | \$1,973                        | \$1,972                   |
| Advalorem 1999                        | \$1,886               | -\$19                           | \$1,867                        | \$1,867                   |
| Advalorem 1998                        | \$0                   | \$0                             | \$0                            | \$0                       |
| <b>Total Administrative Fees</b>      | <b>\$21,362</b>       | <b>-\$187</b>                   | <b>\$21,176</b>                | <b>\$18,909</b>           |

The accompanying notes are an integral part of these financial statements

| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$1,312                         | \$1,312              | \$285                          | \$1,312                           | \$1,312                | \$285                               |
| \$70                            | \$1,225              | \$5                            | \$70                              | \$1,225                | \$5                                 |
| \$0                             | \$1,345              | \$0                            | \$0                               | \$1,345                | \$0                                 |
| \$0                             | \$1,266              | \$0                            | \$0                               | \$1,266                | \$0                                 |
| \$0                             | \$1,219              | \$0                            | \$0                               | \$1,219                | \$0                                 |
| \$0                             | \$1,136              | \$0                            | \$0                               | \$1,136                | \$0                                 |
| \$0                             | \$1,126              | \$0                            | \$0                               | \$1,126                | \$0                                 |
| \$0                             | \$1,083              | \$0                            | \$0                               | \$1,083                | \$0                                 |
| \$0                             | \$942                | \$0                            | \$0                               | \$942                  | \$0                                 |
| \$0                             | \$329                | \$0                            | \$0                               | \$329                  | \$0                                 |
| \$0                             | \$303                | \$0                            | \$0                               | \$303                  | \$0                                 |
| <b>\$1,382</b>                  | <b>\$11,286</b>      | <b>\$290</b>                   | <b>\$1,382</b>                    | <b>\$11,286</b>        | <b>\$290</b>                        |
| \$96,138                        | \$96,138             | \$4,104                        | \$96,138                          | \$96,138               | \$4,104                             |
| \$2,133                         | \$93,875             | \$945                          | \$2,133                           | \$93,875               | \$945                               |
| \$817                           | \$89,978             | \$89                           | \$817                             | \$89,978               | \$89                                |
| \$190                           | \$85,653             | \$20                           | \$190                             | \$85,653               | \$20                                |
| \$10                            | \$83,740             | \$17                           | \$10                              | \$83,740               | \$17                                |
| \$1                             | \$78,708             | \$7                            | \$1                               | \$78,708               | \$7                                 |
| \$0                             | \$66,252             | \$3                            | \$0                               | \$66,252               | \$3                                 |
| \$1                             | \$64,745             | \$2                            | \$1                               | \$64,745               | \$2                                 |
| \$0                             | \$62,574             | \$2                            | \$0                               | \$62,574               | \$2                                 |
| \$0                             | \$51,291             | \$0                            | \$0                               | \$51,291               | \$0                                 |
| \$0                             | \$50,357             | \$0                            | \$0                               | \$50,357               | \$0                                 |
| <b>\$99,290</b>                 | <b>\$823,311</b>     | <b>\$5,189</b>                 | <b>\$99,290</b>                   | <b>\$823,311</b>       | <b>\$5,189</b>                      |
| \$1,802                         | \$1,802              | \$205                          | \$1,802                           | \$1,802                | \$205                               |
| \$120                           | \$2,004              | \$41                           | \$120                             | \$2,004                | \$41                                |
| \$43                            | \$2,159              | \$22                           | \$43                              | \$2,159                | \$22                                |
| \$30                            | \$2,306              | \$0                            | \$30                              | \$2,306                | \$0                                 |
| \$0                             | \$2,391              | \$0                            | \$0                               | \$2,391                | \$0                                 |
| \$0                             | \$2,316              | \$0                            | \$0                               | \$2,316                | \$0                                 |
| \$0                             | \$2,097              | \$1                            | \$0                               | \$2,097                | \$1                                 |
| \$0                             | \$1,990              | \$1                            | \$0                               | \$1,990                | \$1                                 |
| \$0                             | \$1,972              | \$1                            | \$0                               | \$1,972                | \$1                                 |
| \$0                             | \$1,867              | \$0                            | \$0                               | \$1,867                | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| <b>\$1,995</b>                  | <b>\$20,904</b>      | <b>\$272</b>                   | <b>\$1,995</b>                    | <b>\$20,904</b>        | <b>\$272</b>                        |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency                          | Property<br>Taxes<br>Levied | Current Changes<br>To Taxes<br>Levied | Adjusted<br>Property<br>Taxes Levied | Previous<br>Amount<br>Collected |
|---------------------------------|-----------------------------|---------------------------------------|--------------------------------------|---------------------------------|
| <b>Non Rendition Fees</b>       |                             |                                       |                                      |                                 |
| Advalorem 2008                  | \$0                         | \$243                                 | \$243                                | \$0                             |
| Advalorem 2007                  | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Advalorem 2006                  | \$0                         | \$0                                   | \$0                                  | \$0                             |
| Advalorem 2005                  | \$0                         | \$298                                 | \$298                                | \$298                           |
| Advalorem 2004                  | \$0                         | \$367                                 | \$367                                | \$367                           |
| Advalorem 2003                  | \$0                         | \$371                                 | \$371                                | \$371                           |
| Advalorem 2002                  | \$0                         | \$37                                  | \$37                                 | \$37                            |
| Advalorem 2001                  | \$0                         | \$31                                  | \$31                                 | \$31                            |
| Advalorem 2000                  | \$0                         | \$21                                  | \$21                                 | \$21                            |
| Advalorem 1999                  | \$0                         | \$33                                  | \$33                                 | \$33                            |
| Advalorem 1998                  | \$0                         | \$22                                  | \$22                                 | \$22                            |
| <b>Total Non Rendition Fees</b> | <b>\$0</b>                  | <b>\$1,423</b>                        | <b>\$1,423</b>                       | <b>\$1,180</b>                  |

The accompanying notes are an integral part of these financial statements

| Collected<br>In Current<br>Year | Collected<br>To Date | Sum<br>Levy Less<br>Collection | Distributed<br>In Current<br>Year | Distributed<br>To Date | County<br>Receivable<br>at Year End |
|---------------------------------|----------------------|--------------------------------|-----------------------------------|------------------------|-------------------------------------|
| \$243                           | \$243                | \$0                            | \$243                             | \$243                  | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$0                  | \$0                            | \$0                               | \$0                    | \$0                                 |
| \$0                             | \$298                | \$0                            | \$0                               | \$298                  | \$0                                 |
| \$0                             | \$367                | \$0                            | \$0                               | \$367                  | \$0                                 |
| \$0                             | \$371                | \$0                            | \$0                               | \$371                  | \$0                                 |
| \$0                             | \$37                 | \$0                            | \$0                               | \$37                   | \$0                                 |
| \$0                             | \$31                 | \$0                            | \$0                               | \$31                   | \$0                                 |
| \$0                             | \$21                 | \$0                            | \$0                               | \$21                   | \$0                                 |
| \$0                             | \$33                 | \$0                            | \$0                               | \$33                   | \$0                                 |
| \$0                             | \$22                 | \$0                            | \$0                               | \$22                   | \$0                                 |
| \$243                           | \$1,423              | \$0                            | \$243                             | \$1,423                | \$0                                 |

**STATE OF NEW MEXICO**  
 Lincoln County  
 Lincoln County Treasurer Property Tax Schedule  
 For the Year Ended June 30, 2009

| Agency              | Property<br>Taxes<br>Levied | Current Changes<br>To Taxes<br>Levied | Adjusted<br>Property<br>Taxes Levied | Previous<br>Amount<br>Collected |
|---------------------|-----------------------------|---------------------------------------|--------------------------------------|---------------------------------|
| <b>GRAND TOTALS</b> | \$158,705,734               | -\$4,699                              | \$158,701,034                        | \$136,916,614                   |
| 2008                | \$20,697,039                | -\$31,297                             | \$20,665,742                         | \$0                             |
| 2007                | \$18,989,158                | -\$3,793                              | \$18,985,364                         | \$18,149,577                    |
| 2006                | \$16,717,721                | \$11,752                              | \$16,729,473                         | \$16,504,538                    |
| 2005                | \$14,505,144                | \$49,194                              | \$14,554,338                         | \$14,515,112                    |
| 2004                | \$13,340,953                | \$50,172                              | \$13,391,125                         | \$13,382,075                    |
| 2003                | \$12,788,918                | -\$9,591                              | \$12,779,327                         | \$12,774,766                    |
| 2002                | \$13,315,386                | -\$17,403                             | \$13,297,983                         | \$13,295,129                    |
| 2001                | \$13,209,647                | -\$47,130                             | \$13,162,517                         | \$13,161,269                    |
| 2000                | \$11,634,819                | -\$16,371                             | \$11,618,448                         | \$11,618,059                    |
| 1999                | \$12,106,557                | -\$984                                | \$12,105,573                         | \$12,104,945                    |
| 1998                | \$11,400,392                | \$10,752                              | \$11,411,144                         | \$11,411,144                    |
|                     | <u>\$158,705,734</u>        | <u>-\$4,699</u>                       | <u>\$158,701,034</u>                 | <u>\$136,916,614</u>            |

The accompanying notes are an integral part of these financial statements



| <b>Collected<br/>In Current<br/>Year</b> | <b>Collected<br/>To Date</b> | <b>Sum<br/>Levy Less<br/>Collection</b> | <b>Distributed<br/>In Current<br/>Year</b> | <b>Distributed<br/>To Date</b> | <b>County<br/>Receivable<br/>at Year End</b> |
|--|------------------------------|---|--|--------------------------------|--|
| \$20,446,380                             | \$157,362,994                | \$1,338,040                             | \$19,448,246                               | \$157,362,994                  | \$1,338,040                                  |
| \$19,712,450                             | \$19,712,450                 | \$953,292                               | \$14,292,324                               | \$19,712,450                   | \$953,292                                    |
| \$532,424                                | \$18,682,001                 | \$303,363                               | \$4,954,416                                | \$18,682,001                   | \$303,363                                    |
| \$161,053                                | \$16,665,591                 | \$63,882                                | \$161,053                                  | \$16,665,591                   | \$63,882                                     |
| \$32,696                                 | \$14,547,808                 | \$6,530                                 | \$32,696                                   | \$14,547,808                   | \$6,530                                      |
| \$3,951                                  | \$13,386,026                 | \$5,099                                 | \$3,951                                    | \$13,386,026                   | \$5,099                                      |
| \$1,999                                  | \$12,776,765                 | \$2,562                                 | \$1,999                                    | \$12,776,765                   | \$2,562                                      |
| \$1,190                                  | \$13,296,319                 | \$1,664                                 | \$1,190                                    | \$13,296,319                   | \$1,664                                      |
| \$610                                    | \$13,161,879                 | \$638                                   | \$610                                      | \$13,161,879                   | \$638  |
| \$7                                      | \$11,618,066                 | \$382                                   | \$7  | \$11,618,066                   | \$382  |
| \$0                                      | \$12,104,945                 | \$628                                   | \$0  | \$12,104,945                   | \$628  |
| \$0                                      | \$11,411,144                 | \$0                                     | \$0  | \$11,411,144                   | \$0  |
| \$20,446,380                             | \$157,362,994                | \$1,338,040                             | \$19,448,246                               | \$157,362,994                  | \$1,338,040                                  |

**STATE OF NEW MEXICO**  
Lincoln County  
Statement of Changes in Fiduciary Assets and Liabilities - Agency Funds  
June 30, 2009

Schedule V

|                              | Balance<br>July 1, 2008 | Additions            | Deductions           | Balance<br>June 30, 2009 |
|------------------------------|-------------------------|----------------------|----------------------|--------------------------|
| <i>Assets</i>                |                         |                      |                      |                          |
| Cash                         | \$ 155,925              | \$ 20,630,067        | \$ 20,569,004        | \$ 216,988               |
| Investments                  | -                       | 9,670                | -                    | 9,670                    |
| Property taxes receivable    | 603,828                 | 20,697,039           | 20,571,255           | 729,612                  |
| Accounts receivable          | 14,864                  | 145                  | 14,864               | 145                      |
| <i>Total assets</i>          | <u>\$ 774,617</u>       | <u>\$ 41,336,921</u> | <u>\$ 41,155,123</u> | <u>\$ 956,415</u>        |
| <br><i>Liabilities</i>       |                         |                      |                      |                          |
| Deposits held in trust       | \$ 143,208              | \$ 20,630,067        | \$ 20,546,617        | \$ 226,658               |
| Due to other taxing entities | 631,409                 | 20,706,854           | 20,608,506           | 729,757                  |
| <i>Total liabilities</i>     | <u>\$ 774,617</u>       | <u>\$ 41,336,921</u> | <u>\$ 41,155,123</u> | <u>\$ 956,415</u>        |

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Lincoln County  
 Schedule of Legislative Grants  
 June 30, 2009

Schedule VI

| Project               | Grant #     | Expiration<br>Date | Grant<br>Amount   | Expenditures<br>to Date | Remaining<br>Grant Balance |
|-----------------------|-------------|--------------------|-------------------|-------------------------|----------------------------|
| Glencoe Firehouse     | 06-L-G-1697 | 06/30/10           | \$ 100,000        | \$ -                    | \$ 100,000                 |
| Glencoe Fire Station  | 07-L-G-5317 | 06/30/11           | 35,000            | -                       | 35,000                     |
| Severance Tax Fair    | 06-L-G-444  | 06/30/11           | 64,000            | 46,743                  | 17,257                     |
| Lincoln Fire Tanker   | 08-L-S-3237 | 06/30/10           | 200,000           | -                       | 200,000                    |
| Hondo District Tanker | 08-L-G-4339 | 06/30/10           | 65,000            | -                       | 65,000                     |
| Glencoe Fire Station  | 08-L-G-4338 | 06/30/12           | 65,000            | -                       | 65,000                     |
| Detention Annex       | 09-L-3440   | 06/30/10           | 10,000            | -                       | 10,000                     |
| Grand Totals          |             |                    | <u>\$ 539,000</u> | <u>\$ 46,743</u>        | <u>\$ 492,257</u>          |

The above are reimbursement basis grants and therefore no fund balances exist for these legislative appropriations.

See accompanying independent auditors' report.

(This page intentionally left blank)

**COMPLIANCE SECTION**



**Accounting & Consulting Group, LLP**

**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 Office of Management and Budget  
The Board of Lincoln County Commissioners  
Lincoln County  
Carrizozo, New Mexico

We have audited the accompanying financial statements of the governmental activities, each major fund, the budgetary comparisons for the general fund and major special revenue funds and the aggregate remaining fund information of Lincoln County, New Mexico (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 and have issued our report thereon dated November 3, 2009. We also have audited the financial statements of each of the County's nonmajor governmental funds and the budgetary comparisons for the remaining 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. 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting. These are items FS 07-01, FS 07-03, and FS 08-01.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that result 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 and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider items FS 07-01 and FS 08-01 to be material weaknesses.

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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and, which are described in the accompanying schedule of findings and questioned costs as items FS 07-01.

We noted certain matters that are required to be reported under *Government Auditing Standards January 2009 Revision* paragraphs 5.14 and 5.16, and Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as items FS 09-01 and FS 09-02.

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

This report is intended solely for the information and use of management, others within the organization, the County Commission, the Office of the State Auditor, the New Mexico State Legislature and its committees, 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.

*Accounting & Consulting Group, L.L.P.*  
Accounting & Consulting Group, LLP  
Albuquerque, New Mexico  
November 3, 2009

(This page intentionally left blank)



**FEDERAL FINANCIAL ASSISTANCE**



**Accounting & Consulting Group, LLP**  
**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE  
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

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

Compliance

We have audited the compliance of Lincoln County, New Mexico (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 program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to 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 of the County's compliance with those requirements.

In our opinion, Lincoln County complied, in all material respects, with the requirements referred to above that are applicable to its major federal program 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 the 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 the County'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 County'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 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 material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the County'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 County's internal control that might be significant deficiencies or material weaknesses as defined above. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

Accounting + Consulting Group, LLP

Accounting & Consulting Group, LLP  
Albuquerque, New Mexico  
November 3, 2009

**STATE OF NEW MEXICO**  
Lincoln County  
Schedule of Expenditures of Federal Awards  
For the year ended June 30, 2009

| Federal Grantor/Passthrough<br>Grantor/Program Title     | Grant<br>Number         | Federal<br>C.F.D.A.<br>Number | Federal<br>Expenditures |
|--|-------------------------|-------------------------------|-------------------------|
| <b>U.S. Department of Agriculture</b>                    |                         |                               |                         |
| Hazardous Fuel Reduction                                 | 04-521-0486-0049-982    | 10.664                        | \$ 170,047              |
| Secure Payments for Counties Containing Federal Land (1) | P.L 100-343 (1424)      | 10.665                        | 371,199                 |
| US Forest Service Patrol Reimbursement                   | 06-LE-11030802-007      | 10.670                        | 28,879                  |
| Steambank Flood Repair                                   | 69-8630-09-002-965      | 10.904                        | 53,516                  |
| <b>Total U.S. Department of Agriculture</b>              |                         |                               | <u>623,641</u>          |
| <b>U.S. Department of Justice</b>                        |                         |                               |                         |
| 2007 Byrne Justice Asst Grant                            | 2007-DJ-BX-1101         | 16.738                        | 6,598                   |
| Drug Enforcement   | 06-JAG-PPA02-REGVI-FY07 | 16.738                        | 6,311                   |
| Drug Enforcement   | 07-JAG-PPA02-REGVI-FY08 | 16.738                        | 70,070                  |
| Drug Enforcement   | 08-JAG-PPA02-REGVI-FY09 | 16.738                        | 6,931                   |
| HIDTA  | 16PSNP564Z              | 16.738                        | 24,405                  |
| HIDTA  | 17PSNP564Z              | 16.738                        | 13,041                  |
| <b>Total U.S. Department of Justice</b>                  |                         |                               | <u>127,356</u>          |
| <b>Department of Human Services</b>                      |                         |                               |                         |
| Federal Title III Senior Citizen                         | FY 2008-2009            | 93.044                        | 69,505                  |
| <b>Total Department of Human Services</b>                |                         |                               | <u>69,505</u>           |
| <b>Department of Homeland Security</b>                   |                         |                               |                         |
| Flood Reimbursement 2006 Staford Act                     | 1659-855                | 97.036                        | 60,184                  |
| Flood Reimbursement 2008 Staford Act                     | 1783-966                | 97.036                        | 219,013                 |
| Emergency Management EMPG                                | 2008-EMPG-Lincoln       | 97.042                        | 44,783                  |
| Emergency Management SHSGP                               | 2005-GE-T5-0012 Lincoln | 97.042                        | 28,478                  |
| Emergency Management SHSGP                               | 2007-GE-T7-0023 Lincoln | 97.042                        | 169,123                 |
| FEMA Mediation   | EMT-2007-PC-0007-007    | 97.042                        | 38,072                  |
| <b>Total Department of Homeland Security</b>             |                         |                               | <u>559,653</u>          |
| Total Federal Financial Assistance                       |                         |                               | <u>\$ 1,380,155</u>     |

(1) Major program

See accompanying independent auditor's report

**Notes to Schedule of Expenditures of Federal Awards**1 Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Lincoln County, New Mexico (County) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements

2 Subrecipients

The County did not provide any federal awards to subrecipients during the year.

**Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:**

|  |                             |
|--|-----------------------------|
| Total federal awards expended per Schedule of Expenditures of Federal Awards | \$ 1,380,155                |
| Total expenditures funded by other sources                                   | <u>17,743,690</u>           |
| Total expenditures   | <u><u>\$ 19,123,845</u></u> |

(This page intentionally left blank)



**Section II – Financial Statement Findings**

**FS 07-01 – Incorrect Capital Asset Inventory Detail (Repeated/Modified)**

*Condition:* According to the 2008 Audit Report, net capital assets totaled \$16,188,876. However, we obtained a 2009 capital asset depreciation detail from the County and found that the County's beginning balance for net assets July 1, 2009 was \$16,102,710. The differences in the beginning amounts per the capital asset inventory schedule and the prior year audited financial statements was \$86,166. In addition, the capital asset inventory omitted major infrastructure assets reported retroactively to June 30, 1980.

*Criteria:* The County must have proper internal control to safeguard assets and provide accountability for the capital assets being depreciated and capital assets not being depreciated in accordance with GASB 34 and NMSA 1978 Section 12-6-10.

*Effect:* Capital assets could be materially misstated at year end.

*Cause:* The County does not have internal controls in place to ensure the depreciation schedule is maintained and accurate during the year.

*Auditors' Recommendations:* We recommend for the County to implement internal controls to accurately maintain its capital asset inventory and regularly check that additions and disposals are correctly accounted for on the capital asset inventory.

*Management's Response:* In light of this repeat finding under GASB 34, the County has recently hired an employee whose sole responsibility is that of an "inventory specialist" and a new system of tracking inventory has been purchased to address the issue. Management feels that this additional expense on the funds of the County and oversight of purchases, depreciation, and disposals will correct this error in accounting practices.



**FS 07-03 – Preparation of Financial Statements (Repeated)**

*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.

*Auditors' 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.

*Management's Response:* As stated in last year's audit, management disagrees with this finding because we believe that we have competent staff to the extent necessary to review financials, but perhaps not qualified enough under GASB to prepare financials.

**FS 08-01 – Capital Assets Additions, Repairs, & Maintenance (Repeated/Modified)**

*Condition:* The County is not accurately maintaining their capital asset inventory. Through review of the capital outlay expenditures, it was noted that the County has a significantly greater amount of capital outlay expenditures than the County has capital asset additions. The County is not properly recording the capital asset additions to the capital asset inventory.

*Criteria:* Per section 2.20.1.10 of NMAC, capital assets acquired through purchase shall be recorded at cost. Capital assets include assets constructed by agency personnel. Per Section 2.20.1.14 of NMAC, repairs and maintenance on capital assets which are routine and necessary for continued, safe, and productive operation, should be charged to maintenance expense in the period in which they occur. GASB 34 paragraph 20 requires capital assets to be reported, net of accumulated depreciation, in the statement of net assets. Section 12-6-10, NMSA 1978, requires all agencies to conduct a physical inventory of their capital assets inventory at the end of each fiscal year. Section 12-6-10, NMSA 1978 also changed the capitalization threshold to items that cost more than \$5,000, effective June 17, 2005.

*Effect:* The County could misstate the value of their capital assets which could materially misstate the financial statements. The County could also expense capital assets instead of account for the assets and track depreciation as required by GASB 34.

*Cause:* The County does not have adequate internal controls to verify that capital assets are being accounted for and capitalized accurately.

*Auditors' Recommendations:* The County should conduct an annual physical inventory of its capital assets as required by statute. The County should implement internal controls to verify that all capital assets are added to the capital asset inventory correctly.

*Management's Response:* In light of this repeat finding under GASB 34 and state statute, the County has recently hired an employee whose sole responsibility is that of an inventory specialist and a new system of tracking inventory has been purchased to address the issue. Management feels that this additional expense on the funds of the County and oversight of purchases, depreciation, and disposals will correct this error in accounting practices.

**FS 09-01 – Travel & Per Diem Expenditures**

*Condition:* During our testwork, we noted the following:

- In one of five items tested, travel and per diem expenses exceeded the allowed partial day reimbursement amount. An employee was reimbursed for 6-12 hours of time when they should have been reimbursed for 2-6 hours worth of time

*Criteria:* Section 2.4.2.10 of NMAC authorizes payment for travel and per diem expenses for partial days in which the County must be in compliance.

*Effect:* Any public officer or employee covered by the Per Diem and Mileage Act [10-8-1 NMSA 1978] who knowingly authorizes or who knowingly accepts payment in excess of the amount allowed by the Per Diem and Mileage Act or in the excess of the amount authorized by the secretary of the governing board pursuant to Section 10-8-5 NMSA 1978 is liable to the state in an amount that is twice the excess payment.

*Cause:* The County does not have the proper internal controls in place to properly review travel disbursements in order to verify that the reimbursements are paid and recorded correctly.

*Auditors' Recommendation:* We recommend that the County perform a review on travel disbursements in order to verify that transactions are being processed and posted correctly.

*Management's Response:* The error of \$8.00 in the travel voucher was an oversight on the part of our staff reviewing the many vouchers submitted. The county employee concerned has acknowledged confusion over what constituted a 24 hour period, and has reimbursed the county the \$8.00. Staff will renew its efforts to catch any travel errors submitted by its employees for reimbursement.

**FS 09-02 – Anti-Donation – Purchase of party supplies using governmental funds**

*Condition:* The County made a one time purchase totaling \$48.52 for party supplies for the search and rescue team.

*Criteria:* According to the NM Constitution, Article IX, Section 14, neither the state nor any county, school district, or municipality shall directly or indirectly make any donation to or in aid of any person, association or public or private corporation. A donation for purposes of the anti-donation clause is a gift. A retroactive salary increase or performance bonus is, by its nature, additional pay for services already performed by an employee and, as such is a gift of public money.

*Effect:* The County could spend public monies on items that are not allowable per the State of New Mexico and could cause financial hardships within the County.

*Cause:* The County is not properly reviewing purchase orders to ensure that public monies are being spent on allowable expenses per the State of New Mexico.

*Auditors' Recommendations:* We recommend that the County implement controls to review purchases orders and ensure that the expenditures are all purchases are valid and allowable.

*Management Response:* This particular purchase was a purchase not directly made by the County, but instead by the County's volunteer White Mountain Search and Rescue organization. The purchase was deemed by the County Manager to be a volunteer recruitment effort to gain members (Team Building). In addition, the organization was reimbursed based upon a contract for providing search and rescue services to the County. The County requests organizational related costs and documented receipts and the organization provided receipts for purchases totaling \$4,281.03. The organization was only reimbursed up to the contracted/budgeted amount of \$4,140. Therefore, in essence, while the reimbursement appears to have been made for the supplies in question, the \$141.03 in receipts in excess of that which was reimbursed could have easily made up for this particular purchase of \$48.52 deemed inappropriate by auditors. In light of the finding, the County will more strictly deny anti-donation appearing reimbursements when there is any question at all as to the validity of the reimbursement.

**STATE OF NEW MEXICO**  
Lincoln County  
Schedule of Findings and Questioned Costs  
June 30, 2009

Schedule VIII  
Page 7 of 7

**Section III – Federal Award Findings**

None

**Section IV – Prior Year Audit Findings**

FS 07-01 – Incorrect Capital Assets Inventory Detail – Repeated/Modified

FS 07-03 – Preparation of Financial Statements – Repeated

FS 08-01 – Capital Assets Additions, Repairs & Maintenance – Repeated/Modified

(This page intentionally left blank)

**STATE OF NEW MEXICO**

Lincoln County  
Other Disclosures  
June 30, 2009

**OTHER DISCLOSURES**

**Exit Conference**

An exit conference was held on November 10, 2009. In attendance were the following:

**Representing Lincoln County:**

Thomas F. Stewart, County Manager  
Charlene "Punkin" Schlarb, Finance Director  
Glenna Robbins, County Deputy Treasurer  
Rachel Monreal, Finance Officer  
Michelle Caskey, Inventory Specialist  
Eileen Sedillo, County Commissioner – Vice Chairman  
Dave Parks, County Commissioner

**Representing Accounting & Consulting Group, LLP:**

Ray Roberts, CPA, Managing Partner

**Auditor Prepared Financial Statements**

Although it would be preferred and desirable for the County to prepare its own GAAP-basis financial statements, it is felt that the County's personnel do not have sufficient training or time to prepare them. Therefore, the outside auditor, Accounting and Consulting Group, LLP prepared the financial statements of Lincoln County from the original books and records provided to them by the management of the County. The responsibility for the financial statements remains with the County.