

Accounting & Consulting Group, LLP

Certified Public Accountants

STATE OF NEW MEXICO
LINCOLN COUNTY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2012



STATE OF NEW MEXICO
LINCOLN COUNTY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2012

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STATE OF NEW MEXICO

Lincoln County

Official Roster

June 30, 2012

<u>Name</u>	<u>Elected Officials</u>	<u>Title</u>
Eileen M. Sedillo		County Commissioner - Chairman
Jackie M. Powell		County Commissioner – Vice Chairman
William T. Battin		County Commissioner
Mark Doth		County Commissioner
Kathryn Minter		County Commissioner
Rhonda B. Burrows		County Clerk
Glenna Robbins		County Treasurer
Paul Baca		County Assessor
Richard Virden		County Sheriff
Stirling Spencer		County Probate Judge

	<u>Administrative Officials</u>	
Nita Taylor		County Manager
Charlene “Punkin” Schlarb		Finance Director
Billie-Jo Guevara		Human Resources
Rachel Monreal		Finance Officer
Orlando Samora		Purchasing Agent
Beverly Ann Calaway		County Deputy Treasurer

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FINANCIAL SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

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, 2012, 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 major debt service funds and 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, 2012 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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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, 2012, and the respective changes in financial position thereof, 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, 2012, and the respective changes in financial position thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the budget comparisons referred to above present fairly, in all material respects, the respective comparisons for the year then ended in conformity with the cash basis of accounting and more fully described in Note 2 to the financial statements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2012 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.

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages 12 through 18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 V 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 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic 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, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
November 7, 2012

STATE OF NEW MEXICO
Lincoln County
Management's Discussion and Analysis
June 30, 2012

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, 2012. 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 \$48,461,464 (*net assets*). Of this amount, \$9,634,013 (*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 \$4,300,918. The increase is primarily due to an increase in property tax revenue and operating grants and contributions.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$7,611,793 or 129 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, special assessment district, 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.

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Lincoln County
Management's Discussion and Analysis
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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-seven 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 Corrections Special Revenue Fund, the Lincoln County Medical Center Special Revenue Fund, the Deer Park Special Assessment Income Debt Service Fund, and the 1st 1/8 GRT Income Debt Service Fund, all of which are considered to be major funds. Data from the other thirty-one 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 Road Special Revenue Fund, the Corrections Special Revenue Fund, the Lincoln County Medical Center Special Revenue Fund, the Deer Park Special Assessment Income Debt Service Fund, and the 1st 1/8 GRT Income Debt Service 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 statement 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 37-60 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 65-116 of this report.

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Government-wide Financial Analysis

Since this is the sixth 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 \$48,461,464 and \$44,160,546 at the close of the fiscal years ended June 30, 2012 and June 30, 2011, respectively. The County also had revenues that exceeded expenditures during the year in the amount of \$4,300,918 which increased net assets in the current year.

A large portion of the County's net assets (55 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 (\$12,192,970) 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* (\$9,634,013) 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, 2012.

Lincoln County's Net Assets
June 30, 2012

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Current and other assets	\$ 23,554,645	\$ 22,224,115
Capital assets	<u>33,393,998</u>	<u>31,293,100</u>
Total assets	<u>\$ 56,948,643</u>	<u>\$ 53,517,215</u>
Current Liabilities	\$ 1,844,151	\$ 2,623,145
Non-current liabilities	<u>6,643,028</u>	<u>6,733,524</u>
Total liabilities	<u>8,487,179</u>	<u>9,356,669</u>
Net assets:		
Invested in capital assets, net of related debt	26,634,481	24,234,296
Restricted for:		
Debt service	425,856	503,602
Capital projects	55,233	-
Other purposes - special revenue	11,711,881	11,197,945
Unrestricted	<u>9,634,013</u>	<u>8,224,703</u>
Total net assets	<u>48,461,464</u>	<u>44,160,546</u>
Total liabilities and net assets	<u>\$ 56,948,643</u>	<u>\$ 53,517,215</u>

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Changes in Net Assets

The County's total revenues of \$22,979,889 and program expenses of \$18,678,971 resulted in a change in net assets of \$4,300,918. The County incurred an decrease in capital outlay expenditures from the prior year. The County also maintained a 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, 2012 and June 30, 2011.

Lincoln County's Change in Net Assets
June 30, 2012

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Program revenues:		
Charges for service	\$ 2,999,044	\$ 2,679,219
Operating grants and contributions	3,832,685	3,494,767
Capital grants and contributions	651,799	23,857
General revenues:		
Taxes		
Property	12,223,474	11,636,534
Gross receipts	1,402,529	1,385,764
Gasoline and motor vehicle	164,698	197,338
Other	58,431	67,328
Payment in lieu of taxes	1,534,996	1,483,286
Interest income	126,155	120,517
Special assessment	282,033	2,536,995
Special assessment - interest	90,168	68,440
Miscellaneous income	58,367	14,275
(Loss) on disposal of capital assets	(452,335)	(836,461)
Special item - donated asset	7,845	454,750
	<u>22,979,889</u>	<u>23,326,609</u>
Program expenses:		
General government	4,899,142	4,672,490
Public safety	6,723,694	6,468,019
Public works	3,121,426	2,271,473
Culture and recreation	41,637	149,992
Health and welfare	3,635,968	4,766,701
Interest on long-term debt	257,104	255,830
	<u>18,678,971</u>	<u>18,584,505</u>
Change in net assets	<u>4,300,918</u>	<u>4,742,104</u>
Net assets - beginning	44,160,546	48,640,158
Net assets - restatement	<u>-</u>	<u>(9,221,716)</u>
Net assets - as restated	<u>44,160,546</u>	<u>39,418,442</u>
Net assets - ending	<u>\$ 48,461,464</u>	<u>\$ 44,160,546</u>

STATE OF NEW MEXICO
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Management's Discussion and Analysis
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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, *unassigned 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 \$20,050,307, an increase of \$2,235,937 in comparison with the prior year. Approximately 36 percent of this total amount, \$7,239,392, constitutes *unassigned fund balance*, which is available for spending at the government's discretion, while approximately 64 percent of this total amount, \$12,810,915, is *restricted* or *committed* for specific purposes.

The General Fund is the chief operating fund of Lincoln County. At the end of the current fiscal year, *unassigned* fund balance of the General Fund was \$7,611,793, while total fund balance was \$9,277,167. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 129 percent of total General Fund expenditures, while total fund balance represents 157 percent of that same amount. Fund balance of Lincoln County's General Fund increased by \$1,473,604 during the current fiscal year. The increase is due to favorable budget variances in revenues and expenditures.

The Road Fund has a total fund balance of (\$347,870). At the end of the current fiscal year, all of the fund balance was *unassigned* as the fund had a deficit fund balance of (\$347,870). The net decrease in fund balance during the current year in the road fund was \$234,973. This decrease is due primarily to additional road repair projects made in the current year.

The Corrections Fund has a total fund balance of \$249,350. At the end of the current fiscal year, *committed* fund balance of the corrections fund was \$249,350 for the detention facility. The net increase in fund balance during the current year in the corrections fund was \$51,173. This increase is due primarily to transfers made into the fund.

The Lincoln County Medical Center Fund has a total fund balance of \$6,673,855, of which \$6,673,855 is *committed* for the Lincoln County Medical Center. The net increase in the current year was \$1,226,440. This increase was due primarily to the County saving for anticipated construction of a new professional office building in the coming year.

The Deer Park Special Assessment Income Debt Service Fund has a total fund balance of \$949,711, of which \$949,711 is *restricted* for the Deer Park Special Assessment District. The net increase in the current year was \$316,010. This increase was due to the revenue received from residents of the special assessment district in excess of the related debt payments in the current year.

The 1st 1/8 GRT Income Debt Service Fund has a total fund balance of \$98,817, of which \$98,817 is *restricted* for debt service expenditures. The net decrease in the current year was \$2,945. This decrease was due to the payoff of debt in the current year.

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 \$155,822. The significant variation was in general government, which was an increase of \$147,035. The increase was mainly due to a budget increase to normal 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, 2012. Detail budget performance is reported in the statement of revenues, expenditures, and changes in fund balance, budget (Non-GAAP Budgetary Basis) and actual for each major fund and for the non-major funds

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Fund Expenditure Budget Performance

	<u>Final Budget</u>	<u>Actual on Cash (Budgetary) Basis</u>	<u>Favorable (Unfavorable) Variance</u>
General Fund	\$ 6,661,495	\$ 5,886,749	\$ 774,746
Road Fund	3,112,466	2,095,895	1,016,571
Corrections Fund	3,078,186	2,923,870	154,316
Lincoln County Medical Center Fund	7,181,934	1,889,486	5,292,448
Deer Park Special Assessment Income Debt Service Fund	158,290	158,290	-
1st 1/8 GRT Income Debt Service Fund	3,482,747	3,482,747	-
Other Governmental Funds	16,885,691	9,047,678	7,838,013
	<u>\$ 40,560,809</u>	<u>\$ 25,484,715</u>	<u>\$ 15,076,094</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 statement of revenues, expenditures, and change in fund balance (Non-GAAP budgetary basis) and actual for each major fund and 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, 2012, amounts to \$33,393,998 (net of accumulated depreciation). This investment in capital assets includes land, intangible assets, 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, 2012 and June 30, 2011.

**Lincoln County's Capital Assets, Net of Depreciation
June 30, 2012**

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Property, plan and equipment		
Land	\$ 1,777,068	\$ 1,610,068
Intangible assets	87,011	-
Constuction in progress	58,195	2,720,937
Buildings and improvements	18,316,302	17,252,687
Equipment	17,228,646	16,247,009
Infrastructure	31,640,054	29,012,669
Other improvements	115,796	115,796
	<u>69,223,072</u>	<u>66,959,166</u>
Less: accumulated depreciation	<u>(35,829,074)</u>	<u>(35,666,066)</u>
Total property, plant and equipment, net of accumulated depreciation	<u>\$ 33,393,998</u>	<u>\$ 31,293,100</u>

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The County recognized \$2,319,671 in depreciation expense during the year. The County also reassessed the useful lives of certain assets and recorded a change in estimate adjustment which decreased accumulated depreciation by \$1,563,541. Additional information on Lincoln County's capital assets can be found in the notes to the financial statements.

The County had several commitments to construction companies at June 30, 2012. Additional information on Lincoln County's commitments can be found in the note 15 of the financial statements.

Long-term debt

At June 30, 2012, Lincoln County had total gross receipts revenue bonds outstanding of \$3,005,000, secured by pledged gross receipts taxes, loans and capital leases outstanding of \$3,754,517, secured by a Deer Park special assessment district levy on property owners and pledged recurring fire fund appropriations.

**Lincoln County's Outstanding Debt
 June 30, 2012**

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Gross Receipts Revenue Bonds	\$ 3,005,000	\$ 3,270,000
NMFA Loans	3,752,537	3,764,061
Capital Leases	1,980	24,743
Compensated Absences	188,773	189,483
	<u>6,948,290</u>	<u>7,248,287</u>
Total outstanding debt	<u>\$ 6,948,290</u>	<u>\$ 7,248,287</u>

The County reduced bonds payable by their principal payment of \$110,000 and refinanced, paid and discharged the Series 2002 with a portion of the Bond proceeds and other County funds with Series 2012 at a net interest rate of 2.9306%, maturing 6/1/2027 (3 years earlier) for \$3,005,000. The County also added two NMFA loans for the financing of projects in the Bonito and Glencoe Fire Departments in the amounts of \$243,600 and \$109,620, respectively. The County made principal payments towards loans and capital leases payable in the amount of \$387,507. 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 2012 fiscal year.

During the current fiscal year, fund balance in the general fund increased to \$9,277,167. It is intended that the use of this available fund balance will avoid the need to raise taxes or charges during the 2013 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, 2012

	<u>Governmental Activities</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 15,837,600
Investments	2,984,352
Receivables:	
Property taxes	834,973
Other taxes	238,758
Other receivables	1,116,051
Special assessment - current portion	<u>115,825</u>
Total current assets	<u>21,127,559</u>
Noncurrent assets	
Restricted cash and cash equivalents	951,949
Special assessment - noncurrent receivable	1,283,142
Debt issuance costs, net of accumulated amortization of \$12,189	191,995
Capital assets	69,223,072
Less: accumulated depreciation	<u>(35,829,074)</u>
Total noncurrent assets	<u>35,821,084</u>
Total assets	<u>\$ 56,948,643</u>
Liabilities	
Current liabilities	
Accounts payable	\$ 1,145,764
Accrued payroll	114,030
Accrued interest	26,331
Current portion of accrued compensated absences	188,773
Current portion of loans payable, bonds payable and capital leases	<u>369,253</u>
Total current liabilities	<u>1,844,151</u>
Noncurrent liabilities	
Bond premiums, net of amortization of \$1,412	252,764
Loans and capital leases	3,550,264
Bonds payable	<u>2,840,000</u>
Total noncurrent liabilities	<u>6,643,028</u>
Total liabilities	<u>8,487,179</u>
Net assets	
Invested in capital assets, net of related debt	26,634,481
Restricted for:	
Debt service	425,856
Capital projects	55,233
Other purposes - special revenue	11,711,881
Unrestricted	<u>9,634,013</u>
Total net assets	<u>48,461,464</u>
Total liabilities and net assets	<u>\$ 56,948,643</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, 2012

Exhibit A-2

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
General government	\$ 4,899,142	\$ 607,161	\$ 496,443	\$ 500,000	\$ (3,295,538)
Public safety	6,723,694	1,115,517	1,378,424	-	(4,229,753)
Public works	3,121,426	376,243	413,911	129,633	(2,201,639)
Culture and recreation	41,637	225	34,707	-	(6,705)
Health and welfare	3,635,968	899,898	1,509,200	22,166	(1,204,704)
Interest on long-term debt	257,104	-	-	-	(257,104)
<i>Total governmental activities</i>	<u>\$ 18,678,971</u>	<u>\$ 2,999,044</u>	<u>\$ 3,832,685</u>	<u>\$ 651,799</u>	(11,195,443)

General revenues:

Taxes:

Property	12,223,474
Gross receipts	1,402,529
Gasoline and motor vehicle	164,698
Other	58,431
Payment in lieu of taxes	1,534,996
Interest income	126,155
Special assessment	282,033
Special assessment - interest	90,168
Miscellaneous income	58,367
Loss on disposal of capital assets	(452,335)
Special item - donated assets	7,845

Total general revenues and special item 15,496,361

Change in net assets 4,300,918

Net assets - beginning 44,160,546

Net assets - ending \$ 48,461,464

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Lincoln County
Balance Sheet
Governmental Funds
June 30, 2012

	<u>General Fund</u>	<u>Road</u>	<u>Corrections</u>	<u>Lincoln County Medical Center</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 6,434,500	\$ 139,211	\$ 269,011	\$ 6,549,710
Investments	2,716,353	-	-	-
Current receivables:				
Property taxes	686,989	-	-	145,634
Other taxes	780	-	-	-
Other	113,925	33,587	224,054	133,333
Special assessment	-	-	-	-
Noncurrent receivables - special assessment	-	-	-	-
<i>Total assets</i>	<u>\$ 9,952,547</u>	<u>\$ 172,798</u>	<u>\$ 493,065</u>	<u>\$ 6,828,677</u>
<i>Liabilities and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ 50,267	\$ 503,499	\$ 221,279	\$ 40,024
Accrued payroll	82,250	17,169	12	-
Deferred revenue:				
Deferred revenue - property taxes	542,425	-	-	114,798
Deferred revenue - other	438	-	22,424	-
Deferred revenue - special assessment	-	-	-	-
<i>Total liabilities</i>	<u>675,380</u>	<u>520,668</u>	<u>243,715</u>	<u>154,822</u>
<i>Fund balances</i>				
<i>Spendable</i>				
<i>Restricted for:</i>				
Recreational activities	-	-	-	-
General county operations	-	-	-	-
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Forest health	-	-	-	-
Tourism	-	-	-	-
Public safety	-	-	-	-
Healthcare	-	-	-	-
Deer park special assessment district	-	-	-	-
Disaster relief	-	-	-	-
Debt service expenditures	-	-	-	-
<i>Committed to:</i>				
Detention facility	-	-	249,350	-
Lincoln County medical center	-	-	-	6,673,855
Community service programs	-	-	-	-
Animal control	-	-	-	-
Senior center	-	-	-	-
Capital improvements	-	-	-	-
Minimum fund balance	1,665,374	-	-	-
Unassigned	7,611,793	(347,870)	-	-
<i>Total fund balances</i>	<u>9,277,167</u>	<u>(347,870)</u>	<u>249,350</u>	<u>6,673,855</u>
<i>Total liabilities and fund balances</i>	<u>\$ 9,952,547</u>	<u>\$ 172,798</u>	<u>\$ 493,065</u>	<u>\$ 6,828,677</u>

The accompanying notes are an integral part of these financial statements

Deer Park Special Assessment Income Debt Service Fund	1st 1/8 GRT Income Debt Service Fund	Other Governmental Funds	Total
\$ 908,618	\$ -	\$ 2,488,499	\$ 16,789,549
-	-	267,999	2,984,352
-	-	2,350	834,973
-	98,817	139,161	238,758
-	-	611,152	1,116,051
115,825	-	-	115,825
1,283,142	-	-	1,283,142
<u>\$ 2,307,585</u>	<u>\$ 98,817</u>	<u>\$ 3,509,161</u>	<u>\$ 23,362,650</u>
\$ -	\$ -	\$ 330,695	\$ 1,145,764
-	-	14,599	114,030
-	-	2,092	659,315
-	-	12,498	35,360
1,357,874	-	-	1,357,874
<u>1,357,874</u>	<u>-</u>	<u>359,884</u>	<u>3,312,343</u>
-	-	1	1
-	-	583,303	583,303
-	-	69,566	69,566
-	-	610,261	610,261
-	-	173,004	173,004
-	-	92,463	92,463
-	-	125,736	125,736
-	-	714,303	714,303
949,711	-	-	949,711
-	-	279,591	279,591
-	98,817	419,359	518,176
-	-	-	249,350
-	-	-	6,673,855
-	-	3,917	3,917
-	-	258	258
-	-	46,813	46,813
-	-	55,233	55,233
-	-	-	1,665,374
-	-	(24,531)	7,239,392
<u>949,711</u>	<u>98,817</u>	<u>3,149,277</u>	<u>20,050,307</u>
<u>\$ 2,307,585</u>	<u>\$ 98,817</u>	<u>\$ 3,509,161</u>	<u>\$ 23,362,650</u>

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STATE OF NEW MEXICO
Lincoln County
Governmental Funds
Reconciliation of the Balance Sheet to the Statement of Net Assets
June 30, 2012

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

Fund balances - total governmental funds	\$	20,050,307
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		33,393,998
Other noncurrent assets are not available to pay for current period expenditures and therefore, are deferred in the funds:		
Bond issuance costs		191,995
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		659,315
Other grant revenues not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		35,360
Special assessment district revenue not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		1,357,874
Certain liabilities, including bonds payable, and current portion of accrued compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued interest payable		(26,331)
Current portion of accrued compensated absences		(188,773)
Bond premiums		(252,764)
Bonds payable		(3,005,000)
Loans and capital leases		(3,754,517)
		(8,227,385)
Net assets - governmental activities	\$	48,461,464

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, 2012

	<u>General Fund</u>	<u>Road</u>	<u>Corrections</u>	<u>Lincoln County Medical Center</u>
<i>Revenues:</i>				
Taxes:				
Property	\$ 9,579,296	\$ -	\$ -	\$ 2,091,481
Gross receipts	109,994	-	-	-
Gasoline and motor vehicle taxes	-	-	-	-
Other	2	-	-	-
Intergovernmental:				
Federal operating grants	93,594	210,715	-	-
Federal capital grants	-	-	-	-
State operating grants	12,920	203,196	37,087	-
State capital grants	-	129,633	-	-
Payment in lieu of taxes	1,534,996	-	-	-
Charges for services	300,777	376,243	990,993	799,999
Investment income	45,139	-	-	48,056
Special assessment	-	-	-	-
Special assessment - interest	-	-	-	-
Miscellaneous	26,600	9,983	2,775	-
<i>Total revenue</i>	<u>11,703,318</u>	<u>929,770</u>	<u>1,030,855</u>	<u>2,939,536</u>
<i>Expenditures:</i>				
Current:				
General government	3,720,656	-	-	-
Public safety	2,115,155	-	2,914,753	-
Public works	-	2,074,526	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	1,485,808
Capital outlay	83,033	127,960	11,689	443,682
Debt service:				
Principal	-	22,763	-	-
Interest	-	1,152	-	-
Debt issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>5,918,844</u>	<u>2,226,401</u>	<u>2,926,442</u>	<u>1,929,490</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>5,784,474</u>	<u>(1,296,631)</u>	<u>(1,895,587)</u>	<u>1,010,046</u>
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Premium on loan issuance	-	-	-	-
Proceeds from sale of equipment	6,395	1,658	-	485
Transfers in	381,767	1,060,000	1,946,760	215,909
Transfers (out)	(4,699,032)	-	-	-
<i>Total other financing sources (uses)</i>	<u>(4,310,870)</u>	<u>1,061,658</u>	<u>1,946,760</u>	<u>216,394</u>
<i>Net change in fund balances</i>	1,473,604	(234,973)	51,173	1,226,440
<i>Fund balances - beginning of year</i>	<u>7,803,563</u>	<u>(112,897)</u>	<u>198,177</u>	<u>5,447,415</u>
<i>Fund balances - end of year</i>	<u>\$ 9,277,167</u>	<u>\$ (347,870)</u>	<u>\$ 249,350</u>	<u>\$ 6,673,855</u>

The accompanying notes are an integral part of these financial statements

<u>Deer Park Special Assessment Income Debt Service Fund</u>	<u>1st 1/8 GRT Income Debt Service Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ -	\$ -	\$ 650,859	\$ 12,321,636
-	582,809	709,726	1,402,529
-	-	164,698	164,698
-	-	58,429	58,431
-	-	1,649,431	1,953,740
-	-	500,000	500,000
-	-	1,612,806	1,866,009
-	-	22,166	151,799
-	-	-	1,534,996
-	-	508,608	2,976,620
9,396	-	23,564	126,155
405,054	-	-	405,054
90,168	-	-	90,168
-	-	19,009	58,367
<u>504,618</u>	<u>582,809</u>	<u>5,919,296</u>	<u>23,610,202</u>
-	-	1,037,288	4,757,944
-	-	955,139	5,985,047
-	-	218,265	2,292,791
-	-	41,637	41,637
-	-	3,103,220	4,589,028
-	-	2,651,854	3,318,218
76,008	3,270,000	288,736	3,657,507
82,282	155,685	15,725	254,844
-	101,125	5,220	106,345
<u>158,290</u>	<u>3,526,810</u>	<u>8,317,084</u>	<u>25,003,361</u>
<u>346,328</u>	<u>(2,944,001)</u>	<u>(2,397,788)</u>	<u>(1,393,159)</u>
-	3,005,000	353,220	3,358,220
-	254,176	-	254,176
-	-	8,162	16,700
-	-	2,387,470	5,991,906
<u>(30,318)</u>	<u>(318,120)</u>	<u>(944,436)</u>	<u>(5,991,906)</u>
<u>(30,318)</u>	<u>2,941,056</u>	<u>1,804,416</u>	<u>3,629,096</u>
316,010	(2,945)	(593,372)	2,235,937
<u>633,701</u>	<u>101,762</u>	<u>3,742,649</u>	<u>17,814,370</u>
<u>\$ 949,711</u>	<u>\$ 98,817</u>	<u>\$ 3,149,277</u>	<u>\$ 20,050,307</u>

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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, 2012

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	\$	2,235,937
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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		3,318,218
Depreciation expense		(2,319,671)
Change in estimate - depreciation adjustment		1,563,541
Loss on disposal of capital assets		(452,335)
Donated capital assets		7,845
Proceeds from sale of capital assets		(16,700)

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		(98,162)
Change in grant and other revenues		35,360
Change in special assessment district		(123,021)

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:

Decrease in accrued compensated absences not due and payable		710
Decrease in accrued interest payable		3,625
Debt issuance costs capitalized		106,345
Amortization of debt issuance costs		(7,297)
Debt premium capitalized		(254,176)
Amortization of debt premium		1,412
Debt proceeds		(3,358,220)
Principal payments on bonds		3,270,000
Principal payments on notes and leases payable		387,507

Change in net assets of governmental activities	\$	<u><u>4,300,918</u></u>
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The accompanying notes are an integral part of these financial statements

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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, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes				
Property	\$ 9,050,891	\$ 9,222,991	\$ 9,566,242	\$ 343,251
Gross receipts	106,824	106,824	109,471	2,647
Gasoline and motor vehicle	-	-	-	-
Other	-	-	2	2
Intergovernmental income:				
Federal operating grants	30,000	30,000	17,321	(12,679)
Federal capital grants	-	-	-	-
State operating grants	-	22,661	25,605	2,944
State capital grants	-	-	-	-
Payment in lieu of taxes	1,444,875	1,444,875	1,534,996	90,121
Charges for services	220,495	220,495	300,841	80,346
Investment income	45,000	45,000	45,139	139
Miscellaneous	-	-	2,887	2,887
<i>Total revenues</i>	<u>10,898,085</u>	<u>11,092,846</u>	<u>11,602,504</u>	<u>509,658</u>
<i>Expenditures:</i>				
Current:				
General government	4,040,691	4,187,726	3,690,832	496,894
Public safety	2,374,982	2,378,769	2,106,605	272,164
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	90,000	95,000	89,312	5,688
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>6,505,673</u>	<u>6,661,495</u>	<u>5,886,749</u>	<u>774,746</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>4,392,412</u>	<u>4,431,351</u>	<u>5,715,755</u>	<u>1,284,404</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(2,391,897)	(2,446,627)	-	2,446,627
Proceeds from sale of equipment	-	-	1,211	1,211
Transfers in	381,767	381,767	381,767	-
Transfers (out)	(2,382,282)	(2,366,491)	(4,699,032)	(2,332,541)
<i>Total other financing sources (uses)</i>	<u>(4,392,412)</u>	<u>(4,431,351)</u>	<u>(4,316,054)</u>	<u>115,297</u>
<i>Net change in fund balance</i>	-	-	1,399,701	1,399,701
<i>Fund balance - beginning of year</i>	-	-	7,751,152	7,751,152
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,150,853</u>	<u>\$ 9,150,853</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 1,399,701
Adjustments to revenues for property tax and grant revenues				105,998
Adjustments to expenditures for insurance, materials, other charges, and payroll expenditures				(32,095)
Net change in fund balance (GAAP)				<u>\$ 1,473,604</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-2

Lincoln County

Road 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, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	210,723	210,723	210,715	(8)
Federal capital grants	-	-	-	-
State operating grants	103,078	103,078	203,196	100,118
State capital grants	129,329	129,329	129,633	304
Payment in lieu of taxes	-	-	-	-
Charges for services	339,000	339,000	375,966	36,966
Investment income	-	-	-	-
Miscellaneous	-	-	9,880	9,880
<i>Total revenues</i>	<u>782,130</u>	<u>782,130</u>	<u>929,390</u>	<u>147,260</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	2,812,601	2,790,143	1,783,052	1,007,091
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	137,440	137,440	127,960	9,480
Debt Service:				
Principal	177,000	184,883	184,883	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,127,041</u>	<u>3,112,466</u>	<u>2,095,895</u>	<u>1,016,571</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,344,911)</u>	<u>(2,330,336)</u>	<u>(1,166,505)</u>	<u>1,163,831</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(37,371)	(36,155)	-	36,155
Proceeds from sale of equipment	-	-	-	-
Transfers in	2,382,282	2,366,491	1,060,000	(1,306,491)
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,344,911</u>	<u>2,330,336</u>	<u>1,060,000</u>	<u>(1,270,336)</u>
<i>Net change in fund balance</i>	-	-	(106,505)	(106,505)
<i>Fund balance - beginning of year</i>	-	-	245,716	245,716
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,211</u>	<u>\$ 139,211</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (106,505)
Adjustments to revenues for fees and sale of county property				2,038
Adjustments to expenditures for infrastructure and maintenance expenditures				(130,506)
Net change in fund balance (GAAP)				<u>\$ (234,973)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Lincoln County
Corrections 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, 2012

Exhibit C-3

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	80,500	80,500	37,087	(43,413)
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	702,275	702,275	897,397	195,122
Investment income	-	-	-	-
Miscellaneous	-	-	2,775	2,775
<i>Total revenues</i>	<u>782,775</u>	<u>782,775</u>	<u>937,259</u>	<u>154,484</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	3,018,186	3,063,186	2,923,870	139,316
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	35,000	15,000	-	15,000
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,053,186</u>	<u>3,078,186</u>	<u>2,923,870</u>	<u>154,316</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,270,411)</u>	<u>(2,295,411)</u>	<u>(1,986,611)</u>	<u>308,800</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	307,132	276,377	-	(276,377)
Proceeds from sale of equipment	-	-	-	-
Transfers in	1,963,279	2,019,034	1,946,760	(72,274)
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,270,411</u>	<u>2,295,411</u>	<u>1,946,760</u>	<u>(348,651)</u>
<i>Net change in fund balance</i>	-	-	(39,851)	(39,851)
<i>Fund balance - beginning of year</i>	-	-	308,862	308,862
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 269,011</u>	<u>\$ 269,011</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (39,851)
Adjustments to revenues for charges for services				93,596
Adjustments to expenditures for public safety and payroll expenditures				<u>(2,572)</u>
Net change in fund balance (GAAP)				<u>\$ 51,173</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-4

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, 2012

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes				
Property	\$ 1,943,957	\$ 2,027,350	\$ 2,088,084	\$ 60,734
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	-	-	-	-
Charges for services	800,000	800,000	800,000	-
Licenses and fees	-	-	-	-
Investment income	20,000	20,000	48,056	28,056
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,763,957</u>	<u>2,847,350</u>	<u>2,936,140</u>	<u>88,790</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	1,474,845	1,515,745	1,485,215	30,530
Capital outlay	5,707,089	5,666,189	404,271	5,261,918
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>7,181,934</u>	<u>7,181,934</u>	<u>1,889,486</u>	<u>5,292,448</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(4,417,977)</u>	<u>(4,334,584)</u>	<u>1,046,654</u>	<u>5,381,238</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	4,417,977	4,118,675	-	(4,118,675)
Proceeds from sale of equipment	-	-	485	485
Transfers in	-	215,909	215,909	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>4,417,977</u>	<u>4,334,584</u>	<u>216,394</u>	<u>(4,118,190)</u>
<i>Net change in fund balance</i>	-	-	1,263,048	1,263,048
<i>Fund balance - beginning of year</i>	-	-	5,286,662	5,286,662
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,549,710</u>	<u>\$ 6,549,710</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 1,263,048
Adjustments to revenues for property taxes and charges for services				3,396
Adjustments to expenditures for emergency medical and capital expenditures				(40,004)
Net change in fund balance (GAAP)				<u>\$ 1,226,440</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Lincoln County
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2012

Exhibit D-1

<i>Assets</i>	
Cash	\$ 165,227
Taxes receivable	1,031,390
Accounts receivable	<u>117,536</u>
<i>Total assets</i>	<u><u>\$ 1,314,153</u></u>
 <i>Liabilities</i>	
Deposits held in trust	\$ 165,227
Due to other taxing entities	1,031,390
Due to fire trust	<u>117,536</u>
<i>Total liabilities</i>	<u><u>\$ 1,314,153</u></u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
Lincoln County
Notes to the Financial Statements
June 30, 2012

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 Statements 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, 2012

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 recognizes 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, 2012

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 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 County'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, 2012

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Under the requirements of GASB Statement 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 account for revenues and expenditures 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 under the authority of state statute (see Section 67-3-1, 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.

The *Deer Park Special Assessment Income Debt Service Fund* is used to account for the debt expenditures made by the County and the related payments made by the property owners in Deer Park in which the County is offering special paving services as part of a special assessment district. Authority for creation of the fund is by County Commission Ordinance 2010-02 and the County Commission budget adoption and approval.

The *1st 1/8 GRT Income Debt Service Fund* is used to account for 1/8th 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.

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 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, 2012

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Fund 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 10th are considered delinquent. The taxes attach as an enforceable lien on property as of January 1st.

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, in the amount of \$7,845, 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, 2012

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.

The County has an intangible asset for internally generated software and has determined that this software has an indefinite useful life and is not subject to amortization.

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

During the year, the County has reassessed the useful lives of certain assets and made changes in the accumulated depreciation calculation in the current year. See Note 6 for disclosure and net affect on the County's capital assets.

Accrued Expenses: Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2012, 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 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, 2012

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 Balance Classification Policies and Procedures: For committed fund balance, the County's highest level of decision-making authority is the County Commission. The formal action that is required to be taken to establish a fund balance commitment is the County Commission.

For assigned fund balance, the County Commission or an official or body to which the County Commission delegates the authority is authorized to assign amounts to a specific purpose. The authorization policy is in governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

For the classification of fund balances, the County considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Also for the classification of fund balances, the County considers committed, assigned, or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Nonspendable Fund Balance: At June 30, 2012, the County did not have any fund balances that are considered to be not in spendable form.

Restricted and Committed Fund Balance: At June 30, 2012, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$4,116,115 for various County operations as restricted by enabling legislation. The County has also presented committed fund balance on the governmental funds balance sheet in the amount of \$8,694,800 in order to provide services throughout the County. The details of these fund balance items are located on the governmental funds balance sheet as detailed on pages 22-23.

Minimum Fund Balance Policy: The County's policy for maintaining a minimum amount of fund balance for operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies. At a minimum, the budget shall ensure that the County holds cash reserves of 3/12th the General Fund expenditures.

STATE OF NEW MEXICO
Lincoln County
Notes to the Financial Statements
June 30, 2012

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Net Assets: 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. Descriptions for the related restrictions for net assets restricted for “special revenue, debt service, and capital projects” are described on pages 40 and 65-67.
- 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. Significant estimate for the County are management’s estimate of depreciation on assets over their estimated useful lives and the current portion of accrued compensated absences.

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. 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:

STATE OF NEW MEXICO
 Lincoln County
 Notes to the Financial Statements
 June 30, 2012

NOTE 2. Stewardship, Compliance and Accountability (continued)

Budgetary Information

	Excess (deficiency) of revenues over expenditures	
	Original	Final
	Budet	Budget
Budgeted Funds:		
General Fund	\$ 4,392,412	\$ 4,431,351
Road Special Revenue Fund	\$ (2,344,911)	\$ (2,330,336)
Corrections Special Revenue Fund	\$ (2,270,411)	\$ (2,295,411)
Lincoln County Medical Center Special Revenue Fund	\$ (4,417,977)	\$ (4,334,584)
Deer Park Special Assessment Income Debt Service Fund	\$ 119,825	\$ 359,363
1st 1/8 GRT Income Debt Service Fund	\$ 303,445	\$ (2,896,993)
Other Governmental Funds	\$ (10,002,585)	\$ (9,661,749)

The accompanying Statements of Revenues, 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, 2012 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, 2012

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, 2012.

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 financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

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 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 (FDIC), public unit deposits are funds owned by the public unit. Under the Transaction Account Guarantee Program (TAGP) in effect from July 1, 2010 to December 31, 2010, time deposits, savings deposits and interest bearing negotiable order of withdrawal (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. The TAGP program expired on December 31, 2010. On November 9, 2010, the FDIC Board of Directors issued a final rule to implement the section of the Dodd-Frank Wall Street Reform and Consumer Protection Act that provides temporary unlimited coverage for noninterest-bearing transaction accounts in all FDIC-insured depository institutions. The separate coverage on noninterest-bearing transaction accounts became effective on December 31, 2010 and will terminate on December 31, 2012. From December 31, 2010 to July 20, 2012 accounts held by an official custodian for a government unit are insured as follows:

- Up to \$250,000 for the combined total of all time and savings deposits (including NOW accounts), and
- Unlimited coverage for noninterest-bearing transaction (demand deposit) accounts

Through July 20, 2012, there is no difference in deposit insurance coverage when an official custodian deposits money in-state or out-of-state.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk, 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, 2012, \$16,078,516 of the County's bank balance of \$18,471,277 was exposed to custodial credit risk. Although the \$16,078,516 was uninsured, it was collateralized by collateral held by the pledging bank's trust department, not in the County's name. None of the County's deposits were uninsured and uncollateralized at June 30, 2012.

STATE OF NEW MEXICO
Lincoln County
Notes to the Financial Statements
June 30, 2012

NOTE 3. Deposits and Investments (continued)

	<u>City Bank</u>	<u>Compass Bank</u>	<u>First National Bank</u>	<u>First Savings Bank</u>	<u>LPL Financial</u>
Amount of deposits	\$ 1,326,988	\$ 2,210,168	\$ 6,256,293	\$ 952,175	\$ 117,277
Deposit Accounts covered by the "Dodd-Frank Deposit Insurance Provision"	-	-	(20,436)	-	-
FDIC coverage	<u>(250,000)</u>	<u>(500,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>(117,277)</u>
Total uninsured public funds	<u>1,076,988</u>	<u>1,710,168</u>	<u>5,985,857</u>	<u>702,175</u>	<u>-</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name	<u>1,076,988</u>	<u>1,710,168</u>	<u>5,985,857</u>	<u>702,175</u>	<u>-</u>
Uninsured and uncollateralized	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Collateral requirement (50%)	\$ 538,494	\$ 855,084	\$ 2,992,929	\$ 351,088	\$ -
Pledged securities	<u>1,234,418</u>	<u>2,311,113</u>	<u>9,399,414</u>	<u>1,054,445</u>	<u>-</u>
Over (under) collateralized	<u>\$ 695,924</u>	<u>\$ 1,456,029</u>	<u>\$ 6,406,485</u>	<u>\$ 703,357</u>	<u>\$ -</u>
	<u>Pioneer Bank</u>	<u>Southwest Securities</u>	<u>Washington Federal Bank</u>	<u>Wells Fargo Bank</u>	<u>Total</u>
Amount of deposits	\$ 1,609,241	\$ 245,000	\$ 3,191,095	\$ 2,563,040	\$ 18,471,277
Deposit Accounts covered by the "Dodd-Frank Deposit Insurance Provision"	-	-	-	-	(20,436)
FDIC coverage	<u>(250,000)</u>	<u>(245,000)</u>	<u>(260,048)</u>	<u>(250,000)</u>	<u>(2,372,325)</u>
Total uninsured public funds	<u>1,359,241</u>	<u>-</u>	<u>2,931,047</u>	<u>2,313,040</u>	<u>16,078,516</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name	<u>1,359,241</u>	<u>-</u>	<u>2,931,047</u>	<u>2,313,040</u>	<u>16,078,516</u>
Uninsured and uncollateralized	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Collateral requirement (50%)	\$ 679,621	\$ -	\$ 1,465,524	\$ 1,156,520	\$ 8,039,260
Pledged securities	<u>1,595,716</u>	<u>-</u>	<u>3,931,628</u>	<u>2,449,758</u>	<u>21,976,492</u>
Over (under) collateralized	<u>\$ 916,095</u>	<u>\$ -</u>	<u>\$ 2,466,104</u>	<u>\$ 1,293,238</u>	<u>\$ 13,937,232</u>

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.

STATE OF NEW MEXICO
Lincoln County
Notes to the Financial Statements
June 30, 2012

NOTE 3. Deposits and Investments (continued)

Investments

Credit Risk

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 LGIP's investments are monitored by the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per Section 6-10-10.1(F), 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, 2012, the County's investment in the State Treasurer Local Government Investment Pool – Reserve Contingency Fund was unrated.

As of June 30, 2012, the County had the following investments and maturities:

<u>Investment Type</u>	<u>Weighted Average Maturities</u>	<u>Fair Value</u>	<u>Rating</u>
Reserve Contingency Fund	Does not earn interest	\$ 2,206	Unrated
U.S. Treasury MM Mutual Fund**	<1 year	43,331	AAA
U.S. Treasury MM Mutual Fund	<1 year	2,027,098	AAA
		<u>\$ 2,072,635</u>	

**Restricted cash and cash equivalents per Exhibit A-1

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 of credit risk is when any one issuer is 5% or more of the investment portfolio of the County. The investments in U.S Treasury Money Market Mutual Funds represent 99.9% of the investment portfolio. Since the County only purchases investments with the highest credit rating, the concentration is not viewed to be an additional risk by the County. The County's policy related to concentration of 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 has presented certificates of deposits of \$955,048 as investments in the Statement of Net Assets, however, these are classified as deposits for disclosure purposes.

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, 2012

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	\$ 15,837,600
Restricted cash and cash equivalents per Exhibit A-1	951,949
Cash - Statement of Fiduciary Assets and Liabilities per Exhibit D-1	165,227
Investments per Exhibit A-1	<u>2,984,352</u>
Total cash, cash equivalents, and investments	19,939,128
Add: outstanding checks	608,647
Less: deposits in transit	(1,213)
Less: investments held in NM State Treasurer's LGIP - Reserve Contingency Fund	(2,206)
Less: investments in U.S. Treasury MM mutual fund	(43,331)
Less: investments in LPL Financial US Treasury	(2,027,098)
Less: petty cash	<u>(2,650)</u>
Bank balance of deposits	<u><u>\$ 18,471,277</u></u>

STATE OF NEW MEXICO
Lincoln County
Notes to the Financial Statements
June 30, 2012

NOTE 4. Receivables

Receivables as of June 30, 2012, are as follows:

	General Fund	Road Fund	Corrections Fund	Lincoln County Medical Center
Current receivables:				
Property taxes	\$ 686,989	\$ -	\$ -	\$ 145,634
Other taxes:				
Gross receipts taxes	780	-	-	-
Gasoline and oil taxes	-	-	-	-
Other taxes	-	-	-	-
Special assessment	-	-	-	-
Other receivables:				
Charges for services	6,220	33,587	224,054	133,333
Intergovernmental:				
State	24,080	-	-	-
Federal	77,441	-	-	-
Miscellaneous	6,184	-	-	-
Noncurrent receivables - special assessment	-	-	-	-
Totals	\$ 801,694	\$ 33,587	\$ 224,054	\$ 278,967
	Deer Park Special Assessment Income Debt Service Fund	1st 1/8 GRT Income Debt Service Fund	Other Governmental Funds	Total
Current receivables:				
Property taxes	\$ -	\$ -	\$ 2,350	\$ 834,973
Other taxes:				
Gross receipts taxes	-	98,817	119,962	219,559
Gasoline and oil taxes	-	-	14,500	14,500
Other taxes	-	-	4,699	4,699
Special assessment	115,825	-	-	115,825
Other receivables:				
Charges for services	-	-	1,881	399,075
Intergovernmental:				
State	-	-	116,287	140,367
Federal	-	-	484,370	561,811
Miscellaneous	-	-	8,614	14,798
Noncurrent receivables - special assessment	1,283,142	-	-	1,283,142
Totals	\$ 1,398,967	\$ 98,817	\$ 752,663	\$ 3,588,749

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$659,315 and other revenues of \$35,360 that were not collected within the period of availability have been reclassified as deferred revenue in the governmental fund financial statements. Special Assessment revenues in the amount of \$1,357,874 have been reclassified as deferred revenue, see Note 16.

All of the above receivables are deemed to be fully collectible.

STATE OF NEW MEXICO
 Lincoln County
 Notes to the Financial Statements
 June 30, 2012

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:

Transfers Out	Transfers In	Amount
Primary Government		
General Fund	Road Special Revenue Fund	\$ 1,060,000
General Fund	Corrections Special Revenue Fund	1,600,000
General Fund	Special Programs Special Revenue Fund	71,250
General Fund	Agreements Special Revenue Fund	300,000
General Fund	Legislative Appropriation Special Revenue Fund	4,428
General Fund	Gas Tax Special Revenue Fund	54,694
General Fund	Predatory Animal Control Special Revenue Fund	32,054
General Fund	Fire Fund Special Revenue Fund	348,000
General Fund	Senior Citizen's Special Revenue Fund	90,684
General Fund	Indigent Health Care Special Revenue Fund	4,737
General Fund	Juvenile Justice Grant Special Revenue Fund	103,829
General Fund	Disaster Relief Special Revenue Fund	329,355
General Fund	Capital Improvement Capital Projects Fund	700,000
General Fund	Deer Park Special Assessment Capital Projects Fund	1
Fire Fund Special Revenue Fund	General Fund	348,000
CDBG Grant Special Revenue Fund	Lincoln County Medical Center Special Revenue Fund	215,909
Deer Park Special Assessment Income Debt Service Fund	Deer Park Special Assessment Capital Projects Fund	30,318
Homeland Security Grant Special Revenue Fund	General Fund	33,767
1st 1/8th GRT Income Debt Service Fund	1st 1/8th GRT Reserve Debt Service Fund	318,120
1st 1/8th GRT Reserve Debt Service Fund	Corrections Special Revenue Fund	316,531
1st 1/8th GRT Debt Reserve Debt Service Fund	Corrections Special Revenue Fund	30,229
	Total	\$ 5,991,906

There were no interfund balances at June 30, 2012.

STATE OF NEW MEXICO
Lincoln County
Notes to the Financial Statements
June 30, 2012

NOTE 6. Capital Assets

The following is a summary of capital assets and changes occurring during the year ended June 30, 2012. Land, intangible assets, and construction in progress are not subject to depreciation.

	Balance June 30, 2011	Adjustments to Estimate	Additions	Deletions	Balance June 30, 2012
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 1,610,068	\$ -	\$ 167,000	\$ -	\$ 1,777,068
Intangible assets	-	-	87,011	-	87,011
Construction in progress	2,720,937	-	1,277,946	3,940,688	58,195
Total capital assets not being depreciated	4,331,005	-	1,531,957	3,940,688	1,922,274
Capital assets being depreciated:					
Buildings and improvements	17,252,687	-	1,063,615	-	18,316,302
Equipment	16,247,009	-	1,647,850	666,213	17,228,646
Infrastructure	29,012,669	-	3,023,329	395,944	31,640,054
Other improvements	115,796	-	-	-	115,796
Total capital assets being depreciated	62,628,161	-	5,734,794	1,062,157	67,300,798
Less accumulated depreciation:					
Buildings and improvements	6,017,664	(1,563,541)	520,388	-	4,974,511
Equipment	8,528,962	-	1,055,991	593,122	8,991,831
Infrastructure	21,070,966	-	718,554	-	21,789,520
Other improvements	48,474	-	24,738	-	73,212
Total accumulated depreciation	35,666,066	(1,563,541)	2,319,671	593,122	35,829,074
Total capital assets, net of depreciation	\$ 31,293,100	\$ 1,563,541	\$ 4,947,080	\$ 4,409,723	\$ 33,393,998

During the year ended June 30, 2012, the County has reassessed the useful lives of certain assets and has made changes in the depreciation calculation for the current year. As a result, a change of estimate adjustment has been recorded to adjust accumulated depreciation balances. The effect of the adjustment was an increase in net capital assets by \$1,563,541.

Depreciation expense for the year ended June 30, 2012 was charged to the functions of the governmental activities as follows:

General Government	\$ 383,509
Public Safety	701,175
Public Works	825,501
Culture and Recreation	409,486
Total	\$ 2,319,671

STATE OF NEW MEXICO
Lincoln County
Notes to the Financial Statements
June 30, 2012

NOTE 7. Long-term Debt

During the year ended June 30, 2012, the following changes occurred in the liabilities reported in the government-wide statement of net assets:

	<u>Balance</u> <u>June 30, 2011</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2012</u>	<u>Due Within</u> <u>One Year</u>
Gross Receipts Revenue Bonds	\$ 3,270,000	\$ 3,005,000	\$ 3,270,000	\$ 3,005,000	\$ 165,000
NMFA Loans	3,764,061	353,220	364,744	3,752,537	202,273
Capital Leases	24,743	-	22,763	1,980	1,980
Compensated Absences	189,483	226,091	226,801	188,773	188,773
Total long-term debt	<u>\$ 7,248,287</u>	<u>\$ 3,584,311</u>	<u>\$ 3,884,308</u>	<u>\$ 6,948,290</u>	<u>\$ 558,026</u>

Gross Receipts Revenue Bonds

Bonds outstanding at June 30, 2012 consisted of the following:

Gross Receipts Tax Revenue Bond – 5/30/2002 issue	
Original issue	\$3,005,000
Interest due	December 1 and June 1
Principal due	June 1
Maturity Date	June 1, 2027
Interest rates from 2.00% to 4.00%	

The annual requirements to amortize the Bonds Payable as of June 30, 2012, including interest payments are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt</u> <u>Service</u>
2013	\$ 165,000	\$ 102,885	\$ 267,885
2014	170,000	99,300	269,300
2015	175,000	95,900	270,900
2016	175,000	92,400	267,400
2017	180,000	87,150	267,150
2018-2022	1,005,000	344,200	1,349,200
2023-2027	1,135,000	133,500	1,268,500
	<u>\$ 3,005,000</u>	<u>\$ 955,335</u>	<u>\$ 3,960,335</u>

Gross Receipts Revenue Bonds have been liquidated by the 1st 1/8 GRT Income Debt Service Fund in prior years.

STATE OF NEW MEXICO
Lincoln County
Notes to the Financial Statements
June 30, 2012

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:

NMFA Loans:

Description	Date of Issue	Maturity Date	Interest Rate	Original Amount of Issue	Balance June 30, 2012
NMFA Loan	May-05	May-15	2.34-3.73%	\$ 40,000	\$ 13,457
NMFA Loan	Dec-08	May-19	0%	121,800	85,260
NMFA Loan	Dec-08	May-19	2.13-3.94%	225,933	162,633
NMFA Loan	Dec-08	May-19	1.62-3.80%	205,315	149,175
NMFA Loan	Sep-09	May-20	1.03-3.78%	203,000	165,777
NMFA Loan	Nov-09	May-20	0.64-2.87%	152,250	122,716
NMFA Loan	Oct-10	May-25	0.40-3.59%	2,819,028	2,700,299
NMFA Loan	Jan-12	May-22	1.87%	243,600	243,600
NMFA Loan	Jan-12	May-22	1.87%	109,620	109,620
Total NMFA Loans					<u>\$ 3,752,537</u>

Capital Leases:

Description	Date of Issue	Balloon Payment Due	Interest Rate	Original Amount of Issue	Balance June 30, 2012
Caterpillar Financial Services	June 2006	-	7.97%	\$ 113,906	\$ 1,980
Total Capital Leases					<u>\$ 1,980</u>

The annual requirements to amortize the Loans and Capital Leases Payable as of June 30, 2012, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2013	\$ 204,253	\$ 102,412	\$ 306,665
2014	204,343	98,952	303,295
2015	206,880	96,425	303,305
2016	205,167	93,308	298,475
2017	208,653	89,823	298,476
2018-2022	844,258	384,793	1,229,051
2023-2025	1,880,963	171,982	2,052,945
	<u>\$ 3,754,517</u>	<u>\$ 1,037,695</u>	<u>\$ 4,792,212</u>

STATE OF NEW MEXICO
 Lincoln County
 Notes to the Financial Statements
 June 30, 2012

NOTE 7. Long-term Debt (continued)

Loans and capital leases have been liquidated by the Fire and Road Special Revenue 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, 2012, compensated absences decreased \$710 from the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities.

NOTE 8. Operating Leases

The County leases equipment under operating leases expiring during the next three years. Although renewal and purchase options are available on these leases, the County considers these to be operating leases as they contain a non-appropriation termination clause.

At June 30, 2012, future minimum lease payments applicable to the operating leases are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Amount</u>
2013	\$ 126,909
2014	126,909
2015	<u>126,909</u>
	<u>\$ 380,727</u>

NOTE 9. 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.

STATE OF NEW MEXICO
 Lincoln County
 Notes to the Financial Statements
 June 30, 2012

NOTE 10. 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 funds reflected a deficit fund balance as of June 30, 2012:

Major Funds		
Road Special Revenue Fund	\$	(347,870)
Non Major Funds		
Agreements Special Revenue Fund		(23,271)
Juvenile Justice Grant Special Revenue Fund		(1,260)
		(1,260)
Total Governmental Funds	\$	(372,401)

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 the budgeted appropriations.
- C. Designated cash appropriations in excess of available balances. There were not any funds with excess cash appropriations for the year ended June 30, 2012.

NOTE 11. Pension Plan – Public Employees Retirement Association

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 Employees 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 benefits, 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

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 9.15% for County employees. The County is required to contribute the following percentages of the gross covered salary: 18.5% for law enforcement and fire protection plan members; and 9.15% for County 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 fiscal years ended June 30, 2012, 2011, and 2010 were \$415,713, \$427,670, and \$470,663, respectively, which equal the amount of the required contributions for each fiscal year.

STATE OF NEW MEXICO
 Lincoln County
 Notes to the Financial Statements
 June 30, 2012

NOTE 12. Post-Employment Benefits – State 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 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.

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. During the fiscal year ended June 30, 2012, the statute required each participating employer to contribute 1.834% of each participating employee’s annual salary; each participating employee was required to contribute .917% of their salary. In the fiscal year ending June 30, 2013 the contribution rates for employees and employers will rise as follows:

(1)
 For employees who are not members of an enhanced retirement plan the contribution rates will be:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY13	2.000%	1.000%

(2)
 For employees who are members of an enhanced retirement plan (state police and adult correctional officer coverage plan 1; municipal police member coverage plans 3, 4, and 5; municipal fire member coverage plan 3, 4 and 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act [10-12B-1 NMSA 1978]), during the fiscal year ended June 30, 2012, the statute required each participating employer to contribute 2.292% of each participating employee’s annual salary, and each participating employee was required to contribute 1.146% of their salary. In the fiscal year ending June 30, 2013 the contribution rates for both employees and employers will rise as follows:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY13	2.500%	1.250%

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 Lincoln County
 Notes to the Financial Statements
 June 30, 2012

NOTE 12. Post-Employment Benefits – State Retiree Health Care Plan (continued)

Also, employers joining the program after January 1, 1998 are 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, 2012, 2011, and 2010 were \$107,297, \$101,847, and \$86,456, respectively which equal the required contributions for each year.

NOTE 13. Joint Powers Agreements

Solid Waste Collection Services

Participants	Lincoln County Lincoln County Solid Waste Authority
Responsible party	Lincoln County 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

Otero/Lincoln County Regional Landfill

Participants	Otero County City of Alamogordo Village of Cloudcroft Village of Tularosa Village of Corona	Lincoln County Town of Carrizozo Village of Capitan Village of Ruidoso Village of Ruidoso Downs
Responsible party	City of Alamogordo	
Description	To establish, finance and operate the Otero/Lincoln County Regional landfill.	
Terms of agreement	Perpetual	
Amount of project	Unknown	
County contributions	100% of Environmental Services Gross Receipts Tax	
Audit responsibility	City of Alamogordo	

STATE OF NEW MEXICO
Lincoln County
Notes to the Financial Statements
June 30, 2012

NOTE 14. 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 15. Commitments

The County's commitments as of June 30, 2012 are as follows:

<u>Contract</u>	<u>Year Ending</u>	<u>Amount</u>
Cooperative Educational Services	2013	\$ 357,980
Detention Center Management Contract	2013	2,352,193
FNF Paving	2013	<u>28,546</u>
Total commitments		<u>\$ 2,738,719</u>

NOTE 16. Special Assessment District

In a prior year, the County approved a special assessment district for the residents of Deer Park in which the County agreed that they would pave streets for the residents of Deer Park and each property owner of the area would pay their portion of the cost. The County obtained an NMFA loan in the amount of \$2,819,028 in order to pay for the project up front and the Residents are to payback the County, in installment payments. In accordance with GASB Statement No. 33, in the fund financial statements, the County has recognized the balance of the receivable, \$1,398,967, and has reclassified \$1,357,874 as deferred revenue as it was not collected within the period of availability. The deferred revenue portion was recognized as revenue in the government-wide financial statements.

NOTE 17. Restricted Net Assets

The government-wide statement of net assets reports \$12,192,970 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 40, and 65-67.

NOTE 18. Subsequent Events

The County entered into an operating lease on August 11, 2012 with Caterpillar Financial Services for equipment to be used by the County's road and maintenance departments. The County agreed to monthly payments of \$2,845 for 72 months for a total amount of \$204,840.

The date to which events occurring after June 30, 2012, the date of the most recent statement of net assets, have been evaluated for possible adjustment to the financial statements or disclosures is November 7, 2012 which is the date on which the financial statements were issued.

STATE OF NEW MEXICO
Lincoln County
Notes to the Financial Statements
June 30, 2012

NOTE 19. Concentrations

The County depends on financial resources flowing from, or associated with, both the Federal Government and the State of New Mexico. Because of this dependency, the County is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State Appropriations.

NOTE 20. Subsequent Pronouncements

In November 2010, GASB Statement No. 60 *Accounting and Financial Reporting for Service Concession Arrangements*, Effective Date: For financial statements for periods beginning after December 15, 2011. The provisions of this Statement generally are required to be applied retroactively for all periods presented. The County is still evaluating the possible effects of this standard.

In November 2010, GASB Statement No. 61 *The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2012. Earlier application is encouraged. The standard is expected to have no effect on the County in upcoming years.

In December 2010, GASB Statement No. 62 *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, Effective Date: The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011. Earlier application is encouraged. The provisions of this Statement generally are required to be applied retroactively for all periods presented. The County will implement this standard during fiscal year June 30, 2013.

In June 2011, GASB Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* Effective Date: The provisions of Statement 63 are effective for financial statements for periods beginning after December 15, 2011, with earlier application encouraged. The standard is expected to have no effect on the County in upcoming years.

In March 2012, Statement No. 65 *Items Previously Reported as Assets and Liabilities*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The standard will be implemented during fiscal year June 30, 2014.

In March 2012, Statement No. 66 *Technical Corrections-2012—an amendment of GASB Statements No. 10 and No. 62*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The standard will be implemented during fiscal year June 30, 2014.

In June 2012, Statement No. 67 *Financial Reporting for Pension Plans—an amendment of GASB Statements No. 25*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013. Earlier application is encouraged. The standard is expected to have no effect on the County in upcoming years.

In June 2012, Statement No. 68 *Accounting and Financial Reporting for Pensions—an amendment of GASB Statements No. 27*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. Earlier application is encouraged. The standard is expected to have no effect on the County in upcoming years.

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

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STATE OF NEW MEXICO
Lincoln County
Nonmajor Governmental Funds
June 30, 2012

Special Revenue Funds

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.

Fire Special Revenue Fund- 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).

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.

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Nonmajor Governmental Funds
June 30, 2012

Special Revenue Funds (continued)

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.

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.

Disaster Relief Special Revenue Fund- To account for disaster aid and expenditures from the damage caused by fires and flooding in the County. Authority for creation of the fund is the New Mexico Disaster Relief Act, 6-7-1 et seq. NMSA 1978 as amended.

Debt Service Funds

1st 1/8 GRT Reserve Debt Service Fund – To account for 1/8th 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.

1st 1/8 GRT Debt Reserve Debt Service Fund – To account for 1/8th 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.

STATE OF NEW MEXICO
Lincoln County
Nonmajor Governmental Funds
June 30, 2012

Capital Projects Funds

Capital Improvement Capital Projects Fund – To account for the 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.

Deer Park Special Assessment Capital Projects Fund – To account for the capital expenditures made by the County to provide the property owners in Deer Park in which the County is offering special paving services as part of a special assessment district. Authority for creation of the fund is by County Commission Ordinance 2010-02 and the County Commission budget adoption and approval.

STATE OF NEW MEXICO
Lincoln County
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2012

Special Revenue

	<u>Recreation</u>	<u>Special Programs</u>	<u>Clerk's Equipment</u>	<u>Agreements</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 1	\$ 3,917	\$ 216,106	\$ 19,568
Investments	-	-	-	-
Current receivables:				
Property taxes	-	-	-	-
Other taxes	-	-	-	-
Other	-	-	-	-
<i>Total assets</i>	<u>\$ 1</u>	<u>\$ 3,917</u>	<u>\$ 216,106</u>	<u>\$ 19,568</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ 180	\$ 42,839
Accrued payroll	-	-	-	-
Deferred revenue:				
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>180</u>	<u>42,839</u>
<i>Fund balances</i>				
Spendable				
Restricted for:				
Recreational activities	1	-	-	-
General county operations	-	-	215,926	-
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Forest health	-	-	-	-
Tourism	-	-	-	-
Public safety	-	-	-	-
Healthcare	-	-	-	-
Disaster relief	-	-	-	-
Debt service expenditures	-	-	-	-
Committed to:				
Community service programs	-	3,917	-	-
Animal control	-	-	-	-
Senior center	-	-	-	-
Capital improvements	-	-	-	-
Unassigned	-	-	-	(23,271)
<i>Total fund balances</i>	<u>1</u>	<u>3,917</u>	<u>215,926</u>	<u>(23,271)</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1</u>	<u>\$ 3,917</u>	<u>\$ 216,106</u>	<u>\$ 19,568</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Legislative Appropriation</u>	<u>Gas Tax</u>	<u>Predatory Animal Control</u>	<u>Fire</u>	<u>Forest Reserve</u>	<u>Lodgers' Tax</u>
\$ -	\$ 55,066	\$ -	\$ 560,641	\$ 41,536	\$ 87,764
-	-	-	-	-	-
-	-	2,350	-	-	-
-	14,500	-	-	-	4,699
-	-	-	57,823	-	-
<u>\$ -</u>	<u>\$ 69,566</u>	<u>\$ 2,350</u>	<u>\$ 618,464</u>	<u>\$ 41,536</u>	<u>\$ 92,463</u>
\$ -	\$ -	\$ -	\$ 8,203	\$ -	\$ -
-	-	-	-	-	-
-	-	2,092	-	-	-
-	-	-	-	-	-
-	-	2,092	8,203	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	69,566	-	610,261	41,536	92,463
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	258	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>69,566</u>	<u>258</u>	<u>610,261</u>	<u>41,536</u>	<u>92,463</u>
<u>\$ -</u>	<u>\$ 69,566</u>	<u>\$ 2,350</u>	<u>\$ 618,464</u>	<u>\$ 41,536</u>	<u>\$ 92,463</u>

STATE OF NEW MEXICO
Lincoln County
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2012

Special Revenue

	Drug Enforcement Grant	Homeland Security Grant	Sheriff's Seizure	Reappraisal
<i>Assets</i>				
Cash and cash equivalents	\$ 21,657	\$ 22,000	\$ 27,560	\$ 384,157
Investments	-	-	-	-
Current receivables:				
Property taxes	-	-	-	-
Other taxes	-	-	-	-
Other	4,300	-	73	-
<i>Total assets</i>	<u>\$ 25,957</u>	<u>\$ 22,000</u>	<u>\$ 27,633</u>	<u>\$ 384,157</u>
<i>Liabilities</i>				
Accounts payable	\$ 310	\$ -	\$ -	\$ 14,849
Accrued payroll	-	-	-	1,931
Deferred revenue:				
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>310</u>	<u>-</u>	<u>-</u>	<u>16,780</u>
<i>Fund balances</i>				
Spendable				
Restricted for:				
Recreational activities	-	-	-	-
General county operations	-	-	-	367,377
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Forest health	-	-	-	-
Tourism	-	-	-	-
Public safety	25,647	22,000	27,633	-
Healthcare	-	-	-	-
Disaster relief	-	-	-	-
Debt service expenditures	-	-	-	-
Committed to:				
Community service programs	-	-	-	-
Animal control	-	-	-	-
Senior center	-	-	-	-
Capital improvements	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>25,647</u>	<u>22,000</u>	<u>27,633</u>	<u>367,377</u>
<i>Total liabilities and fund balances</i>	<u>\$ 25,957</u>	<u>\$ 22,000</u>	<u>\$ 27,633</u>	<u>\$ 384,157</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Emergency Medical Services</u>	<u>Rural Health Clinic</u>	<u>Law Enforcement Protection</u>	<u>Senior Citizen's</u>	<u>Environmental Gross Receipts</u>	<u>Enhanced 911</u>
\$ 11	\$ 394,502	\$ 13,637	\$ -	\$ -	\$ 2,951
-	10,048	-	-	-	-
-	-	-	-	-	-
-	-	-	-	21,145	-
41	-	-	59,465	-	-
<u>\$ 52</u>	<u>\$ 404,550</u>	<u>\$ 13,637</u>	<u>\$ 59,465</u>	<u>\$ 21,145</u>	<u>\$ 2,951</u>
\$ -	\$ -	\$ -	\$ 3,718	\$ 21,145	\$ -
-	-	-	8,934	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	12,652	21,145	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
52	-	13,637	-	-	2,951
-	404,550	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	46,813	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>52</u>	<u>404,550</u>	<u>13,637</u>	<u>46,813</u>	<u>-</u>	<u>2,951</u>
<u>\$ 52</u>	<u>\$ 404,550</u>	<u>\$ 13,637</u>	<u>\$ 59,465</u>	<u>\$ 21,145</u>	<u>\$ 2,951</u>

STATE OF NEW MEXICO
Lincoln County
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2012

Special Revenue

	<u>Forest Health</u>	<u>Misdemeanor Compliance</u>	<u>CDBG Grant</u>	<u>Indigent Health Care</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 149,726	\$ 780	\$ -	\$ 237,917
Investments	-	-	-	-
Current receivables:				
Property taxes	-	-	-	-
Other taxes	-	-	-	98,817
Other	74,092	-	-	5,000
<i>Total assets</i>	<u>\$ 223,818</u>	<u>\$ 780</u>	<u>\$ -</u>	<u>\$ 341,734</u>
<i>Liabilities</i>				
Accounts payable	\$ 92,350	\$ -	\$ -	\$ 30,939
Accrued payroll	-	-	-	1,042
Deferred revenue:				
Deferred revenue - property taxes	-	-	-	-
Deferred revenue - other	-	-	-	-
<i>Total liabilities</i>	<u>92,350</u>	<u>-</u>	<u>-</u>	<u>31,981</u>
<i>Fund balances</i>				
Spendable				
Restricted for:				
Recreational activities	-	-	-	-
General county operations	-	-	-	-
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Forest health	131,468	-	-	-
Tourism	-	-	-	-
Public safety	-	780	-	-
Healthcare	-	-	-	309,753
Disaster relief	-	-	-	-
Debt service expenditures	-	-	-	-
Committed to:				
Community service programs	-	-	-	-
Animal control	-	-	-	-
Senior center	-	-	-	-
Capital improvements	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>131,468</u>	<u>780</u>	<u>-</u>	<u>309,753</u>
<i>Total liabilities and fund balances</i>	<u>\$ 223,818</u>	<u>\$ 780</u>	<u>\$ -</u>	<u>\$ 341,734</u>

The accompanying notes are an integral part of these financial statements

<u>Special Revenue</u>			<u>Debt Service</u>		<u>Capital Projects</u>
<u>Juvenile Justice Grant</u>	<u>HIDTA Partnership</u>	<u>Disaster Relief</u>	<u>1st 1/8 GRT Reserve</u>	<u>1st 1/8 GRT Debt Reserve</u>	<u>Capital Improvement</u>
\$ -	\$ 32,361	\$ -	\$ 146,439	\$ 14,969	\$ 55,233
-	-	-	-	257,951	-
-	-	-	-	-	-
-	-	-	-	-	-
7,669	13,198	389,491	-	-	-
<u>\$ 7,669</u>	<u>\$ 45,559</u>	<u>\$ 389,491</u>	<u>\$ 146,439</u>	<u>\$ 272,920</u>	<u>\$ 55,233</u>
\$ 8,929	\$ -	\$ 107,233	\$ -	\$ -	\$ -
-	25	2,667	-	-	-
-	-	-	-	-	-
-	12,498	-	-	-	-
<u>8,929</u>	<u>12,523</u>	<u>109,900</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	33,036	-	-	-	-
-	-	-	-	-	-
-	-	279,591	-	-	-
-	-	-	146,439	272,920	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	55,233
<u>(1,260)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(1,260)</u>	<u>33,036</u>	<u>279,591</u>	<u>146,439</u>	<u>272,920</u>	<u>55,233</u>
<u>\$ 7,669</u>	<u>\$ 45,559</u>	<u>\$ 389,491</u>	<u>\$ 146,439</u>	<u>\$ 272,920</u>	<u>\$ 55,233</u>

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STATE OF NEW MEXICO
 Lincoln County
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2012

Capital Projects

	<u>Deer Park Special Assessment</u>	<u>Total Nonmajor Governmental Funds</u>
<i>Assets</i>		
Cash and cash equivalents	\$ -	\$ 2,488,499
Investments	-	267,999
Current receivables:		
Property taxes	-	2,350
Other taxes	-	139,161
Other	-	611,152
<i>Total assets</i>	<u>\$ -</u>	<u>\$ 3,509,161</u>
<i>Liabilities</i>		
Accounts payable	\$ -	\$ 330,695
Accrued payroll	-	14,599
Deferred revenue:		
Deferred revenue - property taxes	-	2,092
Deferred revenue - other	-	12,498
<i>Total liabilities</i>	<u>-</u>	<u>359,884</u>
<i>Fund balances</i>		
Spendable		
Restricted for:		
Recreational activities	-	1
General county operations	-	583,303
Maintenance of roads	-	69,566
Fire departments	-	610,261
Forest health	-	173,004
Tourism	-	92,463
Public safety	-	125,736
Healthcare	-	714,303
Disaster relief	-	279,591
Debt service expenditures	-	419,359
Committed to:		
Community service programs	-	3,917
Animal control	-	258
Senior center	-	46,813
Capital improvements	-	55,233
Unassigned	-	(24,531)
<i>Total fund balances</i>	<u>-</u>	<u>3,149,277</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>\$ 3,509,161</u>

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, 2012

	Special Revenue			
	Recreation	Special Programs	Clerk's Equipment	Agreements
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle taxes	-	-	-	-
Other	1	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	225	56,096	11,820
Investment income	-	-	1,743	-
Miscellaneous	-	-	469	-
<i>Total revenues</i>	1	225	58,308	11,820
<i>Expenditures:</i>				
Current:				
General government	-	-	60,501	316,529
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	22,358	-	-
Health and welfare	-	37,500	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance costs	-	-	-	-
<i>Total expenditures</i>	-	59,858	60,501	316,529
<i>Excess (deficiency) of revenues over expenditures</i>	1	(59,633)	(2,193)	(304,709)
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	71,250	-	300,000
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	71,250	-	300,000
<i>Net change in fund balances</i>	1	11,617	(2,193)	(4,709)
<i>Fund balances - beginning of year</i>	-	(7,700)	218,119	(18,562)
<i>Fund balances - end of year</i>	\$ 1	\$ 3,917	\$ 215,926	\$ (23,271)

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Legislative Appropriation</u>	<u>Gas Tax</u>	<u>Predatory Animal Control</u>	<u>Fire</u>	<u>Forest Reserve</u>	<u>Lodgers' Tax</u>
\$ -	\$ -	\$ 24,442	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	164,698	-	-	-	-
-	-	-	-	-	58,428
-	-	32,253	-	34,707	-
-	-	-	-	-	-
-	-	-	980,180	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	6,263	-	696
-	-	-	80	6,178	-
-	<u>164,698</u>	<u>56,695</u>	<u>986,523</u>	<u>40,885</u>	<u>59,124</u>
-	-	-	-	-	47,818
4,428	-	-	428,256	-	-
-	218,265	-	-	-	-
-	-	-	-	-	-
-	-	88,500	-	106,632	-
-	-	-	724,256	-	-
-	-	-	288,736	-	-
-	-	-	15,725	-	-
-	-	-	5,220	-	-
<u>4,428</u>	<u>218,265</u>	<u>88,500</u>	<u>1,462,193</u>	<u>106,632</u>	<u>47,818</u>
<u>(4,428)</u>	<u>(53,567)</u>	<u>(31,805)</u>	<u>(475,670)</u>	<u>(65,747)</u>	<u>11,306</u>
-	-	-	353,220	-	-
-	-	-	8,048	-	-
4,428	54,694	32,054	348,000	-	-
-	-	-	(348,000)	-	-
<u>4,428</u>	<u>54,694</u>	<u>32,054</u>	<u>361,268</u>	<u>-</u>	<u>-</u>
-	1,127	249	(114,402)	(65,747)	11,306
-	68,439	9	724,663	107,283	81,157
<u>\$ -</u>	<u>\$ 69,566</u>	<u>\$ 258</u>	<u>\$ 610,261</u>	<u>\$ 41,536</u>	<u>\$ 92,463</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, 2012

	Special Revenue			
	Drug Enforcement Grant	Homeland Security Grant	Sheriff's Seizure	Reappraisal
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle taxes	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	73,642	-	-
Federal capital grants	-	-	-	-
State operating grants	59,365	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	238,468
Investment income	-	-	305	-
Miscellaneous	700	-	-	785
<i>Total revenues</i>	60,065	73,642	305	239,253
<i>Expenditures:</i>				
Current:				
General government	-	-	-	161,185
Public safety	39,235	23,837	58	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	23,540	63,436
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance costs	-	-	-	-
<i>Total expenditures</i>	39,235	23,837	23,598	224,621
<i>Excess (deficiency) of revenues over expenditures</i>	20,830	49,805	(23,293)	14,632
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	73	-
Transfers in	-	-	-	-
Transfers (out)	-	(33,767)	-	-
<i>Total other financing sources (uses)</i>	-	(33,767)	73	-
<i>Net change in fund balances</i>	20,830	16,038	(23,220)	14,632
<i>Fund balances - beginning of year</i>	4,817	5,962	50,853	352,745
<i>Fund balances - end of year</i>	\$ 25,647	\$ 22,000	\$ 27,633	\$ 367,377

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>Emergency Medical Services</u>	<u>Rural Health Clinic</u>	<u>Law Enforcement Protection</u>	<u>Senior Citizen's</u>	<u>Environmental Gross Receipts</u>	<u>Enhanced 911</u>
\$ -	\$ 626,417	\$ -	\$ -	\$ -	\$ -
-	-	-	-	126,917	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	106,330	-	-
-	-	-	-	-	-
48,855	-	30,200	378,231	-	-
-	-	-	22,166	-	-
-	-	-	99,899	-	-
-	3,246	-	-	-	-
-	-	-	385	-	-
<u>48,855</u>	<u>629,663</u>	<u>30,200</u>	<u>607,011</u>	<u>126,917</u>	<u>-</u>
-	-	-	-	-	-
52,501	-	34,219	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	578,012	-	737,382	126,917	-
-	26,775	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>52,501</u>	<u>604,787</u>	<u>34,219</u>	<u>737,382</u>	<u>126,917</u>	<u>-</u>
<u>(3,646)</u>	<u>24,876</u>	<u>(4,019)</u>	<u>(130,371)</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
41	-	-	-	-	-
-	-	-	90,684	-	-
-	-	-	-	-	-
<u>41</u>	<u>-</u>	<u>-</u>	<u>90,684</u>	<u>-</u>	<u>-</u>
(3,605)	24,876	(4,019)	(39,687)	-	-
<u>3,657</u>	<u>379,674</u>	<u>17,656</u>	<u>86,500</u>	<u>-</u>	<u>2,951</u>
<u>\$ 52</u>	<u>\$ 404,550</u>	<u>\$ 13,637</u>	<u>\$ 46,813</u>	<u>\$ -</u>	<u>\$ 2,951</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, 2012

	Special Revenue			
	Forest Health	Misdemeanor Compliance	CDBG Grant	Indigent Health Care
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	582,809
Gasoline and motor vehicle taxes	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	992,386	-	-	-
Federal capital grants	-	-	500,000	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	102,100	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	10,412
<i>Total revenues</i>	992,386	102,100	500,000	593,221
<i>Expenditures:</i>				
Current:				
General government	-	-	12,000	-
Public safety	-	101,320	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	973,327	-	-	454,950
Capital outlay	-	-	575,183	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Debt issuance costs	-	-	-	-
<i>Total expenditures</i>	973,327	101,320	587,183	454,950
<i>Excess (deficiency) of revenues over expenditures</i>	19,059	780	(87,183)	138,271
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	4,737
Transfers (out)	-	-	(215,909)	-
<i>Total other financing sources (uses)</i>	-	-	(215,909)	4,737
<i>Net change in fund balances</i>	19,059	780	(303,092)	143,008
<i>Fund balances - beginning of year</i>	112,409	-	303,092	166,745
<i>Fund balances - end of year</i>	\$ 131,468	\$ 780	\$ -	\$ 309,753

The accompanying notes are an integral part of these financial statements

Special Revenue			Debt Service		Capital Projects
Juvenile Justice Grant	HIDTA Partnership	Disaster Relief	1st 1/8 GRT Reserve	1st 1/8 GRT Debt Reserve	Capital Improvement
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	20,622	389,491	-	-	-
-	-	-	-	-	-
115,975	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	11,311	-
-	-	-	-	-	-
<u>115,975</u>	<u>20,622</u>	<u>389,491</u>	<u>-</u>	<u>11,311</u>	<u>-</u>
-	-	439,255	-	-	-
243,223	28,062	-	-	-	-
-	-	-	-	-	4,726
-	-	-	-	-	-
-	-	-	-	-	594,097
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>243,223</u>	<u>28,062</u>	<u>439,255</u>	<u>-</u>	<u>-</u>	<u>598,823</u>
<u>(127,248)</u>	<u>(7,440)</u>	<u>(49,764)</u>	<u>-</u>	<u>11,311</u>	<u>(598,823)</u>
-	-	-	-	-	-
-	-	-	-	-	-
103,829	-	329,355	318,120	-	700,000
-	-	-	(316,531)	(30,229)	-
<u>103,829</u>	<u>-</u>	<u>329,355</u>	<u>1,589</u>	<u>(30,229)</u>	<u>700,000</u>
(23,419)	(7,440)	279,591	1,589	(18,918)	101,177
22,159	40,476	-	144,850	291,838	(45,944)
<u>\$ (1,260)</u>	<u>\$ 33,036</u>	<u>\$ 279,591</u>	<u>\$ 146,439</u>	<u>\$ 272,920</u>	<u>\$ 55,233</u>

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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, 2012

Capital Projects

	<u>Deer Park Special Assessment</u>	<u>Total Nonmajor Governmental Funds</u>
<i>Revenues:</i>		
Taxes:		
Property	\$ -	\$ 650,859
Gross receipts	-	709,726
Gasoline and motor vehicle taxes	-	164,698
Other	-	58,429
Intergovernmental:		
Federal operating grants	-	1,649,431
Federal capital grants	-	500,000
State operating grants	-	1,612,806
State capital grants	-	22,166
Charges for services	-	508,608
Investment income	-	23,564
Miscellaneous	-	19,009
<i>Total revenues</i>	<u>-</u>	<u>5,919,296</u>
<i>Expenditures:</i>		
Current:		
General government	-	1,037,288
Public safety	-	955,139
Public works	-	218,265
Culture and recreation	14,553	41,637
Health and welfare	-	3,103,220
Capital outlay	644,567	2,651,854
Debt service:		
Principal	-	288,736
Interest	-	15,725
Debt issuance costs	-	5,220
<i>Total expenditures</i>	<u>659,120</u>	<u>8,317,084</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(659,120)</u>	<u>(2,397,788)</u>
<i>Other financing sources (uses)</i>		
Loan proceeds	-	353,220
Proceeds from sale of equipment	-	8,162
Transfers in	30,319	2,387,470
Transfers (out)	-	(944,436)
<i>Total other financing sources (uses)</i>	<u>30,319</u>	<u>1,804,416</u>
<i>Net change in fund balances</i>	(628,801)	(593,372)
<i>Fund balances - beginning of year</i>	<u>628,801</u>	<u>3,742,649</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ 3,149,277</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-1

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	1	1
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</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>1</u>	<u>1</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
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>1</u>	<u>1</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</u>	<u>\$ 1</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 1
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 1</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-2

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	-	-	-	-
Charges for services	-	-	225	225
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<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	42,550	42,550	42,358	192
Health and welfare	41,000	41,000	37,500	3,500
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>83,550</u>	<u>83,550</u>	<u>79,858</u>	<u>3,692</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(83,550)</u>	<u>(83,550)</u>	<u>(79,633)</u>	<u>3,917</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	12,300	12,300	-	(12,300)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	71,250	71,250	71,250	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>83,550</u>	<u>83,550</u>	<u>71,250</u>	<u>(12,300)</u>
<i>Net change in fund balance</i>	-	-	(8,383)	(8,383)
<i>Fund balance - beginning of year</i>	-	-	12,300	12,300
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,917</u>	<u>\$ 3,917</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (8,383)
No adjustments to revenues				-
Adjustments to expenditures for services received and recognized in the prior year				<u>20,000</u>
Net change in fund balance (GAAP)				<u>\$ 11,617</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, 2012

	Budgeted Amounts		Actual	Variations Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	2,363	2,363	-	(2,363)
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	33,000	33,000	56,096	23,096
Investment income	1,000	1,000	1,743	743
Miscellaneous	-	-	469	469
<i>Total revenues</i>	<u>36,363</u>	<u>36,363</u>	<u>58,308</u>	<u>21,945</u>
<i>Expenditures:</i>				
Current:				
General government	254,650	254,650	60,489	194,161
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>254,650</u>	<u>254,650</u>	<u>60,489</u>	<u>194,161</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(218,287)</u>	<u>(218,287)</u>	<u>(2,181)</u>	<u>216,106</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	218,287	218,287	-	(218,287)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>218,287</u>	<u>218,287</u>	<u>-</u>	<u>(218,287)</u>
<i>Net change in fund balance</i>	-	-	(2,181)	(2,181)
<i>Fund balance - beginning of year</i>	-	-	218,287	218,287
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 216,106</u>	<u>\$ 216,106</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (2,181)
No adjustments to revenues				-
Adjustments to expenditures for fuel costs				(12)
Net change in fund balance (GAAP)				<u>\$ (2,193)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-4

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	100,000	-	(100,000)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	34,000	34,000	11,820	(22,180)
Investment income	-	-	-	-
Miscellaneous	8,500	8,500	-	(8,500)
<i>Total revenues</i>	<u>42,500</u>	<u>142,500</u>	<u>11,820</u>	<u>(130,680)</u>
<i>Expenditures:</i>				
Current:				
General government	341,273	444,553	321,877	122,676
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>341,273</u>	<u>444,553</u>	<u>321,877</u>	<u>122,676</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(298,773)</u>	<u>(302,053)</u>	<u>(310,057)</u>	<u>(8,004)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	29,625	(110,375)	-	110,375
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	269,148	412,428	300,000	(112,428)
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>298,773</u>	<u>302,053</u>	<u>300,000</u>	<u>(2,053)</u>
<i>Net change in fund balance</i>	-	-	(10,057)	(10,057)
<i>Fund balance - beginning of year</i>	-	-	29,625	29,625
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,568</u>	<u>\$ 19,568</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (10,057)
No adjustments to revenues				-
Adjustments to expenditures for materials and other charges				5,348
Net change in fund balance (GAAP)				<u>\$ (4,709)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-5

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	8,000	8,000	-	(8,000)
State capital grants	-	50,000	-	(50,000)
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>8,000</u>	<u>58,000</u>	<u>-</u>	<u>(58,000)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	8,000	8,000	-	8,000
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	50,000	4,428	45,572
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>8,000</u>	<u>58,000</u>	<u>4,428</u>	<u>53,572</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,428)</u>	<u>(4,428)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	(4,428)	-	4,428
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	4,428	4,428	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>4,428</u>	<u>4,428</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)				\$ -
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
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, 2012

Statement B-6

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	180,000	180,000	183,331	3,331
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>180,000</u>	<u>180,000</u>	<u>183,331</u>	<u>3,331</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	270,000	270,000	218,265	51,735
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>270,000</u>	<u>270,000</u>	<u>218,265</u>	<u>51,735</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(90,000)</u>	<u>(90,000)</u>	<u>(34,934)</u>	<u>55,066</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	35,306	35,306	-	(35,306)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	54,694	54,694	54,694	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>90,000</u>	<u>90,000</u>	<u>54,694</u>	<u>(35,306)</u>
<i>Net change in fund balance</i>	-	-	19,760	19,760
<i>Fund balance - beginning of year</i>	-	-	35,306	35,306
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,066</u>	<u>\$ 55,066</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 19,760
Adjustments to revenues for gas taxes				(18,633)
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 1,127</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-7

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ 23,196	\$ 23,196	\$ 24,193	\$ 997
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	33,941	33,250	32,253	(997)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>57,137</u>	<u>56,446</u>	<u>56,446</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	88,500	88,500	88,500	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>88,500</u>	<u>88,500</u>	<u>88,500</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(31,363)</u>	<u>(32,054)</u>	<u>(32,054)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	31,363	32,054	32,054	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>31,363</u>	<u>32,054</u>	<u>32,054</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 property tax revenues				249
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 249</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Lincoln County
Fire 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, 2012

Statement B-8

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	1,020,070	1,091,815	1,015,542	(76,273)
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	5,400	5,400	6,263	863
Miscellaneous	-	-	80	80
<i>Total revenues</i>	<u>1,025,470</u>	<u>1,097,215</u>	<u>1,021,885</u>	<u>(75,330)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	697,367	771,016	453,613	317,403
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	1,078,368	1,291,245	980,403	310,842
Debt service:				
Principal	289,765	290,486	288,736	1,750
Interest	17,152	17,152	15,725	1,427
Debt issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>2,082,652</u>	<u>2,369,899</u>	<u>1,738,477</u>	<u>631,422</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,057,182)</u>	<u>(1,272,684)</u>	<u>(716,592)</u>	<u>556,092</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	709,182	924,684	-	(924,684)
Loan proceeds	348,000	348,000	348,000	-
Proceeds from sale of equipment	-	-	4,548	4,548
Transfers in	348,000	348,000	348,000	-
Transfers (out)	(348,000)	(348,000)	(348,000)	-
<i>Total other financing sources (uses)</i>	<u>1,057,182</u>	<u>1,272,684</u>	<u>352,548</u>	<u>(920,136)</u>
<i>Net change in fund balance</i>	-	-	(364,044)	(364,044)
<i>Fund balance - beginning of year</i>	-	-	924,685	924,685
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 560,641</u>	<u>\$ 560,641</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (364,044)
Adjustments to revenues for state grant revenues				(26,642)
Adjustments to expenditures for materials and other charges				276,284
Net change in fund balance (GAAP)				<u>\$ (114,402)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 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, 2012

Statement B-9

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	34,707	34,707	34,707	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	6,178	6,178
<i>Total revenues</i>	<u>34,707</u>	<u>34,707</u>	<u>40,885</u>	<u>6,178</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	141,990	141,990	106,632	35,358
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>141,990</u>	<u>141,990</u>	<u>106,632</u>	<u>35,358</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(107,283)</u>	<u>(107,283)</u>	<u>(65,747)</u>	<u>41,536</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	107,283	107,283	-	(107,283)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>107,283</u>	<u>107,283</u>	<u>-</u>	<u>(107,283)</u>
<i>Net change in fund balance</i>	-	-	(65,747)	(65,747)
<i>Fund balance - beginning of year</i>	-	-	107,283	107,283
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,536</u>	<u>\$ 41,536</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (65,747)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (65,747)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-10

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	66,000	66,000	61,330	(4,670)
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	400	400	696	296
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>66,400</u>	<u>66,400</u>	<u>62,026</u>	<u>(4,374)</u>
<i>Expenditures:</i>				
Current:				
General government	142,356	142,356	50,218	92,138
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>142,356</u>	<u>142,356</u>	<u>50,218</u>	<u>92,138</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(75,956)</u>	<u>(75,956)</u>	<u>11,808</u>	<u>87,764</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	75,956	75,956	-	(75,956)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>75,956</u>	<u>75,956</u>	<u>-</u>	<u>(75,956)</u>
<i>Net change in fund balance</i>	-	-	11,808	11,808
<i>Fund balance - beginning of year</i>	-	-	75,956	75,956
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,764</u>	<u>\$ 87,764</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 11,808
Adjustments to revenues for lodgers tax revenues				(2,902)
Adjustments to expenditures for advertising expenses recognized in the prior year				2,400
Net change in fund balance (GAAP)				<u>\$ 11,306</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-11

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	109,964	109,964	59,798	(50,166)
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	700	700
<i>Total revenues</i>	<u>109,964</u>	<u>109,964</u>	<u>60,498</u>	<u>(49,466)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	89,906	89,906	39,668	50,238
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>89,906</u>	<u>89,906</u>	<u>39,668</u>	<u>50,238</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>20,058</u>	<u>20,058</u>	<u>20,830</u>	<u>772</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(20,058)	(20,058)	-	20,058
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(20,058)</u>	<u>(20,058)</u>	<u>-</u>	<u>20,058</u>
<i>Net change in fund balance</i>	-	-	20,830	20,830
<i>Fund balance - beginning of year</i>	-	-	827	827
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,657</u>	<u>\$ 21,657</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 20,830
Adjustments to revenues for state grant revenue				(433)
Adjustments to expenditures for payroll and operating expenditures				433
Net change in fund balance (GAAP)				<u>\$ 20,830</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-12

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	119,967	119,967	73,642	(46,325)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>119,967</u>	<u>119,967</u>	<u>73,642</u>	<u>(46,325)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	12,500	12,500	-	12,500
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	73,700	73,700	17,875	55,825
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>86,200</u>	<u>86,200</u>	<u>17,875</u>	<u>68,325</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>33,767</u>	<u>33,767</u>	<u>55,767</u>	<u>22,000</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(33,767)	(33,767)	(33,767)	-
<i>Total other financing sources (uses)</i>	<u>(33,767)</u>	<u>(33,767)</u>	<u>(33,767)</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	22,000	22,000
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,000</u>	<u>\$ 22,000</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 22,000
No adjustments to revenues				-
Adjustments to expenditures for contract costs				(5,962)
Net change in fund balance (GAAP)				<u>\$ 16,038</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-13

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	-	-	-	-
Charges for services	-	-	-	-
Investment income	200	200	305	105
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>200</u>	<u>200</u>	<u>305</u>	<u>105</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	51,053	27,513	58	27,455
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	23,540	23,540	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>51,053</u>	<u>51,053</u>	<u>23,598</u>	<u>27,455</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(50,853)</u>	<u>(50,853)</u>	<u>(23,293)</u>	<u>27,560</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	50,853	50,853	-	(50,853)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>50,853</u>	<u>50,853</u>	<u>-</u>	<u>(50,853)</u>
<i>Net change in fund balance</i>	-	-	(23,293)	(23,293)
<i>Fund balance - beginning of year</i>	-	-	50,853	50,853
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,560</u>	<u>\$ 27,560</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (23,293)
Adjustments to revenues for sale of county equipment				73
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (23,220)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-14

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	-	-	-	-
Charges for services	220,000	220,000	238,468	18,468
Investment income	-	-	-	-
Miscellaneous	-	-	785	785
<i>Total revenues</i>	<u>220,000</u>	<u>220,000</u>	<u>239,253</u>	<u>19,253</u>
<i>Expenditures:</i>				
Current:				
General government	223,018	223,018	130,230	92,788
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	297,070	297,070	79,384	217,686
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>520,088</u>	<u>520,088</u>	<u>209,614</u>	<u>310,474</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(300,088)</u>	<u>(300,088)</u>	<u>29,639</u>	<u>329,727</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	300,088	300,088	-	(300,088)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>300,088</u>	<u>300,088</u>	<u>-</u>	<u>(300,088)</u>
<i>Net change in fund balance</i>	-	-	29,639	29,639
<i>Fund balance - beginning of year</i>	-	-	354,518	354,518
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 384,157</u>	<u>\$ 384,157</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 29,639
No adjustments to revenues				-
Adjustments to expenditures for materials, other charges, and payroll expenditures				(15,007)
Net change in fund balance (GAAP)				<u>\$ 14,632</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-15

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	51,432	48,855	48,855	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>51,432</u>	<u>48,855</u>	<u>48,855</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	55,088	52,511	52,501	10
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>55,088</u>	<u>52,511</u>	<u>52,501</u>	<u>10</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3,656)</u>	<u>(3,656)</u>	<u>(3,646)</u>	<u>10</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	3,656	3,656	-	(3,656)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>3,656</u>	<u>3,656</u>	<u>-</u>	<u>(3,656)</u>
<i>Net change in fund balance</i>	-	-	(3,646)	(3,646)
<i>Fund balance - beginning of year</i>	-	-	3,657	3,657
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11</u>	<u>\$ 11</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (3,646)
Adjustments to revenues for sale of county equipment				41
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (3,605)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-16

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ 578,898	\$ 604,277	\$ 626,417	\$ 22,140
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	-	-	-	-
Charges for services	-	-	-	-
Investment income	1,000	1,000	3,246	2,246
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>579,898</u>	<u>605,277</u>	<u>629,663</u>	<u>24,386</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	579,683	579,683	578,012	1,671
Capital outlay	20,399	37,438	26,775	10,663
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>600,082</u>	<u>617,121</u>	<u>604,787</u>	<u>12,334</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(20,184)</u>	<u>(11,844)</u>	<u>24,876</u>	<u>36,720</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	20,184	11,844	-	(11,844)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>20,184</u>	<u>11,844</u>	<u>-</u>	<u>(11,844)</u>
<i>Net change in fund balance</i>	-	-	24,876	24,876
<i>Fund balance - beginning of year</i>	-	-	379,674	379,674
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 404,550</u>	<u>\$ 404,550</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 24,876
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 24,876</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-17

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	30,200	30,200	30,200	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>30,200</u>	<u>30,200</u>	<u>30,200</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	47,856	47,856	34,219	13,637
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>47,856</u>	<u>47,856</u>	<u>34,219</u>	<u>13,637</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(17,656)</u>	<u>(17,656)</u>	<u>(4,019)</u>	<u>13,637</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	17,656	17,656	-	(17,656)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>17,656</u>	<u>17,656</u>	<u>-</u>	<u>(17,656)</u>
<i>Net change in fund balance</i>	-	-	(4,019)	(4,019)
<i>Fund balance - beginning of year</i>	-	-	17,656	17,656
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,637</u>	<u>\$ 13,637</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (4,019)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (4,019)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-18

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	102,768	108,411	98,741	(9,670)
Federal capital grants	-	-	-	-
State operating grants	360,692	356,106	335,736	(20,370)
State capital grants	20,000	18,400	22,166	3,766
Payment in lieu of taxes	-	-	-	-
Charges for services	81,550	81,550	98,245	16,695
Investment income	-	-	-	-
Miscellaneous	-	-	385	385
<i>Total revenues</i>	<u>565,010</u>	<u>564,467</u>	<u>555,273</u>	<u>(9,194)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	691,268	743,732	732,193	11,539
Capital outlay	30,646	4,766	4,766	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>721,914</u>	<u>748,498</u>	<u>736,959</u>	<u>11,539</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(156,904)</u>	<u>(184,031)</u>	<u>(181,686)</u>	<u>2,345</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	91,001	93,347	-	(93,347)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	65,903	90,684	90,684	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>156,904</u>	<u>184,031</u>	<u>90,684</u>	<u>(93,347)</u>
<i>Net change in fund balance</i>	-	-	(91,002)	(91,002)
<i>Fund balance - beginning of year</i>	-	-	91,002	91,002
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (91,002)
Adjustments to revenues for state and federal grant revenues				51,738
Adjustments to expenditures for materials, other charges, and payroll expenditures				(423)
Net change in fund balance (GAAP)				<u>\$ (39,687)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 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, 2012

Statement B-19

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	160,000	160,000	129,484	(30,516)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>160,000</u>	<u>160,000</u>	<u>129,484</u>	<u>(30,516)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	160,000	160,000	129,484	30,516
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>160,000</u>	<u>160,000</u>	<u>129,484</u>	<u>30,516</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 (budgeted increase in cash)	-	-	-	-
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
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				(2,567)
Adjustments to expenditures for materials and other charges				2,567
Net change in fund balance (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-20

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	-	-	-	-
Charges for services	-	-	-	-
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 (budgeted increase in cash)	-	-	-	-
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
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>2,951</u>	<u>2,951</u>
<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
 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, 2012

Statement B-21

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	714,700	1,219,700	935,497	(284,203)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>714,700</u>	<u>1,219,700</u>	<u>935,497</u>	<u>(284,203)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	833,138	1,338,138	904,209	433,929
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>833,138</u>	<u>1,338,138</u>	<u>904,209</u>	<u>433,929</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(118,438)</u>	<u>(118,438)</u>	<u>31,288</u>	<u>149,726</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	118,438	118,438	-	(118,438)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>118,438</u>	<u>118,438</u>	<u>-</u>	<u>(118,438)</u>
<i>Net change in fund balance</i>	-	-	31,288	31,288
<i>Fund balance - beginning of year</i>	-	-	118,438	118,438
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 149,726</u>	<u>\$ 149,726</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 31,288
Adjustments to revenues for federal grant revenue				56,889
Adjustments to expenditures for materials and other charges				(69,118)
Net change in fund balance (GAAP)				<u>\$ 19,059</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 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, 2012

Statement B-22

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	-	-	-	-
Charges for services	150,000	150,000	102,100	(47,900)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>150,000</u>	<u>150,000</u>	<u>102,100</u>	<u>(47,900)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	150,000	150,000	101,320	48,680
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>150,000</u>	<u>150,000</u>	<u>101,320</u>	<u>48,680</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>780</u>	<u>780</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
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>780</u>	<u>780</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>\$ 780</u>	<u>\$ 780</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 780
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 780</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-23

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	500,000	500,000	500,000	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	52,500	22,884	7,884	15,000
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	565,256	594,872	582,184	12,688
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>617,756</u>	<u>617,756</u>	<u>590,068</u>	<u>27,688</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(117,756)</u>	<u>(117,756)</u>	<u>(90,068)</u>	<u>27,688</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	117,756	117,756	-	(117,756)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	(215,909)	(215,909)
<i>Total other financing sources (uses)</i>	<u>117,756</u>	<u>117,756</u>	<u>(215,909)</u>	<u>(333,665)</u>
<i>Net change in fund balance</i>	-	-	(305,977)	(305,977)
<i>Fund balance - beginning of year</i>	-	-	305,977	305,977
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (305,977)
No adjustments to revenues				-
Adjustments to expenditures for materials and other charges				2,885
Net change in fund balance (GAAP)				<u>\$ (303,092)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 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, 2012

Statement B-24

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	575,000	575,000	585,754	10,754
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	5,412	5,412
<i>Total revenues</i>	<u>575,000</u>	<u>575,000</u>	<u>591,166</u>	<u>16,166</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	691,262	691,261	469,511	221,750
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>691,262</u>	<u>691,261</u>	<u>469,511</u>	<u>221,750</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(116,262)</u>	<u>(116,261)</u>	<u>121,655</u>	<u>237,916</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	111,525	111,524	-	(111,524)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	4,737	4,737	4,737	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>116,262</u>	<u>116,261</u>	<u>4,737</u>	<u>(111,524)</u>
<i>Net change in fund balance</i>	-	-	126,392	126,392
<i>Fund balance - beginning of year</i>	-	-	111,525	111,525
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 237,917</u>	<u>\$ 237,917</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 126,392
Adjustments to revenues for gross receipts taxes and reimbursements				2,055
Adjustments to expenditures for materials and other charges				14,561
Net change in fund balance (GAAP)				<u>\$ 143,008</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-25

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	136,000	136,000	108,306	(27,694)
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>136,000</u>	<u>136,000</u>	<u>108,306</u>	<u>(27,694)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	264,000	264,000	241,414	22,586
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>264,000</u>	<u>264,000</u>	<u>241,414</u>	<u>22,586</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(128,000)</u>	<u>(128,000)</u>	<u>(133,108)</u>	<u>(5,108)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	29,279	24,171	-	(24,171)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	98,721	103,829	103,829	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>128,000</u>	<u>128,000</u>	<u>103,829</u>	<u>(24,171)</u>
<i>Net change in fund balance</i>	-	-	(29,279)	(29,279)
<i>Fund balance - beginning of year</i>	-	-	29,279	29,279
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (29,279)
Adjustments to revenues for state grant revenues				7,669
Adjustments to expenditures for materials and other charges				(1,809)
Net change in fund balance (GAAP)				<u>\$ (23,419)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 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, 2012

Statement B-26

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	66,702	66,701	35,000	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>66,702</u>	<u>66,701</u>	<u>35,000</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	56,809	56,809	29,196	27,613
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>56,809</u>	<u>56,809</u>	<u>29,196</u>	<u>27,613</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>9,893</u>	<u>9,892</u>	<u>5,804</u>	<u>27,613</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(9,893)	(9,892)	-	9,892
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(9,893)</u>	<u>(9,892)</u>	<u>-</u>	<u>9,892</u>
<i>Net change in fund balance</i>	-	-	5,804	5,804
<i>Fund balance - beginning of year</i>	-	-	26,557	26,557
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,361</u>	<u>\$ 32,361</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 5,804
Adjustments to revenues for federal grants revenues				(14,378)
Adjustments to expenditures for materials, other charges, and payroll expenditures				1,134
Net change in fund balance (GAAP)				<u>\$ (7,440)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Lincoln County
Disaster Relief 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, 2012

Statement B-27

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	979,422	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>979,422</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	579,831	329,355	250,476
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>579,831</u>	<u>329,355</u>	<u>250,476</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>399,591</u>	<u>(329,355)</u>	<u>250,476</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	(728,946)	-	728,946
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	329,355	329,355	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(399,591)</u>	<u>329,355</u>	<u>728,946</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 federal grants for disaster reimbursements				389,491
Adjustments to expenditures for materials, other charges, and payroll expenditures				<u>(109,900)</u>
Net change in fund balance (GAAP)				<u>\$ 279,591</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 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, 2012

Statement B-28

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	-	-	-	-
Charges for services	-	-	-	-
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 (budgeted increase in cash)	1,100	(1,589)	-	1,589
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	303,445	318,120	318,120	-
Transfers (out)	(304,545)	(316,531)	(316,531)	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>1,589</u>	<u>1,589</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>1,589</u>	<u>1,589</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>144,850</u>	<u>144,850</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 146,439</u>	<u>\$ 146,439</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 1,589
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 1,589</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-29

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	-	-	-	-
Charges for services	-	-	-	-
Investment income	8,000	28,279	11,311	(16,968)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>8,000</u>	<u>28,279</u>	<u>11,311</u>	<u>(16,968)</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>8,000</u>	<u>28,279</u>	<u>11,311</u>	<u>(16,968)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	1,730	1,950	-	(1,950)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(9,730)	(30,229)	(30,229)	-
<i>Total other financing sources (uses)</i>	<u>(8,000)</u>	<u>(28,279)</u>	<u>(30,229)</u>	<u>(1,950)</u>
<i>Net change in fund balance</i>	-	-	(18,918)	(18,918)
<i>Fund balance - beginning of year</i>	-	-	291,838	291,838
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 272,920</u>	<u>\$ 272,920</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (18,918)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (18,918)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Lincoln County
Capital Improvement 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, 2012

Statement B-30

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	-	-	-	-
Charges for services	-	-	-	-
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	5,892,043	5,702,497	644,767	5,057,730
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,892,043</u>	<u>5,702,497</u>	<u>644,767</u>	<u>5,057,730</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,892,043)</u>	<u>(5,702,497)</u>	<u>(644,767)</u>	<u>5,057,730</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	(12,990)	-	12,990
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	5,892,043	5,715,487	700,000	(5,015,487)
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>5,892,043</u>	<u>5,702,497</u>	<u>700,000</u>	<u>(5,002,497)</u>
<i>Net change in fund balance</i>	-	-	55,233	55,233
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,233</u>	<u>\$ 55,233</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 55,233
No adjustments to revenues				-
Adjustments to expenditures for capital outlay expenditures recognized in the prior year				45,944
Net change in fund balance (GAAP)				<u>\$ 101,177</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Lincoln County
 Deer Park Special Assessment 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, 2012

Statement B-31

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	-	-	-	-
Charges for services	-	-	-	-
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	3,500	13,993	13,993	-
Health and welfare	-	-	-	-
Capital outlay	1,186,569	1,206,396	1,206,396	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,190,069</u>	<u>1,220,389</u>	<u>1,220,389</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,190,069)</u>	<u>(1,220,389)</u>	<u>(1,220,389)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	1,190,069	1,190,070	-	(1,190,070)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	30,319	30,319	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,190,069</u>	<u>1,220,389</u>	<u>30,319</u>	<u>(1,190,070)</u>
<i>Net change in fund balance</i>	-	-	(1,190,070)	(1,190,070)
<i>Fund balance - beginning of year</i>	-	-	1,190,070	1,190,070
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (1,190,070)
No adjustments to revenues				-
Adjustments to expenditures for construction costs recognized in the prior year				561,269
Net change in fund balance (GAAP)				<u>\$ (628,801)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-32

Lincoln County

Deer Park Special Assessment 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, 2012

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) 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	-	-	-	-
Charges for services	-	-	-	-
Investment income	2,000	9,396	9,396	-
Special assessment	124,906	418,786	418,786	-
Special assessment - interest	151,209	89,471	90,168	697
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>278,115</u>	<u>517,653</u>	<u>518,350</u>	<u>697</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	76,008	76,008	76,008	-
Interest	82,282	82,282	82,282	-
<i>Total expenditures</i>	<u>158,290</u>	<u>158,290</u>	<u>158,290</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>119,825</u>	<u>359,363</u>	<u>360,060</u>	<u>697</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(119,825)	(329,045)	-	329,045
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	(30,318)	(30,318)	-
<i>Total other financing sources (uses)</i>	<u>(119,825)</u>	<u>(359,363)</u>	<u>(30,318)</u>	<u>329,045</u>
<i>Net change in fund balance</i>	-	-	329,742	329,742
<i>Fund balance - beginning of year</i>	-	-	578,876	578,876
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 908,618</u>	<u>\$ 908,618</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 329,742
Adjustments to revenues for special assessment revenue				(13,732)
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 316,010</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2012

Statement B-33

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	575,000	585,754	585,754	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>575,000</u>	<u>585,754</u>	<u>585,754</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	110,000	3,270,000	3,270,000	-
Interest	161,555	161,555	161,555	-
Debt issuance costs	-	51,192	51,192	-
<i>Total expenditures</i>	<u>271,555</u>	<u>3,482,747</u>	<u>3,482,747</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>303,445</u>	<u>(2,896,993)</u>	<u>(2,896,993)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Loan proceeds	-	3,215,113	3,215,113	-
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(303,445)	(318,120)	(318,120)	-
<i>Total other financing sources (uses)</i>	<u>(303,445)</u>	<u>2,896,993</u>	<u>2,896,993</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 gross receipts tax revenues				41,118
Adjustments to expenditures for interest and issuance costs				<u>(44,063)</u>
Net change in fund balance (GAAP)				<u>\$ (2,945)</u>

The accompanying notes are an integral part of these financial statements

SUPPORTING SCHEDULES

STATE OF NEW MEXICO
 Lincoln County
 Schedule of Collateral Pledged by Depository For Public Funds
 June 30, 2012

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2012</u>
City Bank				
	FHLMC G #30567	12/1/2031	3128CUTY2	\$ 1,034,418
	FHLB LOC	11/23/2012		200,000
Total City Bank				<u>1,234,418</u>

Name and location of safekeeper for above pledged collateral:
 Federal Home Loan Bank, 8500 Freeport Parkway South, Irving, TX 75063

Compass Bank				
	FHLMC 3762 AV	10/15/2023	3137A3NJ4	14,937
	FHR 2929 BA	2/15/2025	31395MAC3	185,210
	FNMA #255892	9/1/2025	31371MF93	30,723
	FNMA #889339	12/1/2028	31410KBG8	202,992
	FNMA #889339	12/1/2028	31410KBG8	482,754
	FNMA #889339	12/2/2028	31410KBG8	381,310
	FNMA #G04000	12/1/2029	3128M5X54	59,670
	FHLMC ARM #780996	10/1/2033	31349SC92	265,039
	FNMA ARM #886344	7/1/2036	31410DWD8	317,307
	FNR 2006-81 FA	9/25/2036	31396KM33	131,339
	FHLMC 3662 PH	1/15/2030	31398VRQ1	29,673
	GNR 2011-3 JN	7/20/2040	38377TMQ1	27,009
	GNR 2011-3 JN	7/20/2040	38377TMQ1	54,019
	GNR 2011-3 JN	7/20/2040	38377TMQ1	14,732
	GNMA II #4804	9/20/2040	36202FKR6	114,399
Total Compass Bank				<u>2,311,113</u>

Name and location of safekeeper for above pledged collateral:
 Federal Home Loan Bank, 15 South 20th Street, Birmingham, Alabama 35233

First National Bank				
	FHLMC Pool #782546	6/1/2019	31405CL31	462,195
	FHLMC Pool #AC8587	1/1/2020	31417VRH8	381,914
	FHLMC Pool #J14785	3/1/2026	3128PUJ60	3,581,847
	FNMA Pool #AH7535	3/1/2026	3138A9LR3	2,659,279
	FHLMC Pool #P20607	5/1/2035	31283YR34	621,970
	FHLMC Pool #N31323	9/1/2036	31261BPG9	113,108
	FNMA Pool #256530	12/1/2036	31371M4P9	426,796
	FNMA Pool #256530	12/1/2036	31371M4P9	391,229
	FNMA Pool #H19015	5/1/2037	3128NAAQ1	314,035
	GNMA II Pool #4363	2/20/2039	36202EZ44	234,348
	FNMA Pool #778991	5/1/2034	31404UM64	212,693
Total First National Bank				<u>9,399,414</u>

Name and location of safekeeper for above pledged collateral:
 Federal Home Loan Bank, 8500 Freeport Parkway South, Irving, TX 75063

See independent auditors' report

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2012</u>
First Savings Bank				
	MBS FNMA 10-YR	7/1/2017	31371NGQ2	3,930
	FHR 2841 BJ	4/15/2018	31395ES32	687
	MBS FHLMC M30034 Gold	12/1/2020	31282CBB2	71,779
	MBS FHLMC Gold 15-YR	12/2/2020	31336WAL3	413,615
	FHR 3117 PC	6/15/2031	31396HVV8	123,238
	GNR 2010-21 MC	11/20/2034	38376VVB0	398,738
	FHR 3048 PC	315/2035	31396CSM3	42,458
Total First Savings Bank				<u>1,054,445</u>
Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank, 125 W. Sioux Ave, Pierre, SD 57501				
Pioneer Bank				
	GNMA II	6/20/2030	080418/001	77,517
	GNMA	12/20/2030	080477/001	11,291
	FHLMC 3-1	7/1/2033	1b0951/001	499,735
	FNMA ARM	9/1/2032	661745/001	28,839
	FNMA	11/1/2035	745130/001	147,588
	FNMA	1/1/2034	759453/001	184,158
	FHLMC	7/1/2034	781721/001	122,027
	FNMA	12/1/2035	845529/001	524,561
Total Pioneer Bank				<u>1,595,716</u>
Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank, Dallas, Texas				
Washington Federal Bank				
	FHLMC Gold PC A94288	10/1/2040	312942XR1	3,931,628
Total Washington Federal Bank				<u>3,931,628</u>
Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank, 8500 Freeport Parkway South, Irving, TX 75063				
Wells Fargo Bank				
	FN 190405	10/1/2040	31368HNW9	3,759
	FN AH1559	12/1/2040	3138A2WV7	8,726
	FN AH1560	1/1/2041	3138A2WW5	23,199
	FN AH6292	4/1/2041	3138A77E2	55,709
	FN AH6438	2/1/2026	3138A8EL6	91,573
	FN AH8121	3/1/2026	3138AAAX9	180,429
	FN AJ3038	10/1/2041	3138AULU9	2,007,699
	FN MA1027	4/1/2042	31418AD96	78,664
Total Wells Fargo Bank				<u>2,449,758</u>
Name and location of safekeeper for above pledged collateral: Wells Fargo Bank, 333 Market Street, 17th Floor, San Francisco, CA 94105				
Total Pledged Collateral				<u>\$ 21,976,492</u>

STATE OF NEW MEXICO
Lincoln County
Schedule of Deposit and Investment Accounts
June 30, 2012

Bank Account Type/Name	City Bank	Compass Bank	First National Bank	First Savings Bank	LPL Financial Services
Money Market Account	\$ 1,326,988	\$ -	\$ -	\$ -	\$ -
Money Market Account	-	1,510,168	-	-	-
Certificate of Deposit	-	100,000	-	-	-
Certificate of Deposit	-	600,000	-	-	-
Checking - Operational	-	-	6,184,307	-	-
Checking - Sheriff Seizure	-	-	51,550	-	-
Checking - Detention Trust	-	-	19,016	-	-
Checking - Sheriff's petty cash	-	-	1,000	-	-
Checking - Narcotic	-	-	220	-	-
Checking - HIDTA	-	-	200	-	-
Money Market Account	-	-	-	952,175	-
Money Market Account	-	-	-	-	14,969
Money Market Account	-	-	-	-	102,308
Investment**	-	-	-	-	257,951
Investment**	-	-	-	-	1,769,147
Reserve Contingency Fund	-	-	-	-	-
Reserve Contingency Fund	-	-	-	-	-
Money Market Account	-	-	-	-	-
Certificate of Deposit	-	-	-	-	-
Money Market Account	-	-	-	-	-
Certificate of Deposit	-	-	-	-	-
Money Market Account	-	-	-	-	-
NMFA Reserve Account**	-	-	-	-	-
Total	<u>1,326,988</u>	<u>2,210,168</u>	<u>6,256,293</u>	<u>952,175</u>	<u>2,144,375</u>
Reconciling items	-	-	(607,434)	-	-
Reconciled balance	<u><u>\$ 1,326,988</u></u>	<u><u>\$ 2,210,168</u></u>	<u><u>\$ 5,648,859</u></u>	<u><u>\$ 952,175</u></u>	<u><u>\$ 2,144,375</u></u>

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

See independent auditors' report

LGIP	Pioneer Bank	Southwest Securities	Washington Federal Bank	Wells Fargo Bank	Bank of NY Mellon	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,326,988
-	-	-	-	-	-	1,510,168
-	-	-	-	-	-	100,000
-	-	-	-	-	-	600,000
-	-	-	-	-	-	6,184,307
-	-	-	-	-	-	51,550
-	-	-	-	-	-	19,016
-	-	-	-	-	-	1,000
-	-	-	-	-	-	220
-	-	-	-	-	-	200
-	-	-	-	-	-	952,175
-	-	-	-	-	-	14,969
-	-	-	-	-	-	102,308
-	-	-	-	-	-	257,951
-	-	-	-	-	-	1,769,147
2,201	-	-	-	-	-	2,201
5	-	-	-	-	-	5
-	1,609,241	-	-	-	-	1,609,241
-	-	245,000	-	-	-	245,000
-	-	-	3,181,047	-	-	3,181,047
-	-	-	10,048	-	-	10,048
-	-	-	-	2,563,040	-	2,563,040
-	-	-	-	-	43,331	43,331
<u>2,206</u>	<u>1,609,241</u>	<u>245,000</u>	<u>3,191,095</u>	<u>2,563,040</u>	<u>43,331</u>	<u>20,543,912</u>
-	-	-	-	-	-	(607,434)
<u>\$ 2,206</u>	<u>\$ 1,609,241</u>	<u>\$ 245,000</u>	<u>\$ 3,191,095</u>	<u>\$ 2,563,040</u>	<u>\$ 43,331</u>	<u>19,936,478</u>
	Petty cash					2,650
	Less: investments per Exhibit A-1					(2,984,352)
	Less: agency funds cash per Exhibit D-1					(165,227)
	Less: restricted cash and cash equivalents per Exhibit A-1					(951,949)
	Total unrestricted cash and cash equivalents per Exhibit A-1					<u>\$ 15,837,600</u>

STATE OF NEW MEXICO
Lincoln County
Reconciliation of Property Tax Rolls
For the Year Ended June 30, 2012

Uncollected taxes, July 1, 2011	\$	2,024,753
Net taxes charged to treasurer for current year		24,713,717
Current year tax collections		(24,902,475)
Adjustments		30,368
		30,368
 Uncollected taxes June 30, 2012	 \$	 1,866,363
		1,866,363

Detail of taxes distributed by agency:

School districts

Ruidoso Schools	\$	4,909,226
Carrizozo Schools		390,877
Corona Schools		189,021
Hondo Schools		315,631
Capitan Schools		1,218,422

Municipalities

Village of Capitan		69,123
Village of Carrizozo		47,421
Village of Corona		11,589
Village of Ruidoso		2,275,336
Village of Ruidoso Downs		370,758

Other

State of New Mexico		1,517,501
County of Lincoln		9,395,576
Predatory Animal Control		24,437
ENMU Ruidoso		1,053,739
Alpine Village Sanitation		36,678
Sun Valley Sanitation		63,293
Carrizozo Soil and Water		39,701
Chaves County Soil and Water		2,779
Upper Hondo Soil and Water		226,618
Claunch Pinto Soil and Water		2,829
Rural Clinics		632,744
Lincoln County Medical Center		2,109,176
		2,109,176

Total Distributed Taxes	\$	24,902,475
		24,902,475

See independent auditors' report

Schedule of receivables - delinquent property tax by year

2011	\$	1,195,546
2010		498,581
2009		127,711
2008		21,922
2007		10,050
2006		5,382
2005		2,909
2004		2,142
2003		1,162
2002		958
		<hr/>
Total	\$	<u><u>1,866,363</u></u>

Reconciliation of undistributed taxes

Undistributed taxes July 1, 2011	\$	-
Current year collections		24,902,475
Current year collections distributed		(24,902,475)
Collections held for future periods		-
		<hr/>
Undistributed taxes June 30, 2012	\$	<u><u>-</u></u>

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

Statement of Net Assets - Exhibit A-1	\$	834,973
Statement of Fiduciary Assets and Liabilities - Agency Funds - Exhibit D-1		<u>1,031,390</u>
		<hr/>
Total property taxes receivable	\$	<u><u>1,866,363</u></u>

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Lincoln County				
County Operational 2011	\$ 6,382,451	\$ 7,427	\$ 6,389,879	\$ -
County Operational 2010	6,068,165	(16,656)	6,051,509	5,657,066
County Operational 2009	5,859,271	12,837	5,872,108	5,763,051
County Operational 2008	5,427,742	(229)	5,427,513	5,397,150
County Operational 2007	4,866,627	800	4,867,427	4,863,922
County Operational 2006	4,314,739	6,530	4,321,269	4,318,083
County Operational 2005	3,896,377	18,242	3,914,619	3,913,583
County Operational 2004	3,639,565	18,365	3,657,930	3,657,191
County Operational 2003	3,303,970	(5,091)	3,298,879	3,298,575
County Operational 2002	3,191,574	(3,322)	3,188,252	3,188,065
Total Lincoln County	\$ 46,950,481	\$ 38,904	\$ 46,989,385	\$ 40,056,686
Special Projects 2011	\$ 2,921,840	\$ 1,721	\$ 2,923,561	\$ -
Special Projects 2010	2,865,314	(5,722)	2,859,592	2,694,993
Special Projects 2009	2,795,137	4,157	2,799,294	2,750,804
Special Projects 2008	2,446,517	(74)	2,446,443	2,437,243
Special Projects 2007	2,269,405	(668)	2,268,737	2,267,815
Special Projects 2006	1,989,340	682	1,990,022	1,989,784
Special Projects 2005	1,883,172	5,100	1,888,272	1,887,926
Special Projects 2004	1,700,161	5,934	1,706,095	1,705,773
Special Projects 2003	1,621,690	(1,173)	1,620,517	1,620,388
Special Projects 2002	1,503,751	(1,209)	1,502,542	1,502,427
Total Special Projects	\$ 21,996,327	\$ 8,747	\$ 22,005,074	\$ 18,857,153
State of New Mexico				
Debt Service 2011	\$ 1,447,197	\$ 852	\$ 1,448,050	\$ -
Debt Service 2010	1,593,908	(3,184)	1,590,725	1,499,392
Debt Service 2009	1,168,945	1,729	1,170,674	1,150,338
Debt Service 2008	1,112,058	(32)	1,112,026	1,107,832
Debt Service 2007	1,007,667	(314)	1,007,353	1,006,941
Debt Service 2006	933,890	319	934,209	934,111
Debt Service 2005	844,826	2,270	847,096	846,959
Debt Service 2004	635,552	2,203	637,755	637,650
Debt Service 2003	896,352	(654)	895,698	895,632
Debt Service 2002	614,077	(493)	613,584	613,541
Total State of NM	\$ 10,254,473	\$ 2,697	\$ 10,257,170	\$ 8,692,397

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 6,077,428	\$ 6,077,428	\$ 312,450	\$ 6,077,428	\$ 6,077,428	\$ 312,450
268,826	5,925,892	125,618	268,826	5,925,892	125,618
77,011	5,840,062	32,046	77,011	5,840,062	32,046
22,128	5,419,278	8,235	22,128	5,419,278	8,235
499	4,864,421	3,006	499	4,864,421	3,006
527	4,318,611	2,659	527	4,318,611	2,659
176	3,913,759	860	176	3,913,759	860
149	3,657,340	591	149	3,657,340	591
14	3,298,589	290	14	3,298,589	290
12	3,188,077	176	12	3,188,077	176
\$ 6,446,769	\$ 46,503,455	\$ 485,930	\$ 6,446,769	\$ 46,503,455	\$ 485,930
\$ 2,793,514	\$ 2,793,514	\$ 130,048	\$ 2,793,514	\$ 2,793,514	\$ 130,048
110,098	2,805,091	54,500	110,098	2,805,091	54,500
33,819	2,784,623	14,671	33,819	2,784,623	14,671
8,807	2,446,050	393	8,807	2,446,050	393
208	2,268,023	714	208	2,268,023	714
208	1,989,991	31	208	1,989,991	31
106	1,888,032	240	106	1,888,032	240
88	1,705,861	234	88	1,705,861	234
8	1,620,396	121	8	1,620,396	121
7	1,502,434	107	7	1,502,434	107
\$ 2,946,862	\$ 21,804,015	\$ 201,059	\$ 2,946,862	\$ 21,804,015	\$ 201,059
\$ 1,383,551	\$ 1,383,551	\$ 64,499	\$ 1,383,551	\$ 1,383,551	\$ 64,499
61,254	1,560,647	30,078	61,254	1,560,647	30,078
14,143	1,164,481	6,193	14,143	1,164,481	6,193
4,003	1,111,835	191	4,003	1,111,835	191
92	1,007,034	319	92	1,007,034	319
98	934,209	-	98	934,209	-
47	847,007	90	47	847,007	90
33	637,683	72	33	637,683	72
5	895,637	61	5	895,637	61
3	613,544	40	3	613,544	40
\$ 1,463,228	\$ 10,155,626	\$ 101,544	\$ 1,463,228	\$ 10,155,626	\$ 101,544

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency		Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Livestock					
Cattle	2011	\$ 50,910	\$ (25)	\$ 50,885	\$ -
Cattle	2010	44,448	(932)	43,516	42,219
Cattle	2009	56,714	(1,392)	55,321	54,888
Cattle	2008	53,644	(649)	52,995	52,777
Cattle	2007	50,119	72	50,191	49,995
Cattle	2006	41,744	(652)	41,092	41,089
Cattle	2005	38,116	(237)	37,879	37,879
Cattle	2004	30,882	(626)	30,256	30,255
Cattle	2003	33,704	(239)	33,465	33,465
Cattle	2002	39,847	(2,202)	37,645	37,645
Total Livestock		\$ 440,128	\$ (6,882)	\$ 433,245	\$ 380,212
Dairy Cattle					
Dairy Cattle	2011	\$ 28	\$ -	\$ 28	\$ -
Dairy Cattle	2010	25	-	25	25
Dairy Cattle	2009	51	-	51	51
Dairy Cattle	2008	43	-	43	43
Dairy Cattle	2007	50	(16)	34	34
Dairy Cattle	2006	79	-	79	79
Dairy Cattle	2005	116	-	116	116
Dairy Cattle	2004	159	(5)	154	154
Dairy Cattle	2003	165	(7)	158	158
Dairy Cattle	2002	165	(3)	162	162
Total Dairy Cattle		\$ 881	\$ (31)	\$ 850	\$ 822
Sheep & Goats					
Sheep & Goats	2011	\$ 1,357	\$ -	\$ 1,357	\$ -
Sheep & Goats	2010	767	-	767	740
Sheep & Goats	2009	1,374	-	1,374	1,350
Sheep & Goats	2008	1,489	(7)	1,482	1,481
Sheep & Goats	2007	1,535	(4)	1,531	1,531
Sheep & Goats	2006	2,312	(7)	2,305	2,305
Sheep & Goats	2005	2,052	(5)	2,047	2,047
Sheep & Goats	2004	2,782	(128)	2,654	2,653
Sheep & Goats	2003	3,169	(100)	3,069	3,069
Sheep & Goats	2002	5,300	(338)	4,962	4,962
Total Sheep & Goats		\$ 22,136	\$ (589)	\$ 21,548	\$ 20,138

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 48,328	\$ 48,328	\$ 2,556	\$ 48,328	\$ 48,328	\$ 2,556
933	43,153	364	933	43,153	364
78	54,966	355	78	54,966	355
6	52,783	212	6	52,783	212
128	50,123	68	128	50,123	68
-	41,089	3	-	41,089	3
-	37,879	-	-	37,879	-
-	30,255	1	-	30,255	1
-	33,465	-	-	33,465	-
-	37,645	-	-	37,645	-
\$ 49,474	\$ 429,686	\$ 3,559	\$ 49,474	\$ 429,686	\$ 3,559
\$ 25	\$ 25	\$ 3	\$ 25	\$ 25	\$ 3
-	25	-	-	25	-
-	51	-	-	51	-
-	43	-	-	43	-
-	34	-	-	34	-
-	79	-	-	79	-
-	116	-	-	116	-
-	154	-	-	154	-
-	158	-	-	158	-
-	162	-	-	162	-
\$ 25	\$ 848	\$ 3	\$ 25	\$ 848	\$ 3
\$ 1,098	\$ 1,098	\$ 259	\$ 1,098	\$ 1,098	\$ 259
26	766	1	26	766	1
23	1,373	1	23	1,373	1
-	1,482	-	-	1,482	-
-	1,531	1	-	1,531	1
-	2,305	-	-	2,305	-
-	2,047	-	-	2,047	-
-	2,653	1	-	2,653	1
-	3,069	-	-	3,069	-
-	4,962	-	-	4,962	-
\$ 1,147	\$ 21,286	\$ 261	\$ 1,147	\$ 21,286	\$ 261

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency		Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Equine					
Equine	2011	\$ 2,973	\$ (5)	\$ 2,968	\$ -
Equine	2010	2,881	(26)	2,855	2,638
Equine	2009	6,813	(34)	6,778	6,567
Equine	2008	-	-	-	-
Equine	2007	5,982	(90)	5,892	5,841
Equine	2006	5,896	(109)	5,787	5,729
Equine	2005	4,671	(161)	4,510	4,505
Equine	2004	4,619	(162)	4,457	4,457
Equine	2003	3,526	(59)	3,467	3,467
Equine	2002	3,078	110	3,188	3,188
Total Equine		\$ 40,439	\$ (537)	\$ 39,903	\$ 36,392
Bison					
Bison	2011	\$ 524	\$ -	\$ 524	\$ -
Bison	2010	276	-	276	227
Bison	2009	293	-	293	286
Bison	2008	489	-	489	489
Bison	2007	28	-	28	28
Bison	2006	35	-	35	35
Bison	2005	60	-	60	60
Bison	2004	154	(66)	88	88
Bison	2003	139	-	139	139
Bison	2002	199	(13)	186	186
Total Bison		\$ 2,197	\$ (79)	\$ 2,118	\$ 1,539
Predatory Control					
Predatory Control	2011	\$ 25,329	\$ (6)	\$ 25,324	\$ -
Predatory Control	2010	25,801	(570)	25,230	24,242
Predatory Control	2009	24,761	(206)	24,556	24,208
Predatory Control	2008	24,332	(87)	24,245	24,177
Predatory Control	2007	23,067	120	23,187	23,129
Predatory Control	2006	22,047	(201)	21,846	21,845
Predatory Control	2005	22,460	(42)	22,418	22,418
Predatory Control	2004	12,897	(434)	12,463	12,463
Predatory Control	2003	15,210	(325)	14,885	14,886
Predatory Control	2002	19,286	(1,335)	17,952	17,952
Total Predatory Control		\$ 215,190	\$ (3,085)	\$ 212,105	\$ 185,318

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 2,674	\$ 2,674	\$ 294	\$ 2,674	\$ 2,674	\$ 294
138	2,777	79	138	2,777	79
165	6,732	46	165	6,732	46
-	-	-	-	-	-
45	5,886	5	45	5,886	5
57	5,786	1	57	5,786	1
5	4,510	-	5	4,510	-
-	4,457	-	-	4,457	-
-	3,467	-	-	3,467	-
-	3,188	-	-	3,188	-
\$ 3,085	\$ 39,477	\$ 426	\$ 3,085	\$ 39,477	\$ 426
\$ 523	\$ 523	\$ 2	\$ 523	\$ -	\$ 2
18	246	30	18	-	30
-	286	6	-	-	6
-	489	-	-	-	-
-	28	-	-	-	-
-	35	-	-	35	-
-	60	-	-	60	-
-	88	-	-	88	-
-	139	-	-	139	-
-	186	-	-	186	-
\$ 541	\$ 2,080	\$ 38	\$ 541	\$ 508	\$ 38
\$ 23,369	\$ 23,369	\$ 1,955	\$ 23,369	\$ 23,369	\$ 1,955
792	25,033	197	792	25,033	197
236	24,444	112	236	24,444	112
3	24,180	65	3	24,180	65
38	23,167	20	38	23,167	20
-	21,845	1	-	21,845	1
-	22,418	-	-	22,418	-
-	12,463	1	-	12,463	1
-	14,886	-	-	14,886	-
-	17,952	-	-	17,952	-
\$ 24,437	\$ 209,755	\$ 2,350	\$ 24,437	\$ 209,755	\$ 2,350

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency		Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Village of Capitan					
Operational	2011	\$ 71,813	\$ (48)	\$ 71,766	\$ -
Operational	2010	67,933	(334)	67,599	61,655
Operational	2009	27,619	(10)	27,609	26,647
Operational	2008	25,756	(37)	25,719	25,499
Operational	2007	23,907	(9)	23,898	23,838
Operational	2006	21,758	49	21,807	21,754
Operational	2005	20,173	(57)	20,116	20,082
Operational	2004	19,210	(21)	19,189	19,166
Operational	2003	17,925	(289)	17,636	17,629
Operational	2002	16,998	(47)	16,951	16,947
Total Operational		\$ 313,092	\$ (802)	\$ 312,290	\$ 233,217
Debt	2011	\$ -	\$ -	\$ -	\$ -
Debt	2010	-	-	-	-
Debt	2009	-	-	-	-
Debt	2008	-	-	-	-
Debt	2007	-	-	-	-
Debt	2006	-	-	-	-
Debt	2005	-	-	-	-
Debt	2004	-	-	-	-
Debt	2003	-	-	-	-
Debt	2002	-	-	-	-
Total Debt		\$ -	\$ -	\$ -	\$ -
Village of Carrizozo					
Operational	2011	\$ 47,385	\$ (60)	\$ 47,324	\$ -
Operational	2010	45,881	(273)	45,608	39,772
Operational	2009	44,194	(49)	44,145	41,345
Operational	2008	39,310	(33)	39,277	38,935
Operational	2007	36,567	(32)	36,535	36,525
Operational	2006	34,013	(42)	33,971	33,958
Operational	2005	32,594	152	32,746	32,729
Operational	2004	31,957	104	32,061	32,043
Operational	2003	31,647	(189)	31,458	31,441
Operational	2002	30,347	(88)	30,259	30,244
Total Operational		\$ 373,894	\$ (509)	\$ 373,385	\$ 316,991

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 65,265	\$ 65,265	\$ 6,501	\$ 65,265	\$ 65,265	\$ 6,501
3,130	64,786	2,813	3,130	64,786	2,813
583	27,229	380	583	27,229	380
140	25,639	80	140	25,639	80
-	23,839	59	-	23,839	59
-	21,754	53	-	21,754	53
-	20,082	34	-	20,082	34
-	19,166	23	-	19,166	23
4	17,632	4	4	17,632	4
-	16,947	4	-	16,947	4
\$ 69,122	\$ 302,340	\$ 9,950	\$ 69,122	\$ 302,340	\$ 9,950
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 41,502	\$ 41,502	\$ 5,822	\$ 41,502	\$ 41,502	\$ 5,822
3,720	43,492	2,116	3,720	43,492	2,116
1,926	43,270	874	1,926	43,270	874
261	39,196	81	261	39,196	81
-	36,525	11	-	36,525	11
-	33,958	13	-	33,958	13
-	32,729	17	-	32,729	17
-	32,043	18	-	32,043	18
-	31,441	17	-	31,441	17
12	30,256	3	12	30,256	3
\$ 47,421	\$ 364,412	\$ 8,973	\$ 47,421	\$ 364,412	\$ 8,973

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency		Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Village of Carrizozo					
Debt	2011	\$ -	\$ -	\$ -	\$ -
Debt	2010	-	-	-	-
Debt	2009	-	-	-	-
Debt	2008	-	-	-	-
Debt	2007	-	-	-	-
Debt	2006	-	-	-	-
Debt	2005	-	-	-	-
Debt	2004	-	-	-	-
Debt	2003	-	-	-	-
Debt	2002	-	-	-	-
Total Debt		\$ -	\$ -	\$ -	\$ -
Village of Corona					
Operational	2011	\$ 11,662	\$ (80)	\$ 11,582	\$ -
Operational	2010	10,817	-	10,817	10,582
Operational	2009	10,485	-	10,485	10,451
Operational	2008	8,520	(5)	8,515	8,514
Operational	2007	7,911	(52)	7,859	7,823
Operational	2006	7,332	-	7,332	7,332
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	5,906
Total Operational		\$ 84,065	\$ 1	\$ 84,065	\$ 72,176
Debt					
Debt	2011	\$ -	\$ -	\$ -	\$ -
Debt	2010	-	-	-	-
Debt	2009	-	-	-	-
Debt	2008	-	-	-	-
Debt	2007	-	-	-	-
Debt	2006	-	-	-	-
Debt	2005	-	-	-	-
Debt	2004	-	-	-	-
Debt	2003	-	-	-	-
Debt	2002	-	-	-	-
Total Debt		\$ -	\$ -	\$ -	\$ -

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 11,349	\$ 11,349	\$ 233	\$ 11,349	\$ 11,349	\$ 233
210	10,792	25	210	10,792	25
29	10,480	5	29	10,480	5
1	8,515	-	1	8,515	-
-	7,823	36	-	7,823	36
-	7,332	-	-	7,332	-
-	9,070	1	-	9,070	1
-	6,553	-	-	6,553	-
-	5,945	-	-	5,945	-
-	5,906	-	-	5,906	-
\$ 11,589	\$ 83,765	\$ 300	\$ 11,589	\$ 83,765	\$ 300
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency		Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Village of Ruidoso					
Operational	2011	\$ 2,263,870	\$ (611)	\$ 2,263,259	\$ -
Operational	2010	2,195,648	(2,984)	2,192,664	2,062,360
Operational	2009	2,146,067	(4,796)	2,141,271	2,104,714
Operational	2008	2,000,847	375	2,001,222	1,993,071
Operational	2007	1,810,503	(2,015)	1,808,488	1,807,444
Operational	2006	1,583,772	251	1,584,023	1,583,287
Operational	2005	1,450,824	(321)	1,450,503	1,450,221
Operational	2004	1,383,656	950	1,384,606	1,384,427
Operational	2003	1,290,466	870	1,291,336	1,291,230
Operational	2002	1,246,706	(1,936)	1,244,770	1,244,672
Total Operational		\$ 17,372,359	\$ (10,218)	\$ 17,362,142	\$ 14,921,426
Debt	2011	\$ -	\$ -	\$ -	\$ -
Debt	2010	-	-	-	-
Debt	2009	-	-	-	-
Debt	2008	-	-	-	-
Debt	2007	-	-	-	-
Debt	2006	-	-	-	-
Debt	2005	-	-	-	-
Debt	2004	-	-	-	-
Debt	2003	301,751	297	302,048	302,022
Debt	2002	672,409	(926)	671,483	671,426
Total Debt		\$ 974,160	\$ (629)	\$ 973,531	\$ 973,448
Village of Ruidoso Downs					
Operational	2011	\$ 297,693	\$ (6)	\$ 297,686	\$ -
Operational	2010	277,398	(672)	276,726	243,633
Operational	2009	264,157	(850)	263,307	250,758
Operational	2008	244,014	(2,010)	242,004	239,126
Operational	2007	222,198	(288)	221,910	221,737
Operational	2006	199,114	(280)	198,834	198,574
Operational	2005	185,274	(758)	184,516	184,412
Operational	2004	177,538	(458)	177,080	177,001
Operational	2003	159,774	(302)	159,472	159,458
Operational	2002	155,317	(458)	154,859	154,834
Total Operational		\$ 2,182,477	\$ (6,082)	\$ 2,176,395	\$ 1,829,532

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 2,154,836	\$ 2,154,836	\$ 108,423	\$ 2,154,836	\$ 2,154,836	\$ 108,423
88,027	2,150,387	42,277	88,027	2,150,387	42,277
25,763	2,130,477	10,794	25,763	2,130,477	10,794
6,331	1,999,402	1,820	6,331	1,999,402	1,820
196	1,807,640	848	196	1,807,640	848
178	1,583,465	558	178	1,583,465	558
4	1,450,226	277	4	1,450,226	277
-	1,384,427	179	-	1,384,427	179
-	1,291,230	106	-	1,291,230	106
-	1,244,672	98	-	1,244,672	98
\$ 2,275,336	\$ 17,196,762	\$ 165,379	\$ 2,275,336	\$ 17,196,762	\$ 165,379
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	302,022	26	-	302,022	26
-	671,426	57	-	671,426	57
\$ -	\$ 973,448	\$ 83	\$ -	\$ 973,448	\$ 83
\$ 263,952	\$ 263,952	\$ 33,734	\$ 263,952	\$ 263,952	\$ 33,734
13,992	257,625	19,101	13,992	257,625	19,101
8,360	259,118	4,189	8,360	259,118	4,189
2,337	241,463	541	2,337	241,463	541
55	221,792	117	55	221,792	117
48	198,622	212	48	198,622	212
23	184,436	81	23	184,436	81
3	177,004	76	3	177,004	76
-	159,458	14	-	159,458	14
-	154,834	25	-	154,834	25
\$ 288,772	\$ 2,118,304	\$ 58,091	\$ 288,772	\$ 2,118,304	\$ 58,091

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency		Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Village of Ruidoso Downs					
Debt	2011	\$ 78,722	\$ (2)	\$ 78,720	\$ -
Debt	2010	136,409	(287)	136,122	120,496
Debt	2009	143,186	(411)	142,775	136,037
Debt	2008	109,074	(771)	108,303	106,974
Debt	2007	48,165	(85)	48,080	48,008
Debt	2006	-	-	-	-
Debt	2005	-	-	-	-
Debt	2004	-	-	-	-
Debt	2003	-	-	-	-
Debt	2002	-	-	-	-
Total Debt		\$ 515,557	\$ (1,555)	\$ 514,001	\$ 411,515
Eastern NM University - Ruidoso					
Advalorem	2011	\$ 1,045,423	\$ (310)	\$ 1,045,113	\$ -
Advalorem	2010	1,004,503	(1,681)	1,002,822	934,589
Advalorem	2009	985,813	(2,052)	983,761	965,150
Advalorem	2008	898,344	(231)	898,113	893,737
Advalorem	2007	813,791	(808)	812,983	812,423
Advalorem	2006	703,195	71	703,266	702,790
Advalorem	2005	643,543	(705)	642,838	642,647
Advalorem	2004	610,052	158	610,210	610,064
Advalorem	2003	565,306	388	565,694	565,648
Advalorem	2002	545,508	(716)	544,792	544,748
Total Advalorem		\$ 7,815,478	\$ (5,885)	\$ 7,809,593	\$ 6,671,795
Capitan Schools					
Operational	2011	\$ 97,553	\$ (96)	\$ 97,457	\$ -
Operational	2010	87,120	(118)	87,002	83,474
Operational	2009	85,249	(28)	85,221	83,892
Operational	2008	77,743	14	77,757	77,348
Operational	2007	70,045	(35)	70,010	69,995
Operational	2006	60,693	(2)	60,691	60,680
Operational	2005	53,983	(166)	53,817	53,811
Operational	2004	48,912	(20)	48,892	48,888
Operational	2003	44,764	(145)	44,619	44,618
Operational	2002	42,612	(25)	42,587	42,587
Total Operational		\$ 668,674	\$ (621)	\$ 668,053	\$ 565,293

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 69,647	\$ 69,647	\$ 9,073	\$ 69,647	\$ 69,647	\$ 9,073
6,835	127,330	8,792	6,835	127,330	8,792
4,444	140,482	2,294	4,444	140,482	2,294
1,047	108,021	282	1,047	108,021	282
12	48,020	60	12	48,020	60
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 81,986	\$ 493,500	\$ 20,501	\$ 81,986	\$ 493,500	\$ 20,501
\$ 990,822	\$ 990,822	\$ 54,291	\$ 990,822	\$ 990,822	\$ 54,291
46,251	980,840	21,983	46,251	980,840	21,983
13,008	978,158	5,603	13,008	978,158	5,603
3,310	897,047	1,066	3,310	897,047	1,066
102	812,525	459	102	812,525	459
131	702,920	346	131	702,920	346
62	642,710	128	62	642,710	128
53	610,117	93	53	610,117	93
-	565,648	46	-	565,648	46
-	544,748	44	-	544,748	44
\$ 1,053,739	\$ 7,725,535	\$ 84,059	\$ 1,053,739	\$ 7,725,535	\$ 84,059
\$ 87,343	\$ 87,343	\$ 10,113	\$ 87,343	\$ 87,343	\$ 10,113
2,177	85,651	1,351	2,177	85,651	1,351
959	84,851	370	959	84,851	370
373	77,721	37	373	77,721	37
1	69,996	15	1	69,996	15
-	60,680	11	-	60,680	11
-	53,811	5	-	53,811	5
-	48,888	4	-	48,888	4
1	44,619	-	1	44,619	-
-	42,587	-	-	42,587	-
\$ 90,854	\$ 656,147	\$ 11,906	\$ 90,854	\$ 656,147	\$ 11,906

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Capitan Schools				
Debt Service 2011	\$ 207,300	\$ (185)	\$ 207,115	\$ -
Debt Service 2010	202,490	(202)	202,288	194,548
Debt Service 2009	225,220	(40)	225,179	221,942
Debt Service 2008	237,876	133	238,009	236,982
Debt Service 2007	245,636	(111)	245,525	245,466
Debt Service 2006	255,406	(21)	255,385	255,332
Debt Service 2005	263,222	(625)	262,597	262,568
Debt Service 2004	271,605	(90)	271,515	271,496
Debt Service 2003	280,425	(770)	279,655	279,651
Debt Service 2002	293,310	(85)	293,225	293,225
Total Debt Service	\$ 2,482,490	\$ (1,997)	\$ 2,480,493	\$ 2,261,211
Capital Improvments 2011	\$ 707,259	\$ (637)	\$ 706,622	\$ -
Capital Improvments 2010	690,015	(689)	689,326	662,942
Capital Improvments 2009	676,336	(121)	676,215	666,494
Capital Improvments 2008	586,299	332	586,631	584,109
Capital Improvments 2007	539,859	(245)	539,614	539,484
Capital Improvments 2006	472,975	(38)	472,937	472,841
Capital Improvments 2005	425,858	(1,024)	424,834	424,788
Capital Improvments 2004	396,793	(130)	396,663	396,634
Capital Improvments 2003	361,864	(936)	360,928	360,922
Capital Improvments 2002	343,656	(102)	343,554	343,554
Total Cap. Imp.	\$ 5,200,913	\$ (3,591)	\$ 5,197,323	\$ 4,451,769
Ed Tech Debt 2011	\$ 207,300	\$ (192)	\$ 207,108	\$ -
Ed Tech Debt 2010	181,029	(180)	180,849	173,930
Ed Tech Debt 2009	-	-	-	-
Ed Tech Debt 2008	-	-	-	-
Ed Tech Debt 2007	-	-	-	-
Ed Tech Debt 2006	-	-	-	-
Ed Tech Debt 2005	-	-	-	-
Ed Tech Debt 2004	-	-	-	-
Ed Tech Debt 2003	-	-	-	-
Ed Tech Debt 2002	-	-	-	-
Total Ed. Tech Debt	\$ 388,329	\$ (373)	\$ 387,956	\$ 173,930

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 199,291	\$ 199,291	\$ 7,823	\$ 199,291	\$ 199,291	\$ 7,823
4,679	199,227	3,061	4,679	199,227	3,061
2,221	224,163	1,017	2,221	224,163	1,017
928	237,909	100	928	237,909	100
3	245,468	56	3	245,468	56
-	255,332	53	-	255,332	53
-	262,568	28	-	262,568	28
-	271,496	19	-	271,496	19
4	279,655	-	4	279,655	-
-	293,225	-	-	293,225	-
\$ 207,125	\$ 2,468,336	\$ 12,157	\$ 207,125	\$ 2,468,336	\$ 12,157
\$ 684,855	\$ 684,855	\$ 21,766	\$ 684,855	\$ 684,855	\$ 21,766
15,953	678,895	10,431	15,953	678,895	10,431
6,670	673,164	3,051	6,670	673,164	3,051
2,284	586,393	239	2,284	586,393	239
6	539,490	124	6	539,490	124
1	472,841	95	1	472,841	95
-	424,788	46	-	424,788	46
-	396,634	29	-	396,634	29
6	360,928	-	6	360,928	-
-	343,554	-	-	343,554	-
\$ 709,774	\$ 5,161,542	\$ 35,781	\$ 709,774	\$ 5,161,542	\$ 35,781
\$ 206,485	\$ 206,485	\$ 623	\$ 206,485	\$ 206,485	\$ 623
4,183	178,113	2,735	4,183	178,113	2,735
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 210,668	\$ 384,599	\$ 3,358	\$ 210,668	\$ 384,599	\$ 3,358

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency		Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Carrizozo Schools					
Operational	2011	\$ 19,418	\$ (103)	\$ 19,315	\$ -
Operational	2010	18,354	(64)	18,290	16,988
Operational	2009	17,421	50	17,471	16,976
Operational	2008	16,175	(518)	15,657	15,572
Operational	2007	14,865	102	14,967	14,960
Operational	2006	13,820	10	13,830	13,822
Operational	2005	12,779	1,066	13,845	13,843
Operational	2004	12,931	396	13,327	13,326
Operational	2003	12,158	(77)	12,081	12,080
Operational	2002	11,207	(9)	11,198	11,197
Total Operational		\$ 149,128	\$ 854	\$ 149,982	\$ 128,764
Debt Service	2011	\$ 283,498	\$ (1,413)	\$ 282,085	\$ -
Debt Service	2010	278,140	(894)	277,246	257,003
Debt Service	2009	262,946	788	263,734	255,788
Debt Service	2008	247,154	(7,251)	239,903	238,550
Debt Service	2007	196,435	1,199	197,634	197,525
Debt Service	2006	167,192	100	167,292	167,147
Debt Service	2005	173,117	12,413	185,530	185,506
Debt Service	2004	182,691	4,801	187,492	187,467
Debt Service	2003	177,534	(885)	176,649	176,620
Debt Service	2002	168,078	(135)	167,943	167,924
Total Debt Service		\$ 2,136,785	\$ 8,722	\$ 2,145,507	\$ 1,833,529
Capital Improvments	2011	\$ 85,438	\$ (415)	\$ 85,023	\$ -
Capital Improvments	2010	83,751	(267)	83,484	77,372
Capital Improvments	2009	79,773	240	80,013	77,587
Capital Improvments	2008	73,868	(2,108)	71,760	71,254
Capital Improvments	2007	67,736	413	68,149	68,112
Capital Improvments	2006	62,815	37	62,852	62,797
Capital Improvments	2005	58,887	4,244	63,131	63,123
Capital Improvments	2004	59,027	1,551	60,578	60,571
Capital Improvments	2003	56,414	(281)	56,133	56,122
Capital Improvments	2002	50,848	(41)	50,807	50,801
Total Cap. Imp.		\$ 678,557	\$ 3,374	\$ 681,931	\$ 587,739

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 17,791	\$ 17,791	\$ 1,524	\$ 17,791	\$ 17,791	\$ 1,524
895	17,883	407	895	17,883	407
351	17,327	144	351	17,327	144
65	15,636	21	65	15,636	21
1	14,960	7	1	14,960	7
-	13,822	8	-	13,822	8
-	13,843	2	-	13,843	2
-	13,326	1	-	13,326	1
-	12,080	1	-	12,080	1
1	11,198	-	1	11,198	-
\$ 19,103	\$ 147,866	\$ 2,115	\$ 19,103	\$ 147,866	\$ 2,115
\$ 264,162	\$ 264,162	\$ 17,923	\$ 264,162	\$ 264,162	\$ 17,923
13,646	270,649	6,597	13,646	270,649	6,597
5,624	261,412	2,322	5,624	261,412	2,322
1,066	239,617	286	1,066	239,617	286
7	197,532	101	7	197,532	101
-	167,147	146	-	167,147	146
-	185,506	24	-	185,506	24
-	187,467	25	-	187,467	25
-	176,620	29	-	176,620	29
16	167,940	3	16	167,940	3
\$ 284,522	\$ 2,118,051	\$ 27,456	\$ 284,522	\$ 2,118,051	\$ 27,456
\$ 81,091	\$ 81,091	\$ 3,932	\$ 81,091	\$ 81,091	\$ 3,932
4,112	81,484	2,001	4,112	81,484	2,001
1,717	79,304	709	1,717	79,304	709
325	71,579	181	325	71,579	181
3	68,114	35	3	68,114	35
-	62,797	55	-	62,797	55
-	63,123	8	-	63,123	8
-	60,571	7	-	60,571	7
-	56,122	11	-	56,122	11
5	50,806	1	5	50,806	1
\$ 87,252	\$ 674,990	\$ 6,941	\$ 87,252	\$ 674,990	\$ 6,941

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency		Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Corona Schools					
Operational	2011	\$ 16,021	\$ 730	\$ 16,751	\$ -
Operational	2010	15,982	(109)	15,873	15,066
Operational	2009	15,172	1,211	16,383	16,345
Operational	2008	13,978	515	14,493	14,483
Operational	2007	12,150	55	12,205	12,190
Operational	2006	12,190	210	12,400	12,399
Operational	2005	11,512	379	11,891	11,891
Operational	2004	9,623	608	10,231	10,231
Operational	2003	9,829	(2)	9,827	9,827
Operational	2002	9,306	103	9,409	9,409
Total Operational		\$ 125,763	\$ 3,699	\$ 129,462	\$ 111,841
Debt Service	2011	\$ 96,461	\$ 4,357	\$ 100,818	\$ -
Debt Service	2010	82,865	(560)	82,305	78,012
Debt Service	2009	88,388	7,013	95,401	95,175
Debt Service	2008	85,263	3,302	88,565	88,510
Debt Service	2007	82,460	370	82,830	82,737
Debt Service	2006	81,378	1,383	82,761	82,761
Debt Service	2005	79,465	2,562	82,027	82,027
Debt Service	2004	80,187	5,038	85,225	85,225
Debt Service	2003	51,150	(11)	51,139	51,139
Debt Service	2002	76,641	840	77,481	77,481
Total Debt Service		\$ 804,258	\$ 24,295	\$ 828,553	\$ 723,066
Capital Improvments	2011	\$ 64,530	\$ 2,917	\$ 67,447	\$ -
Capital Improvments	2010	64,310	(435)	63,875	60,618
Capital Improvments	2009	61,062	4,845	65,907	65,751
Capital Improvments	2008	56,066	2,020	58,086	58,050
Capital Improvments	2007	48,851	219	49,070	49,015
Capital Improvments	2006	49,290	838	50,128	50,128
Capital Improvments	2005	46,896	1,511	48,407	48,407
Capital Improvments	2004	38,831	2,440	41,271	41,271
Capital Improvments	2003	39,637	(9)	39,628	39,628
Capital Improvments	2002	37,532	416	37,948	37,948
Total Cap. Imp.		\$ 507,005	\$ 14,763	\$ 521,768	\$ 450,816

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 16,408	\$ 16,408	\$ 343	\$ 16,408	\$ 16,408	\$ 343
728	15,794	79	728	15,794	79
29	16,374	9	29	16,374	9
-	14,484	9	-	14,484	9
6	12,196	9	6	12,196	9
-	12,399	-	-	12,399	-
-	11,891	-	-	11,891	-
-	10,231	-	-	10,231	-
-	9,827	-	-	9,827	-
-	9,409	-	-	9,409	-
\$ 17,172	\$ 129,013	\$ 449	\$ 17,172	\$ 129,013	\$ 449
\$ 98,728	\$ 98,728	\$ 2,090	\$ 98,728	\$ 98,728	\$ 2,090
3,755	81,767	539	3,755	81,767	539
208	95,382	18	208	95,382	18
1	88,511	55	1	88,511	55
42	82,779	51	42	82,779	51
-	82,761	-	-	82,761	-
-	82,027	-	-	82,027	-
-	85,225	-	-	85,225	-
-	51,139	-	-	51,139	-
-	77,481	-	-	77,481	-
\$ 102,734	\$ 825,800	\$ 2,752	\$ 102,734	\$ 825,800	\$ 2,752
\$ 66,051	\$ 66,051	\$ 1,396	\$ 66,051	\$ 66,051	\$ 1,396
2,918	63,536	339	2,918	63,536	339
120	65,871	37	120	65,871	37
1	58,050	36	1	58,050	36
25	49,040	30	25	49,040	30
-	50,128	-	-	50,128	-
-	48,407	-	-	48,407	-
-	41,271	-	-	41,271	-
-	39,628	-	-	39,628	-
-	37,948	-	-	37,948	-
\$ 69,115	\$ 519,930	\$ 1,837	\$ 69,115	\$ 519,930	\$ 1,837

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Hondo Valley Public Schools				
Operational 2011	\$ 15,652	\$ (44)	\$ 15,607	\$ -
Operational 2010	14,397	(190)	14,207	13,289
Operational 2009	13,655	102	13,757	13,504
Operational 2008	12,438	46	12,484	12,408
Operational 2007	12,621	35	12,656	12,626
Operational 2006	10,468	41	10,509	10,496
Operational 2005	10,230	(14)	10,216	10,202
Operational 2004	9,777	61	9,838	9,826
Operational 2003	8,812	(20)	8,792	8,785
Operational 2002	8,026	(93)	7,933	7,929
Total Operational	\$ 116,076	\$ (76)	\$ 115,999	\$ 99,065
Debt Service 2011	\$ 235,110	\$ (677)	\$ 234,432	\$ -
Debt Service 2010	206,583	(2,768)	203,815	190,681
Debt Service 2009	207,777	1,621	209,398	205,611
Debt Service 2008	150,090	411	150,501	149,696
Debt Service 2007	171,017	467	171,484	171,066
Debt Service 2006	156,734	600	157,334	157,124
Debt Service 2005	143,941	(214)	143,727	143,526
Debt Service 2004	111,667	754	112,421	112,300
Debt Service 2003	140,075	(304)	139,771	139,624
Debt Service 2002	116,888	(1,286)	115,602	115,525
Total Debt Service	\$ 1,639,881	\$ (1,397)	\$ 1,638,485	\$ 1,385,153
Capital Improvments 2011	\$ 63,483	\$ (183)	\$ 63,300	\$ -
Capital Improvments 2010	57,604	(761)	56,843	53,168
Capital Improvments 2009	54,637	407	55,044	54,034
Capital Improvments 2008	49,733	123	49,856	49,631
Capital Improvments 2007	50,966	139	51,105	50,982
Capital Improvments 2006	43,254	166	43,420	43,363
Capital Improvments 2005	43,193	(64)	43,129	43,067
Capital Improvments 2004	40,568	276	40,844	40,799
Capital Improvments 2003	38,183	(83)	38,100	38,059
Capital Improvments 2002	35,017	(386)	34,631	34,610
Total Cap. Imp.	\$ 476,638	\$ (365)	\$ 476,273	\$ 407,713

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 14,860	\$ 14,860	\$ 747	\$ 14,860	\$ 14,860	\$ 747
683	13,972	235	683	13,972	235
179	13,684	73	179	13,684	73
30	12,438	46	30	12,438	46
-	12,626	30	-	12,626	30
-	10,496	14	-	10,496	14
-	10,202	14	-	10,202	14
-	9,826	12	-	9,826	12
-	8,785	7	-	8,785	7
-	7,929	4	-	7,929	4
\$ 15,752	\$ 114,817	\$ 1,183	\$ 15,752	\$ 114,817	\$ 1,183
\$ 223,215	\$ 223,215	\$ 11,217	\$ 223,215	\$ 223,215	\$ 11,217
9,766	200,447	3,367	9,766	200,447	3,367
2,697	208,308	1,090	2,697	208,308	1,090
359	150,054	447	359	150,054	447
-	171,066	417	-	171,066	417
-	157,124	210	-	157,124	210
-	143,526	201	-	143,526	201
-	112,300	121	-	112,300	121
-	139,624	147	-	139,624	147
1	115,526	76	1	115,526	76
\$ 236,038	\$ 1,621,191	\$ 17,294	\$ 236,038	\$ 1,621,191	\$ 17,294
\$ 60,271	\$ 60,271	\$ 3,029	\$ 60,271	\$ 60,271	\$ 3,029
2,732	55,900	943	2,732	55,900	943
718	54,752	292	718	54,752	292
119	49,750	105	119	49,750	105
-	50,982	123	-	50,982	123
-	43,363	57	-	43,363	57
-	43,067	62	-	43,067	62
-	40,799	45	-	40,799	45
-	38,059	41	-	38,059	41
0	34,610	21	-	34,610	21
\$ 63,841	\$ 471,554	\$ 4,719	\$ 63,840	\$ 471,554	\$ 4,719

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency		Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Ruidoso Schools					
Operational	2011	\$ 204,284	\$ (64)	\$ 204,220	\$ -
Operational	2010	196,029	(410)	195,619	180,670
Operational	2009	190,378	(469)	189,908	186,072
Operational	2008	173,171	(25)	173,146	172,060
Operational	2007	156,180	(127)	156,053	155,946
Operational	2006	135,077	37	135,114	135,086
Operational	2005	125,130	(147)	124,983	124,949
Operational	2004	117,820	21	117,841	117,816
Operational	2003	109,482	28	109,510	109,504
Operational	2002	105,609	(158)	105,451	105,445
Total Operational		\$ 1,513,160	\$ (1,313)	\$ 1,511,847	\$ 1,287,548
Debt Service	2011	\$ 3,482,155	\$ (1,023)	\$ 3,481,132	\$ -
Debt Service	2010	2,791,662	(4,622)	2,787,040	2,598,422
Debt Service	2009	2,662,125	(5,551)	2,656,575	2,606,268
Debt Service	2008	2,967,321	(819)	2,966,502	2,952,322
Debt Service	2007	2,784,900	(2,869)	2,782,031	2,780,103
Debt Service	2006	2,414,806	217	2,415,023	2,414,414
Debt Service	2005	1,321,608	(1,433)	1,320,175	1,319,784
Debt Service	2004	1,218,784	355	1,219,139	1,218,834
Debt Service	2003	1,202,703	1,019	1,203,722	1,203,620
Debt Service	2002	1,544,527	(1,894)	1,542,633	1,542,506
Total Debt Service		\$ 22,390,591	\$ (16,621)	\$ 22,373,971	\$ 18,636,272
Capital Improvments	2011	\$ 1,176,674	\$ (346)	\$ 1,176,328	\$ -
Capital Improvments	2010	1,134,647	(1,854)	1,132,793	1,056,617
Capital Improvments	2009	1,105,390	(1,330)	1,104,060	1,082,546
Capital Improvments	2008	1,007,841	(278)	1,007,563	1,002,658
Capital Improvments	2007	943,075	(971)	942,104	941,451
Capital Improvments	2006	797,405	51	797,456	797,243
Capital Improvments	2005	741,470	(785)	740,685	740,458
Capital Improvments	2004	701,256	203	701,459	701,284
Capital Improvments	2003	669,843	567	670,410	670,352
Capital Improvments	2002	626,583	(769)	625,814	625,763
Total Cap. Imp.		\$ 8,904,185	\$ (5,513)	\$ 8,898,671	\$ 7,618,371

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 192,642	\$ 192,642	\$ 11,578	\$ 192,642	\$ 192,642	\$ 11,578
10,198	190,869	4,751	10,198	190,869	4,751
2,683	188,754	1,154	2,683	188,754	1,154
692	172,753	394	692	172,753	394
20	155,966	87	20	155,966	87
28	135,114	-	28	135,114	-
11	124,959	24	11	124,959	24
9	117,825	16	9	117,825	16
-	109,504	6	-	109,504	6
-	105,445	7	-	105,445	7
\$ 206,284	\$ 1,493,832	\$ 18,015	\$ 206,284	\$ 1,493,832	\$ 18,015
\$ 3,302,883	\$ 3,302,883	\$ 178,249	\$ 3,302,883	\$ 3,302,883	\$ 178,249
127,819	2,726,240	60,800	127,819	2,726,240	60,800
35,152	2,641,420	15,155	35,152	2,641,420	15,155
10,768	2,963,090	3,412	10,768	2,963,090	3,412
348	2,780,451	1,579	348	2,780,451	1,579
444	2,414,858	165	444	2,414,858	165
129	1,319,914	262	129	1,319,914	262
111	1,218,944	194	111	1,218,944	194
-	1,203,620	102	-	1,203,620	102
-	1,542,506	127	-	1,542,506	127
\$ 3,477,653	\$ 22,113,925	\$ 260,045	\$ 3,477,653	\$ 22,113,925	\$ 260,045
\$ 1,115,912	\$ 1,115,912	\$ 60,416	\$ 1,115,912	\$ 1,115,912	\$ 60,416
51,603	1,108,219	24,573	51,603	1,108,219	24,573
14,412	1,096,957	7,102	14,412	1,096,957	7,102
3,657	1,006,315	1,248	3,657	1,006,315	1,248
118	941,569	534	118	941,569	534
143	797,386	70	143	797,386	70
75	740,532	152	75	740,532	152
64	701,347	112	64	701,347	112
-	670,352	58	-	670,352	58
-	625,763	51	-	625,763	51
\$ 1,185,983	\$ 8,804,354	\$ 94,318	\$ 1,185,983	\$ 8,804,354	\$ 94,318

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency		Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Ruidoso Schools					
Ed Tech Debt	2011	\$ -	\$ -	\$ -	\$ -
Ed Tech Debt	2010	652,505	(1,080)	651,425	607,337
Ed Tech Debt	2009	714,159	(2,384)	711,774	699,180
Ed Tech Debt	2008	-	-	-	-
Ed Tech Debt	2007	-	-	-	-
Ed Tech Debt	2006	-	-	-	-
Ed Tech Debt	2005	-	-	-	-
Ed Tech Debt	2004	-	-	-	-
Ed Tech Debt	2003	-	-	-	-
Ed Tech Debt	2002	-	-	-	-
Total Ed. Tech Debt		\$ 1,366,664	\$ (3,465)	\$ 1,363,199	\$ 1,306,517
Lincoln County Medical Center					
Levy	2011	\$ 2,093,924	\$ 1,304	\$ 2,095,227	\$ -
Levy	2010	2,010,468	(3,927)	2,006,541	1,891,277
Levy	2009	1,952,772	2,796	1,955,568	1,921,868
Levy	2008	1,779,389	(32)	1,779,357	1,771,228
Levy	2007	1,732,400	(462)	1,731,938	1,730,898
Levy	2006	1,519,158	1,133	1,520,291	1,519,640
Levy	2005	1,403,217	3,902	1,407,119	1,406,766
Levy	2004	1,297,710	4,481	1,302,191	1,301,875
Levy	2003	646,429	(448)	645,981	645,937
Levy	2002	1,148,255	(923)	1,147,332	1,147,248
Total LCMC		\$ 15,583,721	\$ 7,826	\$ 15,591,547	\$ 13,336,737
Rural Clinics					
Levy	2011	\$ 628,206	\$ 392	\$ 628,598	\$ -
Levy	2010	602,836	(1,222)	601,614	567,087
Levy	2009	585,689	840	586,529	576,418
Levy	2008	533,701	(26)	533,675	531,253
Levy	2007	412,626	(110)	412,516	412,268
Levy	2006	361,712	266	361,978	361,826
Levy	2005	333,517	934	334,451	334,362
Levy	2004	308,980	1,066	310,046	310,017
Levy	2003	518,549	(354)	518,195	518,162
Levy	2002	492,121	(384)	491,737	491,701
Total Rural Clinics		\$ 4,777,936	\$ 1,402	\$ 4,779,338	\$ 4,103,095

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29,876	637,213	14,212	29,876	637,213	14,212
9,430	708,610	3,164	9,430	708,610	3,164
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 39,306	\$ 1,345,822	\$ 17,377	\$ 39,306	\$ 1,345,822	\$ 17,377
\$ 2,001,794	\$ 2,001,794	\$ 93,433	\$ 2,001,794	\$ 2,001,794	\$ 93,433
77,060	1,968,337	38,204	77,060	1,968,337	38,204
23,446	1,945,314	10,255	23,446	1,945,314	10,255
6,405	1,777,632	1,725	6,405	1,777,632	1,725
159	1,731,057	881	159	1,731,057	881
159	1,519,798	493	159	1,519,798	493
79	1,406,844	275	79	1,406,844	275
67	1,301,942	250	67	1,301,942	250
3	645,941	40	3	645,941	40
5	1,147,253	79	5	1,147,253	79
\$ 2,109,176	\$ 15,445,913	\$ 145,634	\$ 2,109,176	\$ 15,445,913	\$ 145,634
\$ 600,561	\$ 600,561	\$ 28,037	\$ 600,561	\$ 600,561	\$ 28,037
23,113	590,200	11,414	23,113	590,200	11,414
7,034	583,452	3,076	7,034	583,452	3,076
1,921	533,174	501	1,921	533,174	501
38	412,306	211	38	412,306	211
38	361,864	114	38	361,864	114
19	334,381	70	19	334,381	70
16	310,032	14	16	310,032	14
3	518,165	30	3	518,165	30
2	491,704	33	2	491,704	33
\$ 632,744	\$ 4,735,839	\$ 43,499	\$ 632,744	\$ 4,735,839	\$ 43,499

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency		Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Alpine Village Sanitation					
Levy	2011	\$ 36,971	\$ -	\$ 36,971	\$ -
Levy	2010	36,690	-	36,690	35,110
Levy	2009	36,168	-	36,168	35,870
Levy	2008	34,506	(5)	34,501	34,253
Levy	2007	32,515	-	32,515	32,515
Levy	2006	31,324	704	32,028	32,028
Levy	2005	29,844	2	29,846	29,844
Levy	2004	28,852	-	28,852	28,852
Levy	2003	27,986	-	27,986	27,986
Levy	2002	27,655	-	27,655	27,655
Total Alpine Village		\$ 322,512	\$ 701	\$ 323,213	\$ 284,114
Sun Valley Sanitation					
Levy	2011	\$ 59,000	\$ -	\$ 59,000	\$ -
Levy	2010	57,824	-	57,824	55,864
Levy	2009	57,823	-	57,823	55,921
Levy	2008	55,070	-	55,070	53,587
Levy	2007	56,326	-	56,326	56,326
Levy	2006	46,409	(130)	46,279	46,279
Levy	2005	37,686	-	37,686	37,686
Levy	2004	37,111	-	37,111	37,111
Levy	2003	35,975	(543)	35,432	35,432
Levy	2002	35,571	-	35,571	35,571
Total Sun Valley		\$ 478,795	\$ (673)	\$ 478,122	\$ 413,778
Alto Lakes Conserv. Dist.					
Levy	2011	\$ -	\$ -	\$ -	\$ -
Levy	2010	-	-	-	-
Levy	2009	-	-	-	-
Levy	2008	-	-	-	-
Levy	2007	43,605	-	43,605	43,605
Levy	2006	43,671	(41)	43,630	43,630
Levy	2005	40,019	(55)	39,964	39,964
Levy	2004	-	-	-	-
Levy	2003	-	-	-	-
Levy	2002	-	-	-	-
Total Alto Lakes		\$ 127,295	\$ (96)	\$ 127,199	\$ 127,199

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 35,376	\$ 35,376	\$ 1,596	\$ 35,376	\$ 35,376	\$ 1,596
824	35,934	756	824	35,934	756
230	36,100	68	230	36,100	68
248	34,501	-	248	34,501	-
-	32,515	-	-	32,515	-
-	32,028	-	-	32,028	-
-	29,844	2	-	29,844	2
-	28,852	-	-	28,852	-
-	27,986	-	-	27,986	-
-	27,655	-	-	27,655	-
\$ 36,678	\$ 320,791	\$ 2,422	\$ 36,678	\$ 320,791	\$ 2,422
\$ 58,254	\$ 58,254	\$ 746	\$ 58,254	\$ 58,254	\$ 746
1,654	57,517	306	1,654	57,517	306
1,902	57,823	-	1,902	57,823	-
1,483	55,070	-	1,483	55,070	-
-	56,326	-	-	56,326	-
-	46,279	-	-	46,279	-
-	37,686	-	-	37,686	-
-	37,111	-	-	37,111	-
-	35,432	-	-	35,432	-
-	35,571	-	-	35,571	-
\$ 63,293	\$ 477,070	\$ 1,052	\$ 63,293	\$ 477,070	\$ 1,052
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	43,605	-	-	43,605	-
-	43,630	-	-	43,630	-
-	39,964	-	-	39,964	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ 127,199	\$ -	\$ -	\$ 127,199	\$ -

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Carrizozo Soil & Water				
Levy 2011	\$ 38,429	\$ 684	\$ 39,113	\$ -
Levy 2010	37,898	(672)	37,226	35,954
Levy 2009	34,670	1,169	35,838	35,473
Levy 2008	41,313	(631)	40,682	40,585
Levy 2007	27,273	247	27,520	27,516
Levy 2006	27,125	321	27,446	27,438
Levy 2005	24,934	2,101	27,035	27,035
Levy 2004	22,812	1,487	24,299	24,299
Levy 2003	22,157	(4)	22,153	22,153
Levy 2002	20,022	55	20,077	20,077
Total Carrizozo S & W	\$ 296,633	\$ 4,757	\$ 301,390	\$ 260,530
Chaves County Soil & Water				
Levy 2011	\$ 2,948	\$ -	\$ 2,948	\$ -
Levy 2010	2,310	-	2,310	2,187
Levy 2009	2,347	-	2,347	2,251
Levy 2008	2,021	-	2,021	2,020
Levy 2007	1,987	-	1,987	1,984
Levy 2006	1,971	-	1,971	1,969
Levy 2005	1,909	-	1,909	1,909
Levy 2004	1,863	-	1,863	1,863
Levy 2003	1,871	-	1,871	1,871
Levy 2002	1,918	-	1,918	1,918
Total Chaves County SW	\$ 21,144	\$ -	\$ 21,144	\$ 17,971
Claunch/Pinto Soil & Water				
Levy 2011	\$ 2,975	\$ -	\$ 2,975	\$ -
Levy 2010	2,389	-	2,389	2,210
Levy 2009	2,484	-	2,484	2,455
Levy 2008	1,597	-	1,597	1,597
Levy 2007	1,230	-	1,230	1,229
Levy 2006	1,345	-	1,345	1,345
Levy 2005	1,266	-	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
Total Claunch/Pinto	\$ 16,771	\$ (3)	\$ 16,768	\$ 13,584

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 38,395	\$ 38,395	\$ 717	\$ 38,395	\$ 38,395	\$ 717
960	36,915	311	960	36,915	311
270	35,742	96	270	35,742	96
75	40,660	22	75	40,660	22
-	27,516	4	-	27,516	4
-	27,438	8	-	27,438	8
-	27,035	-	-	27,035	-
-	24,299	-	-	24,299	-
-	22,153	-	-	22,153	-
-	20,077	-	-	20,077	-
\$ 39,701	\$ 300,230	\$ 1,159	\$ 39,701	\$ 300,230	\$ 1,159
\$ 2,609	\$ 2,609	\$ 338	\$ 2,609	\$ 2,609	\$ 338
114	2,301	9	114	2,301	9
54	2,305	42	54	2,305	42
2	2,021	-	2	2,021	-
-	1,984	3	-	1,984	3
-	1,969	2	-	1,969	2
-	1,909	-	-	1,909	-
-	1,863	-	-	1,863	-
-	1,871	-	-	1,871	-
-	1,918	-	-	1,918	-
\$ 2,779	\$ 20,750	\$ 394	\$ 2,779	\$ 20,750	\$ 394
\$ 2,774	\$ 2,774	\$ 202	\$ 2,774	\$ 2,774	\$ 202
26	2,236	153	26	2,236	153
29	2,484	-	29	2,484	-
-	1,597	-	-	1,597	-
-	1,229	1	-	1,229	1
-	1,345	-	-	1,345	-
-	1,266	-	-	1,266	-
-	1,219	-	-	1,219	-
-	1,136	-	-	1,136	-
-	1,126	-	-	1,126	-
\$ 2,829	\$ 16,413	\$ 356	\$ 2,829	\$ 16,413	\$ 356

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Upper Hondo Soil & Water				
Levy 2011	\$ 224,335	\$ (132)	\$ 224,203	\$ -
Levy 2010	219,065	(348)	218,717	208,506
Levy 2009	213,135	29	213,164	210,307
Levy 2008	100,244	44	100,288	99,760
Levy 2007	94,828	(10)	94,818	94,790
Levy 2006	90,053	10	90,063	90,054
Levy 2005	85,948	(278)	85,670	85,657
Levy 2004	83,765	(12)	83,753	83,742
Levy 2003	78,852	(138)	78,714	78,710
Levy 2002	66,270	(16)	66,254	66,254
Total Upper Hondo	\$ 1,256,495	\$ (852)	\$ 1,255,644	\$ 1,017,779
Administrative Fee				
Advalorem 2011	\$ 1,889	\$ 9	\$ 1,898	\$ -
Advalorem 2010	1,977	(8)	1,969	1,768
Advalorem 2009	1,849	17	1,866	1,728
Advalorem 2008	2,003	(0)	2,003	1,920
Advalorem 2007	2,050	(9)	2,041	2,032
Advalorem 2006	2,184	(5)	2,179	2,178
Advalorem 2005	2,336	(30)	2,306	2,306
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
Total Administrative Fees	\$ 21,193	\$ (126)	\$ 21,067	\$ 18,736
Non Rendition Fees				
Advalorem 2011	\$ -	\$ -	\$ -	\$ -
Advalorem 2010	-	-	-	-
Advalorem 2009	-	123	123	122
Advalorem 2008	-	383	383	382
Advalorem 2007	-	121	121	121
Advalorem 2006	-	131	131	131
Advalorem 2005	-	298	298	298
Advalorem 2004	-	367	367	367
Advalorem 2003	-	371	371	371
Advalorem 2002	-	37	37	37
Total Non Rendition Fees	\$ -	\$ 1,830	\$ 1,830	\$ 1,829

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 216,819	\$ 216,819	\$ 7,384	\$ 216,819	\$ 216,819	\$ 7,384
7,271	215,777	2,941	7,271	215,777	2,941
2,032	212,339	825	2,032	212,339	825
466	100,226	62	466	100,226	62
4	94,794	23	4	94,794	23
9	90,063	-	9	90,063	-
9	85,666	4	9	85,666	4
9	83,751	2	9	83,751	2
-	78,710	4	-	78,710	4
-	66,254	1	-	66,254	1
\$ 226,618	\$ 1,244,397	\$ 11,246	\$ 226,618	\$ 1,244,397	\$ 11,246
\$ 1,714	\$ 1,714	\$ 184	\$ 1,714	\$ -	\$ 184
109	1,877	92	109	-	92
66	1,794	72	66	-	72
52	1,972	31	52	-	31
4	2,036	5	4	-	5
-	2,178	2	-	2,178	2
-	2,306	-	-	2,306	-
-	2,391	-	-	2,391	-
-	2,316	-	-	2,316	-
-	2,097	1	-	2,097	1
\$ 1,945	\$ 20,681	\$ 386	\$ 1,945	\$ 11,288	\$ 386
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	122	1	-	122	1
-	382	-	-	382	-
-	121	-	-	121	-
-	131	-	-	131	-
-	298	-	-	298	-
-	367	-	-	367	-
-	371	-	-	371	-
-	37	-	-	37	-
\$ -	\$ 1,829	\$ 1	\$ -	\$ 1,829	\$ 1

STATE OF NEW MEXICO
 Lincoln County
 County Treasurer's Property Tax Schedule
 For the Year Ended June 30, 2012

Agency	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
GRAND TOTALS	\$ 182,004,926	\$ 48,608	\$ 182,053,535	\$ 155,284,703
2011	\$ 24,699,990	\$ 13,727	\$ 24,713,717	\$ -
2010	24,069,114	(54,701)	24,014,413	22,514,729
2009	22,881,503	20,249	22,901,753	22,476,220
2008	20,697,039	(8,160)	20,688,879	20,587,267
2007	18,989,158	(4,974)	18,984,184	18,971,973
2006	16,717,721	12,632	16,730,353	16,722,903
2005	14,505,145	48,208	14,553,353	14,549,698
2004	13,340,953	49,429	13,390,382	13,387,640
2003	12,788,918	(9,932)	12,778,986	12,777,779
2002	13,315,386	(17,871)	13,297,515	13,296,494
	<u>\$ 182,004,926</u>	<u>\$ 48,608</u>	<u>\$ 182,053,535</u>	<u>\$ 155,284,703</u>

See independent auditors' report

Collected In Current Year	Collected To Date	Sum Levy Less Collection	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 24,902,475	\$ 180,187,177	\$ 1,866,358	\$ 24,902,475	\$ 180,176,212	\$ 1,866,363
\$ 23,518,174	\$ 23,518,171	\$ 1,195,547	\$ 23,518,175	\$ 23,515,934	\$ 1,195,546
1,001,104	23,515,833	498,580	1,001,104	23,513,711	498,581
297,821	22,774,041	127,712	297,821	22,771,960	127,711
79,690	20,666,958	21,920	79,690	20,664,497	21,922
2,161	18,974,135	10,050	2,161	18,972,071	10,050
2,067	16,724,971	5,380	2,067	16,724,971	5,382
746	14,550,444	2,908	746	14,550,444	2,909
601	13,388,241	2,141	601	13,388,241	2,142
47	12,777,826	1,161	47	12,777,826	1,162
64	13,296,559	958	64	13,296,559	958
\$ 24,902,475	\$ 180,187,177	\$ 1,866,358	\$ 24,902,475	\$ 180,176,212	\$ 1,866,363

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STATE OF NEW MEXICO
 Lincoln County
 Schedule of Changes in Fiduciary Assets and Liabilities - Agency Funds
 For the Year Ended June 30, 2012

Schedule V

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<i>Assets</i>				
Cash	\$ 297,592	\$ 13,463,470	\$ 13,595,835	\$ 165,227
Investments	9,999	-	9,999	-
Property taxes receivable	1,108,318	13,296,358	13,373,286	1,031,390
Accounts receivable	11,268	117,536	11,268	117,536
<i>Total assets</i>	<u>\$ 1,427,177</u>	<u>\$ 26,877,364</u>	<u>\$ 26,990,388</u>	<u>\$ 1,314,153</u>
 <i>Liabilities</i>				
Deposits held in trust	\$ 307,591	\$ 13,463,470	\$ 13,605,834	\$ 165,227
Due to other taxing entities	1,108,318	13,296,358	13,373,286	1,031,390
Due to fire trust	11,268	117,536	11,268	117,536
<i>Total liabilities</i>	<u>\$ 1,427,177</u>	<u>\$ 26,877,364</u>	<u>\$ 26,990,388</u>	<u>\$ 1,314,153</u>

See independent auditors' report

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COMPLIANCE SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

**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 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, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents and have issued our report thereon dated November 7, 2012. We also have audited the financial statements of each of the County's nonmajor governmental funds, and the budgetary comparisons for the major debt service funds and 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, 2012 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

Management of the County is responsible for establishing and maintaining effective 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 was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

A *deficiency in internal control* 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item FS 08-01 to be a material weakness.

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 did disclose an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item FS 12-01.

We also noted a certain other matter that is required to be reported pursuant to *Government Auditing Standards* paragraphs 5.14 and 5.16, and pursuant to Section 12-6-5, NMSA 1978, which is described in the accompanying schedule of findings and questioned costs as finding FS 10-02.

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, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
November 7, 2012

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FEDERAL FINANCIAL ASSISTANCE



Accounting & Consulting Group, LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

Compliance

We have audited Lincoln County, New Mexico's (the County) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2012. The County's major federal programs are 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 each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items FA 12-01, FA 12-02, FA 12-03, and FA 12-04.

Internal Control Over Compliance

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 to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, 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.

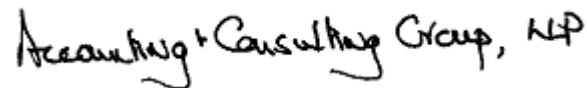
Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified a certain deficiency in internal control over compliance that we consider to be a material weakness and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item FA 12-01 to be a material weakness.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items FA 12-02, FA 12-03, and 12-04 to be significant deficiencies.

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, LLP
Albuquerque, New Mexico
November 7, 2012

STATE OF NEW MEXICO
Lincoln County
Schedule of Expenditures of Federal Awards
For the year ended June 30, 2012

Federal Grantor/Passthrough Grantor/Program Title	Grant Number	Federal C.F.D.A. Number	Federal Expenditures
U.S. Department of Agriculture			
Hazardous Fuel Reduction *	10-DG-11031600-044	10.664 (1)	\$ 447,997
Hazardous Fuel Reduction *	11-DG-11031600-039	10.664 (1)	44,300
Hazardous Fuel Reduction *	09-DG-11031600-016	10.664 (1)	239,213
Hazardous Fuel Reduction ARRA *	10-DG-11039-702-070	10.688 (1)	48,050
Hazardous Fuel Reduction ARRA *	10-DG-11039-702-0270	10.688 (1)	193,767
Secure Payments for Counties Containing Federal Land	P.L 100-343 (1424)	10.665 (2)	210,715
Title III Firewise	10-521-40178-0188	10.666 (2)	106,632
US Forest Service Patrol Reimbursement	11-LE-110300800-003	10.670	11,065
US Forest Service Patrol Reimbursement	12-LE-11030800-001	10.670	6,256
Taylor Grazing Act	P.L. 73-482	15.227	32,253
Total U.S. Department of Agriculture			<u>1,340,248</u>
U.S. Department of Housing and Urban Development			
Community Development Block Grant *		14.218	492,500
Total U.S. Department of Housing and Urban Development			<u>492,500</u>
U.S. Department of Justice			
BJA Bulletproof Vest Grant			875
Drug Enforcement	10-JAG-REGIONV1-FY11	16.738	25,058
Drug Enforcement	10-JAG-REGIONV1-FY11-B	16.738	11,165
Drug Enforcement	10-JAG-REGIONV1-FY12	16.738	23,575
HIDTA	G11SN0017A	16.738	35,001
Total U.S. Department of Justice			<u>95,674</u>
Department of Human Services			
Federal Title III Senior Citizen	2010-11 68030	93.044	55,838
Total Department of Human Services			<u>55,838</u>
Department of Homeland Security			
Emergency Management SHSGP	2010-SS-TO-0011	97.042	23,837
Fire Management Assistance Grant Program and Hazard Mitigation Grant *		97.036	389,491
Total Department of Homeland Security			<u>413,328</u>
Total Federal Financial Assistance			<u>\$ 2,397,588</u>

* Major Program
() Denotes Cluster

Notes to Schedule of Expenditures of Federal AwardsBasis 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.

Subrecipients

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

Non-Cash Federal Assistance

The County did not receive any non-cash federal assistance 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	\$ 2,397,588
Total expenditures funded by other sources	<u>22,605,773</u>
Total expenditures	<u><u>\$ 25,003,361</u></u>

STATE OF NEW MEXICO
 Lincoln County
 Schedule of Findings and Questioned Costs
 June 30, 2012

Section I – Summary or Audit Results:

Financial Statements:

- | | |
|--|-------------|
| 1. Type of auditors’ report issued | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| c. Noncompliance material to the financial statements noted? | Yes |

Federal Awards:

- | | |
|---|-------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| 2. Type of auditors’ report issued on compliance for major programs | Unqualified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | Yes |
| 4. Identification of major programs: | |

CFDA Number	Federal Program
10.664	Hazardous Fuel Reduction
10.668	Hazardous Fuel Reduction – ARRA
14.218	Community Development Block Grant
97.036	Hazard Mitigation Grant

- | | |
|--|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as a low-risk auditee under the requirements set forth by OMB Circular A-133 section 530? | No |

Section II – Financial Statement Findings

FS 08-01 – Capital Asset Additions and Related Accumulated Depreciation Estimates (Repeated/Modified) – Material Weakness

Condition: The County had not followed their policy in regards to implementing Capital Assets and the related “in service dates.” The County had to make an adjustment to the estimated accumulated depreciation for Buildings and Improvements in the amount of \$1,563,541 for the year ended June 30, 2012.

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. GASB 34 paragraph 20 requires capital assets to be reported, net of accumulated depreciation, in the statement of net assets.

Effect: There were adjustments made to the County’s net capital asset values, due to an adjustment to the estimate for accumulated depreciation resulting in an understatement of net capital assets.

Cause: The County did not use the appropriate placed “in service dates” for any improvements or additions to existing buildings.

Auditors’ Recommendations: The County should implement internal controls to verify that all capital assets are added to the capital asset inventory, and are depreciated, correctly. We also recommend that the County review their current listing to verify that all assets are properly depreciating as of their “in service dates.”

Agency’s Response: Existing internal controls and the County Fixed Asset Capitalization Policy, Resolution 2010-28, ensure that new additions to capital assets are being accounted for and depreciated correctly. The County will add a method to the existing Capitalization Policy for addressing historical entries (“in service dates”), which are now deemed inaccurate under more stringent GASB standards. Adjustments to the historical record that properly reflect a depreciation schedule consistent with capital assets being put into service will be made this fiscal year. The entire Capital Asset Inventory will be reviewed to detect and correct errors.

Section II – Financial Statement Findings (continued)

FS 10-02 – Deficiencies in Design over Internal Controls (Repeated/Modified) – Other Matter

Condition: During our process of understanding the County and its environment, we noted instances where elements of the County’s internal control framework were nonexistent or deficient. The County’s monitoring element was not documented, sufficiently designed, or implemented as we noted the following:

- The County has no mechanism in place to verify that ALL changes made to the vendor master file have been reviewed.

Criteria: The COSO Internal Control Integrated Framework consists of five critical elements that must be present in carrying out the achievement objectives of an organization. These elements are known as the control environment, risk assessment, control activities, information and communication and monitoring. With these elements in place, the County can maximize its potential for achieving its performance targets and reduce the risk of loss of resources.

Effect: Without all of the five elements of the COSO Internal Control Integrated Framework present, the County is exposing itself to the risk of misappropriation of assets and does not have set processes in place to maximize the resources of the County to achieve the goals set forth by the County.

Cause: The County has not performed a recent risk assessment for those key controls, including updating any policies and procedures, in order to prevent and detect errors or fraud.

Auditors’ Recommendations: The County should work with their software provider in order to develop an internal control in order to ensure all changes to vendor master files are appropriate and approved.

Agency’s Response: The County has developed, and is in the process of implementing, a process for verifying that all changes to the vendor master file have been reviewed. A computer program is in place that provides a listing of all vendor changes, which include the following: date, time, user, vendor number, nature of change, requirement to “print screen” before and after the change, and file as supporting documents. The process requires periodic supervisory review.

Section II – Financial Statement Findings (continued)

FS 12-01 – Grant Compliance – Noncompliance

Condition: During our audit of the County’s compliance with grants and applicable compliance requirements, we noted that the County did not allow for a 45-day public comment period prior to expending Title III county funds under the Forest Service Schools and Roads programs, nor did the County submit the required certification of use of the Title III funds.

Criteria: The 2012 A-133 Compliance Supplement, released in June, 2012, stipulates the following:

1. A participating county may use Title III County funds only after a 45-day public comment period, at the beginning of which the participating County shall –
 - a. Publish in any publications of local record a proposal that describes the proposed use of the County funds; and
 - b. Submit the proposal to any resource advisory committee established under 16 USC 7125 for the participating County (16 USC 7142(b)).
2. Not later than February 1 of the year in which any Title III County funds were expended by a participating County, the appropriate official of the participating County is required to submit to the Secretary a certification that the County funds expended in the applicable year have been used for the uses authorized under this title, including a description of the amounts expended and the uses for which the amounts were expended (16 USC 7143).

Effect: The County is not in compliance with these requirements and could be penalized by the United States Department of Agriculture.

Cause: Management was unaware of the requirement to allow for a 45-day public comment period as well as the requirement to submit proper certification.

Auditors’ Recommendation: We recommend that the County implement internal controls in order to review all requirements of grants and agreements received to ensure County compliance with the applicable grants.

Agency’s Response: The County Manager was unaware of both requirements to: 1) submit certification to the Secretary of Agriculture (c/o Forest Service) of how funds were expended by February 1st, and 2) to publish a proposal that describes use of the funds, and to use those funds only after the end of the comment period. Once made aware of the certification requirement by the Auditor, the County requested and received permission from the Office of the Secretary of Agriculture (Albuquerque office) to late-file the certification in order to be in compliance with reporting requirements. The County agrees with the Auditor’s recommendation to implement internal controls that ensure County compliance with applicable grants.

Section III – Federal Award Findings

FA 12-01 – Deficiencies in Internal Control Structure Design, Operation and Oversight – Identifying Federal, State, and Other Awards – Material Weakness

Federal Program Information:

Funding Agency: U.S. Department of Agriculture
Title: Hazardous Fuel Reduction Cluster
CFDA Number: 10.664 & 10.688
Award Number: Various
Award Period: Various

Funding Agency: U.S. Department of Housing and
Urban Development
Title: Community Development Block Grant
CFDA Number: 14.218
Award Number: 10-C-RS-I-03-G-30
Award Period: 6/18/2010-6/1/2012

Funding Agency: Department of Homeland Security
Title: Fire Management Assistance Grant Program
and Hazard Mitigation Grant
CFDA Number: 97.036
Award Number: Various
Award Period: Various

Condition: During our audit, County employees were not able to prepare an accurate Schedule of Expenditures of Federal Awards (SEFA).

Criteria: The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Good internal controls require that management have procedures in place for identifying and monitoring federal, state, and other awards.

Questioned Costs: None

Effect: Because the internal control structure is inadequate and not documented, management and staff are unsure about what procedures and processes to follow or what key controls are in place to properly safeguard assets and to properly report and record federal awards and the related expenditures.

Cause: For the fiscal year 2012, management did not have procedures in place to identify and monitor federal, state, and other awards, nor did the County have a documented policy to ensure internal controls were in place and working properly. The County Manager position changed over during the year and the previous County Manager was the individual who tracked, monitored, and reported the federal expenditures for preparation of the Schedule of Expenditures of Federal Awards (SEFA). The County also experienced a natural disaster at the end of the year in which the County was receiving aid from local, state, and federal sources which were not being tracked in accordance with the awarding agency as the awards were received after the expenses had occurred.

Auditors' Recommendation: The County should ensure that a comprehensive internal control structure is designed, documented, and implemented. The body charged with governance should provide effective oversight of the internal control and financial reporting process, which includes the periodic review of financial reports, which includes establishing procedures to identify federal, state, and other awards.

Agency's Response: The County Manager tracked and captured funds expended on of a number of federal awards, specifically as they related to Hazardous Fuel and Forest projects, and acknowledges that not all federal expenditures were captured in the resulting report. The County agrees that a comprehensive internal control structure must be designed, documented, and implemented in order to enable multiple staff members to understand and implement the payment, tracking, reimbursement and reporting processes.

Section III – Federal Award Findings (continued)

FA 12-02 – Deficiencies in Internal Control Structure Design, Operation and Oversight – Key Managers’ Understanding of Staff, Processes, and Control – Significant Deficiency

Federal Program Information:

Funding Agency: U.S. Department of Agriculture
Title: Hazardous Fuel Reduction Cluster
CFDA Number: 10.664 & 10.688
Award Number: Various
Award Period: Various

Funding Agency: U.S. Department of Housing and
Urban Development
Title: Community Development Block Grant
CFDA Number: 14.218
Award Number: 10-C-RS-I-03-G-30
Award Period: 6/18/2010-6/1/2012

Funding Agency: Department of Homeland Security
Title: Fire Management Assistance Grant Program
and Hazard Mitigation Grant
CFDA Number: 97.036
Award Number: Various
Award Period: Various

Condition: Key program managers do not demonstrate a sufficient understanding of staff, processes, and controls.

Criteria The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Good internal controls require that management ensure that key program managers have a sufficient understanding of staff, processes, and controls.

Questioned Costs: None

Effect: Because the internal control structure is inadequate and not documented, management and staff are unsure about what procedures and processes to follow or what key controls are in place to properly safeguard assets and to maintain compliance with federal expenditure requirements.

Cause: For the fiscal year 2012, management did not have procedures in place to identify and monitor federal, state, and other awards, nor did the County have a documented policy to ensure internal controls were in place and working properly. The County Manager position changed over during the year and the previous County Manager was the individual who tracked, monitored, and reported the federal expenditures. The County also experienced a natural disaster at the end of the year in which the County was receiving aid from local, state, and federal sources which were not being tracked in accordance with the awarding agency as the awards were received after the expenses had occurred.

Auditors’ Recommendation: The County should ensure that a comprehensive internal control structure, including procedures to ensure that key program managers have sufficient understanding of staff, processes, and controls. The body charged with governance should provide effective oversight of the internal control and financial reporting process.

Agency’s Response: The County agrees it is necessary to develop, document and implement additional processes, as required, to address insufficient understanding of staff, processes and controls that will enable multiple staff members to understand and implement all payment, tracking, reimbursement and reporting requirements.

Section III – Federal Award Findings (continued)

FA 12-03 – Deficiencies in Internal Control Structure Design, Operation and Oversight – Ineffective Internal Controls over Compliance with Reporting and Cash Management Requirements– Significant Deficiency

Federal Program Information:

Funding Agency: U.S. Department of Agriculture
Title: Hazardous Fuel Reduction Cluster
CFDA Number: 10.664 & 10.688
Award Number: Various
Award Period: Various

Condition: The County's internal controls over reporting and cash management did not prevent or detect inconsistent ARRA reporting or ensure the retention of all records related to cash reimbursement requests prepared by the County.

Criteria: The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements.

Questioned Costs: None

Effect: Because the internal control structure is inadequate and not documented, management and staff are unsure about what procedures and processes to follow or what key controls are in place to properly safeguard assets and to maintain compliance with federal expenditure requirements.

Cause: For the fiscal year 2012, management did not have procedures in place to identify and monitor federal, state, and other awards, nor did the County have a documented policy to ensure internal controls were in place and working properly. The County Manager position changed over during the year and the previous County Manager was the individual who tracked, monitored, and reported the federal expenditures.

Auditors' Recommendation: The County should ensure that a comprehensive internal control structure, including internal controls over reporting and cash management, is designed, documented, and implemented. The body charged with governance should provide effective oversight of the internal control and financial reporting process.

Agency's Response: ARRA reporting by contractor completing the work requires the contractor to input hours worked and other details into an ARRA data base. Verification of information must be timely, and is the responsibility of the County and of Grant Administrators. The County agrees that a comprehensive internal control structure, including internal controls over reporting and cash management as designed, documented and implemented will enable multiple staff members to understand and implement the verification, payment, tracking, reimbursement, and reporting processes.

Section III – Federal Award Findings (continued)

FA 12-04 – Excluded Parties List – Significant Deficiency

Federal Program Information:

Funding Agency: U.S. Department of Agriculture
Title: Hazardous Fuel Reduction Cluster
CFDA Number: 10.664 & 10.688
Award Number: Various
Award Period: Various

Funding Agency: U.S. Department of Housing and
Urban Development
Title: Community Development Block Grant
CFDA Number: 14.218
Award Number: 10-C-RS-I-03-G-30
Award Period: 6/18/2010-6/1/2012

Funding Agency: Department of Homeland Security
Title: Fire Management Assistance Grant Program
and Hazard Mitigation Grant
CFDA Number: 97.036
Award Number: Various
Award Period: Various

Condition: During our review of procurement for all major programs tested, it was noted that the County does not reference the Excluded Parties List System, for contracts of goods or services for which more than \$25,000 is expended. Also, the County did not have a procurement manual that incorporated federal requirements, including suspension and debarment and does not periodically conduct independent reviews of procurements and contracting activities to determine whether policies and procedures are being followed as intended.

Criteria: The OMB A-133 Compliance Supplement Part 3-Compliance Requirements I- Procurement Suspension and Debarment stipulates non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. “Covered Transactions” include those procurement contracts for goods and services awarded under a nonprocurement transaction that are expected to equal or exceed \$25,000 or meet other certain specified criteria. The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Good internal controls require a procurement manual that incorporates federal requirements, including suspension and debarment.

Questioned Costs: None

Effect: The County could be contracting with vendors for services or goods that are included on the suspension and debarment listing which could potentially decrease federal funding received due to this form of non-compliance. The control structure is inadequate and not documented and management and staff are unsure about what procedures and processes to follow and what key controls are in place to properly safeguard assets.

Cause: The County was unaware of the existence of the Excluded Parties List System. Also, the grant manager was unaware of requirements under the A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) that require management to establish and maintain internal controls over Federal awards.

Auditors’ Recommendation: We recommend that the County implement procedures to ensure all vendors for services and goods over \$25,000 be verified that they are not included on the suspension and debarment listing. The County should ensure that a comprehensive internal control structure, including a procurement manual that incorporates federal requirements, is designed, documented, and implemented. The body charged with governance should provide effective oversight of the internal control and financial reporting process.

Section III – Federal Award Findings (continued)

FA 12-04 – Excluded Parties List – Significant Deficiency (continued)

Agency's Response: The County agrees that procedures must be developed and implemented to ensure all vendors, for services and goods over \$25,000, be verified that they are not included on the suspension and debarment listing and that a comprehensive internal control structure, including a procurement manual that incorporates federal requirements, is designed, documented, and implemented. Training will be provided to the Purchasing Department by various agencies such as State Procurement and County College.

Section IV – Prior Year Audit Findings

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

FS 10-02 – Deficiencies in Design over Internal Controls – Repeated/Modified

FS 11-01 – Travel and Per Diem – Resolved

STATE OF NEW MEXICO

Lincoln County
Other Disclosures
June 30, 2012

OTHER DISCLOSURES

Exit Conference

An exit conference was held on November 7, 2012. In attendance were the following:

Representing Lincoln County:

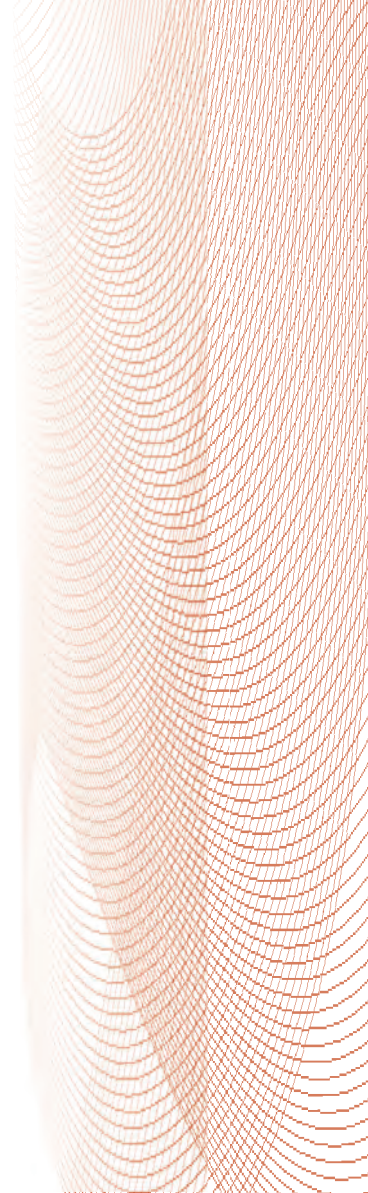
Nita Taylor, County Manager
Charlene "Punkin" Schlarb, Finance Director
Glenna Robbins, County Treasurer
Beverly Calaway, County Deputy Treasurer
Sherri Huddleston, Finance Officer
Rachel Monrreal, Finance Officer
Jackie Powell, County Commissioner
Kathryn Minter, County Commissioner

Representing Accounting & Consulting Group, LLP:

Ray Roberts, CPA, Managing Partner

Auditor Prepared Financial Statements

Accounting and Consulting Group, LLP prepared the GAAP-basis financial statements and footnotes 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.



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