

**STATE OF NEW MEXICO
LINCOLN COUNTY**

**ANNUAL FINANCIAL REPORT
AND INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED JUNE 30, 2017

**STATE OF NEW MEXICO
LINCOLN COUNTY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2017**

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**STATE OF NEW MEXICO
LINCOLN COUNTY
OFFICIAL ROSTER
AS OF JUNE 30, 2017**

ELECTED OFFICIALS

Preston Stone County Commissioner - Chairman
Dallas Draper County Commissioner – Vice Chair
Elaine Allen County Commissioner
Dr. Lynn Willard County Commissioner
Thomas F. Stewart..... County Commissioner
Paul Baca / Walter Hill County Assessor
Rhonda BurrowsCounty Clerk
Robert Shepperd..... County Sheriff
Beverly Calaway County Treasurer
Stirling Spencer.....County Probate Judge

ADMINISTRATIVE OFFICIAL

Nita Taylor.....County Manager
Charlene “Punkin” Schlarb..... Finance Director
Sherrie Huddleston Chief Deputy Treasurer
Billie-Jo Guevara..... Human Resources Director
Orlando Samora..... Purchasing Agent
Rachel Monrreal..... Finance Officer
Linda Phillips.....Solid Waste Clerk
Toni Foligno Inventory Assets Clerk



Independent Auditors' Report

Honorable Timothy Keller
New Mexico State Auditor
Santa Fe, New Mexico
and
Honorable Members of the Board of County Commissioners
Lincoln County
Carrizozo, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the General Fund and major governmental funds of Lincoln County, New Mexico (the "County"), as of and for the year ended June 30, 2017, and the related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the County's nonmajor governmental funds presented as supplementary information, as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2017 as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2017, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major governmental funds for the year then ended in accordance 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, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages 4 through 12, Schedule of the County's Proportionate Share of the Net Pension Liability on page 63 through 64, and Schedules of County Contributions on pages 65 through 66, and the notes to the required supplementary information on page 67, respectively, 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 inquiries 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the County's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The other schedules required by Section 2.2.2.NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other schedules required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such

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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other schedules required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2017 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* in considering the County's internal control over financial reporting and compliance.

Kubiak Melton & Associates, LLC

Kubiak Melton & Associates, LLC
Auditors – Business Consultants - CPAs

Albuquerque, New Mexico
November 28, 2017

**STATE OF NEW MEXICO
LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2017**

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, 2017. 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 and deferred outflows of Lincoln County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$51,998,737 (*net position*). Of this amount, \$3,552,689 (*unrestricted net position*) may be used to meet the County's ongoing obligations to citizens and creditors.
- Change in net position for the year was \$1,392,333. The increase is primarily due to an increase in revenues, especially grant revenue and charges for services which includes collections for solid waste.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$9,182,660 or 134 percent of total general fund expenditures.
- Deferred outflows of resources of \$3,582,338, deferred inflows of resources of \$239,867 and a net pension liability of \$6,314,207 related to a pension plan are reported in the Statement of Net Position at June 30, 2017. These items are the County's proportionate share of the Public Employees Retirement Association, a multiple employer cost sharing defined benefit pension plan.

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 Position* presents information on all of Lincoln County's assets and liabilities and deferred inflows and outflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position 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 position changed during the most recent fiscal year. All changes in net position 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, PERA contributions subsequent to the measurement date, special assessment district, and earned but unused vacation leave).

**STATE OF NEW MEXICO
LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
JUNE 30, 2017**

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 on pages 13 and 14 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.

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-six 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 Lincoln County Medical Center Capital Projects Fund, the Lincoln County Medical Center Lease Fund Special Revenue Fund, and the Disaster Relief Special Revenue 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 Lincoln County Medical Center Capital Projects Fund, the Lincoln County Medical Center Lease Fund Special Revenue Fund, and the Disaster Relief Special Revenue Fund to demonstrate compliance with this budget. In addition, the individual financial statements of the nonmajor governmental funds include budgetary comparison data.

The basic governmental fund financial statements can be found on pages 15 - 20 of this report.

**STATE OF NEW MEXICO
LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
JUNE 30, 2017**

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 on page 28 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 29-61 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 69-88 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Lincoln County, assets and deferred outflows exceeded liabilities and deferred inflows by \$51,998,737 and \$50,606,404 at the close of the fiscal years ended June 30, 2017 and June 30, 2016, respectively.

A large portion of the County's net position 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 of Lincoln County's net position, \$40,358,094 represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, \$3,552,689, may be used to meet the government's ongoing obligations to citizens and creditors.

**STATE OF NEW MEXICO
LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
JUNE 30, 2017**

Lincoln County is able to report positive balances in all three categories (Net investment in capital assets, Restricted, and Unrestricted) of net position, for the government as a whole as of June 30, 2017:

	<u>2017</u>	<u>2016</u>
ASSETS AND DEFERRED INFLOWS OF RESOURCES		
Current and Other Assets	\$ 51,346,953	\$ 26,446,681
Capital Assets, Net	37,468,573	38,742,516
Deferred Outflows of Resources	<u>3,582,338</u>	<u>916,064</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 92,397,864</u>	<u>\$ 66,105,261</u>
 LIABILITIES AND NET POSITION		
LIABILITIES		
Current Liabilities	\$ 1,629,070	\$ 4,695,378
Non-current Liabilities	38,530,190	10,589,233
Deferred Inflows of Resources	<u>239,867</u>	<u>214,246</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>40,399,127</u>	<u>15,498,857</u>
 NET POSITION		
Net Investment in Capital Assets	8,087,954	34,116,279
Restricted	40,358,094	12,461,850
Unrestricted, Reported in:		
General Fund	<u>3,552,689</u>	<u>4,028,275</u>
TOTAL NET POSITION	<u>51,998,737</u>	<u>50,606,404</u>
TOTAL LIABILITIES AND NET POSITION AND DEFERRED INFLOWS OF RESOURCES	<u>\$ 92,397,864</u>	<u>\$ 66,105,261</u>

Changes in Net Position

The County's total revenues of \$30,133,008, program expenses of \$25,886,429, and other financing uses of \$2,854,246 resulted in a change in net position of \$1,392,333. The County tax revenue stayed steady as well as their program expenses from the prior year. The County also maintained a favorable budget to actual expenditure variances.

**STATE OF NEW MEXICO
LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
JUNE 30, 2017**

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, 2017 and June 30, 2016:

	<u>2017</u>	<u>2016</u>
PROGRAM REVENUES		
Charges for Services	\$ 4,881,422	\$ 3,663,225
Operating Grants and Contributions	2,267,276	2,707,110
Federal Sources	<u>4,438,012</u>	<u>996,673</u>
TOTAL PROGRAM REVENUES	11,586,710	7,367,008
GENERAL REVENUES		
Property Taxes	13,848,137	13,929,869
Gross Receipt Taxes	1,209,112	1,776,282
Gasoline and Motor Vehicle Taxes	606,386	652,855
Other Taxes	67,233	49,264
Payments in Lieu of Taxes	1,767,039	1,878,813
Interest Income	181,162	74,593
Special Assessments	264,131	42,531
Miscellaneous Income	576,655	221,451
Gain on Disposal of Capital Assets	<u>26,443</u>	<u>4,539</u>
TOTAL GENERAL REVENUES	<u>18,546,298</u>	<u>18,630,197</u>
TOTAL REVENUES	30,133,008	25,997,205
EXPENDITURES		
General Government	5,367,051	5,179,373
Public Safety	8,397,935	7,129,855
Public Works	5,479,383	3,373,242
Culture and Recreation	280,366	34,760
Health and Welfare	4,640,613	6,622,251
Debt Service Interest	<u>1,721,081</u>	<u>140,930</u>
TOTAL EXPENDITURES	<u>25,886,429</u>	<u>22,480,411</u>
INCREASE IN NET POSITION	4,246,579	3,516,794
OTHER FINANCING SOURCES (USES)		
Transfers In	-	-
Transfers Out	<u>(2,854,246)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,854,246)</u>	<u>-</u>
CHANGE IN NET POSITION	1,392,333	3,516,794
NET POSITION, BEGINNING OF YEAR	<u>50,606,404</u>	<u>47,089,610</u>
NET POSITION, END OF YEAR	<u>\$ 51,998,737</u>	<u>\$ 50,606,404</u>

**STATE OF NEW MEXICO
LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
JUNE 30, 2017**

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 \$49,540,754. Nineteen percent of this total amount, \$9,182,660, constitutes *unassigned fund balance*, which is available for spending at the government's discretion, while eighty-one percent of this total amount, \$40,358,094, is *nonspendable, 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 \$9,182,660, while total fund balance was \$11,147,555. 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 134 percent of total General Fund expenditures, while total fund balance represents 163 percent of that same amount.

The Road Fund has a total fund balance of \$649,154. At the end of the current fiscal year, all of the fund balance was restricted for the Maintenance of Roads, \$116,196 was nonspendable in inventory and \$166,656 was restricted for minimum fund balance. There were increased expenditures in this fund in the current year due primarily to more road maintenance in current year than prior year.

The Corrections Fund has a total fund balance of \$687,578. At the end of the current fiscal year, all of the fund balance was committed for the Detention Facility.

The Lincoln County Medical Center Fund has a total fund balance of \$2,131,864, all of which is *committed* for the Lincoln County Medical Center.

The Lincoln County Medical Center Construction Fund has a total fund balance of \$24,663,709, all of which is *restricted* for the Lincoln County Medical Center construction.

The Lincoln County Medical Center Lease Fund has a total fund balance of \$2,661,808, all of which is *committed* for the Lincoln County Medical Center. This fund was created to track lease payments for use of the hospital separately from the mill tax levy and to track expenses of a future construction project to renovate the hospital.

The Disaster Relief Fund has a total fund balance of \$656,297, all of which is *restricted* for Disaster relief.

**STATE OF NEW MEXICO
LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
JUNE 30, 2017**

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 Statement No. 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 increase in budgeted expenditures from the original and final budgets in the general fund was \$284,824. Capital Outlay had a budget increase of \$19,138.

The following table examines the summary budget performance of the major and aggregate non-major funds for the fiscal year ending June 30, 2017. 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.

Fund Expenditure Budget Performance

<u>Fund</u>	<u>Final Budget</u>	<u>Actual on Cash (Budgetary Basis</u>	<u>Favorable (Unfavorable) Variance</u>
General Fund	\$ 7,745,297	\$ 6,830,372	\$ 914,925
Road Fund	3,045,407	2,154,973	890,434
Corrections Fund	3,493,112	3,100,636	392,476
Lincoln County Medical Center (LCMC) Fund	2,184,242	1,727,525	456,717
LCMC Construction Fund	3,060,542	492,441	2,568,101
Lincoln County Medical Center Lease Fund	7,261,441	1,426,067	5,835,374
Disaster Relief Fund	5,437,745	5,950	5,431,795
Nonmajor Funds	11,933,424	7,716,672	4,216,752
TOTAL EXPENDITURES	<u>\$ 44,161,210</u>	<u>\$ 23,454,636</u>	<u>\$ 20,706,574</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 disciplined this year with regards to spending and this was the reason for the favorable variances.

**STATE OF NEW MEXICO
LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
JUNE 30, 2017**

Capital Asset and Debt Administration

Capital Assets

Lincoln County's investment in capital assets for its governmental activities as of June 30, 2017, amounts to \$37,468,573 (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, 2017 and June 30, 2016:

	<u>Balance June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance June 30, 2017</u>
Governmental Activities:					
Capital Assets Not Being Depreciated					
Land	\$ 1,981,417	\$ 98,237	\$ -	\$ (7,189)	\$ 2,072,465
Intangible Assets	192,908	164,445	-	-	357,353
Construction in Progress (CIP)	<u>1,024,466</u>	<u>416,457</u>	<u>-</u>	<u>(1,440,923)</u>	<u>-</u>
Total Capital Assets Not Being Depreciated	3,198,791	679,139	-	(1,448,112)	2,429,818
Capital Assets Being Depreciated					
Buildings	29,446,455	147,379	-	1,446,412	31,040,246
Equipment	19,571,030	1,046,244	595,516	-	20,021,758
Infrastructure	31,640,054	-	-	-	31,640,054
Other Improvements	<u>686,421</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>686,421</u>
Total Capital Assets Being Depreciated	<u>81,343,960</u>	<u>1,193,623</u>	<u>595,516</u>	<u>1,446,412</u>	<u>83,388,479</u>
Total Capital Assets	84,542,751	1,872,762	595,516	(1,700)	85,818,297
Less: Accumulated Depreciation					
Buildings	8,592,476	827,762	-	-	9,420,238
Equipment	12,134,943	1,462,009	555,203	-	13,041,749
Infrastructure	24,940,877	787,839	-	-	25,728,716
Other Improvements	<u>131,939</u>	<u>27,082</u>	<u>-</u>	<u>-</u>	<u>159,021</u>
Total Accumulated Depreciation	<u>45,800,235</u>	<u>3,104,692</u>	<u>555,203</u>	<u>-</u>	<u>48,349,724</u>
Total Capital Assets being Depreciated, Net	<u>35,543,725</u>	<u>(1,911,069)</u>	<u>40,313</u>	<u>1,446,412</u>	<u>35,038,755</u>
Capital Assets, Net	<u>\$ 38,742,516</u>	<u>\$ (1,231,930)</u>	<u>\$ 40,313</u>	<u>\$ (1,700)</u>	<u>\$ 37,468,573</u>

The County recognized \$3,104,692 in depreciation expense during the year. Additional information on Lincoln County's capital assets can be found in note 6 of the financial statements.

Information on Lincoln County's commitments can be found in the note 19 of the financial statements.

**STATE OF NEW MEXICO
LINCOLN COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)
JUNE 30, 2017**

Long-term debt

At June 30, 2017, Lincoln County had total gross receipts revenue bonds outstanding of \$2,140,000, secured by pledged gross receipts taxes, GO bonds of \$23,110,000 and loans outstanding to the New Mexico Finance Authority of \$1,927,968.

Lincoln County's outstanding debt at June 30:

	<u>Governmental Activities</u>	
	<u>2017</u>	<u>2016</u>
Gross Receipts Revenue Bonds	\$ 2,140,000	\$ 2,320,000
GO Bonds, Series 2017	23,110,000	-
NMFA Loans	1,927,968	2,121,253
Compensated Absences	166,069	203,409
Total Outstanding Debt	<u>\$ 27,344,037</u>	<u>\$ 4,644,662</u>

Additional information on Lincoln County's long-term debt can be found in the note 7 of 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 2017 fiscal year.

At the end of the current fiscal year, fund balance in the general fund was \$11,147,555. It is intended that using this available fund balance will obviate the need to raise taxes or charges during the 2018 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.

**STATE OF NEW MEXICO
LINCOLN COUNTY
STATEMENT OF NET POSITION
JUNE 30, 2017**

	Governmental Activities
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 19,328,515
Investments	3,183,395
Receivables:	
Property Tax Receivable	1,025,619
Other Taxes	248,109
Other Receivables, Net	728,735
Special Assessment - Current Portion	125,000
Other Current Assets	369,537
Total Current Assets	25,008,910
Noncurrent assets:	
Restricted Cash and Cash Equivalents	26,139,802
Special Assessment - Noncurrent Receivable	198,241
Non-Depreciable Capital Assets	2,429,818
Depreciable Capital Assets	83,388,479
Less: Accumulated Depreciation	(48,349,724)
Total Noncurrent Assets	63,806,616
Deferred Outflows of Resources of Resources:	
Deferred Outflows - Pension Related	3,582,338
Total Deferred Outflows of Resources	3,582,338
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 92,397,864
LIABILITIES AND NET POSITION	
Current Liabilities:	
Accounts Payable	\$ 488,250
Accrued Salaries and Benefits	202,364
Accrued Interest Payable	265,280
Accrued Compensated Absences	166,069
Current Portion of Long-term Debt	507,107
Total Current Liabilities	1,629,070
Noncurrent Liabilities:	
Bond Premiums, net of amortization of \$156,296	2,202,651
Net Pension Liability	9,656,678
Long-term Debt Due After One Year	26,670,861
Total Noncurrent Liabilities	38,530,190
TOTAL LIABILITIES	40,159,260
Deferred Inflows of Resources:	
Deferred Inflows - Pension Related	239,867
Total Deferred Inflows of Resources	239,867
NET POSITION	
Net Investment in Capital Assets	8,087,954
Restricted	40,358,094
Unrestricted	3,552,689
Total Net Position	51,998,737
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	\$ 92,397,864

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Functions and Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Federal Sources	
PRIMARY GOVERNMENT					
Governmental Activities					
General Government	\$ 5,367,051	\$ 1,778,373	\$ 304,592	\$ -	\$ (3,284,086)
Public Safety	8,397,935	846,168	1,278,160	4,290,824	(1,982,783)
Public Works	5,479,383	1,876,596	386,478	15,541	(3,200,768)
Culture and Recreation	280,366	380,285	298,046	131,647	529,612
Health and Welfare	4,640,613	-	-	-	(4,640,613)
Interest on Long-term Debt	1,721,081	-	-	-	(1,721,081)
Total Governmental Activities	<u>\$ 25,886,429</u>	<u>\$ 4,881,422</u>	<u>\$ 2,267,276</u>	<u>\$ 4,438,012</u>	<u>(14,299,719)</u>
General Revenues:					
Taxes:					
Property Taxes levied for general purposes					13,848,137
Gross Receipts Taxes					1,209,112
Motor Vehicle and Fuel Taxes					606,386
Other					67,233
Proceeds From Sale of Assets					26,443
Payments in Lieu of Taxes					1,767,039
Interest and Investment Earnings					181,162
Special Assessment					264,131
Other Financing Uses					(2,854,246)
Miscellaneous Income					<u>576,655</u>
Subtotal, General Revenues					<u>15,692,052</u>
Change in Net Position					1,392,333
Net Position, Beginning					<u>50,606,404</u>
Net Position, Ending					<u>\$ 51,998,737</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
BALANCE SHEET – GOVERNMENTAL FUNDS
AS OF JUNE 30, 2017**

	<u>General Fund</u>	<u>Road Fund</u>	<u>Corrections Center</u>	<u>Lincoln County Medical Center</u>	<u>LCMC Construction</u>
ASSETS					
Cash and Cash Equivalents	\$ 7,995,765	\$ 500,000	\$ 595,644	\$ 2,094,878	\$ -
Restricted Cash	-	-	-	-	24,663,709
Investments	2,895,564	-	-	-	-
Receivables:					
Property Taxes	798,941	-	-	173,731	-
Other Taxes	854	-	-	-	-
Other Receivables, Net	27,738	63,242	357,025	-	-
Special Assessments Receivable	-	-	-	-	-
Inventory	36,799	116,196	-	-	-
Prepaid Expenses	216,542	-	-	-	-
Noncurrent Receivables	-	-	-	-	-
TOTAL ASSETS	<u>\$ 11,972,203</u>	<u>\$ 679,438</u>	<u>\$ 952,669</u>	<u>\$ 2,268,609</u>	<u>\$ 24,663,709</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
LIABILITIES					
Accounts Payable	\$ 43,769	\$ 462	\$ 265,091	\$ 512	\$ -
Accrued Salaries and Benefits	149,859	29,822	-	-	-
TOTAL LIABILITIES	193,628	30,284	265,091	512	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Property Taxes	631,020	-	-	136,233	-
Special Assessment	-	-	-	-	-
TOTAL DEFERRED INFLOWS	631,020	-	-	136,233	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	824,648	30,284	265,091	136,745	-
FUND BALANCES					
Nonspendable:					
Inventory	36,799	116,196	-	-	-
Prepaid Expenses	216,542	-	-	-	-
Restricted For:					
Special Revenue Funds	-	366,302	-	-	-
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	24,663,709
Minimum Fund Balance	1,711,554	166,656	-	-	-
Committed For:					
Detention Facility	-	-	687,578	-	-
Lincoln County Medical Center	-	-	-	2,131,864	-
Unassigned, Reported in:					
General Fund	9,182,660	-	-	-	-
TOTAL FUND BALANCES	<u>11,147,555</u>	<u>649,154</u>	<u>687,578</u>	<u>2,131,864</u>	<u>24,663,709</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 11,972,203</u>	<u>\$ 679,438</u>	<u>\$ 952,669</u>	<u>\$ 2,268,609</u>	<u>\$ 24,663,709</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
BALANCE SHEET – GOVERNMENTAL FUNDS - continued
AS OF JUNE 30, 2017**

	LCMC Lease Fund	Disaster Relief	Other Governmental Funds	Total
ASSETS				
Cash and Cash Equivalents	\$ 2,707,678	\$ 656,297	\$ 4,778,253	\$ 19,328,515
Restricted Cash			1,476,093	26,139,802
Investments	-	-	287,831	3,183,395
Receivables:				
Property Taxes	-	-	52,947	1,025,619
Other Taxes	-	-	247,255	248,109
Other Receivables, Net	-	-	280,730	728,735
Special Assessments Receivable	-	-	125,000	125,000
Inventory	-	-	-	152,995
Prepaid Expenses	-	-	-	216,542
Noncurrent Receivables - Special Assessment	-	-	198,241	198,241
TOTAL ASSETS	<u>\$ 2,707,678</u>	<u>\$ 656,297</u>	<u>\$ 7,446,350</u>	<u>\$ 51,346,953</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
LIABILITIES				
Accounts Payable	\$ 45,870	\$ -	\$ 132,546	\$ 488,250
Accrued Salaries and Benefits	-	-	22,683	202,364
TOTAL LIABILITIES	45,870	-	155,229	690,614
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue:				
Property Taxes	-	-	41,544	808,797
Special Assessment	-	-	306,788	306,788
TOTAL DEFERRED INFLOWS	-	-	348,332	1,115,585
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	45,870	-	503,561	1,806,199
FUND BALANCES				
Nonspendable:				
Inventory	-	-	-	152,995
Prepaid Expenses	-	-	-	216,542
Restricted For:				
Special Revenue Funds	-	656,297	3,640,955	4,663,554
Debt Service Funds	-	-	3,003,452	3,003,452
Capital Projects Funds	-	-	298,382	24,962,091
Minimum Fund Balance	-	-	-	1,878,210
Committed For:				
Detention Facility	-	-	-	687,578
Lincoln County Medical Center	2,661,808	-	-	4,793,672
Unassigned, Reported in:				
General Fund	-	-	-	9,182,660
TOTAL FUND BALANCES	<u>2,661,808</u>	<u>656,297</u>	<u>6,942,789</u>	<u>49,540,754</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 2,707,678</u>	<u>\$ 656,297</u>	<u>\$ 7,446,350</u>	<u>\$ 51,346,953</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2017**

Total Fund Balance - Governmental Funds	\$ 49,540,754
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	
Capital Assets, Net	37,468,573
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in funds:	
Deferred Outflows of Resources Related to GASB 68	3,582,338
Deferred Inflows of Resources Related to GASB 68	(239,867)
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities	
	808,797
Special assessment district revenue not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities	
	306,788
Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities at year end consist of:	
Accrued Interest Payable	(265,280)
Compensated Absences Payable	(166,069)
Current Portion of Long term debt	(507,107)
Bond Premiums, net of amortization	(2,202,651)
Long Term Debt	(26,670,861)
Net Pension Liability	(9,656,678)
Net Position of Governmental Activities	<u>\$ 51,998,737</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>General Fund</u>	<u>Road Fund</u>	<u>Corrections Center</u>	<u>Lincoln County Medical Center</u>	<u>LCMC Construction</u>
REVENUES					
Taxes:					
Property Taxes	\$ 10,755,026	\$ -	\$ -	\$ 2,318,427	\$ -
Gross Receipts	-	-	-	-	-
Gasoline and Motor Vehicle Taxes	71,418	329,429	-	-	-
Other Taxes	3,750	-	-	-	-
Federal Operating Grants	-	15,541	-	-	-
Federal Capital Grants	-	-	-	-	-
State Operating Grants	158,145	115,532	38,356	-	-
State Capital Grants	1,270	159,161	-	-	-
Payments in Lieu of Taxes	1,767,039	-	-	-	-
Charges for Services	494,853	3,261	665,179	-	-
Investment Income	96,455	-	-	4,653	56,150
Special Assessment	-	-	-	-	-
Special Assessment - Interest	-	-	-	-	-
Miscellaneous	124,258	82,622	353,908	-	-
TOTAL REVENUES	13,472,214	705,546	1,057,443	2,323,080	56,150
EXPENDITURES					
Current					
General Government	3,809,163	-	-	-	-
Public Safety	2,869,577	-	3,115,679	-	-
Public Works	109,974	1,999,868	-	-	394,204
Culture and Recreation	-	-	-	-	-
Health and Welfare	-	-	-	1,426,718	-
Capital Outlay	57,502	-	5,600	174,458	98,237
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
TOTAL EXPENDITURES	6,846,216	1,999,868	3,121,279	1,601,176	492,441
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,625,998	(1,294,322)	(2,063,836)	721,904	(436,291)
OTHER FINANCING SOURCES (USES)					
Proceeds From Sale of Equipment	-	-	585	-	-
Proceeds From Sale of Bonds	-	-	-	-	25,100,000
Other Financing Uses	-	-	-	-	-
Transfers In	-	1,101,593	2,245,330	-	-
Transfers Out	(4,496,952)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(4,496,952)	1,101,593	2,245,915	-	25,100,000
NET CHANGE IN FUND BALANCES	2,129,046	(192,729)	182,079	721,904	24,663,709
FUND BALANCE, BEGINNING	9,018,509	841,883	505,499	1,409,960	-
FUND BALANCE, END	\$ 11,147,555	\$ 649,154	\$ 687,578	\$ 2,131,864	\$ 24,663,709

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2017**

	LCMC Lease Fund	Disaster Relief	Other Governmental Funds	Total
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ 722,053	\$ 13,795,506
Gross Receipts	-	-	1,209,112	1,209,112
Gasoline and Motor Vehicle Taxes	-	-	205,539	606,386
Other Taxes	-	-	63,483	67,233
Federal Operating Grants	-	4,290,824	131,647	4,438,012
Federal Capital Grants	-	-	-	-
State Operating Grants	-	-	1,753,785	2,065,818
State Capital Grants	-	-	41,027	201,458
Payments in Lieu of Taxes	-	-	-	1,767,039
Charges for Services	1,100,000	-	2,618,129	4,881,422
Investment Income	8,220	-	15,684	181,162
Special Assessment	-	-	216,501	216,501
Special Assessment - Interest	-	-	47,630	47,630
Miscellaneous	-	-	68,498	629,286
TOTAL REVENUES	1,108,220	4,290,824	7,093,088	30,106,565
EXPENDITURES				
Current				
General Government	-	-	509,956	4,319,119
Public Safety	-	5,950	1,209,681	7,200,887
Public Works	-	-	2,031,778	4,535,824
Culture and Recreation	-	-	281,073	281,073
Health and Welfare	165,870	-	2,280,924	3,873,512
Capital Outlay	-	-	1,536,965	1,872,762
Debt Service:				
Principal	-	-	373,285	373,285
Interest	1,306,067	-	149,734	1,455,801
TOTAL EXPENDITURES	1,471,937	5,950	8,373,396	23,912,263
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(363,717)	4,284,874	(1,280,308)	6,194,302
OTHER FINANCING SOURCES (USES)				
Proceeds From Sale of Equipment	-	-	25,858	26,443
Proceeds From Sale of Bonds	-	-	-	25,100,000
Other Financing Uses	-	(4,284,198)	1,429,952	(2,854,246)
Transfers In	-	-	2,067,421	5,414,344
Transfers Out	-	-	(917,392)	(5,414,344)
TOTAL OTHER FINANCING SOURCES (USES)	-	(4,284,198)	2,605,839	22,272,197
NET CHANGE IN FUND BALANCES	(363,717)	676	1,325,531	28,466,499
FUND BALANCE, BEGINNING	3,025,525	655,621	5,617,258	21,074,255
FUND BALANCE, END	\$ 2,661,808	\$ 656,297	\$ 6,942,789	\$ 49,540,754

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Net Changes in Fund Balance - Governmental Funds \$ 28,466,499

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, the governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which depreciation exceeded capital outlays in the period:

Capital Outlay	1,872,762	
Depreciation Expense	(3,104,692)	
Excess (Deficiency) of Capital Outlay over Depreciation Expense		(1,231,930)

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		52,631
Change in Special District District		(208,544)

Governmental funds report County pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:

Pension Expense		(679,037)
-----------------	--	-----------

In the Statement of Activities, certain operating expenses including compensated absences and long term debt payments are measured by the amounts incurred during the year. In the fund financial statements, however, expenditures are measured by the amount of financial resources used (essentially the amounts actually paid):

(Increase) Decrease in compensated absences payable for the year		37,340
Proceeds from sales of bonds		(25,100,000)
(Increase) Decrease in Accrued Interest Payable		(290,244)
Bond Fees		(114,771)
Amortization of Bond Premiums		87,104
Principal Payments on Bonds and Loans Payable		373,285

Change in Net Position of Governmental Activities **\$ 1,392,333**

**STATE OF NEW MEXICO
LINCOLN COUNTY
STATEMENT OF REVENUES AND EXPENSES, BUDGET (NON-GAAP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – GENERAL FUND 401
FOR THE YEAR ENDED JUNE 30, 2017**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
REVENUES				
Taxes:				
Property Taxes	\$ 9,930,426	\$ 10,780,018	\$ 10,780,018	\$ -
Gross Receipts	-	-	-	-
Gasoline and Motor Vehicle Taxes	211,349	71,451	71,418	(33)
Other Taxes	-	7,500	3,750	(3,750)
Federal Operating Grants	-	-	-	-
Federal Capital Grants	-	-	-	-
State Operating Grants	28,188	159,888	157,291	(2,597)
State Capital Grants	-	2,188	825	(1,363)
Payments in Lieu of Taxes	1,684,721	1,854,072	1,763,289	(90,783)
Charges for Services	4,750	497,429	493,730	(3,699)
Investment Income	274,105	49,084	56,212	7,128
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	15,986	102,089	102,062	(27)
TOTAL REVENUES	12,149,525	13,523,719	13,428,595	(95,124)
EXPENDITURES				
Current				
General Government	4,313,759	4,521,186	3,883,288	637,898
Public Safety	2,923,927	2,980,962	2,783,238	197,724
Public Works	121,787	123,011	106,344	16,667
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	101,000	120,138	57,502	62,636
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	7,460,473	7,745,297	6,830,372	914,925
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,689,052	5,778,422	6,598,223	(1,010,049)
OTHER FINANCING SOURCES (USES)				
Proceeds From Sales of Equipment	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	(5,143,344)	(4,496,952)	646,392
TOTAL OTHER FINANCING SOURCES (USES)	-	(5,143,344)	(4,496,952)	646,392
INCREASE (DECREASE)	4,689,052	635,078	\$ 2,101,271	\$ (363,657)
PRIOR YEAR CASH BALANCE BUDGETED	\$ -	\$ -		

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

Revenues, Actual on a Budget Basis	\$ 13,428,595
Revenues, Actual on Modified Accrual Basis	13,472,214
Adjustments to revenues for property tax and grant revenues	\$ (43,619)
Expenditures, Actual on a Budget Basis	\$ 11,327,324
Expenditures, Actual on Modified Accrual Basis	11,343,168
Adjustments to expenditures for insurance, materials, other charges and payroll	\$ (15,844)

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
STATEMENT OF REVENUES AND EXPENSES, BUDGET (NON-GAAP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – COUNTY ROAD FUND 402
FOR THE YEAR ENDED JUNE 30, 2017**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	-	-
Gasoline and Motor Vehicle Taxes	351,750	373,094	373,094	-
Other Taxes	-	-	-	-
Federal Operating Grants	-	15,541	15,541	-
Federal Capital Grants	-	-	-	-
State Operating Grants	-	405,208	251,166	(154,042)
State Capital Grants	601,398	541,482	340,232	(201,250)
Payments in Lieu of Taxes	-	-	-	-
Charges for Services	-	3,261	3,261	-
Investment Income	-	-	-	-
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	-	70,086	70,086	-
TOTAL REVENUES	953,148	1,408,672	1,053,380	(355,292)
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	2,834,557	3,045,407	2,154,973	890,434
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	2,834,557	3,045,407	2,154,973	890,434
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,881,409)	(1,636,735)	(1,101,593)	(1,245,726)
OTHER FINANCING SOURCES (USES)				
Proceeds From Sales of Equipment	-	-	-	-
Transfers In	1,639,592	1,752,312	1,101,593	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,639,592	1,752,312	1,101,593	-
INCREASE (DECREASE)	(241,817)	115,577	\$ -	\$ (1,245,726)
PRIOR YEAR CASH BALANCE BUDGETED	\$ 241,817	\$ -		

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

Revenues, Actual on a Budget Basis	\$ 2,154,973
Revenues, Actual on Modified Accrual Basis	1,807,139
Adjustments to revenues for charges for state grants, taxes and other revenues	\$ 347,834
Expenditures, Actual on a Budget Basis	\$ 2,154,973
Expenditures, Actual on Modified Accrual Basis	1,999,868
Adjustments to expenditures for County roads	\$ 155,105

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
STATEMENT OF REVENUES AND EXPENSES, BUDGET (NON-GAAP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CORRECTIONS FUND 450
FOR THE YEAR ENDED JUNE 30, 2017**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-
Other Taxes	-	-	-	-
Federal Operating Grants	-	-	-	-
Federal Capital Grants	-	-	-	-
State Operating Grants	93,560	93,560	38,356	(55,204)
State Capital Grants	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Charges for Services	409,000	724,894	723,427	(1,467)
Investment Income	-	-	-	-
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	-	110,082	110,082	-
TOTAL REVENUES	502,560	928,536	871,865	(56,671)
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	3,433,300	3,459,561	3,080,609	378,952
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	33,551	33,551	20,027	13,524
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	3,466,851	3,493,112	3,100,636	392,476
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,964,291)	(2,564,576)	(2,228,771)	(449,147)
OTHER FINANCING SOURCES (USES)				
Proceeds From Sales of Equipment	-	585	585	-
Transfers In	2,384,541	2,385,791	2,245,330	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	2,384,541	2,386,376	2,245,915	-
INCREASE (DECREASE)	(579,750)	(178,200)	\$ 17,144	\$ (449,147)
PRIOR YEAR CASH BALANCE BUDGETED	\$ 579,750	\$ 178,200		

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

Revenues, Actual on a Budget Basis	\$ 3,117,780
Revenues, Actual on Modified Accrual Basis	<u>3,303,358</u>
Adjustments to revenues for charges for services	<u>\$ (185,578)</u>
Expenditures, Actual on a Budget Basis	\$ 3,100,636
Expenditures, Actual on Modified Accrual Basis	<u>3,121,279</u>
Adjustments to expenditures for public safety expenditures	<u>\$ (20,643)</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
STATEMENT OF REVENUES AND EXPENSES, BUDGET (NON-GAAP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – LCMC 502
FOR THE YEAR ENDED JUNE 30, 2017**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
REVENUES				
Taxes:				
Property Taxes	\$ 2,194,241	\$ 2,448,039	\$ 2,448,039	\$ -
Gross Receipts	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-
Other Taxes	-	-	-	-
Federal Operating Grants	-	-	-	-
Federal Capital Grants	-	-	-	-
State Operating Grants	-	-	-	-
State Capital Grants	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Charges for Services	-	-	-	-
Investment Income	4,500	4,500	4,653	153
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	2,198,741	2,452,539	2,452,692	153
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	1,579,226	1,580,019	1,553,067	26,952
Capital Outlay	603,430	604,223	174,458	429,765
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	2,182,656	2,184,242	1,727,525	456,717
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	16,085	268,297	725,167	(456,564)
OTHER FINANCING SOURCES (USES)				
Proceeds From Sales of Equipment	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
INCREASE (DECREASE)	16,085	268,297	\$ 725,167	\$ (456,564)
PRIOR YEAR CASH BALANCE BUDGETED	\$ -	\$ -		

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

Revenues, Actual on a Budget Basis	\$ 2,452,692
Revenues, Actual on Modified Accrual Basis	<u>2,323,080</u>
Adjustments to revenues for property taxes and charges for services	<u>\$ 129,612</u>
Expenditures, Actual on a Budget Basis	\$ 1,727,525
Expenditures, Actual on Modified Accrual Basis	<u>1,601,176</u>
Adjustments to expenditures for emergency medical and capital expenditures	<u>\$ 126,349</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
STATEMENT OF REVENUES AND EXPENSES, BUDGET (NON-GAAP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – LCMC LEASE 509
FOR THE YEAR ENDED JUNE 30, 2017**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-
Other Taxes	-	-	-	-
Federal Operating Grants	-	-	-	-
Federal Capital Grants	-	-	-	-
State Operating Grants	-	-	-	-
State Capital Grants	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Charges for Services	1,100,000	1,100,000	1,100,000	-
Investment Income	-	8,500	8,220	(280)
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>1,100,000</u>	<u>1,108,500</u>	<u>1,108,220</u>	<u>(280)</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	1,100,000	1,673,139	120,000	1,553,139
Capital Outlay	2,200,000	3,299,962	-	3,299,962
Debt Service:				
Principal	-	-	-	-
Interest	-	2,288,340	1,306,067	982,273
TOTAL EXPENDITURES	<u>3,300,000</u>	<u>7,261,441</u>	<u>1,426,067</u>	<u>5,835,374</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(2,200,000)</u>	<u>(6,152,941)</u>	<u>(317,847)</u>	<u>(5,835,654)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds From Sales of Equipment	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
INCREASE (DECREASE)	<u>(2,200,000)</u>	<u>(6,152,941)</u>	<u>\$ (317,847)</u>	<u>\$ (5,835,654)</u>
PRIOR YEAR CASH BALANCE BUDGETED	<u>\$ 2,200,000</u>	<u>\$ 6,152,941</u>		

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

Revenues, Actual on a Budget Basis	\$ 1,108,220
Revenues, Actual on Modified Accrual Basis	<u>1,108,220</u>
Changes in Assets and Liabilities	<u>\$ -</u>
Expenditures, Actual on a Budget Basis	\$ 1,426,067
Expenditures, Actual on Modified Accrual Basis	<u>1,471,937</u>
Adjustments to expenditures	<u>\$ (45,870)</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
STATEMENT OF REVENUES AND EXPENSES, BUDGET (NON-GAAP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – DISASTER RELIEF 681
FOR THE YEAR ENDED JUNE 30, 2017**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-
Other Taxes	-	-	-	-
Federal Operating Grants	-	1,040,692	1,040,692	-
Federal Capital Grants	-	-	-	-
State Operating Grants	-	-	-	-
State Capital Grants	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Charges for Services	-	-	-	-
Investment Income	-	-	-	-
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	-	1,040,692	1,040,692	-
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	1,153,547	1,153,547	5,950	1,147,597
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	1,153,547	1,153,547	5,950	1,147,597
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,153,547)	(112,855)	1,034,742	(1,147,597)
OTHER FINANCING SOURCES (USES)				
Other Financing Uses	(27,000)	(4,284,198)	(4,284,198)	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(27,000)	(4,284,198)	(4,284,198)	-
INCREASE (DECREASE)	(1,180,547)	(4,397,053)	\$ (3,249,456)	\$ (1,147,597)
PRIOR YEAR CASH BALANCE BUDGETED	\$ 1,180,547	\$ 4,397,053		

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

Revenues, Actual on a Budget Basis	\$ 1,040,692
Revenues, Actual on Modified Accrual Basis	4,290,824
Adjustments to Revenue for recognition of prior year unearned revenue	\$ (3,250,132)
Expenditures, Actual on a Budget Basis	\$ 4,290,148
Expenditures, Actual on Modified Accrual Basis	4,290,148
	\$ -

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUNDS 700
AS OF JUNE 30, 2017**

	Agency Funds
ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 381,909
Property Taxes Receivable	1,225,602
TOTAL CURRENT ASSETS	1,607,511
Noncurrent Assets	
Capital Assets, Net	29,511
TOTAL NONCURRENT ASSETS	29,511
TOTAL ASSETS	\$ 1,637,022
LIABILITIES	
Deposits Held in Trust	\$ 381,909
Due to Other Taxing Entities	1,225,602
Capital Assets Held in Trust	29,511
TOTAL LIABILITIES	\$ 1,637,022

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1: Summary of Significant Accounting Policies

Lincoln County (the "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 as applied to governmental entities.

In August 2015, GASB Statement No. 77 *Tax Abatement Disclosures*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged. The County implemented this standard during the fiscal year ended June 30, 2017. See Note 15.

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 Statement No. 14, as amended by GASB Statement No. 39 and GASB Statement No. 61. Blended component units, though 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.

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1: Summary of Significant Accounting Policies (continued)

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the County has no component units, and is not a component unit of another governmental agency.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position 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 Position 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 Position, 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 position are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

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.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1: Summary of Significant Accounting Policies (continued)

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.

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.

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1: Summary of Significant Accounting Policies (continued)

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.

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. Authority is 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. Authority is state statute (see sections 33-3-25 and 35-14-11, NMSA 1978 Compilation).

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 mill levy authorized by the County Commission.

The *Lincoln County Medical Center Construction Capital Projects Fund* is used to account for the construction of a new medical center located in Ruidoso, New Mexico. The Construction is funded by a general obligation bond issued in fiscal year 2017.

The *Lincoln County Medical Center Lease Special Revenue Fund* is used to account for the funds received from a lease agreement and contract for the Operation of Lincoln County Medical Center, to be used for the construction, architectural work, and debt service for hospital renovations and other county needs. Authority for creation of this fund is by County Commission budget adoption and approval.

The *Disaster Relief Special Revenue Fund* is used 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.

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.

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1: Summary of Significant Accounting Policies (continued)

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.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position 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 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.

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1: Summary of Significant Accounting Policies (continued)

Inventory: The County's method of accounting for inventory is the consumption method. Under the consumption approach, the government reports inventories they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories actually are consumed. Inventory is valued at cost and consists of supplies and materials. The cost of purchased supplies and materials is recorded as an expenditure at the time individual inventory items are consumed.

Prepaid Expenses: Prepaid expenses include insurance payments to vendors and reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide financial statements and the governmental fund financial statements.

Restricted Assets: Restricted assets consist of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended. Descriptions for the related restriction of net position for special revenue, debt service and capital projects are described on pages 15 and 16.

Capital Assets: Capital assets, which are 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).

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.

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	45
Equipment	5-20
Infrastructure	40
Other Improvements	20

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**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1: Summary of Significant Accounting Policies (continued)

Accrued Expenses: Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2017, along with applicable PERA, FICA, and Medicare payable.

Deferred Outflow of Resources: In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The County has three types of items that qualify for reporting in this category: changes in proportion, net difference between expected and actual experience and employer contributions subsequent to measurement date. These total \$3,582,338 and have been reported as deferred outflows of resources. These amounts are reported in the Statement of Net Position. These amounts are deferred and recognized as outflows of resources the next period.

Deferred Inflows of Resources: In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. 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 deferred inflow of resources.

The County has two items, which arise under the modified accrual basis of accounting, that qualify for reporting in this category. Accordingly, the items, unavailable revenue – property taxes and unavailable revenue – special assessment, are reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The County has recorded \$1,115,585 related to property taxes and special assessments considered “unavailable.”

In addition, the County has three types of deferred inflows which arise due to the implementation of GASB 68 and the related net pension liability. Accordingly, these items, net difference between projected and actual investment earnings, change in assumptions, and differences between expected and actual experience, are reported on the Statement of Net Position in the amount of \$239,867 as of June 30, 2017. Net difference between expected and actual investment earnings are amortized into pension expense over a five-year period. Changes in assumptions are amortized into pension expense over the average remaining service life of the employee participants. Differences between expected and actual experience are amortized into pension expense over the five-year period. Detail is found in the notes and the required supplementary information.

Unearned Revenue: Unearned revenue in the governmental funds balance sheet is comprised of \$0. Amounts reported as unearned revenue in prior years have been recognized during the year ended June 30, 2017.

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.

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**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1: Summary of Significant Accounting Policies (continued)

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 position.

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 position. For bonds issued after GASB 34 was implemented, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method or on a straight-line basis if the difference is inconsequential. 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. 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. In order for a fund balance commitment to be established, the County Commission must take formal action.

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. Unassigned 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, 2017, the nonspendable fund balance in the governmental funds consists of amounts associated with inventory in the amount of \$152,995 and prepaid expenses in the amount of \$216,542 that are not in spendable form.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1: Summary of Significant Accounting Policies (continued)

Restricted and Committed Fund Balance: At June 30, 2017, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$34,507,307 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 \$5,481,250 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 15 and 16.

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 and a cash reserve of 1/12th the Road Special Revenue Fund. At June 30, 2017, the County maintains \$1,878,210 as minimum fund balances.

Net Position: The financial statements net position is reported in three categories: net investment in capital assets, restricted, and unrestricted:

- **Net investment in capital assets** – This component consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any related debt attributable to the acquisition, construction, or improvement of those assets.
- **Restricted Net Position** – Net position is reported as restricted when constraints placed on net position use are either (1) externally imposed by creditors, grantors, contributions or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for "special revenue, debt service, and capital projects" are described on pages 32 and 68-71.
- **Unrestricted Net Position** – Net position that do not meet the definition of "restricted" and "Net Investment in Capital Assets."

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 estimates for the County are management's estimate of depreciation on assets over their estimated useful lives, the current portion of accrued compensated absences, uncollectible amounts of receivables, pension liability, and related deferred inflows and outflows of resources.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA, on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

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 reappropriated 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. 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, 2017 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.

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, 2017.

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.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 3: Deposits and Investments (continued)

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.

All of the County's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the Standard Maximum Deposit Insurance Amount of \$250,000.

Custodial Credit Risk – Deposits

Custodial Credit Risk - 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, 2017, \$18,147,462 of the County's bank balance of \$20,397,462 was exposed to custodial credit risk. Although this amount 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, 2017.

	<u>City Bank</u>	<u>First National Bank</u>	<u>First Savings Bank</u>	<u>Pioneer Bank</u>
Total Amount of Deposits	\$ 2,001,315	\$ 11,283,637	\$ 1,759,066	\$ 1,629,503
Less: FDIC Coverage	(250,000)	(250,000)	(500,000)	(250,000)
Total Uninsured Public Funds	1,751,315	11,033,637	1,259,066	1,379,503
Collateral requirement (50% of uninsured public funds)	875,658	5,516,819	629,533	689,752
Pledged Securities	<u>2,209,065</u>	<u>23,922,321</u>	<u>2,394,299</u>	<u>2,177,816</u>
Total (Over) Under Collateralized	<u>\$ (1,333,407)</u>	<u>\$ (18,405,502)</u>	<u>\$ (1,764,766)</u>	<u>\$ (1,488,064)</u>
	<u>Washington Federal Bank</u>	<u>Wells Fargo</u>	<u>BBVA Compass</u>	<u>Total</u>
Total Amount of Deposits	\$ 2,471,885	\$ 250,363	\$ 1,001,693	\$ 20,397,462
Less: FDIC Coverage	(500,000)	(250,000)	(250,000)	(2,250,000)
Total Uninsured Public Funds	1,971,885	363	751,693	18,147,462
Collateral requirement (50% of uninsured public funds)	985,943	182	375,847	9,073,734
Pledged Securities	<u>2,854,529</u>	<u>1,140</u>	<u>800,000</u>	<u>34,359,170</u>
Total (Over) Under Collateralized	<u>\$ (1,868,586)</u>	<u>\$ (958)</u>	<u>\$ (424,153)</u>	<u>\$ (25,285,436)</u>

The collateral pledged is listed in the other supplementary information section 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.

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**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

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, 2017, the County had the following investments and maturities:

<u>Investment Type</u>	<u>Weighted Average Maturities</u>	<u>Fair Value</u>	<u>Rating***</u>
US Treasury MM Mutual Fund	< 1 year	2,135,933	AAA
Certificates of Deposit	< 1 year	1,000,000	Unrated
New MexicoGrow LGIP	106 days	1,315	AAAm
		<u>\$ 3,137,248</u>	

****Based of Moddy's Rating

The County also has \$26,139,802 in NMFA reserve cash that is included as restricted cash on the Statement of Net Position.

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 100% 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 \$1,000,000 as investments in the Statement of Net Position, 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 FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 3: Deposits and Investments (continued)

Reconciliation of Cash and Cash Equivalents

Reconciliation to the Statement of Net Position:	
Cash and Cash Equivalents	\$ 19,328,515
Restricted Cash	26,139,802
Cash - Fiduciary Funds	381,909
Investments	<u>3,183,395</u>
Total Cash Equivalents and Investments	49,033,621
 Reconciling Items:	
Add: Outstanding Checks	691,086
Less: Deposits in Transit	(1,998)
Less: Restricted Cash	(26,139,802)
Less: Certificates of Deposit	(1,000,000)
Less: Investments in Fidelity	(2,182,080)
Less: Investments in LGIP	(1,315)
Less: Petty Cash	<u>(2,050)</u>
Balance as per Bank	<u>\$ 20,397,462</u>

Fair Value Measurement

The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Authority has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. See above for discussion of valuation methodologies used to measure fair value of investments.

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**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 3: Deposits and Investments (continued)

The valuation methodologies described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the County believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The County maintained a balance of \$3,137,248 in money market accounts and certificates of deposit (cash equivalent) at year end which required fair value disclosure.

The following table sets forth by level within the fair value hierarchy, the County's assets at fair value as of June 30, 2017:

Level 1	Level 2	Level 3	Total
\$ 3,137,248	\$ -	\$ -	\$ 3,137,248

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**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 4: Receivables

Receivables as of June 30, 2017, are as follows:

	<u>General Fund</u>	<u>Road Fund</u>	<u>Corrections</u>	<u>LCMC Fund</u>	<u>LCMC Construction</u>
Current Receivables:					
Property Taxes	\$ 798,941	\$ -	\$ -	\$ 173,731	\$ -
Other Taxes	854	-	-	-	-
Other Receivables	27,738	63,242	357,025	-	-
Special Assessment	-	-	-	-	-
Total Current Receivables	<u>827,533</u>	<u>63,242</u>	<u>357,025</u>	<u>173,731</u>	<u>-</u>
Noncurrent Receivables:					
Special Assessment	-	-	-	-	-
Total Receivables	<u>827,533</u>	<u>63,242</u>	<u>357,025</u>	<u>173,731</u>	<u>-</u>
Less: Allowance for Uncollectible Accounts	-	-	-	-	-
Receivables, Net	<u>\$ 827,533</u>	<u>\$ 63,242</u>	<u>\$ 357,025</u>	<u>\$ 173,731</u>	<u>\$ -</u>
	<u>LCMC Lease Fund</u>	<u>Disaster Relief</u>	<u>Other Governmental Funds</u>	<u>Total</u>	
Current Receivables:					
Property Taxes	\$ -	\$ -	\$ 52,947	\$ 1,025,619	
Other Taxes	-	-	247,255	248,109	
Other Receivables	-	-	342,036	790,041	
Special Assessment	-	-	125,000	125,000	
Total Current Receivables	<u>-</u>	<u>-</u>	<u>767,238</u>	<u>2,188,769</u>	
Noncurrent Receivables:					
Special Assessment	-	-	198,241	198,241	
Total Receivables	<u>-</u>	<u>-</u>	<u>965,479</u>	<u>2,387,010</u>	
Less: Allowance for Uncollectible Accounts	-	-	(61,306)	(61,306)	
Receivables, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 904,173</u>	<u>\$ 2,325,704</u>	

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$808,797 that were not collected within the period of availability have been reclassified as deferred inflow of resources in the governmental fund financial statements. In addition, Special Assessment revenues in the amount of \$306,788 have been reclassified as deferred inflow of resources in the governmental fund financial statements.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 5: Transfers

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

<u>Governmental Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 4,496,952	\$ -
Road	-	1,101,593
Special Projects	-	81,310
Fire	123,983	993,242
Cell Tower	-	60,000
Corrections	-	2,245,330
Intergovernment Grants	172,529	-
Homeland Security	-	4,988
Legislative	-	17,512
Deek Park	131,867	-
Senior Citizens	-	130,578
Solid Waste	137,650	137,650
CDBG	-	128,935
County Indigent	-	8,421
Juvenile	-	86,908
HIDTA	-	49,033
1st 1/8 Reserve	-	112,975
1st 1/8 Income	351,363	-
Debt Reserve	-	255,869
Total Transfers	<u>\$ 5,414,344</u>	<u>\$ 5,414,344</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 6: Capital Assets

The following is a summary of capital assets and changes occurring during the year ended June 30, 2017. Land, intangible assets, and construction in progress are not subject to depreciation.

Governmental Activities	Balance June 30, 2016	Increases	Decreases	CIP Reclass- ifications / Adjustments	Balance June 30, 2017
Capital assets not being depreciated:					
Land	\$ 1,981,417	\$ 98,237	\$ -	\$ (7,189)	\$ 2,072,465
Intangible Assets	192,908	164,445			357,353
Construction in Progress (CIP)	<u>1,024,466</u>	<u>416,457</u>	<u>-</u>	<u>(1,440,923)</u>	<u>-</u>
Total Capital Assets not being depreciated	<u>3,198,791</u>	<u>679,139</u>	<u>-</u>	<u>(1,448,112)</u>	<u>2,429,818</u>
Capital assets being depreciated:					
Buildings and Improvements	29,446,455	147,379	-	1,446,412	31,040,246
Equipment	19,571,030	1,046,244	595,516	-	20,021,758
Infrastructure	31,640,054				31,640,054
Other Improvements	<u>686,421</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>686,421</u>
Total Capital Assets being depreciated	<u>81,343,960</u>	<u>1,193,623</u>	<u>595,516</u>	<u>1,446,412</u>	<u>83,388,479</u>
Less: Accumulated Depreciation for:					
Buildings and Improvements	8,592,476	827,762	-	-	9,420,238
Equipment	12,134,943	1,462,009	555,203	-	13,041,749
Infrastructure	24,940,877	787,839			25,728,716
Other Improvements	<u>131,939</u>	<u>27,082</u>	<u>-</u>	<u>-</u>	<u>159,021</u>
Total Accumulated Depreciation	<u>45,800,235</u>	<u>3,104,692</u>	<u>555,203</u>	<u>-</u>	<u>48,349,724</u>
Total Capital Assets being Depreciated, Net	<u>35,543,725</u>	<u>(1,911,069)</u>	<u>40,313</u>	<u>1,446,412</u>	<u>35,038,755</u>
Capital Assets, Net	<u>\$ 38,742,516</u>	<u>\$ (1,231,930)</u>	<u>\$ 40,313</u>	<u>\$ (1,700)</u>	<u>\$ 37,468,573</u>

Depreciation expense for the year ended June 30, 2017 was charged to the functions of the governmental activities as follows:

<u>Function</u>	<u>Amounts</u>
General Government	\$ 573,654
Public Safety	767,101
Public Works	820,378
Culture and Recreation	<u>943,559</u>
Total	<u>\$ 3,104,692</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 6: Capital Assets (continued)

The following is a summary of capital assets and changes for Agency funds occurring during the year ended June 30, 2017:

Governmental Activities	Balance June 30, 2016	Increases	Decreases	Balance June 30, 2017
Capital assets being depreciated:				
Equipment	\$ 32,789	\$ -	\$ -	\$ 32,789
Total Capital Assets being depreciated	<u>32,789</u>	<u>-</u>	<u>-</u>	<u>32,789</u>
Less: Accumulated Depreciation for:				
Equipment	-	3,278	-	3,278
Total Accumulated Depreciation	<u>-</u>	<u>3,278</u>	<u>-</u>	<u>3,278</u>
Capital Assets, Net	<u>\$ 32,789</u>	<u>\$ (3,278)</u>	<u>\$ -</u>	<u>\$ 29,511</u>

Depreciation expense for Agency Funds was \$3,278 for the year ended June 30, 2017.

NOTE 7: Long-term Debt

During the year ended June 30, 2017, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Beginning Balance	Additions	Retirements	Ending Balance	Amount Due Within One Year
Gross Receipts Revenue Bonds	\$ 2,320,000	\$ -	\$ 180,000	\$ 2,140,000	\$ 190,000
GO Bonds, Series 2017	-	23,110,000	-	23,110,000	120,000
NMFA Loans	2,121,253		193,285	1,927,968	197,107
Compensated Absences	203,409	265,863	303,203	166,069	166,069
Total	<u>\$ 4,644,662</u>	<u>\$ 23,375,863</u>	<u>\$ 676,488</u>	<u>\$ 27,344,037</u>	<u>\$ 673,176</u>

Interest expense paid on long-term debt totaled \$1,721,081 for the year ended June 30, 2017 as indicated on the statement of activities.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 7: Long-term Debt (continued)

The information of the bonds payable are detailed below:

Gross Receipts Revenue Bonds

Gross Receipts Bonds Outstanding as June 30, 2017 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%	

General Obligation Bonds, Series 2017

General Obligation Bonds Outstanding as June 30, 2017 consisted of the following:

General Obligation Bonds - 3/29/2017 issue	
Original Issue	\$23,110,000
Interest Due	February 1 and August 1
Principal Due	June 1
Maturity Date	August 1, 2036
Interest Rates from 3.125% to 5.00%	

The annual requirements to amortize the Bonds Payable as of June 30, 2017, including interest payments are as follows:

<u>Year Ending June 30,</u>	<u>Bonds Payable</u>		<u>Total Requirements</u>
	<u>Principal</u>	<u>Interest</u>	
2018	\$ 310,000	\$ 413,315	\$ 723,315
2019	320,000	1,054,438	1,374,438
2020	1,105,000	1,043,788	2,148,788
2021	1,155,000	1,030,788	2,185,788
2022	1,210,000	977,338	2,187,338
2023-2027	6,915,000	3,713,638	10,628,638
2028-2032	7,340,000	2,015,088	9,355,088
2033-2037	6,895,000	594,063	7,489,063
Total	\$ 25,250,000	\$ 10,842,456	\$ 36,092,456

Gross Receipts Revenue Bonds have been liquidated by the 1st 1/8 GRT Income Debt Service Fund in prior years. General Obligation Bonds will be paid from property taxes.

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 7: Long-term Debt (continued)

Loans

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. The NMFA loans are as follows:

NMFA Loans					
Description	Date of Issue	Maturity Date	Interest Rate	Original Amount of Issue	Balance, June 30, 2017
NMFA Loan	Dec-08	May-19	0%	121,800.00	\$ 24,360
NMFA Loan	Dec-08	May-19	1.62-3.80%	205,315.00	44,954
NMFA Loan	Dec-08	May-19	2.13-3.94%	225,933.00	49,134
NMFA Loan	Sep-09	May-20	1.03-3.78%	203,000.00	66,666
NMFA Loan	Oct-10	May-25	3.277%	2,819,028.00	1,560,232
NMFA Loan	Jan-12	May-22	1.87%	243,600.00	125,947
NMFA Loan	Jan-12	May-22	1.87%	109,620.00	56,675
Total					\$ 1,927,968

The annual requirements to amortize the Loans and Capital Leases Payable as of June 30, 2017, including interest payments are as follows:

Loans Payable			
Year Ending June 30,	Principal	Interest	Total Requirements
2018	\$ 197,107	\$ 58,765	\$ 255,872
2019	201,367	54,506	255,873
2020	145,027	49,782	194,809
2021	125,048	45,898	170,946
2022	128,456	42,490	170,946
2023-2027	1,130,963	138,530	1,269,493
Total	\$ 1,927,968	\$ 389,971	\$ 2,317,939

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, 2017, compensated absences decreased \$37,340 from the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 8: Operating Leases

The County leases equipment under operating leases expiring during the next five 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, 2017, future minimum lease payments applicable to the operating leases are as follows:

Year Ending June 30,	Amount
2018	\$ 165,132
2019	52,277
2020	33,598
2021	33,598
2022	33,598
Thereafter	<u>27,998</u>
Total	<u>\$ 346,201</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.

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. No funds reflected a deficit fund balance as of June 30, 2017.
- 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 that exceeded approved budgetary authority for the year ended June 30, 2017.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 11: Pension Plan – Public Employees Retirement Association

Plan Description: The Public Employees Retirement Fund (PERA Fund) is a cost-sharing, multiple employer defined benefit pension plan. This fund has six divisions of members, including State General, State Police/Adult Correction Officer, Municipal General, Municipal Police/Detention Officers, Municipal fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plan. All assets accumulated may be used to pay benefits, including refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division. Eligibility for membership in the PERA Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-19, NMSA 1978), the Magistrate Retirement Act (10-12C-1 to 10-12C-18, NMSA 1978), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), and the provisions of Sections 29-4-1 through 29-4-11, NMSA 1978 governing the State Police Pension Fund, each employee and elected official of every affiliated public employer is required to be a member in the PERA fund.

PERA issues a publicly available financial report and a comprehensive annual financial report that can be obtained at <http://saonm.org> using the Audit Report Search function for agency 366.

Benefits provided. For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2016 available at <https://www.saonm.org/media/audits/366-B PERA Schedule of Employer Allocations FY2015.pdf>.

Contributions. The contribution requirements of defined benefit plan members and Lincoln County are established in State Statute under Chapter 10, Article 11 NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY15 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 21 through 23 of the PERA FY15 annual audit report at <https://www.saonm.org/media/audits/366-B PERA Schedule of Employer Allocations FY2015.pdf>. The PERA coverage options that apply to Lincoln County are Municipal General Division and Municipal Police Division. Statutorily required contributions to the pension plan from Lincoln County were \$492,856 and there were \$0 of employer paid member benefits that were “picked up” by the employer for the year ended June 30, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2016, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2016.

The assets of the PERA fund are held in one trust, but there are six distinct membership groups (municipal general members, municipal police members, municipal fire members, state general members, state police members and legislative members) for whom separate contribution rates are determined each year pursuant to chapter 10, Article 11 NMSA 1978. Therefore, the calculations of the net pension liability, pension expense and deferred inflows and outflows were performed separately for each of the membership groups: municipal general members; municipal police members; municipal fire members; state general members; state police members and legislative members.

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**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 11: Pension Plan – Public Employees Retirement Association (continued)

Lincoln County's proportion of the net pension liability for each membership group that the employer participates in is based on the employer contributing entity's percentage of that membership group's total employer contributions for the fiscal year ended June 30, 2016. Only employer contributions for the pay period end dates that fell within the period of July 1, 2015 to June 30, 2016 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2016 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.

For PERA Fund Municipal General Division, at June 30, 2017, Lincoln County reported a liability of \$5,342,587 for its proportionate share of the net pension liability. At June 30, 2016, Lincoln County's proportion was 0.3344 percent, which was an decrease of 0.0138 from year ended June 30, 2015.

For the year ended June 30, 2017, Lincoln County recognized PERA Fund Municipal General Division pension expense of \$303,074. At June 30, 2017, Lincoln County reported PERA Fund Municipal General Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 266,938	\$ 52,141
Changes of assumptions	313,390	888
Net difference between projected and actual earnings on pension plan investments	983,026	-
Changes in proportion and differences between the County's contributions and proportionate share of contributions	137,958	109,034
The County's contributions subsequent to the measurement date	<u>276,000</u>	<u>-</u>
Total	<u>\$ 1,977,312</u>	<u>\$ 162,063</u>

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**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 11: Pension Plan – Public Employees Retirement Association (continued)

\$276,000 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended</u>	<u>Amount</u>
2018	\$ 355,879
2019	355,879
2020	581,825
2021	245,556
2022	-
Thereafter	-
Total	\$ 1,539,139

For PERA Fund Municipal Police Division, at June 30, 2017, Lincoln County reported a liability of \$4,314,091 for its proportionate share of the net pension liability. At June 30, 2016, Lincoln County's proportion was 0.5847 percent, which was a increased by .0053 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, Lincoln County recognized PERA Fund Municipal Police Division pension expense of \$376,670. At June 30, 2017, Lincoln County reported PERA Fund Municipal Police Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 316,717	\$ -
Changes of assumptions	285,741	77,804
Net difference between projected and actual earnings on pension plan investments	682,298	-
Changes in proportion and differences between the County's contributions and proportionate share of contributions	103,414	-
The County's contributions subsequent to the measurement date	216,856	-
Total	\$ 1,605,026	\$ 77,804

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**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 11: Pension Plan – Public Employees Retirement Association (continued)

\$216,856 reported as deferred outflows of resources related to pensions resulting from Lincoln County's contributions subsequent to the measurement date June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended</u>	<u>Amount</u>
2017	\$ 332,130
2018	332,130
2019	471,002
2020	175,104
2021	-
Thereafter	-
Total	<u>\$ 1,310,366</u>

Actuarial assumptions. As described above, the PERA Fund member group pension liabilities and net pension liabilities are based on actuarial valuations performed as of June 30, 2015 for each of the membership groups. Then each PERA Fund member group pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2016 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2016. These actuarial methods and assumptions were adopted by the PERA's Board of Trustees for use in the June 30, 2015, actuarial valuation.

Actuarial valuation date	June 30, 2015
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay, Open
Asset valuation period	Solved for based on statutory rates
Asset valuation method	Fair value
Actuarial assumptions:	
Investment rate of return	7.48% annual rate, net of investment expense
Projected benefit payment	100 years
Payroll growth	2.75% for the first 10 years, then 3.25% annual rate
Projected salary increases	2.75% to 14.00% annual rate
Includes inflation at	2.25% annual rate first 10 years, 2.75% all other years
Mortality assumption	RP-2000 Mortality tables (combined table for healthy post-retirements, employee table for active members, and disabled table for disabled retirees before retirement age) with projection to 2018 using scale AA.
Experience study dates	July 1, 2008 to June 30, 2013 (demographic) and July 1, 2010 through June 20, 2015 (economic)

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**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 11: Pension Plan – Public Employees Retirement Association (continued)

The long term expected rate of return on pension plan investments was determined using a statistical analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>ALL FUNDS - Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	43.50%	7.39%
Risk Reduction & Mitigation	21.50%	1.79%
Credit Oriented Fixed Income	15.00%	5.77%
Real Assets	<u>20.00%</u>	7.35%
Total	100.0%	

Discount Rate. The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that future contributions will be made in accordance with statutory rates. On this basis, the pension plan's fiduciary net position together with the expected future contributions are sufficient to provide all projected future benefit payments of current plan members as determined in accordance with GASBS 67. Therefore, the 7.75% assumed long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate. The following tables show the sensitivity of the net pension liability to changes in the discount rate. In particular, the tables present Lincoln County's net pension liability in each PERA Fund Division that Lincoln County participates in, under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

<u>PERA Fund Division Municipal Government</u>	<u>1% Decrease (6.48%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.48%)</u>
The County's proportionate share of the net pension liability	\$ 7,965,322	\$ 5,342,587	\$ 3,167,159
<u>PERA Fund Division Municipal Police</u>	<u>1% Decrease (6.48%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.48%)</u>
The County's proportionate share of the net pension liability	\$ 6,374,098	\$ 4,314,091	\$ 2,651,329

Payables to the pension plan. At June 30, 2016 there were no contributions due and payable to PERA for the County.

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**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

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 employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

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. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2017, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary.

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**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

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

In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

Lincoln County’s contributions to the RHCA for the years ended June 30, 2017, 2016, and 2015 were \$86,566, \$86,381, and \$190,672, respectively which equal the required contributions for each year.

NOTE 13: Joint Powers Agreements

<u>Solid Waste Collection Services</u>	
Participants:	Lincoln County Lincoln County Solid Waste Authority
Responsible Party:	Lincoln County Lincoln County Solid Waste Authority
Description:	The Lincoln County continues to participate in this JPA as a member in order to receive membership rates with the landfill.
Term of Agreement:	May 16, 2006 until cancelled
Amount of Project:	Unknown
County Contributions:	Unknown
Audit Responsibility:	Lincoln County

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LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 13: Joint Powers Agreements (continued)

<u>Otero/Lincoln County Regional Landfill</u>	
Participants:	Lincoln County, Otero County, City of Alamogordo, Village of Cloudcroft Town of Carrizozo, Village of Capitan, Village of Tularosa, Village of Corona, Village of Ruidoso, Village of Ruidoso Downs.
Responsible Party:	City of Alamogordo
Description:	To establish, finance and operate the Otero/Lincoln County Regional Landfill.
Term of Agreement:	Perpetual
Amount of Project:	Unknown
County Contributions:	100% Environmental Services Gross Receipts Tax
Audit Responsibility:	City of Alamogordo

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.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 15: Tax Abatements

The County has evaluated GASB 77 with regard to tax abatements and has determined that the County is a party to the following agreement that abate taxes:

Agency Number	6152
Agency Name	Village of Ruidoso
Agency Type	Municipality
Tax Abatement Agreement Name	Industrial Revenue Bond Agreement
Recipient(s) of tax abatement	Hotel Ruidoso, LLC
Parent company(ies) of recipient(s) of tax abatement	N/A
Tax abatement program (name and brief description)	Industrial Revenue Bond
Specific Tax(es) Being Abated	Ad Valorem Taxes
Legal authority under which tax abatement agreement was entered into	NMSA 1978 Section 7-38-17
Criteria that make a recipient eligible to receive a tax abatement	The hotel was built on land owned by the Village and the Village holds legal title to the hotel
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Subject to the PILOT Agreement, payments of ad valorem taxes are abated.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	100% of the ad valorem taxes at the applicable rates (subject to PILOT agreement)
Are there provisions for recapturing abated taxes? (Yes or No)	No
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	N/A
List each specific commitment made by the recipient of the abatement.	The Company leases or subleases the real and personal property comprising Hotel Ruidoso (the "Hotel") from the Village of Ruidoso (the "Village"). The Hotel is constructed on land owned by the Village. The Hotel was primarily financed with an industrial revenue bond (the "Bond") issued by the Village for the benefit of Company. In connection with the Bond, the Village holds legal title to the Hotel.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 15: Tax Abatements (continued)

Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	\$10,203
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	Lincoln County receives a PILOT of \$7,500
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	N/A
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	N/A
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes: Lincoln County, Ruidoso Municipal Schools, ENMU-Ruidoso, State of New Mexico Department of Finance and Administration
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A

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, \$323,241, and has reclassified \$306,788 as deferred inflows of resources as it was not collected within the period of availability. The deferred inflow of resources portion was recognized as revenue in the government-wide financial statements.

NOTE 17: Restricted Net Position

The government-wide statement of net position reports \$40,358,094 of restricted assets, all of which is restricted by enabling legislation.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 18: Concentrations

The County depends on financial resources flowing from, or associated with, property taxes, gross receipts taxes, 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; changes in gross receipts tax rates, collections, tourism, and property values.

NOTE 19. Commitments

The County's commitments as of June 30, 2017 are as follows:

- The County is engaged in a five year management contract for the Detention Center with the following remaining commitments per year of the contract:

<u>LaSalle Corrections West, LLC</u>			
Year 1 (per inmate per day)	2018	\$	60.00
Year 2 (per inmate per day)	2019	\$	61.20
Year 3 (per inmate per day)	2020	\$	62.42
Year 4 (per inmate per day)	2021	\$	63.67
Year 5 (per inmate per day)	2022	\$	64.94

NOTE 20: Subsequent Events

The date to which events occurring after June 30, 2017, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosures is November 28, 2017 which is the date on which the financial statements were available to be issued.

NOTE 21: Subsequent Pronouncements

In June 2015, GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued. Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2017. The standard will be implemented during the fiscal year ended June 30, 2018. The County expects this pronouncement to have a material effect on the County's financial statements.

In December 2015, GASB Statement No. 78 *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plan* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

In January 2016, GASB Statement No. 80 *Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 21: Subsequent Pronouncements (continued)

In March 2016, GASB Statement No. 81 *Irrevocable Split-Interest Agreements* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2016. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
LINCOLN COUNTY
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY OF PERA FUND DIVISION MUNICIPAL GENERAL
Public Employees Retirement Association (PERA) Plan
Last 10 Fiscal Years***

MUNICIPAL GENERAL FUND

	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability	0.3344%	0.3482%	0.3241%
County's proportionate share of the net pension liability	\$ 5,342,587	\$ 3,550,201	\$ 2,528,328
County's covered-employee payroll	\$ 2,890,049	\$ 2,766,283	\$ 2,630,741
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	184.86%	128.34%	96.11%
Plan fiduciary net position as a percentage of the total pension liability	69.18%	76.99%	81.29%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY OF PERA FUND DIVISION MUNICIPAL POLICE
Public Employees Retirement Association (PERA) Plan
Last 10 Fiscal Years***

MUNICIPAL POLICE FUND

	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability	0.5847%	0.5794%	0.5455%
County's proportionate share of the net pension liability	\$ 4,314,091	\$ 2,786,080	\$ 1,778,271
County's covered-employee payroll	\$ 1,147,385	\$ 1,095,006	\$ 1,057,979
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	375.99%	254.44%	168.08%
Plan fiduciary net position as a percentage of the total pension liability	69.18%	76.99%	81.29%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS TO PERA PLAN DIVISION
MUNICIPAL GENERAL
Public Employees Retirement Association (PERA) Plan
Last 10 Fiscal Years***

MUNICIPAL GENERAL FUND

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 276,000	\$ 273,630	\$ 231,104
Contributions in relation to the contractually required contribution	<u>276,000</u>	<u>273,630</u>	<u>231,104</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 2,890,049	\$ 2,865,231	\$ 2,766,283
Contributions as a percentage of covered-employee payroll	9.55%	-9.55%	-8.35%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS TO PERA PLAN DIVISION
MUNICIPAL POLICE
Public Employees Retirement Association (PERA) Plan
Last 10 Fiscal Years***

MUNICIPAL POLICE FUND

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 216,856	\$ 219,809	\$ 239,499
Contributions in relation to the contractually required contribution	<u>216,856</u>	<u>219,809</u>	<u>239,499</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 1,147,385	\$ 1,163,012	\$ 1,095,006
Contributions as a percentage of covered-employee payroll	18.90%	-18.90%	-21.87%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017**

Changes of benefit terms. The PERA and COLA and retirement eligibility benefits changes in recent years are described in Note 1 of PERA's CFAR. <https://www.saonm.org>.

Assumptions. The Public Employ Retirement Association of New Mexico Annual Actuarial Valuations as of June 2016 report is available at <http://www.nmpera.org/>.

See Independent Auditors' Report

SUPPLEMENTAL INFORMATION

**STATE OF NEW MEXICO
LINCOLN COUNTY
NONMAJOR GOVERNMENTAL FUNDS – DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2017**

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Special Programs Special Revenue Fund – To account for the County's support of their 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).

Cell Tower Special Revenue Fund – To account for funds received from a wireless communication applicant sufficient to reimburse the County for all reasonable costs of consultant and expert evaluation to the applicant and consultation to the County. The funds can be used only for consultant reimbursement. Authority for creation of the fund is the County Commission at budget adoption and approval.

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

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 restricted by Taylor Grazing Act (Section 6-11-5, NMSA 1978).

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 is Section 6-11-3 NMSA, 1978.

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.

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
NONMAJOR GOVERNMENTAL FUNDS – DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2017**

SPECIAL REVENUE FUNDS (CONTINUED)

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. Authority is grants received for Educational Outreach by Department of Homeland.

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

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

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

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

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

Senior Citizen's Special Revenue Fund – To account for the operations of the Senior Center funded by the Eastern NM Area Agency of Aging, including fund raising activities, and the County's contribution. Authorized by New Mexico State Chapter 354, NMSA 1978.

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. In January 2015 the County began using this fund to account for fees generated from charges for trash collection. Restricted by State statute Section 7-20E-17, NMSA 1978 and Solid Waste restricted by County Ordinance 2014-07.

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.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NONMAJOR GOVERNMENTAL FUNDS – DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2017**

SPECIAL REVENUE FUNDS (CONTINUED)

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.

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.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for debt-related transactions.

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 Income 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. 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.

Deer Park Special Assessment Income Debt Service Fund – 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 the creation of the fund is by County Commission Ordinance 2010-12 and the County budget adoption and approval.

**STATE OF NEW MEXICO
LINCOLN COUNTY
NONMAJOR GOVERNMENTAL FUNDS – DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2017**

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition, construction and repair of major capital assets.

The Capital Improvement Capital Projects Fund – To account for the capital expenditures made by the County to acquire vehicles and make renovations to existing County facilities. Authority for creation of the fund is by County Commission 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.

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.

**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue				
	Special Programs Fund	Clerk's Equipment	Cell Tower	Agreements	Gas Tax
ASSETS					
Cash and Cash Equivalents	\$ -	\$ 241,029	\$ 35,521	\$ -	\$ 135,811
Restricted Cash	-	-	-	-	-
Investments	-	-	-	-	-
Receivables:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	17,779
Other Receivables, Net	-	427	-	-	-
Special Assessments Receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Noncurrent Receivables	-	-	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 241,456</u>	<u>\$ 35,521</u>	<u>\$ -</u>	<u>\$ 153,590</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ -	\$ 55	\$ 7,544	\$ -	\$ 2,623
Accrued Salaries and Benefits	-	-	-	-	-
TOTAL LIABILITIES	-	55	7,544	-	2,623
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Property Taxes	-	-	-	-	-
Special Assessment	-	-	-	-	-
TOTAL DEFERRED INFLOWS	-	-	-	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	-	55	7,544	-	2,623
FUND BALANCES					
Nonspendable:					
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	-	241,401	27,977	-	150,967
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Unassigned, Reported in:					
General Fund	-	-	-	-	-
TOTAL FUND BALANCES	-	241,401	27,977	-	150,967
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ -</u>	<u>\$ 241,456</u>	<u>\$ 35,521</u>	<u>\$ -</u>	<u>\$ 153,590</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue		
	Animal Control	Fire	Lodgers Tax
ASSETS			
Cash and Cash Equivalents	\$ 3,329	\$ 977,309	\$ 49,699
Restricted Cash	-	45,576	-
Investments	-	-	-
Receivables:			
Property Taxes	914	-	-
Other Taxes	-	-	-
Other Receivables, Net	-	4,856	7,873
Special Assessments Receivable	-	-	-
Inventory	-	-	-
Prepaid Expenses	-	-	-
Noncurrent Receivables	-	-	-
TOTAL ASSETS	<u>\$ 4,243</u>	<u>\$ 1,027,741</u>	<u>\$ 57,572</u>
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts Payable	\$ -	\$ 3,681	\$ 17,216
Accrued Salaries and Benefits	-	-	-
TOTAL LIABILITIES	-	3,681	17,216
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue:			
Property Taxes	781	-	-
Special Assessment	-	-	-
TOTAL DEFERRED INFLOWS	<u>781</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	781	3,681	17,216
FUND BALANCES			
Nonspendable:			
Inventory	-	-	-
Prepaid Expenses	-	-	-
Restricted For:			
Special Revenue Funds	3,462	1,024,060	40,356
Debt Service Funds	-	-	-
Capital Projects Funds	-	-	-
Unassigned, Reported in:			
General Fund	-	-	-
TOTAL FUND BALANCES	<u>3,462</u>	<u>1,024,060</u>	<u>40,356</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 4,243</u>	<u>\$ 1,027,741</u>	<u>\$ 57,572</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue				
	Homeland Security	Sheriff's Seizure	Reappraisal	EMS	Rural Health Clinic
ASSETS					
Cash and Cash Equivalents	\$ -	\$ 1,097	\$ 290,296	\$ 10,634	\$ 695,577
Restricted Cash	-	-	-	-	-
Investments	-	-	-	-	10,003
Receivables:					
Property Taxes	-	-	-	-	52,033
Other Taxes	-	-	-	-	-
Other Receivables, Net	-	-	-	3,064	-
Special Assessments Receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Noncurrent Receivables	-	-	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 1,097</u>	<u>\$ 290,296</u>	<u>\$ 13,698</u>	<u>\$ 757,613</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ 1,668	\$ -	\$ -
Accrued Salaries and Benefits	-	-	-	-	-
TOTAL LIABILITIES	-	-	1,668	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Property Taxes	-	-	-	-	40,763
Special Assessment	-	-	-	-	-
TOTAL DEFERRED INFLOWS	-	-	-	-	40,763
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	-	-	1,668	-	40,763
FUND BALANCES					
Nonspendable:					
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	-	1,097	288,628	13,698	716,850
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Unassigned, Reported in:					
General Fund	-	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>1,097</u>	<u>288,628</u>	<u>13,698</u>	<u>716,850</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ -</u>	<u>\$ 1,097</u>	<u>\$ 290,296</u>	<u>\$ 13,698</u>	<u>\$ 757,613</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue				
	Law Enforcement Protection	Senior Citizens	Environmental Gross Receipts	Enhanced 911	Forest Health
ASSETS					
Cash and Cash Equivalents	\$ 4,177	\$ 28,263	\$ 71,600	\$ 335	\$ 196,177
Restricted Cash	-	-	-	-	-
Investments	-	-	-	-	-
Receivables:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Other Receivables, Net	-	90,270	48,335	-	-
Special Assessments Receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Noncurrent Receivables	-	-	-	-	-
TOTAL ASSETS	<u>\$ 4,177</u>	<u>\$ 118,533</u>	<u>\$ 119,935</u>	<u>\$ 335</u>	<u>\$ 196,177</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ 1,200	\$ 4,688	\$ 64,850	\$ -	\$ -
Accrued Salaries and Benefits	-	17,487	1,564	-	-
TOTAL LIABILITIES	1,200	22,175	66,414	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Property Taxes	-	-	-	-	-
Special Assessment	-	-	-	-	-
TOTAL DEFERRED INFLOWS	-	-	-	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,200	22,175	66,414	-	-
FUND BALANCES					
Nonspendable:					
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	2,977	96,358	53,521	335	196,177
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Unassigned, Reported in:					
General Fund	-	-	-	-	-
TOTAL FUND BALANCES	<u>2,977</u>	<u>96,358</u>	<u>53,521</u>	<u>335</u>	<u>196,177</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 4,177</u>	<u>\$ 118,533</u>	<u>\$ 119,935</u>	<u>\$ 335</u>	<u>\$ 196,177</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue			
	Misdeameanor Compliance	Indigent Health Care	Juvenile Justice Grant	HIDA Partnership
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 628,381	\$ -	\$ 24,282
Restricted Cash	-	-	-	-
Investments	-	-	-	-
Receivables:				
Property Taxes	-	-	-	-
Other Taxes	-	114,738	-	-
Other Receivables, Net	-	-	1,280	42,178
Special Assessments Receivable	-	-	-	-
Inventory	-	-	-	-
Prepaid Expenses	-	-	-	-
Noncurrent Receivables	-	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 743,119</u>	<u>\$ 1,280</u>	<u>\$ 66,460</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ -	\$ 23,609	\$ 1,280	\$ 940
Accrued Salaries and Benefits	-	1,760	-	1,872
TOTAL LIABILITIES	-	25,369	1,280	2,812
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue:				
Property Taxes	-	-	-	-
Special Assessment	-	-	-	-
TOTAL DEFERRED INFLOWS	-	-	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	-	25,369	1,280	2,812
FUND BALANCES				
Nonspendable:				
Inventory	-	-	-	-
Prepaid Expenses	-	-	-	-
Restricted For:				
Special Revenue Funds	-	717,750	-	63,648
Debt Service Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Unassigned, Reported in:				
General Fund	-	-	-	-
TOTAL FUND BALANCES	-	717,750	-	63,648
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ -</u>	<u>\$ 743,119</u>	<u>\$ 1,280</u>	<u>\$ 66,460</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue	Debt Service		
	Treasurer's Fees	1st 1/8 Reserve	1st 1/8 Income	1st 1/8 GRT Debt Reserve
ASSETS				
Cash and Cash Equivalents	\$ 1,643	\$ 284,014	\$ -	\$ -
Restricted Cash	-			
Investments	-	-	-	277,828
Receivables:				
Property Taxes	-	-	-	-
Other Taxes	-	-	114,738	-
Other Receivables, Net	50	-	-	-
Special Assessments Receivable	-	-	-	-
Inventory	-	-	-	-
Prepaid Expenses	-	-	-	-
Noncurrent Receivables	-	-	-	-
TOTAL ASSETS	\$ 1,693	\$ 284,014	\$ 114,738	\$ 277,828
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	-	-	-	-
TOTAL LIABILITIES	-	-	-	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue:				
Property Taxes	-	-	-	-
Special Assessment	-	-	-	-
TOTAL DEFERRED INFLOWS	-	-	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	-	-	-	-
FUND BALANCES				
Nonspendable:				
Inventory	-	-	-	-
Prepaid Expenses				
Restricted For:				
Special Revenue Funds	1,693	-	-	-
Debt Service Funds		284,014	114,738	277,828
Capital Projects Funds				
Unassigned, Reported in:				
General Fund	-	-	-	-
TOTAL FUND BALANCES	1,693	284,014	114,738	277,828
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 1,693	\$ 284,014	\$ 114,738	\$ 277,828

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Debt Service		
	Deer Park Special Assessment	Deer Park SAD Income Fund	LCMC GO Bond Debt
ASSETS			
Cash and Cash Equivalents	\$ -	\$ 879,902	\$ -
Restricted Cash	-	-	1,430,517
Investments	-	-	-
Receivables:			
Property Taxes	-	-	-
Other Taxes	-	-	-
Other Receivables, Net	-	-	-
Special Assessments Receivable	-	125,000	-
Inventory	-	-	-
Prepaid Expenses	-	-	-
Noncurrent Receivables	-	198,241	-
TOTAL ASSETS	\$ -	\$ 1,203,143	\$ 1,430,517
LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	-	-	-
TOTAL LIABILITIES	-	-	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue:			
Property Taxes	-	-	-
Special Assessment	-	306,788	-
TOTAL DEFERRED INFLOWS	-	306,788	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	-	306,788	-
FUND BALANCES			
Nonspendable:			
Inventory	-	-	-
Prepaid Expenses	-	-	-
Restricted For:			
Special Revenue Funds	-	-	-
Debt Service Funds	-	896,355	1,430,517
Capital Projects Funds	-	-	-
Unassigned, Reported in:			
General Fund	-	-	-
TOTAL FUND BALANCES	-	896,355	1,430,517
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ -	\$ 1,203,143	\$ 1,430,517

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Capital Projects</u>			<u>Total Nonmajor Governmental Funds</u>
	<u>Capital Improvements</u>	<u>Legislative Appropriation</u>	<u>CDBG Grant</u>	
ASSETS				
Cash and Cash Equivalents	\$ 147,667	\$ 11,510	\$ 60,000	\$ 4,778,253
Restricted Cash	-	-	-	1,476,093
Investments	-	-	-	287,831
Receivables:				-
Property Taxes	-	-	-	52,947
Other Taxes	-	-	-	247,255
Other Receivables, Net	-	82,397	-	280,730
Special Assessments Receivable	-	-	-	125,000
Inventory	-	-	-	-
Prepaid Expenses	-	-	-	-
Noncurrent Receivables	-	-	-	198,241
TOTAL ASSETS	<u>\$ 147,667</u>	<u>\$ 93,907</u>	<u>\$ 60,000</u>	<u>\$ 7,446,350</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 3,192	\$ 132,546
Accrued Salaries and Benefits	-	-	-	22,683
TOTAL LIABILITIES	-	-	3,192	155,229
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue:				
Property Taxes	-	-	-	41,544
Special Assessment	-	-	-	306,788
TOTAL DEFERRED INFLOWS	-	-	-	348,332
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	-	-	3,192	503,561
FUND BALANCES				
Nonspendable:				
Inventory	-	-	-	-
Prepaid Expenses	-	-	-	-
Restricted For:				
Special Revenue Funds	-	-	-	3,640,955
Debt Service Funds	-	-	-	3,003,452
Capital Projects Funds	147,667	93,907	56,808	298,382
Unassigned, Reported in:				
General Fund	-	-	-	-
TOTAL FUND BALANCES	<u>147,667</u>	<u>93,907</u>	<u>56,808</u>	<u>6,942,789</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 147,667</u>	<u>\$ 93,907</u>	<u>\$ 60,000</u>	<u>\$ 7,446,350</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue				
	Special Programs Fund	Clerk's Equipment	Cell Tower	Agreements	Gas Tax
REVENUES					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	205,539
Other Taxes	-	-	-	-	-
Federal Operating Grants	-	-	-	-	-
Federal Capital Grants	-	-	-	-	-
State Operating Grants	-	-	-	-	-
State Capital Grants	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	-	51,230	11,247	-	-
Investment Income	-	549	-	-	-
Special Assessment	-	-	-	-	-
Special Assessment - Interest	-	-	-	-	-
Miscellaneous	-	-	-	-	-
TOTAL REVENUES	-	51,779	11,247	-	205,539
EXPENDITURES					
Current					
General Government	-	13,808	-	180,405	-
Public Safety	-	-	-	-	-
Public Works	-	-	43,270	-	134,662
Culture and Recreation	81,310	-	-	-	-
Health and Welfare	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
TOTAL EXPENDITURES	81,310	13,808	43,270	180,405	134,662
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(81,310)	37,971	(32,023)	(180,405)	70,877
OTHER FINANCING SOURCES (USES)					
Proceeds From Sale of Equipment	-	-	-	-	-
Proceeds From Sale of Bonds	-	-	-	-	-
Other Financing Sources (Uses)	-	-	-	-	-
Transfers In	81,310	-	60,000	184,830	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	81,310	-	60,000	184,830	-
NET CHANGE IN FUND BALANCES	-	37,971	27,977	4,425	70,877
FUND BALANCE, BEGINNING	-	203,430	-	(4,425)	80,090
FUND BALANCE, ENDING	<u>\$ -</u>	<u>\$ 241,401</u>	<u>\$ 27,977</u>	<u>\$ -</u>	<u>\$ 150,967</u>

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**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue		
	Animal Control	Fire	Lodgers Tax
REVENUES			
Taxes:			
Property Taxes	\$ 26,402	\$ -	\$ -
Gross Receipts	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-
Other Taxes	-	-	63,483
Federal Operating Grants	-	-	-
Federal Capital Grants	-	-	-
State Operating Grants	-	976,099	-
State Capital Grants	-	-	-
Payments in Lieu of Taxes	-	-	-
Charges for Services	47,382	-	-
Investment Income	-	4,825	120
Special Assessment	-	-	-
Special Assessment - Interest	-	-	-
Miscellaneous	-	39,599	-
TOTAL REVENUES	<u>73,784</u>	<u>1,020,523</u>	<u>63,603</u>
EXPENDITURES			
Current			
General Government	-	-	77,665
Public Safety	94,500	622,077	-
Public Works	-	-	-
Culture and Recreation	-	-	-
Health and Welfare	-	-	-
Capital Outlay	-	327,176	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
TOTAL EXPENDITURES	<u>94,500</u>	<u>949,253</u>	<u>77,665</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(20,716)	71,270	(14,062)
OTHER FINANCING SOURCES (USES)			
Proceeds From Sale of Equipment	-	6,621	-
Proceeds From Sale of Bonds	-	-	-
Other Financing Sources (Uses)	-	-	-
Transfers In	17,512	-	-
Transfers Out	-	(123,983)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>17,512</u>	<u>(117,362)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(3,204)	(46,092)	(14,062)
FUND BALANCE, BEGINNING	<u>6,666</u>	<u>1,070,152</u>	<u>54,418</u>
FUND BALANCE, ENDING	<u>\$ 3,462</u>	<u>\$ 1,024,060</u>	<u>\$ 40,356</u>

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**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue				
	Homeland Security	Sheriff's Seizure	Reappraisal	EMS	Rural Health Clinic
REVENUES					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 695,651
Gross Receipts	-	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Federal Operating Grants	-	-	-	-	-
Federal Capital Grants	-	-	-	-	-
State Operating Grants	-	-	-	47,223	-
State Capital Grants	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	-	-	287,588	-	-
Investment Income	-	3	-	-	1,791
Special Assessment	-	-	-	-	-
Special Assessment - Interest	-	-	-	-	-
Miscellaneous	-	5	3,158	-	5,500
TOTAL REVENUES	-	8	290,746	47,223	702,942
EXPENDITURES					
Current					
General Government	-	-	178,714	-	-
Public Safety	37,991	-	-	-	-
Public Works	-	-	-	45,344	-
Culture and Recreation	-	-	-	-	-
Health and Welfare	-	-	-	-	605,394
Capital Outlay	-	-	27,940	13,397	59,010
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
TOTAL EXPENDITURES	37,991	-	206,654	58,741	664,404
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(37,991)	8	84,092	(11,518)	38,538
OTHER FINANCING SOURCES (USES)					
Proceeds From Sale of Equipment	-	-	11	-	138
Proceeds From Sale of Bonds	-	-	-	-	-
Other Financing Sources (Uses)	-	-	-	-	-
Transfers In	4,988	-	-	-	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	4,988	-	11	-	138
NET CHANGE IN FUND BALANCES	(33,003)	8	84,103	(11,518)	38,676
FUND BALANCE, BEGINNING	33,003	1,089	204,525	25,216	678,174
FUND BALANCE, ENDING	\$ -	\$ 1,097	\$ 288,628	\$ 13,698	\$ 716,850

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**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue				
	Law Enforcement Protection	Senior Citizens	Environmental Gross Receipts	Enhanced 911	Forest Health
REVENUES					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	(26,633)	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Federal Operating Grants	-	131,647	-	-	-
Federal Capital Grants	-	-	-	-	-
State Operating Grants	-	94,259	-	1,755	203,787
State Capital Grants	-	-	41,027	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	-	380,285	939,009	-	-
Investment Income	-	-	-	-	-
Special Assessment	-	-	-	-	-
Special Assessment - Interest	-	-	-	-	-
Miscellaneous	2,659	336	2,247	-	-
TOTAL REVENUES	<u>2,659</u>	<u>606,527</u>	<u>955,650</u>	<u>1,755</u>	<u>203,787</u>
EXPENDITURES					
Current					
General Government	-	-	-	-	-
Public Safety	34,042	-	-	1,755	-
Public Works	-	-	1,079,586	-	-
Culture and Recreation	-	-	-	-	199,763
Health and Welfare	-	753,643	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
TOTAL EXPENDITURES	<u>34,042</u>	<u>753,643</u>	<u>1,079,586</u>	<u>1,755</u>	<u>199,763</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(31,383)	(147,116)	(123,936)	-	4,024
OTHER FINANCING SOURCES (USES)					
Proceeds From Sale of Equipment	-	3,336	-	-	-
Proceeds From Sale of Bonds	-	-	-	-	-
Other Financing Sources (Uses)	-	-	-	-	-
Transfers In	-	130,578	137,650	-	-
Transfers Out	-	-	(137,650)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>133,914</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(31,383)	(13,202)	(123,936)	-	4,024
FUND BALANCE, BEGINNING	<u>34,360</u>	<u>109,560</u>	<u>177,457</u>	<u>335</u>	<u>192,153</u>
FUND BALANCE, ENDING	<u>\$ 2,977</u>	<u>\$ 96,358</u>	<u>\$ 53,521</u>	<u>\$ 335</u>	<u>\$ 196,177</u>

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**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue			
	Misdeameanor Compliance	Indigent Health Care	Juvenile Justice Grant	HIDA Partnership
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	618,132	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-
Other Taxes	-	-	-	-
Federal Operating Grants	-	-	-	-
Federal Capital Grants	-	-	-	-
State Operating Grants	-	-	73,714	141,013
State Capital Grants	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Charges for Services	133,607	-	-	-
Investment Income	-	-	-	-
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	-	6,916	-	8,078
TOTAL REVENUES	133,607	625,048	73,714	149,091
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	133,607	-	162,468	123,241
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	921,887	-	-
Capital Outlay	-	-	-	12,893
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	133,607	921,887	162,468	136,134
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(296,839)	(88,754)	12,957
OTHER FINANCING SOURCES (USES)				
Proceeds From Sale of Equipment	-	-	-	-
Proceeds From Sale of Bonds	-	-	-	-
Other Financing Sources (Uses)	-	-	-	-
Transfers In	-	8,421	86,908	49,033
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	8,421	86,908	49,033
NET CHANGE IN FUND BALANCES	-	(288,418)	(1,846)	61,990
FUND BALANCE, BEGINNING	-	1,006,168	1,846	1,658
FUND BALANCE, ENDING	\$ -	\$ 717,750	\$ -	\$ 63,648

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**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Special Revenue</u>	<u>Debt Service</u>		
	<u>Treasurer's Fees</u>	<u>1st 1/8 Reserve</u>	<u>1st 1/8 Income</u>	<u>1st 1/8 GRT Debt Reserve</u>
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	625,013	(7,400)
Gasoline and Motor Vehicle Taxes	-	-	-	-
Other Taxes	-	-	-	-
Federal Operating Grants	-	-	-	-
Federal Capital Grants	-	-	-	-
State Operating Grants	-	-	-	-
State Capital Grants	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Charges for Services	5,693	-	-	-
Investment Income	-	-	-	5,828
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>5,693</u>	<u>-</u>	<u>625,013</u>	<u>(1,572)</u>
EXPENDITURES				
Current				
General Government	4,000	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	180,000	193,285
Interest	-	-	87,150	62,584
TOTAL EXPENDITURES	<u>4,000</u>	<u>-</u>	<u>267,150</u>	<u>255,869</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,693</u>	<u>-</u>	<u>357,863</u>	<u>(257,441)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds From Sale of Equipment	-	-	-	-
Proceeds From Sale of Bonds	-	-	-	-
Other Financing Sources (Uses)	-	-	-	-
Transfers In	-	112,975	-	255,869
Transfers Out	-	-	(351,363)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>112,975</u>	<u>(351,363)</u>	<u>255,869</u>
NET CHANGE IN FUND BALANCES	<u>1,693</u>	<u>112,975</u>	<u>6,500</u>	<u>(1,572)</u>
FUND BALANCE, BEGINNING	<u>-</u>	<u>171,039</u>	<u>108,238</u>	<u>279,400</u>
FUND BALANCE, ENDING	<u>\$ 1,693</u>	<u>\$ 284,014</u>	<u>\$ 114,738</u>	<u>\$ 277,828</u>

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**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Debt Service		
	Deer Park Special Assessment	Deer Park Sad Income Fund	LCMC GO Bond Debt
REVENUES			
Taxes:			
Property Taxes	\$ -	\$ -	\$ -
Gross Receipts	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-
Other Taxes	-	-	-
Federal Operating Grants	-	-	-
Federal Capital Grants	-	-	-
State Operating Grants	-	-	-
State Capital Grants	-	-	-
Payments in Lieu of Taxes	-	-	-
Charges for Services	-	762,088	-
Investment Income	-	2,003	565
Special Assessment	-	216,501	-
Special Assessment - Interest	-	47,630	-
Miscellaneous	-	-	-
TOTAL REVENUES	-	1,028,222	565
EXPENDITURES			
Current			
General Government	-	-	-
Public Safety	-	-	-
Public Works	749,332	-	-
Culture and Recreation	-	-	-
Health and Welfare	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
TOTAL EXPENDITURES	749,332	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(749,332)	1,028,222	565
OTHER FINANCING SOURCES (USES)			
Proceeds From Sale of Equipment	-	-	-
Proceeds From Sale of Bonds	-	-	-
Other Financing Sources (Uses)	-	-	1,429,952
Transfers In	-	-	-
Transfers Out	-	(131,867)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(131,867)	1,429,952
NET CHANGE IN FUND BALANCES	(749,332)	896,355	1,430,517
FUND BALANCE, BEGINNING	749,332	-	-
FUND BALANCE, ENDING	\$ -	\$ 896,355	\$ 1,430,517

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**STATE OF NEW MEXICO
LINCOLN COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Capital Projects			Total Nonmajor Governmental Funds
	Capital Improvements	Legislative Appropriation	CDBG Grant	
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ 722,053
Gross Receipts	-	-	-	1,209,112
Gasoline and Motor Vehicle Taxes	-	-	-	205,539
Other Taxes	-	-	-	63,483
Federal Operating Grants	-	-	-	131,647
Federal Capital Grants	-	-	-	-
State Operating Grants	-	104,150	111,785	1,753,785
State Capital Grants	-	-	-	41,027
Payments in Lieu of Taxes	-	-	-	-
Charges for Services	-	-	-	2,618,129
Investment Income	-	-	-	15,684
Special Assessment	-	-	-	216,501
Special Assessment - Interest	-	-	-	47,630
Miscellaneous	-	-	-	68,498
TOTAL REVENUES	-	104,150	111,785	7,093,088
EXPENDITURES				
Current				
General Government	-	55,364	-	509,956
Public Safety	-	-	-	1,209,681
Public Works	35,356	-	(55,772)	2,031,778
Culture and Recreation	-	-	-	281,073
Health and Welfare	-	-	-	2,280,924
Capital Outlay	641,141	59,242	396,166	1,536,965
Debt Service:				
Principal	-	-	-	373,285
Interest	-	-	-	149,734
TOTAL EXPENDITURES	676,497	114,606	340,394	8,373,396
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(676,497)	(10,456)	(228,609)	(1,280,308)
OTHER FINANCING SOURCES (USES)				
Proceeds From Sale of Equipment	15,752	-	-	25,858
Proceeds From Sale of Bonds	-	-	-	-
Other Financing Sources (Uses)	-	-	-	1,429,952
Transfers In	808,412	-	128,935	2,067,421
Transfers Out	-	(172,529)	-	(917,392)
TOTAL OTHER FINANCING SOURCES (USES)	824,164	(172,529)	128,935	2,605,839
NET CHANGE IN FUND BALANCES	147,667	(182,985)	(99,674)	1,325,531
FUND BALANCE, BEGINNING	-	276,892	156,482	5,617,258
FUND BALANCE, ENDING	\$ 147,667	\$ 93,907	\$ 56,808	\$ 6,942,789

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
FIDUCIARY FUNDS - DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2017**

FIDUCIARY FUNDS

Fiduciary Funds - 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.

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Balance June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2017</u>
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 316,439	\$ 65,470	\$ -	\$ 381,909
Property Taxes Receivable	<u>1,213,416</u>	<u>8,437,242</u>	<u>8,425,056</u>	<u>1,225,602</u>
Total Current Assets	1,529,855	8,502,712	8,425,056	1,607,511
Noncurrent Assets				
Capital Assets, Net	<u>32,789</u>	-	<u>3,278</u>	<u>29,511</u>
Total Noncurrent Assets	<u>32,789</u>	-	<u>3,278</u>	<u>29,511</u>
Total Assets	<u>\$ 1,562,644</u>	<u>\$ 8,502,712</u>	<u>\$ 8,428,334</u>	<u>\$ 1,637,022</u>
Liabilities				
Deposits Held for Others	\$ 316,439	\$ -	\$ 316,439	\$ -
Assets Held in Trust	32,789		3,278	29,511
Due to Other Taxing Entities	<u>1,213,416</u>	<u>394,095</u>	-	<u>1,607,511</u>
Total Liabilities	<u>\$ 1,562,644</u>	<u>\$ 394,095</u>	<u>\$ 319,717</u>	<u>\$ 1,637,022</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
STATEMENT OF REVENUES AND EXPENSES, BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
LCMC CONSTRUCTION 510
FOR THE YEAR ENDED JUNE 30, 2017**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-
Other Taxes	-	-	-	-
Federal Operating Grants	-	-	-	-
Federal Capital Grants	-	-	-	-
State Operating Grants	-	-	-	-
State Capital Grants	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Charges for Services	-	-	-	-
Investment Income	-	56,300	56,150	(150)
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	-	56,300	56,150	(150)
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	2,951,411	383,310	2,568,101
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	109,131	109,131	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
TOTAL EXPENDITURES	-	3,060,542	492,441	2,568,101
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(3,004,242)	(436,291)	(2,568,251)
OTHER FINANCING SOURCES (USES)				
Proceeds From Sales of Equipment	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
INCREASE (DECREASE)	-	(3,004,242)	\$ (436,291)	\$ (2,568,251)
PRIOR YEAR CASH BALANCE BUDGETED	\$ -	\$ 3,004,242		

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

Revenues, Actual on a Budget Basis	\$ 56,150
Revenues, Actual on Modified Accrual Basis	25,182,593
Adjustments to revenues for bond proceeds	\$ (25,126,443)
Expenditures, Actual on a Budget Basis	\$ 492,441
Expenditures, Actual on Modified Accrual Basis	492,441
	\$ -

See Independent Auditors' Report

OTHER SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
LINCOLN COUNTY
RECONCILIATION OF PROPERTY TAX ROLLS
FOR THE YEAR ENDED JUNE 30, 2017**

Property Taxes Receivable, Beginning of Year	\$	2,215,469
Changes to Tax Roll:		
Net Taxes Charged to Treasurer for Fiscal Year		29,974,594
Adjustments:		
Charge Off of Taxes Receivable		<u>35,018</u>
Total Receivables Prior to Collections		32,225,081
Collections for the Fiscal Year Ended June 30, 2016		<u>(29,973,860)</u>
Property Taxes Receivable, End of Year	\$	<u><u>2,251,221</u></u>
Property Taxes Receivable by years:		
2007 - 2010	\$	28,271
2011		13,403
2012		17,471
2013		79,852
2014		134,592
2015		552,490
2016		<u>1,425,142</u>
Total Property Taxes Receivable	\$	<u><u>2,251,221</u></u>
Property taxes receivable reported in the financial statements as follows:		
Statement of Net Position		1,025,619
Statement of Fiduciary Assets and Liabilities		<u>1,225,602</u>
Total Property Taxes Receivable	\$	<u><u>2,251,221</u></u>

**STATE OF NEW MEXICO
LINCOLN COUNTY
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2017**

Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Lincoln County Operational										
2016	7,479,564	(18,077)	7,461,487	-	7,110,043	7,110,043	351,444	7,110,043	7,110,043	351,444
2015	7,350,612	30,131	7,380,743	7,007,247	238,567	7,245,814	134,929	238,567	7,245,814	134,929
2014	7,005,235	18,163	7,023,398	6,894,741	94,264	6,989,005	34,394	94,264	6,989,005	34,394
2013	6,849,302	26,612	6,875,914	6,820,909	32,176	6,853,086	22,828	32,176	6,853,086	22,828
2012	6,605,286	18,699	6,623,985	6,612,675	7,051	6,619,726	4,259	7,051	6,619,726	4,259
2011	6,382,451	7,330	6,389,782	6,385,281	1,357	6,386,638	3,144	1,357	6,386,638	3,144
2010	6,068,165	(17,103)	6,051,062	6,048,241	389	6,048,630	2,432	389	6,048,630	2,432
2009	5,859,377	13,612	5,872,989	5,871,158	226	5,871,384	1,605	226	5,871,384	1,605
2008	5,427,798	574	5,428,372	5,427,004	107	5,427,111	1,261	107	5,427,111	1,261
2007	<u>4,866,627</u>	<u>1,490</u>	<u>4,868,117</u>	<u>4,866,309</u>	<u>159</u>	<u>4,866,468</u>	<u>1,649</u>	<u>159</u>	<u>4,866,468</u>	<u>1,649</u>
Total	63,894,417	81,431	63,975,849	55,933,565	15	63,417,905	557,945	7,484,339	63,417,905	557,945
Special Projects										
2016	3,404,894	(6,092)	3,398,802	-	3,245,480	3,245,480	153,322	3,245,480	3,245,480	153,322
2015	3,312,060	10,235	3,322,295	3,163,124	100,553	3,263,677	58,618	100,553	3,263,677	58,618
2014	3,212,982	6,200	3,219,181	3,163,825	40,884	3,204,710	14,472	40,884	3,204,710	14,472
2013	3,119,863	9,126	3,128,989	3,106,585	13,878	3,120,462	8,527	13,878	3,120,462	8,527
2012	3,047,259	6,504	3,053,763	3,049,099	2,745	3,051,844	1,918	2,745	3,051,844	1,918
2011	2,921,840	1,941	2,923,782	2,921,757	577	2,922,334	1,448	577	2,922,334	1,448
2010	2,865,314	(5,567)	2,859,747	2,858,396	168	2,858,563	1,184	168	2,858,563	1,184
2009	2,795,138	4,731	2,799,869	2,798,988	110	2,799,098	770	110	2,799,098	770
2008	2,446,461	499	2,446,960	2,446,228	56	2,446,284	676	56	2,446,284	676
2007	<u>2,269,405</u>	<u>(212)</u>	<u>2,269,193</u>	<u>2,269,040</u>	<u>91</u>	<u>2,269,131</u>	<u>61</u>	<u>91</u>	<u>2,269,131</u>	<u>61</u>
Total	29,395,216	27,365	29,422,581	25,777,042	3,404,542	29,181,583	240,996	3,404,542	29,181,583	240,996
State of NM Debt Service										
2016	1,683,867	(3,013)	1,680,854	-	1,605,040	1,605,040	75,814	1,605,040	1,605,040	75,814
2015	1,637,958	5,026	1,642,983	1,564,314	49,728	1,614,043	28,941	49,728	1,614,043	28,941
2014	1,588,959	3,079	1,592,039	1,564,657	20,219	1,584,876	7,163	20,219	1,584,876	7,163
2013	1,542,938	4,508	1,547,446	1,536,351	6,863	1,543,214	4,231	6,863	1,543,214	4,231
2012	1,506,993	3,217	1,510,209	1,507,923	1,358	1,509,280	929	1,358	1,509,280	929
2011	1,447,197	961	1,448,158	1,447,066	286	1,447,352	807	286	1,447,352	807
2010	1,593,908	(3,095)	1,590,813	1,590,303	93	1,590,396	417	93	1,590,396	417
2009	1,168,945	1,963	1,170,908	1,170,488	46	1,170,534	374	46	1,170,534	374
2008	1,112,058	225	1,112,283	1,111,915	26	1,111,940	343	26	1,111,940	343
2007	<u>1,007,667</u>	<u>(112)</u>	<u>1,007,555</u>	<u>1,007,485</u>	<u>40</u>	<u>1,007,526</u>	<u>30</u>	<u>40</u>	<u>1,007,526</u>	<u>30</u>
Total	14,290,490	12,759	12,855,376	12,500,502	1,683,699	14,184,201	119,049	1,683,699	14,184,201	119,049

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
PROPERTY TAX SCHEDULE (continued)
FOR THE YEAR ENDED JUNE 30, 2017**

Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Cattle										
2016	84,618	(2,119)	82,499	-	80,470	80,470	2,029	80,470	80,470	2,029
2015	68,585	(905)	67,681	66,761	254	67,015	665	254	67,015	665
2014	60,437	(3,236)	57,202	56,054	1,071	57,125	76	1,071	57,125	76
2013	55,731	(175)	55,555	55,525	18	55,542	13	18	55,542	13
2012	51,249	(637)	50,612	50,610	-	50,610	2	-	50,610	2
2011	50,910	(173)	50,737	50,737	-	50,737	-	-	50,737	-
2010	44,448	(1,091)	43,357	43,357	-	43,357	-	-	43,357	-
2009	56,714	(1,541)	55,172	55,172	-	55,172	-	-	55,172	-
2008	53,644	(649)	52,995	52,995	-	52,995	-	-	52,995	-
2007	<u>50,119</u>	<u>72</u>	<u>50,191</u>	<u>50,191</u>	<u>-</u>	<u>50,191</u>	<u>-</u>	<u>-</u>	<u>50,191</u>	<u>-</u>
Total	576,455	(10,454)	566,001	481,402	81,813	563,214	2,785	81,813	563,214	2,785
Dairy Cattle										
2016	127	-	127	-	123	123	4	123	123	4
2015	134	-	134	131	3	134	-	3	134	-
2014	68	-	68	68	-	68	-	-	68	-
2013	9	(1)	9	9	-	9	-	-	9	-
2012	11	-	11	11	-	11	-	-	11	-
2011	28	-	28	28	-	28	-	-	28	-
2010	25	-	25	25	-	25	-	-	25	-
2009	51	-	51	51	-	51	-	-	51	-
2008	43	-	43	43	-	43	-	-	43	-
2007	<u>50</u>	<u>(16)</u>	<u>34</u>	<u>34</u>	<u>-</u>	<u>34</u>	<u>-</u>	<u>-</u>	<u>34</u>	<u>-</u>
Total	546	(17)	530	400	126	526	4	126	526	4
Sheep & Goats										
2016	852	(16)	836	-	813	813	22	813	813	22
2015	1,116	(309)	808	799	4	803	4	4	803	4
2014	1,484	(163)	1,321	1,300	20	1,320	1	20	1,320	1
2013	1,658	(1)	1,657	1,655	-	1,655	1	-	1,655	1
2012	1,738	(1)	1,736	1,736	-	1,736	1	-	1,736	1
2011	1,357	-	1,357	1,357	-	1,357	-	-	1,357	-
2010	767	1	767	767	-	767	1	-	767	1
2009	1,374	-	1,374	1,374	-	1,374	-	-	1,374	-
2008	1,489	(7)	1,482	1,482	-	1,482	-	-	1,482	-
2007	<u>1,535</u>	<u>(4)</u>	<u>1,531</u>	<u>1,531</u>	<u>-</u>	<u>1,531</u>	<u>-</u>	<u>-</u>	<u>1,531</u>	<u>-</u>
Total	13,370	(500)	12,869	12,001	837	12,838	30	837	12,838	30

**STATE OF NEW MEXICO
LINCOLN COUNTY
PROPERTY TAX SCHEDULE (continued)
FOR THE YEAR ENDED JUNE 30, 2017**

Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Equine										
2016	2,360	(1)	2,359	-	2,189	2,189	170	2,189	2,189	170
2015	2,473	(5)	2,469	2,306	102	2,408	61	102	2,408	61
2014	2,238	(37)	2,201	2,162	17	2,179	22	17	2,179	22
2013	2,362	(163)	2,199	2,182	-	2,182	17	-	2,182	17
2012	2,583	(70)	2,512	2,504	-	2,504	8	-	2,504	8
2011	2,973	(17)	2,956	2,952	-	2,952	4	-	2,952	4
2010	2,881	(46)	2,835	2,831	-	2,831	4	-	2,831	4
2009	6,813	(42)	6,771	6,771	-	6,771	-	-	6,771	-
2008	-	-	-	-	-	-	-	-	-	-
2007	5,982	(90)	5,892	5,892	-	5,892	-	-	5,892	-
Total	30,665	(471)	30,194	27,600	2,308	29,908	286	2,308	29,908	286
Bison										
2016	83	-	83	-	43	43	40	43	43	40
2015	504	-	504	500	-	500	3	-	500	3
2014	484	-	484	479	-	479	4	-	479	4
2013	441	-	441	437	-	437	4	-	437	4
2012	128	(4)	125	123	-	123	2	-	123	2
2011	524	-	524	523	-	523	2	-	523	2
2010	276	(30)	246	246	-	246	-	-	246	-
2009	293	(6)	286	286	-	286	-	-	286	-
2008	489	-	489	489	-	489	-	-	489	-
2007	28	-	28	28	-	28	-	-	28	-
Total	3,250	(40)	3,210	3,111	43	3,154	55	43	3,154	55
Predatory Control										
2016	27,167	(417)	26,750	-	26,094	26,094	656	26,094	26,094	656
2015	25,472	(1,449)	24,023	23,688	110	23,799	224	110	23,799	224
2014	18,203	(1,239)	16,965	16,618	326	16,944	21	326	16,944	21
2013	18,687	(41)	18,646	18,636	4	18,640	6	4	18,640	6
2012	21,370	(317)	21,053	21,051	-	21,051	2	-	21,051	2
2011	25,329	(58)	25,271	25,270	-	25,270	1	-	25,270	1
2010	25,801	(672)	25,129	25,125	-	25,125	4	-	25,125	4
2009	24,761	(251)	24,511	24,511	-	24,511	-	-	24,511	-
2008	24,332	(87)	24,245	24,245	-	24,245	-	-	24,245	-
2007	23,067	120	23,187	23,187	-	23,187	-	-	23,187	-
Total	234,189	(4,411)	229,780	202,331	26,534	228,866	914	26,534	228,866	914

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
PROPERTY TAX SCHEDULE (continued)
FOR THE YEAR ENDED JUNE 30, 2017**

Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Village of Capitan Operational										
2016	79,646	(12)	79,634	-	70,597	70,597	9,037	70,597	70,597	9,037
2015	83,366	-	83,366	74,641	4,645	79,287	4,079	4,645	79,287	4,079
2014	77,154	(228)	76,926	73,930	1,966	75,897	1,029	1,966	75,897	1,029
2013	77,100	(14)	77,086	76,202	617	76,819	267	617	76,819	267
2012	75,235	(73)	75,162	74,932	114	75,046	116	114	75,046	116
2011	71,813	(67)	71,747	71,553	18	71,571	176	18	71,571	176
2010	67,933	(353)	67,580	67,530	8	67,538	41	8	67,538	41
2009	27,619	(17)	27,602	27,557	4	27,561	41	4	27,561	41
2008	25,756	(45)	25,711	25,667	2	25,669	42	2	25,669	42
2007	<u>23,907</u>	<u>(10)</u>	<u>23,897</u>	<u>23,854</u>	<u>23</u>	<u>23,877</u>	<u>20</u>	<u>23</u>	<u>23,877</u>	<u>20</u>
Total	609,529	(819)	608,711	515,866	77,994	593,862	14,848	77,994	593,862	14,848
Village of Capitan Debt										
2016	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2007	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	-	-	-	-	-	-	-	-	-	-
Village of Carrizozo Operational										
2016	89,470	82	89,552	-	77,988	77,988	11,563	77,988	77,988	11,563
2015	87,177	(62)	87,115	76,030	4,566	80,596	6,519	4,566	80,596	6,519
2014	84,019	7	84,026	78,756	3,272	82,029	1,997	3,272	82,029	1,997
2013	81,591	169	81,760	72,839	1,414	74,253	7,507	1,414	74,253	7,507
2012	78,120	(181)	77,939	77,669	271	77,939	-	271	77,939	-
2011	47,385	(84)	47,301	47,192	42	47,234	67	42	47,234	67
2010	45,881	(305)	45,575	45,526	20	45,546	29	20	45,546	29
2009	44,195	(68)	44,127	44,111	1	44,113	14	1	44,113	14
2008	39,310	(51)	39,259	39,251	2	39,253	6	2	39,253	6
2007	<u>36,567</u>	<u>(32)</u>	<u>36,535</u>	<u>36,528</u>	<u>2</u>	<u>36,530</u>	<u>5</u>	<u>2</u>	<u>36,530</u>	<u>5</u>
Total	633,715	(525)	633,189	517,902	87,578	605,481	27,707	87,578	605,481	27,707

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**STATE OF NEW MEXICO
LINCOLN COUNTY
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FOR THE YEAR ENDED JUNE 30, 2017**

Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Village of Carrizozo Debt										
2016	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Village of Corona Operational										
2016	15,948	(8)	15,940	-	15,747	15,747	193	15,747	15,747	193
2015	15,531	(9)	15,523	15,213	153	15,365	157	153	15,365	157
2014	14,995	318	15,314	14,998	311	15,309	5	311	15,309	5
2013	13,212	(5)	13,207	13,178	29	13,207	-	29	13,207	-
2012	11,995	(19)	11,976	11,975	-	11,975	-	-	11,975	-
2011	11,662	(80)	11,582	11,582	-	11,582	-	-	11,582	-
2010	10,817	-	10,816	10,816	-	10,816	-	-	10,816	-
2009	10,485	-	10,485	10,485	-	10,485	-	-	10,485	-
2008	8,520	(5)	8,515	8,515	-	8,515	-	-	8,515	-
2007	7,911	(52)	7,859	7,823	-	7,823	36	-	7,823	36
Total	121,076	140	121,217	104,585	16,240	120,824	391	16,240	120,824	391
Village of Corona Debt										
2016	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

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**STATE OF NEW MEXICO
LINCOLN COUNTY
PROPERTY TAX SCHEDULE (continued)
FOR THE YEAR ENDED JUNE 30, 2017**

Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Village of Ruidoso - Operational										
2016	2,547,012	(457)	2,546,555	-	2,424,579	2,424,579	121,976	2,424,579	2,424,579	121,976
2015	2,535,166	(1,324)	2,533,842	2,411,524	77,492	2,489,017	44,825	77,492	2,489,017	44,825
2014	2,478,454	(9,771)	2,468,682	2,424,033	33,673	2,457,705	10,977	33,673	2,457,705	10,977
2013	2,432,433	(2,443)	2,429,990	2,414,838	12,622	2,427,460	2,530	12,622	2,427,460	2,530
2012	2,367,392	(3,424)	2,363,968	2,360,461	1,657	2,362,118	1,850	1,657	2,362,118	1,850
2011	2,263,870	(920)	2,262,950	2,261,334	537	2,261,871	1,079	537	2,261,871	1,079
2010	2,195,648	(3,236)	2,192,412	2,191,293	169	2,191,462	950	169	2,191,462	950
2009	2,146,062	(4,914)	2,141,148	2,140,781	86	2,140,868	280	86	2,140,868	280
2008	2,000,847	174	2,001,021	2,000,700	10	2,000,710	311	10	2,000,710	311
2007	<u>1,810,503</u>	<u>(2,096)</u>	<u>1,808,407</u>	<u>1,808,060</u>	<u>35</u>	<u>1,808,095</u>	<u>312</u>	<u>35</u>	<u>1,808,095</u>	<u>312</u>
Total	22,777,387	(28,411)	22,748,975	20,013,024	2,550,860	22,563,885	185,090	2,550,860	22,563,885	185,090
Village of Ruidoso - Debt										
2016	774,733	(147)	774,586	-	736,745	736,745	37,841	736,745	736,745	37,841
2015	763,830	(413)	763,417	725,849	23,684	749,533	13,884	23,684	749,533	13,884
2014	751,169	(3,358)	747,811	736,358	10,418	746,776	1,035	10,418	746,776	1,035
2013	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2007	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	2,289,732	(3,918)	2,285,814	1,462,207	770,847	2,233,054	52,760	770,847	2,233,054	52,760
Village of Ruidoso Downs - Operational										
2016	299,574	-	299,574	-	271,126	271,126	28,447	271,126	271,126	28,447
2015	296,162	-	296,162	266,972	15,296	282,268	13,894	15,296	282,268	13,894
2014	293,498	97	293,594	279,123	11,290	290,413	3,182	11,290	290,413	3,182
2013	300,415	(2,892)	297,523	293,297	3,594	296,891	632	3,594	296,891	632
2012	297,487	(511)	296,976	295,099	1,581	296,680	295	1,581	296,680	295
2011	297,693	(444)	297,248	297,248	-	297,248	-	-	297,248	-
2010	277,398	(895)	276,503	276,117	-	276,117	386	-	276,117	386
2009	264,126	(856)	263,270	262,913	-	262,913	358	-	262,913	358
2008	244,014	(2,016)	241,998	241,682	29	241,711	288	29	241,711	288
2007	<u>222,198</u>	<u>(293)</u>	<u>221,905</u>	<u>221,852</u>	<u>-</u>	<u>221,852</u>	<u>52</u>	<u>-</u>	<u>221,852</u>	<u>52</u>
Total	2,792,565	(7,810)	2,784,753	2,434,303	302,916	2,737,219	47,534	302,916	2,737,219	47,534

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**STATE OF NEW MEXICO
LINCOLN COUNTY
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FOR THE YEAR ENDED JUNE 30, 2017**

Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Total Debt										
2016	109,048	-	109,048	-	98,425	98,425	10,623	98,425	98,425	10,623
2015	107,755	-	107,755	96,934	5,683	102,616	5,138	5,683	102,616	5,138
2014	97,556	23	97,579	93,010	3,577	96,587	992	3,577	96,587	992
2013	88,862	(705)	88,157	86,968	955	87,923	234	955	87,923	234
2012	89,501	(135)	89,366	88,827	395	89,222	143	395	89,222	143
2011	78,722	(108)	78,615	77,875	2	77,878	737	2	77,878	737
2010	136,409	(387)	136,022	135,816	-	135,816	206	-	135,816	206
2009	143,178	(414)	142,764	142,470	-	142,470	294	-	142,470	294
2008	109,074	(773)	108,301	108,135	15	108,151	150	15	108,151	150
2007	<u>48,165</u>	<u>(86)</u>	<u>48,079</u>	<u>48,036</u>	<u>-</u>	<u>48,036</u>	<u>43</u>	<u>-</u>	<u>48,036</u>	<u>43</u>
Total	1,008,270	(2,585)	1,005,686	878,071	109,052	987,124	18,560	109,052	987,124	18,560
ENMU - Ruidoso Ad Valorem										
2016	1,201,800	(328)	1,201,472	-	1,139,448	1,139,448	62,024	1,139,448	1,139,448	62,024
2015	1,190,206	(579)	1,189,627	1,128,130	37,795	1,165,925	23,702	37,795	1,165,925	23,702
2014	1,156,679	(3,834)	1,152,845	1,128,938	17,958	1,146,896	5,949	17,958	1,146,896	5,949
2013	1,129,477	(2,575)	1,126,902	1,119,187	6,385	1,125,572	1,330	6,385	1,125,572	1,330
2012	1,093,506	(1,137)	1,092,369	1,090,428	1,077	1,091,505	864	1,077	1,091,505	864
2011	1,045,423	(423)	1,045,000	1,044,196	224	1,044,420	580	224	1,044,420	580
2010	1,004,503	(1,764)	1,002,739	1,002,209	69	1,002,278	461	69	1,002,278	461
2009	985,155	(1,983)	983,172	983,158	14	983,172	-	14	983,172	-
2008	898,344	(238)	898,106	897,807	13	897,820	285	13	897,820	285
2007	<u>813,791</u>	<u>(782)</u>	<u>813,009</u>	<u>812,800</u>	<u>13</u>	<u>812,812</u>	<u>197</u>	<u>13</u>	<u>812,812</u>	<u>197</u>
Total	10,518,884	(13,643)	10,505,241	9,206,853	1,202,996	10,409,848	95,392	1,202,996	10,409,848	95,392
Capitan Schools - Operational										
2016	105,581	(58)	105,523	-	101,431	101,431	4,092	101,431	101,431	4,092
2015	104,460	(83)	104,377	100,556	2,427	102,983	1,393	2,427	102,983	1,393
2014	100,470	(133)	100,337	99,167	899	100,066	271	899	100,066	271
2013	98,457	(48)	98,409	98,039	308	98,346	63	308	98,346	63
2012	94,769	61	94,830	94,685	110	94,795	35	110	94,795	35
2011	90,570	(54)	90,517	90,498	17	90,515	2	17	90,515	2
2010	87,120	(79)	87,041	87,020	3	87,023	18	3	87,023	18
2009	85,249	20	85,268	85,258	1	85,259	10	1	85,259	10
2008	77,743	61	77,804	77,791	-	77,791	12	-	77,791	12
2007	<u>70,045</u>	<u>-</u>	<u>70,045</u>	<u>70,033</u>	<u>4</u>	<u>70,037</u>	<u>8</u>	<u>4</u>	<u>70,037</u>	<u>8</u>
Total	914,464	(313)	914,151	803,047	105,200	908,246	5,904	105,200	908,246	5,904

**STATE OF NEW MEXICO
LINCOLN COUNTY
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Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Capitan Schools - Debt Service										
2016	464,055	(194)	463,861	-	446,543	446,543	17,318	446,543	446,543	17,318
2015	467,033	(320)	466,714	450,728	10,083	460,811	5,902	10,083	460,811	5,902
2014	463,524	(436)	463,088	458,059	3,730	461,789	1,299	3,730	461,789	1,299
2013	483,229	(103)	483,126	481,642	1,189	482,831	295	1,189	482,831	295
2012	-	-	-	-	-	-	-	-	-	-
2011	206,263	(70)	206,192	206,097	28	206,124	68	28	206,124	68
2010	202,490	(91)	202,399	202,352	4	202,356	43	4	202,356	43
2009	225,220	104	225,323	225,294	1	225,295	28	1	225,295	28
2008	237,876	305	238,181	238,144	1	238,145	36	1	238,145	36
2007	<u>245,636</u>	<u>24</u>	<u>245,660</u>	<u>245,616</u>	<u>16</u>	<u>245,632</u>	<u>28</u>	<u>16</u>	<u>245,632</u>	<u>28</u>
Total	2,995,326	(781)	2,994,544	2,507,932	461,595	2,969,526	25,017	461,595	2,969,526	25,017
Capital Improvements										
2016	805,701	(339)	805,362	-	775,283	775,283	30,079	775,283	775,283	30,079
2015	803,707	(509)	803,198	775,782	17,355	793,137	10,061	17,355	793,137	10,061
2014	763,827	(667)	763,160	755,272	6,028	761,301	1,859	6,028	761,301	1,859
2013	750,634	(153)	750,481	748,196	1,828	750,024	457	1,828	750,024	457
2012	735,829	658	736,487	735,633	607	736,241	246	607	736,241	246
2011	708,865	(242)	708,623	708,241	95	708,336	287	95	708,336	287
2010	690,015	(313)	689,702	689,543	14	689,557	145	14	689,557	145
2009	676,337	311	676,648	676,561	4	676,565	83	4	676,565	83
2008	586,299	757	587,056	586,971	3	586,974	82	3	586,974	82
2007	<u>539,859</u>	<u>51</u>	<u>539,910</u>	<u>539,814</u>	<u>35</u>	<u>539,850</u>	<u>61</u>	<u>35</u>	<u>539,850</u>	<u>61</u>
Total	7,061,073	(446)	7,060,627	6,216,013	801,252	7,017,268	43,360	801,252	7,017,268	43,360
Ed Tech Debt										
2016	484,845	(202)	484,643	-	466,573	466,573	18,070	466,573	466,573	18,070
2015	478,905	(300)	478,605	462,365	10,344	472,709	5,896	10,344	472,709	5,896
2014	434,628	(409)	434,220	429,620	3,498	433,118	1,101	3,498	433,118	1,101
2013	432,719	(93)	432,626	431,295	1,064	432,360	266	1,064	432,360	266
2012	411,668	369	412,037	411,560	338	411,899	139	338	411,899	139
2011	213,713	(73)	213,640	213,536	29	213,565	76	29	213,565	76
2010	181,029	(82)	180,947	180,907	4	180,910	37	4	180,910	37
2009	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2007	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	2,637,507	(790)	2,636,718	2,129,283	481,850	2,611,134	25,585	481,850	2,611,134	25,585

**STATE OF NEW MEXICO
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FOR THE YEAR ENDED JUNE 30, 2017**

Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Carrizozo Schools - Operational										
2016	24,052	(1)	24,051	-	22,875	22,875	1,176	22,875	22,875	1,176
2015	22,772	(10)	22,762	21,566	514	22,080	682	514	22,080	682
2014	21,100	100	21,199	20,646	335	20,981	219	335	20,981	219
2013	20,676	24	20,700	19,776	143	19,919	781	143	19,919	781
2012	19,934	(19)	19,915	19,884	21	19,905	10	21	19,905	10
2011	19,000	(99)	18,901	18,886	7	18,893	8	7	18,893	8
2010	18,354	(70)	18,284	18,276	2	18,278	6	2	18,278	6
2009	17,421	44	17,465	17,462	-	17,462	4	-	17,462	4
2008	16,175	(518)	15,657	15,653	-	15,653	4	-	15,653	4
2007	14,865	104	14,969	14,966	-	14,966	2	-	14,966	2
Total	194,349	(445)	193,903	167,115	23,897	191,012	2,892	23,897	191,012	2,892
Debt Service										
2016	339,718	(42)	339,676	-	322,207	322,207	17,470	322,207	322,207	17,470
2015	318,126	(131)	317,995	300,234	7,672	307,906	10,089	7,672	307,906	10,089
2014	311,172	1,370	312,542	304,165	5,190	309,354	3,188	5,190	309,354	3,188
2013	305,587	330	305,917	292,729	2,193	294,922	10,995	2,193	294,922	10,995
2012	286,840	(261)	286,580	286,105	303	286,408	172	303	286,408	172
2011	282,553	(1,368)	281,185	280,955	95	281,050	135	95	281,050	135
2010	278,140	(983)	277,157	277,008	31	277,038	118	31	277,038	118
2009	262,946	710	263,656	263,597	2	263,599	58	2	263,599	58
2008	247,154	(7,261)	239,893	239,870	2	239,872	21	2	239,872	21
2007	196,435	1,214	197,649	197,625	2	197,626	23	2	197,626	23
Total	2,828,671	(6,422)	2,822,250	2,442,288	337,697	2,779,982	42,269	337,697	2,779,982	42,269
Capital Improvements										
2016	124,826	(14)	124,812	-	118,425	118,425	6,387	118,425	118,425	6,387
2015	118,770	(49)	118,721	112,116	2,853	114,968	3,753	2,853	114,968	3,753
2014	115,204	510	115,715	112,619	1,913	114,532	1,183	1,913	114,532	1,183
2013	113,194	122	113,316	108,456	813	109,269	4,048	813	109,269	4,048
2012	91,007	(81)	90,926	90,773	97	90,869	57	97	90,869	57
2011	86,805	(403)	86,402	86,330	29	86,358	43	29	86,358	43
2010	83,751	(294)	83,457	83,412	9	83,421	36	9	83,421	36
2009	79,773	217	79,990	79,972	1	79,972	18	1	79,972	18
2008	73,868	(2,111)	71,757	71,656	1	71,657	100	1	71,657	100
2007	67,736	419	68,155	68,146	1	68,147	8	1	68,147	8
Total	954,934	(1,684)	953,251	813,480	124,142	937,618	15,633	124,142	937,618	15,633

**STATE OF NEW MEXICO
LINCOLN COUNTY
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Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Corona Schools - Operational										
2016	24,384	(673)	23,711	-	23,524	23,524	187	23,524	23,524	187
2015	20,410	1,635	22,045	20,149	1,772	21,921	124	1,772	21,921	124
2014	17,039	1,758	18,797	18,622	95	18,717	80	95	18,717	80
2013	15,417	1,887	17,304	17,300	4	17,303	-	4	17,303	-
2012	16,008	1,027	17,035	17,032	-	17,032	4	-	17,032	4
2011	16,021	730	16,751	16,749	-	16,749	2	-	16,749	2
2010	15,994	(111)	15,883	15,878	-	15,878	5	-	15,878	5
2009	15,172	1,211	16,383	16,383	-	16,383	1	-	16,383	1
2008	13,978	515	14,493	14,493	-	14,493	-	-	14,493	-
2007	12,150	55	12,205	12,199	-	12,199	6	-	12,199	6
Total	166,573	8,034	174,607	148,805	25,395	174,199	409	25,395	174,199	409
Debt Service										
2016	93,460	(2,571)	90,889	-	90,160	90,160	729	90,160	90,160	729
2015	87,426	7,958	95,384	86,287	7,566	93,853	1,532	7,566	93,853	1,532
2014	83,238	8,560	91,798	90,933	462	91,394	404	462	91,394	404
2013	82,689	10,043	92,732	92,712	20	92,732	-	20	92,732	-
2012	82,493	5,247	87,740	87,720	-	87,720	20	-	87,720	20
2011	96,461	4,357	100,818	100,800	-	100,800	18	-	100,800	18
2010	82,850	(567)	82,283	82,220	-	82,220	63	-	82,220	63
2009	88,388	7,013	95,401	95,399	-	95,399	2	-	95,399	2
2008	85,263	3,304	88,567	88,567	-	88,567	-	-	88,567	-
2007	82,460	370	82,830	82,800	-	82,800	30	-	82,800	30
Total	864,728	43,714	908,442	807,438	98,208	905,645	2,798	98,208	905,645	2,798
Capital Improvements										
2016	100,487	(2,763)	97,724	-	96,943	96,943	781	96,943	96,943	781
2015	84,224	6,546	90,770	83,127	7,289	90,416	353	7,289	90,416	353
2014	68,611	7,041	75,653	74,941	380	75,321	332	380	75,321	332
2013	62,124	7,546	69,670	69,656	15	69,670	-	15	69,670	-
2012	64,482	4,107	68,589	68,574	-	68,574	15	-	68,574	15
2011	64,530	2,917	67,447	67,436	-	67,436	12	-	67,436	12
2010	64,313	(425)	63,888	63,887	-	63,887	-	-	63,887	-
2009	61,062	4,845	65,907	65,906	-	65,906	1	-	65,906	1
2008	56,066	2,021	58,087	58,087	-	58,087	-	-	58,087	-
2007	48,851	219	49,070	49,052	-	49,052	18	-	49,052	18
Total	674,750	32,054	706,805	600,666	104,627	705,292	1,512	104,627	705,292	1,512

**STATE OF NEW MEXICO
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FOR THE YEAR ENDED JUNE 30, 2017**

Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Hondo Valley Schools - Operational										
2016	17,951	(217)	17,734	-	16,908	16,908	826	16,908	16,908	826
2015	17,027	513	17,540	16,370	776	17,145	395	776	17,145	395
2014	16,593	538	17,130	16,872	170	17,042	89	170	17,042	89
2013	16,371	541	16,911	16,829	46	16,875	36	46	16,875	36
2012	15,943	308	16,251	16,210	19	16,229	22	19	16,229	22
2011	15,652	(76)	15,575	15,550	9	15,558	17	9	15,558	18
2010	14,397	(221)	14,176	14,149	4	14,153	23	4	14,153	23
2009	13,653	100	13,753	13,726	10	13,736	18	10	13,736	18
2008	12,438	44	12,482	12,446	6	12,451	31	6	12,451	31
2007	<u>12,621</u>	<u>33</u>	<u>12,654</u>	<u>12,636</u>	<u>4</u>	<u>12,639</u>	<u>15</u>	<u>4</u>	<u>12,639</u>	<u>15</u>
Total	152,646	1,563	154,206	134,788	17,952	152,736	1,472	17,952	152,736	1,473
Debt Service										
2016	249,752	(3,002)	246,751	-	235,280	235,280	11,471	235,280	235,280	11,471
2015	225,045	6,835	231,881	216,259	10,236	226,495	5,385	10,236	226,495	5,385
2014	226,337	7,157	233,494	229,945	2,321	232,266	1,228	2,321	232,266	1,228
2013	222,644	7,297	229,942	228,825	629	229,453	488	629	229,453	488
2012	234,818	4,480	239,298	238,672	280	238,952	347	280	238,952	348
2011	235,110	(1,155)	233,955	233,578	131	233,710	245	131	233,710	245
2010	206,583	(3,219)	203,364	202,976	61	203,037	327	61	203,037	327
2009	207,739	1,599	209,338	208,944	143	209,087	250	143	209,087	250
2008	150,090	392	150,482	150,148	67	150,215	267	67	150,215	267
2007	<u>171,017</u>	<u>447</u>	<u>171,464</u>	<u>171,201</u>	<u>51</u>	<u>171,252</u>	<u>211</u>	<u>51</u>	<u>171,252</u>	<u>211</u>
Total	2,129,135	20,831	2,149,969	1,880,548	249,199	2,129,747	20,219	249,199	2,129,747	20,220
Capital Improvements										
2016	72,393	(868)	71,525	-	68,190	68,190	3,335	68,190	68,190	3,335
2015	68,668	2,052	70,720	66,010	3,115	69,125	1,595	3,115	69,125	1,595
2014	66,903	2,150	69,053	68,009	685	68,694	359	685	68,694	360
2013	66,007	2,163	68,171	67,840	186	68,026	144	186	68,026	144
2012	64,369	1,232	65,601	65,429	77	65,506	95	77	65,506	95
2011	63,483	(312)	63,171	63,070	35	63,105	66	35	63,105	66
2010	57,604	(885)	56,719	56,609	17	56,626	93	17	56,626	93
2009	54,627	402	55,029	54,920	40	54,960	69	40	54,960	69
2008	49,733	116	49,849	49,781	22	49,804	46	22	49,804	46
2007	<u>50,966</u>	<u>133</u>	<u>51,099</u>	<u>51,022</u>	<u>15</u>	<u>51,037</u>	<u>62</u>	<u>15</u>	<u>51,037</u>	<u>62</u>
Total	614,753	6,183	620,937	542,690	72,382	615,073	5,864	72,382	615,073	5,865

**STATE OF NEW MEXICO
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Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Ruidoso Schools - Operational										
2016	234,697	(79)	234,617	-	221,747	221,747	12,871	221,747	221,747	12,871
2015	232,504	(119)	232,385	219,815	7,644	227,459	4,926	7,644	227,459	4,926
2014	226,022	(952)	225,070	220,115	3,691	223,806	1,264	3,691	223,806	1,264
2013	220,007	(652)	219,355	217,806	1,274	219,080	275	1,274	219,080	275
2012	213,700	(310)	213,390	212,993	228	213,220	170	228	213,220	170
2011	204,284	(93)	204,191	204,043	42	204,085	106	42	204,085	106
2010	196,029	(439)	195,590	195,474	15	195,489	101	15	195,489	101
2009	190,411	(472)	189,939	189,841	6	189,847	92	6	189,847	92
2008	173,171	(35)	173,136	172,908	2	172,911	225	2	172,911	225
2007	<u>156,180</u>	<u>(126)</u>	<u>156,054</u>	<u>156,017</u>	<u>2</u>	<u>156,020</u>	<u>34</u>	<u>2</u>	<u>156,020</u>	<u>34</u>
Total	2,047,005	(3,277)	2,043,727	1,789,012	234,651	2,023,664	20,064	234,651	2,023,664	20,064
Debt Service										
2016	4,026,138	(1,095)	4,025,043	-	3,816,320	3,816,320	208,723	3,816,320	3,816,320	208,723
2015	3,955,391	(1,963)	3,953,428	3,747,930	126,002	3,873,932	79,495	126,002	3,873,932	79,495
2014	3,885,812	(13,488)	3,872,324	3,791,673	60,883	3,852,556	19,768	60,883	3,852,556	19,768
2013	3,665,960	(8,707)	3,657,252	3,632,023	20,793	3,652,816	4,436	20,793	3,652,816	4,436
2012	3,638,294	(3,451)	3,634,842	3,628,454	3,517	3,631,972	2,871	3,517	3,631,972	2,871
2011	3,482,155	(1,381)	3,480,774	3,478,035	749	3,478,784	1,990	749	3,478,784	1,990
2010	2,791,662	(4,844)	2,786,818	2,785,362	191	2,785,553	1,265	191	2,785,553	1,265
2009	2,662,484	(5,493)	2,656,991	2,655,567	83	2,655,650	1,341	83	2,655,650	1,341
2008	2,967,321	(831)	2,966,490	2,965,572	45	2,965,617	873	45	2,965,617	873
2007	<u>2,784,900</u>	<u>(2,765)</u>	<u>2,782,135</u>	<u>2,781,433</u>	<u>44</u>	<u>2,781,477</u>	<u>659</u>	<u>44</u>	<u>2,781,477</u>	<u>659</u>
Total	33,860,117	(44,018)	33,816,097	29,466,049	4,028,627	33,494,677	321,421	4,028,627	33,494,677	321,421
Capital Improvements										
2016	1,339,482	(372)	1,339,110	-	1,269,485	1,269,485	69,625	1,269,485	1,269,485	69,625
2015	1,330,622	(656)	1,329,965	1,260,870	42,389	1,303,260	26,706	42,389	1,303,260	26,706
2014	1,301,583	(4,483)	1,297,100	1,269,960	20,360	1,290,320	6,780	20,360	1,290,320	6,780
2013	1,273,787	(3,025)	1,270,761	1,261,992	7,225	1,269,217	1,545	7,225	1,269,217	1,545
2012	1,223,874	(1,184)	1,222,690	1,220,533	1,188	1,221,720	970	1,188	1,221,720	970
2011	1,176,674	(469)	1,176,206	1,175,280	253	1,175,533	673	253	1,175,533	673
2010	1,134,647	(1,941)	1,132,706	1,132,119	77	1,132,197	510	77	1,132,197	510
2009	1,105,537	(2,194)	1,103,343	1,102,751	34	1,102,785	558	34	1,102,785	558
2008	1,007,841	(282)	1,007,559	1,007,158	15	1,007,173	386	15	1,007,173	386
2007	<u>943,075</u>	<u>(936)</u>	<u>942,139</u>	<u>941,901</u>	<u>15</u>	<u>941,915</u>	<u>224</u>	<u>15</u>	<u>941,915</u>	<u>224</u>
Total	11,837,122	(15,542)	11,821,579	10,372,564	1,341,041	11,713,605	107,977	1,341,041	11,713,605	107,977

**STATE OF NEW MEXICO
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Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Ruidoso Schools - Ed Tech Debt										
2016	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	652,505	(1,132)	651,373	651,031	45	651,076	297	45	651,076	297
2009	714,262	(1,474)	712,788	712,405	22	712,427	361	22	712,427	361
2008	-	-	-	-	-	-	-	-	-	-
2007	-	-	-	-	-	-	-	-	-	-
Total	1,366,767	(2,606)	1,364,161	1,363,436	67	1,363,503	658	67	1,363,503	658
LCMC - Levy										
2016	2,476,118	(4,431)	2,471,687	-	2,360,178	2,360,178	111,509	2,360,178	2,360,178	111,509
2015	2,369,677	7,023	2,376,700	2,263,665	71,413	2,335,079	41,622	71,413	2,335,079	41,622
2014	2,276,782	4,087	2,280,869	2,242,280	28,652	2,270,932	9,936	28,652	2,270,932	9,936
2013	2,225,078	6,216	2,231,294	2,215,573	9,822	2,225,395	5,899	9,822	2,225,395	5,899
2012	2,176,062	4,694	2,180,756	2,177,438	1,974	2,179,412	1,343	1,974	2,179,412	1,343
2011	2,093,924	1,444	2,095,368	2,093,870	414	2,094,285	1,083	414	2,094,285	1,083
2010	2,010,468	(3,824)	2,006,644	2,005,687	117	2,005,804	840	117	2,005,804	840
2009	1,952,773	3,218	1,955,991	1,955,320	76	1,955,397	594	76	1,955,397	594
2008	1,779,389	380	1,779,769	1,779,205	41	1,779,247	522	41	1,779,247	522
2007	1,732,400	(114)	1,732,286	1,731,834	69	1,731,903	383	69	1,731,903	383
Total	21,092,671	18,693	21,111,364	18,464,872	2,472,756	20,937,632	173,731	2,472,756	20,937,632	173,731
Rural Clinics - Levy										
2016	742,839	(1,329)	741,510	-	708,058	708,058	33,452	708,058	708,058	33,452
2015	711,203	2,109	713,311	679,382	21,437	700,819	12,492	21,437	700,819	12,492
2014	683,183	1,226	684,410	672,830	8,598	681,428	2,982	8,598	681,428	2,982
2013	667,527	1,865	669,391	664,675	2,947	667,622	1,770	2,947	667,622	1,770
2012	652,820	1,409	654,229	653,233	592	653,825	404	592	653,825	404
2011	628,206	434	628,640	628,190	124	628,315	325	124	628,315	325
2010	602,836	(1,182)	601,654	601,401	35	601,436	217	35	601,436	217
2009	585,688	966	586,654	586,454	41	586,494	160	41	586,494	160
2008	533,701	97	533,798	533,645	14	533,659	139	14	533,659	139
2007	412,626	(27)	412,599	412,491	17	412,507	92	17	412,507	92
Total	6,220,629	5,568	6,226,196	5,432,301	741,863	6,174,163	52,033	741,863	6,174,163	52,033

**STATE OF NEW MEXICO
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Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Alpine Village Sanitation - Levy										
2016	39,100	-	39,100	-	38,509	38,509	591	38,509	38,509	591
2015	39,200	-	39,200	38,024	566	38,590	610	566	38,590	610
2014	39,201	-	39,201	39,047	36	39,082	118	36	39,082	118
2013	38,946	-	38,946	38,825	-	38,825	121	-	38,825	121
2012	38,191	-	38,191	38,069	-	38,069	122	-	38,069	122
2011	36,971	-	36,971	36,851	-	36,851	121	-	36,851	121
2010	36,690	-	36,690	36,568	-	36,568	122	-	36,568	122
2009	36,168	-	36,168	36,168	-	36,168	-	-	36,168	-
2008	34,506	(5)	34,501	34,501	-	34,501	-	-	34,501	-
2007	<u>32,515</u>	-	<u>32,515</u>	<u>32,515</u>	-	<u>32,515</u>	-	-	<u>32,515</u>	-
Total	371,488	(5)	371,483	330,568	39,111	369,678	1,805	39,111	369,678	1,805
Sun Valley Sanitation - Levy										
2016	64,684	-	64,684	-	64,121	64,121	563	64,121	64,121	563
2015	63,083	-	63,083	62,162	830	62,992	91	830	62,992	91
2014	63,511	-	63,511	63,452	59	63,511	-	59	63,511	-
2013	63,100	-	63,100	63,069	31	63,100	-	31	63,100	-
2012	60,772	-	60,772	60,752	20	60,772	-	20	60,772	-
2011	59,000	-	59,000	58,980	20	59,000	-	20	59,000	-
2010	57,824	-	57,824	57,824	-	57,824	-	-	57,824	-
2009	57,823	-	57,823	57,823	-	57,823	-	-	57,823	-
2008	55,070	-	55,070	55,070	-	55,070	-	-	55,070	-
2007	<u>56,326</u>	-	<u>56,326</u>	<u>56,326</u>	-	<u>56,326</u>	-	-	<u>56,326</u>	-
Total	601,193	-	601,193	535,458	65,081	600,539	654	65,081	600,539	654
Alto Lakes Conser. District - Levy										
2016	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
2008	-	-	-	-	-	-	-	-	-	-
2007	<u>43,605</u>	-	<u>43,605</u>	<u>43,605</u>	-	<u>43,605</u>	-	-	<u>43,605</u>	-
Total	43,605	-	43,605	43,605	-	43,605	-	-	43,605	-

**STATE OF NEW MEXICO
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FOR THE YEAR ENDED JUNE 30, 2017**

Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Carrizozo Soil & Water - Levy										
2016	72,434	(1,520)	70,914	-	70,046	70,046	869	70,046	70,046	869
2015	64,260	3,410	67,670	63,400	3,905	67,305	365	3,905	67,305	365
2014	43,376	2,657	46,032	45,708	208	45,915	117	208	45,915	117
2013	39,064	2,842	41,906	41,830	56	41,886	20	56	41,886	20
2012	39,000	1,560	40,559	40,557	3	40,559	-	3	40,559	-
2011	38,429	909	39,338	39,329	2	39,331	7	2	39,331	7
2010	37,898	(671)	37,227	37,225	-	37,225	2	-	37,225	2
2009	34,670	1,209	35,879	35,877	-	35,877	2	-	35,877	2
2008	41,313	(628)	40,685	40,684	1	40,684	1	1	40,684	1
2007	<u>27,273</u>	<u>251</u>	<u>27,524</u>	<u>27,524</u>	<u>-</u>	<u>27,524</u>	<u>-</u>	<u>-</u>	<u>27,524</u>	<u>-</u>
Total	437,717	10,019	447,734	372,134	74,221	446,352	1,383	74,221	446,352	1,383
Chaves County Soil & Water - Levy										
2016	2,818	-	2,818	-	2,539	2,539	278	2,539	2,539	278
2015	2,781	-	2,781	2,582	19	2,600	181	19	2,600	181
2014	2,731	-	2,731	2,715	16	2,731	-	16	2,731	-
2013	2,690	-	2,690	2,690	-	2,690	-	-	2,690	-
2012	2,627	-	2,627	2,627	-	2,627	-	-	2,627	-
2011	2,948	(230)	2,718	2,718	-	2,718	-	-	2,718	-
2010	2,310	-	2,310	2,310	-	2,310	-	-	2,310	-
2009	2,347	(39)	2,308	2,308	-	2,308	-	-	2,308	-
2008	2,021	-	2,021	2,021	-	2,021	-	-	2,021	-
2007	<u>1,987</u>	<u>(3)</u>	<u>1,984</u>	<u>1,984</u>	<u>-</u>	<u>1,984</u>	<u>-</u>	<u>-</u>	<u>1,984</u>	<u>-</u>
Total	25,260	(272)	24,988	21,955	2,574	24,528	459	2,574	24,528	459
Claunch Pinto Soil & Water - Levy										
2016	3,998	-	3,998	-	3,759	3,759	239	3,759	3,759	239
2015	3,967	-	3,967	3,629	171	3,799	168	171	3,799	168
2014	3,925	-	3,925	3,759	1	3,760	165	1	3,760	165
2013	3,875	-	3,875	3,869	-	3,869	6	-	3,869	6
2012	3,594	-	3,594	3,588	-	3,588	6	-	3,588	6
2011	2,975	-	2,975	2,972	-	2,972	4	-	2,972	4
2010	2,389	-	2,389	2,386	-	2,386	4	-	2,386	4
2009	2,484	-	2,484	2,484	-	2,484	-	-	2,484	-
2008	1,597	-	1,597	1,597	-	1,597	-	-	1,597	-
2007	<u>1,230</u>	<u>-</u>	<u>1,230</u>	<u>1,230</u>	<u>-</u>	<u>1,230</u>	<u>-</u>	<u>-</u>	<u>1,230</u>	<u>-</u>
Total	30,034	-	30,034	25,514	3,931	29,444	592	3,931	29,444	592

**STATE OF NEW MEXICO
LINCOLN COUNTY
PROPERTY TAX SCHEDULE (continued)
FOR THE YEAR ENDED JUNE 30, 2017**

Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
Upper Hondo Soil & Water - Levy										
2016	262,357	(342)	262,015	-	252,902	252,902	9,113	252,902	252,902	9,113
2015	257,289	421	257,710	248,991	5,741	254,731	2,979	5,741	254,731	2,979
2014	249,223	468	249,691	246,986	2,195	249,181	509	2,195	249,181	509
2013	240,169	445	240,614	239,871	674	240,545	69	674	240,545	69
2012	235,421	468	235,889	235,691	174	235,865	24	174	235,865	24
2011	224,335	(6)	224,328	224,231	41	224,272	56	41	224,272	56
2010	219,065	(223)	218,842	218,779	8	218,788	54	8	218,788	54
2009	213,135	161	213,296	213,259	10	213,269	27	10	213,269	27
2008	100,244	80	100,324	100,324	-	100,324	-	-	100,324	-
2007	<u>94,828</u>	<u>30</u>	<u>94,858</u>	<u>94,845</u>	<u>2</u>	<u>94,847</u>	<u>11</u>	<u>2</u>	<u>94,847</u>	<u>11</u>
Total	2,096,066	1,502	2,097,567	1,822,977	261,747	2,084,724	12,842	261,747	2,084,724	12,842
Admin Fee - Ad Valorem										
2016	1,962	(8)	1,954	-	1,772	1,772	182	1,772	1,772	182
2015	1,897	4	1,901	1,700	149	1,849	52	149	1,849	52
2014	1,928	(7)	1,921	1,857	44	1,900	21	44	1,900	21
2013	1,898	(17)	1,882	1,838	33	1,870	11	33	1,870	11
2012	1,856	(18)	1,838	1,822	6	1,828	11	6	1,828	11
2011	1,889	(6)	1,883	1,872	-	1,872	11	-	1,872	11
2010	1,977	(28)	1,949	1,945	-	1,945	4	-	1,945	4
2009	1,849	(3)	1,846	1,841	-	1,841	4	-	1,841	4
2008	2,003	-	2,003	1,985	-	1,985	18	-	1,985	18
2007	<u>2,050</u>	<u>(9)</u>	<u>2,041</u>	<u>2,036</u>	<u>-</u>	<u>2,036</u>	<u>5</u>	<u>-</u>	<u>2,036</u>	<u>5</u>
Total	19,309	(92)	19,218	16,896	2,004	18,898	319	2,004	18,898	319
Non Rendition Fee - Ad Valorem										
2016	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2014	-	167	167	167	-	167	-	-	167	-
2013	-	50	50	50	-	50	-	-	50	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2009	-	122	122	122	-	122	-	-	122	-
2008	-	383	383	382	-	382	-	-	382	-
2007	<u>-</u>	<u>121</u>	<u>121</u>	<u>121</u>	<u>-</u>	<u>121</u>	<u>-</u>	<u>-</u>	<u>121</u>	<u>-</u>
Total	-	843	843	842	-	842	-	-	842	-

**STATE OF NEW MEXICO
LINCOLN COUNTY
PROPERTY TAX SCHEDULE (continued)
FOR THE YEAR ENDED JUNE 30, 2017**

Year	Property Taxes Levied	Current Changes to Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected	Collected in Current Year	Collected to Date	Sum Levy Less Collection	Distributed in Current Year	Distributed to Date	County Receivable at Year End
2016	\$ 29,974,595	\$ (50,725)	\$ 29,923,870	\$ -	\$ 28,498,728	\$ 28,498,728	\$ 1,425,141	\$ 28,498,728	\$ 28,498,728	\$ 1,425,141
2015	29,326,554	74,703	29,401,260	27,927,862	920,903	28,848,764	552,490	920,903	28,848,764	552,490
2014	28,309,537	23,235	28,332,774	27,808,469	389,715	28,198,182	134,591	389,715	28,198,182	134,592
2013	26,825,930	59,973	26,885,902	26,676,204	129,848	26,806,047	79,852	129,848	26,806,047	79,852
2012	25,654,224	42,207	25,696,428	25,653,157	25,803	25,678,957	17,472	25,803	25,678,957	17,473
2011	24,699,993	12,612	23,264,735	24,694,048	5,163	24,699,212	13,400	5,163	24,699,212	13,401
2010	24,069,114	(56,167)	24,012,944	24,000,946	1,553	24,002,498	10,445	1,553	24,002,498	10,445
2009	22,881,504	22,791	22,904,292	22,895,916	961	22,896,878	7,417	961	22,896,878	7,417
2008	20,697,039	(5,615)	20,691,424	20,684,817	480	20,685,298	6,125	480	20,685,298	6,125
2007	18,989,158	(2,612)	18,986,546	18,981,622	640	18,982,260	4,285	640	18,982,260	4,285
	<u>\$ 251,427,648</u>	<u>\$ 120,402</u>	<u>\$ 250,100,175</u>	<u>\$ 219,323,041</u>	<u>\$ 29,973,794</u>	<u>\$ 249,296,824</u>	<u>\$ 2,251,218</u>	<u>\$ 29,973,794</u>	<u>\$ 249,296,824</u>	<u>\$ 2,251,221</u>

**STATE OF NEW MEXICO
LINCOLN COUNTY
LIST OF INDIVIDUAL DEPOSIT AND INVESTMENT ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 201**

Account Name	First National Bank	NMFA Cash Reserves	Fidelity Investments	City Bank	First Savings Bank	New Mexico LGIP
Money Market Account	\$ 52,033	\$ -	\$ -	\$ 2,001,315	\$ 1,759,066	\$ -
Investment	-	-	278,128	-	-	-
Investment	-	-	1,903,952	-	-	-
Checking Operational	11,210,223	-	-	-	-	-
Checking Detention Trust	21,381	-	-	-	-	-
Certificate of Deposit	-	-	-	-	250,000	-
Certificate of Deposit	-	-	-	-	500,000	-
Investment	-	-	-	-	-	1,315
NMFA Reserve	-	26,139,802	-	-	-	-
	11,283,637	26,139,802	2,182,080	2,001,315	2,509,066	1,315
Reconciling Items	(689,085)	-	-	-	-	-
Reconciled Balance	<u>\$ 10,594,552</u>	<u>\$ 26,139,802</u>	<u>\$ 2,182,080</u>	<u>\$ 2,001,315</u>	<u>\$ 2,509,066</u>	<u>\$ 1,315</u>

Account Name	Pioneer Bank	Washington Federal Bank	Wells Fargo Bank	BBVA Compass Bank	Total
Money Market Account	\$ 1,629,503	\$ 2,471,885	\$ 250,363	\$ 1,001,690	\$ 9,165,855
Investment**	-	-	-	-	278,128
Investment	-	-	-	-	1,903,952
Checking Operational	-	-	-	-	11,210,223
Checking Detention Trust	-	-	-	-	21,381
Certificate of Deposit	-	10,000	-	-	260,000
Certificate of Deposit	-	240,000	-	-	740,000
Investment	-	-	-	-	1,315
NMFA Reserve	-	-	-	-	26,139,802
Total	1,629,503	2,721,885	250,363	1,001,690	49,720,656
Reconciling Items	-	-	-	-	(689,085)
Reconciled Balance	<u>\$ 1,629,503</u>	<u>\$ 2,721,885</u>	<u>\$ 250,363</u>	<u>\$ 1,001,690</u>	<u>\$ 49,031,571</u>

Petty Cash	2,050
Less: Investments	(3,183,395)
Less: Agency Funds Cash	(381,909)
Less: Restricted Cash and Cash Equivalents	(26,139,802)
Total unrestricted cash and cash equivalents	<u>\$ 19,328,515</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
SCHEDULE OF PLEDGED COLLATERAL
FOR THE YEAR ENDED JUNE 30, 2017**

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair / Par Market Value at June 30, 2017</u>
City Bank	Los Lunas NM SD #1 GO QTEO	7/15/2018	545562RT9	\$ 972,830
	Alamogordo NM MUNI SD #1 GO QTEO	8/1/2018	011464JL9	651,907
	Ruidoso NM MUN SD #3 GO QTEO	8/1/2018	781338JB5	178,692
	Bernalillo NM MUN SD #1 GO QTEO	8/1/2019	085279QX8	202,818
	Bernalillo NM MUN SD #1 GO QTEO	8/1/2019	085279QX8	202,818
Total City Bank				\$ 2,209,065
First National Bank	FNMA Pool #AB2800	4/1/2026	31416YDE5	\$ 747,445
	FHLMC Pool #G14497	6/1/2027	3128MDGE7	967,420
	FHLMC Pool #J20134	8/1/2027	31306XEF6	940,632
	GNMA II Pool #MA0825	3/20/2028	36179M4J6	924,332
	FNMA Pool #AW5384	6/1/2029	3138XU5J7	743,117
	FNMA Pool #MA2254	4/12/2030	3141BQG4	1,173,952
	FNMA Pool #MA0641	2/1/2031	31417YWB9	775,987
	FNMA Pool #MA2675	7/1/2031	314118B6M3	1,785,973
	FHLMC Pool #G18607	8/1/2023	3128MMU92	1,823,732
	FNMA Pool #BD3676	8/1/2023	3140FBCN8	1,813,940
	FNMA Pool #AL4778	10/1/2032	3138EMJY8	748,181
	FNMA Pool #MA1200	10/1/2032	31418AAKN7	1,401,407
	FNMA Pool #MA1237	11/1/2032	31418ALT3	1,425,767
	FNMA Pool #MA2197	3/1/2035	31418BNP7	1,415,210
	FNMA Pool #MA2197	3/1/2035	31418BNP7	1,415,210
	FHLMC Pool #C91879	6/1/2036	3128P8CQ2	1,876,786
	FHLMC Pool #C91882	8/1/2036	3128P8CT6	2,002,022
	FHLMC Pool #C91887	9/1/2036	3128PCY5	1,941,208
	Total First National Bank			
First Savings Bank	FHLMC 15-Yr	12/1/2020	31336WAL3	\$ 57,763
	FHLMC 10-Yr	4/1/2022	31294MN72	25,465
	FNMA 10-Yr	12/1/2022	3138MPXG5	222,325
	FHLMC 10-Yr	3/1/2023	31307BJW1	31,091
	FHLMC 10-Yr	3/1/2023	31307BJW1	20,727
	FNMA 10-Yr	4/1/2024	31418BB54	96,004
	FNMA 10-Yr	4/1/2024	31418BB54	432,018
	Dona Ana Co NM 25	9/1/2025	257579CX8	59,467
	FNMA 15-Yr	11/1/2027	3138MJWW5	177,267
	HR 4136 NG	11/15/2027	3137AWKN4	485,326
	FNMA 15-Yr	1/1/2028	3138EKJA4	32,613
	FNMA 15-Yr	1/1/2028	3138EKJA4	27,178
	FNMA 15-Yr	1/1/2028	3138EKJA4	40,767
	FNMA 15-Yr	12/1/2029	3140J5EA3	192,654
	FHLMC 15-Yr	8/1/2013	3128ME4M0	190,151
	GNR 2010-115 QG	11/20/2038	38377KKM1	21,995
	GNR 2010-115 QG	11/20/2038	38377KKM1	4,399
	GNR 2010-115 QG	11/20/2038	38377KKM1	10,997
	GNR 2009-55 HC	6/20/2039	38374VPS2	2,162
	GNR 2010-150 GJ	9/20/2039	38377NLJ1	14,949
	FHR 3925 DE	7/15/2040	3137AFGA4	130,209
	GNR 2011-43 E	12/20/2040	38377UMA3	9,281
	FNR 2013-73 TC	9/25/2042	3136AFTR5	109,491
Total First Savings Bank				\$ 2,394,299

See Independent Auditors' Report

**STATE OF NEW MEXICO
LINCOLN COUNTY
SCHEDULE OF PLEDGED COLLATERAL (continued)
FOR THE YEAR ENDED JUNE 30, 2017**

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair / Par Market Value at June 30, 2017</u>
Pioneer Bank	FFCB Callable	5/16/2023	3133EGAD7	\$ 1,480,169
	FHLMC #1B0951 ARM	7/1/2033	31336STG3	297,165
	FHLMC ARM 781721	7/1/2034	31349S4E0	38,284
	FNMA #661745 ARM	9/1/2032	31391BES2	5,303
	FNMA #745130 ARM	11/1/2035	31403CY39	73,906
	FNMA #759453 ARM	1/1/2034	31403VWN5	65,354
	FNMA #845529 ARM	12/1/2035	314408ALJ7	167,201
	GNMA II #080418 ARM	6/20/2030	36225CPC4	43,696
	GNMA II #80477 ARM	12/20/2030	35225CQ74	6,738
	Total Pioneer Bank			<u>\$ 2,177,816</u>
Washington Federal Bank	FNMA PL #BC2636	11/1/2046	3140EW4W2	\$ 2,854,529
	Total Washington Federal Bank			<u>\$ 2,854,529</u>
Wells Fargo Bank	FMAC FGPC	6/1/2033	3132J2XMO	\$ 1,140
	Total Wells Fargo Bank			<u>\$ 1,140</u>
Compass Bank	Letter of Credit	10/30/2017	101345	\$ 800,000
	Total Compass Bank			<u>\$ 800,000</u>
Total Pledged Collateral				<u>\$ 34,359,170</u>

The accompanying notes are an integral part of these financial statements



**INDEPENDENT AUDITORS' 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**

Honorable Timothy Keller
New Mexico State Auditor
Santa Fe, New Mexico
and
Honorable Members of the Board of County Commissioners
Lincoln County
Carrizozo, New Mexico

We have audited, 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, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the General Fund and major governmental funds of Lincoln County (the "County") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and the combining and individual funds of the County, presented as supplementary information, and have issued our report thereon dated November 28, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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 County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less than severe than a material weakness, yet important enough to merit attention by those charged with governance.

**STATE OF NEW MEXICO
LINCOLN COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2017**

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

We noted certain matters that are required to be reported per section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of Section 12-6-5 NMSA 1978 Findings as items 2016-001.

County's Response to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kubiak Melton & Associates, LLC

Kubiak Melton & Associates, LLC
Auditors – Business Consultants - CPAs

Albuquerque, New Mexico
November 28, 2017

**STATE OF NEW MEXICO
LINCOLN COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2017**

Section I – Financial Statement Findings

2016-001 – Per Diem and Mileage Act – Noncompliance - Other (Repeated)

Condition: During our test work of the County's compliance with the per diem and mileage act, we noted that one (1) out of ten (10) instances in which a County employee was paid the incorrect mileage rate. This mileage reimbursement rate of \$0.55 exceeded the statutory rate of \$0.54 during that period.

Managements Progress: Management changed the rate and currently is paying mileage and per diem at the correct rate.

Criteria: The Per Diem and Mileages Act, NMAC 2.42.2.11 (C) states that public officers and employees of local public bodies may be reimbursed for mileage accrued in the use of a private conveyance in the discharge of official duties, at the statutory rates unless such rates have been reduced by the governing bodies of the local public body pursuant to Section 10-8-5 (D) NMSA 1978.

Effect: The County overpaid a mileage reimbursement.

Cause: The County was unaware of their noncompliance until the FY2016 audit brought it to light in the fall of 2016. Therefore, there was a couple of months in which the County operated under the noncompliance process. Once identified, the County immediately altered the procedure to become compliant.

Auditors' Recommendations: We recommend that the County creates a static mileage rate that complies with relevant laws. This will allow them to continuously comply with this law with less effort in monitoring the changes in the IRS rate.

Management's Response: The County of Lincoln in its regular Commission Meeting, held on November 21, 2016 update the Per Diem and Mileage Policy to have a static reimbursement rate of \$ 0.535 per mile for private conveyance in the discharge of official duties.

Responsible Parties: Lincoln County Board of Commissioners, Nita Taylor, County Manager and Charlene "Punkin" Schlarb, Finance Director.

**STATE OF NEW MEXICO
LINCOLN COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2017**

Section II – Status of Prior Year Findings

FS 2014-002 – Internal Controls over Inventory - Resolved

FS 2015-002 – Deficiencies in Solid Waste Internal Control - Resolved

FA 2016-001 – Schedule of Expenditures of Federal Awards – Resolved

NM 2016-001 – Travel and Per Diem (Other Noncompliance) - Repeated

NM 2016-002 – Progress Reporting (Other Noncompliance) - Resolved

**STATE OF NEW MEXICO
LINCOLN COUNTY
EXIT CONFERENCE
FOR THE YEAR ENDED JUNE 30, 2017**

An exit conference was held on November 28, 2017 to discuss the results of the audit. Attending were the following:

Representing the County:

Preston Stone, County Commissioner - Chairman
Elaine Allen, County Commissioner
Nita Taylor, County Manager
Charlene "Punkin" Schlarb, Finance Director
Beverly Calaway, County Treasurer
Sherri Huddleston, Chief Deputy Treasurer

Representing the Independent Auditors:

Daniel O. Trujillo, CPA, CFE, CGFM, CGMA
Craig Roybal, Audit Associate

Note: The financial statements in this report were prepared substantially by the Independent Audit firm of Kubiak Melton & Associates, LLC, with the assistance of County management.