

**STATE OF NEW MEXICO  
LINCOLN COUNTY**

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

**FOR THE YEAR ENDED JUNE 30, 2019**



**STATE OF NEW MEXICO  
LINCOLN COUNTY  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2019**

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**STATE OF NEW MEXICO  
LINCOLN COUNTY  
OFFICIAL ROSTER  
AS OF JUNE 30, 2019**

**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  
Walter Hill..... County Assessor  
Whitney Whittaker ..... County 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  
Rhonda Edwards..... Finance Officer  
Linda Phillips ..... Solid Waste Clerk  
Toni Foligno ..... Inventory Assets Clerk



## INDEPENDENT AUDITORS' REPORT

Honorable Brian S. Colón, Esq.  
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 special revenue funds of Lincoln County, New Mexico (the "County"), as of and for the year ended June 30, 2019, and the related notes to the financial statements which collectively comprise the County's basic financial statements 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, 2019, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in 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, the *County's Proportionate Share of the Net Pension Liability* and their *Proportionate Share of the OPEB Liability* on pages 65, 66 and 69, the *Schedule of the County's Contributions* on pages 68, 69 and 70, and the notes to the required supplementary information, on page 71 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 and historical context. We have applied certain limited procedures to the Schedule of the *County's Proportionate Share of the Net Pension Liability* and *County's Proportionate Share of the OPEB Liability* 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 financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements for all nonmajor funds 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 combining and individual fund financial statements and other schedules required by Section 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 basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic 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 the auditing standards generally accepted in the United States of America. In our opinion, the other schedules required by Section 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2019 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 27, 2019



**STATE OF NEW MEXICO  
LINCOLN COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019**

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, 2019. 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 \$51,121,147 (*net position*). Of this amount, there was a deficit of \$1,561,130 in *unrestricted net position*.
- Change in net position for the year was \$3,734,491. The increase is due to an increase in revenues.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$6,471,033.
- Deferred outflows of resources of \$2,356,986, deferred inflows of resources of \$1,103,829 and a net pension liability of \$8,523,246 related to a pension plan are reported in the Statement of Net Position at June 30, 2019. 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, 2019**

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.

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)  
JUNE 30, 2019**

***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 25 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 26-63 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 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 \$52,121,147 and \$48,706,000 at the close of the fiscal years ended June 30, 2019 and June 30, 2018, 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 of \$48,706,000 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, was a deficit of \$1,561,130.

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)  
JUNE 30, 2019**

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, 2019:

	<b>2019</b>	<b>2018</b>
<b>ASSETS AND DEFERRED INFLOWS OF RESOURCES</b>		
Current and Other Assets	\$ 44,560,668	\$ 50,528,695
Capital Assets, Net	54,593,440	40,885,109
Deferred Outflows of Resources	2,456,170	2,260,116
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 101,610,278</b>	<b>\$ 93,673,920</b>
 <b>LIABILITIES AND NET POSITION</b>		
<b>LIABILITIES</b>		
Current Liabilities	\$ 5,516,652	\$ 2,147,103
Non-current Liabilities	41,736,015	40,708,260
Deferred Inflows of Resources	2,236,464	2,112,557
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>49,489,131</b>	<b>44,967,920</b>
 <b>NET POSITION</b>		
Net Investment in Capital Assets	25,259,321	12,119,019
Restricted	28,422,956	33,162,144
Unrestricted, Reported in:		
General Fund	(1,561,130)	3,424,837
<b>TOTAL NET POSITION</b>	<b>52,121,147</b>	<b>48,706,000</b>
<b>TOTAL LIABILITIES AND NET POSITION AND DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 101,610,278</b>	<b>\$ 93,673,920</b>

**Changes in Net Position**

Per the Statement of Activities, The County's total revenues of \$28,882,945, program expenses of \$25,148,454, resulted in a change in net position of \$3,734,491. The County maintained a favorable budget to actual expenditure variance in all funds.

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)  
JUNE 30, 2019**

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, 2019 and June 30, 2018:

	<b>2019</b>	<b>2018</b>
<b>PROGRAM REVENUES</b>		
Charges for Services	\$ 4,293,702	\$ 4,450,330
Operating Grants and Contributions	2,512,792	2,455,888
Federal Sources	360,256	336,930
<b>TOTAL PROGRAM REVENUES</b>	<b>7,166,750</b>	<b>7,243,148</b>
<b>GENERAL REVENUES</b>		
Property Taxes	14,911,538	15,172,909
Gross Receipt Taxes	1,585,996	1,365,120
Gasoline and Motor Vehicle Taxes	669,017	524,231
Other Taxes	76,612	72,566
Payments in Lieu of Taxes	1,906,610	1,952,183
Interest Income	727,392	2,243,857
Special Assessments	17,485	35,957
Miscellaneous Income	1,696,786	354,835
Special Assessment	78,632	-
Gain (Loss) on Disposal of Capital Assets	46,127	(108,998)
<b>TOTAL GENERAL REVENUES</b>	<b>21,716,195</b>	<b>21,612,660</b>
<b>TOTAL REVENUES</b>	<b>28,882,945</b>	<b>28,855,808</b>
<b>EXPENDITURES</b>		
General Government	5,035,672	5,524,422
Public Safety	7,833,385	7,876,872
Public Works	5,781,769	6,166,873
Culture and Recreation	111,310	1,182,180
Health and Welfare	5,213,794	4,229,982
Debt Service Interest	1,172,524	1,711,285
<b>TOTAL EXPENDITURES</b>	<b>25,148,454</b>	<b>26,691,614</b>
<b>INCREASE IN NET POSITION</b>	<b>3,734,491</b>	<b>2,164,194</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Transfers In	10,993,861	9,553,710
Transfers Out	(10,993,861)	(9,553,710)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>
<b>CHANGE IN NET POSITION</b>	<b>3,734,491</b>	<b>2,164,194</b>
<b>NET POSITION, BEGINNING OF YEAR</b>	48,706,000	51,998,737
<b>RESTATEMENT</b>	(319,344)	(5,456,931)
<b>NET POSITION, AS RESTATED</b>	48,386,656	46,541,806
<b>NET POSITION, END OF YEAR</b>	<b>\$ 52,121,147</b>	<b>\$ 48,706,000</b>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)  
JUNE 30, 2019**

**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 \$39,645,288. Of this total amount, \$6,471,033 constitutes *unassigned fund balance*, which is available for spending at the government's discretion, while \$33,174,255 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 \$6,513,480, while total fund balance was \$8,875,185.

The Road Fund has a total fund balance of \$431,896. At the end of the current fiscal year, all of the fund balance was restricted for the Maintenance of Roads, \$169,730 was nonspendable in inventory and \$304,613 was restricted for minimum fund balance and (\$42,447) was unassigned.

The Corrections Fund has a total fund balance of \$169,994. 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 \$2,309,753, all of which is *committed* for the Lincoln County Medical Center.

The Lincoln County Medical Center Construction Fund has a total fund balance of \$7,757,217, 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 Capital Improvement Project fund had a restricted fund balance of \$5,850,000.

**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.

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)  
JUNE 30, 2019**

The total increase in budgeted expenditures from the original and final budgets in the general fund was \$8,395.

The following table examines the summary budget performance of the major and aggregate non-major funds for the fiscal year ending June 30, 2019. 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	\$ 8,359,851	\$ 7,136,444	\$ 1,223,407
Road Fund	3,655,351	2,624,009	1,031,342
Corrections Fund	3,827,000	3,165,288	661,712
Lincoln County Medical Center (LCMC) Fund	2,700,276	2,669,751	30,525
Lincoln County Medical Center Lease Fund	232,446	31,996	200,450
Disaster Relief Fund	-	-	-
Nonmajor Funds	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>\$ 18,774,924</u>	<u>\$ 15,627,488</u>	<u>\$ 3,147,436</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, 2019**

**Capital Asset and Debt Administration**

**Capital Assets**

Lincoln County's net investment in capital assets for its governmental activities as of June 30, 2019, was to \$25,259,321 (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, 2019:

	<u>Balance June 30, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2019</u>
<b>Governmental Activities:</b>				
<b>Capital Assets Not Being Depreciated</b>				
Land	\$ 2,072,465	\$ -	\$ -	\$ 2,072,465
Intangible Assets	357,353	11,100	-	368,453
Construction in Progress (CIP)	<u>2,106,367</u>	<u>15,901,418</u>	<u>-</u>	<u>18,007,785</u>
<b>Total Capital Assets Not Being Depreciated</b>	<u>4,536,185</u>	<u>15,912,518</u>	<u>-</u>	<u>20,448,703</u>
<b>Capital Assets Being Depreciated</b>				
Buildings	33,645,398	-	-	33,645,398
Equipment	20,791,647	1,334,252	764,810	21,361,089
Infrastructure	31,640,054	-	-	31,640,054
Other Improvements	<u>988,679</u>	<u>13,700</u>	<u>-</u>	<u>1,002,379</u>
<b>Total Capital Assets Being Depreciated</b>	<u>87,065,778</u>	<u>1,347,952</u>	<u>764,810</u>	<u>87,648,920</u>
<b>Total Capital Assets</b>	<u>91,601,963</u>	<u>17,260,470</u>	<u>764,810</u>	<u>108,097,623</u>
<b>Less: Accumulated Depreciation</b>				
Buildings	10,209,604	870,596	-	11,080,200
Equipment	14,135,069	1,532,976	763,762	14,904,283
Infrastructure	26,516,555	787,840	-	27,304,395
Other Improvements	<u>174,970</u>	<u>40,335</u>	<u>-</u>	<u>215,305</u>
<b>Total Accumulated Depreciation</b>	<u>51,036,198</u>	<u>3,231,747</u>	<u>763,762</u>	<u>53,504,183</u>
Total Capital Assets being Depreciated, Net	<u>36,029,580</u>	<u>(1,883,795)</u>	<u>1,048</u>	<u>34,144,737</u>
<b>Capital Assets, Net</b>	<u>\$ 40,565,765</u>	<u>\$ 14,028,723</u>	<u>\$ 1,048</u>	<u>\$ 54,593,440</u>

The County recognized \$3,231,747 in depreciation expense during the year. Additional information on Lincoln County's capital assets can be found on page 42 of the financial statements.

Information on Lincoln County's commitments can be found in the notes to the financial statements.



**STATE OF NEW MEXICO  
LINCOLN COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)  
JUNE 30, 2019**

**Long-term debt**

At June 30, 2019, Lincoln County had total gross receipts revenue bonds outstanding of \$1,755,000, secured by pledged gross receipts taxes, GO bonds of \$22,990,000 and loans outstanding to the New Mexico Finance Authority of \$2,841,312

Lincoln County's outstanding debt at June 30:

	<u>Governmental Activities</u>	
	<u>2019</u>	<u>2018</u>
Gross Receipts Revenue Bonds	\$ 1,755,000	\$ 1,950,000
GO Bonds, Series 2017	22,990,000	23,110,000
NMFA Loans	2,841,312	1,730,861
Compensated Absences	<u>185,242</u>	<u>209,535</u>
<b>Total Outstanding Debt</b>	<b><u>\$ 27,771,554</u></b>	<b><u>\$ 27,000,396</u></b>

Additional information on Lincoln County's long-term debt can be found on pages 44 and 45 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 2019 fiscal year.

At the end of the current fiscal year, fund balance in the general fund was \$8,875,185. It is intended that using this available fund balance will obviate the need to raise taxes or charges during the 2020 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, 2019**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 25,200,052
Investments	3,964,005
Receivables:	
Property Tax Receivable	1,100,536
Other Taxes	281,603
Other Receivables, Net	725,032
Special Assessment - Current Portion	66,229
Inventory	193,498
Prepaid Expenses	247,974
<b>Total Current Assets</b>	<b>31,778,929</b>
Noncurrent assets:	
Restricted Cash and Cash Equivalents	12,781,739
Capital Assets	108,097,623
Less: Accumulated Depreciation	(53,504,183)
<b>Total Noncurrent Assets</b>	<b>67,375,179</b>
Deferred Outflows of Resources of Resources:	
Deferred Outflows - Pension Related	2,356,986
Deferred Outflows - OPEB Related	99,184
<b>Total Deferred Outflows of Resources</b>	<b>2,456,170</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 101,610,278</b>
<b>LIABILITIES AND NET POSITION</b>	
Current Liabilities:	
Accounts Payable	\$ 3,756,468
Accrued Salaries and Benefits	248,420
Accrued Interest Payable	821,596
Accrued Compensated Absences	185,242
Current Portion of Long-term Debt	504,926
<b>Total Current Liabilities</b>	<b>5,516,652</b>
Noncurrent Liabilities:	
Bond Premiums, net of amortization of \$611,140	1,747,807
Net Pension Liability	8,523,246
Net OPEB Liability	4,383,576
Long-term Debt Due After One Year	27,081,386
<b>Total Noncurrent Liabilities</b>	<b>41,736,015</b>
<b>TOTAL LIABILITIES</b>	<b>47,252,667</b>
Deferred Inflows of Resources:	
Deferred Inflows - Pension Related	1,103,829
Deferred Inflows - OPEB Related	1,132,635
<b>Total Deferred Inflows of Resources</b>	<b>2,236,464</b>
<b>NET POSITION</b>	
Net Investment in Capital Assets	25,259,321
Restricted	28,422,956
Unrestricted	(1,561,130)
<b>Total Net Position</b>	<b>52,121,147</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b>\$ 101,610,278</b>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019**

Functions and Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>PRIMARY GOVERNMENT</b>					
<b>Governmental Activities</b>					
General Government	\$ 5,035,672	\$ 1,083,268	\$ 261,050	\$ 4,189	\$ (3,687,165)
Public Safety	7,833,385	786,609	1,758,484	-	(5,288,292)
Public Works	5,781,769	2,088,237	317,951	356,067	(3,019,514)
Culture and Recreation	111,310	-	-	-	(111,310)
Health and Welfare	5,213,794	335,588	175,307	-	(4,702,899)
Interest on Long-term Debt	1,172,524	-	-	-	(1,172,524)
Total Governmental Activities	\$ 25,148,454	\$ 4,293,702	\$ 2,512,792	\$ 360,256	(17,981,704)
<b>General Revenues:</b>					
Taxes:					
Property Taxes levied for general purposes					14,911,538
Gross Receipts Taxes					1,585,996
Motor Vehicle and Fuel Taxes					669,017
Other					76,612
Payments in Lieu of Taxes					1,906,610
Interest and Investment Earnings					727,392
Special Assessment					78,632
Special Assessment Interest					17,485
Gain (Loss) on Disposal of Assets					46,127
Other Financing Uses					-
Miscellaneous Income					1,696,786
Subtotal, General Revenues					21,716,195
Change in Net Position					3,734,491
Net Position, Beginning					48,706,000
Restatement					(319,344)
Net Position, As Restated					48,386,656
<b>Net Position, Ending</b>					<b>\$ 52,121,147</b>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
BALANCE SHEET – GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2019**

	<u>General Fund</u>	<u>Road Fund</u>	<u>Corrections Center</u>	<u>Lincoln County Medical Center</u>	<u>LCMC Construction</u>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 4,926,990	\$ 900,000	\$ 327,776	\$ 2,267,084	\$ 1,573,782
Restricted Cash	-	-	-	-	8,946,261
Investments	3,676,957	-	-	-	-
Receivables:					
Property Taxes	860,951	-	-	182,937	-
Other Taxes	403	-	-	-	-
Other Receivables, Net	10,635	35,496	69,056	-	-
Special Assessments Receivable	-	-	-	-	-
Inventory	23,768	169,730	-	-	-
Prepaid Expenses	247,974	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 9,747,678</u>	<u>\$ 1,105,226</u>	<u>\$ 396,832</u>	<u>\$ 2,450,021</u>	<u>\$ 10,520,043</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 24,608	\$ 642,723	\$ 226,838	\$ -	\$ 2,762,826
Accrued Salaries and Benefits	185,900	30,607	-	-	-
<b>TOTAL LIABILITIES</b>	<u>210,508</u>	<u>673,330</u>	<u>226,838</u>	<u>-</u>	<u>2,762,826</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue:					
Property Taxes	661,985	-	-	140,268	-
Special Assessment	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS</b>	<u>661,985</u>	<u>-</u>	<u>-</u>	<u>140,268</u>	<u>-</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<u>872,493</u>	<u>673,330</u>	<u>226,838</u>	<u>140,268</u>	<u>2,762,826</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventory	23,768	169,730	-	-	-
Prepaid Expenses	247,974	-	-	-	-
Restricted For:					
Special Revenue Funds	-	-	-	-	-
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	7,757,217
Minimum Fund Balance	2,089,963	304,613	-	-	-
Committed For:					
Detention Facility	-	-	169,994	-	-
Lincoln County Medical Center	-	-	-	2,309,753	-
Unassigned, Reported in:					
General Fund	6,513,480	(42,447)	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>8,875,185</u>	<u>431,896</u>	<u>169,994</u>	<u>2,309,753</u>	<u>7,757,217</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<u>\$ 9,747,678</u>	<u>\$ 1,105,226</u>	<u>\$ 396,832</u>	<u>\$ 2,450,021</u>	<u>\$ 10,520,043</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, 2019**

	<u>Capital Improvement Projects</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 5,850,000	\$ 9,354,420	\$ 25,200,052
Restricted Cash	-	3,835,478	12,781,739
Investments	-	287,048	3,964,005
Receivables:			
Property Taxes	-	56,648	1,100,536
Other Taxes	-	281,200	281,603
Other Receivables, Net	-	609,845	725,032
Special Assessments Receivable	-	66,229	66,229
Inventory	-	-	193,498
Prepaid Expenses	-	-	247,974
<b>TOTAL ASSETS</b>	<u>\$ 5,850,000</u>	<u>\$ 14,490,868</u>	<u>\$ 44,560,668</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ -	\$ 99,473	\$ 3,756,468
Accrued Salaries and Benefits	-	31,913	248,420
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>131,386</u>	<u>4,004,888</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue:			
Property Taxes	-	42,987	845,240
Special Assessment	-	65,252	65,252
<b>TOTAL DEFERRED INFLOWS</b>	<u>-</u>	<u>108,239</u>	<u>910,492</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>239,625</u>	<u>4,915,380</u>
<b>FUND BALANCES</b>			
Nonspendable:			
Inventory	-	-	193,498
Prepaid Expenses	-	-	247,974
Restricted For:			
Special Revenue Funds	-	7,744,500	7,744,500
Debt Service Funds	-	4,245,894	4,245,894
Capital Projects Funds	5,850,000	430,769	14,037,986
Minimum Fund Balance	-	-	2,394,576
Committed For:			
Detention Facility	-	-	169,994
Lincoln County Medical Center	-	1,830,080	4,139,833
Unassigned, Reported in:			
General Fund	-	-	6,471,033
<b>TOTAL FUND BALANCES</b>	<u>5,850,000</u>	<u>14,251,243</u>	<u>39,645,288</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<u>\$ 5,850,000</u>	<u>\$ 14,490,868</u>	<u>\$ 44,560,668</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  
AS OF JUNE 30, 2019**

**Total Fund Balance - Governmental Funds** \$ 39,645,288

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 54,593,440

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 - Pension	2,356,986
Deferred Outflows of Resources Related to GASB 75 - OPEB	99,184
Deferred Inflows of Resources Related to GASB 68 - Pension	(1,103,829)
Deferred Inflows of Resources Related to GASB 75 - OPEB	(1,132,635)

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

845,240

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

65,252

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	(821,596)
Compensated Absences Payable	(185,242)
Current Portion of Long term debt	(504,926)
Bond Premiums, net of amortization	(1,747,807)
Long Term Debt	(27,081,386)
Net Pension Liability (GASB 68)	(8,523,246)
Net OPEB Liability (GASB 75)	(4,383,576)

**Total Net Position of Governmental Activities** \$ 52,121,147

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>General Fund</u>	<u>Road Fund</u>	<u>Corrections Center</u>	<u>Lincoln County Medical Center</u>	<u>LCMC Construction</u>
<b>REVENUES</b>					
Taxes:					
Property Taxes	\$ 11,587,912	\$ -	\$ -	\$ 2,553,210	\$ -
Gross Receipts	15,723	-	-	-	-
Gasoline and Motor Vehicle Taxes	72,293	388,724	-	-	-
Other Taxes	7,500	-	-	-	-
Federal Operating Grants	-	139,558	-	-	-
State Operating Grants	31,289	178,393	-	-	-
State Capital Grants	4,189	314,564	-	-	-
Payments in Lieu of Taxes	1,906,610	-	-	-	-
Charges for Services	490,379	3,911	757,635	-	-
Investment Income	267,316	-	-	15,834	347,579
Special Assessment	-	-	-	-	-
Special Assessment - Interest	-	-	-	-	-
Miscellaneous	24,847	25,963	3,696	-	1,571,950
<b>TOTAL REVENUES</b>	<u>14,408,058</u>	<u>1,051,113</u>	<u>761,331</u>	<u>2,569,044</u>	<u>1,919,529</u>
<b>EXPENDITURES</b>					
Current					
General Government	4,013,231	-	-	-	-
Public Safety	2,887,020	-	3,155,924	-	-
Public Works	103,265	3,244,040	-	-	-
Culture and Recreation	-	-	-	-	-
Health and Welfare	-	-	-	2,264,393	-
Capital Outlay	74,275	-	24,533	405,299	15,066,236
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>7,077,791</u>	<u>3,244,040</u>	<u>3,180,457</u>	<u>2,669,692</u>	<u>15,066,236</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>7,330,267</u>	<u>(2,192,927)</u>	<u>(2,419,126)</u>	<u>(100,648)</u>	<u>(13,146,707)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Other Financing Uses	-	-	-	-	-
Proceeds from Sale of Assets	-	-	-	32	-
Proceeds From Loans	-	-	-	-	-
Transfers In	-	1,581,110	2,377,600	-	-
Transfers Out	(8,423,837)	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(8,423,837)</u>	<u>1,581,110</u>	<u>2,377,600</u>	<u>32</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(1,093,570)	(611,817)	(41,526)	(100,616)	(13,146,707)
<b>FUND BALANCE, BEGINNING</b>	9,968,755	1,043,713	211,520	2,410,369	20,903,924
<b>FUND BALANCE, ENDING</b>	<u>\$ 8,875,185</u>	<u>\$ 431,896</u>	<u>\$ 169,994</u>	<u>\$ 2,309,753</u>	<u>\$ 7,757,217</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  
(continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Capital Improvement Projects</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>REVENUES</b>			
Taxes:			
Property Taxes	\$ -	\$ 792,635	\$ 14,933,757
Gross Receipts	-	1,570,273	1,585,996
Gasoline and Motor Vehicle Taxes	-	208,000	669,017
Other Taxes	-	69,112	76,612
Federal Operating Grants	-	92,403	231,961
State Operating Grants	-	2,071,149	2,280,831
State Capital Grants	-	41,503	360,256
Payments in Lieu of Taxes	-	-	1,906,610
Charges for Services	-	3,041,777	4,293,702
Investment Income	-	96,663	727,392
Special Assessment	-	78,632	78,632
Special Assessment - Interest	-	17,485	17,485
Miscellaneous	-	70,330	1,696,786
<b>TOTAL REVENUES</b>	<u>-</u>	<u>8,149,962</u>	<u>28,859,037</u>
<b>EXPENDITURES</b>			
Current			
General Government	-	469,894	4,483,125
Public Safety	-	857,793	6,900,737
Public Works	-	1,448,200	4,795,505
Culture and Recreation	-	111,310	111,310
Health and Welfare	-	2,057,246	4,321,639
Capital Outlay	832,464	857,663	17,260,470
Debt Service:			
Principal	-	516,367	516,367
Interest	-	1,106,537	1,106,537
<b>TOTAL EXPENDITURES</b>	<u>832,464</u>	<u>7,425,010</u>	<u>39,495,690</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(832,464)</u>	<u>724,952</u>	<u>(10,636,653)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Other Financing Uses	-	-	-
Proceeds from Sale of Assets	31,714	14,381	46,127
Proceeds from Loans	-	1,311,818	1,311,818
Transfers In	4,150,750	2,884,401	10,993,861
Transfers Out	-	(2,570,024)	(10,993,861)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>4,182,464</u>	<u>1,640,576</u>	<u>1,357,945</u>
<b>NET CHANGE IN FUND BALANCES</b>	3,350,000	2,365,528	(9,278,708)
<b>FUND BALANCE, BEGINNING</b>	2,500,000	11,885,715	48,923,996
<b>FUND BALANCE, ENDING</b>	<u>\$ 5,850,000</u>	<u>\$ 14,251,243</u>	<u>\$ 39,645,288</u>

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, 2019**

**Net Changes in Fund Balance - Governmental Funds** \$ (9,278,708)

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, 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 (net)	17,260,470	
Depreciation Expense	(3,231,747)	
	14,028,723	
Excess (Deficiency) of Capital Outlay over Depreciation Expense		14,028,723

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	55,448
Change in Special District	(77,667)

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	(471,251)
OPEB Expense	94,065

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 Accrued Compensated Absences	24,293
Proceeds From Loans	(1,311,818)
(Increase) Decrease in Accrued Interest Payable	(72,383)
Current Year Accretion	227,422
Principal Payments on Bonds and Loans Payable	516,367
	3,734,491

**Change in Net Position of Governmental Activities** **\$ 3,734,491**

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
STATEMENT OF REVENUES EXPENDITURES & CHANGES IN FUND BALANCE, BUDGET  
(NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –  
GENERAL FUND 401  
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Taxes:				
Property Taxes	\$ 10,757,423	\$ 10,757,423	\$ 11,603,064	\$ 845,641
Gross Receipts	19,555	19,555	15,929	(3,626)
Gasoline and Motor Vehicle Taxes	63,898	63,898	72,238	8,340
Other Taxes	7,500	7,500	7,500	-
Federal Operating Grants	-	-	-	-
Federal Capital Grants	-	-	-	-
State Operating Grants	51,931	51,931	40,147	(11,784)
State Capital Grants	2,605	2,605	4,189	1,584
Payments in Lieu of Taxes	1,804,125	1,804,125	1,906,610	102,485
Charges for Services	414,719	414,719	491,406	76,687
Investment Income	92,769	92,769	250,735	157,966
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	40,813	40,813	32,839	(7,974)
<b>TOTAL REVENUES</b>	<u>13,255,338</u>	<u>13,255,338</u>	<u>14,424,657</u>	<u>1,169,319</u>
<b>EXPENDITURES</b>				
Current				
General Government	4,727,438	4,735,833	4,024,599	711,234
Public Safety	3,193,352	3,197,252	2,866,945	330,307
Public Works	123,386	123,386	103,296	20,090
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	243,380	303,380	141,604	161,776
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>8,287,556</u>	<u>8,359,851</u>	<u>7,136,444</u>	<u>1,223,407</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>4,967,782</u>	<u>4,895,487</u>	<u>7,288,213</u>	<u>(54,088)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds From Sales of Equipment	-	-	-	-
Other Financing Uses	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	(8,423,835)	(8,423,835)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>(8,423,835)</u>	<u>(8,423,835)</u>
<b>INCREASE (DECREASE)</b>	<u>4,967,782</u>	<u>4,895,487</u>	<u>\$ (1,135,622)</u>	<u>\$ (8,477,923)</u>
<b>PRIOR YEAR CASH BALANCE BUDGETED</b>	<u>\$ -</u>	<u>\$ -</u>		

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

Revenues, Actual on a Budget Basis	\$ 14,424,657
Revenues, Actual on Modified Accrual Basis	<u>14,408,058</u>
Adjustments to revenues for property tax and grant revenues	<u>\$ 16,599</u>
Expenditures, Actual on a Budget Basis	\$ 15,560,279
Expenditures, Actual on Modified Accrual Basis	<u>15,501,628</u>
Adjustments to expenditures for general government, and transfers	<u>\$ 58,651</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
STATEMENT OF REVENUES EXPENDITURES & CHANGES IN FUND BALANCE, BUDGET  
(NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –  
ROAD FUND 402  
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	-	-
Gasoline and Motor Vehicle Taxes	353,488	353,488	386,752	33,264
Other Taxes	-	-	-	-
Federal Operating Grants	263,592	263,592	139,558	(124,034)
Federal Capital Grants	-	-	-	-
State Operating Grants	189,488	189,488	178,393	(11,095)
State Capital Grants	314,564	314,564	314,564	-
Payments in Lieu of Taxes	-	-	-	-
Charges for Services	2,500	2,500	3,911	1,411
Investment Income	-	-	-	-
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	35,000	35,000	26,003	(8,997)
<b>TOTAL REVENUES</b>	<u>1,158,632</u>	<u>1,158,632</u>	<u>1,049,181</u>	<u>(109,451)</u>
<b>EXPENDITURES</b>				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	3,697,349	3,655,351	2,624,009	1,031,342
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>3,697,349</u>	<u>3,655,351</u>	<u>2,624,009</u>	<u>1,031,342</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(2,538,717)</u>	<u>(2,496,719)</u>	<u>(1,574,828)</u>	<u>(1,140,793)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds From Sales of Equipment	-	-	-	-
Other Financing Uses	-	-	-	-
Transfers In	1,699,009	2,158,585	1,581,110	-
Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,699,009</u>	<u>2,158,585</u>	<u>1,581,110</u>	<u>-</u>
<b>INCREASE (DECREASE)</b>	<u>(839,708)</u>	<u>(338,134)</u>	<u>\$ 6,282</u>	<u>\$ (1,140,793)</u>
<b>PRIOR YEAR CASH BALANCE BUDGETED</b>	<u>\$ -</u>	<u>\$ -</u>		

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

Revenues, Actual on a Budget Basis	\$ 2,630,291
Revenues, Actual on Modified Accrual Basis	<u>2,632,223</u>
Adjustments to revenues for property tax, grant revenues and transfers	<u>\$ (1,932)</u>
Expenditures, Actual on a Budget Basis	\$ 2,624,009
Expenditures, Actual on Modified Accrual Basis	<u>3,244,040</u>
Adjustments to expenditures for insurance, materials, other charges and payroll	<u>\$ (620,031)</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
STATEMENT OF REVENUES EXPENDITURES & CHANGES IN FUND BALANCE, BUDGET  
(NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –  
CORRECTIONS FUND 450  
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-
Other Taxes	-	-	-	-
Federal Operating Grants	-	-	-	-
Federal Capital Grants	-	-	-	-
State Operating Grants	49,818	49,818	-	(49,818)
State Capital Grants	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Charges for Services	619,990	619,990	773,256	153,266
Investment Income	-	-	-	-
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	1,450	1,450	3,696	2,246
<b>TOTAL REVENUES</b>	<u>671,258</u>	<u>671,258</u>	<u>776,952</u>	<u>105,694</u>
<b>EXPENDITURES</b>				
Current				
General Government	1,000	1,000	-	1,000
Public Safety	3,666,000	3,789,000	3,128,288	660,712
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	37,000	37,000	37,000	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>3,704,000</u>	<u>3,827,000</u>	<u>3,165,288</u>	<u>661,712</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(3,032,742)</u>	<u>(3,155,742)</u>	<u>(2,388,336)</u>	<u>(556,018)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds From Sales of Equipment	-	-	-	-
Other Financing Uses	-	-	-	-
Transfers In	2,805,559	2,805,559	2,377,600	-
Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>2,805,559</u>	<u>2,805,559</u>	<u>2,377,600</u>	<u>-</u>
<b>INCREASE (DECREASE)</b>	<u>(227,183)</u>	<u>(350,183)</u>	<u>\$ (10,736)</u>	<u>\$ (556,018)</u>
<b>PRIOR YEAR CASH BALANCE BUDGETED</b>	<u>\$ -</u>	<u>\$ -</u>		

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

Revenues, Actual on a Budget Basis	\$ 3,154,552
Revenues, Actual on Modified Accrual Basis	<u>3,138,931</u>
Adjustments to revenues for property tax, grant revenues and transfers	<u>\$ 15,621</u>
Expenditures, Actual on a Budget Basis	\$ 3,165,288
Expenditures, Actual on Modified Accrual Basis	<u>3,180,457</u>
Adjustments to expenditures for insurance, materials, other charges and payroll	<u>\$ (15,169)</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
STATEMENT OF REVENUES EXPENDITURES & CHANGES IN FUND BALANCE, BUDGET  
(NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –  
LCMC FUND 502  
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Taxes:				
Property Taxes	\$ 2,478,765	\$ 2,478,765	\$ 2,557,268	\$ 78,503
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	4,000	4,000	15,834	11,834
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>2,482,765</u>	<u>2,482,765</u>	<u>2,573,102</u>	<u>90,337</u>
<b>EXPENDITURES</b>				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	2,180,000	2,238,548	2,238,512	36
Capital Outlay	461,728	461,728	431,239	30,489
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>2,641,728</u>	<u>2,700,276</u>	<u>2,669,751</u>	<u>30,525</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(158,963)</u>	<u>(217,511)</u>	<u>(96,649)</u>	<u>59,812</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds From Sales of Equipment	-	-	32	32
Other Financing Uses	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>32</u>	<u>32</u>
<b>INCREASE (DECREASE)</b>	<u>(158,963)</u>	<u>(217,511)</u>	<u>\$ (96,617)</u>	<u>\$ 59,844</u>
<b>PRIOR YEAR CASH BALANCE BUDGETED</b>	<u>\$ -</u>	<u>\$ -</u>		

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

Revenues, Actual on a Budget Basis	\$ 2,573,134
Revenues, Actual on Modified Accrual Basis	<u>2,569,044</u>
Adjustments to revenues for property tax and grant revenues	<u>\$ 4,090</u>
Expenditures, Actual on a Budget Basis	\$ 2,669,751
Expenditures, Actual on Modified Accrual Basis	<u>2,669,692</u>
Adjustments to expenditures for insurance, materials, other charges and payroll	<u>\$ 59</u>

See Independent Auditors' Report and Notes to Financial Statements

STATE OF NEW MEXICO  
 LINCOLN COUNTY  
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2019

	<u>Agency Funds</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and Cash Equivalents	\$ 557,836
Property Taxes Receivable	<u>1,239,842</u>
<b>TOTAL CURRENT ASSETS</b>	<u>1,797,678</u>
 <b>Noncurrent Assets</b>	
Capital Assets, Net	<u>22,953</u>
<b>TOTAL NONCURRENT ASSETS</b>	<u>22,953</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,820,631</u></u>
 <b>LIABILITIES</b>	
Deposits Held in Trust	\$ 557,836
Due to Other Taxing Entities	1,239,842
Capital Assets Held in Trust	<u>22,953</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 1,820,631</u></u>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**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, 2019. 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, 2019**

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

*A. Financial Reporting Entity (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, 2019**

**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.

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

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

*C. Measurement focus, basis of accounting, and financial statement presentation (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 (401)* 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 (402)* 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 (450)* 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 (502)* 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 (510)* 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 2018.

The *Capital Improvement Capital Projects Fund (414)* – 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.

Additionally, the government reports the following agency fund:

*Fiduciary funds (700)* are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The County's fiduciary funds are used to account for the collection and payment of property taxes and special fees to other governmental agencies.

The agency fund is used to account for collection and disbursement of inmate funds for the Lincoln County Detention Center. In addition, the agency fund will track and account for items held for the fire departments located within Lincoln County.

See Independent Auditors' Report

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

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

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

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.

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

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

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (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 found in the notes to the financial statements.

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

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)*

**Accrued Expenses:** Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2019, along with applicable PERA, FICA, and Medicare payable.

**Deferred Outflow of Resources:** *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 multiple types of items that qualify for reporting in this category related to GASB 68 and GASB 75: changes in proportion, net difference between expected and actual experience and employer contributions subsequent to measurement date. These total \$2,456,170 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 \$910,492 related to property taxes and special assessments considered “unavailable.”

In addition, the County has multiple types of deferred inflows which arise due to the implementation of GASB 68 and GASB 75 and the related net pension liability and net OPEB 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 \$2,236,464 as of June 30, 2019. 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:** The County recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as unearned revenues. The County had \$0 of unearned revenues as of June 30, 2019.

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

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

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)*

**Compensated Absences:** Qualified employees are entitled to accumulate annual leave according to a graduated leave schedule of seven days to fifteen days per year, depending on length of service.

No more than twenty (20) working days, or one hundred sixty (160) hours of annual leave, may be carried forward from one calendar year to the next. All excess annual leave shall be forfeited, if not used, unless extenuating circumstances warrant approval of an extension by the County Commissioners of Lincoln County.

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

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

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**STATE OF NEW MEXICO  
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**NOTE 1: Summary of Significant Accounting Policies (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)*

**Fund Balance Classification Policies and Procedures (continued):.**

**Nonspendable Fund Balance:** At June 30, 2019, the nonspendable fund balance in the governmental funds consists of amounts associated with inventory in the amount of \$193,498 and prepaid expenses in the amount of \$247,974 that are not in spendable form.

**Restricted and Committed Fund Balance:** At June 30, 2019, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$28,422,956 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 \$4,309,827 in order to provide services throughout the County.

**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, 2019, the County maintains \$2,394,576 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 29 and 73-76.
- **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.

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**STATE OF NEW MEXICO  
LINCOLN COUNTY  
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**NOTE 1: Summary of Significant Accounting Policies (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)*

**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.

**Postemployment Benefits Other Than Pensions (OPEB):** For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**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, 2019 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.

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**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**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, 2019.

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 County Resolution.

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

Excess funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments. 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 has Investment Policy (Resolution 2007-33) which requires their financial institutions to pledge 102% of deposits or investments on amounts greater than the FDIC coverage. This is above and beyond the requirement of the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2019, \$0 of the County's bank balance of \$26,096,792 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, 2019.

**STATE OF NEW MEXICO  
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NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

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

	<u>CitiBank</u>	<u>First National Bank</u>	<u>First Savings Bank</u>	<u>Pioneer Bank</u>
Total Amount of Deposits	\$ 3,011,688	\$ 18,539,219	\$ 2,032,257	\$ 1,647,282
Less: FDIC Coverage	<u>(250,000)</u>	<u>(250,000)</u>	<u>(500,000)</u>	<u>(250,000)</u>
<b>Total Uninsured Public Funds</b>	2,761,688	18,289,219	1,532,257	1,397,282
Collateral requirement (102% of uninsured public funds)	2,816,922	18,655,003	1,562,902	1,425,228
Pledged Securities	<u>(4,119,762)</u>	<u>(22,408,386)</u>	<u>(2,130,086)</u>	<u>(1,803,624)</u>
<b>Total (Over) Under Collateralized</b>	<u>\$ (1,302,840)</u>	<u>\$ (3,753,383)</u>	<u>\$ (567,184)</u>	<u>\$ (378,396)</u>
	<b>Washington Federal Bank</b>	<b>BBVA Compass</b>	<b>Total</b>	
Total Amount of Deposits	\$ 101,043	\$ 2,025,303	\$ 27,356,792	
Less: FDIC Coverage	<u>(101,043)</u>	<u>(250,000)</u>	<u>(1,601,043)</u>	
<b>Total Uninsured Public Funds</b>	-	1,775,303	25,755,749	
Collateral requirement (102% of uninsured public funds)	-	1,810,809	26,270,864	
Pledged Securities	<u>(562,317)</u>	<u>(1,850,000)</u>	<u>(32,874,175)</u>	
<b>Total (Over) Under Collateralized</b>	<u>\$ (562,317)</u>	<u>\$ (39,191)</u>	<u>\$ (6,603,311)</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.

**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.

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**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 3: Deposits and Investments (continued)**

As of June 30, 2019, 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	\$ 1,202,690	AAA
Certificates of Deposit	< 1 year	1,260,000	Unrated
New MexicoGrow LGIP	100 days	1,501,315	AAAm
		<u>\$ 3,964,005</u>	

The County also has \$12,781,739 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.

**Reconciliation of Cash and Cash Equivalents**

<b>Reconciliation to the Statement of Net Position:</b>	
Cash and Cash Equivalents	\$ 25,200,052
Restricted Cash	12,781,739
Cash - Fiduciary Funds	557,836
Investments	<u>3,964,005</u>
<b>Total Cash Equivalents and Investments</b>	<u>42,503,632</u>
Reconciling Items:	
Add: Outstanding Checks	352,236
Less: Deposits in Transit	(10,028)
Less: Restricted Cash	(12,781,743)
Less: Investments in Fidelity	(1,202,690)
Less: Investments in LGIP	(1,501,315)
Less: Petty Cash	<u>(3,300)</u>
<b>Balance as per Bank</b>	<u>\$ 27,356,792</u>

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**STATE OF NEW MEXICO  
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**NOTE 3: Deposits and Investments (continued)**

**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.

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 \$3,964,005 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, 2019:

<u>Investment Type</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
US Treasury MM Mutual Fund	\$ 1,202,690	\$ -	\$ -
Certificates of Deposit	1,260,000	-	-
New MexicoGrow LGIP	1,501,315	-	-
Total	<u>\$ 3,964,005</u>	<u>\$ -</u>	<u>\$ -</u>

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**STATE OF NEW MEXICO  
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**NOTE 4: Receivables**

Receivables as of June 30, 2019, are as follows:

	<u>General Fund</u>	<u>Road Fund</u>	<u>Corrections</u>
<b>Current Receivables:</b>			
Property Taxes	\$ 860,951	\$ -	\$ -
Other Taxes	403	-	-
Other Receivables	10,635	35,496	69,056
Special Assessment	-	-	-
<b>Total Current Receivables</b>	<u>871,989</u>	<u>35,496</u>	<u>69,056</u>
<b>Noncurrent Receivables:</b>			
Special Assessment	-	-	-
<b>Total Receivables</b>	<u>871,989</u>	<u>35,496</u>	<u>69,056</u>
Less: Allowance for Uncollectible Accounts	-	-	-
<b>Receivables, Net</b>	<u>\$ 871,989</u>	<u>\$ 35,496</u>	<u>\$ 69,056</u>

	<u>LCMC Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>Current Receivables:</b>			
Property Taxes	\$ 182,937	\$ 56,648	\$ 1,100,536
Other Taxes	-	281,200	281,603
Other Receivables	-	639,766	754,953
Special Assessment	-	66,229	66,229
<b>Total Current Receivables</b>	<u>182,937</u>	<u>1,043,843</u>	<u>2,203,321</u>
<b>Noncurrent Receivables:</b>			
Special Assessment	-	-	-
<b>Total Receivables</b>	<u>182,937</u>	<u>1,043,843</u>	<u>2,203,321</u>
Less: Allowance for Uncollectible Accounts	-	(29,921)	(29,921)
<b>Receivables, Net</b>	<u>\$ 182,937</u>	<u>\$ 1,013,922</u>	<u>\$ 2,173,400</u>

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$845,240 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 \$65,252 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, 2019**

**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>Fund #</u>	<u>Governmental Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
401	General Fund	\$ -	\$ 8,423,837
405	Road	1,581,110	-
450	Corrections	2,377,600	-
509	LCMC Lease Fund	-	1,873,579
405	Special Programs	88,810	-
418	Agreements	177,871	-
423	Animal Control	74,515	-
407	Fire	4,528	123,981
530	Senior Citizens	333,308	-
602	Forest Health	-	4,528
654	Indigent Health	10,980	-
657	Juvenile Justice	6,491	-
664	1st 1/8 Reserve	58,453	-
682	1st 1/8 Income	-	436,053
683	Debt Reserve	255,866	-
508	Deer Park Sad Income	-	131,883
684	LCMC GO Bond	1,873,579	-
414	Capital Improvements	4,150,750	-
	<b>Total Transfers</b>	<u>\$ 10,993,861</u>	<u>\$ 10,993,861</u>

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**STATE OF NEW MEXICO  
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NOTES TO FINANCIAL STATEMENTS  
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**NOTE 6: Capital Assets**

The following is a summary of capital assets and changes occurring during the year ended June 30, 2019. Land, intangible assets, and construction in progress are not subject to depreciation.

<b>Governmental Activities</b>	<b>Balance June 30, 2018</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance June 30, 2019</b>
<b>Capital assets not being depreciated:</b>				
Land	\$ 2,072,465	\$ -	\$ -	\$ 2,072,465
Intangible Assets	357,353	11,100	-	368,453
Construction in Progress (CIP)	<u>2,106,367</u>	<u>15,901,418</u>	-	<u>18,007,785</u>
<b>Total Capital Assets not being depreciated</b>	<u>4,536,185</u>	<u>15,912,518</u>	-	<u>20,448,703</u>
<b>Capital assets being depreciated:</b>				
Buildings and Improvements	33,645,398	-	-	33,645,398
Equipment	20,791,647	1,334,252	764,810	21,361,089
Infrastructure	31,640,054	-	-	31,640,054
Other Improvements	<u>988,679</u>	<u>13,700</u>	-	<u>1,002,379</u>
<b>Total Capital Assets being depreciated</b>	<u>87,065,778</u>	<u>1,347,952</u>	<u>764,810</u>	<u>87,648,920</u>
<b>Less: Accumulated Depreciation for:</b>				
Buildings and Improvements	10,209,604	870,596	-	11,080,200
Equipment	14,135,069	1,532,976	763,762	14,904,283
Infrastructure	26,516,555	787,840	-	27,304,395
Other Improvements	<u>174,970</u>	<u>40,335</u>	-	<u>215,305</u>
<b>Total Accumulated Depreciation</b>	<u>51,036,198</u>	<u>3,231,747</u>	<u>763,762</u>	<u>53,504,183</u>
Total Capital Assets being Depreciated, Net	<u>36,029,580</u>	<u>(1,883,795)</u>	<u>1,048</u>	<u>34,144,737</u>
<b>Capital Assets, Net</b>	<u>\$ 40,565,765</u>	<u>\$ 14,028,723</u>	<u>\$ 1,048</u>	<u>\$ 54,593,440</u>

Depreciation expense for the year ended June 30, 2019 was charged to the functions of the governmental activities as follows:

<b>Function</b>	<b>Amounts</b>
General Government	\$ 427,076
Public Safety	926,252
Public Works	986,264
Health and Welfare	892,155
<b>Total</b>	<u>\$ 3,231,747</u>

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**STATE OF NEW MEXICO  
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**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, 2019:

<b>Agency Activities</b>	<b>Balance June 30, 2018</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance June 30, 2019</b>
<b>Capital assets being depreciated:</b>				
Equipment	\$ 32,789	\$ -	\$ -	\$ 32,789
<b>Total Capital Assets being depreciated</b>	<u>32,789</u>	<u>-</u>	<u>-</u>	<u>32,789</u>
<b>Less: Accumulated Depreciation for:</b>				
Equipment	6,557	3,279	-	9,836
<b>Total Accumulated Depreciation</b>	<u>6,557</u>	<u>3,279</u>	<u>-</u>	<u>9,836</u>
<b>Capital Assets, Net</b>	<u>\$ 26,232</u>	<u>\$ (3,279)</u>	<u>\$ -</u>	<u>\$ 22,953</u>

Depreciation expense for Agency Funds was \$3,279 for the year ended June 30, 2019.

**NOTE 7: Long-term Debt**

During the year ended June 30, 2019, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Retirements</b>	<b>Ending Balance</b>	<b>Amount Due Within One Year</b>
Gross Receipts Revenue Bonds	\$ 1,950,000	\$ -	\$ 195,000	\$ 1,755,000	\$ 200,000
GO Bonds, Series 2017	23,110,000	-	120,000	22,990,000	125,000
NMFA Loans	1,730,861	1,311,818	201,367	2,841,312	179,926
Compensated Absences	209,535	637,250	661,543	185,242	185,242
<b>Total</b>	<u>\$ 27,000,396</u>	<u>\$ 1,949,068</u>	<u>\$ 1,177,910</u>	<u>\$ 27,771,554</u>	<u>\$ 690,168</u>

Interest expense paid on long-term debt totaled \$1,172,524 for the year ended June 30, 2019 as indicated on the statement of activities.



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**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, 2019 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, 2019 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, 2019, including interest payments are as follows:

<b>Bonds Payable</b>			
<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Requirements</b>
2020	\$ 325,000	\$ 1,043,788	\$ 1,368,788
2021	1,110,000	1,030,788	2,140,788
2022	1,165,000	977,338	2,142,338
2023	1,220,000	921,238	2,141,238
2024	1,280,000	862,488	2,142,488
2025-2029	6,745,000	3,342,838	10,087,838
2030-2034	7,645,000	1,708,800	9,353,800
2035-2039	5,255,000	363,263	5,618,263
<b>Total</b>	<b>\$ 24,745,000</b>	<b>\$ 10,250,541</b>	<b>\$ 34,995,541</b>

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.

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**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:

<b>NMFA Loans</b>					
<b>Description</b>	<b>Date of Issue</b>	<b>Maturity Date</b>	<b>Interest Rate</b>	<b>Original Amount of Issue</b>	<b>Balance, June 30, 2019</b>
NMFA Loan #12	Sep-09	May-19	1.03-3.78%	\$ 203,000	\$ 22,994
NMFA Loan #14	Oct-10	May-19	3.280%	\$ 2,819,028	1,394,837
NMFA Loan #15	Jan-12	May-19	1.870%	\$ 243,600	77,010
NMFA Loan #16	Jan-12	May-19	1.870%	\$ 109,620	34,653
NMFA PPRF - 4741	Jul-18	May-34	2.830%	\$ 461,904	461,904
NMFA PPRF - 4894	May-19	May-19	0.10%	\$ 30,227	30,227
NMFA PPRF - 4935	May-19	May-40	2.55%	\$ 819,687	819,687
<b>Total</b>					<b>\$ 2,841,312</b>

The annual requirements to amortize the Loans and Capital Leases Payable as of June 30, 2019, including interest payments are as follows:

<b>Loans Payable</b>			
<b>Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Requirements</b>
2020	\$ 179,926	\$ 114,513	\$ 294,439
2021	189,749	80,797	270,546
2022	194,365	76,182	270,547
2023	160,442	97,451	257,893
2024	164,872	93,020	257,892
2025-2029	1,277,270	143,331	1,420,601
2030-2034	386,144	81,546	467,690
2035-2039	288,544	21,370	309,914
<b>Total</b>	<b>\$ 2,841,312</b>	<b>\$ 708,210</b>	<b>\$ 3,549,522</b>

Loans 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, 2019, compensated absences decreased \$24,293 from the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities.

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**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, 2019, future minimum lease payments applicable to the operating leases are as follows:

<b>Year Ending June 30,</b>	<b>Amount</b>
2020	\$ 319,116
2021	319,116
2022	319,116
2023	220,541
2024	31,189
Thereafter	-
<b>Total</b>	<b>\$ 1,209,078</b>

**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. There were no funds with deficit fund balance at June 30, 2019.
- 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, 2019.

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**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, 2018 available at <http://s3.amazonaws.com/boardaudio/cafr/CAFR2018Final.pdf>.

**Contributions:** The contribution requirements of defined benefit plan members and the 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 fiscal year 2019 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on page 43 of the PERA fiscal year 2018 annual audit report at <http://s3.amazonaws.com/boardaudio/cafr/CAFR2018Final.pdf>.

The PERA coverage options that apply to County are Municipal Plan 2 and Municipal Police Plan 5. Statutorily required contributions to the pension plan from the County were \$499,814 and employer paid member benefits that were “picked up” by the employer were \$0 for the year ended June 30, 2019.

**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, 2018. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2017, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2018. 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  
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**NOTE 11: Pension Plan – Public Employees Retirement Association (continued)**

The 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, 2018. Only employer contributions for the pay period end dates that fell within the period of July 1, 2018 to June 30, 2019 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2018 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, 2019, Lincoln County reported a liability of \$5,074,880 for its proportionate share of the net pension liability. At June 30, 2019, the County's proportion was 0.3183% percent, which decreased 0.0242% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2019, Lincoln County recognized PERA Fund Municipal General Division pension expense of \$576,371. At June 30, 2019, Lincoln County reported PERA Fund Municipal General Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 146,674	\$ 133,239
Changes of assumptions	460,110	29,179
Net difference between projected and actual earnings on pension plan investments	376,379	-
Changes in proportion and differences between the County's contributions and proportionate share of contributions	59,086	261,632
The County's contributions subsequent to the measurement date	291,922	-
<b>Total</b>	<b>\$ 1,334,171</b>	<b>\$ 424,050</b>

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**STATE OF NEW MEXICO  
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**NOTE 11: Pension Plan – Public Employees Retirement Association (continued)**

\$291,922 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date June 30, 2018 will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. 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>
2020	\$ 468,044
2021	156,641
2022	(24,630)
2023	18,144
2024	-
Total	<u>\$ 618,199</u>

**For PERA Fund Municipal Police Division**, at June 30, 2019, Lincoln County reported a liability of \$3,448,366 for its proportionate share of the net pension liability. At June 30, 2019, the County's proportion was 0.5054%, which decreased 0.069% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2019, Lincoln County recognized PERA Fund Municipal Police Division pension expense of \$312,843. At June 30, 2019, 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	\$ 168,816	\$ 341,823
Changes of assumptions	393,463	21,081
Net difference between projected and actual earnings on pension plan investments	237,297	-
Changes in proportion and differences between the County's contributions and proportionate share of contributions	15,348	316,875
The County's contributions subsequent to the measurement date	<u>207,891</u>	<u>-</u>
<b>Total</b>	<u>\$ 1,022,815</u>	<u>\$ 679,779</u>

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

\$207,891 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date June 30, 2017 will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. 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>
2020	\$ 185,221
2021	(45,459)
2022	(16,056)
2023	11,439
2024	-
Total	<u>\$ 135,145</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, 2017 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, 2018 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, 2018. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2018 actuarial valuation.

Actuarial valuation date	June 30, 2017
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	4 Year Smoothed Market Value
<b>Actuarial assumptions:</b>	
Investment rate of return	7.25% annual rate
Projected benefit payment	100 years
Payroll growth	3.00% annual rate
Projected salary increases	3.25% to 13.50% annual rate
Includes inflation at	2.50% annual rate
Mortality assumption	The mortality assumptions are based on the RPH-2014 Blue Collar mortality table with female ages set forward one year. Future improvement in mortality rates is assumed using 60% of the MP-2017 projection scale generationally. For non-public safety groups, 25% of in-service deaths are assumed to be duty related and 35% are assumed to be duty-related for public safety groups

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**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>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	43.50%	7.48%
Risk Reduction & Mitigation	21.50%	2.37%
Credit Oriented Fixed Income	15.00%	5.47%
Real Assets to Include Real Estate	<u>20.00%</u>	6.48%
Total	<u>100.0%</u>	

**Discount rate:** Previously, a select and ultimate rate of return assumption had been adopted for funding purposes but new economic assumptions were adopted for the June 30, 2018 valuations including the change to a 7.25% static rate. The discount rate used to measure the total pension liability is 7.25%. 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 GASB Statement No. 67. Therefore, the 7.25% 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 County'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 the County's net pension liability in each PERA Fund Division that the County participates in, under the current single rate assumption, as if it were calculated using a discount rate one percentage lower (6.25%) or one percentage point higher (8.25%) that the single discount rate.

<u>PERA Fund Division Municipal Government</u>	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
The County's proportionate share of the net pension liability	\$ 7,820,050	\$ 5,074,880	\$ 2,805,558

  

<u>PERA Fund Division Municipal Police</u>	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
The County's proportionate share of the net pension liability	\$ 5,302,172	\$ 3,448,366	\$ 1,937,075

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

**Payables to the pension plan.** At June 30, 2019 there was \$22,885 of contributions due and payable to PERA for the County.

**NOTE 12: Post-Employment Benefits – Other Than Pensions**

*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](http://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.

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**NOTE 12: Post-Employment Benefits – Other Than Pensions (continued)**

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. 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, 2019, 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.

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, 2019, 2018, and 2017 were \$102,371, \$88,139, and \$86,566 respectively which equal the required contributions for each year.

**General Information**

**Plan description.** Employees of the County are provided with Postemployment Benefits Other Than Pensions (OPEB) through the Retiree Health Care Fund (the Fund)—a cost-sharing multiple-employer defined benefit OPEB plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents and surviving spouses) who have retired or will retire from public service in New Mexico.

NMRHCA is an independent agency of the State of New Mexico. The funds administered by NMRHCA are considered part of the State of New Mexico financial reporting entity and are OPEB trust funds of the State of New Mexico. NMRHCA's financial information is included with the financial presentation of the State of New Mexico.

**Benefits provided.** The Fund is a multiple employer cost sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits, that can be contributions to the Fund and by co-payments or out-of-pocket payments of eligible retirees.

**STATE OF NEW MEXICO  
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**NOTE 12: Post-Employment Benefits – Other Than Pensions (continued)**

**Employees covered by benefit terms** – At June 30, 2018, the Fund’s measurement date, the following employees were covered by the benefit terms:

Plan membership	
Current retirees and surviving spouses	\$ 51,205
Inactive and eligible for deferred benefits	11,471
Current Active Members	<u>93,349</u>
	<u>\$ 156,025</u>
Active membership	
State general	\$ 19,593
State police and corrections	1,886
Municipal General	17,004
Municipal Police	3,820
Municipal FTRE	2,290
Educational Retirement Board	<u>48,756</u>
	<u>\$ 93,349</u>

**Contributions** – Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee’s salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer’s participation in the Fund. Contributions to the Fund from the County were \$91,839 for the year ended June 30, 2019.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

At June 30, 2019, the County reported a liability of \$4,383,576 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The County’s proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2018. At June 30, 2018, the County’s proportion was 0.10081 percent.

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**NOTE 12: Post-Employment Benefits – Other Than Pensions (continued)**

For the year ended June 30, 2019, the County recognized a change in OPEB of (\$94,065). At June 30, 2019 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ -	\$ 259,536
Changes of Assumptions	7,345	818,394
Difference between actual and projected earnings on OPEB plan investments	-	54,705
Contributions made after the measurement date	91,839	-
Total	\$ 99,184	\$ 1,132,635

Deferred outflows of resources totaling \$91,839 represent the County's contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

Year ended June 30,	
2020	\$ (286,222)
2021	(286,222)
2022	(286,222)
2023	(220,682)
2024	(45,942)
Total	\$ (1,125,290)

See Independent Auditors' Report

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**NOTE 12: Post-Employment Benefits – Other Than Pensions (continued)**

**Actuarial assumptions.** The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions:

Valuation Date	June 30, 2017
Actuarial Cost Method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.50% for ERB members
Projected payroll increases	3.50% to 12.50%, based on years of service, including inflation
Investment rate of return	7.25%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8% graded down to 4.5% over 14 year for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 years for Medicare medical plan costs
Mortality	ERB members: RP-2000 Combined Healthy Mortality Table with White Collar Adjustment (males) and GRS Southwest Region Teacher Mortality Table (females)

**Rate of Return.** The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which the expected future real rates of return (net of investment fees and inflation) are developed for each major asset class. These returns 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, adding expected inflation and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumptions.

The best estimates for the long-term expected rate of return is summarized as follows:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Rate of Return</u>
U.S core fixed income	20%	2.1%
U.S equity - large cap	20%	7.1%
Non U.S. - emerging markets	15%	10.2%
Non U.S - developed equities	12%	7.8%
Private equity	10%	11.8%
Credit and structured finance	10%	5.3%
Real estate	5%	4.9%
Absolute return	5%	4.1%
U.S equity - small / mid cap	3%	7.1%

See Independent Auditors' Report

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**NOTE 12: Post-Employment Benefits – Other Than Pensions (continued)**

**Discount Rate.** The discount rate used to measure the total OPEB liability is 4.08% as of June 30, 2018. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2029. Thus, the 7.25% discount rate was used to calculate the net OPEB liability through 2029. Beyond 2029, the index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher (3.87%) was applied. Thus 4.08% is the blended discount rate.

**Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates.** The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.08 percent) or 1-percentage-point higher (5.08 percent) than the current discount rate:

1% Decrease (3.08%)	Current Discount (4.08%)	1% Increase (5.08%)
\$ 5,305,160	\$ 4,383,576	\$ 3,657,163

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

1% Decrease	Current Trend Rates	1% Increase
\$ 3,705,659	\$ 4,383,576	\$ 4,915,079

**OPEB plan fiduciary net position.** Detailed information about the OPEB plan's fiduciary net position is available in NMRHCA's audited financial statements for the year ended June 30, 2018.

**Payable Changes in the Net OPEB Liability.** At June 30, 2019, the County reported a payable of \$17,033 for outstanding contributions due to NMRHCA for the year ended June 30, 2019.

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**NOTE 13: Joint Powers Agreements**

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

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

See Independent Auditors' Report

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**NOTE 14: Contingent Liabilities**

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

**NOTE 15: 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 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, NMSA 1978 §7-36-3
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, 2019**

**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.	\$9,425
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 <u>receivable by your agency</u> 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 <u>receivable by a different agency</u> 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

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**NOTE 15: Tax Abatements (continued)**

Agency number for Agency making the disclosure (Abating Agency)	6152
Abating Agency Name	Village of Ruidoso
Abating Agency Type	Municipality
Tax Abatement Agreement Name	Industrial Revenue Bond Agreement
Name of agency affected by abatement agreement (Affected Agency)	Lincoln County
Agency number of Affected Agency	5014
Agency type of Affected Agency	County
Recipient(s) of tax abatement	Hotel Ruidoso, LLC
Tax abatement program (name and brief description)	Industrial Revenue Bond
Specific Tax(es) Being Abated	Ad Valorem Taxes
Authority under which abated tax would have been paid to Affected Agency	NMSA 1978 Section §7-38-17 NMSA 1978 §7-36-3
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	\$17,845
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$7,500
If the Abating 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, \$66,229, and has reclassified \$65,252 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 \$703,789 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, 2019**

**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, 2019 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	\$	60.00
Year 3 (per inmate per day)	2020	\$	61.20
Year 4 (per inmate per day)	2021	\$	62.42
Year 5 (per inmate per day)	2022	\$	63.67

**NOTE 20: New Accounting Standards**

The County reviewed subsequent pronouncements to June 30, 2019 issued by GASB noting the following statements that may have a potential material effect on the Office's financial statements in subsequent periods.

**GASB 82**

GASB Statement No. 82, *Fiduciary Activities* (GASB 82) establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. GASB 82 is effective for periods beginning after December 15, 2018 (FY 2020).

**GASB 87**

GASB Statement No. 87, *Leases* (GASB 87) establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. GASB 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. GASB 87 is effective for periods beginning after December 15, 2019 (FY 2021) with earlier application encouraged.

See Independent Auditors' Report

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2019**

**NOTE 21: Restatement**

Net position was restated by a total of (\$319,344) as of June 30, 2019 for the following items related to capital assets:

- Construction in progress was adjusted by (\$107,196).
- Buildings and Improvements were adjusted by (\$270,495).
- Accumulated Depreciation for Buildings and Improvements was adjusted by \$58,347.

**NOTE 22: Subsequent Events**

The date to which events occurring after June 30, 2019, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosures is November 27, 2019 which is the date on which the financial statements were available to be issued.

See Independent Auditors' Report

**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 FUND  
Public Employees Retirement Association (PERA) Plan  
Last 10 Fiscal Years\***

**MUNICIPAL GENERAL FUND**

	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>
County's proportion of the net pension liability	0.3183%	0.3425%	0.3344%
County's proportionate share of the net pension liability	\$ 5,074,880	\$ 4,706,240	\$ 5,342,587
County's covered-employee payroll	\$ 3,056,775	\$ 2,964,213	\$ 2,890,049
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	166.02%	158.77%	184.86%
Plan fiduciary net position as a percentage of the total pension liability	71.13%	73.74%	69.18%
	<u><b>2016</b></u>	<u><b>2015</b></u>	
County's proportion of the net pension liability	0.3482%	0.3241%	
County's proportionate share of the net pension liability	\$ 3,550,201	\$ 2,528,328	
County's covered-employee payroll	\$ 2,766,283	\$ 2,630,741	
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	128.34%	96.11%	
Plan fiduciary net position as a percentage of the total pension liability	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 FUND  
Public Employees Retirement Association (PERA) Plan  
Last 10 Fiscal Years\***

**MUNICIPAL POLICE FUND**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
County's proportion of the net pension liability	0.5054%	0.5744%	0.5847%
County's proportionate share of the net pension liability	\$ 3,448,366	\$ 3,191,168	\$ 4,314,091
County's covered-employee payroll	\$ 1,099,855	\$ 1,028,260	\$ 1,147,385
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	313.53%	310.35%	375.99%
Plan fiduciary net position as a percentage of the total pension liability	71.13%	73.74%	69.18%

	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability	0.5794%	0.5455%
County's proportionate share of the net pension liability	\$ 2,786,080	\$ 1,778,271
County's covered-employee payroll	\$ 1,095,006	\$ 1,057,979
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	254.44%	168.08%
Plan fiduciary net position as a percentage of the total pension liability	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.

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

**MUNICIPAL GENERAL FUND**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 291,922	\$ 283,082	\$ 276,000
Contributions in relation to the contractually required contribution	<u>291,922</u>	<u>283,082</u>	<u>276,000</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 3,056,775	\$ 2,964,213	\$ 2,890,049
Contributions as a percentage of covered-employee payroll	9.55%	9.55%	9.55%
	<u>2016</u>	<u>2015</u>	
Contractually required contribution	\$ 273,630	\$ 231,104	
Contributions in relation to the contractually required contribution	<u>273,630</u>	<u>231,104</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	
County's covered-employee payroll	\$ 2,865,231	\$ 2,766,283	
Contributions as a percentage of covered-employee payroll	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 FUND  
Public Employees Retirement Association (PERA) Plan  
Last 10 Fiscal Years\***

**MUNICIPAL POLICE FUND**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 207,891	\$ 194,341	\$ 216,856
Contributions in relation to the contractually required contribution	<u>207,891</u>	<u>194,341</u>	<u>216,856</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 1,099,955	\$ 1,028,260	\$ 1,147,385
Contributions as a percentage of covered-employee payroll	18.90%	18.90%	18.90%
	<u>2016</u>	<u>2015</u>	
Contractually required contribution	\$ 219,809	\$ 239,499	
Contributions in relation to the contractually required contribution	<u>219,809</u>	<u>239,499</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	
County's covered-employee payroll	\$ 1,163,012	\$ 1,095,006	
Contributions as a percentage of covered-employee payroll	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.

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF NET OPEB LIABILITY  
Last 10 Fiscal Years\***

	<u>2019</u>	<u>2018</u>
County's proportion of the net OPEB liability	0.10081%	0.10065%
County's proportionate share of the net OPEB liability	\$ 4,383,576	\$ 4,561,129
County covered employee payroll	\$ 4,325,371	\$ 4,243,645
County's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	101.35%	107.48%
Plan fiduciary net position as a percentage of the total OPEB liability	13.14%	11.34%

\*This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, the County will present information for available years.

See Independent Auditors' Report

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
SCHEDULE OF COUNTY'S OPEB CONTRIBUTIONS  
Last 10 Fiscal Years\***

	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 157,533	\$ 84,873
Less: Contributions in relation to the contractually required contributions	<u>155,609</u>	<u>86,417</u>
Contribution Deficiency (Excess)	<u>\$ 1,924</u>	<u>\$ (1,544)</u>
County's covered employee payroll	\$ 4,325,371	\$ 4,243,645
Contributions as a percentage of covered employee payroll	3.60%	2.04%

\*This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten year trend is compiled, the County will present information for available years.

See Independent Auditors' Report

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2019**

***Changes of benefit terms:***

The Public Employees Retirement Association's (PERA) COLA and retirement benefits changes in recent years are described in *Note 1* of PERA's CAFR at:

<http://s3.amazonaws.com/boardaudio/cafr/CAFR2018Final.pdf>.

The Retiree Health Care Authority (RHCA) COLA and age eligibility benefits changes in recent years are described in the Notes to the RHCA fiscal year 2018 audit available at <http://saonm.org/> using the Audit Search function for agency 343.

***Assumptions:***

The Public Employees Retirement Association (PERA) of New Mexico's Annual Actuarial Valuations as of June 2017 report is available at <http://www.nmpera.org/>.

The Retiree Health Care Authority (RHCA) of New Mexico Biennial Actuarial Valuation as of June 30, 2018 report is available at <http://saonm.org/> using the Audit Search function for agency 343.

## **SUPPLEMENTAL INFORMATION**

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NONMAJOR GOVERNMENTAL FUNDS – DESCRIPTIONS  
FOR THE YEAR ENDED JUNE 30, 2019**

**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 (405)** – 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 (406)** – 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 (415)** – 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 (418)** – 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 (421)** – 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 (423)** – 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 (407)**– 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).

**Lodgers’ Tax Special Revenue Fund (440)** – 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.

**The Disaster Relief Special Revenue Fund (681)** - 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.

**CYFD Fund (656)** – To account for state funds received through the New Mexico Childrens, Youth and Family Department.

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NONMAJOR GOVERNMENTAL FUNDS – DESCRIPTIONS  
FOR THE YEAR ENDED JUNE 30, 2019**

**SPECIAL REVENUE FUNDS (CONTINUED)**

**Homeland Security Grant Special Revenue Fund (462)** – 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 (466)** – 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 (499)** – 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 (500)** – 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 (501)** – 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 (520)** – 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 (530)** – To account for the operations of the Senior Center funded by the Eastern NM Area Agency on 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 (563 & 564)** – 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 (601)** – 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 (602)** – 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, 2019**

**SPECIAL REVENUE FUNDS (CONTINUED)**

**Misdemeanor Compliance Special Revenue Fund (603)** – 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 (654)** – 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 (657)** – 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 (659)** – 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.

**Lincoln County Medical Center Lease Special Revenue Fund (509)** - 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.

**Treasurer's Fees (598)** – To account for fees received by the County Treasurer.

**DEBT SERVICE FUNDS**

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

**1st 1/8 GRT Reserve Debt Service Fund (664)** – 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 (682)** – 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 (683)** – To account for 1/8th cent of the proceeds from “first one-eighth increment” gross receipts tax imposed by the County under NMSA 7-20E-11. To account for funds accumulated to make debt service principal and interest payments on bonds owed by the County. Authority for creation of the fund is by County Commission Ordinance 1999-06 and the County Commission budget adoption and approval.



**STATE OF NEW MEXICO  
LINCOLN COUNTY  
NONMAJOR GOVERNMENTAL FUNDS – DESCRIPTIONS  
FOR THE YEAR ENDED JUNE 30, 2019**

**DEBT SERVICE FUNDS (CONTINUED)**

**Deer Park Special Assessment Income Debt Service Fund / SAD Income Fund (505)** – 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.

**LCMC GO Bond Debt (684)** – To account for General Obligation Bonds related to the Lincoln County Medical Center.

**CAPITAL PROJECTS FUNDS**

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

**Legislative Appropriation Special Revenue Fund (420)** – 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 (608)** – 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  
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	Special Revenue				
	Special Programs Fund	Clerk's Equipment	Cell Tower	Agreements	Gas Tax
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ -	\$ 315,357	\$ 187,322	\$ -	\$ 22,592
Restricted Cash	-	-	-	-	-
Investments	-	-	-	-	-
Receivables:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Other Receivables, Net	-	-	-	-	18,344
Special Assessments Receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ 315,357</u>	<u>\$ 187,322</u>	<u>\$ -</u>	<u>\$ 40,936</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ 78	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>78</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue:					
Property Taxes	-	-	-	-	-
Special Assessment	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>78</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	-	315,279	187,322	-	40,936
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Minimum Fund Balance	-	-	-	-	-
Committed For:					
Detention Facility	-	-	-	-	-
Lincoln County Medical Center	-	-	-	-	-
Unassigned, Reported in:					
General Fund	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>-</u>	<u>315,279</u>	<u>187,322</u>	<u>-</u>	<u>40,936</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<u>\$ -</u>	<u>\$ 315,357</u>	<u>\$ 187,322</u>	<u>\$ -</u>	<u>\$ 40,936</u>

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**STATE OF NEW MEXICO  
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COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS -  
CONTINUED  
AS OF JUNE 30, 2019**

	Special Revenue				
	Predatory Animal Control	Fire	Lodgers Tax Fund	Disaster Relief	CYFD Fund
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ -	\$ 1,973,413	\$ 76,070	\$ 649,670	\$ 4,354
Restricted Cash	-	1,314,895	-	-	-
Investments	-	-	-	-	-
Receivables:					
Property Taxes	1,825	-	-	-	-
Other Taxes	-	-	-	-	-
Other Receivables, Net	28,974	12,561	-	-	23,711
Special Assessments Receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 30,799</b>	<b>\$ 3,300,869</b>	<b>\$ 76,070</b>	<b>\$ 649,670</b>	<b>\$ 28,065</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ 4,007	\$ -	\$ -	\$ 3,364
Accrued Salaries and Benefits	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>4,007</b>	<b>-</b>	<b>-</b>	<b>3,364</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue:					
Property Taxes	964	-	-	-	-
Special Assessment	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS</b>	<b>964</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>964</b>	<b>4,007</b>	<b>-</b>	<b>-</b>	<b>3,364</b>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	29,835	3,296,862	76,070	649,670	24,701
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Minimum Fund Balance	-	-	-	-	-
Committed For:					
Detention Facility	-	-	-	-	-
Lincoln County Medical Center	-	-	-	-	-
Unassigned, Reported in:					
General Fund	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>29,835</b>	<b>3,296,862</b>	<b>76,070</b>	<b>649,670</b>	<b>24,701</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ 30,799</b>	<b>\$ 3,300,869</b>	<b>\$ 76,070</b>	<b>\$ 649,670</b>	<b>\$ 28,065</b>

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**STATE OF NEW MEXICO  
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COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS -  
CONTINUED  
AS OF JUNE 30, 2019**

	<b>Special Revenue</b>				
	<b>Homeland Security</b>	<b>Sheriff's Seizure</b>	<b>Reappraisal</b>	<b>EMS</b>	<b>Rural Health Clinic</b>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 310,312	\$ 1,108	\$ 490,772	\$ 35,779	\$ 725,089
Restricted Cash	-	-	-	-	-
Investments	-	-	-	-	3
Receivables:					
Property Taxes	-	-	-	-	54,823
Other Taxes	-	-	-	-	-
Other Receivables, Net	-	-	-	-	-
Special Assessments Receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b><u>\$ 310,312</u></b>	<b><u>\$ 1,108</u></b>	<b><u>\$ 490,772</u></b>	<b><u>\$ 35,779</u></b>	<b><u>\$ 779,915</u></b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ -	\$ 752	\$ -	\$ -
Accrued Salaries and Benefits	-	-	4,041	-	-
<b>TOTAL LIABILITIES</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>4,793</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue:					
Property Taxes	-	-	-	-	42,023
Special Assessment	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>42,023</u></b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>4,793</u></b>	<b><u>-</u></b>	<b><u>42,023</u></b>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	310,312	1,108	485,979	35,779	737,892
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Minimum Fund Balance	-	-	-	-	-
Committed For:					
Detention Facility	-	-	-	-	-
Lincoln County Medical Center	-	-	-	-	-
Unassigned, Reported in:					
General Fund	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b><u>310,312</u></b>	<b><u>1,108</u></b>	<b><u>485,979</u></b>	<b><u>35,779</u></b>	<b><u>737,892</u></b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b><u>\$ 310,312</u></b>	<b><u>\$ 1,108</u></b>	<b><u>\$ 490,772</u></b>	<b><u>\$ 35,779</u></b>	<b><u>\$ 779,915</u></b>

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**STATE OF NEW MEXICO  
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COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS -  
CONTINUED  
AS OF JUNE 30, 2019**

	Special Revenue				
	Law Enforcement Protection	Senior Citizens	Environmental Gross Receipts	Enhanced 911	Forest Health
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ -	\$ 17,496	\$ 76,918	\$ 455	\$ 172,008
Restricted Cash	-	-	-	-	-
Investments	-	-	-	-	-
Receivables:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	23,480	-	-
Other Receivables, Net	-	68,501	334,116	-	-
Special Assessments Receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ -</u>	<u>\$ 85,997</u>	<u>\$ 434,514</u>	<u>\$ 455</u>	<u>\$ 172,008</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ 3,004	\$ 81,519	\$ -	\$ -
Accrued Salaries and Benefits	-	21,140	1,789	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>24,144</u>	<u>83,308</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue:					
Property Taxes	-	-	-	-	-
Special Assessment	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>24,144</u>	<u>83,308</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	-	61,853	351,206	455	172,008
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Minimum Fund Balance	-	-	-	-	-
Committed For:					
Detention Facility	-	-	-	-	-
Lincoln County Medical Center	-	-	-	-	-
Unassigned, Reported in:					
General Fund	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>-</u>	<u>61,853</u>	<u>351,206</u>	<u>455</u>	<u>172,008</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<u>\$ -</u>	<u>\$ 85,997</u>	<u>\$ 434,514</u>	<u>\$ 455</u>	<u>\$ 172,008</u>

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**STATE OF NEW MEXICO  
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COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS -  
CONTINUED  
AS OF JUNE 30, 2019**

	Special Revenue				
	Misdemeanor Compliance	Indigent Health Care	Juvenile Justice Grant	HIDA Partnership	LCMC Lease Fund
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ -	\$ 770,686	\$ -	\$ 44,801	\$ 1,831,166
Restricted Cash	-	-	-	-	-
Investments	-	-	-	-	-
Receivables:					
Property Taxes	-	-	-	-	-
Other Taxes	-	128,860	-	-	-
Other Receivables, Net	-	-	-	30,757	-
Special Assessments Receivable	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 899,546</b>	<b>\$ -</b>	<b>\$ 75,558</b>	<b>\$ 1,831,166</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ 4,514	\$ -	\$ 1,149	\$ 1,086
Accrued Salaries and Benefits	-	1,899	-	3,044	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>6,413</b>	<b>-</b>	<b>4,193</b>	<b>1,086</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenue:					
Property Taxes	-	-	-	-	-
Special Assessment	-	-	-	-	-
<b>TOTAL DEFERRED INFLOWS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>6,413</b>	<b>-</b>	<b>4,193</b>	<b>1,086</b>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventory	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	-	893,133	-	71,365	-
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Minimum Fund Balance	-	-	-	-	-
Committed For:					
Detention Facility	-	-	-	-	-
Lincoln County Medical Center	-	-	-	-	1,830,080
Unassigned, Reported in:					
General Fund	-	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>893,133</b>	<b>-</b>	<b>71,365</b>	<b>1,830,080</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 899,546</b>	<b>\$ -</b>	<b>\$ 75,558</b>	<b>\$ 1,831,166</b>

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**STATE OF NEW MEXICO  
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COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS -  
CONTINUED  
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	Special Revenue		Debt Service	
	Treasurer's Fees	1st 1/8 Reserve	1st 1/8 Income	1st 1/8 GRT Debt Reserve
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 2,735	\$ 360,323	\$ -	\$ -
Restricted Cash	-	-	-	-
Investments	-	-	-	287,045
Receivables:				
Property Taxes	-	-	-	-
Other Taxes	-	-	128,860	-
Other Receivables, Net	-	-	-	-
Special Assessments Receivable	-	-	-	-
Inventory	-	-	-	-
Prepaid Expenses	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 2,735</u>	<u>\$ 360,323</u>	<u>\$ 128,860</u>	<u>\$ 287,045</u>
<b>RESOURCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	-	-	-	-
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue:				
Property Taxes	-	-	-	-
Special Assessment	-	-	-	-
<b>TOTAL DEFERRED INFLOWS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Nonspendable:				
Inventory	-	-	-	-
Prepaid Expenses	-	-	-	-
Restricted For:				
Special Revenue Funds	2,735	-	-	-
Debt Service Funds	-	360,323	128,860	287,045
Capital Projects Funds	-	-	-	-
Minimum Fund Balance	-	-	-	-
Committed For:				
Detention Facility	-	-	-	-
Lincoln County Medical Center	-	-	-	-
Unassigned, Reported in:				
General Fund	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>2,735</u>	<u>360,323</u>	<u>128,860</u>	<u>287,045</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<u>\$ 2,735</u>	<u>\$ 360,323</u>	<u>\$ 128,860</u>	<u>\$ 287,045</u>

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**STATE OF NEW MEXICO  
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COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS -  
CONTINUED  
AS OF JUNE 30, 2019**

	<b>Debt Service</b>		
	<b>Deer Park Special Assessment</b>	<b>Deer Park SAD Income Fund</b>	<b>LCMC GO Bond Debt</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ -	\$ 948,106	\$ -
Restricted Cash	-	-	2,520,583
Investments	-	-	-
Receivables:			
Property Taxes	-	-	-
Other Taxes	-	-	-
Other Receivables, Net	-	-	-
Special Assessments Receivable	-	66,229	-
Inventory	-	-	-
Prepaid Expenses	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 1,014,335</b>	<b>\$ 2,520,583</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	-	-	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue:			
Property Taxes	-	-	-
Special Assessment	-	65,252	-
<b>TOTAL DEFERRED INFLOWS</b>	<b>-</b>	<b>65,252</b>	<b>-</b>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>-</b>	<b>65,252</b>	<b>-</b>
<b>FUND BALANCES</b>			
Nonspendable:			
Inventory	-	-	-
Prepaid Expenses	-	-	-
Restricted For:			
Special Revenue Funds	-	-	-
Debt Service Funds	-	949,083	2,520,583
Capital Projects Funds	-	-	-
Minimum Fund Balance	-	-	-
Committed For:			
Detention Facility	-	-	-
Lincoln County Medical Center	-	-	-
Unassigned, Reported in:			
General Fund	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>949,083</b>	<b>2,520,583</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 1,014,335</b>	<b>\$ 2,520,583</b>

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**STATE OF NEW MEXICO  
LINCOLN COUNTY  
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS -  
CONTINUED  
AS OF JUNE 30, 2019**

	<u>Capital Projects</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Legislative Appropriation</u>	<u>CDBG Grant</u>	
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 281,080	\$ 56,808	\$ 9,354,420
Restricted Cash	-	-	3,835,478
Investments	-	-	287,048
Receivables:			
Property Taxes	-	-	56,648
Other Taxes	-	-	281,200
Other Receivables, Net	92,881	-	609,845
Special Assessments Receivable	-	-	66,229
Inventory	-	-	-
Prepaid Expenses	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 373,961</u>	<u>\$ 56,808</u>	<u>\$ 14,490,868</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ -	\$ -	\$ 99,473
Accrued Salaries and Benefits	-	-	31,913
<b>TOTAL LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>131,386</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue:			
Property Taxes	-	-	42,987
Special Assessment	-	-	65,252
<b>TOTAL DEFERRED INFLOWS</b>	<u>-</u>	<u>-</u>	<u>108,239</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<u>-</u>	<u>-</u>	<u>239,625</u>
<b>FUND BALANCES</b>			
Nonspendable:			
Inventory	-	-	-
Prepaid Expenses	-	-	-
Restricted For:			
Special Revenue Funds	-	-	7,744,500
Debt Service Funds	-	-	4,245,894
Capital Projects Funds	373,961	56,808	430,769
Minimum Fund Balance	-	-	-
Committed For:			
Detention Facility	-	-	-
Lincoln County Medical Center	-	-	1,830,080
Unassigned, Reported in:			
General Fund	-	-	-
<b>TOTAL FUND BALANCES</b>	<u>373,961</u>	<u>56,808</u>	<u>14,251,243</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<u>\$ 373,961</u>	<u>\$ 56,808</u>	<u>\$ 14,490,868</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, 2019**

	Special Revenue				
	Special Programs Fund	Clerk's Equipment	Cell Tower	Agreements	Gas Tax
<b>REVENUES</b>					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	208,000
Other Taxes	-	-	-	-	-
Federal Operating Grants	-	-	-	-	-
State Operating Grants	-	-	-	-	-
State Capital Grants	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	-	49,670	120,000	-	-
Investment Income	-	2,091	-	-	-
Special Assessment	-	-	-	-	-
Special Assessment - Interest	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>TOTAL REVENUES</b>	<u>-</u>	<u>51,761</u>	<u>120,000</u>	<u>-</u>	<u>208,000</u>
<b>EXPENDITURES</b>					
Current					
General Government	-	18,138	-	177,871	-
Public Safety	-	-	-	-	-
Public Works	-	-	50,778	-	303,679
Culture and Recreation	86,310	-	-	-	-
Health and Welfare	-	-	-	-	-
Capital Outlay	-	3,700	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>86,310</u>	<u>21,838</u>	<u>50,778</u>	<u>177,871</u>	<u>303,679</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(86,310)</u>	<u>29,923</u>	<u>69,222</u>	<u>(177,871)</u>	<u>(95,679)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Other Financing Sources (Uses)	-	-	-	-	-
Proceeds from Sale of Assets	-	-	-	-	-
Proceeds From Loans	-	-	-	-	-
Transfers In	88,810	-	-	177,871	-
Transfers Out	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>88,810</u>	<u>-</u>	<u>-</u>	<u>177,871</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	2,500	29,923	69,222	-	(95,679)
<b>FUND BALANCE, BEGINNING</b>	<u>(2,500)</u>	<u>285,356</u>	<u>118,100</u>	<u>-</u>	<u>136,615</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ 315,279</u>	<u>\$ 187,322</u>	<u>\$ -</u>	<u>\$ 40,936</u>

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**STATE OF NEW MEXICO  
LINCOLN COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS - CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2019**

	Special Revenue				
	Predatory Animal Control	Fire	Lodgers Tax Fund	Disaster Relief	CYFD Fund
<b>REVENUES</b>					
Taxes:					
Property Taxes	\$ 26,642	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	-	-	69,112	-	-
Federal Operating Grants	-	-	-	-	-
State Operating Grants	-	1,440,873	-	-	70,332
State Capital Grants	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	28,974	-	-	-	-
Investment Income	-	27,984	466	-	-
Special Assessment	-	-	-	-	-
Special Assessment - Interest	-	-	-	-	-
Miscellaneous	-	53,544	-	-	-
<b>TOTAL REVENUES</b>	<u>55,616</u>	<u>1,522,401</u>	<u>69,578</u>	<u>-</u>	<u>70,332</u>
<b>EXPENDITURES</b>					
Current					
General Government	-	-	68,379	-	-
Public Safety	100,500	318,458	-	-	45,631
Public Works	-	-	-	-	-
Culture and Recreation	-	25,000	-	-	-
Health and Welfare	-	-	-	-	-
Capital Outlay	-	612,560	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>100,500</u>	<u>956,018</u>	<u>68,379</u>	<u>-</u>	<u>45,631</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(44,884)</u>	<u>566,383</u>	<u>1,199</u>	<u>-</u>	<u>24,701</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Other Financing Sources (Uses)	-	-	-	-	-
Proceeds from Sale of Assets	-	134	-	-	-
Proceeds from Loans	-	1,311,818	-	-	-
Transfers In	74,515	4,528	-	-	-
Transfers Out	-	(123,981)	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>74,515</u>	<u>1,192,499</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	29,631	1,758,882	1,199	-	24,701
<b>FUND BALANCE, BEGINNING</b>	<u>204</u>	<u>1,537,980</u>	<u>74,871</u>	<u>649,670</u>	<u>-</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 29,835</u>	<u>\$ 3,296,862</u>	<u>\$ 76,070</u>	<u>\$ 649,670</u>	<u>\$ 24,701</u>

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**STATE OF NEW MEXICO  
LINCOLN COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS - CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2019**

	Special Revenue				
	Homeland Security	Sheriff's Seizure	Reappraisal	EMS	Rural Health Clinic
<b>REVENUES</b>					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 765,993
Gross Receipts	-	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Federal Operating Grants	-	-	-	-	-
State Operating Grants	-	-	-	47,089	-
State Capital Grants	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	-	-	305,401	-	-
Investment Income	-	8	-	-	4,830
Special Assessment	-	-	-	-	-
Special Assessment - Interest	-	-	-	-	-
Miscellaneous	-	-	3,271	-	1,179
<b>TOTAL REVENUES</b>	<u>-</u>	<u>8</u>	<u>308,672</u>	<u>47,089</u>	<u>772,002</u>
<b>EXPENDITURES</b>					
Current					
General Government	-	-	195,598	-	-
Public Safety	30,325	-	-	-	-
Public Works	-	-	-	40,578	-
Culture and Recreation	-	-	-	-	-
Health and Welfare	-	-	-	-	612,990
Capital Outlay	-	-	7,400	-	28,991
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>30,325</u>	<u>-</u>	<u>202,998</u>	<u>40,578</u>	<u>641,981</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(30,325)</u>	<u>8</u>	<u>105,674</u>	<u>6,511</u>	<u>130,021</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Other Financing Sources (Uses)	-	-	-	-	-
Proceeds from Sale of Assets	-	-	-	10,010	4,237
Proceeds from Loans	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,010</u>	<u>4,237</u>
<b>NET CHANGE IN FUND BALANCES</b>	(30,325)	8	105,674	16,521	134,258
<b>FUND BALANCE, BEGINNING</b>	<u>340,637</u>	<u>1,100</u>	<u>380,305</u>	<u>19,258</u>	<u>603,634</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 310,312</u>	<u>\$ 1,108</u>	<u>\$ 485,979</u>	<u>\$ 35,779</u>	<u>\$ 737,892</u>

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**STATE OF NEW MEXICO  
LINCOLN COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS - CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2019**

	Special Revenue				
	Law Enforcement Protection	Senior Citizens	Environmental Gross Receipts	Enhanced 911	Forest Health
<b>REVENUES</b>					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	158,533	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Federal Operating Grants	-	92,403	-	-	-
State Operating Grants	33,200	82,904	-	1,120	-
State Capital Grants	-	-	41,503	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	-	335,588	1,075,993	-	-
Investment Income	-	-	-	-	-
Special Assessment	-	-	-	-	-
Special Assessment - Interest	-	-	-	-	-
Miscellaneous	1	1,740	-	-	-
<b>TOTAL REVENUES</b>	<u>33,201</u>	<u>512,635</u>	<u>1,276,029</u>	<u>1,120</u>	<u>-</u>
<b>EXPENDITURES</b>					
Current					
General Government	-	431	4,395	-	-
Public Safety	36,958	-	-	840	-
Public Works	-	-	1,053,165	-	-
Culture and Recreation	-	-	-	-	-
Health and Welfare	-	846,377	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>36,958</u>	<u>846,808</u>	<u>1,057,560</u>	<u>840</u>	<u>-</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(3,757)</u>	<u>(334,173)</u>	<u>218,469</u>	<u>280</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Other Financing Sources (Uses)	-	-	-	-	-
Proceeds from Sale of Assets	-	-	-	-	-
Proceeds from Loans	-	-	-	-	-
Transfers In	-	333,308	-	-	-
Transfers Out	-	-	-	-	(4,528)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>333,308</u>	<u>-</u>	<u>-</u>	<u>(4,528)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(3,757)	(865)	218,469	280	(4,528)
<b>FUND BALANCE, BEGINNING</b>	<u>3,757</u>	<u>62,718</u>	<u>132,737</u>	<u>175</u>	<u>176,536</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ 61,853</u>	<u>\$ 351,206</u>	<u>\$ 455</u>	<u>\$ 172,008</u>

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**STATE OF NEW MEXICO  
LINCOLN COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS - CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2019**

	Special Revenue				
	Misdemeanor Compliance	Indigent Health Care	Juvenile Justice Grant	HIDA Partnership	LCMC Lease Fund
<b>REVENUES</b>					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	705,870	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Federal Operating Grants	-	-	-	-	-
State Operating Grants	-	-	-	165,870	-
State Capital Grants	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	115,290	-	-	-	1,008,333
Investment Income	-	-	-	-	21,699
Special Assessment	-	-	-	-	-
Special Assessment - Interest	-	-	-	-	-
Miscellaneous	-	3,534	-	7,061	-
<b>TOTAL REVENUES</b>	<u>115,290</u>	<u>709,404</u>	<u>-</u>	<u>172,931</u>	<u>1,030,032</u>
<b>EXPENDITURES</b>					
Current					
General Government	-	-	-	-	-
Public Safety	115,290	-	78,824	130,967	-
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Health and Welfare	-	566,329	-	-	31,550
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>115,290</u>	<u>566,329</u>	<u>78,824</u>	<u>130,967</u>	<u>31,550</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>143,075</u>	<u>(78,824)</u>	<u>41,964</u>	<u>998,482</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Other Financing Sources (Uses)	-	-	-	-	-
Proceeds from Sale of Assets	-	-	-	-	-
Proceeds from Loans	-	-	-	-	-
Transfers In	-	10,980	6,491	-	-
Transfers Out	-	-	-	-	(1,873,579)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>10,980</u>	<u>6,491</u>	<u>-</u>	<u>(1,873,579)</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	154,055	(72,333)	41,964	(875,097)
<b>FUND BALANCE, BEGINNING</b>	-	739,078	72,333	29,401	2,705,177
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ 893,133</u>	<u>\$ -</u>	<u>\$ 71,365</u>	<u>\$ 1,830,080</u>

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**STATE OF NEW MEXICO  
LINCOLN COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS - CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2019**

	Special Revenue	Debt Service		
	Treasurer's Fees	1st 1/8 Reserve	1st 1/8 Income	1st 1/8 GRT Debt Reserve
<b>REVENUES</b>				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	705,870	-
Gasoline and Motor Vehicle Taxes	-	-	-	-
Other Taxes	-	-	-	-
Federal Operating Grants	-	-	-	-
State Operating Grants	-	-	-	-
State Capital Grants	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-
Charges for Services	2,528	-	-	-
Investment Income	-	-	-	10,017
Special Assessment	-	-	-	-
Special Assessment - Interest	-	-	-	-
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<u>2,528</u>	<u>-</u>	<u>705,870</u>	<u>10,017</u>
<b>EXPENDITURES</b>				
Current				
General Government	847	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	195,000	201,367
Interest	-	-	76,050	54,499
<b>TOTAL EXPENDITURES</b>	<u>847</u>	<u>-</u>	<u>271,050</u>	<u>255,866</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>1,681</u>	<u>-</u>	<u>434,820</u>	<u>(245,849)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Other Financing Sources (Uses)	-	-	-	-
Proceeds from Sale of Assets	-	-	-	-
Proceeds from Loans	-	-	-	-
Transfers In	-	58,453	-	255,866
Transfers Out	-	-	(436,053)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>58,453</u>	<u>(436,053)</u>	<u>255,866</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,681	58,453	(1,233)	10,017
<b>FUND BALANCE, BEGINNING</b>	1,054	301,870	130,093	277,028
<b>FUND BALANCE, ENDING</b>	<u>\$ 2,735</u>	<u>\$ 360,323</u>	<u>\$ 128,860</u>	<u>\$ 287,045</u>

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**STATE OF NEW MEXICO  
LINCOLN COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS - CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2019**

	Debt Service		
	Deer Park Special Assessment	Deer Park Sad Income Fund	LCMC GO Bond Debt
<b>REVENUES</b>			
Taxes:			
Property Taxes	\$ -	\$ -	\$ -
Gross Receipts	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-
Other Taxes	-	-	-
Federal Operating Grants	-	-	-
State Operating Grants	-	-	-
State Capital Grants	-	-	-
Payments in Lieu of Taxes	-	-	-
Charges for Services	-	-	-
Investment Income	-	6,628	22,940
Special Assessment	-	78,632	-
Special Assessment - Interest	-	17,485	-
Miscellaneous	-	-	-
<b>TOTAL REVENUES</b>	<u>-</u>	<u>102,745</u>	<u>22,940</u>
<b>EXPENDITURES</b>			
Current			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Culture and Recreation	-	-	-
Health and Welfare	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal	-	-	120,000
Interest	-	-	975,988
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>1,095,988</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>-</u>	<u>102,745</u>	<u>(1,073,048)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Other Financing Sources (Uses)	-	-	-
Proceeds from Sale of Assets	-	-	-
Proceeds from Loans	-	-	-
Transfers In	-	-	1,873,579
Transfers Out	-	(131,883)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>(131,883)</u>	<u>1,873,579</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	(29,138)	800,531
<b>FUND BALANCE, BEGINNING</b>	<u>-</u>	<u>978,221</u>	<u>1,720,052</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ -</u>	<u>\$ 949,083</u>	<u>\$ 2,520,583</u>

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**STATE OF NEW MEXICO  
LINCOLN COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS - CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>Capital Projects</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Legislative Appropriation</u>	<u>CDBG Grant</u>	
<b>REVENUES</b>			
Taxes:			
Property Taxes	\$ -	\$ -	\$ 792,635
Gross Receipts	-	-	1,570,273
Gasoline and Motor Vehicle Taxes	-	-	208,000
Other Taxes	-	-	69,112
Federal Operating Grants	-	-	92,403
State Operating Grants	229,761	-	2,071,149
State Capital Grants	-	-	41,503
Payments in Lieu of Taxes	-	-	-
Charges for Services	-	-	3,041,777
Investment Income	-	-	96,663
Special Assessment	-	-	78,632
Special Assessment - Interest	-	-	17,485
Miscellaneous	-	-	70,330
<b>TOTAL REVENUES</b>	<u>229,761</u>	<u>-</u>	<u>8,149,962</u>
<b>EXPENDITURES</b>			
Current			
General Government	4,235	-	469,894
Public Safety	-	-	857,793
Public Works	-	-	1,448,200
Culture and Recreation	-	-	111,310
Health and Welfare	-	-	2,057,246
Capital Outlay	205,012	-	857,663
Debt Service:			
Principal	-	-	516,367
Interest	-	-	1,106,537
<b>TOTAL EXPENDITURES</b>	<u>209,247</u>	<u>-</u>	<u>7,425,010</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>20,514</u>	<u>-</u>	<u>724,952</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Other Financing Sources (Uses)	-	-	-
Proceeds from Sale of Assets	-	-	14,381
Proceeds from Loans	-	-	1,311,818
Transfers In	-	-	2,884,401
Transfers Out	-	-	(2,570,024)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>1,640,576</u>
<b>NET CHANGE IN FUND BALANCES</b>	20,514	-	2,365,528
<b>FUND BALANCE, BEGINNING</b>	<u>353,447</u>	<u>56,808</u>	<u>11,885,715</u>
<b>FUND BALANCE, ENDING</b>	<u>\$ 373,961</u>	<u>\$ 56,808</u>	<u>\$ 14,251,243</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
FIDUCIARY FUNDS - DESCRIPTIONS  
FOR THE YEAR ENDED JUNE 30, 2019**

**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 equipment (capital assets) such as water tanks 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, 2019**

	<u>Balance June 30, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2019</u>
<b>Assets</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	\$ 355,327	\$ 202,509	\$ -	\$ 557,836
Property Taxes Receivable	1,263,718	18,369,562	18,393,438	1,239,842
<b>Total Current Assets</b>	<u>1,619,045</u>	<u>18,572,071</u>	<u>18,393,438</u>	<u>1,797,678</u>
<b>Noncurrent Assets</b>				
Capital Assets, Net	26,232	-	3,279	22,953
<b>Total Noncurrent Assets</b>	<u>26,232</u>	<u>-</u>	<u>3,279</u>	<u>22,953</u>
<b>Total Assets</b>	<u>\$ 1,645,277</u>	<u>\$ 18,572,071</u>	<u>\$ 18,396,717</u>	<u>\$ 1,820,631</u>
<b>Liabilities</b>				
Deposits Held for Others	\$ 355,327	\$ 202,509	\$ -	\$ 557,836
Assets Held in Trust	26,232		3,279	22,953
Due to Other Taxing Entities	1,263,718	18,369,562	18,393,438	1,239,842
<b>Total Liabilities</b>	<u>\$ 1,645,277</u>	<u>\$ 18,572,071</u>	<u>\$ 18,396,717</u>	<u>\$ 1,820,631</u>

See Independent Auditors' Report

## **OTHER SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
RECONCILIATION OF PROPERTY TAX ROLLS  
FOR THE YEAR ENDED JUNE 30, 2019**

Property Taxes Receivable, Beginning of Year	\$ 2,328,481
Changes to Tax Roll:	
Net Taxes Charged to Treasurer for Fiscal Year	31,887,929
Adjustments:	
Charge Off of Taxes Receivable	<u>(26,636)</u>
Total Receivables Prior to Collections	34,189,774
Collections for the Fiscal Year Ended June 30, 2019	<u>(31,849,396)</u>
Property Taxes Receivable, End of Year	<u>\$ 2,340,378</u>
Property Taxes Receivable by years:	
2009 - 2012	\$ 37,668
2013	18,830
2014	28,773
2015	44,192
2016	190,481
2017	530,718
2018	<u>1,489,716</u>
<b>Total Property Taxes Receivable</b>	<u><b>\$ 2,340,378</b></u>
Property taxes receivable reported in the financial statements as follows:	
Statement of Net Position	\$ 1,100,536
Statement of Fiduciary Assets and Liabilities	<u>1,239,842</u>
Total Property Taxes Receivable	<u><b>\$ 2,340,378</b></u>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Lincoln County Operational</b>										
2018	\$ 8,189,663	\$ 8,850	\$ 8,198,514	\$ -	\$ 7,803,914	\$ 7,803,914	\$ 394,600	\$ 7,803,914	\$ 7,803,914	\$ 394,600
2017	7,765,300	50,244	7,815,545	7,467,502	214,049	7,681,551	133,994	214,049	7,681,551	133,994
2016	7,479,564	(19,431)	7,460,133	7,310,662	95,973	7,406,635	53,498	95,973	7,406,635	53,498
2015	7,350,612	29,106	7,379,718	7,339,882	30,822	7,370,704	9,015	30,822	7,370,704	9,015
2014	7,005,235	17,540	7,022,775	7,008,041	7,114	7,015,154	7,620	7,114	7,015,154	7,620
2013	6,849,302	12,224	6,861,526	6,855,305	1,513	6,856,818	4,708	1,513	6,856,818	4,708
2012	6,605,286	18,511	6,623,797	6,620,615	435	6,621,050	2,747	435	6,621,050	2,747
2011	6,382,451	7,316	6,389,767	6,386,960	295	6,387,255	2,512	295	6,387,255	2,512
2010	6,068,165	(17,117)	6,051,048	6,048,835	126	6,048,961	2,086	126	6,048,961	2,086
2009	5,859,378	13,598	5,872,975	5,871,436	142	5,871,578	1,397	142	5,871,578	1,397
<b>Total</b>	<b>69,554,956</b>	<b>120,841</b>	<b>69,675,798</b>	<b>60,909,238</b>	<b>8,154,383</b>	<b>69,063,620</b>	<b>612,177</b>	<b>8,154,383</b>	<b>69,063,620</b>	<b>612,177</b>
<b>Special Projects</b>										
2018	3,568,350	3,006	3,571,356	-	3,409,204	3,409,204	162,152	3,409,204	3,409,204	162,152
2017	3,416,158	13,748	3,429,906	3,283,996	90,381	3,374,377	55,529	90,381	3,374,377	55,529
2016	3,404,894	(6,491)	3,398,403	3,334,484	46,832	3,381,316	17,087	46,832	3,381,316	17,087
2015	3,312,060	9,750	3,321,810	3,304,312	12,762	3,317,074	4,736	12,762	3,317,074	4,736
2014	3,212,982	5,893	3,218,874	3,212,825	2,844	3,215,669	3,206	2,844	3,215,669	3,206
2013	3,119,863	4,212	3,124,075	3,121,386	672	3,122,058	2,018	672	3,122,058	2,018
2012	3,047,259	6,438	3,053,697	3,052,185	229	3,052,414	1,283	229	3,052,414	1,283
2011	2,921,840	1,928	2,923,769	2,922,486	154	2,922,641	1,128	154	2,922,641	1,128
2010	2,865,314	(5,580)	2,859,734	2,858,675	72	2,858,747	987	72	2,858,747	987
2009	2,795,138	4,717	2,799,855	2,799,125	80	2,799,206	650	80	2,799,206	650
<b>Total</b>	<b>31,663,858</b>	<b>37,621</b>	<b>31,701,479</b>	<b>27,889,474</b>	<b>3,563,230</b>	<b>31,452,706</b>	<b>248,776</b>	<b>3,563,230</b>	<b>31,452,706</b>	<b>248,776</b>
<b>State of NM Debt Service</b>										
2018	1,764,705	1,487	1,766,192	-	1,685,999	1,685,999	80,192	1,685,999	1,685,999	80,192
2017	1,689,439	6,848	1,696,287	1,624,079	44,697	1,668,777	27,510	44,697	1,668,777	27,510
2016	1,683,867	(3,239)	1,680,628	1,649,057	23,213	1,672,270	8,359	23,213	1,672,270	8,359
2015	1,637,958	4,793	1,642,751	1,634,138	6,311	1,640,450	2,301	6,311	1,640,450	2,301
2014	1,588,959	2,925	1,591,885	1,588,889	1,406	1,590,296	1,589	1,406	1,590,296	1,589
2013	1,542,938	2,078	1,545,015	1,543,671	332	1,544,003	1,012	332	1,544,003	1,012
2012	1,506,993	3,184	1,510,176	1,509,449	113	1,509,562	614	113	1,509,562	614
2011	1,447,197	954	1,448,152	1,447,427	76	1,447,504	648	76	1,447,504	648
2010	1,593,908	(3,103)	1,590,806	1,590,458	40	1,590,499	307	40	1,590,499	307
2009	1,168,945	1,957	1,170,902	1,170,545	34	1,170,579	323	34	1,170,579	323
<b>Total</b>	<b>\$ 15,624,909</b>	<b>\$ 17,884</b>	<b>\$ 15,642,794</b>	<b>\$ 13,757,713</b>	<b>\$ 1,762,221</b>	<b>\$ 15,519,939</b>	<b>\$ 122,855</b>	<b>\$ 1,762,221</b>	<b>\$ 15,519,939</b>	<b>\$ 122,855</b>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Cattle</b>										
2018	\$ 64,860	\$ (734)	\$ 64,126	\$ -	\$ 62,065	\$ 62,065	\$ 2,061	\$ 62,065	\$ 62,065	\$ 2,061
2017	76,945	(148)	76,797	73,930	1,054	74,984	1,813	1,054	74,984	1,813
2016	84,618	(2,181)	82,437	81,398	1,039	82,437	-	1,039	82,437	-
2015	68,585	(930)	67,656	67,619	-	67,619	37	-	67,619	37
2014	60,437	(3,236)	57,202	57,165	-	57,165	36	-	57,165	36
2013	55,731	(175)	55,555	55,555	-	55,555	-	-	55,555	-
2012	51,249	(637)	50,612	50,612	-	50,612	-	-	50,612	-
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	-
<b>Total</b>	<u>614,497</u>	<u>(10,846)</u>	<u>603,651</u>	<u>535,545</u>	<u>64,158</u>	<u>599,703</u>	<u>3,947</u>	<u>64,158</u>	<u>599,703</u>	<u>3,947</u>
<b>Dairy Cattle</b>										
2018	124	(2)	122	-	122	122	-	122	122	-
2017	102	-	102	102	-	102	-	-	102	-
2016	127	-	127	125	2	127	-	2	127	-
2015	134	-	134	134	-	134	-	-	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	52	-	51	51	-	51	-	-	51	-
<b>Total</b>	<u>680</u>	<u>(3)</u>	<u>677</u>	<u>553</u>	<u>124</u>	<u>677</u>	<u>-</u>	<u>124</u>	<u>677</u>	<u>-</u>
<b>Sheep &amp; Goats</b>										
2018	952	(2)	950	-	878	878	72	878	878	72
2017	845	34	879	818	36	854	25	36	854	25
2016	852	(16)	836	835	-	835	-	-	835	-
2015	1,116	(309)	808	807	-	807	-	-	807	-
2014	1,484	(163)	1,321	1,321	-	1,321	-	-	1,321	-
2013	1,658	(1)	1,657	1,656	-	1,656	-	-	1,656	-
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	-
<b>Total</b>	<u>\$ 12,143</u>	<u>\$ (457)</u>	<u>\$ 11,685</u>	<u>\$ 10,671</u>	<u>\$ 914</u>	<u>\$ 11,585</u>	<u>\$ 99</u>	<u>\$ 914</u>	<u>\$ 11,585</u>	<u>\$ 99</u>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Equine</b>										
2018	\$ 2,738	\$ (22)	\$ 2,716	\$ -	\$ 2,458	\$ 2,458	\$ 259	\$ 2,458	\$ 2,458	\$ 259
2017	2,633	(36)	2,597	2,406	137	2,542	54	137	2,542	54
2016	2,360	(1)	2,359	2,308	21	2,330	29	21	2,330	29
2015	2,473	(5)	2,469	2,447	9	2,456	13	9	2,456	13
2014	2,238	(37)	2,201	2,195	2	2,197	4	2	2,197	4
2013	2,362	(163)	2,199	2,195	-	2,195	4	-	2,195	4
2012	2,583	(70)	2,512	2,508	-	2,508	4	-	2,508	4
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	-
<b>Total</b>	<b>30,054</b>	<b>(439)</b>	<b>29,615</b>	<b>26,613</b>	<b>2,627</b>	<b>29,240</b>	<b>375</b>	<b>2,627</b>	<b>29,240</b>	<b>375</b>
<b>Bison</b>										
2018	69	-	69	-	-	-	69	-	-	69
2017	41	-	41	41	-	41	-	-	41	-
2016	83	-	83	80	-	80	3	-	80	3
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	120	-	120	4	-	120	4
2011	524	-	524	523	-	523	2	-	523	2
2010	276	(30)	246	246	-	246	-	-	246	-
2009	293	(6)	286	286	-	286	-	-	286	-
<b>Total</b>	<b>2,843</b>	<b>(40)</b>	<b>2,803</b>	<b>2,712</b>	<b>-</b>	<b>2,712</b>	<b>89</b>	<b>-</b>	<b>2,712</b>	<b>89</b>
<b>Predatory Control</b>										
2018	26,933	(296)	26,636	-	25,743	25,743	894	25,743	25,743	894
2017	26,264	72	26,336	25,239	496	25,735	601	496	25,735	601
2016	27,167	(434)	26,733	26,427	9	26,436	297	9	26,436	297
2015	25,472	(1,457)	24,015	24,000	-	24,000	15	-	24,000	15
2014	18,203	(1,239)	16,965	16,954	-	16,954	11	-	16,954	11
2013	18,687	(41)	18,646	18,645	-	18,645	1	-	18,645	1
2012	21,370	(317)	21,053	21,052	-	21,052	1	-	21,052	1
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	-
<b>Total</b>	<b>\$ 239,987</b>	<b>\$ (4,693)</b>	<b>\$ 235,295</b>	<b>\$ 207,223</b>	<b>\$ 26,248</b>	<b>\$ 233,471</b>	<b>\$ 1,825</b>	<b>\$ 26,248</b>	<b>\$ 233,471</b>	<b>\$ 1,825</b>



**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Village of Capitan Operational</b>										
2018	\$ 83,202	\$ 48	\$ 83,250	\$ -	\$ 74,984	\$ 74,984	\$ 8,266	\$ 74,984	\$ 74,984	\$ 8,266
2017	80,606	55	80,661	72,092	4,854	76,946	3,715	4,854	76,946	3,715
2016	79,646	(21)	79,625	75,689	2,994	78,683	942	2,994	78,683	942
2015	83,366	(17)	83,350	82,387	511	82,898	452	511	82,898	452
2014	77,154	(232)	76,922	76,748	174	76,923	-	174	76,923	-
2013	77,100	(18)	77,082	76,864	120	76,984	98	120	76,984	98
2012	75,235	(77)	75,159	75,048	63	75,111	47	63	75,111	47
2011	71,813	(72)	71,742	71,571	70	71,641	101	70	71,641	101
2010	67,933	(358)	67,575	67,575	-	67,575	-	-	67,575	-
2009	<u>27,618</u>	<u>(19)</u>	<u>27,600</u>	<u>27,562</u>	<u>-</u>	<u>27,562</u>	<u>38</u>	<u>-</u>	<u>27,562</u>	<u>38</u>
<b>Total</b>	<u>723,673</u>	<u>(711)</u>	<u>722,966</u>	<u>625,536</u>	<u>83,770</u>	<u>709,307</u>	<u>13,659</u>	<u>83,770</u>	<u>709,307</u>	<u>13,659</u>
<b>Village of Capitan Debt</b>										
2018	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2009	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Village of Carrizozo Operational</b>										
2018	95,585	268	95,853	-	84,497	84,497	11,356	84,497	84,497	11,356
2017	91,320	244	91,565	80,123	5,710	85,832	5,732	5,710	85,832	5,732
2016	89,470	82	89,552	83,062	4,065	87,127	2,425	4,065	87,127	2,425
2015	87,177	(62)	87,115	84,934	1,034	85,968	1,147	1,034	85,968	1,147
2014	84,019	7	84,026	82,745	492	83,237	789	492	83,237	789
2013	81,591	(6,258)	75,333	74,304	315	74,619	714	315	74,619	714
2012	78,120	(181)	77,939	77,939	-	77,939	-	-	77,939	-
2011	47,385	(84)	47,301	47,235	18	47,253	48	18	47,253	48
2010	45,881	(305)	45,575	45,548	17	45,565	10	17	45,565	10
2009	<u>44,195</u>	<u>(68)</u>	<u>44,127</u>	<u>44,115</u>	<u>3</u>	<u>44,118</u>	<u>9</u>	<u>3</u>	<u>44,118</u>	<u>9</u>
<b>Total</b>	<u>\$ 744,743</u>	<u>\$ (6,357)</u>	<u>\$ 738,386</u>	<u>\$ 620,005</u>	<u>\$ 96,151</u>	<u>\$ 716,155</u>	<u>\$ 22,230</u>	<u>\$ 96,151</u>	<u>\$ 716,155</u>	<u>\$ 22,230</u>

**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
<b>Village of Carrizozo Debt</b>										
2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Village of Corona Operational</b>										
2018	17,338	179	17,517	-	17,341	17,341	177	17,341	17,341	177
2017	16,218	218	16,436	16,191	191	16,382	54	191	16,382	54
2016	15,948	(30)	15,918	15,835	83	15,918	-	83	15,918	-
2015	15,531	(19)	15,513	15,428	85	15,513	-	85	15,513	-
2014	14,995	318	15,314	15,312	-	15,312	2	-	15,312	2
2013	13,212	(5)	13,207	13,207	-	13,207	-	-	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	-
<b>Total</b>	<b>138,201</b>	<b>562</b>	<b>138,764</b>	<b>120,831</b>	<b>17,700</b>	<b>138,531</b>	<b>233</b>	<b>17,700</b>	<b>138,531</b>	<b>233</b>
<b>Village of Corona Debt</b>										
2018	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Village of Ruidoso - Operational</b>										
2018	\$ 2,694,635	\$ 1,986	\$ 2,696,621	\$ -	\$ 2,583,104	\$ 2,583,104	\$ 113,517	\$ 2,583,104	\$ 2,583,104	\$ 113,517
2017	2,592,733	(547)	2,592,186	2,469,599	82,062	2,551,661	40,526	82,062	2,551,661	40,526
2016	2,547,012	(1,049)	2,545,963	2,496,240	37,065	2,533,305	12,658	37,065	2,533,305	12,658
2015	2,535,166	(1,829)	2,533,337	2,520,575	9,249	2,529,825	3,513	9,249	2,529,825	3,513
2014	2,478,454	(10,069)	2,468,384	2,464,410	2,075	2,466,485	1,899	2,075	2,466,485	1,899
2013	2,432,433	(2,636)	2,429,796	2,428,239	504	2,428,743	1,053	504	2,428,743	1,053
2012	2,367,392	(3,528)	2,363,864	2,362,529	140	2,362,669	1,195	140	2,362,669	1,195
2011	2,263,870	(920)	2,262,950	2,261,961	95	2,262,057	894	95	2,262,057	894
2010	2,195,648	(3,236)	2,192,412	2,191,553	94	2,191,647	764	94	2,191,647	764
2009	2,146,062	(4,914)	2,141,148	2,140,872	96	2,140,968	180	96	2,140,968	180
<b>Total</b>	<b>24,253,405</b>	<b>(26,742)</b>	<b>24,226,661</b>	<b>21,335,978</b>	<b>2,714,484</b>	<b>24,050,464</b>	<b>176,199</b>	<b>2,714,484</b>	<b>24,050,464</b>	<b>176,199</b>
<b>Village of Ruidoso - Debt</b>										
2018	816,612	705	817,318	-	782,164	782,164	35,154	782,164	782,164	35,154
2017	782,748	(168)	782,581	745,063	25,153	770,217	12,364	25,153	770,217	12,364
2016	774,733	(332)	774,401	758,933	11,507	770,440	3,961	11,507	770,440	3,961
2015	763,830	(576)	763,254	759,288	2,888	762,176	1,078	2,888	762,176	1,078
2014	751,169	(3,456)	747,713	747,051	662	747,713	-	662	747,713	-
2013	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3,889,092</b>	<b>(3,827)</b>	<b>3,885,267</b>	<b>3,010,335</b>	<b>822,374</b>	<b>3,832,710</b>	<b>52,557</b>	<b>822,374</b>	<b>3,832,710</b>	<b>52,557</b>
<b>Village of Ruidoso Downs - Operational</b>										
2018	303,321	(374)	302,946	-	275,608	275,608	27,339	275,608	275,608	27,339
2017	300,413	(1,473)	298,941	272,792	12,500	285,291	13,650	12,500	285,291	13,650
2016	299,574	(211)	299,363	285,400	7,710	293,111	6,252	7,710	293,111	6,252
2015	296,162	(104)	296,058	292,396	2,908	295,304	754	2,908	295,304	754
2014	293,498	27	293,525	291,297	2,064	293,361	164	2,064	293,361	164
2013	300,415	(2,892)	297,523	296,929	39	296,969	554	39	296,969	554
2012	297,487	(511)	296,976	296,680	48	296,728	248	48	296,728	248
2011	297,693	(444)	297,248	297,248	1	297,248	-	1	297,248	-
2010	277,398	(895)	276,503	276,133	13	276,146	357	13	276,146	357
2009	264,124	(856)	263,270	262,935	43	262,978	293	43	262,978	293
<b>Total</b>	<b>\$ 2,930,085</b>	<b>\$ (7,733)</b>	<b>\$ 2,922,353</b>	<b>\$ 2,571,810</b>	<b>\$ 300,934</b>	<b>\$ 2,872,744</b>	<b>\$ 49,611</b>	<b>\$ 300,934</b>	<b>\$ 2,872,744</b>	<b>\$ 49,611</b>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Total Debt</b>										
2018	\$ 111,086	\$ (97)	\$ 110,988	\$ -	\$ 100,813	\$ 100,813	\$ 10,176	\$ 100,813	\$ 100,813	\$ 10,176
2017	103,184	(415)	102,768	93,449	4,647	98,096	4,672	4,647	98,096	4,672
2016	109,048	(91)	108,957	103,938	2,805	106,744	2,213	2,805	106,744	2,213
2015	107,755	(46)	107,708	106,434	992	107,425	283	992	107,425	283
2014	97,556	(6)	97,551	97,513	38	97,551	-	38	97,551	-
2013	88,862	(705)	88,157	87,937	12	87,949	208	12	87,949	208
2012	89,501	(135)	89,366	89,222	8	89,230	136	8	89,230	136
2011	78,722	(108)	78,615	77,899	15	77,914	701	15	77,914	701
2010	136,409	(387)	136,022	135,825	8	135,833	189	8	135,833	189
2009	143,178	(414)	142,764	142,480	75	142,556	208	75	142,556	208
<b>Total</b>	<u>1,065,301</u>	<u>(2,404)</u>	<u>1,062,896</u>	<u>934,697</u>	<u>109,413</u>	<u>1,044,111</u>	<u>18,786</u>	<u>109,413</u>	<u>1,044,111</u>	<u>18,786</u>
<b>ENMU - Ruidoso Ad Valorem</b>										
2018	1,301,014	1,757	1,302,772	-	1,244,723	1,244,723	58,049	1,244,723	1,244,723	58,049
2017	1,249,662	(595)	1,249,067	1,186,701	38,940	1,225,641	23,426	38,940	1,225,641	23,426
2016	1,201,800	(635)	1,201,164	1,175,333	17,426	1,192,759	8,405	17,426	1,192,759	8,405
2015	1,190,206	(824)	1,189,382	1,182,426	5,230	1,187,656	1,725	5,230	1,187,656	1,725
2014	1,156,679	(3,971)	1,152,708	1,150,186	1,177	1,151,363	1,345	1,177	1,151,363	1,345
2013	1,129,477	(2,649)	1,126,828	1,125,912	217	1,126,130	698	217	1,126,130	698
2012	1,093,506	(1,174)	1,092,332	1,091,672	66	1,091,738	594	66	1,091,738	594
2011	1,045,423	(423)	1,045,000	1,044,457	38	1,044,495	505	38	1,044,495	505
2010	1,004,503	(1,764)	1,002,739	1,002,313	38	1,002,351	389	38	1,002,351	389
2009	985,155	(1,983)	983,172	983,172	-	983,172	-	-	983,172	-
<b>Total</b>	<u>11,357,425</u>	<u>(12,261)</u>	<u>11,345,164</u>	<u>9,942,172</u>	<u>1,307,855</u>	<u>11,250,028</u>	<u>95,136</u>	<u>1,307,855</u>	<u>11,250,028</u>	<u>95,136</u>
<b>Capitan Schools - Operational</b>										
2018	112,784	(18)	112,766	-	108,302	108,302	4,463	108,302	108,302	4,463
2017	108,579	(113)	108,466	104,428	2,548	106,976	1,491	2,548	106,976	1,491
2016	105,581	(58)	105,522	103,895	1,160	105,055	468	1,160	105,055	468
2015	104,460	(85)	104,375	104,000	282	104,282	93	282	104,282	93
2014	100,470	(138)	100,333	100,230	58	100,289	44	58	100,289	44
2013	98,457	(52)	98,405	98,370	13	98,383	22	13	98,383	22
2012	94,769	61	94,830	94,802	9	94,812	18	9	94,812	18
2011	90,570	(54)	90,516	90,516	-	90,516	-	-	90,516	-
2010	87,120	(79)	87,041	87,027	-	87,027	13	-	87,027	13
2009	85,249	20	85,268	85,259	-	85,259	9	-	85,259	9
<b>Total</b>	<u>\$ 988,039</u>	<u>\$ (516)</u>	<u>\$ 987,522</u>	<u>\$ 868,527</u>	<u>\$ 112,372</u>	<u>\$ 980,901</u>	<u>\$ 6,621</u>	<u>\$ 112,372</u>	<u>\$ 980,901</u>	<u>\$ 6,621</u>

**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
<b>Capitan Schools - Debt Service</b>										
2018	\$ 495,032	\$ (16)	\$ 495,016	\$ -	\$ 476,399	\$ 476,399	\$ 18,617	\$ 476,399	\$ 476,399	\$ 18,617
2017	478,875	(383)	478,492	461,930	10,502	472,433	6,059	10,502	472,433	6,059
2016	464,055	(199)	463,856	457,089	4,904	461,993	1,863	4,904	461,993	1,863
2015	467,033	(327)	466,706	465,103	1,176	466,279	428	1,176	466,279	428
2014	463,524	(459)	463,064	462,513	273	462,786	278	273	462,786	278
2013	483,229	(129)	483,100	482,947	60	483,007	93	60	483,007	93
2012	-	-	-	-	-	-	-	-	-	-
2011	206,263	(71)	206,191	206,145	22	206,167	25	22	206,167	25
2010	202,490	(92)	202,398	202,393	-	202,393	5	-	202,393	5
2009	<u>225,220</u>	<u>103</u>	<u>225,322</u>	<u>225,296</u>	<u>-</u>	<u>225,296</u>	<u>26</u>	<u>-</u>	<u>225,296</u>	<u>26</u>
<b>Total</b>	<u>3,485,721</u>	<u>(1,573)</u>	<u>3,484,145</u>	<u>2,963,416</u>	<u>493,336</u>	<u>3,456,753</u>	<u>27,394</u>	<u>493,336</u>	<u>3,456,753</u>	<u>27,394</u>
<b>Capital Improvements</b>										
2018	852,754	(27)	852,727	-	820,671	820,671	32,056	820,671	820,671	32,056
2017	821,580	(657)	820,922	792,431	18,023	810,454	10,469	18,023	810,454	10,469
2016	805,701	(348)	805,353	793,608	8,523	802,131	3,222	8,523	802,131	3,222
2015	803,707	(521)	803,185	800,524	2,024	802,548	637	2,024	802,548	637
2014	763,827	(707)	763,120	762,485	358	762,843	277	358	762,843	277
2013	750,634	(192)	750,442	750,204	93	750,298	144	93	750,298	144
2012	735,829	655	736,485	736,290	74	736,364	121	74	736,364	121
2011	708,865	(245)	708,620	708,386	52	708,438	182	52	708,438	182
2010	690,015	(316)	689,699	689,596	-	689,596	103	-	689,596	103
2009	<u>676,337</u>	<u>308</u>	<u>676,645</u>	<u>676,566</u>	<u>-</u>	<u>676,566</u>	<u>79</u>	<u>-</u>	<u>676,566</u>	<u>79</u>
<b>Total</b>	<u>7,609,249</u>	<u>(2,050)</u>	<u>7,607,198</u>	<u>6,710,090</u>	<u>849,818</u>	<u>7,559,909</u>	<u>47,290</u>	<u>849,818</u>	<u>7,559,909</u>	<u>47,290</u>
<b>Ed Tech Debt</b>										
2018	504,669	(16)	504,653	-	486,661	486,661	17,993	486,661	486,661	17,993
2017	265,829	(211)	265,618	254,995	5,797	260,793	4,825	5,797	260,793	4,825
2016	484,845	(208)	484,637	477,592	5,124	482,716	1,921	5,124	482,716	1,921
2015	478,905	(307)	478,597	477,111	1,206	478,317	280	1,206	478,317	280
2014	434,628	(431)	434,198	433,798	211	434,008	189	211	434,008	189
2013	432,719	(115)	432,604	432,464	54	432,518	86	54	432,518	86
2012	411,668	368	412,036	411,926	41	411,968	68	41	411,968	68
2011	213,713	(74)	213,640	213,580	16	213,596	44	16	213,596	44
2010	181,029	(82)	180,947	180,924	-	180,924	22	-	180,924	22
2009	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>\$ 3,408,005</u>	<u>\$ (1,076)</u>	<u>\$ 3,406,930</u>	<u>\$ 2,882,390</u>	<u>\$ 499,110</u>	<u>\$ 3,381,501</u>	<u>\$ 25,428</u>	<u>\$ 499,110</u>	<u>\$ 3,381,501</u>	<u>\$ 25,428</u>

**STATE OF NEW MEXICO  
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PROPERTY TAX SCHEDULE (continued)  
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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
<b>Carrizozo Schools - Operational</b>										
2018	\$ 28,534	\$ 5	\$ 28,539	\$ -	\$ 27,303	\$ 27,303	\$ 1,236	\$ 27,303	\$ 27,303	\$ 1,236
2017	26,259	19	26,277	25,092	597	25,689	589	597	25,689	589
2016	24,052	(1)	24,051	23,406	433	23,839	213	433	23,839	213
2015	22,772	(10)	22,762	22,461	176	22,638	124	176	22,638	124
2014	21,100	99	21,199	21,044	55	21,099	100	55	21,099	100
2013	20,676	(645)	20,030	19,928	27	19,955	75	27	19,955	75
2012	19,934	(19)	19,915	19,905	2	19,908	7	2	19,908	7
2011	19,000	(99)	18,901	18,893	3	18,896	5	3	18,896	5
2010	18,354	(70)	18,284	18,278	1	18,279	5	1	18,279	5
2009	17,421	44	17,465	17,462	-	17,462	3	-	17,462	3
<b>Total</b>	<b>218,102</b>	<b>(677)</b>	<b>217,423</b>	<b>186,469</b>	<b>28,597</b>	<b>215,068</b>	<b>2,357</b>	<b>28,597</b>	<b>215,068</b>	<b>2,357</b>
<b>Debt Service</b>										
2018	365,018	54	365,072	-	347,685	347,685	17,387	347,685	347,685	17,387
2017	346,611	221	346,832	330,123	8,116	338,238	8,594	8,116	338,238	8,594
2016	339,718	(42)	339,676	330,235	6,495	336,730	2,947	6,495	336,730	2,947
2015	318,126	(141)	317,986	313,659	2,709	316,368	1,617	2,709	316,368	1,617
2014	311,172	1,361	312,533	310,328	833	311,161	1,371	833	311,161	1,371
2013	305,587	(8,960)	296,627	295,057	399	295,456	1,171	399	295,456	1,171
2012	286,840	(261)	286,580	286,411	66	286,478	102	66	286,478	102
2011	282,553	(1,368)	281,185	281,054	46	281,100	85	46	281,100	85
2010	278,140	(983)	277,157	277,042	23	277,066	91	23	277,066	91
2009	262,945	710	263,656	263,603	4	263,607	49	4	263,607	49
<b>Total</b>	<b>3,096,710</b>	<b>(9,409)</b>	<b>3,087,304</b>	<b>2,687,512</b>	<b>366,376</b>	<b>3,053,889</b>	<b>33,414</b>	<b>366,376</b>	<b>3,053,889</b>	<b>33,414</b>
<b>Capital Improvements</b>										
2018	136,628	20	136,648	-	130,168	130,168	6,480	130,168	130,168	6,480
2017	129,289	83	129,372	123,188	3,021	126,209	3,163	3,021	126,209	3,163
2016	124,826	(14)	124,812	121,352	2,370	123,722	1,090	2,370	123,722	1,090
2015	118,770	(52)	118,718	117,106	1,006	118,112	606	1,006	118,112	606
2014	115,204	507	115,711	114,891	308	115,199	512	308	115,199	512
2013	113,194	(3,319)	109,875	109,318	148	109,466	409	148	109,466	409
2012	91,007	(81)	90,926	90,870	14	90,885	42	14	90,885	42
2011	86,805	(403)	86,402	86,360	15	86,375	27	15	86,375	27
2010	83,751	(294)	83,457	83,422	7	83,430	28	7	83,430	28
2009	79,774	217	79,990	79,974	1	79,975	15	1	79,975	15
<b>Total</b>	<b>\$ 1,079,248</b>	<b>\$ (3,336)</b>	<b>\$ 1,075,911</b>	<b>\$ 926,481</b>	<b>\$ 137,058</b>	<b>\$ 1,063,541</b>	<b>\$ 12,372</b>	<b>\$ 137,058</b>	<b>\$ 1,063,541</b>	<b>\$ 12,372</b>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Corona Schools - Operational</b>										
2018	\$ 25,821	\$ 30	\$ 25,851	\$ -	\$ 23,509	\$ 23,509	\$ 2,342	\$ 23,509	\$ 23,509	\$ 2,342
2017	22,851	2,291	25,142	25,048	50	25,098	44	50	25,098	44
2016	24,384	(676)	23,709	23,692	11	23,703	6	11	23,703	6
2015	20,410	1,634	22,044	22,003	11	22,015	29	11	22,015	29
2014	17,039	1,758	18,797	18,794	-	18,794	3	-	18,794	3
2013	15,417	1,887	17,304	17,303	-	17,303	-	-	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	15,173	1,211	16,383	16,383	-	16,383	1	-	16,383	1
<b>Total</b>	<b>189,118</b>	<b>9,781</b>	<b>198,899</b>	<b>172,882</b>	<b>23,581</b>	<b>196,464</b>	<b>2,436</b>	<b>23,581</b>	<b>196,464</b>	<b>2,436</b>
<b>Debt Service</b>										
2018	111,167	129	111,296	-	101,258	101,258	10,038	101,258	101,258	10,038
2017	97,796	9,728	107,524	107,108	217	107,325	199	217	107,325	199
2016	93,460	(2,580)	90,880	90,810	56	90,865	15	56	90,865	15
2015	87,426	7,953	95,380	94,263	60	94,323	1,056	60	94,323	1,056
2014	83,238	8,560	91,798	91,779	-	91,779	19	-	91,779	19
2013	82,689	10,043	92,732	92,733	-	92,733	-	-	92,733	-
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
<b>Total</b>	<b>905,968</b>	<b>49,883</b>	<b>955,852</b>	<b>842,832</b>	<b>101,591</b>	<b>944,422</b>	<b>11,430</b>	<b>101,591</b>	<b>944,422</b>	<b>11,430</b>
<b>Capital Improvements</b>										
2018	103,895	121	104,016	-	94,633	94,633	9,383	94,633	94,633	9,383
2017	92,130	9,164	101,294	100,902	204	101,106	188	204	101,106	188
2016	100,487	(2,773)	97,714	97,642	48	97,691	24	48	97,691	24
2015	84,224	6,541	90,765	90,717	48	90,766	-	48	90,766	-
2014	68,611	7,041	75,653	75,641	-	75,641	12	-	75,641	12
2013	62,124	7,546	69,670	69,670	-	69,670	-	-	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
<b>Total</b>	<b>\$ 765,858</b>	<b>\$ 39,084</b>	<b>\$ 804,943</b>	<b>\$ 700,375</b>	<b>\$ 94,933</b>	<b>\$ 795,310</b>	<b>\$ 9,635</b>	<b>\$ 94,933</b>	<b>\$ 795,310</b>	<b>\$ 9,635</b>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Hondo Valley Schools - Operational</b>										
2018	\$ 18,342	\$ 18	\$ 18,360	\$ -	\$ 16,902	\$ 16,902	\$ 1,458	\$ 16,902	\$ 16,902	\$ 1,458
2017	17,112	721	17,833	17,057	427	17,484	349	427	17,484	349
2016	17,951	(219)	17,732	17,367	262	17,629	103	262	17,629	103
2015	17,027	512	17,539	17,413	68	17,481	58	68	17,481	58
2014	16,593	537	17,129	17,094	4	17,098	32	4	17,098	32
2013	16,371	540	16,910	16,887	1	16,888	23	1	16,888	23
2012	15,943	307	16,250	16,232	-	16,233	18	-	16,233	18
2011	15,652	(78)	15,574	15,562	-	15,562	12	-	15,562	12
2010	14,397	(222)	14,175	14,156	-	14,156	19	-	14,156	19
2009	13,652	99	13,752	13,738	-	13,738	14	-	13,738	14
<b>Total</b>	<b>163,040</b>	<b>2,215</b>	<b>165,254</b>	<b>145,506</b>	<b>17,664</b>	<b>163,171</b>	<b>2,086</b>	<b>17,664</b>	<b>163,171</b>	<b>2,086</b>
<b>Debt Service</b>										
2018	287,054	280	287,334	-	264,703	264,703	22,631	264,703	264,703	22,631
2017	258,334	10,565	268,899	257,301	6,450	263,752	5,147	6,450	263,752	5,147
2016	249,752	(3,028)	246,724	241,685	3,647	245,332	1,392	3,647	245,332	1,392
2015	225,045	6,821	231,866	230,036	898	230,935	932	898	230,935	932
2014	226,337	7,142	233,479	232,982	56	233,038	441	56	233,038	441
2013	222,644	7,282	229,927	229,617	8	229,625	301	8	229,625	301
2012	234,818	4,464	239,282	239,004	1	239,005	276	1	239,005	276
2011	235,110	(1,173)	233,937	233,769	1	233,770	167	1	233,770	167
2010	206,583	(3,236)	203,347	203,075	1	203,077	271	1	203,077	271
2009	207,740	1,582	209,321	209,119	1	209,120	200	1	209,120	200
<b>Total</b>	<b>2,353,417</b>	<b>30,699</b>	<b>2,384,116</b>	<b>2,076,588</b>	<b>275,766</b>	<b>2,352,357</b>	<b>31,758</b>	<b>275,766</b>	<b>2,352,357</b>	<b>31,758</b>
<b>Capital Improvements</b>										
2018	75,076	73	75,149	-	69,221	69,221	5,928	69,221	69,221	5,928
2017	70,533	2,883	73,417	70,224	1,761	71,984	1,432	1,761	71,984	1,432
2016	72,393	(876)	71,517	70,048	1,057	71,105	412	1,057	71,105	412
2015	68,668	2,048	70,716	70,208	275	70,482	234	275	70,482	234
2014	66,903	2,146	69,049	68,903	16	68,919	130	16	68,919	130
2013	66,007	2,159	68,166	68,075	2	68,077	89	2	68,077	89
2012	64,369	1,228	65,597	65,520	-	65,520	76	-	65,520	76
2011	63,483	(317)	63,166	63,121	-	63,122	45	-	63,122	45
2010	57,604	(889)	56,715	56,637	-	56,638	77	-	56,638	77
2009	54,627	397	55,024	54,968	-	54,969	55	-	54,969	55
<b>Total</b>	<b>\$ 659,663</b>	<b>\$ 8,852</b>	<b>\$ 668,516</b>	<b>\$ 587,704</b>	<b>\$ 72,332</b>	<b>\$ 660,037</b>	<b>\$ 8,478</b>	<b>\$ 72,332</b>	<b>\$ 660,037</b>	<b>\$ 8,478</b>



**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Ruidoso Schools - Operational</b>										
2018	\$ 249,505	\$ 418	\$ 249,923	\$ -	\$ 238,364	\$ 238,364	\$ 11,559	\$ 238,364	\$ 238,364	\$ 11,559
2017	239,726	(136)	239,590	227,135	7,767	234,902	4,688	7,767	234,902	4,688
2016	234,697	(143)	234,553	229,088	3,641	232,728	1,825	3,641	232,728	1,825
2015	232,504	(176)	232,328	230,866	1,140	232,007	321	1,140	232,007	321
2014	226,022	(982)	225,040	224,522	265	224,787	253	265	224,787	253
2013	220,007	(671)	219,336	219,155	42	219,197	140	42	219,197	140
2012	213,700	(319)	213,381	213,259	12	213,270	110	12	213,270	110
2011	204,284	(93)	204,191	204,091	6	204,098	93	6	204,098	93
2010	196,029	(439)	195,590	195,493	6	195,500	90	6	195,500	90
2009	190,411	(472)	189,939	189,848	8	189,857	82	8	189,857	82
<b>Total</b>	<b>2,206,885</b>	<b>(3,013)</b>	<b>2,203,871</b>	<b>1,933,457</b>	<b>251,251</b>	<b>2,184,710</b>	<b>19,161</b>	<b>251,251</b>	<b>2,184,710</b>	<b>19,161</b>
<b>Debt Service</b>										
2018	4,233,174	5,947	4,239,121	-	4,049,153	4,049,153	189,968	4,049,153	4,049,153	189,968
2017	4,043,962	(1,934)	4,042,028	3,839,624	126,105	3,965,729	76,299	126,105	3,965,729	76,299
2016	4,026,138	(2,093)	4,024,045	3,936,680	58,480	3,995,160	28,885	58,480	3,995,160	28,885
2015	3,955,391	(2,813)	3,952,578	3,929,054	17,567	3,946,621	5,957	17,567	3,946,621	5,957
2014	3,885,812	(13,959)	3,871,853	3,863,828	4,058	3,867,886	3,967	4,058	3,867,886	3,967
2013	3,665,960	(8,957)	3,657,003	3,653,942	704	3,654,646	2,357	704	3,654,646	2,357
2012	3,638,294	(3,567)	3,634,727	3,632,505	224	3,632,730	1,997	224	3,632,730	1,997
2011	3,482,155	(1,381)	3,480,774	3,478,911	128	3,479,038	1,736	128	3,479,038	1,736
2010	2,791,662	(4,844)	2,786,818	2,785,620	106	2,785,726	1,092	106	2,785,726	1,092
2009	2,662,483	(5,493)	2,656,991	2,655,668	131	2,655,800	1,191	131	2,655,800	1,191
<b>Total</b>	<b>36,385,031</b>	<b>(39,094)</b>	<b>36,345,938</b>	<b>31,775,832</b>	<b>4,256,656</b>	<b>36,032,489</b>	<b>313,449</b>	<b>4,256,656</b>	<b>36,032,489</b>	<b>313,449</b>
<b>Capital Improvements</b>										
2018	1,408,173	1,930	1,410,102	-	1,347,096	1,347,096	63,006	1,347,096	1,347,096	63,006
2017	1,364,353	(653)	1,363,699	1,295,438	42,561	1,338,000	25,700	42,561	1,338,000	25,700
2016	1,339,482	(717)	1,338,765	1,309,601	19,508	1,329,109	9,656	19,508	1,329,109	9,656
2015	1,330,622	(942)	1,329,679	1,321,803	5,910	1,327,713	1,966	5,910	1,327,713	1,966
2014	1,301,583	(4,640)	1,296,943	1,294,083	1,353	1,295,436	1,507	1,353	1,295,436	1,507
2013	1,273,787	(3,112)	1,270,674	1,269,608	245	1,269,853	822	245	1,269,853	822
2012	1,223,874	(1,224)	1,222,651	1,221,901	75	1,221,976	674	75	1,221,976	674
2011	1,176,674	(469)	1,176,206	1,175,575	43	1,175,618	588	43	1,175,618	588
2010	1,134,647	(1,941)	1,132,706	1,132,224	43	1,132,267	439	43	1,132,267	439
2009	1,105,537	(2,194)	1,103,343	1,102,792	56	1,102,848	495	56	1,102,848	495
<b>Total</b>	<b>\$ 12,658,732</b>	<b>\$ (13,962)</b>	<b>\$ 12,644,768</b>	<b>\$ 11,123,025</b>	<b>\$ 1,416,890</b>	<b>\$ 12,539,916</b>	<b>\$ 104,853</b>	<b>\$ 1,416,890</b>	<b>\$ 12,539,916</b>	<b>\$ 104,853</b>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Ruidoso Schools - Ed Tech Debt</b>										
2018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	652,505	(1,132)	651,373	651,092	25	651,116	256	25	651,116	256
2009	<u>714,262</u>	<u>(1,474)</u>	<u>712,788</u>	<u>712,432</u>	<u>35</u>	<u>712,468</u>	<u>321</u>	<u>35</u>	<u>712,468</u>	<u>321</u>
<b>Total</b>	<u>1,366,767</u>	<u>(2,606)</u>	<u>1,364,161</u>	<u>1,363,524</u>	<u>60</u>	<u>1,363,584</u>	<u>577</u>	<u>60</u>	<u>1,363,584</u>	<u>577</u>
<b>LCMC - Levy</b>										
2018	2,588,790	2,177	2,590,967	-	2,473,564	2,473,564	117,403	2,473,564	2,473,564	117,403
2017	2,484,472	10,814	2,495,286	2,388,362	65,731	2,454,093	41,193	65,731	2,454,093	41,193
2016	2,476,118	(4,805)	2,471,313	2,424,909	31,907	2,456,816	14,497	31,907	2,456,816	14,497
2015	2,369,676	6,722	2,376,399	2,364,019	9,045	2,373,064	3,336	9,045	2,373,064	3,336
2014	2,276,782	3,892	2,280,674	2,276,599	1,958	2,278,558	2,116	1,958	2,278,558	2,116
2013	2,225,077	2,874	2,227,952	2,226,045	478	2,226,523	1,429	478	2,226,523	1,429
2012	2,176,062	4,650	2,180,712	2,179,657	163	2,179,820	892	163	2,179,820	892
2011	2,093,924	1,437	2,095,361	2,094,394	110	2,094,504	857	110	2,094,504	857
2010	2,010,468	(3,831)	2,006,637	2,005,883	51	2,005,934	703	51	2,005,934	703
2009	<u>1,952,772</u>	<u>3,211</u>	<u>1,955,984</u>	<u>1,955,416</u>	<u>57</u>	<u>1,955,473</u>	<u>511</u>	<u>57</u>	<u>1,955,473</u>	<u>511</u>
<b>Total</b>	<u>22,654,141</u>	<u>27,141</u>	<u>22,681,285</u>	<u>19,915,284</u>	<u>2,583,064</u>	<u>22,498,349</u>	<u>182,937</u>	<u>2,583,064</u>	<u>22,498,349</u>	<u>182,937</u>
<b>Rural Clinics - Levy</b>										
2018	776,564	653	777,217	-	742,001	742,001	35,216	742,001	742,001	35,216
2017	745,344	3,244	748,588	716,512	19,719	736,230	12,358	19,719	736,230	12,358
2016	742,839	(1,442)	741,398	727,476	9,572	737,049	4,349	9,572	737,049	4,349
2015	711,203	2,018	713,221	709,506	2,715	712,221	1,000	2,715	712,221	1,000
2014	683,183	1,168	684,351	683,129	588	683,717	634	588	683,717	634
2013	667,527	862	668,389	667,817	143	667,960	429	143	667,960	429
2012	652,820	1,396	654,216	653,899	49	653,947	269	49	653,947	269
2011	628,206	432	628,638	628,347	33	628,381	257	33	628,381	257
2010	602,837	(1,184)	601,652	601,460	15	601,475	177	15	601,475	177
2009	<u>585,688</u>	<u>964</u>	<u>586,652</u>	<u>586,500</u>	<u>17</u>	<u>586,517</u>	<u>135</u>	<u>17</u>	<u>586,517</u>	<u>135</u>
<b>Total</b>	<u>\$ 6,796,211</u>	<u>\$ 8,111</u>	<u>\$ 6,804,322</u>	<u>\$ 5,974,646</u>	<u>\$ 774,852</u>	<u>\$ 6,749,498</u>	<u>\$ 54,824</u>	<u>\$ 774,852</u>	<u>\$ 6,749,498</u>	<u>\$ 54,824</u>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Alpine Village Sanitation - Levy</b>										
2018	\$ 47,401	\$ -	\$ 47,401	\$ -	\$ 45,665	\$ 45,665	\$ 1,736	\$ 45,665	\$ 45,665	\$ 1,736
2017	40,357	-	40,357	38,990	1,067	40,057	300	1,067	40,057	300
2016	39,100	-	39,100	38,744	347	39,091	10	347	39,091	10
2015	39,200	-	39,200	39,083	-	39,083	117	-	39,083	117
2014	39,201	-	39,201	39,082	-	39,082	118	-	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	-
<b>Total</b>	<u>392,225</u>	<u>-</u>	<u>392,225</u>	<u>342,380</u>	<u>47,079</u>	<u>389,459</u>	<u>2,767</u>	<u>47,079</u>	<u>389,459</u>	<u>2,767</u>
<b>Sun Valley Sanitation - Levy</b>										
2018	64,415	-	64,415	-	63,535	63,535	880	63,535	63,535	880
2017	62,149	(60)	62,088	61,407	585	61,992	96	585	61,992	96
2016	64,684	-	64,684	64,373	211	64,584	101	211	64,584	101
2015	63,083	-	63,083	62,992	-	62,992	91	-	62,992	91
2014	63,511	-	63,511	63,511	-	63,511	-	-	63,511	-
2013	63,100	-	63,100	63,100	-	63,100	-	-	63,100	-
2012	60,772	-	60,772	60,772	-	60,772	-	-	60,772	-
2011	59,000	-	59,000	59,000	-	59,000	-	-	59,000	-
2010	57,824	-	57,824	57,824	-	57,824	-	-	57,824	-
2009	57,823	-	57,823	57,823	-	57,823	-	-	57,823	-
<b>Total</b>	<u>616,361</u>	<u>(60)</u>	<u>616,300</u>	<u>550,802</u>	<u>64,331</u>	<u>615,133</u>	<u>1,168</u>	<u>64,331</u>	<u>615,133</u>	<u>1,168</u>
<b>Alto Lakes Conser. District - Levy</b>										
2018	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2009	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Carrizozo Soil &amp; Water - Levy</b>										
2018	\$ 77,173	\$ 56	\$ 77,229	\$ -	\$ 71,848	\$ 71,848	\$ 5,381	\$ 71,848	\$ 71,848	\$ 5,381
2017	69,038	4,533	73,571	72,792	499	73,291	280	499	73,291	280
2016	72,433	(1,520)	70,914	70,498	275	70,773	141	275	70,773	141
2015	64,260	3,410	67,670	67,491	84	67,575	95	84	67,575	95
2014	43,376	2,657	46,032	45,945	38	45,983	49	38	45,983	49
2013	39,064	2,842	41,906	41,895	6	41,901	5	6	41,901	5
2012	39,000	1,560	40,559	40,559	-	40,559	-	-	40,559	-
2011	38,429	909	39,338	39,331	3	39,335	4	3	39,335	4
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
<b>Total</b>	<b>515,341</b>	<b>14,985</b>	<b>530,325</b>	<b>451,613</b>	<b>72,753</b>	<b>524,367</b>	<b>5,959</b>	<b>72,753</b>	<b>524,367</b>	<b>5,959</b>
<b>Chaves County Soil &amp; Water - Levy</b>										
2018	2,895	-	2,895	-	2,578	2,578	317	2,578	2,578	317
2017	2,839	-	2,839	2,662	96	2,759	81	96	2,759	81
2016	2,817	-	2,818	2,798	19	2,818	-	19	2,818	-
2015	2,781	-	2,781	2,781	-	2,781	-	-	2,781	-
2014	2,731	-	2,731	2,731	-	2,731	-	-	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	2,346	(39)	2,308	2,308	-	2,308	-	-	2,308	-
<b>Total</b>	<b>26,984</b>	<b>(269)</b>	<b>26,717</b>	<b>23,625</b>	<b>2,693</b>	<b>26,320</b>	<b>398</b>	<b>2,693</b>	<b>26,320</b>	<b>398</b>
<b>Claunch Pinto Soil &amp; Water - Levy</b>										
2018	4,081	-	4,081	-	3,980	3,980	101	3,980	3,980	101
2017	4,097	-	4,097	4,027	26	4,053	44	26	4,053	44
2016	3,998	-	3,998	3,990	-	3,990	8	-	3,990	8
2015	3,967	-	3,967	3,959	-	3,959	8	-	3,959	8
2014	3,925	-	3,925	3,920	-	3,920	6	-	3,920	6
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	2,390	-	2,389	2,386	-	2,386	4	-	2,386	4
2009	2,486	-	2,484	2,484	-	2,484	-	-	2,484	-
<b>Total</b>	<b>\$ 35,388</b>	<b>\$ -</b>	<b>\$ 35,385</b>	<b>\$ 31,195</b>	<b>\$ 4,006</b>	<b>\$ 35,201</b>	<b>\$ 187</b>	<b>\$ 4,006</b>	<b>\$ 35,201</b>	<b>\$ 187</b>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

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
<b>Upper Hondo Soil &amp; Water - Levy</b>										
2018	\$ 275,874	\$ (85)	\$ 275,790	\$ -	\$ 266,187	\$ 266,187	\$ 9,603	\$ 266,187	\$ 266,187	\$ 9,601
2017	264,923	527	265,450	256,834	5,214	262,048	3,402	5,214	262,048	3,397
2016	262,357	(342)	262,015	258,400	2,452	260,852	1,163	2,452	260,852	1,162
2015	257,289	421	257,710	256,751	847	257,598	112	847	257,598	112
2014	249,223	468	249,691	249,589	70	249,659	32	70	249,659	32
2013	240,169	445	240,614	240,575	13	240,587	27	13	240,587	27
2012	235,421	468	235,889	235,870	3	235,873	16	3	235,873	16
2011	224,335	(6)	224,328	224,282	3	224,285	44	3	224,285	44
2010	219,065	(223)	218,842	218,792	-	218,792	50	-	218,792	50
2009	213,135	161	213,296	213,271	-	213,271	25	-	213,271	25
<b>Total</b>	<u>2,441,791</u>	<u>1,834</u>	<u>2,443,625</u>	<u>2,154,364</u>	<u>274,789</u>	<u>2,429,152</u>	<u>14,474</u>	<u>274,789</u>	<u>2,429,152</u>	<u>14,466</u>
<b>Admin Fee - Ad Valorem</b>										
2018	1,923	(7)	1,915	-	1,713	1,713	203	1,713	1,713	203
2017	1,908	3	1,911	1,752	91	1,844	68	91	1,844	68
2016	1,962	(8)	1,954	1,883	29	1,912	42	29	1,912	42
2015	1,897	4	1,901	1,867	12	1,878	23	12	1,878	23
2014	1,928	(7)	1,921	1,906	2	1,908	14	2	1,908	14
2013	1,898	(17)	1,882	1,871	1	1,873	9	1	1,873	9
2012	1,856	(18)	1,838	1,828	1	1,829	9	1	1,829	9
2011	1,884	(6)	1,878	1,872	1	1,873	5	1	1,873	5
2010	1,977	(28)	1,949	1,945	1	1,946	3	1	1,946	3
2009	1,849	(3)	1,846	1,841	1	1,843	3	1	1,843	3
<b>Total</b>	<u>19,082</u>	<u>(87)</u>	<u>18,995</u>	<u>16,765</u>	<u>1,852</u>	<u>18,619</u>	<u>379</u>	<u>1,852</u>	<u>18,619</u>	<u>379</u>
<b>Non Rendition Fee - Ad Valorem</b>										
2018	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2014	-	167	167	167	-	167	-	-	167	-
2013	-	50	50	50	-	50	-	-	50	-
2012	-	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-	-
2009	-	122	122	122	-	122	-	-	122	-
<b>Total</b>	<u>\$ -</u>	<u>\$ 339</u>	<u>\$ 339</u>	<u>\$ 339</u>	<u>\$ -</u>	<u>\$ 339</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 339</u>	<u>\$ -</u>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
PROPERTY TAX SCHEDULE (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

<b>Agency</b>	<b>Year</b>	<b>Property Taxes Levied</b>	<b>Current Changes to Taxes Levied</b>	<b>Adjusted Property Taxes Levied</b>	<b>Previous Amount Collected</b>	<b>Collected in Current Year</b>	<b>Collected to Date</b>	<b>Sum Levy Less Collection</b>	<b>Distributed in Current Year</b>	<b>Distributed to Date</b>	<b>County Receivable at Year End</b>
Lincoln County	2018	\$ 31,887,929	\$ 28,501	\$ 31,916,429	\$ -	\$ 30,426,716	\$ 30,426,716	\$ 1,489,718	\$ 30,426,716	\$ 30,426,716	\$ 1,489,716
Lincoln County	2017	30,253,557	118,730	30,372,287	28,989,485	852,081	29,841,568	530,723	852,081	29,841,568	530,718
Lincoln County	2016	29,974,593	(56,172)	29,918,422	29,316,667	411,275	29,727,946	190,482	411,275	29,727,946	190,481
Lincoln County	2015	29,326,553	70,181	29,396,738	29,232,483	120,060	29,352,547	44,192	120,060	29,352,547	44,192
Lincoln County	2014	28,309,537	20,481	28,330,021	28,272,693	28,552	28,301,247	28,773	28,552	28,301,247	28,773
Lincoln County	2013	26,825,929	13,331	26,839,258	26,814,266	6,161	26,820,430	18,830	6,161	26,820,430	18,830
Lincoln County	2012	25,654,224	41,528	25,695,753	25,682,173	1,836	25,684,014	11,736	1,836	25,684,014	11,736
Lincoln County	2011	24,699,988	12,534	24,712,525	24,700,408	1,244	24,701,657	10,877	1,244	24,701,657	10,877
Lincoln County	2010	24,069,116	(56,242)	24,012,870	24,003,439	687	24,004,131	8,738	687	24,004,131	8,738
Lincoln County	2009	22,881,503	22,719	22,904,220	22,897,115	784	22,897,906	6,317	784	22,897,906	6,317
		<u>\$ 273,882,929</u>	<u>\$ 215,591</u>	<u>\$ 274,098,523</u>	<u>\$ 239,908,729</u>	<u>\$ 31,849,396</u>	<u>\$ 271,758,162</u>	<u>\$ 2,340,386</u>	<u>\$ 31,849,396</u>	<u>\$ 271,758,162</u>	<u>\$ 2,340,378</u>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
LIST OF INDIVIDUAL DEPOSIT AND INVESTMENT ACCOUNTS  
AS OF JUNE 30, 2019**

Account Name	First National Bank	NMFA Cash Reserves	Fidelity Investments	City Bank	First Savings Bank	New Mexico LGIP
Money Market Account	\$ 52,981	\$ -	\$ -	\$ 2,001,689	\$ 1,782,257	\$ -
Investment	-	-	1,202,690	-	-	1,501,315
Checking Operational	18,456,939	-	-	-	-	-
Checking Detention Trust	29,299	-	-	-	-	-
Certificate of Deposit	-	-	-	1,010,000	250,000	-
NMFA Reserve	-	12,781,743	-	-	-	-
<b>Total</b>	18,539,219	12,781,743	1,202,690	3,011,689	2,032,257	1,501,315
Reconciling Items	(342,209)	-	-	-	-	-
<b>Reconciled Balance</b>	<u>\$ 18,197,010</u>	<u>\$ 12,781,743</u>	<u>\$ 1,202,690</u>	<u>\$ 3,011,689</u>	<u>\$ 2,032,257</u>	<u>\$ 1,501,315</u>

Account Name	Pioneer Bank	Washington Federal Bank	Wells Fargo Bank	BBVA Compass Bank	Total
Money Market Account	\$ 1,647,282	\$ 101,043	\$ -	\$ 2,025,303	\$ 7,610,555
Investment	-	-	-	-	2,704,005
Checking Operational	-	-	-	-	18,456,939
Checking Detention Trust	-	-	-	-	29,299
Certificate of Deposit	-	-	-	-	1,260,000
NMFA Reserve	-	-	-	-	12,781,743
<b>Total</b>	1,647,282	101,043	-	2,025,303	42,842,541
Reconciling Items	-	-	-	-	(342,209)
<b>Reconciled Balance</b>	<u>\$ 1,647,282</u>	<u>\$ 101,043</u>	<u>\$ -</u>	<u>\$ 2,025,303</u>	<u>\$ 42,500,332</u>

Petty Cash	\$ 3,300
Less: Investments	(3,964,005)
Less: Agency Funds Cash	(557,836)
Less: Restricted Cash and Cash Equivalents	(12,781,739)
<b>Total unrestricted cash and cash equivalents</b>	<u>\$ 25,200,052</u>

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
SCHEDULE OF PLEDGED COLLATERAL  
FOR THE YEAR ENDED JUNE 30, 2019**

<b>Name of Depository</b>	<b>Description of Pledged Collateral</b>	<b>Maturity</b>	<b>CUSIP Number</b>	<b>Fair Market Value at June 30, 2019</b>
First National Bank	FNMA Pool #AB2800	4/1/2026	31416YDE5	\$ 482,181
	FHLMC Pool #G14497	6/1/2027	3128MDGE7	613,732
	FHLMC Pool #J20134	8/1/2027	31306XEF6	598,882
	GNMA II Pool #MA0825	3/20/2028	36179M4J6	597,866
	FNMA Pool #BM3776	4/1/2028	3140J8FS7	2,415,327
	FNMA Pool #AW5384	6/1/2029	3138XU5J7	422,235
	FNMA Pool #MA2254	4/12/2030	3141BQG4	883,308
	FNMA Pool #MA0641	2/1/2031	31417YWB9	531,724
	FNMA Pool #MA2675	7/1/2031	314118B6M3	1,295,778
	FHLMC Pool #G18607	8/1/2023	3128MMU92	1,335,098
	FNMA Pool #BD3676	8/1/2023	3140FBCN8	1,270,443
	FNMA Pool #AL4778	10/1/2032	3138EMJY8	500,807
	FNMA Pool #MA1200	10/1/2032	31418AAKN7	1,024,002
	FNMA Pool #MA1237	11/1/2032	31418ALT3	1,045,024
	FNMA Pool #MA3462	9/1/2033	31418CZ49	2,241,683
	FNMA Pool #MA2197	3/1/2035	31418BNP7	1,035,710
	FHLMC Pool #C91879	6/1/2036	3128P8CQ2	1,456,486
	FHLMC Pool #C91882	8/1/2036	3128P8CT6	1,562,713
	FHLMC Pool #C91887	9/1/2036	3128PCY5	1,520,481
	FNMA Pool #MA2832	12/1/2036	31418CEE0	1,574,906
<b>Total First National Bank</b>				<b>\$ 22,408,386</b>
First Savings Bank	FHLMC 10-Yr	12/1/2020	31294MN72	\$ 10,182
	FNMA 10-Yr	12/1/2022	3138MPXG5	88,629
	FHLMC 10-Yr	3/1/2023	31307BJW1	10,325
	FHLMC 10-Yr	3/1/2023	31307BJW1	15,488
	FNMA 10-Yr	4/1/2024	31418BB54	47,073
	FNMA 10-Yr	4/1/2024	31418BB54	211,827
	Dona Ana Co NM 25	9/1/2025	257579CX8	58,090
	FNMA 15-Yr	11/1/2027	3138MJWW5	110,457
	HR 4136 NG	11/15/2027	3137AWKN4	318,510
	FNMA 15-Yr	1/1/2028	3138EKJA4	21,538
	FNMA 15-Yr	1/1/2028	3138EKJA4	17,948
	FNMA 15-Yr	1/1/2028	3138EKJA4	26,923
	FNMA 10-Yr	1/1/2028	31418CTF1	75,909
	FNMA 15-Yr	12/1/2029	3140J5EA3	128,509
	FNMA 15-Yr	12/1/2029	3140J5EA3	257,018
	FHLMC 15-Yr	2/1/2030	3128MECV1	97,950
	FHLMC 15-Yr	8/1/2031	3132KFNN8	67,961
	FHLMC 15-Yr	8/1/2031	3132KFNN8	33,981
	GNR 2010-115 QG	11/20/2038	38377KKM1	3,274
	GNR 2010-115 QG	11/20/2038	38377KKM1	1,310
	GNR 2010-115 QG	11/20/2038	38377KKM1	6,548
	GNR 2010-150 GJ	9/20/2039	38377NLJ1	7,573
	FHR 3925 DE	7/15/2040	3137AFGA4	51,041
	FHR 3925 DE	7/15/2040	3137AFGA4	89,322
	GNR 2011-43 E	12/20/2040	38377UMA3	3,906
	FNR 2014-37 GJ	6/25/2042	3136AKGQ0	77,704
	FNR 2014-37 GJ	6/25/2042	3136AKGQ0	103,606
	FNR 2013-73 TC	9/25/2042	3136AFTR5	78,287
	FHR 4505 PA	5/15/2044	3137BKWM8	109,197
	<b>Total First Savings Bank</b>			



**STATE OF NEW MEXICO  
LINCOLN COUNTY  
SCHEDULE OF PLEDGED COLLATERAL (continued)  
FOR THE YEAR ENDED JUNE 30, 2019**

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value at June 30, 2019</u>
City Bank	SBAP 2010 20J-1 S/A-1ST	10/1/2030	83162CTP8	\$ 1,073,614
	SBAP 2013 20G-1 S/A-1ST	7/1/2033	83162CVR1	1,576,451
	FHLMC G #14402	2/1/2027	085279QX8	1,469,697
	<b>Total City Bank</b>			<u>\$ 4,119,762</u>
Pioneer Bank	FFCB Callable	5/16/2023	3133EGAD7	\$ 1,494,072
	FHLMC #1B0951 ARM	7/1/2033	31336STG3	130,495
	FHLMC ARM 781721	7/1/2034	31349S4E0	16,446
	FNMA #661745 ARM	9/1/2032	31391BES2	4,509
	FNMA #745130 ARM	11/1/2035	31403CY39	42,119
	FNMA #759453 ARM	1/1/2034	31403VWN5	44,841
	FNMA #845529 ARM	12/1/2035	314408ALJ7	40,126
	GNMA II #080418 ARM	6/20/2030	36225CPC4	27,436
	GNMA II #80477 ARM	12/20/2030	35225CQ74	3,580
<b>Total Pioneer Bank</b>			<u>\$ 1,803,624</u>	
Washington Federal Bank	FNMA PL #BC2636	11/1/2046	3140EW4W2	\$ 562,317
	<b>Total Washington Federal Bank</b>			<u>\$ 562,317</u>
Compass Bank	Letter of Credit	10/30/2019	132872	\$ 850,000
	Letter of Credit	4/3/2020	139367	1,000,000
	<b>Total Compass Bank</b>			<u>\$ 1,850,000</u>
<b>Total Pledged Collateral</b>				<u>\$ 32,874,175</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 Brian S. Colón, Esq.  
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 special revenue funds of Lincoln County (the "County") as of and for the year ended June 30, 2019, 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 27, 2019.

**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.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies: 2019-001.

### **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*.

### **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 27, 2019

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2019**

**Section I. Summary of Audit Results**

Financial Statements:

- |  |            |
|--|------------|
| 1. Type of Auditors' Report Issued:                      | Unmodified |
| 2. Internal Control Over Financial Reporting:            |            |
| a. Material weaknesses identified?                       | No         |
| b. Significant deficiencies identified?                  | Yes        |
| c. Noncompliance material to financial statements noted? | No         |

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2019**

**Section II. Financial Statement Findings**

**2019-001 — Improper Year-End Accruals (Significant Deficiency)**

**Condition:** During our testwork over the County's cutoff procedures, we noted that four (4) out of twenty-two (22) transactions tested were not properly accrued as accounts payable. The total amount of this fiscal year 2019 expenditure was \$706,893.

**Criteria:** Per the 2013 COSO Framework, management is responsible for establishing and maintaining internal controls to ensure accurate financial reporting, which includes controls for the County's accounts payables and expenses.

**Cause:** Management improperly excluded four items that are considered to be accounts payable at year-end and related expenditure for that period.

**Effect:** An entry was proposed to correct the accounts payable and related expenditure balances at June 30, 2019. Not properly identifying cutoff related to expenditures results in expenditures recorded in the improper period as it relates to the modified accrual basis of accounting.

**Auditors' Recommendations:** Upon building an accounts payable listing for the audit, the County should thoroughly review disbursements subsequent to the year-end to determine which fiscal year the transactions should be reported in for the different basis of accounting.

**Management's Response:** The County will implement the process to thoroughly review disbursements subsequent to year-end to determine in which fiscal year the transactions should be reported for the different basis of accounting. All departments will be required to provide Finance with the details of expenditures which were incurred in one fiscal year and paid in a different fiscal year. This will prevent expenditures being recorded in an improper period, as it relates to the modified accrual basis of accounting.

**Management's Timeline to Correct:** Management will make all Department Heads aware of Audit Finding **2019-001**, and by calendar year end will establish, communicate and maintain internal controls to ensure accurate financial reporting, which includes controls for the County's accounts payables and expenditures. Prior to end of fiscal year, internal control document will be re-distributed to Department Heads.

**Responsible Party:** County Manager

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED JUNE 30, 2019**

**Section III. Status of Prior Year Findings**

*2018-001 – Internal Controls over Receipts and Deposits – Other Noncompliance - Resolved*

*2018-002 – Internal Controls over Cash Management – Other Noncompliance - Resolved*

*2018-003 – Internal Controls over Master Vendor File – Significant Deficiency – Resolved*

*2018-004 – Late Submission of Audit Report (Noncompliance with NM State Audit Rule) - Resolved*

**STATE OF NEW MEXICO  
LINCOLN COUNTY  
EXIT CONFERENCE  
FOR THE YEAR ENDED JUNE 30, 2019**

An exit conference was held on November 27, 2019 to discuss the results of the audit. Attending were the following:

Representing the County:

Thomas F. Stewart, County Commissioner  
Beverly Calaway, County Treasurer  
Nita Taylor, County Manager  
Billie-Jo Guevara, Finance Director  
Sherrie Huddleston, Chief Deputy Treasurer  
Rhonda Edwards, Finance Officer

Representing the Independent Auditors:

Daniel O. Trujillo, CPA, CFE, CGFM, CGMA  
Jose "Joe" Ortiz, Audit Manager

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.