

LEACOUNTY, NEW MEXICO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR 2019-2020







Lea County flourishes not only in oil and gas, renewable energy and nuclear industry, but also in agriculture, cattle, the dairy industry, and is the home to a state correctional institution.

LEA COUNTY NEW MEXICO COMPREHENSIVE ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED JUNE 30, 2020

Prepared by: Lea County Finance Department

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Board of County Commissioners County Manager

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Phone (575) 396-8602 Fax (575) 396-2093 leacounty@leacounty.net www.leacounty.net

December 1, 2020

To the Chairperson of the Commission, Members of the Commission, and the Citizens of Lea County:

New Mexico state law, Section 12-6-3, NMSA 1978, mandates that the financial affairs of every New Mexico agency be thoroughly examined and audited each year by the State Auditor, personnel of the State Auditor's office designated by the State Auditor, or by independent auditors approved by the State Auditor. A completed set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards and rules issued by the State Auditor is due by December 1st each year for the fiscal year ending June 30th. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Lea County, New Mexico for the fiscal year ended June 30, 2020.

This report consists of management's representations concerning the finances of Lea County. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of Lea County has established a comprehensive internal control framework that is designed both to protect government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Lea County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Lea County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Lea County's financial statements have been audited by Pattillo, Brown & Hill, L.L.P., as approved by the State Auditor. The goal of the independent audit was to provide reasonable assurance that the financial statements of Lea County for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified (or clean), opinion that Lea County's financial statements for the fiscal year ended June 30, 2020 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report and can be found on page 18 to the financial statements.

The independent audit of the financial statements of Lea County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal control and legal requirements involving the administration of federal awards. The reports are available with the "Single Audit Reports" section of this report starting on page ____.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A, starting on page ___, can be found immediately following the independent auditor's report.

PROFILE OF LEA COUNTY

Lea County was created from Eddy and Chaves Counties in 1917 and named for Captain Joseph Calloway Lea, just five years after New Mexico was admitted to the Union as a state. The County is located in the Southeast corner of New Mexico and borders the state of Texas on the south and east borders. Lea County is part of the Permian Basin, the largest oil and gas producing in the United States and one of the largest in the world. Lea County is currently the #1 oil producing County in the United States having reached that position in December 2019. The County has a land area of approximately 4,400 square miles and a 2020 estimated population of 69,611. The population increased by 7.5% from the 2010 Census count of 64,727. The land ownership is distributed as follows: Private ownership 52%, State Government 31%, and Federal Government 17%. The County is home to five municipalities: Lovington (the County seat), Eunice, Hobbs, Jal and Tatum.

New Mexico state law, Section 7-37-7 B(1), NMSA 1978, sets the maximum property tax rate a County may charge for general operating purposes at eleven dollars eighty-five cents (\$11.85) for each one thousand dollars (\$1,000) of net taxable value of both residential and nonresidential property allocated to the County. Net taxable value is determined to be one third (1/3) of the assessed value of the property. The County rate for FY 20 was seven dollars eleven cents (\$7.11) for residential and ten dollars sixty cents (\$10.60) for non-residential property. The County may also implement certain county local option gross receipts taxes (GRT), some requiring voter approval. The County gross receipt tax rate as of June 30, 2020 is 5.500%, which is comprised of the state rate of 5.125% and the local county options of .375%. The County is currently tied with one other New Mexico county for the lowest GRT rate. The tax is imposed on sales of both services and intangibles.

Lea County operates under the Commission, County Manager form of government. Policy making and legislative authority are vested in the County Commission consisting of the Commission Chairperson and four other Commission members serving five districts. The County Commission is responsible for, among other things, passing ordinances, adopting the annual budget, appointing committees, serving as the Board of Finance and the Indigent Board, and hiring the County Manager. The County Manager is responsible for carrying out the policies and ordinances of the County Commission and overseeing the day-to-day operations of the County coordinating with the Commission, Department Directors as well as the other County Elected Officials (Assessor, Clerk, Probate Judge, Sheriff and Treasurer). All County elected officials are elected on a staggering basis to serve four-year terms.

Lea County offers a full range of services, including fire protection through three volunteer fire stations and one Airport Fire Facility at Lea Regional Airport. Staffing includes a County Fire Marshal along with two paid firefighters and forty-one volunteers. The County also provides for the enjoyment and protection of it's citizens through the Sheriff's Office, Road Department, Environmental Services, DWI/Misdemeanor Compliance, and Detention Center. Lea County provides commercial jet services in partnership with the City of Hobbs and the Economic Development Corporation of Lea County. The Lea County Event Center and the Lea County Fairgrounds provides many entertainment options for citizens. The annual Lea County Fair & Rodeo is recognized as one of the top fairs in New Mexico. In addition, the County Assessor, Clerk, Probate Judge and Treasurer provide document recording, property tax assessments, tax collections and probate services.

Lea County is the fiscal agent for four separate legal entities, the Lea County Solid Waste Authority, Lea County Communications Authority, Lea County Water Users Association and the Eddy-Lea Energy Alliance. Each of these entities has a board who is responsible for the oversight of the entity.

The annual budget serves as the foundation for Lea County's financial planning and control. The County Commission is required to annually approve and submit an interim budget by June 1st and a final approved budget by July 31st to the New Mexico Department of Finance and Administration (DFA) for their review and approval. The legal level of budgetary control is defined at the fund level, the lowest level of which the County's Management may not reallocate resources or make over expenditures without the approval of the Commission. The appropriated budget is prepared by fund and department. All budget adjustments between line items must be approved by the County Commission. All budget increases and transfers between funds must also be approved by the DFA. The County Commission also annually approves the five-year Infrastructure Capital Improvement Plan (ICIP). The capital improvement process entails input from County Staff, citizens, social organizations and the community and is submitted to the County Commission for discussion and approval at a regularly scheduled meeting. Both short-term and long-term capital infrastructure needs are identified and prioritized based on existing health and safety hazards, requirement by law, regulation or court mandate, critical to structural integrity, impact on operating budget, and scheduling. Potential sources of funding are identified for each project. The County's approved ICIP is then incorporated into the State of New Mexico's capital planning process. The County also updates and monitors the Strategic Plan which outlines goals and accomplishments for each department.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy: Lea County is located in the Permian Basin, which is one of the most prolific oil & gas producing basins in the world. As a result, Lea County became the number one (#1) oil producing County in the United States in December 2019 and has held the title each month since. Although the oil industry is highly cyclical and subject to wide swings it is the main driver for economic activity in the region. When oil prices are strong the area is "booming" and when they collapse it is a "bust". Retail, food service, hospitality, construction, etc. are all dependent upon the activity in the oil industry.

The oil and gas industry is the major contributor to Lea County's revenue base in most years. The County receives revenue from an Oil & Gas Production Revenue Tax that can vary sharply depending on whether the County is in a boom or bust period. For example, oil & gas revenue went from \$19,597,346 in FY 16 to a record \$53,000,000 in FY 20, an increase of 170%. It is anticipated that oil & gas revenues in FY 21 will decrease by 43% to less than \$30,000,000. The County also receives Oil & Gas Equipment Taxes that are

based upon the value of oilfield equipment use in Lea County. Property taxes make up the other major source of revenue but are more stable in nature due to state tax statutes.

In order to lessen dependency on the oil industry, the County has worked diligently to diversify the economy and has become a factor in the nuclear energy industry. In 2010, Unrenco, USA, opened a uranium enrichment facility that employs more than 230 near Eunice, New Mexico. Currently, the Eddy-Lea Energy Alliance, an organization composed of Eddy County, Lea County, the City of Hobbs and the City of Carlsbad, has signed an agreement with Holtec International to build a interim nuclear waste storage facility near the Eddy and Lea County lines subject to federal licensing approval. The outcome of the 2020 election could have a significant impact on the long-term future of the oil industry. Lea County will carefully monitor future legislation in order to assess the impact to the budget.

The service industry in Lea County has expanded over the past several years in response to the growth experienced during the boom which ran from 2016 until early 2020 when the Covid-19 pandemic and subsequent oil price crash began. New businesses that opened during the period includes Firehouse Subs, Cotton Patch Restaurant, Planet Fitness, Southern Honey Boutique, Tornado Wash #2, Family Dollar, Church's Chicken among others in Hobbs; Love's Truck Stop in Eunice; Pilot Truck Stop in Jal; and Drylands Brewery, Cobblestone Creamery, and True Brew Coffee in Lovington.

There are numerous projects planned in the area in 2020 and beyond. Big Dog Industries has selected Lovington as the site of a new facility that specializes in all areas of the hemp market. The company has a deal with the Lovington EDC to purchase the former cheese plant with the intention of bringing 125 jobs to Lovington over the next five years. The economic impact to Lea County is estimated to be \$261 million in revenue generated locally. The estimated gross receipts tax is over \$68 million to the City of Lovington and \$7.6 million to Lea County. Other new projects planned are a Tornado Car Wash and a hotel.

Covenant Hospital, which recently purchased Lea Regional Medical Center, is planning to build a new \$52 million hospital in Hobbs. The planned hospital is set to open in 2022 and will employee between 200-250 people and include a full range of healthcare services. Hobbs Municipal Schools has started construction of the \$46 million Career Technical Education Center that will provide a variety of technical training programs for area students. Several retail projects that are scheduled to open over the next year include the Texas Roadhouse Restaurant, Marshall's, Famous Footwear, PetSmart, Ross Dress for Less and a T-Mobile store. There are also several housing sub-divisions under development that will add more than 1,000 new homes and several apartment projects under construction that will address the need for housing in the County.

Southern Lea County will see the construction of a 220 megawatt solar farm west of Jal. Tip Top Solar Energy is developing the \$215 million project and plans to start construction in 2021 and employee 300-400 people during the construction phase.

Lea County is currently working on expanding the Lea Regional Airport facilities to increase air service to Houston and Denver. The County is expanding the terminal, parking and rebuilding the aprons to provide service for up to three gates. Work is expected to be completed by the end of 2020.

As FY 20 began, Lea County was experiencing record activity in the oil industry which produced record revenues for the County. With the onslaught of the Covid-19 pandemic and the oil price crash, Lea County saw a an increase in unemployment and a decrease in oil activity. As the County moves into the FY 21 fiscal year the oil industry has leveled off and has began to grow again. The long-term prospects for Lea County look great and the future is bright.

Financial Planning: The County has developed a five year strategic plan that outlines both short-term and long-term goals. The plan was approved by the Commission in April 2016 and is scheduled to be updated during the FY 21 fiscal year. The plan is a result of discussions with elected officials, department directors, local leaders and citizens on how the County can best address the needs of the citizens. A copy of the strategic plan can be obtained on the County website at www.leacounty.net or from the County Manager.

Due to the volatility of revenue sources associated with oil and gas industry, Lea County prepares a five year General Fund budget based upon current conditions and future revenue and expenditure assumptions. This allows County officials to evaluate the long-term impact of those assumptions and guide them in making better informed budget decisions.

The County Commission is required by the State to annually prepare a five year Infrastructure Capital Improvement Plan (ICIP) prioritizing capital projects and identify potential funding sources. The top five ICIP projects in place as of June 30, 2020 budget cycle include:

| Project | Project Cost | Funded to Date | Funding Not Yet Funded |
|-------------------------------------|---------------------|----------------|---------------------------|
| Lea County Courthouse Remodel | \$ 27,400,000 \$ | 20,900,000 \$ | 6,500,000 |
| Detention Center Renovation | 23,142,392 | 6,642,391 | 16,500,000 |
| ISO Fire Department Improvements | 2,500,000 | 1,500,000 | 1,000,000 |
| Knowles Fire Station #2 | 800,000 | 600,000 | 200,000 |
| Battle Axe Road Reconstruction | \$ 8,230,000 \$ | 1,530,000 \$ | 6,700,000 |

Cash Management Policies: The state DFA requires New Mexico counties to maintain a cash balance in the General Fund of at least 3/12th (25%) of the General Fund's budgeted expenditures and a 1/12th (8.3334%) reserve for county road funds in order to maintain adequate cash flow until the next significant property tax collection. Effective July 1, 2020, the County has enacted a local option to create a local General Fund reserve of one year of the General Fund's budgeted expenditures and establish a capital reserve of fifteen percent (15%) of total budgeted capital. At June 30, 2020, the County had required reserves of \$7,542,267 and \$1,384,361 for the General Fund and Road Fund, respectively. The County also had \$30,169,066 reserved for local option General Fund reserves and \$10,392,622 reserved for capital. Based on the ending General Fund balance at June 30, 2020 of \$103,498,126.36, the County had funds available in excess of required and local reserves of \$54,009,813. The County Commission elected to create these local reserves to protect against sudden swings in revenue caused by price changes in the oil industry.

<u>Awards and Acknowledgments:</u> Lea County received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation award for the FY 19 Program Budget. Entities that receive the Distinguished Budget Presentation award are considered those who have prepared the highest quality budget documents. This is the 5th year that the County has received this GFOA budget award.

A certificate of Achievement is valid for a period of one year only. Lea County believes that our current budget continues to meet the Distinguished Budget Presentation award program's requirements and we are submitting it to the GFOA to determine it eligibility for another certificate.

Lea County received the Audit & Accountability Award Mid-Size Counties for Fiscal Year 2018. The award is given annually by the New Mexico Office of State Auditor and the New Mexico Association of Counties.

The Lea County Fair & Rodeo was named the outstanding event for 2019 by the New Mexico Hospitality Association. The award is given annually to honor events that improve tourism and quality of life in New Mexico.

Lea County is submitting this Comprehensive Annual Financial Report (CAFR) for consideration of the the GFOA's Certificate of Achievement for Excellence in Financial Reporting for the year ended June 30, 2020. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. This is the first year that Lea County has sought this GFOA award.

We would like to express out appreciation to each member of the Finance Department, Assessor's Department and Treasurer's office that assisted and contributed to the preparation of this report. This final report would not have been possible with their dedication and professionalism. We also extend our appreciation to the County Commission for their continued support in maintaining the highest standards making it possible to the needs of Lea County's citizens and visitors.

Respectfully submitted,

Mike Gallagher, ICMA-CM

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County Manager

Chip Low, CPA CGMA

Finance Director



"Lea County is part of the Permian Basin, the largest oil and gas producing in the United States and one of the largest in the world. Lea County is currently the #1 oil producing County in the United States having reached that position in December 2019."



Board of County Commissioners



Dean Jackson, Vice Chair District 1



Rebecca Long, Chair District 2



Gary EidsonDistrict 3



Jonathan Sena District 4



Don JonesDistrict 5

Lea County Elected Officials



Sharla Kennedy Lea County Assessor



Keith Manes Lea County Clerk



Sandra Goad Lea County Probate Judge



Corey Helton Lea County Sheriff



Susan Marinovich Lea County Treasurer



Michael Gallagher, ICMA - CM County Manager



Corey Needham, P.E.Assistant County Manager



John CaldwellCounty Attorney



Lea County

Management

Chip Low, CPA CGMAFinance Director



Craig Bova Human Resources Director



Angela Martinez
LCCA Director



Lorenzo Velasquez Emergency Management & Environmental Services Director



Ruben Quintana LCDC Warden



Edmundo Lara Interim Facilities Director



Kelly Ford DWI & Misdemeanor Compliance Director

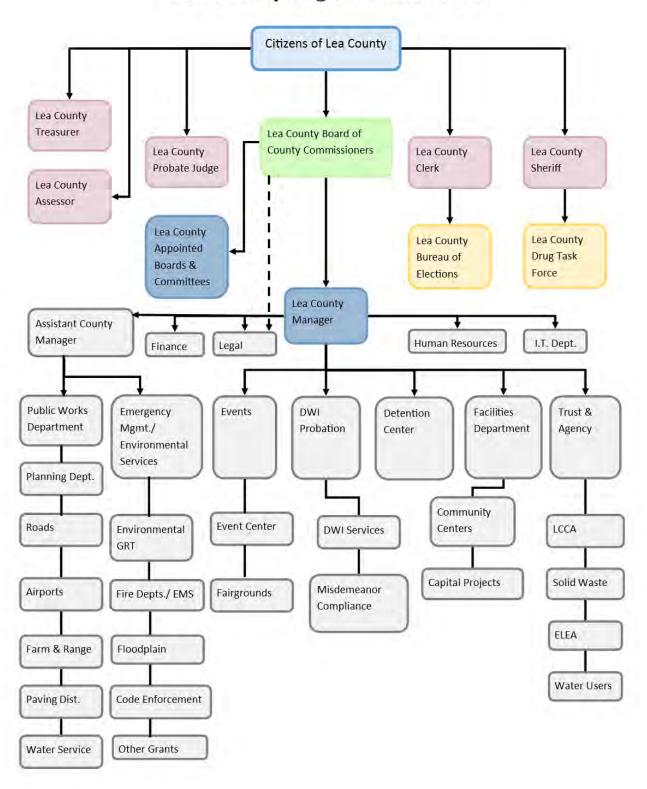


The original settlers of this area would find it hard to believe that Lea County has become so populated and plays a vital role in the production of some of the nation's energy resources.

leacounty.net/p/open-government/about



Lea County Organization Chart





Although the oil industry is highly cyclical and subject to wide swings it is the main driver for economic activity in the region. When oil prices are strong the area is "booming" and when they collapse it is a "bust". Retail, food service, hospitality, construction, etc. are all dependent upon the activity in the oil industry.







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Independent Auditors' Report

To Brian S. Colón, Esq. New Mexico State Auditor

The County Commission Lea County

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information and the budgetary comparisons for the general fund and major special revenue funds of Lea County, New Mexico (the "County") as of and for the year ended June 30, 2020, 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

The County's 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 misstatement, whether due to fraud or error.

Auditor's 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 the County, as of June 30, 2020, 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 24-31 and the Schedules of the County's Proportionate Share of the Net Pension Liability and Net OPEB Liability, and Schedules of County Contributions on pages 96 - 101 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and the other schedules required by 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards and the other schedules required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and the schedules required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, the statistical section, and the other disclosures have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2020 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 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.

Pattillo, Brown & Hill, L.L.P. Albuquerque, New Mexico

Pattillo, Brown & Hill, LSP

December 1, 2020



Discussion and Analysis



As management of Lea County, we offer readers of Lea County's financial statements this narrative overview and analysis of the financial activities of Lea County for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at the beginning of this report.

Financial Highlights

- The assets and deferred outflows of Lea County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$307,608,594 (net position). Of this amount, \$47,463,545 was reported as unrestricted net position.
- Total net position increased by \$37,574,847 due the increase in revenue generated from increased activity in the oil and gas industry. The County has a history of conservative budgeting which recognizes the volatility of oil and gas revenue and the need for strong cash reserves.
- The County Commission approved a resolution in December 2019 to retire all outstanding revenue bond debt. The debt was retired in December and the total cost of retirement was \$4,980,114 plus accrued interest.
- As of the close of the current fiscal year, Lea County's governmental funds reported combined ending fund balances of \$124,896,734, increasing \$22,446,250 from the prior year. Approximately 76.0% of this total fund balance amount, \$94,925,623, is available for spending at the government's discretion (*unrestricted fund balance*).
- At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$94,925,623, or more than 3x total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Lea County's basic financial statements. Lea County's basic financial statements consist of three components: 1.) government-wide financial statements, 2.) fund financial statements, and 3.) notes to the financial statements. This report also contains required and 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 Lea County's finances, in a manner similar to the private-sector business. These statements consist of the statement of net position and the statement of activities.

The Statement of Net Position presents information on all of Lea County's assets, deferred outflows, liabilities and deferred inflows, with the difference between the two reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of Lea County is improving or deteriorating.

The Statement of Activities presents information showing how the County'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 and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Lea 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 through user fees and charges (*business-type activities*). The governmental activities of Lea County include general government, public safety, public works, health and welfare, culture and recreation, and environmental. Lea County has no business-type activities at this time.

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. Lea 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 Lea County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. The County has one proprietary 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*.

Lea County maintains 48 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Road Fund, Detention Facility Fund, Lea Regional Airport Fund, Lea County Fairgrounds Fund and Capital Projects Fund, all of which are considered to be major funds. Governmental fund balances are classified as *non-spendable*, *restricted*, *committed*, *assigned*, and *unassigned*. Data from the remaining 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.

Lea County adopts an annual appropriated budget for all of its governmental funds. Budgetary comparison statements have been provided for the governmental funds to demonstrate budget compliance.

Proprietary Funds

Proprietary funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among various functions. Lea County had one proprietary funds at the end of the current fiscal year.

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 Lea County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Lea County uses a fiduciary fund mainly to distribute property taxes, including oil and gas equipment and production taxes, collected on behalf of municipalities, schools, college, and conservancy/irrigation/water districts.

Notes to the Financial Statements

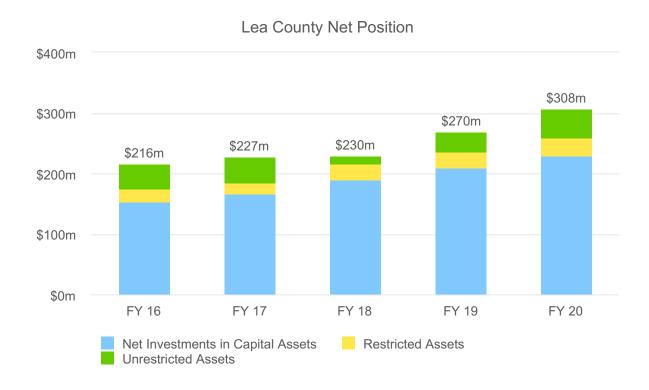
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules that further support the information in the financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Lea County, total assets and deferred outflows exceeded liabilities and deferred inflows by \$129,698,670 at the close of the most current fiscal year. Below is a chart indicating the net position changes over the last five fiscal years.



In FY20, 75% of Lea County's net position reflects its investment in capital assets (e.g. land, buildings, machinery, equipment, and infrastructure) less any related debt used to acquire those assets that is still outstanding (net of unspent proceeds). Lea County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The amount over the net position is due to the required reporting of the County's proportion of net pension and OPEB liabilities totaling \$50.2 million at June 30, 2020. Although Lea 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.

Lea County's Net Position

Governmental Activities

| | FY 20 | FY 19 |
|-------------------------------------|---------------|---------------|
| Cash & Cash Equivalents | \$107,226,896 | \$78,426,390 |
| Investments | \$17,806,897 | 19,494,122 |
| Receivables | \$4,039,288 | 8,256,978 |
| Capital Assets | \$230,173,938 | 214,735,508 |
| Total Assets | \$359,247,019 | 320,912,998 |
| Deferred Outflows - Pension Related | \$8,599,634 | 10,973,873 |
| Deferred Outflows - OPEB Related | \$2,845,206 | 635,009 |
| Total Deferred Outflows | \$11,444,840 | 11,608,882 |
| Current Liabilities | \$3,414,396 | 3,836,652 |
| Long-term Liabilities | \$50,998,529 | 52,590,587 |
| Total Liabilities | \$54,412,925 | 56,427,239 |
| Deferred Inflows - Pension Related | \$1,006,707 | 2,054,706 |
| Deferred Inflows - OPEB Related | \$7,663,633 | 4,006,188 |
| Total Deferred Inflows | \$8,670,340 | 6,060,894 |
| Net Investment in Capital Assets | 230,173,938 | 209,860,508 |
| Restricted Assets | 29,971,111 | 26,154,219 |
| Unrestricted Assets | 47,463,545 | 34,019,020 |
| Total Net Position | \$307,608,594 | \$270,033,747 |

An additional portion of Lea County's net position, \$29,971,111, represents resources that are subject to external restrictions on how they may be used (*restricted net position*). The remaining balance of \$47,463,545 represents *unrestricted net position*.

Net position increased by \$37,574,847 representing a 13.91% increase from the prior fiscal year. That is in line with the 17% increase over last years increase of \$39,985,559. This is reflective of the County's commitment to conservative management.

Governmental activities

The following table provides a summary of the County's operations for the year ended June 30, 2020.

Lea County's Changes in Net Position

Governmental Activities

| | FY 20 | FY 19 |
|-------------------------------------|---------------|---------------|
| Revenues: | | |
| Program Revenues | | |
| Charges for Services | \$3,976,086 | \$4,887,069 |
| Operating Grants & Contributions | 5,883,342 | 5,315,545 |
| Capital Grants & Contributions | 1,732,322 | 425,880 |
| General Revenues | | |
| Property Taxes | 21,546,626 | 18,634,296 |
| Oil & Gas Taxes | 56,997,759 | 48,706,163 |
| Gross Receipts Taxes | 23,048,517 | 22,534,132 |
| Gas/Motor Vehicle Taxes | 263,467 | 369,900 |
| Sale of Capital Assets | _ | 0 |
| Payments in Lieu of Taxes | 3,026,191 | 4,056,216 |
| Investment Earning | 1,508,323 | 1,947,898 |
| Miscellaneous | 670,110 | 756,098 |
| Business Type Activities | | |
| Total Revenues | 118,652,743 | 107,633,197 |
| Expenses: | | |
| General Government | 25,135,132 | 18,712,334 |
| Public Safety | 30,084,368 | 25,235,684 |
| Culture & Recreation | 3,397,402 | 3,349,472 |
| Health & Welfare | 14,520,642 | 10,911,550 |
| Public Works | 7,787,998 | 8,514,005 |
| Capital Outlay | | 792,526 |
| Interest Relating To Long-Term Debt | 150,424 | 120,481 |
| Business Type Activities | 1,930 | 11,586 |
| Total Expenses | 81,077,896 | 67,647,638 |
| Change in Net Position | 37,574,847 | 39,985,559 |
| Net Position Beginning | 270,033,747 | 230,048,188 |
| Net Position Ending | \$307,608,594 | \$270,033,747 |

Governmental activities increased Lea County's net position by \$37,574,847. Key elements of this increase are as follows:

Revenues: Revenues in FY20 increased from FY19 by 10.2%.

- Property taxes increased by 15.62% to \$21,545,626. This is due to increased property values and more investment by oil and gas producers in facilities.
- Oil & Gas Production and Equipment Tax revenue increased by 17.0% to \$56,997,759. This is due to the increase in oil & gas production that resulted in Lea County becoming the #1 oil producing county in the nation.
- Gross Receipts Tax Revenue continued to be strong with a 2.2% increase from the prior to \$23,048,517. The main driver for gross receipt taxes in Lea County is the rig count and it has remained stable over the past two years.
- Payments in Lieu of Taxes (PILT) PILTS's are composed of two types, federal and local. The federal government owns approximately 31% of the land in Lea County and has agreed to pay an annual PILT. The other type of PILT comprises payments due from companies that have agreed to a payment in lieu of taxes in order to invest in Lea County. The 25% decrease in PILT's from the prior year to \$3,026,191 is due to one of the companies protesting the amount of PILT due.
- Other revenues decreased by \$525,563. This is mainly due to a lower investment income due to lower interest rates.

Due to Lea County's diversified revenue sources through gross receipts taxes, property taxes, and oil and gas equipment and production taxes, revenues overall remained sufficient to operate the FY20 budget.

Expenses: Expenses increased by 19.8% from the prior fiscal year.

- The County strives to remain competitive amongst local employers and across the region in regards to wage and benefit costs. Salary studies are performed annually, and adjustments are made where necessary to fulfill this goal. Lea County recognizes the need to retain the current workforce, so the Commission approved a 3% merit increase for all County employees who were eligible along with a 2% COLA. The County also added 13 new positions which included 10 more Deputies for the Sheriff's Department. This resulted in direct payroll cost increasing by \$4.5 million. Additional benefit related costs were also associated with the increase.
- There were no increases in premiums and no changes to the County health insurance plan for FY20.
- The General Government expenses increased by \$6.4 million from FY19. Of that increase, the County paid out \$4.98 million to retire all outstanding debt.
- Public Safety expenses increased due to the addition of 10 new Deputies and the increased costs associated with the activity in the oil industry.
- Lea County is required to remit 116% of Indigent Gross Receipts taxes received in the prior year. This resulted in the increase in Health and Welfare expenditures rising by 33% or \$3,609,092.

Financial Analysis of the Government's Funds

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

Governmental Funds

The focus of Lea County's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing Lea County's financing requirements. In particular, unrestricted fund balance (consisting of committed, assigned, and unassigned balances) 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, Lea County's governmental funds reported combined ending fund balances of \$124,896,734 an increase of \$22,446,250 in comparison with the prior fiscal year's fund balance. The increase is attributable to increased revenue from activity in the oil and gas industry and the increase in oil production. Additionally, due to the volatility in the oil and gas industry and the potential for sudden price drops, the County is very conservative when budgeting and works to maintain substantial reserves.

Approximately 76.0% of this total amount, or \$94,925,623 constitutes unrestricted fund balance which is available for spending at the government's discretion. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been restricted for the following purposes: General Fund (\$9,029,359), Road (\$1,363,439), and other purposes (\$19,578,313). A detailed listing of governmental fund balances by classification in accordance with GASB 54 can be found in Note 1 – Summary of Significant Accounting Policies.

The General Fund is the chief operating fund of Lea County. At the end of the current fiscal year, unrestricted fund balance of the General Fund was \$94,925,623, while total fund balance reached \$103,954,982. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures. Unrestricted fund balance represents more than 3 times the total of General Fund expenditures.

The fund balance of the General Fund increased by \$18,629,358, primarily due to the increase in revenue associated with the oil and gas industry.

Major Funds

Other key governmental-type funds (major funds), other than the General Fund, include the Road Fund, Detention Fund, the Lea Regional Airport Fund, the Lea County Fairgrounds Fund and the Capital Projects Fund.

The **Road Fund** accounts for all of the revenues and expenditures of the County Road Department. Lea County maintains over 1,200 miles of roadways of which approximately 50% is paved. The County receives funding from the state to help offset the costs of road maintenance. During FY 20, Lea County invested more than \$4.6 million in reconstructing roads throughout the County.

The **Lea County Detention Center** houses detainees being held for court appearances or serving short term sentences. Lea County also has agreements with other Counties to provide housing for prisoners as needed on a per diem basis. The Detention Center has an agreement with the federal government to house federal inmates on a temporary basis with a per diem basis. During the FY 20 fiscal year, the Detention Center had an operating deficit of \$8,805,934 that was covered by transfers from the General Fund.

The **Lea County Fairgrounds** is multi-purpose year round facility which strives to meet the educational and entertainment needs of Lea County residents. The County sponsors the annual Lea County Fair & Rodeo which is recognized as one of the premier events in the southwest. The County expended over \$3.5 million in capital improvements during FY 20. This included a new General Services Building and upgrades to restrooms and other facilities.

The **Lea Regional Airport Fund** is used to account for the revenue and expenses of operating the airport. Lea Regional currently has an agreement with United Airlines through the Lea County EDC to provide commercial air service to Lea County. The airport receives funding from the state and the FAA to make improvements. Typically, those grants pay in excess of 90% of the cost of construction. During FY 20, Lea County constructed an addition to the terminal that adds additional seating and gates. The County also reconstructed the apron area around the terminal and did various upgrade to the runways and taxiways. Total capital improvements for FY 20 was \$7,776,838, of which \$2,234,982 was provided through state and federal grant. The terminal projection is wholly paid for by Lea County with cash reserves.

The **Capital Projects Fund** is used to budget for capital equipment and projects that are paid for by the County using County funds. The majority of the \$5.9 million expended in FY 20 was for the completion of the new judicial complex. The total cost of the project is in excess of \$32 million.

General Fund Budgetary Highlights

During the fiscal year, the County Commission approved adjustments to the County's budget. The Finance Department strives to complete budget adjustments on an as needed basis to help keep the budget up-to-date and maintain services to the County. The General Fund's final amended revenue estimates were \$4,085,455 more than the original estimates and the expenditure budget was \$4,251,997 more than the original expenditure budget. The main budgetary highlights can be summarized as follows:

- The General Fund received more revenues from property taxes (mainly oil & gas taxes) than was originally budgeted due to increased oil production in the County. The amount received in excess of the budget was \$17,039,732.
- General Fund expenditures were \$8,513,877 less than budgeted. Due to the level of activity and pay in the oil industry, the County has trouble maintaining full staffing levels. The County typically only expends about 90% of budgeted payroll. The Commission also budgets funding for projects with other local governments that may not come to fruition in the current year.
- The Road Fund saw actual expenditures under budget by \$6.4 million primarily due to delays in getting several large projects started.

Capital Asset and Debt Administration

Capital Assets

Lea County's investment in capital assets for its governmental activities as of June 30, 2020 amounts to \$230,173,938 (net of accumulated depreciation) as compared to \$209,860,508 in the prior fiscal year. This investment in capital assets includes land, buildings and improvements, machinery and equipment, roads, bridges and construction in progress.

Major capital asset events during the current fiscal year included the following:

- Reconstruction project on a portion of Orla Road at a cost of \$1,330,860.
- Reconstruction project on a portion of Legion Road at a cost of \$1,104,446
- Construction of a new south parking lot at the Fairgrounds at a cost of \$2,046,609.
- A new booster pump at the Detention Center at a cost of \$421,107.
- 37 new vehicles were purchased for the County costing \$2,544,570.
- Construction started on the new Lea Regional Airport Terminal. Approximately \$6.0 million spent to date.

Lea County's Capital Assets (net of depreciation) Governmental Activities

| | FY 20 | FY 19 |
|-----------------------|---------------|---------------|
| Buildings | \$50,248,955 | \$51,786,409 |
| Infrastructure | 94,811,264 | 90,792,684 |
| Land | 9,519,443 | 9,519,443 |
| Machinery & Equipment | 5,302,395 | 4,531,661 |
| Other Improvements | 5,105,698 | 5,424,346 |
| Vehicles | 6,839,651 | 5,761,400 |
| Water Rights | 575,000 | 575,000 |
| Total | \$172,402,406 | \$207,056,316 |

Long-Term Debt

At the end of the current fiscal year, Lea County had retired all outstanding debt.

More information concerning outstanding debt and these transactions can be found in Note11.

Lea County's Outstanding Debt Governmental Activities

| | FY 20 | FY 19 |
|-------------------|--------|-------------|
| GRT Revenue Bonds | \$0.00 | \$4,875,000 |

Credit Ratings

At the time of retirement, Lea County's Series 2013 Refunding Bonds were rated A1 by Moody's.

Debt Limitations

New Mexico state statutes limit the amount a county may issue in general obligations bonds to 4% of the total assessed value of the property within the county. Lea County's total assessed value at the close of the current fiscal year was \$6,828,204,042. Thus, Lea County's legal debt limit is \$273.13 million. Lea County had no general obligations bonds outstanding at the close of the current fiscal year.

Economic Factors and Next Year's Budget and Tax Rates

- The COVID-19 pandemic along with the subsequent crash in oil prices forced Lea County to substantially reduce revenue estimates for the FY 21 budget year. This in turn forced the County to cut expenditures and freeze all open positions (36 total). The overall volatility of the oil industry forces Lea County to take a very conservative approach to budgeting and long-term planning.
- The implemented property tax rate continues to be \$10.60 per thousand dollars of valuation. .

- The sales tax rate from July 1, 2019 to June 30, 2020 remained at 5.50%. Lea County shares the lowest rate of any County in the state with one other County.
- Oil and gas revenues were budgeted at an estimated 70.28% decrease from the prior year's actual receipts. While the FY20 revenues were significantly higher than what was expected, the County budgeted FY21 very conservatively due to the oil price crash and sudden fall in production.
- In FY21 the County Commission did not provide any merit raises and froze 36 open position until the economic situation improves..
- The County Commission did not make any changes to the health insurance plan for FY21. Premiums are paid 95% by the County and 5% by the employee. There was a budgeted increase of 4% for FY 21.
- All of these factors were considered in preparing Lea County's operating budget for the 2020 fiscal year as well as planning for the FY21 budget process.

Requests for information

This financial report is designed to provide a general overview of Lea 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 Lea County Finance Director, 100 N. Main Ave., Lovington, NM 88240.



Lea County is located in the southeastern corner of New Mexico.

Situated at an average elevation of 4,000 feet above sea level, Lea County is characterized most often by its flat topography.

The County covers 4,393 square miles or approximately 2,822,522 acres.



STATE OF NEW MEXICO LEA COUNTY STATEMENT OF NET POSITION June 30, 2020

| | | Pr | imary Government | |
|--|----|--------------|------------------|-------------|
| | • | Governmental | Business-type | |
| | | Activities | Activities | Total |
| ASSETS | | | | |
| Current: | | | | |
| Cash and cash equivalents | \$ | 106,884,400 | 342,496 | 107,226,896 |
| Investments | | 17,806,897 | - | 17,806,897 |
| Property tax receivables | | 823,761 | - | 823,761 |
| Due from other governments | | 3,112,224 | - | 3,112,224 |
| Other receivables | • | 103,303 | | 103,303 |
| Total current assets | | 128,730,585 | 342,496 | 129,073,081 |
| Noncurrent assets: | | | | |
| Capital assets, net accumulated depreciation | | 227,250,929 | 2,923,009 | 230,173,938 |
| Total noncurrent assets | | 227,250,929 | 2,923,009 | 230,173,938 |
| Total assets | | 355,981,514 | 3,265,505 | 359,247,019 |
| DEFERRED OUTFLOWS | | | | |
| Pension related | | 8,599,634 | - | 8,599,634 |
| OPEB related | • | 2,845,206 | | 2,845,206 |
| Total deferred outflows | | 11,444,840 | | 11,444,840 |
| Total assets and deferred outflows | \$ | 367,426,354 | 3,265,505 | 370,691,859 |

STATE OF NEW MEXICO LEA COUNTY STATEMENT OF NET POSITION June 30, 2020

| | Primary Government | | | |
|---|--------------------|---------------|-------------|--|
| | Governmental | Business-type | | |
| | Activities | Activities | Total | |
| LIABILITIES | | | | |
| Current liabilities: | | | | |
| Accounts payable | 2,687,775 | 1,305 | 2,689,080 | |
| Accrued payroll liabilities | 475,693 | - | 475,693 | |
| Interest payable | - | | - | |
| Debt due within one year | - | - | - | |
| Current portion of compensated absences | 249,623 | | 249,623 | |
| Total current liabilities | 3,413,091 | 1,305 | 3,414,396 | |
| Noncurrent liabilities: | | | | |
| Debt due in more than more one year | - | - | - | |
| Long term portion of compensated absences | 748,871 | - | 748,871 | |
| Net pension liability | 37,120,253 | - | 37,120,253 | |
| Net OPEB liability | 13,129,405 | | 13,129,405 | |
| Total noncurrent liabilities | 50,998,529 | | 50,998,529 | |
| Total liabilities | 54,411,620 | 1,305 | 54,412,925 | |
| DEFERRED INFLOWS | | | | |
| Pension related | 1,006,707 | - | 1,006,707 | |
| OBEP related | 7,663,633 | | 7,663,633 | |
| Total deferred inflows | 8,670,340 | | 8,670,340 | |
| NET POSITION | | | | |
| Net investment in capital assets | 227,250,929 | 2,923,009 | 230,173,938 | |
| Restricted for: | | | | |
| Special revenues | 24,533,338 | - | 24,533,338 | |
| Debt Service | 5,437,773 | - | 5,437,773 | |
| Unrestricted | 47,122,354 | 341,191 | 47,463,545 | |
| Total net position | 304,344,394 | 3,264,200 | 307,608,594 | |
| Total liabilities, deferred inflows, and net position | 367,426,354 | 3,265,505 | 370,691,859 | |

STATE OF NEW MEXICO LEA COUNTY STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2020

| | | | Program Revenues | | | |
|-------------------------------------|------|------------|------------------|-------------------------|-----------------------|--|
| | | | Charges for | Operating Grants and | Capital Grants and | |
| Functions/Programs | _ | Expenses | Services | Contributions | Contributions | |
| Primary government: | | | | | | |
| Governmental activities: | | | | | | |
| General government | \$ | 25,135,132 | 2,154,996 | 610,341 | - | |
| Public safety | | 30,084,368 | 1,449,685 | 2,483,686 | - | |
| Culture and recreation | | 3,397,402 | 185,369 | - | - | |
| Health and welfare | | 14,520,642 | - | - | - | |
| Public works | | 7,787,998 | 186,036 | 2,789,315 | 1,732,322 | |
| Capital Outlay | | - | - | - | - | |
| Interest relating to long-term debt | _ | 150,424 | | - | | |
| Total Governmental Activities | _ | 81,075,966 | 3,976,086 | 5,883,342 | 1,732,322 | |
| Business-type Activities: | | | | | | |
| Water service proprietary fund | _ | 1,930 | | | | |
| Total Business-type Activities | _ | 1,930 | | - | | |
| | \$ _ | 81,077,896 | 3,976,086 | 5,883,342 | 1,732,322 | |

General Revenues:

Property taxes
Payment in lieu of taxes
Investment earnings
Miscellaneous

Total general revenues

Change in net position

Net position - beginning as previously stated

Net position - ending

Net (Expenses) Revenues and Changes in Net Position Primary Government

| | Governmental | Business-type | |
|----|--------------|---------------|--------------|
| _ | Activities | Activities | Total |
| | | | |
| | (22,369,795) | - | (22,369,795) |
| | (26,150,997) | - | (26,150,997) |
| | (3,212,033) | - | (3,212,033) |
| | (14,520,642) | - | (14,520,642) |
| | (3,080,325) | - | (3,080,325) |
| | - | - | - |
| _ | (150,424) | | (150,424) |
| _ | (69,484,216) | <u>-</u> | (69,484,216) |
| | | | |
| _ | - | (1,930) | (1,930) |
| _ | _ | (1,930) | (1,930) |
| | (69,484,216) | (1,930) | (69,486,146) |
| | | | |
| | 101,555,009 | - | 101,555,009 |
| | 3,026,191 | - | 3,026,191 |
| | 1,508,323 | - | 1,508,323 |
| _ | 971,470 | | 971,470 |
| _ | 107,060,993 | | 107,060,993 |
| | 37,576,777 | (1,930) | 37,574,847 |
| _ | 266,767,617 | 3,266,130 | 270,033,747 |
| \$ | 304,344,394 | 3,264,200 | 307,608,594 |

STATE OF NEW MEXICO LEA COUNTY BALANCE SHEET GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2020

| | | General | | Detention |
|--------------------------------------|-------------|-------------|----------------|-----------|
| | | Fund | Road | Facility |
| | | 401 | 402 | 418 |
| ASSETS | | | | |
| Current: | | | | |
| Cash and temporary investments | \$ | 85,791,377 | 1,346,176 | 504,804 |
| Investments | | 17,706,752 | - | - |
| Receivables | | | | |
| Property taxes receivable | | 823,761 | - | - |
| Receivable from other governments | | 1,038,919 | 90,694 | 58,380 |
| Other receivables | _ | 91,515 | <u> </u> | 3,003 |
| Total current assets | \$ _ | 105,452,324 | 1,436,870 | 566,187 |
| LIABILITIES AND FUND BALANCE | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ | 540,963 | 40,500 | 234,036 |
| Accrued payroll liabilities | | 285,996 | 32,931 | 108,841 |
| Interest payable | | - | - | - |
| Unearned revenues | _ | <u> </u> | <u> </u> | - |
| Total current liabilities | _ | 826,959 | 73,431 | 342,877 |
| DEFERRED INFLOWS | | | | |
| Unavailable revenue | | 670,383 | <u> </u> | |
| Total deferred inflows | _ | 670,383 | | |
| FUND BALANCE (DEFICIT) | | | | |
| Nonspendable: | | | | |
| Restricted | | 9,029,359 | 1,363,439 | 223,310 |
| Unassigned | _ | 94,925,623 | - - | |
| Total fund balance (deficit) | _ | 103,954,982 | 1,363,439 | 223,310 |
| Total liabilities, deferred inflows, | | | | |
| and fund balance (deficit) | \$ _ | 105,452,324 | 1,436,870 | 566,187 |

| Lea Region Airport | Lea County Fairgrounds | Capital Projects | Nonmajor Governmental | Total Governmental |
|-----------------------|---------------------------|---------------------|--------------------------|-----------------------|
| 454 | 460 | 430 | Funds | Funds |
| | | | | |
| | | | | |
| 880,612 | 691,948 | 914,944 | 16,754,539 | 106,884,400 |
| - | - | - | 100,145 | 17,806,897 |
| _ | _ | _ | _ | 823,761 |
| 382,904 | - | - | 1,541,327 | 3,112,224 |
| <u> </u> | <u>-</u> | _ | 8,785 | 103,303 |
| 1,263,516 | 691,948 | 914,944 | 18,404,796 | 128,730,585 |
| | | | | |
| | | | | |
| | | | | |
| 801,855 | 543,892 | 159,615 | 366,914 | 2,687,775 |
| 2,008 | 6,542 | - | 39,375 | 475,693 |
| - | - | - | - | - |
| | | <u>-</u> | | |
| 803,863 | 550,434 | 159,615 | 406,289 | 3,163,468 |
| | | | | |
| | | | | 670,383 |
| - | - | - | - | 670,383 |
| | | | | |
| | | | | |
| 459,653 | 141,514 | 755,329 | 17,998,507 | 29,971,111 |
| | <u> </u> | | | 94,925,623 |
| 459,653 | 141,514 | 755,329 | 17,998,507 | 124,896,734 |
| <u> </u> | | • | | |
| 1,263,516 | 691,948 | 914,944 | 18,404,796 | 128,730,585 |
| =,===,=== | ==,= :0 | | ==, := :,: • • | ===,:==,== |



The Hobbs area exhibits a truly multicultural heritage: Native American legacy, cowboy legend, farming traditions and Hispanic culture. With their agricultural roots and pioneer spirits, Lea County residents are surrounded by folklore and Western mythology, all enshrined in its museums and libraries.



STATE OF NEW MEXICO LEA COUNTY GOVERNMENTAL FUNDS RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION FOR THE YEAR ENDED JUNE 30, 2020

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

| Fund balances - total governmental funds | \$ 124,896,734 |
|--|-------------------|
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 227,250,929 |
| Defined benefit pension and OPEB plan deferred outflows are not financial resources and, therefore, are not reported in the funds. | 11,444,840 |
| Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds: | |
| Property taxes | 670,383 |
| Long-term liabilities, are not due in the current period and, therefore, are not reported in the funds | |
| Net pension liability | (37,120,253) |
| Net OPEB liability | (13,129,405) |
| Bond payable | - |
| Interest payable | - |
| Compensated absences | (998,494) |
| Defined benefit pension and OPEB plan deferred inflows are not due and | |
| payable in the current period and, therefore, are not reported in the funds. | (8,670,340) |
| Total net position | \$ 304,344,394 |

STATE OF NEW MEXICO
LEA COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

| | _ | General Fund 401 | Road 402 | Detention Facility 418 |
|--|--------------|------------------------|-------------|------------------------------|
| Revenues: | | | | |
| Property, sales, and miscellaneous | | | | |
| taxes | \$ | 78,390,770 | - | - |
| Payment in lieu of taxes | | 3,026,191 | - | - |
| Licenses and permits | | 70,673 | - | - |
| Intergovernmental: | | | | |
| Federal | | 22,582 | - | - |
| State | | 587,759 | 1,462,076 | 100,000 |
| Charges for services | | 801,819 | - | 1,310,439 |
| Investment earnings | | 1,495,937 | - | - |
| Miscellaneous | _ | 672,293 | 12,212 | 619 |
| Total revenues | - | 85,068,024 | 1,474,288 | 1,411,058 |
| Expenditures: | | | | |
| Current | | | | |
| General government | | 19,208,968 | - | - |
| Public safety | | 11,906,993 | - | 9,726,715 |
| Culture and recreation | | - | - | - |
| Health and welfare | | - | - | - |
| Public works | | - | 3,439,534 | - |
| Capital outlay | | - | 6,182,245 | 490,277 |
| Debt service | | | | |
| Principal | | - | - | - |
| Interest | | - | - | - |
| Total expenditures | - | 31,115,961 | 9,621,779 | 10,216,992 |
| Excess (deficiency) of revenues | | | | |
| over expenditures | _ | 53,952,063 | (8,147,491) | (8,805,934) |
| Other financing sources (uses): | | | | |
| Transfers in | | _ | 8,675,000 | 8,250,000 |
| Transfers out | | (35,322,705) | - | - |
| Total other financing sources (uses) | _ | (35,322,705) | 8,675,000 | 8,250,000 |
| | _ | <u> </u> | | |
| Net change in fund balances | | 18,629,358 | 527,509 | (555,934) |
| Fund balances (deficit)- beginning of year | _ | 85,325,624 | 835,930 | 779,244 |
| Fund balances (deficit) - end of year | \$ | 103,954,982 | 1,363,439 | 223,310 |

| Lea Region Airport | Lea County Fairgrounds | Capital Projects | Nonmajor Governmental | Total Governmental |
|-----------------------|---------------------------|---------------------|--------------------------|-----------------------|
| 454 | 460 | 430 | Funds | Funds |
| | | _ | | |
| - | - | - | 23,048,517 | 101,439,287 |
| - | - | - | - | 3,026,191 |
| - | - | - | 109,158 | 179,831 |
| 1,444,110 | - | - | 1,419,660 | 2,886,352 |
| 790,872 | 218,378 | - | 1,570,227 | 4,729,312 |
| 186,036 | 797,039 | - | 880,753 | 3,976,086 |
| - | - | - | 12,386 | 1,508,323 |
| | 52,226 | | 202,788 | 940,138 |
| 2,421,018 | 1,067,643 | - | 27,243,489 | 118,685,520 |
| _ | _ | _ | 994,748 | 20,203,716 |
| _ | _ | _ | 3,561,096 | 25,194,804 |
| _ | 2,615,702 | _ | 763,519 | 3,379,221 |
| - | - | _ | 13,900,835 | 13,900,835 |
| 436,618 | - | - | 431,565 | 4,307,717 |
| 7,776,838 | 3,545,631 | 5,903,819 | 318,703 | 24,217,513 |
| .,, | 5,5 12,552 | 2,222,225 | 5=5,155 | _ ,,,,,== |
| - | - | - | 4,875,000 | 4,875,000 |
| - | - | - | 160,464 | 160,464 |
| 8,213,456 | 6,161,333 | 5,903,819 | 25,005,930 | 96,239,270 |
| | | | | |
| (5,792,438) | (5,093,690) | (5,903,819) | 2,237,559 | 22,446,250 |
| | | | | |
| 6,000,000 | 4,877,047 | 6,000,000 | 1,520,658 | 35,322,705 |
| - | - | - | - | (35,322,705) |
| 6,000,000 | 4,877,047 | 6,000,000 | 1,520,658 | - |
| | | | | |
| 207,562 | (216,643) | 96,181 | 3,758,217 | 22,446,250 |
| 252,091 | 358,157 | 659,148 | 14,240,290 | 102,450,484 |
| 459,653 | 141,514 | 755,329 | 17,998,507 | 124,896,734 |
| | | | | |



Due to the volatility in the oil and gas industry and the potential for sudden price drops, the County is very conservative when budgeting and works to maintain substantial reserves.

STATE OF NEW MEXICO LEA COUNTY RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2020

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

| Ne | et change in fund balances - total governmental funds | \$ | 22,446,250 |
|----|---|----|---------------------------|
| | et pension expense et OBEP expense | | (6,127,999) 928,276 |
| Go | overnmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense: | | |
| | Capital expenditures Depreciation expense | | 24,217,121 (7,640,461) |
| | Loss on disposal of capital assets | | (1,138,230) |
| Re | evenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds: | | |
| | Change in unearned revenue related to the property taxes receivable | | 115,722 |
| | Increase in accrued compensated absences | | (108,942) |
| | Principal payments on notes | _ | 4,885,040 |
| | | | |
| | Change in net position | \$ | 37,576,777 |

STATE OF NEW MEXICO LEA COUNTY GENERAL FUND (401) STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | Budgeted | Amounts | A =+=1 | Variance with Final Budget- |
|--|-------------------|-------------|-------------------|-----------------------------|
| | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | 0118.1141 | | 7111041115 | (itegative) |
| Property, sales, and miscellaneous | | | | |
| taxes | \$ 54,968,529 | 61,351,038 | 82,018,720 | 20,667,682 |
| Payment in lieu of taxes | 3,600,000 | 3,600,000 | 3,026,191 | (573,809) |
| Licenses and permits Intergovernmental: | 150,250 | 150,250 | 70,673 | (79,577) |
| Federal | - | - | 22,582 | 22,582 |
| State and local | 250,000 | 250,000 | 587,759 | 337,759 |
| Charges for services | 832,000 | 832,000 | 801,819 | (30,181) |
| Investment earnings | 1,050,025 | 1,050,025 | 1,495,937 | 445,912 |
| Miscellaneous | 275,000 | 389,437 | 672,293 | 282,856 |
| Total revenues | 61,125,804 | 67,622,750 | 88,695,974 | 21,073,224 |
| Expenditures | | | | |
| Corrent | 22 220 424 | 25 075 446 | 10 224 442 | 6 644 024 |
| General government | 22,329,434 | 25,975,446 | 19,334,412 | 6,641,034 |
| Public safety | 13,345,620 | 13,654,392 | 11,906,993 | 1,747,399 |
| Total expenditures | 35,675,054 | 39,629,838 | 31,241,405 | 8,388,433 |
| Excess (deficiency) of revenues | | | | |
| over expenditures | 25,450,750 | 27,992,912 | 57,454,569 | 29,461,657 |
| Other financing sources (uses): Transfers in | | | | |
| Transfers out | 95,710,204 | 95,501,464 | - (35,322,705) | (130,824,169) |
| Transfers out | 33,7 10,20 1 | 33,301,101 | (33)322), 33) | (130,02 1,103) |
| Total other financing sources (uses) | 95,710,204 | 95,501,464 | (35,322,705) | (130,824,169) |
| Net changes in fund balances | \$ 121,160,954 | 123,494,376 | 22,131,864 | (101,362,512) |
| Reconciliation to GAAP basis: | | | | |
| Adjustments to revenues | | | (3,627,950) | |
| Adjustments to expenditures | | | 125,444 | |
| Net Change in Fund Balances (GAAP Basis) | | (| 18,629,358 | |

STATE OF NEW MEXICO LEA COUNTY ROAD FUND (402) STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | _ | Budgeted A | mounts | | Variance with Final Budget- | |
|---|------|--------------|--------------|---------------------|--------------------------------|--|
| | _ | Original | Final | Actual Amounts | Positive (Negative) | |
| Revenues | | | | | | |
| Property, sales, and miscellaneous | | | | | | |
| taxes | \$ | - | - | - | - | |
| Intergovernmental | | | | | | |
| Federal | | - | - | - | - | |
| State | | 2,165,225 | 2,165,225 | 1,474,505 | (690,720) | |
| Miscellaneous | _ | | | 12,212 | 12,212 | |
| Total revenues | _ | 2,165,225 | 2,165,225 | 1,486,717 | (678,508) | |
| Expenditures | | | | | | |
| Current | | | | | | |
| Public works | | 5,213,116 | 5,213,306 | 3,770,564 | 1,442,742 | |
| Capital outlay | _ | 10,786,529 | 10,786,529 | 6,182,245 | 4,604,284 | |
| Total expenditures | _ | 15,999,645 | 15,999,835 | 9,952,809 | 6,047,026 | |
| Excess (deficiency) of revenues | | | | | | |
| over expenditures | _ | (13,834,420) | (13,834,610) | (8,466,092) | 5,368,518 | |
| Other financing sources (uses): | | | | | | |
| Transfers in | | 14,311,313 | 14,311,313 | 8,675,000 | (5,636,313) | |
| Transfers out | | <u>-</u> | <u>-</u> | - | | |
| Total other financing sources (uses) | _ | 14,311,313 | 14,311,313 | 8,675,000 | (5,636,313) | |
| Net changes in fund balances | \$ _ | 476,893 | 476,703 | 208,908 | (267,795) | |
| Reconciliation to GAAP basis: Adjustments to revenues Adjustments to expenditures | | | | (12,429) 331,030 | | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | 527,509 | | |

STATE OF NEW MEXICO LEA COUNTY DETENTION FACILITY - SPECIAL REVENUE FUND (418) STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | _ | Budgeted Amounts | | | Variance with Final Budget- |
|--|----|------------------|----------------|-------------------|-----------------------------|
| | | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | - | <u> </u> | | 7411041163 | (itegative) |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - |
| State | | 100,000 | 100,000 | 100,000 | - |
| Charges for services | | 2,156,212 | 2,156,212 | 1,419,249 | (736,963) |
| Miscellaneous | _ | | | 619 | 619 |
| Total revenues | - | 2,256,212 | 2,256,212 | 1,519,868 | (736,344) |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | <u>-</u> | <u>-</u> |
| Public safety | | 11,647,620 | 11,698,786 | 9,639,835 | 2,058,951 |
| Culture and recreation | | - | - | - | - |
| Health and welfare | | - | - | - | - |
| Public works Capital outlay | | - 2,954,875 | - 6,542,391 | - 490,277 | - 6,052,114 |
| Capital Outlay | - | 2,954,675 | 0,542,591 | 490,277 | 6,032,114 |
| Total expenditures | - | 14,602,495 | 18,241,177 | 10,130,112 | 8,111,065 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | | (12,346,283) | (15,984,965) | (8,610,244) | 7,374,721 |
| | - | | | | |
| Other financing sources (uses): | | | | | |
| Transfers in | | 15,327,220 | 15,327,220 | 8,250,000 | (7,077,220) |
| Transfers out | - | - | | | - |
| Total other financing sources (uses) | - | 15,327,220 | 15,327,220 | 8,250,000 | (7,077,220) |
| Prior year cash balance budgeted | - | 835,428 | 835,428 | | |
| Net changes in fund balances | \$ | 3,816,365 | 177,683 | (360,244) | (537,927) |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | (108,810) | |
| Adjustments to expenditures | | | | (86,880) | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | (555,934) | |

STATE OF NEW MEXICO LEA COUNTY LEA COUNTY AIRPORTS - SPECIAL REVENUE FUND (454) STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | _ | Budgeted Amounts | | Actual | Variance with Final Budget- Positive |
|--|----|------------------|-------------|-------------|--|
| | | Original | Final | Amounts | (Negative) |
| Revenues | _ | | | | |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Intergovernmental: | | 2 022 275 | 4 405 500 | 4 444 440 | (2.044.200) |
| Federal - | | 3,032,375 | 4,485,500 | 1,444,110 | (3,041,390) |
| State | | 3,484,063 | 3,484,063 | 649,378 | (2,834,685) |
| Charges for services | | 129,200 | 129,200 | 186,036 | 56,836 |
| Investment earnings | | - | - | - | - |
| Miscellaneous | _ | | <u>-</u> | | |
| Total revenues | _ | 6,645,638 | 8,098,763 | 2,279,524 | (5,819,239) |
| Expenditures | | | | | |
| Current | | | | | |
| Public works | | 630,754 | 671,734 | 436,618 | 235,116 |
| Capital outlay | _ | 13,329,446 | 14,829,446 | 6,993,678 | 7,835,768 |
| Total expenditures | _ | 13,960,200 | 15,501,180 | 7,430,296 | 8,070,884 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | _ | (7,314,562) | (7,402,417) | (5,150,772) | 2,251,645 |
| Other financing sources (uses): | | | | | |
| Transfers in | | 7,437,600 | 7,437,600 | 6,000,000 | (1,437,600) |
| Transfers out | _ | <u> </u> | <u>-</u> | | |
| Total other financing sources (uses) | _ | 7,437,600 | 7,437,600 | 6,000,000 | (1,437,600) |
| Prior year cash balance budgeted | _ | | | | |
| Net changes in fund balances | \$ | 123,038 | 35,183 | 849,228 | 814,045 |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | 141,494 | |
| Adjustments to expenditures | | | | (783,160) | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | 207,562 | |

STATE OF NEW MEXICO LEA COUNTY LEA COUNTY FAIRGROUNDS - SPECIAL REVENUE FUND (460) STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | | Budgeted Amounts | | | Variance with Final Budget- |
|--|------|------------------|-------------|-------------------|-----------------------------|
| | | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | _ | | | _ | |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - |
| State | | 233,330 | 233,330 | 218,378 | (14,952) |
| Charges for services | | 864,460 | 864,460 | 797,039 | (67,421) |
| Investment earnings | | - | - | - | - |
| Miscellaneous | | 90,500 | 90,500 | 52,226 | (38,274) |
| Total revenues | _ | 1,188,290 | 1,188,290 | 1,067,643 | (120,647) |
| Expenditures | | | | | |
| Current | | | | | |
| Culture and recreation | | 3,273,546 | 3,277,421 | 2,618,556 | 658,865 |
| Health and welfare | | - | - | - | - |
| Public works | | - | - | - | - |
| Capital outlay | _ | 2,557,000 | 4,832,342 | 3,545,631 | 1,286,711 |
| Total expenditures | _ | 5,830,546 | 8,109,763 | 6,164,187 | 1,945,576 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | _ | (4,642,256) | (6,921,473) | (5,096,544) | 1,824,929 |
| Other financing sources (uses): | | | | | |
| Transfers in | | 6,925,522 | 6,925,522 | 4,877,047 | (2,048,475) |
| Transfers out | _ | | <u> </u> | | |
| Total other financing sources (uses) | _ | 6,925,522 | 6,925,522 | 4,877,047 | (2,048,475) |
| Prior year cash balance budgeted | _ | 835,428 | 835,428 | | |
| Net changes in fund balances | \$ _ | 3,118,694 | 839,477 | (219,497) | (1,058,974) |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | - | |
| Adjustments to expenditures | | | - | 2,854 | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | (216,643) | |

STATE OF NEW MEXICO LEA COUNTY STATEMENT OF NET POSITION - PROPRIETARY FUND June 30, 2020

| | Water Service | |
|--|---------------|------------------|
| ACCETC | <u>Enter</u> | prise Fund (675) |
| ASSETS Current Assets | | |
| | . | 242.406 |
| Cash and cash equivalents | \$ | 342,496 |
| Total current assets | | 342,496 |
| Noncurrent Assets | | |
| Capital assets: | | |
| Land and improvements, not being depreciated | | 575,000 |
| Construction in progess, not being depreciated | | 2,348,009 |
| Total noncurrent assets | | 2,923,009 |
| Total assets | | 3,265,505 |
| LIABILITIES | | |
| Current Liabilities | | |
| Accounts payable | | 1,305 |
| Other liabilities | | |
| Total liabilities | | 1,305 |
| NET POSITION | | |
| Net investment in capital assets | | 2,923,009 |
| Unrestricted | | 341,191 |
| Total net position | \$ | 3,264,200 |

STATE OF NEW MEXICO LEA COUNTY STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS Year Ended June 30, 2020

| | | Water Service Enterprise Fund (675) | |
|--|----|--|--|
| Operating Revenues | | | |
| Charges for services | \$ | - | |
| Total operating revenues | | - | |
| Operating Expenses | | | |
| Operating expenses | | 1,930 | |
| Total operating expenses | | 1,930 | |
| (Loss) income before contributions and transfers | | (1,930) | |
| Transfers Transfers, out | | | |
| Change in net position | | (1,930) | |
| Net position, beginning of year | • | 3,266,130 | |
| Net position, end of year | \$ | 3,264,200 | |

STATE OF NEW MEXICO LEA COUNTY STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS Year Ended June 30, 2020

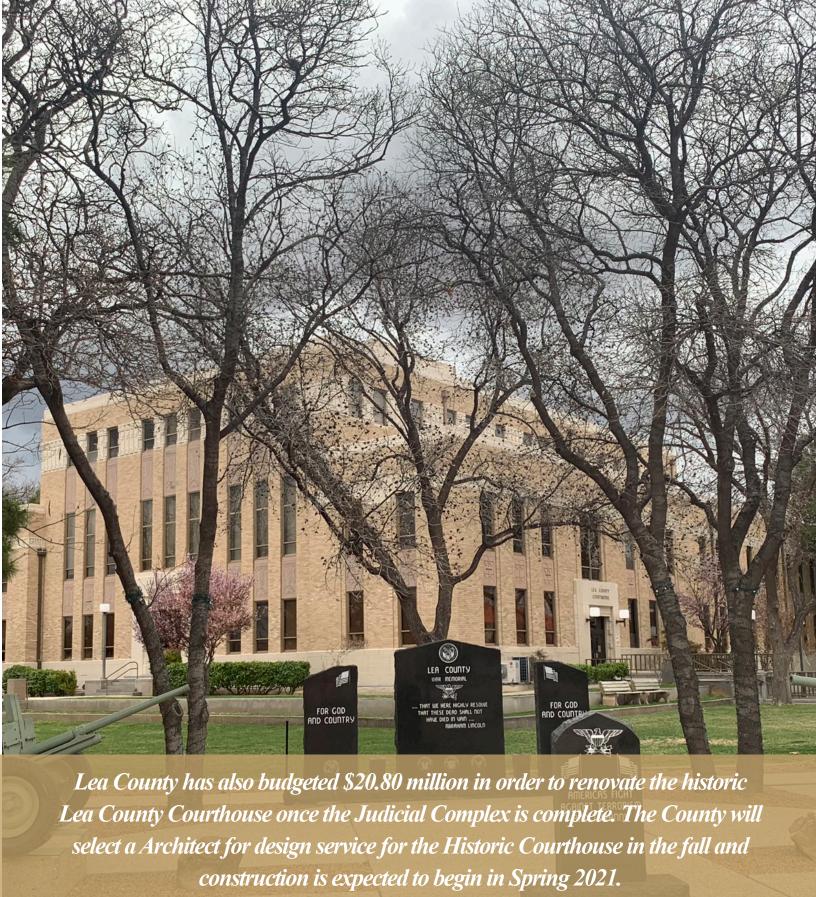
| | W | ater Service |
|---|--------|-----------------|
| | Enterp | rise Fund (675) |
| Cash Flows From Operating Activities | | |
| Cash received from customers and others | \$ | - |
| Cash paid for goods and services | | (625) |
| Net cash provided by operating activities | | (625) |
| Cash Flows From Non-Capital Financing | | |
| Activities Operating transfers, net | | |
| Net cash used by non-capital financing activities | | |
| Net (decrease) increase in cash and cash equivalents | | (625) |
| Cash and restricted cash and cash equivalents, beginning of year | | 343,121 |
| Cash and restricted cash and cash equivalents, end of year | \$ | 342,496 |
| Reconciliation of Operating (Loss) Income to Net Cash Provided by Operating Activities | | |
| Operating (loss) income Adjustments to operating (loss) income to net cash provided by operating activities: Change in assets and liabilities: Capital assets | \$ | (1,930) |
| Accounts payable | | 1,305 |
| Net cash provided by operating activities | \$ | (625) |



With the 157% increase in County oil production over the past three years peaking in March 2020 the County has seen General Fund revenue increase substantially. Then, the oil price crash occurred and oil production decreased 25% in two months along causing a 80% decrease in monthly revenue.



Lea County is nearing completion of a new Judicial Complex to house the New Mexico 5th Judicial District Courts. Construction started in January 2017 and is expected to be complete in early 2021. The County has expended \$37.84 million on the project to date and has budgeted \$5.0 million in the current year to finish the project.



STATE OF NEW MEXICO LEA COUNTY STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES AGENCY FUNDS YEAR ENDED JUNE 30, 2020

| ACCETC | _ | Balance June 30, 2020 |
|--|---------|--------------------------|
| ASSETS | | |
| Cash and cash equivalents Taxes receivable | \$ - | 20,973,656 2,762 |
| Total assets | \$ = | 20,976,418 |
| LIABILITIES | | |
| Deposits held in trust for others Future taxes collectible | \$ - | 20,973,656 2,762 |
| Total liabilities | \$_ | 20,976,418 |

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Lea County (the County), New Mexico was created in accordance with Section 40-3-1 NMSA 1978 Compilation on September 25, 1916. The powers of the County are exercised by an elected Board of County Commissioners. During general elections in the State of New Mexico, a County Treasurer, County Clerk, Probate Judge, County Sheriff, County Assessor, and County Commissioners are elected. The County is operated by a County Manager, who is appointed by the County Commissioners.

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

This summary of significant accounting policies of the County is presented to assist in the understanding of the County's financial statements. The financial statements and notes are the representation of the County's management who is responsible for their integrity and objectivity. The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in generally accepted accounting principles (GAAP).

The basic (but not the only) criteria for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to 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.

Lea County Fair Board

The Lea County Fair Board is appointed by the Lea County Commissioners. The Lea County Commissioners provide facilities for the annual fair and rodeo and the finances required over and above the resources provided by the fair and rodeo. The operations of the fairgrounds are incorporated into the general fund of the County and reported therein. The County does not have any component units.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and fund financial statements

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report, except for County fiduciary funds, information on all of the activities of the County. The effect of interfund transfers and other internal activity has been removed from the government-wide statements but continues to be reflected on the fund statements. Governmental Activities are supported mainly by taxes and intergovernmental revenues and are reported separately from the business-type activities, which are supported by fees and charges for services provided.

The statement of activities reflects the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. The General Fund meets the criteria as a major governmental fund. Each major fund is reported in separate columns in the fund financial statements. Non-major funds include other Special Revenue, Capital Projects, Debt Service and Permanent funds. The combined amounts for these funds are reflected in a single column in the fund Balance Sheet and Statement of Revenues, Expenditures, and Changes in Fund Balances. Detailed statements for non-major funds are presented within Combining and Individual Fund Statements and Schedules.

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. This measurement focus is also used for the 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. Major revenue types, which have been accrued, are revenue from the investments, intergovernmental revenue and charges for services. Grants are recognized as revenue when all applicable eligibility requirements imposed by the provider are met. Derived tax revenues are recognized when the underlying exchange transaction takes place.

Revenues are classified as program revenues and general revenues. Program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. General revenues include all taxes, and grants not restricted to specific programs and investment earnings.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement focus, basis of accounting, and financial statement presentation (Continued)

Governmental fund-level financial statements are reported using 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Measurable and available revenues include revenues expected to be received within 60 days after the fiscal year ends. Receivables which are measurable but not collectible within 60 days after the end of the fiscal period are reported as unearned revenue. Those revenues susceptible to accrual include interest revenues, franchise taxes, gross receipts taxes, charges for services, and grants from other governments.

Expenditures generally are recorded when a fund liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the liability has matured and payment is due.

Indirect expenses of the County are not allocated among functional activities on the statement of activities on the government-wide presentation. Instead, depreciation and other indirect expenses are reported as a part of general government, and interest on long-term debt is reported as a separate line item.

The County reports decreases in net assets that relate to future periods as deferred outflows of resources in a separate section of its government-wide and proprietary funds statements of net position. The County reports deferred inflows of resources in the government wide financial statements for inflows received, but not recognized as revenue until future years subject to time restrictions. In the governmental funds, the County recognizes deferred inflows of resources for property taxes and time restricted grants that are not considered available.

The government reports the following major governmental funds:

The General Fund (401) is the general operating fund of the County and is always classified as a major fund. The General Fund is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include property taxes, charges for services, intergovernmental revenues and investment of idle funds. Primary expenditures are for general administration, public safety, judicial, public welfare, health services and capital acquisition.

The Road Fund (402) is used to account for funds used to maintain County roads, included but not limited to administration, operation, maintenance, and capital outlay. Authorized by sections 6-623, 7-1-6-19, 67-3-82.2, and Chapter 113, Laws of 1992, NMSA.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement focus, basis of accounting, and financial statement presentation (Continued)

The Detention Facility Fund (418) is used to account for the revenues and expenditures related to the operation of the Lea County Detention Center. This fund is authorized by Resolution No. 14-JUL-030R.

The Leas County Region Airport Fund (454) is used to account for revenues and expenses related to the operation of the Lea County Region Airport as per 49 CFR Section 18 – Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

The Lea County Fairgrounds Fund (460) was established by resolution to account for revenues and expenses related to the operation of the County's fairgrounds.

The Capital Projects Fund (430) is used to account for the funds committed by the County Commission for capital improvement projects to benefit Lea County. This fund is authorized by Resolution No. 14-JUL-30R.

Other fund types include proprietary funds and fiduciary funds, which are considered as non-major funds. Non-major funds include special revenue funds, capital projects funds, debt service funds and permanent funds.

Proprietary funds - The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The County reports the following proprietary fund types:

The Water Service Enterprise Fund (675) is used to account for provision of water and sewer services for which a fee is charged to external users for goods. The activity reported in this fund is reported as business-type activity in the government-wide financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water Service Enterprise fund includes charges to customers for sales and services. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary funds - Fiduciary fund level financial statements include fiduciary funds, which are classified into private purpose trust and agency funds. The County has only agency funds which are used to account for assets held by the County as an agent for individuals, private organizations, other governments and other funds. Agency funds do not involve a formal trust agreement. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fiduciary funds are presented on an economic resources measurement focus and the accrual basis of accounting, similar to the government- wide financial statements.

Budgetary Information

Budgets are adopted on the cash basis, which is not in accordance with accounting principles generally accepted in the United States of America. Annual appropriated budgets are adopted for the general, special revenue, capital projects, debt service, permanent funds and proprietary funds. All annual appropriations lapse at the fiscal year-end.

The County Manager is responsible for preparing the budget from requests submitted by department directors. The preliminary budget is submitted to a budget committee for approval and then the comprehensive budget package is brought before the County Commissioners for approval by resolution.

The proposed budget is then submitted by June 1 to the New Mexico Department of Finance and Administration Local Government Division (DFA) for approval. DFA certifies a preliminary budget by July 1 with final certification of the budget by the first Monday of September. The expenditure section of the budget, once adopted, is legally binding.

Increases or decreases in the budget of a fund or transfers of appropriations between funds must be presented to the County Commission for approval by resolution and must subsequently have DFA approval. Amendments made to the original budget are included in the budgetary comparison statements of this report, which reflect actual to budget. Budgets and amendments to the budgets for all funds are adopted in a legally permissible manner. The legal level of budgetary control is the fund level.

Cash and Cash Equivalents

Cash and cash equivalents in the financial statements, including the statement of cash flows presented for proprietary funds, includes amounts on demand deposits, as well as short-term investments with a maturity date within twelve months of the date acquired by the County.

In accordance with Section 6-10-17, NMSA, 1978 Compilation, the County is required to collateralize an amount equal to one-half of the public money in excess of insured funds at each financial institution. Deposits in overnight repurchase agreements are required to be covered by pledged collateral equal to 102% of the deposit. All of the County's depositories were in compliance with collateral requirements.

Receivables and Payables

Accounts receivable from other governments include amounts due from grantors for approved grants for specific programs and reimbursements for services performed by the County. Program grants are

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

recorded as receivables and revenues at the time eligibility requirements established by the provider have been met.

Receivables and Payables (Continued)

Reimbursements for services performed are recorded as receivables and revenues when they are earned in the government-wide statements. Included are fines and costs assessed by court action and billable services for certain contracts. Revenues received in advance of the costs being incurred are recorded as unearned revenue in the fund statements. Receivables are shown net of an allowance for uncollectible amounts.

Lending or borrowing between funds is reflected as "due to or due from" (current portion) or "advances to/from other funds" (non-current). 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. Interfund activity reflected in "due to or due from" is eliminated on the government-wide statements.

Advances to Other Funds

Non-current portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

Inventories

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and in the fund financial statements are offset by a reservation of fund balance which indicates they do not represent "available spendable resources." Immaterial amounts of inventory are not recorded by the County. Inventory items are expensed when purchased.

Capital Assets

Capital assets, which include land, buildings and improvements, equipment, software and infrastructure assets are reported in the government-wide financial statements. Capital assets such as equipment are defined, per Section 12-6-10 NMSA 1978, as assets with a cost of \$5,000 or more. Infrastructure assets include County-owned roads and bridges. Information technology equipment, including software, is capitalized in accordance with NMAC 2.20.1.9 C (5).

Capital assets are recorded at historical costs if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Capital Assets (Continued)

| Assets | Years |
|-------------------------|-------|
| Infrastructure | 50 |
| Buildings | 25-40 |
| Landfill | 25 |
| Roads | 25 |
| Equipment and Furniture | 5-15 |
| Vehicles | 5-15 |
| Computer Hardware | 5 |

The County has retroactively reported all major general infrastructure assets in accordance with GASB 34.

Compensated Absences

A liability for unused vacation and sick time for all full-time employees is calculated and reported in the government-wide statements. For financial reporting, the following criteria must be met to be considered as compensated absences:

- 1) Leave or compensation is attributable to services already rendered
- 2) Leave or compensation is not contingent on a specific event (such as illness)

Per GASB Interpretation No. 6, liabilities for compensated absences are recognized in the fund statements to the extent the liabilities have matured (i.e., are due for payment). Compensated absences are accrued in the government-wide statements.

The County's permanent, full-time employees accrue 3.75 hours of vacation per pay period (biweekly) from date of employment to five years of service, 4.75 hours per pay period from 6 years to 10 years of service, 5.75 hours per pay period from 11 years to 15 years of service, and 6.75 hours per pay period for 16 or greater years of continuous employment. Upon termination from County employment, an employee shall be entitled to payment of up to 240 hours of accrued but unused hours of vacation.

The County's permanent, full-time employees accrue sick leave at the rate of eight 3.75 hours per pay period (biweekly) from date of employment to 10 years of service and 4.75 hours per pay period for 11 or greater years of continuous employment. Sick leave is paid to current employees if the employees are absent from work due to illness, injury or other situations requiring medical attention. An employee who terminates employment of the County shall receive no compensation for accrued sick leave. Amounts of accrued vacation leave are accrued in the government-wide financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities under the governmental activities statement of net position. On new bond issues, bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statement, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

Net position includes net investment in capital assets; restricted net position; and unrestricted net position. Net investment in capital assets, consist of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position are balances with constraints placed on their use that are either externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. A further classification of restricted net position exists for those balances included in permanent endowments or permanent fund principal amounts. These net balances are classified as either expendable or nonexpendable. Nonexpendable net position includes those that are required to be retained in perpetuity. Unrestricted net position consists of net balances that do not meet the definition of "restricted" or "invested in capital assets."

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund, for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Non-recurring and non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses during the reporting period. Actual results could differ from those estimates.

Restricted Assets

Restricted assets are assets which have third-party limitations on their use. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

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, 2020.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- 1. **Non-spendable Fund Balance:** Non spendable fund balance shall mean the portion of the gross fund balance that is not expendable (such as inventories or fixed assets) or is legally marked for a specific use.
- 2. **Restricted Fund Balance:** Restricted fund balance shall include amounts constrained to a specific purpose by the provider, such as a grantor.
- 3. **Committed Fund Balance:** Committed fund balance shall mean that portion of the fund balance that is constrained to a specific purpose by the Lea County Board of Commissioners.
- 4. **Assigned Fund Balance:** Assigned fund balance shall mean that portion of the fund balance that is spendable or available for appropriation but has been tentatively earmarked for some specific purpose by the Lea County Manager or designee. Such assignment may change and may never be budgeted or may result in expenditures in future periods of time.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. **Unassigned Fund Balance:** Unassigned fund balance shall include amounts available for any legal purpose. The unassigned fund balance shall be the difference between the total fund balance and the total of the non-spendable fund balance, restricted fund balance, committed fund balance and assigned fund balance.

Lea County would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

Deferred Inflows and Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category on the government-wide statement of net position. It is the County's contributions subsequent to the measurement date of the collective net pension liability and before the end of the employer's reporting period. This will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has four items, of which one item, deferred property taxes, arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, deferred property taxes, is reported only in the governmental funds balance sheet. Grants restricted by time are reported in the government-wide statement of net position and in the governmental fund's financial statements. Net difference between projected and actual investment earnings on pension plan investments and the change of assumptions related to the pension plan are also deferred inflows. These amounts will be amortized and recognized in future years.

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. 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. CASH AND CASH EQUIVALENTS

The County utilizes pooled accounts for their funds. The general, special revenue and agency funds are all in one account and the capital projects and debt service funds are in their own accounts. Separate accounts also exist for the county clerk, probate clerk, inmate trust, and detention bond, related funds.

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

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

Excess 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.

Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the County for at least one-half of the amount on deposit with the institution. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, County or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the County. Time deposits, savings deposits and interest-bearing accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate.

At June 30, 2020, the carrying amount of the County's unrestricted deposits were \$130,068,868 excluding cash held as fiduciary of \$20,973,656. Total cash and cash equivalents balance per the financial institutions of \$42,024,230 consisted of demand deposits, repurchase agreements and certificates of deposit and \$100,001,390 is a money market held by a brokerage firm. Of the demand deposits and certificates of deposit, \$1,500,000 was covered by federal depository insurance and

NOTE 2. CASH AND CASH EQUIVALENTS (CONTINUED)

\$33,188,681 was covered by collateral held in joint safekeeping by a third party. A money market account of \$100,001,390 was held at a brokerage firm and is covered by the Securities Investor Protection Corporation (SIPC) up to \$500,000.

| | | Lea | | | | | |
|-----------------------------------|---------|-----------------|-------------------|----------------|-------------|-----------|-------------|
| | | County | First | | Wells | Western | |
| | | State Bank | American | Pioneer | Fargo | Commerce | |
| | | | Bank | Bank | Bank | Bank | Total |
| Deposits in Bank or Saving | S | | | | | | |
| and Loan | | | | | | | |
| Cash deposits | \$ | 384,648 | - | - | 10,965,707 | 23,853 | 11,374,208 |
| Repurchase agreements | | 1,866,044 | - | - | 10,090,708 | | 11,956,752 |
| CDs | | 9,443,270 | 3,000,000 | 2,000,000 | - | 4,350,000 | 18,793,270 |
| Total amounts on deposit | | 11,693,962 | 3,000,000 | 2,000,000 | 21,056,415 | 4,373,853 | 42,124,230 |
| Less: FDIC insurance | | (250,000) | (250,000) | (250,000) | (500,000) | (250,000) | (1,500,000) |
| Total uninsured public | | 11,443,962 | 2,750,000 | 1,750,000 | 20,556,415 | 4,123,853 | 40,624,23 |
| funds | | | | | | | |
| Collateral requirement – | | 5,721,981 | 1,375,000 | 875,000 | 5,482,854 | 2,061,927 | 15,516,761 |
| 50% | | | | | | | |
| Collateral requirement – | | - | - | - | 10,292,522 | - | 10,292,522 |
| 102% | | | | | | | |
| Total required | | | | | | | |
| collateralization | \$ | 5,721,981 | 1,375,000 | 875,000 | 15,775,376 | 2,061,927 | 25,809,283 |
| | | | | | | | |
| | Total | amounts on de | posit at financia | l institutions | \$ 42,124,2 | 230 | |
| | Less: | Treasury Strip | | | (100,1 | L45) | |
| | Less: I | Repurchase | | | (11,956,7 | 752) | |
| | Mone | y market held a | at brokerage firr | n | 100,001, | 390 | |
| | Total | amounts on de | posit | | \$ 130,068, | 723 | |

Custodial Credit Risk — In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to them. The County does not have a deposit policy for custodial credit risk. As of June 30, 2020, \$8,835,404 of the County's bank balance of \$42,024,085 was exposed to custodial credit risk because it was uninsured and uncollateralized with securities held by the pledging financial institution's trust department or agent. As of June 30, 2020, \$100,001,390 of the County's money market held by a brokerage firm was exposed to custodial credit risk because it was uninsured and uncollateralized.

NOTE 3. INVESTMENTS

New Mexico State Statutes authorize the County to invest in direct obligations of the United States or securities that are backed by the full faith and credit of the United States Government or agencies guaranteed by the U.S. Government. The County does not have an additional investment policy that

NOTE 3. INVESTMENTS (CONTINUED)

further limits its investments. State statute also authorizes the County to invest in bonds or negotiable securities of the U. S., the State of New Mexico, or any county, municipality or school County which has a taxable valuation of real property for the last preceding year of at least one million dollars and has not

defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding. The County does not have an additional investment policy that further limits its investments. At June 30, 2020, Lea County had long-term investments with Moreton Capital Markets, and Lea County State Bank of \$5,750,000 and \$100,145 respectively. The \$5,850,145 in investments approximates the fair value.

Custodial Credit Risk — In the case of investments, this is the risk that in the event of a market failure, the County's investments may not be returned to them. The County does not have a deposit policy for custodial credit risk. As of June 30, 2020, \$5,850,145 of the County investment balance was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the County's name.

Interest Rate Risk – The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Quality Risk – State law limits investment in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The County has no investment policy that would further limit its investment choices.

Concentration of Credit Risk — Concentration of credit risk is the risk of loss attributable to the magnitude of the County's investment in a single issuer. A total of 99% of the investment balance is held at Moreton Capital Markets.

GASB Statement No. 72 requires investment to be presented at fair value. This statement provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to 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 under GASB Statement No. 72 are described as follows:

NOTE 3. INVESTMENTS (CONTINUED)

Basis of Fair Value Measurement -

| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access. |
|---------|--|
| Level 2 | Quoted prices in markets that are not considered to be active or financial instruments without quoted market prices, but for which all significant inputs are observable, either directly or indirectly. |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |

The following table sets forth by level, within the fair value hierarchy, the County's assets held at fair value as of June 30, 2020:

| | | Investment Assets at Fair Value as of June 30, 2020 | | | | | | |
|----------------------------|-----|---|---------|---------|-----------|--|--|--|
| | | Level 1 | Level 2 | Level 3 | Total | | | |
| Investment in | | | | | | | | |
| Morton Capital | \$ | 5,750,000 | - | - | 5,750,000 | | | |
| Lea County State Bank | _ | 100,145 | | | 100,145 | | | |
| Total Assets at fair value | \$_ | 5,850,145 | | | 5,850,145 | | | |

The County utilized the market approach to value its investments. GASB Statement No. 72 defines the market approach as using market prices and other information obtained from market transactions with similar or identical assets or liabilities.

NOTE 4. PROPERTY TAXES

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, November 10th and April 10th. The taxes become delinquent in December of the year in which the tax bill was prepared and mailed, and in May of the following year. Fund financial statements are kept on a modified accrual basis of accounting. Hence, accounting principles generally accepted in the United States of America require recognition of property taxes when they are considered both measurable and available for the fund financial statements. Therefore, the delinquent property taxes are not recorded as revenue in the fund financial statements until they become both "measurable" and "available" to finance expenditures of the fiscal period.

NOTE 4. PROPERTY TAXES (CONTINUED)

Government-wide financial statements are kept on a full accrual basis of accounting. Hence, accounting principles generally accepted in the United States of America require recognition of property taxes when the taxes are levied. The delinquent property taxes are recorded as revenue in the government-wide financial statements in the period of levy.

NOTE 5. OTHER RECEIVABLES

Other receivables at June 30, 2020 are considered to be fully collectible and are composed as follows:

| | | Governmental Activities |
|---------------------|----|----------------------------|
| Other Receivables: | | |
| Fees | \$ | 85,682 |
| Refunds | | 674 |
| Interest Receivable | | 2,850 |
| Misc. | _ | 14,094 |
| Totals | \$ | 103,303 |

NOTE 6. DUE FROM OTHER GOVERNMENTS

The amounts due from other governments at June 30, 2020 are considered to be fully collectible and are composed of the following:

| | Governmental |
|-------------------------|-----------------|
| | Activities |
| Gross Receipts Tax | \$ 2,187,727 |
| Motor Vehicle Tax | 95,080 |
| Gas Tax | 20,144 |
| Grants Receivable | 750,893 |
| Detention Facility Fees | 58,383 |
| Totals | \$ 3,112,224 |

NOTE 7. DUE TO/FROM OTHER FUNDS AND TRANSFERS

Due to/from other funds consists of monies which were transferred between governmental funds to support the Lea County Event Center and fund activities. The County expects these amounts to be repaid.

There were no individual fund interfund receivables and payable balances at June 30, 2020.

Transfers from the General Fund to Special Revenue funds are made to support the fund's activities. Transfers of grant funds received by the General Fund are made as needed.

Transfers for the year ended June 30, 2020 were as follows:

Transfers Out:

General Fund – 401:

| To Road Fund - 402 | \$ 8,675,000 |
|------------------------------------|-----------------|
| To Farm & Range Fund - 403 | 122,000 |
| To Airport Fund - 409 | 200,000 |
| To Detention Fund - 418 | 8,250,000 |
| To EMPG Fund – 424 | 55,000 |
| To Capital Projects Fund - 430 | 6,000,000 |
| To Lea Regional Airport Fund – 454 | 6,000,000 |
| To Jal Airport - 456 | 193,658 |
| To Fairgrounds – 460 | 3,750,000 |
| To Fair & Rodeo – 461 | 1,000,000 |
| To Hispanic Heritage Night – 462 | 127,047 |
| To Lea County Event Center - 463 | 660,000 |
| To County Fire Fund – 618 | 200,000 |
| To Fire Excise Fund – 619 | 100,000 |
| Total Transfers Out | 35,322,705 |

NOTE 7. DUE TO/FROM OTHER FUNDS AND TRANSFERS (CONTINUED)

| Transfers In: | |
|--|--------------|
| Road Fund- 402 | |
| From General Fund- 401 | (8,675,000) |
| Farm & Range Fund- 403 | |
| From General Fund | (122,000) |
| Airport Fund- 409 | |
| From General Fund- 401 | (200,000) |
| Detention Fund- 418 | |
| From General Fund- 401 | (8,250,000) |
| EMPG Fund – 424 | |
| From General Fund - 401 | (55,000) |
| Capital Projects Fund- 430 | |
| From General Fund- 401 | (6,000,000) |
| Lea Regional Airport Fund- 454 | |
| From General Fund- 401 | (6,000,000) |
| Jal Airport Fund- 456 | |
| From General Fund- 401 | (193,658) |
| Fairgrounds Airport - 460 | |
| From General Fund – 401 | (3,750,000) |
| Fair & Rodeo Fund- 461 | |
| From General Fund- 401 | (1,000,000) |
| Hispanic Heritage Night Fund -462 | |
| From General Fund – 401 | (127,047) |
| Lea County Event Center - 463 | |
| From General Fund - 401 | (660,000) |
| County Fire Fund- 618 | |
| From General Fund – 401 | (200,000) |
| Fire Excise Fund- 619 | |
| From General Fund - 401 | (100,000) |
| Total Transfers In | (35,322,705) |
| Total Governmental Activities Transfers \$ | _ |

NOTE 8. RISK OF LOSS

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

Lea County Board of Commissioners is insured with OneBeacon's Insurance carrier Atlantic Specialty Insurance Company. Atlantic Specialty Insurance Company has an AM Best rating of A XI as reaffirmed August 13, 2014. Daniels Insurance Agency Inc. acts as a Broker in secure coverage for Lea County as directed through a Request for Proposal, which was awarded in June 2011. The County insures itself against losses such as General Liability, Employment Practices Liability, Public Official Liability, Law Enforcement Liability and Excess Liability limits. Those limits generally start at \$1,050,000 per occurrence with a \$5,000,000 excess limit. The Commissioners also insure owned assets for physical damages losses such as Property, Autos, Machinery and Equipment.

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

Insurance settlements have not exceeded insurance coverage for any of the past five fiscal years.

NOTE 9. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, Capital Projects Funds, Debt Service Funds and Permanent Funds.

NOTE 10. CHANGES IN CAPITAL ASSETS

| | Balance June 30, 2019 | | Additions | | Deletions | | Transfers | Balance June 30, 2020 |
|----------------------------------|-----------------------------|---|------------|---|-------------|---|------------|-----------------------------|
| Capital Assets, not depreciated: | | | | _ | | | | |
| Land | \$ 9,519,443 | | - | | - | | - | 9,519,443 |
| Construction in progress | 43,997,421 | | 13,751,478 | | | (| 2,324,512) | 55,424,387 |
| Total not depreciated | 53,516,864 | _ | 13,751,478 | _ | | (| 2,324,512) | 64,943,830 |
| Capital Assets, depreciated: | | | | | | | | |
| Buildings | 83,179,784 | | 150,776 | | (11,301) | | 881,910 | 84,201,169 |
| Other Improvements | 8,234,624 | | - | | (153,140) | | - | 8,081,484 |
| Furniture and Equipment | 18,617,293 | | 1,641,646 | | (473,153) | | 92,832 | 19,878,618 |
| Infrastructure | 113,713,642 | | 6,128,651 | | (142,231) | | 1,349,770 | 121,049,833 |
| Vehicles | 14,430,730 | | 2,544,570 | _ | (358,405) | _ | | 16,616,894 |
| Total depreciated | 238,176,073 | | 10,465,643 | _ | (1,138,230) | _ | 2,324,512 | 249,827,998 |
| Total Capital Assets | 291,692,933 | | 24,194,776 | _ | (1,138,230) | | - | 314,771,824 |
| Accumulated Depreciation: | | | | | | | | |
| Buildings | 31,393,360 | | 2,563,687 | | (4,848) | | - | 33,952,199 |
| Other Improvements | 2,810,278 | | 303,334 | | (137,826) | | - | 2,975,786 |
| Furniture and Equipment | 14,086,506 | | 913,815 | | (423,225) | | - | 14,577,096 |
| Infrastructure | 22,920,959 | | 3,418,879 | | (101,268) | | - | 26,238,570 |
| Vehicles | 8,669,330 | | 1,430,477 | | (322,564) | | | 9,777,243 |
| Total depreciation | 79,880,433 | _ | 8,630,192 | _ | (989,731) | | | 87,520,894 |
| Total Capital Assets | \$ 211,812,499 | | 15,564,584 | _ | (148,499) | | | 227,250,929 |

Depreciation expense for the year ended June 30, 2020 was charged to the following functions and funds:

| General Government | \$ 3,692,702 |
|---|-----------------|
| Public Works | 3,426,203 |
| Public Safety | 1,493,106 |
| | _ |
| Total depreciation expense: governmental activities | \$ 8,630,192 |

NOTE 10. CHANGES IN CAPITAL ASSETS (CONTINUED)

| | _ | Balance June 30, 2019 | Additions | Deletions | Balance June 30, 2020 |
|--|----------|-----------------------------|-----------|-----------|-----------------------------|
| Capital Assets Used in Business-type A | ctivitie | es: | | | |
| Capital Assets, not depreciated: | | | | | |
| Land | \$ | 575,000 | - | - | 575,000 |
| Construction in progress | _ | 2,348,009 | <u> </u> | | 2,348,009 |
| Total not depreciated | \$ | 2,923,009 | - | | 2,923,009 |

In accordance with GASB 34, depreciation policies were adopted to include useful lives and classification by function.

NOTE 11. LONG-TERM DEBT

Revenue Bonds

Bonds outstanding at June 30, 2020 consist of the following issue:

Gross Receipts Tax Revenue Bonds Series: June 30, 2013 Original Issue: \$10,000,000

Principal: June 1 Interest: June 1 Rate: 2.140%

On March 28, 2013, the County obtained the Gross Receipts Tax Bonds, Series 2013. The bonds are special and limited obligations of the County and are secured by and payable solely from the pledged gross receipts tax revenue. The Bond agreement requires the maintenance of a gross receipt tax debt service fund into which the County covenants to pay from the pledged revenues sums sufficient to pay when due the principal and interest on these bonds. At June 30, 2020, the County had \$0 in the gross receipts tax debt service fund. The County is in compliance with all significant requirements of the bonds' covenants.

Long-term liability for the year ended June 30, 2020 was as follows:

| | | June 30, | | | June 30, | Due Within |
|------------------------------|----|-----------|-----------|-------------|----------|------------|
| | | 2019 | Additions | Deletions | 2020 | One Year |
| Gross receipts Revenue Bonds | - | _ | | | | |
| Series: June 30, 2013 | \$ | 4,875,000 | - | (4,875,000) | - | - |
| Compensated Absences | | 889,552 | 975,478 | (866,536) | 998,494 | 249,623 |
| Total Long-Term Debt | \$ | 5,764,552 | 975,478 | (5,741,536) | 998,494 | 249,623 |

NOTE 11. LONG-TERM DEBT (CONTINUED)

The County paid interest on long-term debt of \$55,350 during fiscal year 2020.

Compensated Absence: Employees of the County are able to accrue a limited amount of vacation during the year. The compensated absences liability increased \$108,942 from the prior year. The General Fund is typically used for liquidation of compensated absences.

NOTE 12. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan description. The Public Employees Retirement Fund is a cost-sharing, multiple employer defined benefit pension plan. This fund has six divisions of members, including State General, State Police/Audit Correction Officers, 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), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), each employee and elected official of every affiliated public employer is required to be a member in the PERA Fund, unless specifically excluded.

Benefits provided. Benefits are generally available at age 65 with five or benefits are generally available at age 65 with five or more years of service or after 25 years of service regardless of age for TIER I members. Provisions also exist for retirement between ages 60 and 65, with varying amounts of service required. Certain police and fire members may retire at any age with 20 or more years of service for Tier I members. Generally, the amount of retirement pension is based on final average salary, which is defined under Tier I as the average of salary for the 36 consecutive months of credited service producing the larges average; credited service; and the pension factor of the applicable coverage plan. Monthly benefits vary depending upon the plan under which the member qualifies, ranging from 2% to 3.5% of the member's final average salary per year of service. The maximum benefit that can be paid to a retiree may not exceed a range of 60% to 90% of the final average salary, depending on the division. Benefits for duty and non-duty death and disability and for post-retirement survivors' annuities are also available.

TIER II. The retirement age and service credit requirements for normal retirement for PERA state and municipal general members hired increased effective July 1, 2013 with the passage of Senate Bill 27 in the 2013 Legislative Session. Under the new requirements (Tier II), general members are eligible to retire at any age if the member has at least eight years of service credit and the sum of the member's age and service credit equals at least 85 or at age 67 with 8 or more years of service credit. General members hired on or before June 30, 2013 (Tier I) remain eligible to retire at any age with 25 or more years of service credit. State police and adult correctional officers, peace officers and municipal juvenile detention officers will remain in 25-year retirement plans, however, service credit will no longer be

NOTE 12. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

enhanced by 20%. All public safety members in Tier II may retire at age 60 with 6 or more years of service credit. Generally, under Tier II pension factors were reduced by .5%, employee contributions increased 1.5 percent and effective July 1, 2014 employer contributions were raised .05 percent. The computation of final average salary increased as the average of salary for 60 consecutive months.

Contributions. See PERA's compressive annual financial report for contribution provided description.

| | Employee Percentage | Contribution | Employer Contribution Percentage | Pension F of Service | Maximum as a | |
|---|---|--|--|-------------------------|-----------------|--|
| Coverage Plan | Annual Salary less than \$20,000 | Annual Salary greater than \$20,000 | | TIER 1 | TIER 2 | Percentage of the Fina Average Salary |
| STATE PLAN | I | Ta i i i | T | T | I | T |
| State Plan 3 | 7.42% | 8.92% | 17.24% | 3.0% | 2.5% | 90% |
| MUNICIPAL PLANS 1 - 4 | 1 | | | 1 | | |
| Municipal Plan 1 (plan open to new employers) | 7.0% | 8.5% | 7.65% | 2.0% | 2.0% | 90% |
| Municipal Plan 2 (plan open to new employers) | 9.15% | 10.65% | 9.8% | 2.5% | 2.0% | 90% |
| Municipal Plan 3 (plan closed to new employers 6/95) | 13.15% | 14.65% | 9.8% | 3.0% | 2.5% | 90% |
| Municipal Plan 4 (plan closed to new employers 6/00) | 15.65% | 17.15% | 12.3% | 3.0% | 2.5% | 90% |
| MUNICIPAL POLICE PLANS | 51-5 | | | | | |
| Municipal Police Plan 1 | 7.0% | 8.5% | 10.65% | 2.0% | 2.0% | 90% |
| Municipal Police Plan 2 | 7.0% | 8.5% | 15.65% | 2.5% | 2.0% | 90% |
| Municipal Police Plan 3 | 7.0% | 8.5% | 19.15% | 2.5% | 2.0% | 90% |
| Municipal Police Plan 4 | 12.35% | 13.85% | 19.15% | 3.0% | 2.5% | 90% |
| Municipal Police Plan 5 | 16.3% | 17.8% | 19.15% | 3.5% | 3.0% | 90% |
| MUNICIPAL FIRE PLANS 1 - | 5 | | | | | |
| Municipal Fire Plan 1 | 8.0% | 9.5% | 11.65% | 2.0% | 2.0% | 90% |
| Municipal Fire Plan 2 | 8.0% | 9.5% | 18.15% | 2.5% | 2.0% | 90% |
| Municipal Fire Plan 3 | 8.0% | 9.5% | 21.90% | 2.5% | 2.0% | 90% |
| Municipal Fire Plan 4 | 12.8% | 14.3% | 21.90% | 3.0% | 2.5% | 90% |
| Municipal Fire Plan 5 | 16.2% | 17.7% | 21.90% | 3.5% | 3.0% | 90% |
| MUNICIPAL DETENTION OF | FFICER PI | LAN 1 | | | | |
| Municipal Detention Officer Plan 1 | 16.65% | 18.15% | 17.30% | 3.0% | 3.0% | 90% |
| STATE POLICE AND ADULT | CORREC | TIONAL OI | FFICER PLA | NS, ETC | | |
| State Police and Adult Correctional Officer Plan 1 | 7.6% | 9.1% | 25.50% | 3.0% | 3.0% | 90% |
| State Plan 3 - Peace Officer | 7.42% | 8.92% | 17.24% | 3.0% | 3.0% | 90% |
| Juvenile Correctional Officer Plan 2 | 4.78% | 6.28% | 26.37% | 3.0% | 3.0% | 90% |

NOTE 12. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2020, the County reported a liability of \$37,120,253 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2019 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2019. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2019. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined.

PERA Fund Municipal General Division. At June 30, 2019, the County's proportion was 0.133810%, which was an increase of 0.0375%, from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the County recognized pension expense of \$5,145,323. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ 694,495 | 250,581 |
| Changes in assumptions | 1,032,864 | 57,052 |
| Net difference between projected and actual earnings on pension plan investments | 780,558 | - |
| Changes in proportion and differences between County's contributions and proportionate share of contributions | 770,399 | 69,046 |
| County's contributions subsequent to the measurement date | 1,208,417 | |
| Total | \$ 4,486,733 | 376,679 |

NOTE 12. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

\$1,208,417 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended June 30: | |
|---------------------|-----------------|
| 2021 | \$ 1,459,369 |
| 2022 | 830,094 |
| 2023 | 483,752 |
| 2024 | 128,422 |
| 2025 | - |
| Thereafter | - |

PERA Fund Municipal Police Division. At June 30, 2019, the County's proportion was 1.8894%, which was an increase of 0.19190%, from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the County recognized pension expense of \$3,175,498. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ 583,059 | 594,520 |
| Changes in assumptions | 791,643 | 35,508 |
| Net difference between projected and actual earnings on pension plan investments | 435,817 | - |
| Changes in proportion and differences between County's contributions and proportionate share of contributions | 1,335,977 | - |
| County's contributions subsequent to the measurement date | 966,405 | |
| Total | \$ 4,112,901 | 630,028 |

NOTE 12. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

\$966,405 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended Ju | ine 30: |
|---------------|---------|
|---------------|---------|

| 2021 | \$ 986,535 |
|------------|---------------|
| 2022 | 974,582 |
| 2023 | 483,826 |
| 2024 | 71,525 |
| 2025 | - |
| Thereafter | - |

Actuarial assumptions. The total pension liability in the June 30, 2019 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

| Actuarial valuation date | June 30, 2018 |
|--------------------------|-------------------------|
| Actuarial cost method | Entry age normal |
| Amortization period | Level Percentage of Pay |

Asset valuation method Solved for based on statutory rates

Actuarial assumptions

Investment rate of return 7.25% annual rate, net of investment expense

Projected benefit payment 100 years Payroll growth 3.00%

Projected salary increases 3.25% to 13.50% annual rate

Includes inflation at 2.50%

2.75% all other years

Mortality assumption The mortality assumptions are based on the

RPD-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.

Experience study dates July 1, 2008 to June 30, 2017 (demographic)

and July 1, 2010 through June 20, 2018

(economic)

NOTE 12. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of June 30, 2018. The total pension liability was rolled-forward from the valuation date to the plan year ended June 30, 2019. These assumptions were adopted by the Board use in the June 30, 2018 actuarial valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block method 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 allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| | | Long-Term Expected |
|------------------------------|--------------------------|----------------------------|
| Asset Class | Target Allocation | Real Rate of Return |
| Global Equity | 42.33% | 7.48% |
| Risk Reduction & Mitigation | 21.37% | 2.37% |
| Credit Oriented Fixed Income | 15.0% | 5.47% |
| Real Assets | 20.0% | 6.48% |
| Multi-Risk Allocation | 1.30% | |
| Total | 100.0% | _ |

Discount rate. A single discount rate of 7.25% was used to measure the total pension liability as of June 30, 2019. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.25%, compounded annually, net of expense. Based on the stated assumptions and the projection of cash flows, the plan's fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

The projections of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels.

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount *rate.* The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

NOTE 12. PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

| Municipal General Division County's proportionate share of the net | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|--|---------------------------|--|---------------------------|
| pension liability | \$ 35,033,914 | 23,163,842 | 13,342,948 |
| Municipal Police Division County's proportionate share of the net | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
| pension liability | \$ 21,120,484 | 13,956,411 | 8,111,878 |

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERA's financial reports.

Payables to the pension plan: At June 30, 2020 the County had no outstanding contributions to the pension plan and therefore, had no payables reported as of June 30, 2020.

NOTE 13. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN

Plan Description - Employees for the County are provided with 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 Statues 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.

Employees covered by benefit terms – At June 30, 2019, the Fund's measurement date, the following employees were covered by the benefit terms:

NOTE 13. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

| Plan membership | |
|--|---------|
| Current retirees and surviving spouses | 52,179 |
| Inactive and eligible for deferred benefit | 10,916 |
| Current active members | 91,082 |
| | 154,177 |
| Active membership | |
| State general | 17,097 |
| State police and corrections | 1,830 |
| Municipal general | 17,538 |
| Municipal police | 3,159 |
| Municipal fire | 1,966 |
| Educational Retirement Board | 49,492 |
| | 91,082 |

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 statue 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 \$524,206 for the year ended June 30, 2020.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - At June 30, 2020, the County reported a liability of \$13,129,405 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019. The County's proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2019. At June 30, 2019, the County's proportion was 0.40493 percent.

For the year ended June 30, 2020, the County recognized OPEB income of \$497,767. At June 30, 2020 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

NOTE 13. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

| | | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ | - | 3,304,025 |
| Changes in assumptions | | - | 4,237,537 |
| Changes in proportion | | 2,321,738 | - |
| Net difference between projected and actual earnings on OPEB plan investments | | - | 122,071 |
| Employer contributions subsequent to the measurement date | _ | 524,206 | |
| Total | \$_ | 2,845,944 | 7,663,633 |

Deferred outflows of resources totaling \$524,206 represent County 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, 2021. 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: | |
|---------------------|-------------------|
| 2021 | \$ (1,567,211) |
| 2022 | (1,567,211) |
| 2023 | (1,303,949) |
| 2024 | (611,211) |
| 2025 | (292,313) |

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions:

(5,341,895)

Total

| Actuarial cost method | Entry age normal, level percent of pay, calculated on individual employee basis |
|------------------------|---|
| Asset valuation method | Market value of assets |
| Inflation | 2.50% for ERB members; 2.25% for PERA members |

NOTE 13. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN (CONTINUED)

| Projected payroll increases | 3.25% to 13.50%, 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 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 years for Medicare medical plan costs |
| Mortality | ERB member: RP-2000 Combined Healthy Mortality Table with White Collar Adjustment (males) and GRS Southwest Region Teacher Mortality Table (females). PERA members: RP-2000 Combined Healthy Mortality. |

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:

| | Long-Term |
|-------------------------------|----------------|
| Asset Class | Rate of Return |
| U.S. core fixed income | 2.1% |
| U.S. equity – large cap | 7.1 |
| Non U.S. – emerging markets | 10.2 |
| Non U.S. – developed equities | 7.8 |
| Private equity | 11.8 |
| Credit and structured finance | 5.3 |
| Real estate | 4.9 |
| Absolute return | 4.1 |
| U.S. equity – small/mid cap | 7.1 |

Discount Rate – The discount rate used to measure the Fund's total OPEB liability is 4.16% as of June 30, 2019. 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

NOTE 13. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN (CONTINUED)

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, 2039. Thus, the 7.25% discount rate was used to calculate the net OPEB liability through 2029. Beyond 2039, the index rate for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher was used, resulting in a blended discount rate of 4.16%.

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 (3.16 percent) or 1-percentage-pont higher (5.16 percent) than the current discount rate:

| | Current | |
|------------------------|--------------------------|------------------------|
| 1% Decrease (3.16%) | Discount Rate (4.16%) | 1% Increase (5.16%) |
| \$ 16,060,426 | 13,129,405 | 10,825,346 |

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:

| | Current Trend | |
|-------------|---------------|-------------------|
| 1% Decrease | Rates | 1% Increase |
| | | |
| 10,931,076 | 13,129,405 | 14,889,478 |
| | | 1% Decrease Rates |

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, 2019.

Payables changes in the net OPEB liability. At June 30, 2020, the County did not accrue any payables for OPEB.

NOTE 14. DEFERRED COMPENSATION PLAN

The State of New Mexico offers state, local government and school County employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all State employees and those local government and school County employees whose employers have elected participation in the plan, permits participants to defer a portion of their salary until future years.

The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

NOTE 14. DEFERRED COMPENSATION PLAN (CONTINUED)

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are (until paid or made available to the employee or other beneficiary) held in trust for the participants in the plan.

There are employees that are making contributions to the Deferred Compensation Plan. Neither the County nor the State of New Mexico made any contributions to the Deferred Compensation Plan. All contributions withheld from participant's wages by the County have been paid to the New Mexico Employees' Retirement Association, which administers the plan.

NOTE 15. CONTINGENT LIABILITIES

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

Economic Development Agreement – Lea County entered into an economic development agreement dated October 19, 2010, with the Economic Development Corporation of Lea County, Inc. (EDC) to unconditionally guaranty on behalf of EDC any and all amounts that EDC may be required to pay to the Air Carrier pursuant to the revenue guaranty or other provisions of the Air Services Contract, and subject to the limitation that the first \$250,000 due to Air Carrier under revenue guarantee provisions during the first twelve month period of Air Service shall not be guaranteed by the County.

The County has provided EDC with an irrevocable standby letter of credit for \$900,000 as guaranty for performance of this agreement and stand by letter of credit will remain in effect for the term of the Air Services Contract. No amounts were charged against the letter of credit during fiscal year 2020.

Lea County contributed \$470,845 to EDC under the above described agreement for the fiscal year ended June 30, 2020.

NOTE 16. CONDUIT DEBT OBLIGATION

The County Issued Industrial Revenue Bonds (IRBs) totaling \$4,111,000,000 for projects as follows:

LES – the County issued \$4,000,000,000 in IRBs to provide funds to finance the acquisition, construction and installation of an expansion to the national enrichment facility project. Final maturity date of the bonds is January 22, 2034. The bonds are secured by a security agreement and a collateral pledge of the Lease to the Purchaser.

Intrepid Potash-New Mexico LLC – the County issued \$40,000,000 in IRBs to provide funds to finance the acquisition and construction of an industrial revenue bond manufacturing and processing facility to be used by Intrepid Potash-New Mexico. Final maturity date of the bonds is February 1, 2032. The

NOTE 16. CONDUIT DEBT OBLIGATION (CONTINUED)

bonds are secured by all tangible personal property located in Lea County, New Mexico used in connection with manufacturing and processing of potash including but not necessarily limited to all the costs of which are financed or reimbursed with the proceeds of the Lea County, New Mexico, Taxable Industrial Revenue Bond.

Wildcat Wind LLC - the County issued \$51,000,000 in IRBs in connection with a Wind Energy Generating Facility. Final maturity date of the bonds is March 1, 2032. The bonds are secured by all tangible personal property located in Lea County, New Mexico used in connection with wind generation of electricity but not necessarily limited to all personal property installed or located at the Project Site for use as part of the Project.

Jut Demonstration Inc. - the County issued \$20,000,000 in IRBs to provide funds to finance the acquisition, construction and installation of an industrial development project. Final maturity date of the bonds is March 20, 2032. The bonds are secured by all the Debtor's right, title and interest in and to the Project Property and the Lease and Purchase Agreement.

The County has no liability for the IRBs in the event of default by the borrowers. Accordingly, the bonds are not reported as liabilities in the County's financial statements.

NOTE 17. TAX ABATEMENTS

The County enters into property tax abatement agreements with local businesses under the County Industrial Revenue Bond Act, Chapter 4, Article 59 NMSA 1978 as amended and Article VIII, Section 3 of the State Constitution and NMSA 1978, Section 7-36-3. The County Industrial Revenue Bond Act authorizes counties to acquire, own, lease or sell projects for the purpose of promoting industry and trade by inducing manufacturing, industrial and commercial enterprises to locate or expand in the state.

For the fiscal year ended June 30, 2020, the County abated property taxes under the County Industrial Revenue Bond Act including the following tax abatement agreements:

DCP Midstream, LP was granted an 80% Ad Valorem Property Tax Exemption, to construct facilities to process natural gas. The amount of the exemption will be an 80% reduction off the tax due that would have been applicable for each tax year. The abatement of property taxes for fiscal year 2020 was \$277,839 with a \$581,558 PILT due to the County. Lea County is the only entity that is foregoing revenue under this agreement.

Wildcat Wind LLC was granted a 30% Ad Valorem Property Tax Exemption, to construct wind power generating facilities. The amount of the exemption will be a 30% reduction off the tax due that would have been applicable for each tax year. The abatement of property taxes for fiscal year 2020 was \$154,595 with a \$267,723 PILT due to the County. Lea County is the only entity that is foregoing revenue under this agreement.

NOTE 17. TAX ABATEMENTS (CONTINUED)

Sun Edison was granted a 33.3% Ad Valorem Property Tax Exemption, to construct facilities to generate electric power. The amount of the exemption will be a 33.3% reduction off the tax due that would have been applicable for each tax year. The abatement of property taxes for fiscal year 2020 was \$31,800 with a \$202,956 PILT due to the County. Lea County is the only entity that is foregoing revenue under this agreement.

Middle Daisy was granted a 100% Ad Valorem Property Tax Exemption, to construct a solar panel plant. The amount of the exemption will be a 100% reduction off the tax due that would have been applicable for each tax year. The abatement of property taxes for fiscal year 2020 was \$23,197 with a \$40173 PILT due to the County. Lea County is the only entity that is foregoing revenue under this agreement.

AEM Wind, LLC was granted a PILT in an amount equal to 30% of the total property tax due, to construct wind power generating facilities. The amount of the exemption will be a 30% reduction off the tax due that would have been applicable for each tax year. The abatement of property taxes for fiscal year 2020 was \$82,902 with a \$431,931 PILT due to the County. Lea County is the only entity that is foregoing revenue under this agreement.

NOTE 18. JOINT POWERS AGREEMENTS

The County entered into a joint powers agreement with all municipalities in Lea County for the Lea County Water Users Association (Association) on September 23, 1997. The agreement automatically renews for an additional two years unless terminated by the Executive Board. The purpose of the agreement is to enact a water management plan for the citizens of Lea County. The County is designated the fiscal agent of the Association and is responsible for 45.8% of the proposed funding needed for the Association. The County did not remit any funds to the Association in the fiscal year ended June 30, 2020.

The County along with the City of Hobbs formed a joint powers agreement regarding the cleanup and Land Office. The purpose of the agreement is to allocate financial responsibility of the costs to be incurred in connection with cleanup. The County's responsibility is to contract with the Lea County Solid Waste Authority, as necessary, for the services of hauling trash and debris.

Costs involved in the project are to be allocated, with the County responsible for paying 25%. The County must also invoice the party responsible for the illegal disposal, Occidental/Permian Limited Partnership ("Oxy"), for another 25% of the disposal costs. Expenditures for the County are not to exceed \$15,000 without prior written consent of all parties involved. The agreement became effective November 17, 2003, and either party to the agreement can terminate participation by providing thirty days written notice.

NOTE 18. JOINT POWERS AGREEMENTS (CONTINUED)

The County also established a joint powers agreement with the Hobbs Municipal School County, City of Hobbs, New Mexico Junior College, City of Lovington, Eunice Municipal School County, Tatum Municipal School County and Jal Municipal School County for the purpose of enabling the parties involved to benefit from substantial savings in the procurement of similar services, construction or tangible personal property. The agreement became effective November 17, 2003, and any party to the agreement can terminate participation by providing thirty days written notice. Any of the participating agencies may act as the Lead Agency whereby that agency shall contact the remaining participating agencies to determine if they are willing to participate in a bid or proposal for quote to be prepared by the Lead Agency.

On July 25, 2006, the County entered into a joint power's agreement with the Southeastern New Mexico Economic Development County/COG. The purpose of the agreement is to facilitate economic development in the region through planning, development, legislative, and strategizing services. The agreement is indefinite in term.

The County established a joint powers agreement with the Eddy-Lea Energy Alliance on July 29, 2006. The goal of this agreement is to evaluate a site for use by the Global Nuclear Energy Partnership and the United States Department of Energy. This is hoped to bring new, higher-wage jobs to the area and strengthen the economic base of the region. The agreement is perpetual but may be terminated with the written consent of all voting members. The agreement shall terminate at the discretion of the contracting parties.

The County established a joint powers agreement with the City of Hobbs on January 4, 2010 to further the public interest and protect the safety, health and welfare of the people of Hobbs, New Mexico and Lea County, New Mexico and to define the role of the City and County in establishing a joint Emergency Communications Center, namely, the joint management and operations of an emergency communications County.

On May 30, 2013, the County established a joint planning agreement with the Commissioner of Public Lands of the State of New Mexico to explore opportunities to jointly plan or master plan state trust lands within the County boundaries but outside of any extra zoning jurisdiction in the County. Planning objectives and prioritization of planning efforts will be identified by a joint planning committee appointed by the Commissioner and the County. The right to terminate this agreement resides with the County and the Commissioner.

On April 28, 2016, the County established a joint powers agreement with the Lea County Communication Authority, City of Hobbs, City of Lovington, City of Jal, City of Eunice, and the City of Tatum to operate and maintain a P25 800 MHz radio system to more effectively and efficiently provide radio and communication services. The agreement will remain in effect, subject to written amendments, until terminated by a party.

NOTE 19. RECENT ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance was issued May 2020 and is effective immediately. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are schedule to become effective for periods beginning after June 15, 2018 and later.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

GASB Statement No. 83, Certain Asset Retirement Obligations

GASB Statement No. 84, Fiduciary Activities

GASB Statement 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements

GASB Statement 89, Accounting for Interest Cost Incurred before the End of a Construction Period

GASB Statement 90, Majority Equity Interests

GASB Statement 91, Conduit Debt Obligations

GASB Statement 92, Omnibus 2020

GASB Statement 93, Replacement of Interbank Offered Rates

The effective date of GASB Statement No. 87, Leases, is postponed by 18 months.

NOTE 20. NEW ACCOUNTING PRONOUNCEMENTS

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2020.

GASB Statement No. 84, Fiduciary Assets

GASB Statement No. 87, Leases

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period.

<u>GASB Statement No. 90,</u> Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61.

NOTE 20. NEW ACCOUNTING PRONOUNCEMENTS (CONTINUED)

GASB Statement No. 91, Conduit Debt Obligations.

GASB Statement No. 92, Omnibus 2020

GASB Statement No. 93, Replacement of Interbank Offered Rates

<u>GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements</u>

GASB Statement No. 95, Subscription-Based Information Technology Arrangements

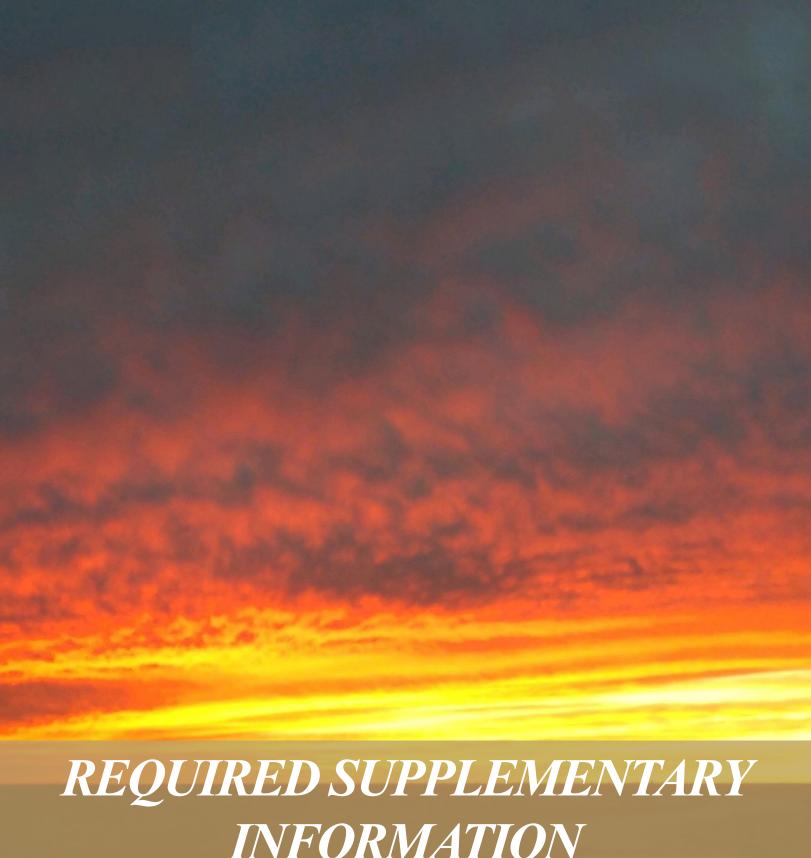
The County will implement the new GASB pronouncements in the fiscal year no later than the required effective date. The County believes that the above listed new GASB pronouncements will not have a significant financial impact to the County or in issuing its financial statements.

NOTE 21. SUBSEQUENT EVENTS

The entity has evaluated subsequent events through November 30, 2020, the date which the financial statements were available to be issued. As of the report date, November 30, 2020, no subsequent events were identified by management.

NOTE 22 - COVID-19

In early March 2020, the COVID-19 virus was declared a global pandemic, and it continues to cause market fluctuations. Business continuity and financial markets, including supply chains and consumer demand across a broad range of industries and countries, could be severely impacted for months or more, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time.



INFORMATION



STATE OF NEW MEXICO LEA COUNTY SCHEDILLE OF THE COLINTY'S PROPORATIONATE SE

SCHEDULE OF THE COUNTY'S PROPORATIONATE SHARE OF THE NET PENSION LIABILITY JUNE 30, 2020

Pension Liability
For Last 10 Fiscal Years*
(Dollars in Thousands)

| | | | 30-Jun | | |
|--|---------|---------|---------|---------|---------|
| Fiscal Year | 2019 | 2018 | 2017 | 2016 | 2015 |
| Measurement Date | 2018 | 2017 | 2016 | 2015 | 2014 |
| County's Proportion of the Net Pension Liability (Asset) | 3.00% | 3.00% | 2.79% | 2.77% | 2.56% |
| County's Proportionate Share of Net Pension Liability (Asset) | 37,120 | 32,318 | 25,634 | 31,279 | 18,881 |
| County's Covered-Employee Payroll | 17,392 | 15,100 | 15,259 | 14,613 | 13,436 |
| County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll | | | | | |
| | 213.43% | 214.03% | 167.99% | 214.05% | 140.53% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 70.52% | 71.13% | 73.74% | 69.18% | 76.99% |

compiled, the statement only requires presentation of information for those years that information is available. Complete information for the County is not *Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is available prior to fiscal year 2015, the year the statement's requiremnts became effective.

STATE OF NEW MEXICO
LEA COUNTY
SCHEDULE OF COUNTY CONTRIBUTIONS
JUNE 30, 2020

Last Ten Fiscal Years* General Division (Dollars in Thousands)

| | | (Dollars in Thousands) | nvision housands) | | | |
|---|----|------------------------|----------------------|-------|-------|-------|
| | | 2019 | 2018 | 2017 | 2016 | 2015 |
| Contractually Required Contribution | φ. | 1,076 | 1,115 | 1,679 | 2,319 | 1,456 |
| Contributions in Relation to the Contractually Required Contribution | | 1,676 | 1,736 | 1,679 | 2,319 | 1,456 |
| Contribution Deficiency (Excess)* | ❖ | (009) | (621) | , | , | 1 |

*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the County is not available prior to fiscal year 2015, the year the statement's requiremnts became effective.

STATE OF NEW MEXICO
LEA COUNTY
SCHEDULE OF COUNTY CONTRIBUTIONS
JUNE 30, 2020

Last Ten Fiscal Years* Police Dision (Dollars in Thousands)

| ns in Relation to the Contractually ontribution 918 859 795 1,609 | \$ 725 678 795 1,609 | 2017 2016 | 6 2015 ,609 957 ,609 957 | 1 1 | 2017 795 | 2018 678 | 2019 725 | \$ - actually | Contractually Required Contribution Contributions in Relation to the Cont Required Contribution |
|--|---------------------------------------|---------------------------------------|--------------------------------|-----|----------|----------|----------|------------------|---|
| | on to the Contractually 859 795 1,609 | tractually \$ 725 678 795 1,609 1,609 | | | 1 | (181) | (193) | √ | Contribution Deficiency (Excess)* |

*Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the County is not available prior to fiscal year 2015, the year the statement's requiremnts became effective.

STATE OF NEW MEXICO LEA COUNTY

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY June 30, 2020

New Mexico Retiree Health Care Authority For Last 10 Fiscal Years* (Dollars in Thousands)

| | | 30-Jun | ur |
|---|------------------|------------|------------|
| | Fiscal Year | 2019 | 2018 |
| | Measurement Date | 2018 | 2017 |
| County's Proportion of the Net OPEB liability (Asset) | | 0.40493% | 3.56570% |
| County's Proportionate Share of Net OPEB Liability (Asset) | ❖ | 13,129,405 | 15,049,299 |
| County's Covered-Employee Payroll | ₩ | 16,897,440 | 15,299,052 |
| County's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Its Covered-Employee Payroll | | 77.70% | 98.37% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | | 18.92% | 13.14% |

*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 available years.

STATE OF NEW MEXICO
LEA COUNTY
SCHEDULE OF COUNTY CONTRIBUTIONS
June 30, 2020

New Mexico Retiree Health Care Authority Last Ten Fiscal Years* (Dollar Amounts in Thousands)

| | | 2019 | 2018 |
|--|----|------------|------------|
| Contractually Required Contribution | ↔ | 557,200 | 1,119,575 |
| Contributions in Relation to the Contractually Required Contribution | ı | 550,397 | 561,902 |
| Contribution Deficiency (Excess) | ↔ | 6,803 | 557,673 |
| Employer's covered-employee payroll | \$ | 15,299,052 | 14,686,823 |
| Contributions as a percentage of covered-employee payroll | | | |

*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 available years.

3.80%

3.60%

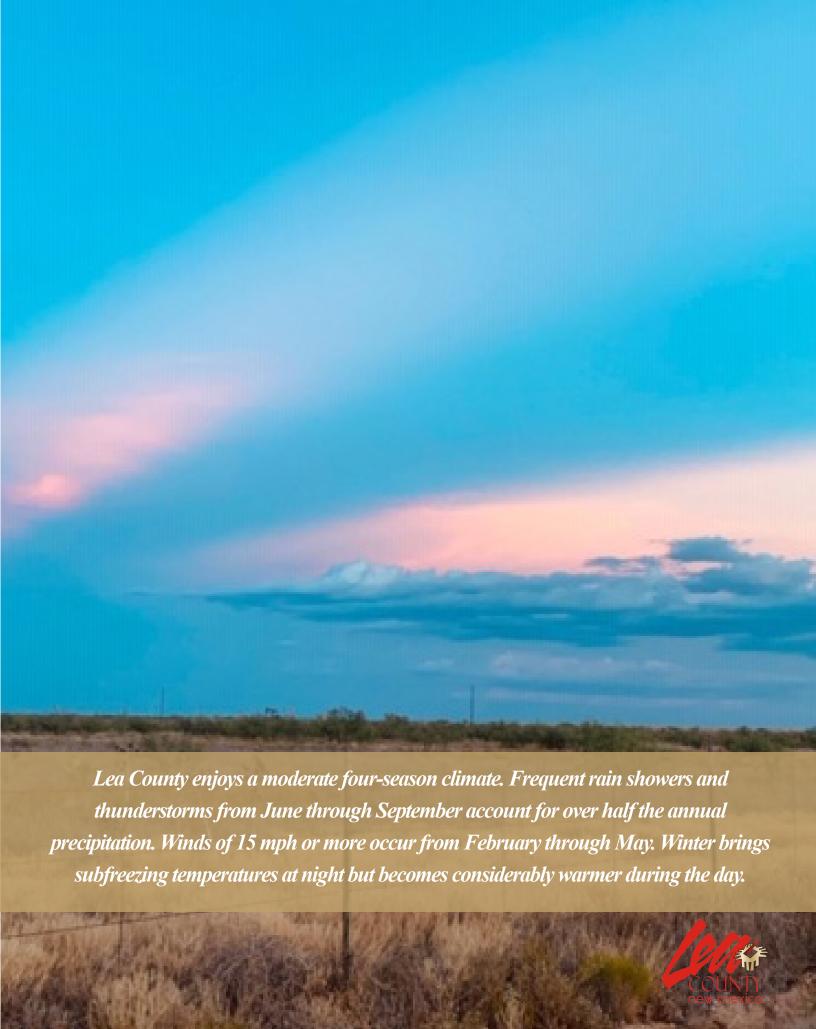
STATE OF NEW MEXICO
LEA COUNTY
NOTES TO PENSION AND OPEB REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

Assumptions: The Public Employ Retirement Association of New Mexico Annual Actuarial Valuations as of June 30, 2019 report is available at http://www.nmpera.org/

Retiree Health Care Authority (RHCA). In the June 30, 2019 actuarial valuation, changes in assumptions and differences between expected and actual experience include adjustments resulting from an increase in the discount rate from 4.08% to 4.16%, decrease in expected participation rates for future retirees from 75% to 60%, and a decrease in the spousal coverage rate for future male retirees from 55% to 35%.



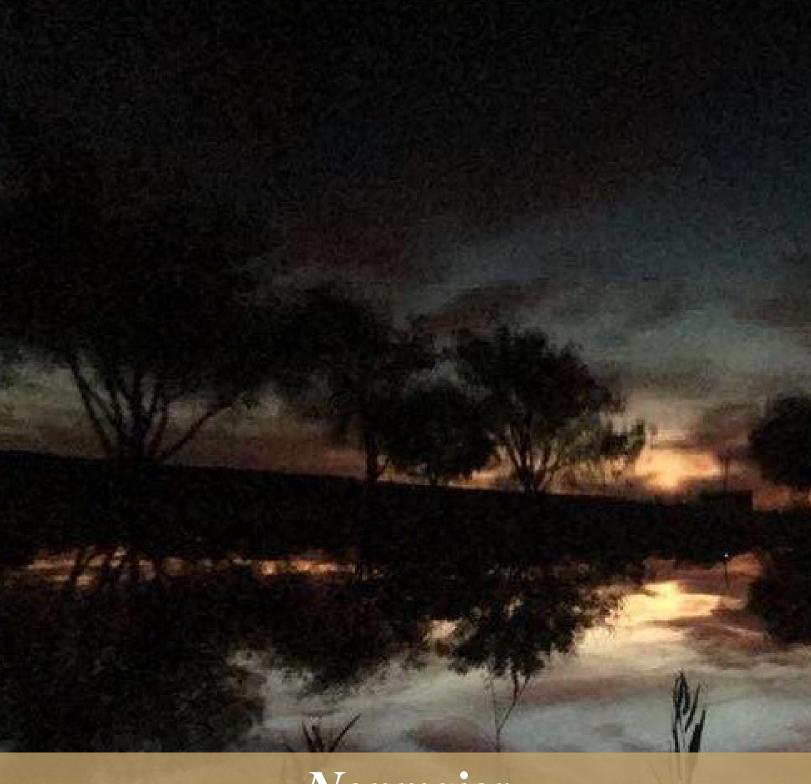


Information

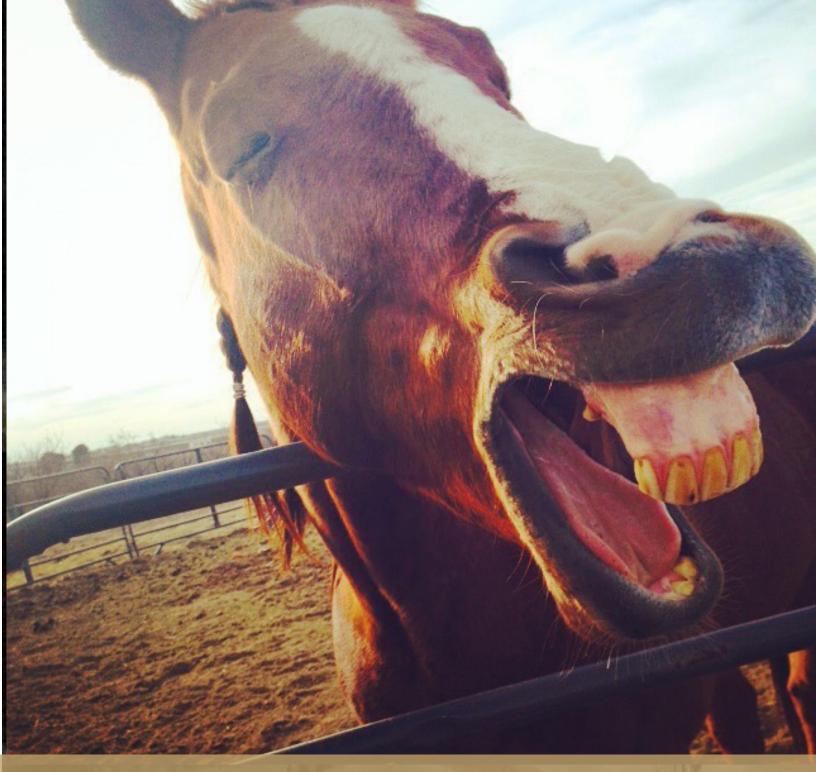


The County has budgeted \$2,140,000 in direct funding service agreements with local economic development agiencies to further grow Lea County's economic base and to create more jobs. Lea County maintains a competitive advantage over nearly all jurisdictions in the State of New Mexico with low property taxes.





Nonmajor Governmental Funds



The Lea County Fair & Rodeo was named the outstanding event for 2019 by the New Mexico Hospitality Association. The award is given annually to honor events that improve tourism and quality of life in New Mexico.



STATE OF NEW MEXICO
LEA COUNTY
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
JUNE 30, 2020

SPECIAL REVENUE FUNDS

<u>Farm and Range Fund (403) -</u> To account for funds collected under the Taylor Grazing Act for the control of animals specified in Section 6-11-6 NMSA 1978.

<u>Community Centers (404) -</u> To account for revenues from cigarette tax restricted for the maintenance of County parks as specified in Section 7-12-15 NMSA 1978.

<u>Clerk's Recording & Filing (405)</u> - To account for equipment recording fees that shall be expensed for rent, purchase lease, or lease-purchase equipment associated with recording, filing, maintaining or reproducing documents in the County Clerk's office. The fund is authorized by Section 14-8-12.2, NMSA 1978.

<u>The Indigent Fund (406)</u> - is used to account for the payment of indigent hospital costs. Financing is provided by gross receipts tax and is restricted to indigent claims as authorized by Section 27-5-5, NMSA 1978 and County policy.

<u>Maljamar Fire Department (407)</u> - To account for the operations of the County's fire departments. Financing is provided by the State Fire Protection Fund and is restricted to fire protection use as authorized by Section A-53-4, NMSA 1978.

<u>Knowles Fire Department (408) -</u> To account for the operations of the County's fire departments. Financing is provided by the State Fire Protection Fund and is restricted to fire protection use as authorized by Section A-53-4, NMSA 1978.

<u>Airport Fire Department (409)</u> - To account for the operations of the County's fire departments. Financing is provided by the State Fire Protection Fund and is restricted to fire protection use as authorized by Section A-53-4, NMSA 1978.

Monument Fire Department (410) - To account for the operations of the County's fire departments. Financing is provided by the State Fire Protection Fund and is restricted to fire protection use as authorized by Section A-53-4, NMSA 1978.

<u>Environmental Gross Receipts Tax (411) -</u> To account for revenues provided by one-eighth of one percent of County environmental services gross receipts tax imposed by County Ordinance #59.

<u>DWI Grant (412)</u> – To account for funds received from the state of New Mexico to be spent on the DWI program. The fund is authorized by Sections 11-6A-1 through 11-6A-6, NMSA 1978.

<u>Correction Fees (415) -</u> To account for funds from the state of New Mexico that are restricted to providing care for prisoners in the County detention facility. The fund is authorized by Section 33-3-5, NMSA 1978.

STATE OF NEW MEXICO
LEA COUNTY
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
JUNE 30, 2020

SPECIAL REVENUE FUNDS (CONTINUED)

<u>Paving Countys (416)</u> — To account for funds expended in engineering and construction of pavement on Piedras Drive, Baggett Drive and Sandcastle Subdivision. The County chose the Petition Method 4-55A-3(2) to create the County. The fund was authorized by Section 4-55A-1 to 4-55A-43, NMSA 1978.

Revolving Loan Fund (421) - To account for the loan funds received under the 1986 Community Development Block Grant Program (CDBG) #86-C-NR-I-04-GA-091.

<u>EMPG Reimbursement (424) –</u> To account for salary reimbursement for the 2015 Emergency Management Performance Grant Program issued by the NM Department of Homeland Security and Emergency Management. The grant was used to support activities essential to the ability of states, territories, and urban areas to prepare for, prevent and respond to terrorist attacks and other all-hazards events. 2015 Federal Grant No. EMW-2015-EP-00066-S01 CDFA No. 97.042.

<u>Tire Recycling (426)</u> — To account for the 2015-2016 Recycling and Illegal Dumping Grant expenditures awarded from the State of New Mexico Environment Department. Fund was awarded to reimburse Lea County for development costs to establish a recycling facility for used motor oil. Grant # 16NT-03.

<u>Other Grants (431)</u> -To account for grants and grant expenditures that are subject to tracking requirements and authorized by various grant agreements.

<u>Jal CDBG Wastewater (433) -</u> To account for revenues and expenditures under the Community Block Development Grant #86-C-NR-1-04-GA-091.

<u>Lea Region Airport (454)</u> - is used to account for revenues and expenses related to the operation of the Lea County Region Airport as per 49 CFR Section 18 – Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

<u>County Airport Fund (455)</u> - is used to account for revenues and expenses related to the operation of the County Airports as per 49 CFR Section 18 — Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

Event Center (463) – Special revenue fund established by resolution to account for revenues and expenses related to the operation of the Event Center.

<u>Property Valuation Fund (499)</u> - To account for revenues provided by 2 percent of the property taxes received by the County to be used for appraisal programs presented by the County Assessor and approved by the majority of the County Commissioners. The fund is authorized by Section 7-38-38.1 NMSA 1978.

STATE OF NEW MEXICO
LEA COUNTY
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
JUNE 30, 2020

SPECIAL REVENUE FUNDS (CONTINUED)

<u>EMS Knowles (604)</u> - To account for funds received from the state of New Mexico to be spent on emergency medical services equipment and operations for the Emergency Medical Services Departments as authorized by 24A-1.

<u>Law Enforcement Protection Grant (605)</u> - To account for the state funds received for law enforcement training and equipment as specified in Section 29-13-1, NMSA 1978.

<u>Lea County Drug Task Force (HIDTA) (609) - Special revenue fund established by resolution to account for revenues and expenditures related to education and local enforcement of the drug program. This program is financed with federal grants aiming to ameliorate High Intensity Drug Trafficking Areas.</u>

<u>EMS Maljamar (613)</u> - To account for funds received from the state of New Mexico to be spent on emergency medical services equipment and operations for the Emergency Medical Services Departments as authorized by 24A-1.

<u>County Fire Marshall (618)</u> - To account for the revenue and expenses of the Office of the County Fire Marshal established per Lea County Resolution 11-JUN026R and funded by the New Mexico State Fire Marshal's Office.

<u>Fire Excise Tax (619)</u> - To account for revenues provided by the imposition of an excise tax to one-fourth of one percent of gross receipts of businesses doing business in the County. The excise tax was approved by the electorate of the County on July 12, 1990, with the tax effective January 1, 1991. The funds are to be used to finance capital outlay costs of Lea County's independent fire Countys. This fund is authorized by Sections 7-20E, NMSA 1978.

<u>EMS Monument (621) -</u> To account for funds received from the state of New Mexico to be spent on emergency medical services equipment and operations for the Emergency Medical Services Departments as authorized by 24A-1.

DEBT SERVICE FUND

<u>Gross Receipts Debt Service (658)</u> – To account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources provided by gross receipts tax revenue bonds.



| ASSETS | _ | Farm and Range 403 | Community Centers 404 | Clerk's Recording & Filing 405 |
|---|-------------|--------------------------|-----------------------------|--------------------------------------|
| Current assets: | | | | |
| Cash and cash equivalents | \$ | 51,839 | 21,438 | 121,209 |
| Investments | | - | - | - |
| Receivables Receivable from other governments | | _ | _ | _ |
| Other receivables | | <u>-</u> | | 8,785 |
| Total current assets | \$ <u>_</u> | 51,839 | 21,438 | 129,994 |
| LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ | - | 987 | 669 |
| Accrued payroll liabilities | _ | - | | |
| Total current liabilities | _ | <u>-</u> | 987 | 669 |
| Deferred inflows: | | | | |
| Unavailable revenue | _ | | - | |
| Total deferred inflows | _ | <u>-</u> | | |
| Fund balances (deficit) | | | | |
| Nonspendable | | - | - | - |
| Restricted | | 51,839 | 20,451 | 129,325 |
| Unassigned | _ | | | |
| Total fund balance (deficit) | _ | 51,839 | 20,451 | 129,325 |
| Total liabilities, deferred inflows, | | | | |
| and fund balance (deficit) | \$ _ | 51,839 | 21,438 | 129,994 |

| Indigent Fund 406 | Malijmar Fire District 407 | Knowles Fire District 408 | Airport Fire 409 | Monument Fire District 410 |
|-------------------------|----------------------------------|---------------------------|------------------------|----------------------------------|
| 105,250 - | 191,503 - | 113,049 - | 19,446 - | 102,863 - |
| 482,427 | | <u>-</u> | - - | |
| 587,677 | 191,503 | 113,049 | 19,446 | 102,863 |
| | | | | |
| 80 | 734 | 1,457 | 1,314 1,030 | 2,655 |
| 80 | 734 | 1,457 | 2,344 | 2,655 |
| | | | | |
| - | - | | <u>-</u> | |
| | | | | |
| - 587,597 - | - 190,769 - | - 111,592 - | - 17,102 - | - 100,208 - |
| 587,597 | 190,769 | 111,592 | 17,102 | 100,208 |
| 587,677 | 191,503 | 113,049 | 19,446 | 102,863 |

| ACCETC | | Enviromental Gross Receipts Tax | DWI | Correction Fees |
|---|----|---------------------------------------|------------------|--------------------|
| ASSETS | | 411 | 412 | 415 |
| Current assets: Cash and cash equivalents Investments | \$ | 7,815,924 - | 389,393 - | 797,711 - |
| Receivables Receivable from other governments Other receivables | _ | 238,404 | 58,491 0 | 37,352 - |
| Total current assets | | 8,054,328 | 447,884 | 835,063 |
| LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES | | | | |
| Current liabilities: | | | | |
| Accounts payable Accrued payroll liabilities | | 85,784 9,786 | 79,531 12,039 | 11,867 - |
| Total current liabilities | | 95,570 | 91,570 | 11,867 |
| Deferred inflows: Unavailable revenue | | <u> </u> | <u>-</u> | |
| Total deferred inflows | | - - | <u>-</u> . | <u>-</u> |
| Fund balances (deficit) Nonspendable | | - | - | - |
| Restricted Unassigned | | 7,958,758 | 356,314 | 823,196 - |
| Total fund balance (deficit) | | 7,958,758 | 356,314 | 823,196 |
| Total liabilities, deferred inflows, | | | | |
| and fund balance (deficit) | \$ | 8,054,328 | 447,884 | 835,063 |

| Paving Districts 416 | Revolving Loan Fund 421 | EMPG Reimbursement 424 | Tire Recycling 426 | Other Grants 431 |
|----------------------------|----------------------------------|------------------------------|--------------------------|------------------------|
| 2,538 - | 960 100,145 | 52,066 - | 1,800 - | 225,592 - |
| <u> </u> | - | <u> </u> | <u> </u> | 26,677 - |
| 2,538 | 101,105 | 52,066 | 1,800 | 252,269 |
| | | | | |
| - | - | - 765 | - - | 68 - |
| - | - | 765 | - | 68 |
| | | | | |
| | - | | <u> </u> | - |
| | | | | |
| - 2,538 | - 101,105 | - 51,301 | - 1,800 | - 252,201 |
| | - | | _ | - |
| 2,538 | 101,105 | 51,301 | 1,800 | 252,201 |
| 2,538 | 101,105 | 52,066 | 1,800 | 252,269 |

| ASSETS | _ | Jal CDBG Wastewater 433 | County Airports 455 | Lea County Event Center 463 |
|---|----------------|-------------------------------|---------------------------|-----------------------------------|
| Current assets: | | | | |
| Cash and cash equivalents Investments | \$ | 21,882 | 56,236 | 97,431 |
| Receivables | | - | - | - |
| Receivable from other governments | | - | - | - |
| Other receivables | - | - - | - | |
| Total current assets | \$ = | 21,882 | 56,236 | 97,431 |
| LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ | - | 1,560 | 28,727 |
| Accrued payroll liabilities | = | <u> </u> | 2,008 | 4,929 |
| Total current liabilities | - | - - | 3,568 | 33,656 |
| Deferred inflows: | | | | |
| Unavailable revenue | = | - - | <u>-</u> | |
| Total deferred inflows | - | <u> </u> | - | |
| | | | | |
| Fund balances (deficit) | | | | |
| Nonspendable Restricted | | - 21,882 | - 52,668 | - 63,775 |
| Unassigned | _ | | | |
| Total fund balance (deficit) | _ | 21,882 | 52,668 | 63,775 |
| Total liabilities, deferred inflows, | | | | |
| and fund balance (deficit) | \$ | 21,882 | 56,236 | 97,431 |

| Property Valuation Fund 499 | EMS Knowles 604 | Law Enforcement Protection Grant 605 | High Intensity Drug Trafficking Areas Funds 609 | EMS Maljamar 613 |
|--------------------------------------|-----------------------|--------------------------------------|--|------------------------|
| 1,164,062 | 22,261 | 1,450 | 181,469 | 6,994 |
| - | - | - | - | - |
| - - | - - | - - | 215,549 - | - - |
| 1,164,062 | 22,261 | 1,450 | 397,018 | 6,994 |
| 685 2,270 | <u>-</u> | - - | 140,950 6,548 | <u>-</u> |
| | , | | | |
| 2,955 | <u>-</u> | | 147,498 | |
| | | | | |
| | | | | |
| | | | | |
| - 1,161,107 | - 22,261 | - 1,450 | - 249,520 | - 6,994 |
| - | - | - | - | - |
| 1,161,107 | 22,261 | 1,450 | 249,520 | 6,994 |
| 1,164,062 | 22,261 | 1,450 | 397,018 | 6,994 |

| ASSETS | _ | County Fire Marshall 618 | Fire Excise Tax 619 | EMS Monument 621 |
|---|--------------|--------------------------------|---------------------------|---|
| Current assets: | | 450 507 | 75.000 | 4.047 |
| Cash and cash equivalents Investments | \$ | 158,527 | 75,283 - | 1,017 |
| Receivables | | | | |
| Receivable from other governments | | - | - | - |
| Other receivables | _ | - | - . | |
| Total current assets | \$ _ | 158,527 | 75,283 | 1,017 |
| LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES | | | | |
| Current liabilities: | | | | |
| Accounts payable | \$ | 9,846 | - | - |
| Accrued payroll liabilities | _ | <u>-</u> | - . | <u> </u> |
| Total current liabilities | - | 9,846 | - | - |
| Deferred inflows: | | | | |
| Unavailable revenue | _ | | <u>-</u> | - |
| Total deferred inflows | _ | - | <u>-</u> | - |
| | | | | |
| Fund balances (deficit) Nonspendable | | | | |
| Restricted | | 148,681 | 75,283 | 1,017 |
| Unassigned | _ | <u>-</u> | <u> </u> | <u>, - </u> |
| Total fund balance (deficit) | - | 148,681 | 75,283 | 1,017 |
| Total liabilities, deferred inflows, | | | | |
| and fund balance (deficit) | \$_ | 158,527 | 75,283 | 1,017 |

| | Debt Service | |
|-----------------|----------------|------------|
| Total Non-Major | Gross Receipts | Total |
| Special Revenue | Debt Service | Non-Major |
| Funds | 658 | Funds |
| | | |
| | | |
| 11,799,193 | 4,955,346 | 16,754,539 |
| 100,145 | - | 100,145 |
| - | | , |
| 1,058,900 | 482,427 | 1,541,327 |
| 8,785 | - | 8,785 |
| | | |
| 12,967,023 | 5,437,773 | 18,404,796 |
| | | |
| | | |
| | | |
| | | |
| 266.014 | | 266.014 |
| 366,914 | - | 366,914 |
| 39,375 | | 39,375 |
| 406,289 | | 406,289 |
| | | |
| | | - |
| | | |
| - | - | - |
| | | |
| | | |
| | | |
| - | - | - |
| 12,560,734 | 5,437,773 | 17,998,507 |
| | <u>-</u> | - |
| 12,560,734 | 5,437,773 | 17,998,507 |
| | 2, .3. ,. 73 | |
| | | |
| 12,967,023 | 5,437,773 | 18,404,796 |

STATE OF NEW MEXICO LEA COUNTY COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT) NONMAJOR FUNDS FOR THE YEAR ENDED JUNE 30, 2020

| Revenues | _ | Farm and Range 403 | Community Centers 404 | Clerk's Recording & Filing 405 |
|---|------|--------------------------|-----------------------------|--------------------------------------|
| Property, sales, and miscellaneous | | | | |
| taxes | \$ | - | - | - |
| Licenses and permits | | - | - | 109,158 |
| Intergovernmental: | | | | |
| Federal | | 24,030 | - | - |
| State | | - | - | - |
| Charges for services | | - | - | - |
| Investment earnings | | - | - | - |
| Miscellaneous | _ | | | |
| Total revenues | _ | 24,030 | | 109,158 |
| Expenditures | | | | |
| Current | | | | |
| General government | | - | - | 236,494 |
| Public safety | | 123,500 | - | - |
| Culture and recreation | | - | 15,691 | - |
| Health and welfare | | - | - | - |
| Public works | | - | - | - |
| Capital outlay | | - | - | - |
| Debt service | | | | |
| Principal Interest | | - | - | - |
| interest | _ | | | |
| Total expenditures | _ | 123,500 | 15,691 | 236,494 |
| Excess (deficiency) of revenues | | | | |
| over expenditures | _ | (99,470) | (15,691) | (127,336) |
| Other financing sources (uses): | | | | |
| Transfers in | | 112,000 | _ | _ |
| Transfers out | | - | - | - |
| Total other financing sources (uses) | _ | 112,000 | - | |
| | _ | | | |
| Net changes in fund balances | | 12,530 | (15,691) | (127,336) |
| Fund balances (deficit) - beginning of year | _ | 39,309 | 36,142 | 256,661 |
| Fund balances (deficit) - end of year | \$ _ | 51,839 | 20,451 | 129,325 |

| Indigent Fund 406 | Malijmar Fire District 407 | Knowles Fire District 408 | Airport Fire 409 | Monument Fire District 410 |
|-------------------------|----------------------------------|---------------------------------|---------------------|----------------------------------|
| 9,031,088 | - - | - - | - | - - |
| | | | | |
| - | - 96,545 | 101,909 | - - | - 107,272 |
| - | - | - | - | - |
| - 35,529 | | | - | |
| 9,066,617 | 96,545 | 101,909 | - | 107,272 |
| | | | | |
| - | - | - | - | - |
| - | 34,727 | 54,399 | 196,595 | 137,284 |
| - 10,765,835 | - | - - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| | - | | | |
| 10,765,835 | 34,727 | 54,399 | 196,595 | 137,284 |
| (1,699,218) | 61,818 | 47,510 | (196,595) | (30,012) |
| | | | | |
| - | - | - | 200,000 | - |
| - | - | - | 200,000 | |
| | | | | |
| (1,699,218) | 61,818 | 47,510 | 3,405 | (30,012) |
| 2,286,815 | 128,951 | 64,082 | 13,697 | 130,220 |
| 587,597 | 190,769 | 111,592 | 17,102 | 100,208 |

STATE OF NEW MEXICO
LEA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (DEFICIT)
NONMAJOR FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

| Revenues | | Enviromental Gross Receipts Tax 411 | DWI 412 | Correction Fees 415 |
|---|------------|--|----------------|---------------------------|
| Property, sales, and miscellaneous | _ | _ | | _ |
| taxes | \$ | 4,986,341 | - | - |
| Licenses and permits | | - | - | - |
| Intergovernmental: | | | | |
| Federal | | - | - | - |
| State | | - | 788,702 | 167,765 |
| Charges for services | | - | 139,246 | - |
| Investment earnings | | - | - | - |
| Miscellaneous | | 153,240 | 5,788 | |
| Total revenues | _ | 5,139,581 | 933,736 | 167,765 |
| Expenditures | | | | |
| Current | | | | |
| General government | | - | - | - |
| Public safety | | - | 845,460 | 148,888 |
| Culture and recreation | | - | - | - |
| Health and welfare | | 3,135,000 | - | - |
| Public works | | - | - | - |
| Capital outlay | | - | - | - |
| Debt service | | | | |
| Principal | | - | - | - |
| Interest | _ | | - . | |
| Total expenditures | _ | 3,135,000 | 845,460 | 148,888 |
| Excess (deficiency) of revenues | | | | |
| over expenditures | _ | 2,004,581 | 88,276 | 18,877 |
| Other financing sources (uses): | | | | |
| Transfers in | | - | - | - |
| Transfers out | | <u> </u> | <u>-</u> | - |
| Total other financing sources (uses) | _ | <u>-</u> _ | - | <u>-</u> |
| Net changes in fund balances | | 2,004,581 | 88,276 | 18,877 |
| Fund balances (deficit) - beginning of year | _ | 5,954,177 | 268,038 | 804,319 |
| Fund balances (deficit) - end of year | \$ <u></u> | 7,958,758 | 356,314 | 823,196 |
| _ | | | | |

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| Paving Districts 416 | Revolving Loan Fund 421 | Revolving EMPG Reimbursement 424 | Tire Recycling 426 | Other Grants 431 |
|----------------------------|----------------------------------|---|--------------------------|------------------------|
| - | - | - | - | - |
| | | | | |
| - - | - | - 10,152 | - | - 69,834 |
| - | - | - | - | - |
| <u> </u> | - - | | <u>-</u> | - - |
| <u>-</u> . | | 10,152 | <u>-</u> . | 69,834 |
| | | | | |
| - | - | - | - | 50,356 |
| - | - | 36,857 - | - | - |
| - | - | - | - | - |
| - | - | - | - | - - |
| | | | | |
| - | - | - | - | - |
| - | - | 36,857 | - | 50,356 |
| <u> </u> | | (26,705) | <u> </u> | 19,478 |
| - | - | 55,000 | - | - |
| <u> </u> | - | 55,000 | <u> </u> | |
| - | - | 28,295 | - | 19,478 |
| 2,538 | 101,105 | 23,006 | 1,800 | 232,723 |
| 2,538 | 101,105 | 51,301 | 1,800 | 252,201 |

STATE OF NEW MEXICO LEA COUNTY COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT) NONMAJOR FUNDS FOR THE YEAR ENDED JUNE 30, 2020

| Revenues | | Jal CDBG Wastewater 433 | County Airports 455 | Lea County Event Center 463 |
|---|----|-------------------------------|---------------------------|-----------------------------------|
| Property, sales, and miscellaneous | | 433 | 433 | 403 |
| taxes | \$ | _ | _ | - |
| Licenses and permits | Ψ | <u>-</u> | _ | - |
| Intergovernmental: | | | | |
| Federal | | _ | 46,136 | - |
| State | | _ | 60,475 | - |
| Charges for services | | _ | - | 185,369 |
| Investment earnings | | _ | _ | - |
| Miscellaneous | | | <u> </u> | 496 |
| Total revenues | | <u> </u> | 106,611 | 185,865 |
| Expenditures | | | | |
| Current | | | | |
| General government | | - | - | - |
| Public safety | | - | - | - |
| Culture and recreation | | - | - | 747,828 |
| Health and welfare | | - | - | - |
| Public works | | - | 431,565 | - |
| Capital outlay | | - | - | 77,175 |
| Debt service | | | | |
| Principal | | - | - | - |
| Interest | _ | - - | - | |
| Total expenditures | _ | <u> </u> | 431,565 | 825,003 |
| Excess (deficiency) of revenues | | | | |
| over expenditures | _ | | (324,954) | (639,138) |
| Other financing sources (uses): | | | | |
| Transfers in | | - | 193,658 | 660,000 |
| Transfers out | | <u>-</u> - | <u>-</u> | |
| Total other financing sources (uses) | | <u>-</u> . | 193,658 | 660,000 |
| Net changes in fund balances | | - | (131,296) | 20,862 |
| Fund balances (deficit) - beginning of year | _ | 21,882 | 183,964 | 42,913 |
| Fund balances (deficit) - end of year | \$ | 21,882 | 52,668 | 63,775 |

| Property Valuation Fund 499 | EMS Knowles 604 | Enforcement Protection Grant 605 | High Intensity Drug Trafficking Areas Funds 609 | EMS Maljamar 613 |
|--------------------------------------|-----------------------|---|--|------------------------|
| - - | - | - - | - | - - |
| | | | | |
| - | - | - | 1,349,494 | - |
| - 556,138 | 5,166 | 59,000 | - | - |
| - | - | - | 7,839 | - |
| <u>-</u> | - | | 7,735 | |
| 556,138 | 5,166 | 59,000 | 1,365,068 | - |
| 444,075 | | _ | | _ |
| - | 1,725 | 78,650 | 1,364,215 | - |
| - | - | - | · · · · · - | - |
| - | - | - | - | - |
| - 50,789 | - - | - | - | - |
| 23,132 | | | | |
| - | - | - | - | - |
| - . | <u>-</u> | | | |
| 494,864 | 1,725 | 78,650 | 1,364,215 | - |
| | | | | |
| 61,274 | 3,441 | (19,650) | 853 | |
| | | | | |
| - | - | - | - | - |
| <u>-</u> | | | | |
| - | - | - | - | - |
| | | | | |
| 61,274 | 3,441 | (19,650) | 853 | - |
| 1,099,833 | 18,820 | 21,100 | 248,667 | 6,994 |
| 1,161,107 | 22,261 | 1,450 | 249,520 | 6,994 |
| | | | | |

STATE OF NEW MEXICO LEA COUNTY COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT) NONMAJOR FUNDS FOR THE YEAR ENDED JUNE 30, 2020

| Revenues | County Fire Marshall 618 | Fire Excise Tax 619 | EMS Monument 621 |
|---|--------------------------------|---------------------------|------------------------|
| Property, sales, and miscellaneous | | | |
| taxes | - | - | - |
| Licenses and permits | - | - | - |
| Intergovernmental: Federal | | | |
| State | 103,407 | - | - |
| Charges for services | 103,407 | - | <u>-</u> |
| Investment earnings | - | 2,947 | - |
| Miscellaneous | | - | |
| Total revenues | 103,407 | 2,947 | |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | 63,585 | 475,211 | - |
| Culture and recreation | - | - | - |
| Health and welfare | - | - | - |
| Public works | - 100 720 | - | - |
| Capital outlay Debt service | 190,739 | - | - |
| Principal | _ | _ | _ |
| Interest | | | |
| Total expenditures | 254,324 | 475,211 | |
| Excess (deficiency) of revenues | (450.047) | (472.264) | |
| over expenditures | (150,917) | (472,264) | |
| Other financing sources (uses): | | | |
| Transfers in Transfers out | 200,000 | 100,000 | - |
| | 200.000 | 100.000 | |
| Total other financing sources (uses) | 200,000 | 100,000 | |
| Net changes in fund balances | 49,083 | (372,264) | - |
| Fund balances (deficit) - beginning of year | 99,598 | 447,547 | 1,017 |
| Fund balances (deficit) - end of year | 148,681 | 75,283 | 1,017 |
| | | | |

| | Debt Service | |
|-----------------|----------------|------------|
| Total Non-Major | Gross Receipts | Total |
| Special Revenue | Debt Service | Non-Major |
| Funds | 658 | Funds |
| | | |
| 14,017,429 | 9,031,088 | 23,048,517 |
| 109,158 | - | 109,158 |
| | | |
| 1,419,660 | - | 1,419,660 |
| 1,570,227 | - | 1,570,227 |
| 880,753 | - | 880,753 |
| 10,786 | 1,600 | 12,386 |
| 202,788 | _ | 202,788 |
| 18,210,801 | 9,032,688 | 27,243,489 |
| | | |
| | | |
| | | |
| 730,925 | 263,823 | 994,748 |
| 3,561,096 | - | 3,561,096 |
| 763,519 | - | 763,519 |
| 13,900,835 | - | 13,900,835 |
| 431,565 | - | 431,565 |
| 318,703 | - | 318,703 |
| | 4.075.000 | 4.075.000 |
| - | 4,875,000 | 4,875,000 |
| | 160,464 | 160,464 |
| 19,706,643 | 5,299,287 | 25,005,930 |
| | | |
| | | |
| (1,495,842) | 3,733,401 | 2,237,559 |
| | | |
| | | |
| 1,520,658 | - | 1,520,658 |
| | | |
| 1,520,658 | - | 1,520,658 |
| | | |
| | | |
| 24,816 | 3,733,401 | 3,758,217 |
| 12,535,918 | 1,704,372 | 14,240,290 |
| 12,560,734 | 5,437,773 | 17,998,507 |
| | | |

STATE OF NEW MEXICO LEA COUNTY CAPITAL PROJECTS FUND (430) STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | _ | Budgeted Amounts | | | Variance with Final Budget- |
|--|------|------------------|--------------|-------------------|--------------------------------|
| | | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | _ | | | | |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - |
| State | | 1,000,000 | 1,000,000 | - | (1,000,000) |
| Charges for services | | - | - | - | - |
| Investment earnings | | - | - | - | - |
| Miscellaneous | _ | | | | |
| Total revenues | _ | 1,000,000 | 1,000,000 | | (1,000,000) |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | - | - | - | - |
| Culture and recreation | | - | - | - | - |
| Health and welfare | | - | - | - | - |
| Public works | | - | - | - | - 26 00F 740 |
| Capital outlay | - | 38,968,773 | 43,047,209 | 6,241,490 | 36,805,719 |
| Total expenditures | - | 38,968,773 | 43,047,209 | 6,241,490 | 36,805,719 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | | (37,968,773) | (42,047,209) | (6,241,490) | 35,805,719 |
| • | _ | | | | |
| Other financing sources (uses): | | | | | |
| Transfers in | | 40,977,217 | 40,977,217 | 6,000,000 | (34,977,217) |
| Transfers out | | <u>-</u> | | | |
| Total other financing sources (uses) | _ | 40,977,217 | 40,977,217 | 6,000,000 | (34,977,217) |
| Prior year cash balance budgeted | _ | 1,156,434 | 1,156,434 | | |
| Net changes in fund balances | \$ _ | 4,164,878 | 86,442 | (241,490) | (327,932) |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | - | |
| Adjustments to expenditures | | | | 337,671 | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | 96,181 | |

STATE OF NEW MEXICO LEA COUNTY FARM AND RANGE - SPECIAL REVENUE FUND (403) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | _ | Budgeted Amounts | | | Variance with Final Budget- |
|--|------|------------------|-----------|-------------------|-----------------------------|
| | | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | _ | | | | |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | - |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | 20,000 | 20,000 | 40,574 | 20,574 |
| State | | - | - | - | - |
| Charges for services | | - | - | - | - |
| Investment earnings | | - | - | - | - |
| Miscellaneous | _ | <u> </u> | <u> </u> | - | |
| Total revenues | _ | 20,000 | 20,000 | 40,574 | 20,574 |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | 123,500 | 123,500 | 123,500 | - |
| Culture and recreation | | - | - | - | - |
| Heath and welfare | | - | - | - | - |
| Public works | | - | - | - | |
| Capital outlay | _ | | <u> </u> | | |
| Total expenditures | _ | 123,500 | 123,500 | 123,500 | |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | _ | (103,500) | (103,500) | (82,926) | 20,574 |
| Other financing sources (uses): | | | | | |
| Transfers in | | 112,153 | 112,153 | 112,000 | (153) |
| Transfers out | | , - | , - | - | - |
| Total other financing sources (uses) | | 112,153 | 112,153 | 112,000 | (153) |
| Prior year cash balance budgeted | | - | - | | |
| Net changes in fund balances | \$ _ | 8,653 | 8,653 | 29,074 | 20,421 |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | (16,544) | |
| Adjustments to expenditures | | | _ | | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | 12,530 | |

STATE OF NEW MEXICO LEA COUNTY RECREATION- SPECIAL REVENUE FUND (404) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | _ | Budgeted A | mounts | | Variance with Final Budget- |
|--|------|------------|--------------|-------------------|-----------------------------|
| | | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | _ | | | | (regaring) |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - |
| State | | - | - | - | - |
| Charges for services Investment earnings | | - | - | - | - |
| Miscellaneous | | - | - | _ | _ |
| Wilscellaneous | _ | | | | |
| Total revenues | _ | <u> </u> | <u> </u> | <u>-</u> | |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | - | - | - | - |
| Culture and recreation | | 84,871 | 84,871 | 16,470 | 68,401 |
| Health and welfare | | - | - | - | - |
| Public works Capital outlay | | 200,000 | 200,000 | - | 200,000 |
| Capital Outlay | - | 200,000 | 200,000 | <u>-</u> _ | 200,000 |
| Total expenditures | _ | 284,871 | 284,871 | 16,470 | 268,401 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | _ | (284,871) | (284,871) | (16,470) | 268,401 |
| Other financing sources (uses): | | | | | |
| Transfers in | | 310,077 | 310,077 | - | (310,077) |
| Transfers out | _ | <u> </u> | - | - | |
| Total other financing sources (uses) | _ | 310,077 | 310,077 | | (310,077) |
| Prior year cash balance budgeted | | | | | |
| Net changes in fund balances | \$ _ | 25,206 | 25,206 | (16,470) | (41,676) |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | - | |
| Adjustments to expenditures | | | | 779 | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | (15,691) | |

STATE OF NEW MEXICO LEA COUNTY CLERK RECORDING & FILING - SPECIAL REVENUE FUND (405) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | _ | Budgeted Amounts | | Autour | Variance with Final Budget- | |
|--|------|------------------|-----------|-------------------|-----------------------------|--|
| | | Original | Final | Actual Amounts | Positive (Negative) | |
| Revenues | _ | | | _ | | |
| Property, sales, and miscellaneous | | | | | | |
| taxes | \$ | - | - | - | - | |
| Payment in lieu of taxes | | - | - | - | | |
| Licenses and permits | | 100,000 | 100,000 | 110,047 | 10,047 | |
| Intergovernmental: | | | | | | |
| Federal | | - | - | - | - | |
| State | | - | - | - | - | |
| Charges for services | | - | - | - | - | |
| Investment earnings | | - | - | - | - | |
| Miscellaneous | | <u>-</u> | | | | |
| Total revenues | _ | 100,000 | 100,000 | 110,047 | 10,047 | |
| Expenditures | | | | | | |
| Current | | | | | | |
| General government | | 310,600 | 310,600 | 238,398 | 72,202 | |
| Public safety | | - | - | - | - | |
| Culture and recreation | | - | - | - | - | |
| Health and welfare | | - | - | - | - | |
| Public works | | - | - | - | - | |
| Capital outlay | _ | | <u>-</u> | - | | |
| Total expenditures | _ | 310,600 | 310,600 | 238,398 | 72,202 | |
| Excess (deficiency) of revenues | | | | | | |
| over expenditures | _ | (210,600) | (210,600) | (128,351) | 82,249 | |
| Other financing sources (uses): | | | | | | |
| Transfers in | | - | - | - | - | |
| Transfers out | _ | <u> </u> | <u> </u> | <u>-</u> | | |
| Total other financing sources (uses) | _ | <u> </u> | | | | |
| Prior year cash balance budgeted | _ | 249,560 | 249,560 | | | |
| Net changes in fund balances | \$ _ | 38,960 | 38,960 | (128,351) | (167,311) | |
| Reconciliation to GAAP basis: | | | | | | |
| Adjustments to revenues | | | | (889) | | |
| Adjustments to expenditures | | | | 1,904 | | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ \$ | (127,336) | | |

STATE OF NEW MEXICO LEA COUNTY INDIGENT FUND (406) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | _ | Budgeted <i>i</i> | Amounts | | Variance with Final Budget- |
|--|------|-------------------|-------------|-------------------|-----------------------------|
| | | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | | | | | |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | 7,600,000 | 7,600,000 | 9,253,032 | 1,653,032 |
| Payment in lieu of taxes | | - | - | - | |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - |
| State | | - | - | - | - |
| Charges for services | | - | - | - | - |
| Investment earnings | | - | - | - | - |
| Miscellaneous | _ | 500 | 500 | 35,529 | 35,029 |
| Total revenues | _ | 7,600,500 | 7,600,500 | 9,288,561 | 1,688,061 |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | - | - | - | - |
| Culture and recreation | | - | - | - | - |
| Health and welfare | _ | 10,691,000 | 11,158,000 | 10,765,755 | 392,245 |
| Total expenditures | _ | 10,691,000 | 11,158,000 | 10,765,755 | 392,245 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | _ | (3,090,500) | (3,557,500) | (1,477,194) | 2,080,306 |
| Other financing sources (uses): | | | | | |
| Transfers in | | 2,902,161 | 2,902,161 | - | (2,902,161) |
| Transfers out | _ | - | | | |
| Total other financing sources (uses) | _ | 2,902,161 | 2,902,161 | | (2,902,161) |
| Prior year cash required to balance budget | _ | 1,582,444 | 1,582,444 | | |
| Net changes in fund balances | \$ = | 1,394,105 | 927,105 | (1,477,194) | (2,404,299) |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | (221,944) | |
| Adjustments to expenditures | | | | (80) | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | (1,699,218) | |

STATE OF NEW MEXICO LEA COUNTY MALJIMAR FIRE DISTRICT - SPECIAL REVENUE FUND (407) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | Budgeted A | Budgeted Amounts | | Variance with Final Budget- |
|--|------------|------------------|-------------------|-----------------------------|
| | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | | | | |
| Property, sales, and miscellaneous | | | | |
| | \$ - | - | - | - |
| Payment in lieu of taxes | - | - | - | |
| Licenses and permits | - | - | - | - |
| Intergovernmental: | | | | |
| Federal | - | - | - | - |
| State | 75,062 | 75,062 | 96,545 | 21,483 |
| Charges for services | - | - | - | - |
| Investment earnings | - | - | - | - |
| Miscellaneous | <u> </u> | <u>-</u> | - | |
| Total revenues | 75,062 | 75,062 | 96,545 | 21,483 |
| Expenditures | | | | |
| Current | | | | |
| General government | - | - | - | - |
| Public safety | 75,062 | 75,062 | 34,266 | 40,796 |
| Culture and recreation | - | - | - | - |
| Health and welfare | | - . | - | |
| Total expenditures | 75,062 | 75,062 | 34,266 | 40,796 |
| Excess (deficiency) of revenues | | | | |
| over expenditures | | <u>-</u> . | 62,279 | 62,279 |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | | - . | - | |
| Total other financing sources (uses) | | <u>-</u> . | - | |
| Prior year cash required to balance budget | | | | |
| Net changes in fund balances | \$ | <u> </u> | 62,279 | 62,279 |
| Reconciliation to GAAP basis: | | | | |
| Adjustments to revenues | | | - | |
| Adjustments to expenditures | | | (461) | |
| Net Change in Fund Balances (GAAP Basis) | | \$ | 61,818 | |

STATE OF NEW MEXICO LEA COUNTY KNOWLES FIRE DISTRICT- SPECIAL REVENUE FUND (408) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

See Notes to Financial Statements

| | | _ | Budgeted Amounts | | Actual | Variance with Final Budget- Positive |
|---------------|--|------|------------------|-------------|--------------|--------------------------------------|
| B | | = | Original | Final | Amounts | (Negative) |
| Revenues | Property, sales, and miscellaneous taxes | \$ | - | - | - | - |
| | Payment in lieu of taxes | | - | - | - | |
| | Licenses and permits | | - | - | - | - |
| | Intergovernmental: Federal | | | | | |
| | State | | - 79,232 | - 79,232 | - 101,909 | - 22,677 |
| | Charges for services | | - | - | - | - |
| | Investment earnings | | - | - | - | - |
| | Miscellaneous | - | - | | | |
| Total reven | ues | _ | 79,232 | 79,232 | 101,909 | 22,677 |
| Expenditur | es | | | | | |
| | Current General government | | _ | _ | _ | _ |
| | Public safety | | 79,232 | 680,232 | 54,073 | 626,159 |
| | Culture and recreation | | - | - | - | - |
| | Health and welfare | | - | - | - | - |
| | Public works | | - | - | - | - |
| | Capital outlay | | - | - | - | - |
| | Debt service Principal | | _ | _ | _ | _ |
| | Interest | | - | - | - | - |
| Total expen | ditures | - | 79,232 | 680,232 | 54,073 | 626,159 |
| Total expen | untures | - | 79,232 | 080,232 | 34,073 | 020,139 |
| Excess (defi | ciency) of revenues | | | | | |
| | over expenditures | _ | | (601,000) | 47,836 | 648,836 |
| Other finan | icing sources (uses): | | | | | |
| Other man | Transfers in | | 600,000 | 600,000 | - | (600,000) |
| | Transfers out | _ | <u> </u> | | <u> </u> | |
| Total other | financing sources (uses) | _ | 600,000 | 600,000 | | (600,000) |
| Prior year c | ash balance budgeted | | | | | |
| Net change | s in fund balances | \$ = | 600,000 | (1,000) | 47,836 | 48,836 |
| Reconciliati | on to GAAP basis: | | | | | |
| . iccontinuti | Adjustments to revenues | | | | - | |
| | Adjustments to expenditures | | | | (326) | |
| N + 6' | | | | 1 | | |
| Net Change | in Fund Balances (GAAP Basis) | | | \$ | 47,510 | |

Variance with

STATE OF NEW MEXICO LEA COUNTY AIRPORT FIRE - SPECIAL REVENUE FUND (409) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE YEAR ENDED JUNE 30, 2020 | | | | | Variance with |
|--|----|------------------|-----------|-------------------|------------------------|
| | | Budgeted Amounts | | | Final Budget- |
| | | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | _ | | | | (110821117) |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - |
| State | | - | - | - | - |
| Charges for services | | - | - | - | - |
| Investment earnings | | - | - | - | - |
| Miscellaneous | _ | <u>-</u> . | <u> </u> | - | |
| Total revenues | _ | <u>-</u> | <u>-</u> | - | |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | 347,723 | 482,070 | 198,092 | 283,978 |
| Culture and recreation | | - | - | - | - |
| Health and welfare | | - | - | - | - |
| Public works | | - | - | - | - |
| Capital outlay | | - | - | - | - |
| Debt service | | | | | |
| Principal | | - | - | - | - |
| Interest | _ | <u> </u> | <u> </u> | | |
| Total expenditures | _ | 347,723 | 482,070 | 198,092 | 283,978 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | _ | (347,723) | (482,070) | (198,092) | 283,978 |
| Other financing sources (uses): | | | | | |
| Transfers in | | 483,760 | 483,760 | 200,000 | (283,760) |
| Transfers out | _ | <u> </u> | <u> </u> | | |
| Total other financing sources (uses) | _ | 483,760 | 483,760 | 200,000 | (283,760) |
| Net changes in fund balances | \$ | 136,037 | 1,690 | 1,908 | 218 |
| | _ | | | | |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | - | |
| Adjustments to expenditures | | | - | 1,497 | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | 3,405 | |
| | | | = | | |

STATE OF NEW MEXICO LEA COUNTY MONUMENT FIRE DISTRICT - SPECIAL REVENUE FUND (410) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE TEAR ENDED JUNE 30, 2020 | | Budgeted A | Amounts | | Variance with Final Budget- |
|--|----|------------|-----------|-------------------|--------------------------------|
| | - | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | - | | | | |
| Property, sales, and miscellaneous taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | - |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - 22.074 |
| State Charges for convices | | 83,401 | 83,401 | 107,272 | 23,871 |
| Charges for services Investment earnings | | - | - | - | - |
| Miscellaneous | _ | <u> </u> | <u> </u> | <u> </u> | |
| Total revenues | - | 83,401 | 83,401 | 107,272 | 23,871 |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | 102 401 | 102 401 | 126 500 | 46,892 |
| Public safety Culture and recreation | | 183,401 | 183,401 | 136,509 | 40,092 |
| Health and welfare | | _ | _ | _ | _ |
| Public works | | - | - | - | - |
| Capital outlay | | - | - | _ | - |
| Debt service | | | | | |
| Principal | | - | - | - | - |
| Interest | - | = | | | |
| Total expenditures | - | 183,401 | 183,401 | 136,509 | 46,892 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | - | (100,000) | (100,000) | (29,237) | 70,763 |
| Other financing sources (uses): | | | | | |
| Transfers in | | - | - | - | - |
| Transfers out | _ | | | | |
| Total other financing sources (uses) | - | | | | |
| Prior year cash balance budgeted | | | | | |
| Net changes in fund balances | \$ | (100,000) | (100,000) | (29,237) | 70,763 |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | - | |
| Adjustments to expenditures | | | | (775) | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | (30,012) | |

STATE OF NEW MEXICO LEA COUNTY ENVIRONMENTAL GROSS RECEIPTS TAX - SPECIAL REVENUE FUND (411) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE YEAR ENDED JUNE 30, 2020 | | Budgeted Amounts | | | Variance with Final Budget- |
|--------------------------------------|------|------------------|----------------|-------------------|-----------------------------|
| | | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | | | | | |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | 3,800,000 | 3,587,250 | 5,121,112 | 1,533,862 |
| Payment in lieu of taxes | | - | - | - | - |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal State | | - | - | - | - |
| Charges for services | | - | - | - | - |
| Investment earnings | | - | - | - | - |
| Miscellaneous | | 140,000 | 140,773 | 153,240 | 12,467 |
| Miscellatieous | _ | 140,000 | 140,773 | 133,240 | 12,407 |
| Total revenues | | 3,940,000 | 3,728,023 | 5,274,352 | 1,546,329 |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | - | - | - | - |
| Culture and recreation | | - | - | - | - |
| Health and welfare | | 4,978,738 | 5,488,093 | 3,142,473 | 2,345,620 |
| Public works | | - | - | - | - |
| Capital outlay | | - | - | - | - |
| Debt service | | | | | |
| Principal | | - | - | - | - |
| Interest | | - | - - | - | - |
| Total expenditures | | 4,978,738 | 5,488,093 | 3,142,473 | 2,345,620 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | | (1,038,738) | (1,760,070) | 2,131,879 | 3,891,949 |
| Other financing sources (uses): | | | | | |
| Transfers in | | - | - | - | - |
| Transfers out | | - | - - | - | |
| Total other financing sources (uses) | | | <u> </u> | <u>-</u> | |
| Prior year cash balance budgeted | | | | | |
| Net changes in fund balances | \$ _ | (1,038,738) | (1,760,070) | 2,131,879 | 3,891,949 |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | (134,771) | |
| Adjustments to expenditures | | | | 7,473 | |
| | | | | | |

STATE OF NEW MEXICO LEA COUNTY DWI - SPECIAL REVENUE FUND (412) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE YEAR ENDED JUNE 30, 2020 | | 5.1.1. | | | Variance with |
|--|----|----------------|----------------|----------|---------------------------|
| | - | Budgeted A | | Actual | Final Budget- Positive |
| Payanuas | - | Original | Final | Amounts | (Negative) |
| Revenues Property, sales, and miscellaneous | | | | | |
| taxes | \$ | _ | _ | _ | _ |
| Payment in lieu of taxes | ڔ | | | _ | _ |
| Licenses and permits | | _ | _ | _ | _ |
| Intergovernmental: | | | | | |
| Federal | | _ | _ | _ | _ |
| State | | 691,155 | 722,279 | 788,582 | 66,303 |
| | | | | | |
| Charges for services | | 212,670 | 212,670 | 139,246 | (73,424) |
| Investment earnings | | - | - | - | - (= 10) |
| Miscellaneous | - | 6,300 | 6,300 | 5,788 | (512) |
| Total revenues | - | 910,125 | 941,249 | 933,616 | (7,633) |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | 1,036,516 | 1,036,516 | 770,207 | 266,309 |
| Culture and recreation | | - | - | - | - |
| Health and welfare | | - | - | - | - |
| Public works | | - | - | - | - |
| Capital outlay | | - | - | - | - |
| Debt service | | | | | |
| Principal | | - | - | - | - |
| Interest | - | - - | - - | - | |
| Total expenditures | - | 1,036,516 | 1,036,516 | 770,207 | 266,309 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | | (126,391) | (95,267) | 163,409 | 258,676 |
| | - | | | | |
| Other financing sources (uses): | | | | | |
| Transfers in | | 167,405 | 167,405 | - | (167,405) |
| Transfers out | | <u> </u> | <u> </u> | | |
| Total other financing sources (uses) | - | 167,405 | 167,405 | - | (167,405) |
| Prior year cash balance budgeted | | | - | | |
| Net changes in fund balances | \$ | 41,014 | 72,138 | 163,409 | 91,271 |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | 120 | |
| Adjustments to revenues Adjustments to expenditures | | | | (75,253) | |
| Aujustinents to expenditures | | | - | (73,233) | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | 88,276 | |

STATE OF NEW MEXICO LEA COUNTY CORRECTION FEES - SPECIAL REVENUE FUND (415) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| Revenues Original Final Amounts Actual Amounts Positive (Negative) Property, sales, and miscellaneous taxes \$ | FOR THE TEAR ENDED JUNE 30, 2020 | Budgeted Amounts | | | Variance with Final Budget- |
|--|--|------------------|--------------|----------|--------------------------------|
| Revenues Property, sales, and miscellaneous taxes \$. | | | | | Positive |
| taxes \$ - <td>Revenues</td> <td></td> <td></td> <td></td> <td></td> | Revenues | | | | |
| Payment in lieu of taxes Licenses and permits Licenses and permits Lintergovernmental: Federal Federal State 135,000 135,000 130,413 (4,587) Charges for services 10,000 Linustment earnings Miscellaneous Total revenues Lintergovernmental Expenditures Current General government General government Health and welfare Public safety Rate State Capital outlay Debt service Principal Linterest Total expenditures Exees (deficiency) of revenues over expenditures Current Caces (deficiency) of revenues over expenditures Cother financing sources (uses) Transfers out Transfers out Prior year cash balance budgeted Reconciliation to GAAP basis: Adjustments to revenues Adjustments to revenues Reconciliation to GAAP basis: Adjustments to revenues Reconciliation to GAAP basis: Adjustments to revenues Adjustments to expenditures Reconciliation to GAAP basis: Adjustments to revenues Adjustments to expenditures Reconciliation to GAAP basis: Adjustments to revenues Adjustments to expenditures Reconciliation to GAAP basis: Adjustments to expenditures | Property, sales, and miscellaneous | | | | |
| Licenses and permits | taxes | \$ - | - | - | - |
| Intergovernmental: Federal | | - | - | - | |
| Federal - </td <td>•</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> | • | - | - | - | - |
| State Charges for services Charges for services Investment earnings 135,000 130,413 (4,587) Miscellaneous - - - - Miscellaneous - - - - Total revenues 135,000 135,000 130,413 (4,587) Expenditures Current General government - - - - Public safety 842,925 842,925 140,769 702,156 Culture and recreation - - - - Public works - - - - Capital outlay - - - - Debt service - - - - - Principal - - - - - - Interest - | | | | | |
| Charges for services Investment earnings | | - | - | - | - |
| Investment earnings | | 135,000 | 135,000 | 130,413 | (4,587) |
| Miscellaneous - < | _ | - | - | - | - |
| Expenditures 135,000 135,000 130,413 (4,587) Expenditures Current Separate of Current Separa | | - | - | - | - |
| Expenditures Current General government Gen | Miscellaneous | | | | |
| Current General government - <td>Total revenues</td> <td>135,000</td> <td>135,000</td> <td>130,413</td> <td>(4,587)</td> | Total revenues | 135,000 | 135,000 | 130,413 | (4,587) |
| General government - | Expenditures | | | | |
| Public safety 842,925 842,925 140,769 702,156 Culture and recreation - - - - Health and welfare - - - - Public works - - - - Capital outlay - - - - Debt service - - - - - Principal - - - - - - Interest - <td< td=""><td></td><td></td><td></td><td></td><td></td></td<> | | | | | |
| Culture and recreation - <td>_</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> | _ | - | - | - | - |
| Health and welfare | - | 842,925 | 842,925 | 140,769 | 702,156 |
| Public works - <t< td=""><td></td><td>-</td><td>-</td><td>-</td><td>-</td></t<> | | - | - | - | - |
| Capital outlay - | | - | - | - | - |
| Debt service Principal - | | - | = | - | - |
| Principal Interest - | | - | = | - | - |
| Interest | | | | | |
| Total expenditures 842,925 842,925 140,769 702,156 Excess (deficiency) of revenues over expenditures (707,925) (707,925) (10,356) 697,569 Other financing sources (uses): - - - - - Transfers out - - - - - - Total other financing sources (uses) - <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> | | - | - | - | - |
| Excess (deficiency) of revenues over expenditures (707,925) (707,925) (10,356) 697,569 Other financing sources (uses): Transfers in - | interest | - | - | | |
| over expenditures (707,925) (707,925) (10,356) 697,569 Other financing sources (uses): - | Total expenditures | 842,925 | 842,925 | 140,769 | 702,156 |
| Other financing sources (uses): Transfers in - | Excess (deficiency) of revenues | | | | |
| Transfers in - <t< td=""><td>over expenditures</td><td>(707,925)</td><td>(707,925)</td><td>(10,356)</td><td>697,569</td></t<> | over expenditures | (707,925) | (707,925) | (10,356) | 697,569 |
| Transfers out | | | | | |
| Total other financing sources (uses) Prior year cash balance budgeted 808,067 808,067 Net changes in fund balances \$ 100,142 | | - | - | - | - |
| Prior year cash balance budgeted 808,067 808,067 Net changes in fund balances \$ 100,142 100,142 (10,356) (110,498) Reconciliation to GAAP basis: Adjustments to revenues 37,352 Adjustments to expenditures (8,119) | Transfers out | | | | |
| Net changes in fund balances\$ 100,142100,142(10,356)(110,498)Reconciliation to GAAP basis: Adjustments to revenues Adjustments to expenditures37,352 (8,119) | Total other financing sources (uses) | <u> </u> | | | |
| Reconciliation to GAAP basis: Adjustments to revenues 37,352 Adjustments to expenditures (8,119) | Prior year cash balance budgeted | 808,067 | 808,067 | | |
| Adjustments to revenues 37,352 Adjustments to expenditures (8,119) | Net changes in fund balances | \$ 100,142 | 100,142 | (10,356) | (110,498) |
| Adjustments to revenues 37,352 Adjustments to expenditures (8,119) | Reconciliation to GAAP hasis: | | | | |
| Adjustments to expenditures (8,119) | | | | 37.352 | |
| | • | | | | |
| Net Change in Fund Balances (GAAP Basis) 18,877 | , | | | <u> </u> | |
| | Net Change in Fund Balances (GAAP Basis) | | | 18,877 | |

STATE OF NEW MEXICO LEA COUNTY PAVING DISTRICT - SPECIAL REVENUE FUND (416) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE YEAR ENDED JUNE 30, 2020 | | | | | Variance with |
|--|------|----------------|--------------|-------------------|------------------------|
| | _ | Budgeted Ar | mounts | | Final Budget- |
| | | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | _ | | | _ | |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - |
| State | | - | - | - | - |
| Charges for services | | - | - | - | - |
| Investment earnings | | - | - | - | - |
| Miscellaneous | _ | <u> </u> | <u> </u> | - | |
| Total revenues | _ | <u>-</u> | <u> </u> | <u>-</u> | |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | - | - | - | - |
| Culture and recreation | | - | - | - | - |
| Health and welfare | | - | - | - | - |
| Public works | | 100,000 | 100,000 | - | 100,000 |
| Capital outlay | | - | - | - | - |
| Debt service | | | | | |
| Principal | | - | - | - | - |
| Interest | _ | <u> </u> | <u>-</u> | - | |
| Total expenditures | _ | 100,000 | 100,000 | <u>-</u> | 100,000 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | _ | (100,000) | (100,000) | | 100,000 |
| Other financing sources (uses): | | | | | |
| Transfers in | | 105,796 | 105,796 | - | (105,796) |
| Transfers out | _ | - - | - | | |
| Total other financing sources (uses) | _ | 105,796 | 105,796 | | (105,796) |
| Net changes in fund balances | \$ _ | 5,796 | 5,796 | | (5,796) |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | _ | |
| Adjustments to revenues Adjustments to expenditures | | | | - | |
| Adjustifients to experiorates | | | • | | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | - | |
| 2. 2 | | | Ÿ : | | |

STATE OF NEW MEXICO LEA COUNTY EMPG REIMBURSEMENT - SPECIAL REVENUE FUND (424) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE TEAR ENDED JUNE 30, 2020 | _ | Budgeted Ar | mounts | | Variance with Final Budget- |
|--|------|----------------|----------|-------------------|-----------------------------|
| | _ | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | | | | | |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - |
| State | | 50,731 | 50,731 | 10,152 | (40,579) |
| Charges for services | | - | - | - | - |
| Investment earnings | | - | - | - | - |
| Miscellaneous | _ | <u> </u> | <u> </u> | - | |
| Total revenues | _ | 50,731 | 50,731 | 10,152 | (40,579) |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | 39,118 | 39,118 | 36,857 | 2,261 |
| Culture and recreation | | - | - | - | - |
| Health and welfare | | - | - | - | - |
| Public works | | - | - | - | - |
| Capital outlay | | _ | - | _ | _ |
| Debt service | | | | | |
| Principal | | - | - | _ | _ |
| Interest | | - | - | _ | <u>-</u> |
| interest | _ | | | | |
| Total expenditures | _ | 39,118 | 39,118 | 36,857 | 2,261 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | _ | 11,613 | 11,613 | (26,705) | (38,318) |
| Other financing sources (uses): | | | | | |
| Transfers in | | - | 55,000 | 55,000 | - |
| Transfers out | _ | - - | <u> </u> | <u> </u> | |
| Total other financing sources (uses) | _ | <u> </u> | 55,000 | 55,000 | |
| Net changes in fund balances | \$ _ | 11,613 | 66,613 | 28,295 | (38,318) |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | _ | |
| Adjustments to expenditures | | | | · | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | 28,295 | |
| | | | · = | | |

STATE OF NEW MEXICO LEA COUNTY OTHER GRANTS - SPECIAL REVENUE FUND (431) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | | Budgeted | Amounts | | Variance with Final Budget- |
|--|----|-------------------|-------------------|-------------------|--------------------------------|
| | | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | • | Original | - I IIIai | Amounts | (Negative) |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | |
| Licenses and permits Intergovernmental: | | - | - | - | - |
| Federal | | 12.672 | 12.672 | | (12.672) |
| State | | 12,672 400,476 | 12,672 400,476 | - 69,834 | (12,672) |
| Charges for services | | 400,476 | 400,476 | 09,834 | (330,642) |
| Investment earnings | | _ | _ | _ | _ |
| Miscellaneous | | - | - | - | - |
| Total revenues | | 413,148 | 413,148 | 69,834 | (343,314) |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | 421,811 | 421,811 | 50,288 | 371,523 |
| Public safety | | - | - | - | - |
| Culture and recreation Health and welfare | | - | - | - | - |
| Public works | | - | - | - | _ |
| Capital outlay | | _ | _ | _ | _ |
| Debt service | | | | | |
| Principal | | - | - | - | - |
| Interest | | | | | |
| Total expenditures | | 421,811 | 421,811 | 50,288 | 371,523 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | | (8,663) | (8,663) | 19,546 | 28,209 |
| | • | | | | |
| Other financing sources (uses): | | | | | |
| Transfers in | | - | - | - | - |
| Transfers out | • | <u> </u> | <u>-</u> | - _ | |
| Total other financing sources (uses) | | | | | |
| Prior year cash balance budgeted | | 4,908 | 13,982 | | |
| Net changes in fund balances | \$ | (3,755) | 5,319 | 19,546 | 14,227 |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | - | |
| Adjustments to expenditures | | | | (68) | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | 19,478 | |
| 2. 2 | | | Ψ | | |

STATE OF NEW MEXICO LEA COUNTY COUNTY AIRPORTS - SPECIAL REVENUE FUND (455) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE TEAR ENDED JUNE 30, 2020 | | | | | |
|--|----|------------|-----------|-----------|--|
| | - | Budgeted A | Amounts | Actual | Variance with Final Budget- Positive |
| | | Original | Final | Amounts | (Negative) |
| Revenues | - | | | 7 | (110801110) |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | 232,834 | 232,834 | 46,136 | (186,698) |
| State | | 190,000 | 190,000 | 56,408 | (133,592) |
| Charges for services | | · - | · - | - | - |
| Investment earnings | | - | - | - | - |
| Miscellaneous | | - | - | - | - |
| Total revenues | - | 422,834 | 422,834 | 102,544 | (320,290) |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | _ | _ |
| Public safety | | - | - | _ | _ |
| Culture and recreation | | - | - | _ | _ |
| Health and welfare | | - | - | _ | _ |
| Public works | | 661,141 | 822,381 | 431,221 | 391,160 |
| Capital outlay | | , - | , - | , - | , - |
| Debt service | | | | | |
| Principal | | - | - | - | - |
| Interest | | - | - | - | - |
| | - | | | | |
| Total expenditures | - | 661,141 | 822,381 | 431,221 | 391,160 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | | (238,307) | (399,547) | (328,677) | 70,870 |
| | | | | | |
| Other financing sources (uses): | | | | | |
| Transfers in | | 307,572 | 461,312 | 193,658 | (267,654) |
| Transfers out | _ | - | | | |
| Total other financing sources (uses) | _ | 307,572 | 461,312 | 193,658 | (267,654) |
| Budgeted Increase in cash balance | | | - | | |
| | | | | | |
| Net changes in fund balances | \$ | 69,265 | 61,765 | (135,019) | (196,784) |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | 4,067 | |
| Adjustments to expenditures | | | | (344) | |
| rajustificities to experioritures | | | | (374) | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | (131,296) | |
| 2000) | | | Ŷ | (232,233) | |

STATE OF NEW MEXICO LEA COUNTY LEA COUNTY EVENT CENTER - SPECIAL REVENUE FUND (463) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | Budgeted A | Amounts | | Variance with Final Budget- | |
|---|-----------------|--------------|--------------------|--------------------------------|--|
| | Original | Final | Actual | Positive | |
| Revenues | Original | <u>Final</u> | Amounts | (Negative) | |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ - | - | - | - | |
| Payment in lieu of taxes | - | - | - | - | |
| Licenses and permits | - | - | - | - | |
| Intergovernmental: Federal | | | | | |
| | - | - | - | - | |
| State Charges for services | 228,700 | - 228,700 | - 197,311 | (31,389) | |
| Investment earnings | 228,700 | 228,700 | 197,311 | (31,365) | |
| Miscellaneous | - | - | 496 | 496 | |
| Total revenues | 228,700 | 228,700 | 197,807 | (30,893) | |
| Expenditures | | | | | |
| Current | | | | | |
| General government | - | - | - | - | |
| Public safety | - | 1 240 700 | 704.742 | 465.056 | |
| Culture and recreation Health and welfare | - | 1,249,768 | 784,712 - | 465,056 | |
| Public works | _ | - | _ | _ | |
| Capital outlay | 153,000 | 3,173,497 | 77,175 | 3,096,322 | |
| Debt service | | | | | |
| Principal | - | - | - | - | |
| Interest | = | | | | |
| Total expenditures | 153,000 | 4,423,265 | 861,887 | 3,561,378 | |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | 75,700 | (4,194,565) | (664,080) | 3,530,485 | |
| | | | | | |
| Other financing sources (uses): Transfers in | 4,228,370 | 4,228,370 | 660,000 | (3,568,370) | |
| Transfers out | - | - | - | (3,308,370) | |
| Total other financing sources (uses) | 4,228,370 | 4,228,370 | 660,000 | (3,568,370) | |
| Prior year cash balance budgeted | - | - | | | |
| Net changes in fund balances | \$ 4,304,070 | 33,805 | (4,080) | (37,885) | |
| December 11 to 1 | _ | _ | | _ | |
| Reconciliation to GAAP basis: Adjustments to revenues | | | (11,942) | | |
| Adjustments to revenues Adjustments to expenditures | | | (11,942) 36,884 | | |
| . Jacobs and an experiences | | | | | |
| Net Change in Fund Balances (GAAP Basis) | | Ç | 20,862 | | |

STATE OF NEW MEXICO LEA COUNTY PROPERTY VALUATION - SPECIAL REVENUE FUND (499) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | | | | Variance with |
|----|--------------|--------------|---------|--|
| - | Budgeted A | Amounts | Actual | Final Budget- Positive |
| | Original | Final | Amounts | (Negative) |
| • | | | | |
| | | | | |
| \$ | - | - | - | - |
| | - | = | - | |
| | - | - | - | - |
| | | | | |
| | - | - | - | - |
| | 400.546 | 400.546 | - | - |
| | 409,516 | 409,516 | 556,138 | 146,622 |
| | - | - | - | - |
| - | | | | |
| - | 409,516 | 409,516 | 556,138 | 146,622 |
| | | | | |
| | | | | |
| | 758,202 | 758,202 | 448,863 | 309,339 |
| | - | - | - | - |
| | - | - | - | - |
| | - | - | - | - |
| | - | - | - | - |
| | 55,000 | 55,000 | 50,789 | 4,211 |
| | | | | |
| | - | - | - | - |
| - | <u> </u> | <u> </u> | | |
| - | 813,202 | 813,202 | 499,652 | 313,550 |
| | | | | |
| - | (403,686) | (403,686) | 56,486 | 460,172 |
| | | | | |
| | - | - | - | - |
| - | - | - | | |
| - | <u>-</u> | <u>-</u> | - | |
| | | - | | |
| \$ | (403,686) | (403,686) | 56,486 | 460,172 |
| | | | | |
| | | | - | |
| | | | 4,788 | |
| | | \$ | 61,274 | |
| | | Original \$ | \$ | Original Final Actual Amounts \$ - - - - - - - - 409,516 409,516 556,138 - - - 409,516 409,516 556,138 758,202 758,202 448,863 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - |

STATE OF NEW MEXICO LEA COUNTY EMS KNOWLES - SPECIAL REVENUE FUND (604) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| Budgeted Amounts Variance with Final Budget-Positive (Negative) Revenues Final Actual Amounts Positive (Negative) Property, sales, and miscellaneous taxes \$ - - - - Payment in lieu of taxes - - - - Licenses and permits - - - - Intergovernmental: Federal - - - - State 5,000 5,000 5,166 166 Charges for services - - - - Investment earnings - - - - Miscellaneous - - - - Total revenues 5,000 5,000 5,166 166 | FOR THE YEAR ENDED JUNE 30, 2020 | | | | | |
|--|--|----------------|------------------|----------|----------|--------|
| RevenuesFinalAmounts(Negative)Property, sales, and miscellaneous taxestaxes\$Payment in lieu of taxesLicenses and permitsIntergovernmental:FederalState5,0005,0005,166166Charges for servicesInvestment earningsMiscellaneousTotal revenues5,0005,0005,166166 | | _ | Budgeted Amounts | | | |
| Property, sales, and miscellaneous taxes \$ - | | _ | Original | Final | | |
| taxes \$ - <th>Revenues</th> <th></th> <th></th> <th></th> <th></th> <th></th> | Revenues | | | | | |
| Payment in lieu of taxes - <td>Property, sales, and miscellaneous</td> <td></td> <td></td> <td></td> <td></td> <td></td> | Property, sales, and miscellaneous | | | | | |
| Licenses and permits - - - - Intergovernmental: Federal - - - - - State 5,000 5,000 5,166 166 Charges for services - - - - - Investment earnings - - - - - - Miscellaneous - - - - - - - Total revenues 5,000 5,000 5,166 166 | taxes | \$ | - | - | - | - |
| Intergovernmental: Federal - </td <td>•</td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> | • | | - | - | - | - |
| Federal - </td <td></td> <td></td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> | | | - | - | - | - |
| State 5,000 5,000 5,166 166 Charges for services - - - - Investment earnings - - - - Miscellaneous - - - - Total revenues 5,000 5,000 5,166 166 | | | | | | |
| Charges for services - | | | - | - | | - |
| Investment earnings - | | | 5,000 | 5,000 | 5,166 | 166 |
| Miscellaneous - < | | | | | | |
| Total revenues 5,000 5,000 5,166 166 | | | - - | - - | - - | - - |
| | | _ | 5,000 | 5 000 | 5 166 | 166 |
| Expenditures | Total revenues | _ | 3,000 | 3,000 | 3,100 | |
| | Expenditures | | | | | |
| Current | | | | | | |
| General government | | | - | - | - | - |
| Public safety 5,000 5,000 1,725 3,275 | | | 5,000 | 5,000 | 1,725 | 3,275 |
| Culture and recreation | | | - | - | - | - |
| Health and welfare | | | - | - | - | - |
| Public works | | | - | - | - | - |
| Capital outlay | | | - | - | - | - |
| Debt service Principal | | | | | | |
| Interest | | | - | - | - | - |
| | merese | _ | _ | | | |
| Total expenditures 5,000 5,000 1,725 3,275 | Total expenditures | _ | 5,000 | 5,000 | 1,725 | 3,275 |
| Excess (deficiency) of revenues | Excess (deficiency) of revenues | | | | | |
| over expenditures - - 3,441 3,441 | over expenditures | _ | | | 3,441 | 3,441 |
| Other financing sources (uses): | Other financing sources (uses): | | | | | |
| Transfers in | | | - | - | - | - |
| Transfers out | Transfers out | _ | <u> </u> | - | | |
| Total other financing sources (uses) | Total other financing sources (uses) | _ | <u> </u> | <u>-</u> | <u>-</u> | |
| Net changes in fund balances \$ | Net changes in fund balances | \$ = | <u> </u> | <u>-</u> | 3,441 | 3,441 |
| Reconciliation to GAAP basis: | Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues - | Adjustments to revenues | | | | - | |
| Adjustments to expenditures | | | | | <u>-</u> | |
| Net Change in Fund Balances (GAAP Basis) \$ 3,441 | Net Change in Fund Balances (GAAP Basis) | | | \$ | 3,441 | |

STATE OF NEW MEXICO LEA COUNTY LAW ENFORCEMENT GRANT - SPECIAL REVENUE FUND (605) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE TEAR ENDED JUNE 30, 2020 | | | | | |
|--|-----|------------|-----------|----------|--|
| | _ | Budgeted | Amounts | Actual | Variance with Final Budget- Positive |
| | | Original | Final | Amounts | (Negative) |
| Revenues | _ | | | 7 | (110841110) |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | - |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - |
| State | | 59,600 | 59,000 | 59,000 | - |
| Charges for services | | - | - | - | - |
| Investment earnings | | - | - | - | - |
| Miscellaneous | _ | | | | |
| Total revenues | _ | 59,600 | 59,000 | 59,000 | |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | 59,600 | 89,050 | 87,600 | 1,450 |
| Culture and recreation | | - | - | - | - |
| Health and welfare | | - | - | - | - |
| Public works | | - | - | - | - |
| Capital outlay | | - | - | - | - |
| Debt service | | | | | |
| Principal | | - | - | - | - |
| Interest | _ | <u>-</u> _ | | | |
| Total expenditures | _ | 59,600 | 89,050 | 87,600 | 1,450 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | | - | (30,050) | (28,600) | 1,450 |
| , | _ | _ | · · · · · | <u> </u> | · · · · · · · · · · · · · · · · · · · |
| Other financing sources (uses): | | | | | |
| Transfers in | | - | - | - | - |
| Transfers out | | <u>-</u> | | | |
| Total other financing sources (uses) | | - | - | | |
| Prior year cash balance budgeted | | | - | | |
| Net changes in fund balances | \$ | - | (30,050) | (28,600) | 1,450 |
| | Ť = | | (30,030) | (20,000) | |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | - | |
| Adjustments to expenditures | | | | 8,950 | |
| , | | | | | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | (19,650) | |
| • | | | | | |

STATE OF NEW MEXICO
LEA COUNTY
HIGH INTENSITY DRUG TRAFFICKING AREAS - SPECIAL REVENUE FUND (609)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE TEAR ENDED JUNE 30, 2020 | | | | | |
|--|------|-----------|-----------|-----------|--|
| | _ | Budgeted | Amounts | Actual | Variance with Final Budget- Positive |
| | | Original | Final | Amounts | (Negative) |
| Revenues | _ | | | | (11001111) |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | 1,577,781 | 1,557,393 | 1,338,224 | (219,169) |
| State | | - | - | - | - |
| Charges for services | | - | - | - | - |
| Investment earnings | | 30 | 30 | 7,839 | 7,809 |
| Miscellaneous | | - | - | 7,735 | 7,735 |
| Total revenues | | 1,577,811 | 1,557,423 | 1,353,798 | (203,625) |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | 1,424,262 | 1,588,393 | 1,382,531 | 205,862 |
| Culture and recreation | | - | - | - | - |
| Health and welfare | | - | - | - | - |
| Public works | | - | - | - | - |
| Capital outlay | | - | - | - | - |
| Debt service | | | | | |
| Principal | | - | - | - | - |
| Interest | _ | | | | |
| Total expenditures | _ | 1,424,262 | 1,588,393 | 1,382,531 | 205,862 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | | 153,549 | (30,970) | (28,733) | 2,237 |
| | | | | | |
| Other financing sources (uses): | | | | | |
| Transfers in | | 20,000 | 20,000 | - | (20,000) |
| Transfers out | | <u>-</u> | | | |
| Total other financing sources (uses) | _ | 20,000 | 20,000 | | (20,000) |
| Prior year cash balance (increase) | | | | | |
| Net changes in fund balances | \$ _ | 173,549 | (10,970) | (28,733) | (17,763) |
| Pagangliation to CAAR having | | | | | |
| Reconciliation to GAAP basis: | | | | 44 270 | |
| Adjustments to revenues | | | | 11,270 | |
| Adjustments to expenditures | | | | 18,316 | |
| Net Change in Fund Ralances (GAAD Racis) | | | \$ | 853 | |
| Net Change in Fund Balances (GAAP Basis) | | | Ş | 633 | |

STATE OF NEW MEXICO LEA COUNTY EMS MALIJAMAR - SPECIAL REVENUE FUND (613) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE TEAR ENDED JOINE 30, 2020 | | | | | Variance with |
|--|------------|--------------|--------------|---------|---------------------------|
| | | Budgeted / | Amounts | Actual | Final Budget- Positive |
| | | Original | Final | Amounts | (Negative) |
| Revenues | | | | | |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | - |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - |
| State | | - | - | - | - |
| Charges for services | | - | - | - | - |
| Investment earnings | | - | - | - | - |
| Miscellaneous | _ | - | | | |
| Total revenues | _ | <u>-</u> | | | |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | 6,993 | 6,993 | - | 6,993 |
| Culture and recreation | | - | - | - | - |
| Health and welfare | | - | - | - | - |
| Public works | | - | - | - | - |
| Capital outlay Debt service | | - | - | - | - |
| Principal | | _ | _ | _ | _ |
| Interest | | _ | _ | _ | _ |
| interest | _ | | | | |
| Total expenditures | _ | 6,993 | 6,993 | | 6,993 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | | (6,993) | (6,993) | - | 6,993 |
| , | | <u> </u> | ` | | |
| Other financing sources (uses): | | | | | |
| Transfers in | | - | - | - | - |
| Transfers out | | | | | |
| Total other financing sources (uses) | | - | <u>-</u> | | |
| Prior year cash balance budgeted | | | - | | |
| | ċ | (6 002) | (6 002) | | 6 002 |
| Net changes in fund balances | \$ <u></u> | (6,993) | (6,993) | | 6,993 |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | - | |
| Adjustments to expenditures | | | | - | |
| | | | | | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | | |
| | | | | | |

STATE OF NEW MEXICO LEA COUNTY COUNTY FIRE MARSHALL - SPECIAL REVENUE FUND (618) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE YEAR ENDED JUNE 30, 2020 | | Budgeted A | amounts | | Variance with Final Budget- |
|---|--------------|-------------|-------------|-------------------|--------------------------------|
| | - | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | = | Original | Tillai | Amounts | (ivegative) |
| Property, sales, and miscellaneous | | | | | |
| taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | - |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - |
| State | | 279,232 | 279,232 | 103,407 | (175,825) |
| Charges for services | | - | - | - | - |
| Investment earnings | | - | - | - | - |
| Miscellaneous | _ | - | | | |
| Total revenues | _ | 279,232 | 279,232 | 103,407 | (175,825) |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | 79,232 | 79,232 | 54,125 | 25,107 |
| Culture and recreation | | - | - | - | - |
| Health and welfare | | - | - | - | - |
| Public works | | - | - | - | - |
| Capital outlay | | 1,500,000 | 1,500,000 | 190,739 | 1,309,261 |
| Debt service | | | | | |
| Principal | | - | - | - | - |
| Interest | - | | | <u> </u> | |
| Total expenditures | - | 1,579,232 | 1,579,232 | 244,864 | 1,334,368 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | _ | (1,300,000) | (1,300,000) | (141,457) | 1,158,543 |
| Other financing sources (uses): | | | | | |
| Transfers in | | 1,213,377 | 1,213,377 | 200,000 | (1,013,377) |
| Transfers out | - | <u>-</u> | <u>-</u> | <u>-</u> | - |
| Total other financing sources (uses) | - | 1,213,377 | 1,213,377 | 200,000 | (1,013,377) |
| Prior year cash balance budgeted | | - | - | | |
| Net changes in fund balances | \$ = | (86,623) | (86,623) | 58,543 | 145,166 |
| Reconciliation to GAAP basis: Adjustments to revenues Adjustments to expenditures | | | | - (9,460) | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | 49,083 | |
| | | | | | |

STATE OF NEW MEXICO LEA COUNTY FIRE EXCISE TAX - SPECIAL REVENUE FUND (619) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| | Budgeted | Amounts | Actual | Variance with Final Budget- Positive |
|--|-----------------|-----------|--------------|--|
| | Original | Final | Actual | (Negative) |
| Revenues | Original | Tillar | Amounts | (Ivegutive) |
| Property, sales, and miscellaneous | | | | |
| taxes | \$ - | _ | - | - |
| Payment in lieu of taxes | - | - | - | - |
| Licenses and permits | - | - | - | - |
| Intergovernmental: | | | | |
| Federal | - | - | - | - |
| State | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment earnings | 4,000 | 4,000 | 2,947 | (1,053) |
| Miscellaneous | | | | |
| Total revenues | 4,000 | 4,000 | 2,947 | (1,053) |
| Expenditures | | | | |
| Current | | | | |
| General government | - | - | = | = |
| Public safety | 600,000 | 600,000 | 475,211 | 124,789 |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Public works | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service | | | | |
| Principal | - | - | = | = |
| Interest | | | | |
| Total expenditures | 600,000 | 600,000 | 475,211 | 124,789 |
| Excess (deficiency) of revenues | | | | |
| over expenditures | (596,000) | (596,000) | (472,264) | 123,736 |
| Other financing courses (uses). | | | | |
| Other financing sources (uses): Transfers in | 280,661 | 280,661 | 100,000 | (180,661) |
| Transfers out | - | - | - | (180,001) |
| Total other financing sources (uses) | 280,661 | 280,661 | 100,000 | (180,661) |
| Prior year cash balance budgeted | | | | |
| Net changes in fund balances | \$ (315,339) | (315,339) | (372,264) | \$ (56,925) |
| Reconciliation to GAAP basis: | | | | |
| Adjustments to revenues | | | | |
| Adjustments to revenues Adjustments to expenditures | | | - | |
| ., | | | | |
| Net Change in Fund Balances (GAAP Basis) | | : | \$ (372,264) | |
| | | | | |

STATE OF NEW MEXICO LEA COUNTY EMS MONUMENT - SPECIAL REVENUE FUND (621) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE YEAR ENDED JUNE 30, 2020 | | Budgeted A | mounts | | Variance with Final Budget- |
|--|------|----------------|----------|-------------------|-----------------------------|
| | _ | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | | | | | |
| Property, sales, and miscellaneous taxes | \$ | - | - | - | - |
| Payment in lieu of taxes | | - | - | - | - |
| Licenses and permits | | - | - | - | - |
| Intergovernmental: | | | | | |
| Federal | | - | - | - | - (5.000) |
| State | | 5,000 | 5,000 | - | (5,000) |
| Charges for services | | - | - | - | - |
| Investment earnings | | - | - | - | - |
| Miscellaneous | _ | <u> </u> | | | |
| Total revenues | _ | 5,000 | 5,000 | | (5,000) |
| Expenditures | | | | | |
| Current | | | | | |
| General government | | - | - | - | - |
| Public safety | | 5,000 | 5,000 | - | 5,000 |
| Culture and recreation | | - | - | - | - |
| Health and welfare | | - | - | - | - |
| Public works | | - | - | - | - |
| Capital outlay | | - | - | - | - |
| Debt service | | | | | |
| Principal | | - | - | - | - |
| Interest | _ | <u> </u> | - | - | |
| Total expenditures | _ | 5,000 | 5,000 | | 5,000 |
| Excess (deficiency) of revenues | | | | | |
| over expenditures | _ | <u> </u> | <u>-</u> | | - |
| Other financing sources (uses): | | | | | |
| Transfers out | | - | - | - | - |
| Transfers out | _ | - - | | | |
| Total other financing sources (uses) | _ | <u> </u> | - | <u> </u> | |
| Net changes in fund balances | \$ _ | <u> </u> | - | | |
| Reconciliation to GAAP basis: | | | | | |
| Adjustments to revenues | | | | - | |
| Adjustments to expenditures | | | | | |
| | | | | | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ | | |
| | | | | | |

STATE OF NEW MEXICO LEA COUNTY GROSS RECEIPTS DEBT SERVICE - DEBT SERVICE FUND (658) SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| FOR THE TEAR ENDED JONE 30, 2020 | | | | Variance with |
|--|------------------|-----------|-------------------|------------------------|
| | Budgeted | d Amounts | | Final Budget- |
| | Original | Final | Actual Amounts | Positive (Negative) |
| Revenues | | | | |
| Property, sales, and miscellaneous | | | | |
| taxes | \$ 7,600,000 | 6,800,000 | 9,253,032 | 2,453,032 |
| Payment in lieu of taxes | - | - | - | - |
| Licenses and permits | - | - | - | - |
| Intergovernmental: Federal | | | | |
| State | - | - | _ | _ |
| Charges for services | _ | _ | _ | _ |
| Investment earnings | 3,000 | 3,000 | 1,600 | (1,400) |
| Miscellaneous | | | | |
| Total revenues | 7,603,000 | 6,803,000 | 9,254,632 | 2,451,632 |
| Expenditures | | | | |
| Current | | | | |
| General government | 237,500 | 297,500 | 263,823 | 33,677 |
| Public safety | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health & Welfare | - | - | - | - |
| Public Works | - | - | - | = |
| Capital outlay | - | - | - | - |
| Debt service | 775 000 | 6 745 000 | 4.075.000 | 4 040 000 |
| Principal | 775,000 | 6,715,000 | 4,875,000 | 1,840,000 |
| Interest | 104,326 | 104,326 | 160,464 | (56,138) |
| Total expenditures | 1,116,826 | 7,116,826 | 5,299,287 | 1,817,539 |
| Excess (deficiency) of revenues | | | | |
| over expenditures | 6,486,174 | (313,826) | 3,955,345 | 4,269,171 |
| Other financing sources (uses): | | | | |
| Transfers in | - | - | - | - |
| Transfers out | 6,486,174 | 6,486,174 | - | (6,486,174) |
| Total other financing sources (uses) | 6,486,174 | 6,486,174 | | (6,486,174) |
| Prior year cash balance budgeted | - | - | | |
| Net changes in fund balances | \$ 12,972,348 | 6,172,348 | 3,955,345 | (2,217,003) |
| Reconciliation to GAAP basis: | | | | |
| Adjustments to revenues | | | (221,944) | |
| Adjustments to expenditures | | | | |
| Net Change in Fund Balances (GAAP Basis) | | | \$ 3,733,401 | |
| | | | | |

STATE OF NEW MEXICO LEA COUNTY WATER SERVICE AND SOLID WASTE (675) - ENTERPRISE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2020

| TOR THE TEAR ENDED JONE 30, 2020 | _ | Budgeted A | mounts | Antonia | Variance with Final Budget- |
|--|-----|------------|----------------|-------------------|-----------------------------|
| | | Original | Final | Actual Amounts | Positive (Negative) |
| OPERATING REVENUES | _ | | | | |
| Charges for services | \$ | - | - | - | - |
| Investment earnings Miscellaneous | | - | - | - | |
| | _ | <u> </u> | <u> </u> | | |
| Total operating revenues | _ | <u> </u> | - . | | |
| OPERATING EXPENSES | | | | | |
| Operating expenses | | 148,434 | 148,434 | 1,930 | 146,504 |
| Total operatng expenditures | _ | 148,434 | 148,434 | 1,930 | 146,504 |
| | | | | | |
| Operating income (loss) | _ | (148,434) | (148,434) | (1,930) | 146,504 |
| NONOPERATING REVENUENS (EXPENSES): | | | | | |
| Capital outlay | _ | <u> </u> | | _ | |
| Total nonoperating revenues (expenses) | | - | - | - | - |
| Income (loss) before transfers | | | | | |
| Transfers in | | - | - | - | - |
| Transfers out | _ | <u>-</u> - | <u>-</u> | <u>-</u> | |
| Total other financing sources (uses) | _ | <u> </u> | | <u>-</u> | |
| Prior year cash balance budgeted | | - | - | | |
| Change in net position | \$_ | (148,434) | (148,434) | (1,930) | 146,504 |



Fiduciary Funds

STATE OF NEW MEXICO LEA COUNTY FIDUCIARY FUNDS DESCRIPTIONS JUNE 30, 2020

FIDUCIARY FUNDS

<u>Agency Funds</u> – To account for the collection and payment of property taxes and special fees to other governmental agencies. Agency funds are purely custodial and do not involve measurement of results of operations.

STATE OF NEW MEXICO LEA COUNTY SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES AGENCY FUNDS YEAR ENDED JUNE 30, 2020

| | Balance | | | | Balance | |
|--------------------------------------|------------|-------------|-----------|-----------|---------------|--|
| | J <u>.</u> | ıly 1, 2019 | Additions | Deletions | June 30, 2020 | |
| COUNTY CLERK'S OFFICE | | | | | | |
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ | 52,576 | 596,061 | 600,053 | 48,584 | |
| Total assets | _ | 52,576 | 596,061 | 600,053 | 48,584 | |
| LIABILITIES | | | | | | |
| Deposits held in trust for others | | 52,576 | 596,061 | 600,053 | 48,584 | |
| Total liabilities | _ | 52,576 | 596,061 | 600,053 | 48,584 | |
| COUNTY PROBATE JUDGE'S OFFICE ASSETS | | | | | | |
| Cash and cash equivalents | | 510 | 7,200 | 7,110 | 600 | |
| Total assets | | 510 | 7,200 | 7,110 | 600 | |
| LIABILITIES | | | | | | |
| Deposits held in trust for others | | 510 | 7,200 | 7,110 | 600 | |
| Total liabilities | _ | 510 | 7,200 | 7,110 | 600 | |
| DETENTION INMATE TRUST ASSETS | | | | | | |
| Cash and cash equivalents | | 27,839 | 454,673 | 460,169 | 22,343 | |
| Total assets | _ | 27,839 | 454,673 | 460,169 | 22,343 | |
| LIABILITIES | | | | | | |
| Deposits held in trust for others | | 27,839 | 454,673 | 460,169 | 22,343 | |
| Total liabilities | | 27,839 | 454,673 | 460,169 | 22,343 | |

STATE OF NEW MEXICO LEA COUNTY SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED) AGENCY FUNDS YEAR ENDED JUNE 30, 2020

| | Balance | | | Balance |
|--|--------------|-------------|-------------|---------------|
| | July 1, 2019 | Additions | Deletions | June 30, 2020 |
| DETENTION BOND ACCOUNT | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ | | 183 | |
| Total assets | 183 | | 183 | - |
| LIABILITIES | | | | |
| Deposits held in trust for others | 183 | | 183 | |
| Total liabilities | 183 | | 183 | |
| COUNTY TREASURER'S OFFICE SUSPENSE FUND (478) ASSETS |) | | | |
| Cash and cash equivalents | 987,414 | 68,713 | 2,003 | 1,054,124 |
| Total assets | 987,414 | 68,713 | 2,003 | 1,054,124 |
| LIABILITIES | | | | |
| Deposits held in trust for others | 987,414 | 68,713 | 2,003 | 1,054,124 |
| Total liabilities | 987,414 | 68,713 | 2,003 | 1,054,124 |
| LEA COUNTY WATER USERS ASSOCIATION (635) | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | 24,273 | | 1,094 | 23,179 |
| Total assets | 24,273 | | 1,094 | 23,179 |
| LIABILITIES | | | | |
| Deposits held in trust for others | 24,273 | | 1,094 | 23,179 |
| Total liabilities | 24,273 | | 1,094 | 23,179 |
| COUNTY TREASURER'S OFFICE (800 and Various Scho | ool Funds) | | | |
| Cash and cash equivalents | 5,955,888 | 179,368,855 | 179,862,415 | 5,462,328 |
| Receivables - Property taxes | 95 | 2,667 | -,, | 2,762 |
| Total assets | 5,955,983 | 179,371,522 | 179,862,415 | 5,465,090 |
| LIABILITIES | | | | |
| Deposits held in trust for others | 5,955,888 | 179,368,855 | 179,862,415 | 5,462,328 |
| Future taxes collectible | 95 | 2,667 | | 2,762 |
| Total liabilities | 5,955,983 | 179,371,522 | 179,862,415 | 5,465,090 |

STATE OF NEW MEXICO LEA COUNTY SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED) AGENCY FUNDS YEAR ENDED JUNE 30, 2020

| | Balance | | | Balance |
|--|--------------|-------------|---------------------------------------|---------------|
| | July 1, 2019 | Additions | Deletions | June 30, 2020 |
| LEA COUNTY COMMUNICATIONS AUTHORITY (808) | | | · · · · · · · · · · · · · · · · · · · | |
| ASSETS | | | | |
| Cash and cash equivalents \$ | 748,046 | 3,725,884 | 3,684,288 | 789,642 |
| Total assets | 748,046 | 3,725,884 | 3,684,288 | 789,642 |
| LIABILITIES | | | | |
| Deposits held in trust for others | 748,046 | 3,725,884 | 3,684,288 | 789,642 |
| Total liabilities | 748,046 | 3,725,884 | 3,684,288 | 789,642 |
| EDDY-LEA ENERGY ALLIANCE (809) | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | 131,432 | 36,434 | 72,579 | 95,287 |
| Total assets | 131,432 | 36,434 | 72,579 | 95,287 |
| LIABILITIES | | | | |
| Deposits held in trust for others | 131,432 | 36,434 | 72,579 | 95,287 |
| Total liabilities | 131,432 | 36,434 | 72,579 | 95,287 |
| LEA COUNTY SOLID WASTE AUTHORITY (810 & 811) | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | 11,229,053 | 4,313,638 | 2,065,122 | 13,477,569 |
| Total assets | 11,229,053 | 4,313,638 | 2,065,122 | 13,477,569 |
| LIABILITIES | | | | |
| Deposits held in trust for others | 11,229,053 | 4,313,638 | 2,065,122 | 13,477,569 |
| Total liabilities | 11,229,053 | 4,313,638 | 2,065,122 | 13,477,569 |
| TOTAL AGENCY FUNDS | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | 19,157,214 | 188,571,458 | 186,755,016 | 20,973,656 |
| Receivables - Property taxes | 95 | 2,667 | | 2,762 |
| Total assets | 19,157,309 | 188,574,125 | 186,755,016 | 20,976,418 |
| LIABILITIES | | | | |
| Deposits held in trust for others | 19,157,214 | 188,571,458 | 186,755,016 | 20,973,656 |
| Future taxes collectible | 95 | 2,667 | | 2,762 |
| Total liabilities | 19,157,309 | 188,574,125 | 186,755,016 | 20,976,418 |



Although Lea County has miles upon miles of open range, with endless horizons dotted by cattle and rows of pump jacks that are mirrored by the infamous clear sky, its five municipalities are Meccas of activity and progressive thinking.





Schedules

| | | lea County | First | Pioneer | Wells | Western | Moreton | |
|--------------------------|---|--------------|-----------|-----------|-------------|-----------|-------------|--------------|
| Account Type | Account Type Account Name | State Bank | Bank | Bank | Fargo | Bank | Markets | Totals |
| Cash and Cash | | | | | | | | |
| Equivalents | | | | | | | | |
| Checking | Lea County Treasurer | \$ 82,763 | | | | | | 82,763 |
| Checking | Lea County Escrow Account | 250,000 | | | | | | 250,000 |
| Checking | Lea County Treasurer EFTPS | 2,701 | | | | | | 2,701 |
| СО | Lea County Treasurer | | 1,000,000 | | | | | 1,000,000 |
| 9 | Lea County Treasurer | | 1,000,000 | | | | | 1,000,000 |
| 00 | Lea County Treasurer | | 1,000,000 | | | | | 1,000,000 |
| 00 | Lea County Treasurer | 2,000,000 | | | | | | 2,000,000 |
| CD | Lea County Treasurer | 2,000,000 | | | | | | 2,000,000 |
| CD | Lea County Treasurer | 1,000,000 | | | | | | 1,000,000 |
| CD | Lea County Treasurer | 1,000,000 | | | | | | 1,000,000 |
| CD | Lea County Treasurer | 1,000,000 | | | | 2,000,000 | | 3,000,000 |
| CD | Lea County Treasurer | 1,443,125 | | | | 850,000 | | 2,293,125 |
| 9 | Lea County Treasurer | 000'006 | | | | 1,000,000 | | 1,900,000 |
| 9 | Lea County Treasurer | | | | | 200,000 | | 200,000 |
| CD | Lea County Treasurer | | | 1,000,000 | | | | 1,000,000 |
| СО | Lea County Treasurer | | | 1,000,000 | | | | 1,000,000 |
| Checking | Lea County Treasurer | | | | 3,632,898 | | | 3,632,898 |
| Savings | Lea County Treasurer | | | | 2,355,119 | | | 2,355,119 |
| Checking | Lea County Treasurer | | | | 4,955,346 | | | 4,955,346 |
| Checking | Detention | | | | 22,344 | | | 22,344 |
| Checking | Lea County Clerk | 48,584 | | | | | | 48,584 |
| Checking | Lea County Probate Clerk | 009 | | | | | | 009 |
| Checking | LCDTF - Justice Forfeiture Fund | | | | | 23,853 | | 23,853 |
| Money Marke | Money Market Lea County Treasurer | | | | | | 100,001,390 | 100,001,390 |
| | Total on Deposit | 9,727,773 | 3,000,000 | 2,000,000 | 10,965,707 | 4,373,853 | 100,001,390 | 130,068,723 |
| | Reconciling Items | 37,219 | • | 1 | (1,904,922) | (750) | (718) | (1,869,171) |
| Total Reconcil | Total Reconciled Cash and Cash Equivalents | \$ 9,764,992 | 3,000,000 | 2,000,000 | 9,060,785 | 4,373,103 | 100,000,672 | 128,199,552 |
| Petty Cash | | | | | | | | 1,000 |
| Total Cash June 30, 2020 | e 30, 2020 | | | | | | | 128,200,552 |
| Less: Agency Funds | spun | | | | | | | (20,973,656) |
| Combined Cas | Combined Cash Balance Sheet Total June 30, 2020 | | | | | | Φ." | 107,226,896 |

| | | | | First | Pioneer | | Western | Moreton | |
|-------------------------|-------------------------------------|----|------------|----------|---------|------------|----------|-----------|------------|
| | | ت | ea County | American | Savings | Wells | Commerce | Capital | |
| Account Type | Account Type Account Name | J, | State Bank | Bank | Bank | Fargo | Bank | Markets | Totals |
| Investments | | | | | | | | | • |
| Treasury Strip | Treasury Strip Lea County Treasurer | ❖ | 100,145 | • | • | ٠ | • | • | 100,145 |
| Repurchase Agreement | Lea County Treasurer | | | • | • | 10,090,708 | • | • | 10,090,708 |
| Kepurchase Agreement | Lea County Treasurer Escrow Account | | 1,866,044 | • | | | • | • | 1,866,044 |
| CD | Lea County Treasurer | | , | | • | | | 5,750,000 | 5,750,000 |
| | | ş | 1,966,189 | | | 10,090,708 | | 5,750,000 | 17,806,897 |

| Assessment Towns | Account Name | Lea County | First American | Pioneer Savings | Wells | Western Commerce Bank | Moreton Capital | Takala |
|------------------|-------------------------------------|------------|-------------------|--------------------|-------------|-----------------------------|--------------------|--------------|
| Account Type | Account Name | State Bank | Bank | Bank | Fargo | Ddlik | Markets | Totals |
| Cash and Cash | 1 | | | | | | | |
| Equivalents | | | | | | | | |
| Checking | Lea County Treasurer \$ | 82,763 | | | | | | 82,763 |
| Checking | Lea County Escrow Account | 250,000 | | | | | | 250,000 |
| Checking | Lea County Treasurer EFTPS | 2,701 | | | | | | 2,701 |
| CD | Lea County Treasurer | | 1,000,000 | | | | | 1,000,000 |
| CD | Lea County Treasurer | | 1,000,000 | | | | | 1,000,000 |
| CD | Lea County Treasurer | | 1,000,000 | | | | | 1,000,000 |
| CD | Lea County Treasurer | 2,000,000 | | | | | | 2,000,000 |
| CD | Lea County Treasurer | 2,000,000 | | | | | | 2,000,000 |
| CD | Lea County Treasurer | 1,000,000 | | | | | | 1,000,000 |
| CD | Lea County Treasurer | 1,000,000 | | | | | | 1,000,000 |
| CD | Lea County Treasurer | 1,000,000 | | | | 2,000,000 | | 3,000,000 |
| CD | Lea County Treasurer | 1,443,125 | | | | 850,000 | | 2,293,125 |
| CD | Lea County Treasurer | 900,000 | | | | 1,000,000 | | 1,900,000 |
| CD | Lea County Treasurer | | | | | 500,000 | | 500,000 |
| CD | Lea County Treasurer | | | 1,000,000 | | | | 1,000,000 |
| CD | Lea County Treasurer | | | 1,000,000 | | | | 1,000,000 |
| Checking | Lea County Treasurer | | | | 3,632,898 | | | 3,632,898 |
| Savings | Lea County Treasurer | | | | 2,355,119 | | | 2,355,119 |
| Checking | Lea County Treasurer | | | | 4,955,346 | | | 4,955,346 |
| Checking | Detention | | | | 22,344 | | | 22,344 |
| Checking | Lea County Clerk | 48,584 | | | | | | 48,584 |
| Checking | Lea County Probate Clerk | 600 | | | | | | 600 |
| Checking | LCDTF - Justice Forfeiture Fund | | | | | 23,853 | | 23,853 |
| Money Marke | t Lea County Treasurer | | | | | | 100,001,390 | 100,001,390 |
| | Total on Deposit | 9,727,773 | 3,000,000 | 2,000,000 | 10,965,707 | 4,373,853 | 100,001,390 | 130,068,723 |
| | Reconciling Items | 37,219 | <u> </u> | <u> </u> | (1,904,922) | (750) | (718) | (1,869,171) |
| Total Reconcil | ed Cash and Cash Equivalents \$ | 9,764,992 | 3,000,000 | 2,000,000 | 9,060,785 | 4,373,103 | 100,000,672 | 128,199,552 |
| Petty Cash | | | | | | | _ | 1,000 |
| Total Cash Jun | e 30, 2020 | | | | | | | 128,200,552 |
| Less: Agency F | unds | | | | | | | (20,973,656) |
| Combined Cas | h Balance Sheet Total June 30, 2020 | | | | | | \$ | 107,226,896 |

| Account Type Investments | Account Name | Lea County State Bank | First American Bank | Pioneer Savings Bank | Wells Fargo | Western Commerce Bank | Moreton Capital Markets | Totals |
|------------------------------|-----------------------------|------------------------------|---------------------------|----------------------------|----------------|-----------------------------|-------------------------------|------------|
| Treasury Strip Repurchase | Lea County Treasurer | \$ 100,145 | - | - | - | - | - | 100,145 |
| Agreement | Lea County Treasurer | - | - | - | 10,090,708 | - | - | 10,090,708 |
| Repurchase | Lea County Treasurer Escrow | | | | | | | |
| Agreement | Account | 1,866,044 | - | - | - | - | - | 1,866,044 |
| CD | Lea County Treasurer | - | - | - | - | - | 5,750,000 | 5,750,000 |
| | | \$ 1,966,189 | - | | 10,090,708 | | 5,750,000 | 17,806,897 |



While each city is fiercely independent and proud of its own accomplishments, all five communities work closely together to provide excellent educational facilities, business opportunities, cultural events and a collective quality of life that is second to none.

STATE OF NEW MEXICO

LEA COUNTY

TAX ROLL RECONCILIATION - CHANGES IN PROPERTY TAXES RECEIVABLE FOR THE YEAR ENDED JUNE 30, 2020

| Property taxes receivable, beginning of year | \$ | 2,650,878 |
|--|------------|--------------|
| Changes to tax roll: | | |
| Net tax charges to treasurer for tax year 2019 | | 65,562,674 |
| Decrease in net tax charges 2010-2019 | | - |
| Adjustments: | | |
| Less roll-off of 2009 taxes on ten year schedule | | - |
| Net increase/(decrease) of taxes receivable | | - |
| Unknown increase in receivable | | 589,974 |
| Total receivable prior to collections | | 68,803,526 |
| Collections for fiscal year ended June 30, 2020 | | (66,201,929) |
| Property taxes receivable at June 30, 2020 | \$ <u></u> | 2,601,597 |
| Property taxes are reported as follows | | |
| Governmental funds: | | |
| County portion | \$ | 823,761 |
| Agency portion | | 1,777,836 |
| Total property taxes receivable | \$ | 2,601,597 |
| Property taxes receivable by years: | | |
| 2010-2018 | \$ | 1,164,862 |
| 2019 | | 1,436,735 |
| | \$ | 2,601,597 |

STATE OF NEW MEXICO LEA COUNTY TREASURERS PROPERTY TAX SCHEDULE June 30, 2020

| | Property Taxes Levied | Collected In Current Year | Collected To-Date | Distributed In Current Year | Distributed To-Date | Undistr. At Year End | County Receivable At Year-End |
|--------------------------|-----------------------------|---------------------------------|----------------------|-----------------------------------|------------------------|----------------------------|-------------------------------------|
| LEA COUNTY: | Levieu | Teal | 10-Date | Teal | 10-Date | Ellu | At rear-citu |
| Operations | | | | | | | |
| 2010 - 2018 \$ | 128,727,236 | 687,874 | 128,325,450 | 807,457 | 128,004,968 | 320,482 | 401,786 |
| 2019 | 21,586,801 | 21,164,826 | 21,164,826 | 20,164,012 | 20,164,012 | 1,000,814 | 421,975 |
| Total | 150,314,037 | 21,852,700 | 149,490,276 | 20,971,469 | 148,168,980 | 1,321,296 | 823,761 |
| . 5 to. | 150,01 1,007 | 21,002,700 | 1 13) 130)270 | 20,572,105 | 2.0,200,500 | 1,021,230 | 023,702 |
| CITY OF LOVINGTION | | | | | | | |
| 2010 - 2018 | 3,366,599 | 22,563 | 3,347,641 | 34,257 | 3,344,545 | 3,097 | 18,958 |
| 2019 | 475,749 | 448,141 | 448,142 | 433,226 | 433,226 | 14,916 | 27,607 |
| Total | 3,842,348 | 470,704 | 3,795,783 | 467,483 | 3,777,771 | 18,013 | 46,565 |
| | | | | | | | |
| CITY OF EUNICE | | | | | | | |
| 2010 - 2018 | 1,456,735 | 9,552 | 1,452,197 | 15,013 | 1,451,107 | 1,087 | 4,538 |
| 2019 | 227,232 | 217,815 | 217,815 | 212,632 | 212,632 | 5,183 | 9,417 |
| Total | 1,683,967 | 227,367 | 1,670,012 | 227,645 | 1,663,739 | 6,270 | 13,955 |
| CITY OF HOBBS | | | | | | | |
| 2010 - 2018 | 21,513,900 | 86,829 | 21,483,584 | 151,870 | 21,475,886 | 7,697 | 30,316 |
| 2019 | 2,749,044 | 2,643,952 | 2,643,952 | 2,580,872 | 2,580,872 | 63,081 | 105,092 |
| Total | 24,262,944 | 2,730,781 | 24,127,536 | 2,732,742 | 24,056,758 | 70,778 | 135,408 |
| | ,, | _,,,,,,, | _ , , | _,,,, | = 1,000,100 | , | |
| CITY OF JAL | | | | | | | |
| 2010 - 2018 | 1,297,102 | 5,441 | 1,295,638 | 8,605 | 1,128,821 | 504 | 1,464 |
| 2019 | 166,560 | 160,166 | 160,166 | 155,625 | 155,625 | 4,541 | 6,394 |
| Total | 1,463,662 | 165,607 | 1,455,804 | 164,230 | 1,284,446 | 5,045 | 7,858 |
| | | | | | | | |
| TOWN OF TATUM | 224 425 | 4 207 | 222 702 | C F2C | 222 572 | 209 | CE2 |
| 2010 - 2018 2019 | 234,435 | 4,387 | 233,783 | 6,536 | 233,573 | | 652 |
| Total | 26,722 261,157 | 23,087 27,474 | 23,087 256,870 | 22,304 28,840 | 22,304 255,877 | 783 992 | 3,635 4,287 |
| Total | 201,137 | 27,474 | 230,870 | 20,040 | 233,877 | 332 | 4,207 |
| NEW MEXICO JUNIOR COLLEC | GE . | | | | | | |
| 2010 - 2018 | 62,505,605 | 333,387 | 62,310,822 | 397,306 | 62,157,186 | 153,635 | 194,783 |
| 2019 | 10,458,895 | 10,250,169 | 10,250,169 | 9,768,545 | 9,768,545 | 481,624 | 208,726 |
| Total | 72,964,500 | 10,583,556 | 72,560,991 | 10,165,851 | 71,925,731 | 635,259 | 403,509 |
| NOR LEA | | | | | | | |
| 2010 - 2018 | 12,610,607 | 83,332 | 12,582,226 | 113,982 | 10,810,244 | 4,547 | 28,381 |
| 2019 | 2,217,487 | 2,161,996 | 2,161,996 | 1,929,171 | 1,929,171 | 232,825 | 55,491 |
| Total | 14,828,094 | 2,245,328 | 14,744,222 | 2,043,153 | 12,739,415 | 237,372 | 83,872 |
| | _ 1,0_0,00 | _,_ :-, | ,, | _,,, | ,, | | 55,51 |
| JAL HOSPITAL | | | | | | | |
| 2010 - 2018 | 4,859,351 | 88,347 | 4,788,401 | 19,982 | 4,706,082 | 82,318 | 70,950 |
| 2019 | 1,328,572 | 1,317,167 | 1,317,167 | 1,291,650 | 1,291,650 | 25,518 | 11,405 |
| Total | 6,187,923 | 1,405,514 | 6,105,568 | 1,311,632 | 5,997,732 | 107,836 | 82,355 |
| FUNICE HOCDITAL | | | | | | | |
| EUNICE HOSPITAL | 2 252 000 | 2 100 | 2 252 250 | 10 202 | 2 251 740 | F00 | 1 720 |
| 2010 - 2018 2019 | 2,353,988 | 2,198 374,900 | 2,352,250 374,899 | 19,392 353,898 | 2,351,749 353,898 | 500 21,002 | 1,738 |
| Total | 2,732,632 | 374,900 | 2,727,149 | 373,290 | 2,705,647 | 21,502 | 3,745 5,483 |
| Total | ۷,/3۷,03۷ | 3//,056 | 2,121,149 | 3/3,290 | 2,703,047 | 21,502 | 5,463 |

STATE OF NEW MEXICO
LEA COUNTY
TREASURERS PROPERTY TAX SCHEDULE (CONTINUED)
June 30, 2020

| STATE OF NEW MEXICO 19,573,751 99,817 19,516,273 123,737 19,471,272 42,669 57,478 2019 3,188,613 3,120,407 3,120,407 2,981,674 2,981,674 138,734 68,206 1014 122,752,366 3,120,407 2,981,674 2,981,674 138,734 68,206 1014 122,752,366 3,120,407 2,981,674 2,981,674 138,734 68,206 1014 122,752,366 3,120,407 2,981,674 2,981,674 138,734 68,206 1014 122,852,386 13,403 125,684 122,859 122,859,838 11,984 75,406 2019 4,520,687 4,397,359 4,397,359 4,324,599 72,759 123,329 1016 30,413,916 4,542,567 30,215,181 4,548,718 30,130,437 84,743 198,735 1016 30,413,916 4,542,567 30,215,181 4,548,718 30,130,437 84,743 198,735 1016 12,018 13,367,418 16,330 13,355,78 140,610 13,351,663 3,713 11,840 2019 2,666,974 2,660,683 2,660,683 2,511,561 2,511,561 149,123 2,629,131 1016 105,43,592 2,677,013 16,016,261 2,551,271 15,663,424 152,836 38,131 10,981,910 88,465,996 10,994,647 88,199,052 266,943 417,319 10,174,101 10,754,109 10,514,513 239,597 307,127 1016 88,883,315 10,981,910 88,465,996 10,994,647 88,199,052 266,943 417,319 1016 2018 2,711,117 2,687,903 2,687,902 2,855,848 2,635,848 52,055 32,215 1016 2019 11,445,005 1,177,700 1,171,700 7,96,453 7,96,453 375,247 22,805 1019 1,194,505 1,177,700 1,171,700 7,96,453 7,96,453 375,247 22,805 1019 1,194,505 1,177,700 1,171,700 7,96,453 7,96,453 375,247 22,805 1019 1,194,505 1,177,700 1,171,700 7,96,453 7,96,453 375,247 2,2805 1019 30,833 30,833 30,833 30,833 30,822 30,822 11 -1016 30,533 30,833 30,833 30,833 30,822 30,822 11 -1016 30,5363 377,16 30,5428 540,728 5 | | Property Taxes Levied | Collected In Current Year | Collected To-Date | Distributed In Current Year | Distributed To-Date | Undistr. At Year End | County Receivable At Year-End |
|--|---------------------|-----------------------------|---------------------------------|----------------------|-----------------------------------|------------------------|----------------------------|-------------------------------------|
| Dilp 2018 19,573,751 99,817 19,516,273 123,737 19,471,272 42,669 57,478 2019 3,188,613 3,120,407 3,120,407 2,981,674 2,981,674 138,734 68,206 10,2016 22,762,364 3,220,224 22,561,689 3,105,411 22,452,466 181,403 125,684 125,684 181,403 125,684 181,403 125,684 181,403 125,684 181,403 125,684 181,403 125,684 181,403 125,684 181,403 125,684 181,403 125,684 181,403 125,684 181,403 125,684 181,403 125,684 181,403 125,684 181,403 125,684 181,403 125,684 181,403 181,4 | STATE OF NEW MEXICO | | | | | | | |
| | | 19.573.751 | 99.817 | 19.516.273 | 123.737 | 19.471.272 | 42.669 | 57.478 |
| Total | | | | | | | | |
| 2010 - 2018 | Total | | | | | | | |
| 2010 - 2018 | LOVINGTON SCHOOL | | | | | | | |
| Columbrid | | 25.893.229 | 145.208 | 25.817.823 | 224.119 | 25.805.838 | 11.984 | 75.406 |
| Total 30,413,916 | 2019 | 4,520,687 | 4,397,359 | 4,397,358 | 4,324,599 | 4,324,599 | 72,759 | 123,329 |
| 2010 - 2018 13,367,418 16,330 13,355,578 140,610 13,351,863 3,713 11,840 2019 2,686,974 2,660,683 2,660,683 2,511,561 2,511,561 149,123 26,291 1061,054,392 2,677,013 16,016,261 2,652,171 15,863,424 152,836 38,131 HOBBS SCHOOLS | Total | 30,413,916 | | | | | | |
| Table | EUNICE SCHOOL | | | | | | | |
| Total 16,054,392 2,677,013 16,016,261 2,652,171 15,863,424 152,836 38,131 HOBBS SCHOOLS 2010 77,822,084 227,800 77,711,887 480,134 77,684,539 27,346 110,197 2019 | 2010 - 2018 | 13,367,418 | 16,330 | 13,355,578 | 140,610 | 13,351,863 | 3,713 | 11,840 |
| HOBBS SCHOOLS 2010 - 2018 77,822,084 227,800 77,711,887 480,134 77,684,539 27,346 110,197 2019 11,061,231 10,754,110 10,754,109 10,514,513 10,514,513 239,597 307,122 307,122 388,883,315 10,981,910 88,665,996 10,994,647 88,199,052 266,943 417,319 2010 - 2018 7,701,672 180,247 7,558,588 40,640 7,396,481 168,032 143,084 2019 2,711,117 2,687,903 2,687,902 2,635,848 2,635,848 52,055 23,215 2010 - 2018 3,276,088 58,435 3,272,704 64,247 3,269,339 576 3,384 2019 1,194,505 1,711,700 1,171,700 796,453 796,453 375,247 22,805 704 4,470,593 1,230,135 4,444,404 860,700 4,065,792 375,823 26,189 2019 30,833 30,833 30,833 30,833 30,832 30,822 31,822 11 - 104 305,631 37,716 305,423 37,694 305,384 39 208 2019 30,833 30,833 30,833 30,833 30,832 30,822 11 - 104 305,631 37,716 305,423 37,694 305,384 39 208 2019 553,008 540,728 540,728 540,728 516,524 24,204 12,280 704 3,260,379 3,263,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 2010 - 2018 3,276,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 2010 - 2018 3,266,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 2010 - 2018 3,266,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 2010 - 2018 3,266,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2010 - 2018 30,203 | 2019 | 2,686,974 | 2,660,683 | 2,660,683 | 2,511,561 | 2,511,561 | 149,123 | 26,291 |
| 2010 - 2018 | Total | 16,054,392 | 2,677,013 | 16,016,261 | 2,652,171 | 15,863,424 | 152,836 | 38,131 |
| 11,061,231 10,754,110 10,754,109 10,514,513 10,514,513 239,597 307,122 Total | HOBBS SCHOOLS | | | | | | | |
| Total | 2010 - 2018 | 77,822,084 | 227,800 | 77,711,887 | 480,134 | 77,684,539 | 27,346 | 110,197 |
| Description | 2019 | 11,061,231 | 10,754,110 | 10,754,109 | 10,514,513 | 10,514,513 | 239,597 | 307,122 |
| 2010 - 2018 | Total | 88,883,315 | 10,981,910 | 88,465,996 | 10,994,647 | 88,199,052 | 266,943 | 417,319 |
| 2019 2,711,117 2,687,903 2,687,902 2,635,848 2,635,848 52,055 23,215 Total 10,412,789 2,868,150 10,246,490 2,676,488 10,032,329 220,087 166,299 TATUM SCHOOLS 2010 - 2018 3,276,088 58,435 3,272,704 64,247 3,269,339 576 3,384 2019 1,194,505 1,171,700 1,171,700 796,453 796,453 375,247 22,805 Total 4,470,593 1,230,135 4,444,404 860,700 4,065,792 375,823 26,189 NONRENDERED 2010 - 2018 274,798 6,883 274,590 6,872 274,562 28 208 2019 30,833 30,833 30,833 30,833 30,822 30,822 11 - 1 Total 305,631 37,716 305,423 37,694 305,384 39 208 1% ASSESSOR 2010 - 2018 3,273,626 17,357 3,263,927 22,733 3,257,111 6,816 9,699 2010 - 2018 3,273,626 17,357 3,263,927 22,733 3,257,111 6,816 9,699 2019 553,008 540,728 540,728 516,524 516,524 24,204 12,280 Total 3,826,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 TOTALS 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,949 61,223,929 61,223,929 2,902,017 1,436,735 2019 65,562,674 64,125,942 64,125,949 61,223,929 61,223,929 2,902,017 1,436,735 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,949 61,223,929 61,223,929 2,902,017 1,436,735 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,949 61,223,929 61,223,929 2,902,017 1,436,735 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2010 - 2018 300,108,224 300,108,224 300,108,224 300,108,224 300,108,224 300,108,224 | JAL SCHOOLS | | | | | | | |
| TATUM SCHOOLS TATUM SCHOOLS 2010 - 2018 | 2010 - 2018 | 7,701,672 | 180,247 | 7,558,588 | 40,640 | 7,396,481 | 168,032 | 143,084 |
| TATUM SCHOOLS 2010 - 2018 | 2019 | 2,711,117 | 2,687,903 | 2,687,902 | 2,635,848 | 2,635,848 | 52,055 | 23,215 |
| 2010 - 2018 3,276,088 58,435 3,272,704 64,247 3,269,339 576 3,384 2019 1,194,505 1,171,700 1,171,700 796,453 796,453 375,247 22,805 Total 4,470,593 1,230,135 4,444,404 860,700 4,065,792 375,823 26,189 NONRENDERED 2010 - 2018 274,798 6,883 274,590 6,872 274,562 28 208 2019 30,833 30,833 30,833 30,822 30,822 11 - Total 305,631 37,716 305,423 37,694 305,384 39 208 1% ASSESSOR 2010 - 2018 3,273,626 17,357 3,263,927 22,733 3,257,111 6,816 9,699 2019 553,008 540,728 540,728 516,524 516,524 24,204 12,280 Total 3,826,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 | Total | 10,412,789 | 2,868,150 | 10,246,490 | 2,676,488 | 10,032,329 | 220,087 | 166,299 |
| 2019 1,194,505 1,171,700 1,171,700 796,453 796,453 375,247 22,805 Total 4,470,593 1,230,135 4,444,404 860,700 4,065,792 375,823 26,189 NONRENDERED 2010 - 2018 274,798 6,883 274,590 6,872 274,562 28 208 2019 30,833 30,833 30,833 30,832 30,822 30,822 11 - Total 305,631 37,716 305,423 37,694 305,384 39 208 1% ASSESSOR 2010 - 2018 3,273,626 17,357 3,263,927 22,733 3,257,111 6,816 9,699 2019 553,008 540,728 540,728 516,524 516,524 24,204 12,280 Total 3,826,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 ***TOTALS** 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 | TATUM SCHOOLS | | | | | | | |
| NONRENDERED 2010 - 2018 274,798 6,883 274,590 6,872 274,562 28 208 2019 30,833 30,833 30,833 30,833 30,832 37,694 305,384 39 208 1% ASSESSOR 2010 - 2018 3,273,626 17,357 3,263,927 22,733 3,257,111 6,816 9,699 2019 553,008 540,728 540,728 516,524 516,524 24,204 12,280 Total 3,826,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 TOTALS 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,939 61,223,929 61,223,929 2,902,017 1,436,735 | 2010 - 2018 | 3,276,088 | 58,435 | 3,272,704 | 64,247 | 3,269,339 | 576 | 3,384 |
| NONRENDERED 2010 - 2018 274,798 6,883 274,590 6,872 274,562 28 208 2019 30,833 30,833 30,833 30,822 30,822 11 - Total 305,631 37,716 305,423 37,694 305,384 39 208 1% ASSESSOR 2010 - 2018 3,273,626 17,357 3,263,927 22,733 3,257,111 6,816 9,699 2019 553,008 540,728 540,728 516,524 516,524 24,204 12,280 Total 3,826,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 TOTALS 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,939 61,223,929 61,223,929 2,902,017 1,436,735 | 2019 | 1,194,505 | 1,171,700 | 1,171,700 | 796,453 | 796,453 | 375,247 | 22,805 |
| 2010 - 2018 274,798 6,883 274,590 6,872 274,562 28 208 2019 30,833 30,833 30,833 30,822 30,822 11 - Total 305,631 37,716 305,423 37,694 305,384 39 208 1% ASSESSOR 2010 - 2018 3,273,626 17,357 3,263,927 22,733 3,257,111 6,816 9,699 2019 553,008 540,728 540,728 516,524 516,524 24,204 12,280 Total 3,826,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 TOTALS 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,939 61,223,929 61,223,929 2,902,017 1,436,735 | Total | 4,470,593 | 1,230,135 | 4,444,404 | 860,700 | 4,065,792 | 375,823 | 26,189 |
| 2010 - 2018 274,798 6,883 274,590 6,872 274,562 28 208 2019 30,833 30,833 30,833 30,822 30,822 11 - Total 305,631 37,716 305,423 37,694 305,384 39 208 1% ASSESSOR 2010 - 2018 3,273,626 17,357 3,263,927 22,733 3,257,111 6,816 9,699 2019 553,008 540,728 540,728 516,524 516,524 24,204 12,280 Total 3,826,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 TOTALS 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,939 61,223,929 61,223,929 2,902,017 1,436,735 | NONRENDERED | | | | | | | |
| 2019 30,833 30,833 30,833 30,833 30,822 30,822 11 - Total 305,631 37,716 305,423 37,694 305,384 39 208 1% ASSESSOR 2010 - 2018 3,273,626 17,357 3,263,927 22,733 3,257,111 6,816 9,699 2019 553,008 540,728 540,728 516,524 516,524 24,204 12,280 Total 3,826,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 TOTALS 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,939 61,223,929 61,223,929 2,902,017 1,436,735 | | 274 798 | 6.883 | 274 590 | 6 872 | 274 562 | 28 | 208 |
| Total 305,631 37,716 305,423 37,694 305,384 39 208 1% ASSESSOR 2010 - 2018 3,273,626 17,357 3,263,927 22,733 3,257,111 6,816 9,699 2019 553,008 540,728 540,728 516,524 516,524 24,204 12,280 Total 3,826,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 TOTALS 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,939 61,223,929 61,223,929 2,902,017 1,436,735 | | | | | | | | - |
| 2010 - 2018 3,273,626 17,357 3,263,927 22,733 3,257,111 6,816 9,699 2019 553,008 540,728 540,728 516,524 516,524 24,204 12,280 Total 3,826,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 TOTALS 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,939 61,223,929 61,223,929 2,902,017 1,436,735 | | | | | | | | 208 |
| 2019 553,008 540,728 540,728 516,524 516,524 24,204 12,280 Total 3,826,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 TOTALS 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,939 61,223,929 61,223,929 2,902,017 1,436,735 | 1% ASSESSOR | | | | | | | |
| Total 3,826,634 558,085 3,804,655 539,257 3,773,635 31,020 21,979 TOTALS 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,939 61,223,929 61,223,929 2,902,017 1,436,735 | 2010 - 2018 | 3,273,626 | 17,357 | 3,263,927 | 22,733 | 3,257,111 | 6,816 | 9,699 |
| TOTALS 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,939 61,223,929 61,223,929 2,902,017 1,436,735 | 2019 | 553,008 | 540,728 | 540,728 | 516,524 | 516,524 | 24,204 | 12,280 |
| 2010 - 2018 390,108,224 2,075,987 388,943,362 2,677,492 386,175,166 835,240 1,164,862 2019 65,562,674 64,125,942 64,125,939 61,223,929 61,223,929 2,902,017 1,436,735 | Total | 3,826,634 | 558,085 | 3,804,655 | 539,257 | 3,773,635 | 31,020 | 21,979 |
| 2019 65,562,674 64,125,942 64,125,939 61,223,929 61,223,929 2,902,017 1,436,735 | TOTALS | | | | | | | |
| 2019 65,562,674 64,125,942 64,125,939 61,223,929 2,902,017 1,436,735 | 2010 - 2018 | 390,108,224 | 2,075,987 | 388,943,362 | 2,677,492 | 386,175,166 | 835,240 | 1,164,862 |
| | 2019 | | 64,125,942 | | | | | |
| | GRAND TOTAL | \$ 455,670,898 | 66,201,929 | 453,069,301 | 63,901,421 | 447,399,095 | 3,737,257 | 2,601,597 |

Presumed paid after ten years per Section 7-38-81(C) NMSA 1978

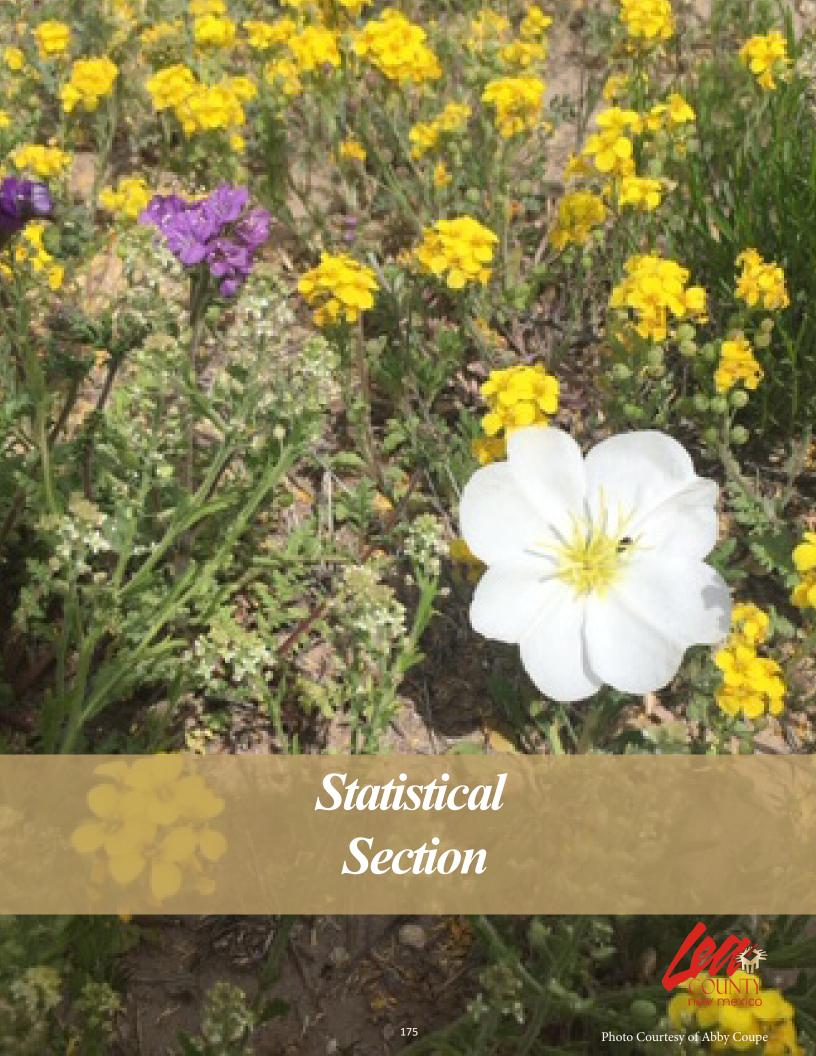
| Participants with Lea County | Party Responsible for Operations | Description of Agreement | Dates of Agreement (Approval by DFA) | Total Amount of Project | County Portion | County Contribution FY2020 | Audit Responsibility | Fiscal Agent | Government reporting revenues & expenditures |
|--|---|---|--------------------------------------|-------------------------------|--|----------------------------------|-------------------------|-----------------|--|
| City of Hobbs City of Lovington City of Eunice City of Jal Town of Tatum | Lea County | Created the Lea County Solid Waste Authority to provide landfill and waste management services for the Citizens of Lea County. | 04/18/1995 Automatic Renewal | Unknown | N/A | Dumping Fees | Lea County | Lea County | Lea County |
| City of Hobbs City of Lovington City of Eunice City of Jal Town of Tatum | Lea County | Created the Lea County Water User's Association to enact a water management plan for the Citizens of Lea County | 09/23/1997 Automatic Renewal | Unknown | funding | 1094 | 1094 Lea County | Lea County | Lea County |
| City of Hobbs | Both Parties | Cleanup and disposal of trash illegally dumped | 11/17/2003 | Unknown | 25% not to exceed \$15,000 without prior consent | None | Both Parties | Both Parties | Both Parties |
| Hobbs Municipal Schools City of Hobbs New Mexico Junior College City of Lovington Eunice Municipal Schools Tatum Municipal Schools Jal Municipal Schools | All Parties | Cooperative Purchasing | 11/17/2003 | Unknown | N/A | None | All Parties | All Parties | All Parties |
| Southeastern New Mexico Council of Governments | Both Parties | Facilitate regional economic development | 07/25/2006 Indefinite term | Unknown | N/A | 29500 | Both Parties | Both Parties | Both Parties |

| Participants with Lea | Party Responsible | Description of | Dates of | Total | County | County | Audit Responsibility | Fiscal Agent | Government |
|--|--------------------|--|---|------------|---------------------------------------|---------|-------------------------|--------------|-------------------------|
| (Auro) | for Operations | | (Approval by DFA) | of Project | | FY2020 | | | revenues & expenditures |
| City of Hobbs City of Carlsbad County of Eddy | Appointed Board | Created the Eddy Lea Energy Alliance to promote nuclear energy development in Eddy and Lea Counties. | 07/29/2006 Termination at the discretion of the contracting parties | Unknown | 25% of expenditures | 25000 | Appointed Board | Lea County | Lea County |
| City of Hobbs | Lea County | Created the Lea County Communication s Authority to provide 911 emergency services for Lea County | 01/04/2010; revised 06/02/2017 Indefinite terms | Unknown | 50% of operating and capital expenses | 1843676 | Lea County | Lea County | Lea County |
| Commissioner of Public Lands | Both Parties | Jointly plan or master plan state trust lands within the County outside of any extra zoning jurisdiction | 5/30/2013 | Unknown | N/A | N/A | Both Parties | Both Parties | Both Parties |
| Lea County Communications Authority City of Hobbs City of Lovington City of Jal City of Eunice Town of Tatum | All Parties | Operate and maintain a P25 800MHz radio system | 4/18/2016 | Unknown | County owned radios | N/A | All Parties | All Parties | All Parties |
| INTERGOVERNMENTAL AGREEMENTS | AGREEMENT | S | | | | | | | |
| Children's Court 5th Judicial District D.A. Public Defender Lea County Sheriff Lovington School District | All Parties | Establish the Lea County Juvenile Justice Continuum | 2/1/2013 | Unknown | N/A | N/A | All Parties | All Parties | All Parties |

| Participants with Lea County | Party Responsible for Operations | Description of Agreement | Dates of Agreement (Approval by DFA) | Total Amount of Project | County Portion | County Contribution FY2020 | Audit Responsibility | Fiscal Agent | Government reporting revenues & expenditures |
|---|---|--|--------------------------------------|-------------------------------|-------------------|----------------------------------|-------------------------|-----------------------------|--|
| Lovington Municipal Schools | Both Parties | Education services for juvenile offenders | 9/17/2020 | Unknown | N/A | N/A | Both Parties | Both Parties | Both Parties |
| United States Marshals Service Fugitive Task Force | Both Parties | Joint effort to investigate and apprehend local, state and federal fugitives | 8/13/2020 | Unknown | N/A | N/A | Both Parties | Both Parties Both Parties | Both Parties |
| Department of Energy Waste Isolation Pilot Plant | Both Parties | Interface and coordination responsibilities for emergency response | 4/23/2020 | Unknown | N/A | N/A | All Parties | All Parties | All Parties |
| New Mexico Junior College | NMJC | Provide funding for New Horizons Resources | 07/01/2019 Annual Renewal | 400000 | 40000 | 400000 | 400000 Both Parties | Both Parties Both Parties | Both Parties |
| NMSU Agricultural & Home Extension | NMSU | County Extension Services | 07/01/2019 Annual Renewal | 108242 | 1 | 108242 | Both Parties | Both Parties | Both Parties |
| USDA Soil & Water Conservation | USDA | Soil & Water Conservation | 07/01/2019 Annual Renewal | 00059 | 00059 | 00059 | Both Parties | Both Parties | Both Parties |
| USDA | USDA | Wildlife Control | 07/01/2019 Annual Renewal | 28500 | 58500 | 58500 | 58500 Both Parties | Both Parties | Both Parties |
| City of Eunice | Eunice | Waste Hauling Assistance | 07/01/2019 Annual Renewal | Unknown | 72000 | 72000 | 72000 Both Parties | Both Parties | Both Parties |
| City of Jal | Jal | Waste Hauling Assistance | 07/01/2019 Annual Renewal | Unknown | 72000 | 45395 | Both Parties | Both Parties Both Parties | Both Parties |
| City of Lovington | Lovington | Waste Hauling Assistance | 07/01/2019 Annual Renewal | Unknown | 72000 | 72000 | 72000 Both Parties | Both Parties | Both Parties |

| Participants with Lea | Party | Description of | Dates of | Total | County | | Audit | Fiscal | Government |
|---------------------------|----------------------------------|---|-----------------------------------|---|---------|------------------------|---------------------|--------------|-----------------------------------|
| County | responsible for Operations | Agreement | Agreement (Approval by DFA) | Amount of Project | гогион | Contribution FY2020 | Kesponsionny | Agent | reporting revenues & expenditures |
| Town of Tatum | Tatum | Waste Hauling Assistance | 07/01/2019 Annual Renewal | Unknown | 72000 | 40464 | Both Parties | Both Parties | Both Parties |
| City of Eunice | Eunice | Assistance for Fire, Ambulance and other services | 07/01/2019 Annual Renewal | 125000 | 125000 | 125000 | 125000 Both Parties | Both Parties | Both Parties |
| City of Hobbs | Hobbs | Assistance for Fire, Ambulance and other services | 07/01/2019 Annual Renewal | 000529 | 625000 | 625000 | Both Parties | Both Parties | Both Parties |
| City of Jal | Jal | Assistance for Fire, Ambulance and other services | 07/01/2019 Annual Renewal | 112500 | 112500 | 112500 | 112500 Both Parties | Both Parties | Both Parties |
| City of Lovington | Lovington | Assistance for Fire, Ambulance and other services | 07/01/2019 Annual Renewal | 000008 | 30000 | | 300000 Both Parties | Both Parties | Both Parties |
| Town of Tatum | Tatum | Assistance for Fire, Ambulance and other services | 07/01/2019 Annual Renewal | 87500 | 87500 | 87500 | Both Parties | Both Parties | Both Parties |
| City of Lovington | Lovington | Veteran's Memorial Park | | Unknown | 236315 | 236315 | Both Parties | Both Parties | Both Parties |
| City of Hobbs | Lea County | Rent Agreement for the District Attorney's Office | 07/01/2019 Annual Renewal | \$84,000 annually plus utilities | 1 | 75566 | Both Parties | Both Parties | Both Parties |
| Nor-Lea Hospital District | Nor-Lea | Medical Services for Lea County Detention Center Detainees | 7/1/2019 | 1300000 | 1300000 | 978075 | 978075 Both Parties | Both Parties | Both Parties |

| Participants with Lea County | Party Responsible for Operations | Description of Agreement | Dates of Agreement (Approval by DFA) | Total Amount of Project | County Portion | County Contribution FY2020 | County Audit Contribution Responsibility FY2020 | Fiscal Agent | Government reporting revenues & expenditures |
|---------------------------------|----------------------------------|--|---|-------------------------------|-------------------|----------------------------------|---|-----------------------------|--|
| City of Eunice | Eunice | Purchase Equipment & Improve Facilities | Amended 07/25/2019 | 150000 | 150000 | 148742 | 148742 Both Parties | Both Parties | Both Parties |
| Hobbs Municipal Schools | HMS | Taylor Elementary Playground Project | 7/1/2019 | 81443 | 40000 | 40000 | 40000 Both Parties | Both Parties Both Parties | Both Parties |
| City of Hobbs | Hobbs | East Sanger Sewer & Water Project | 12/13/2018 | 430807 | 94440 | 94440 | 94440 Both Parties | Both Parties Both Parties | Both Parties |
| Hobbs Municipal Schools | HMS | Career Technical Education Center | 6/21/2019 | \$30 million | 945000 | 945000 | 945000 Both Parties | Both Parties Both Parties | Both Parties |



LEA COUNTY NEW MEXICO NET POSITION BY COMPONENT LAST TEN FISCAL YEARS (accrual basis of accounting)

| | | | | | Fiscal | Fiscal Year | | | | |
|---|-------------|-------------------------------|-------------|-------------|---|-------------|-------------|-------------|-------------|-------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Primary Government Governmental Activities | | | | | | | | | | |
| Net investment in capital assets | 99,488,703 | 107,712,350 | 116,773,950 | 118,112,044 | 99,488,703 107,712,350 116,773,950 118,112,044 129,831,669 153,396,604 167,034,485 190,070,323 209,860,508 | 153,396,604 | 167,034,485 | 190,070,323 | 209,860,508 | 230,173,938 |
| Restricted | 2,018,990 | 3,829,740 | 71,283 | 108,223 | 179,612 | 21,613,202 | 17,732,761 | 27,255,699 | 26,154,219 | 29,971,111 |
| Restricted permanent fund | 1,353,125 | 1,353,125 | 1,353,125 | 1,353,125 | l | l | I | I | I | I |
| Unrestricted (deficit) | 71,080,749 | 68,617,598 | 75,953,492 | 92,706,203 | 71,080,749 68,617,598 75,953,492 92,706,203 85,837,057 40,710,467 42,594,459 12,722,166 34,019,020 47,463,545 | 40,710,467 | 42,594,459 | 12,722,166 | 34,019,020 | 47,463,545 |
| Total governmental activities net position = | 173,941,567 | 173,941,567 181,512,813 194,1 | 194,151,850 | 212,279,595 | 51,850 212,279,595 215,848,338 215,720,273 227,361,705 230,048,188 270,033,747 307,608,594 | 215,720,273 | 227,361,705 | 230,048,188 | 270,033,747 | 307,608,594 |

LEA COUNTY NEW MEXICO CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

| | | | | | Fiscal Year | Year | | | | |
|---|------------|------------|------------|------------|-------------|------------|------------|------------|------------|------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Expenses Governmental activities: | | | | | | | | | | |
| General government | 21,153,715 | 27,737,524 | 24,129,806 | 27,111,830 | 35,499,112 | 21,252,934 | 22,302,652 | 18,549,274 | 18,712,334 | 25,135,132 |
| Public safety | 13,849,426 | 13,958,529 | 15,488,604 | 16,100,559 | 8,112,584 | 17,992,983 | 20,597,132 | 23,505,422 | 25,235,684 | 30,084,368 |
| Culture and recreation | 3,073,931 | 3,872,048 | 4,978,268 | 6,102,803 | 4,533,268 | 2,047,566 | 2,230,950 | 3,150,253 | 3,349,472 | 3,397,402 |
| Health and welfare | 5,534,408 | 5,064,828 | 5,294,354 | 4,985,881 | 4,704,778 | 10,410,992 | 7,211,055 | 7,217,969 | 10,911,550 | 14,520,642 |
| Public works | 968,431 | 846,127 | 729,718 | 722,667 | 1,742,184 | 8,197,010 | 6,890,108 | 8,083,337 | 8,514,005 | 7,787,998 |
| Capital Outlay | 1 | | | | | | 27,749 | | 792,526 | |
| Loss on disposition of assets | 1 | | | | | 457,731 | 100,229 | | | |
| Interest on long-term debt | 549,843 | 527,968 | 638,723 | 196,131 | 181,498 | 179,217 | 150,001 | 134,901 | 120,481 | 150,424 |
| Total governmental activities expenses | 45,129,754 | 52,007,024 | 51,259,473 | 55,219,871 | 54,773,424 | 60,538,433 | 59,509,876 | 60,641,156 | 67,636,052 | 81,075,966 |
| Business-type Activities: | | | | | | | | | | |
| Water service proprietary fund | I | I | I | 93,947 | 17,773 | 21,958 | 56,254 | 79 | 11,586 | 1,930 |
| Total Governmental & Business-type activities expense | 45,129,754 | 52,007,024 | 51,259,473 | 55,313,818 | 54,791,197 | 60,560,391 | 59,566,130 | 60,641,235 | 67,647,638 | 81,077,896 |
| | | | | | | | | | | |
| Program Revenues (see Schedule 3) | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| General government | 9,159,286 | 7,098,651 | 9,611,227 | 9,949,777 | 8,981,833 | 3,442,798 | 1,059,635 | 1,075,282 | 2,101,053 | 2,154,996 |
| Public Safety | 8,079 | 10,184 | 5,191 | | 1,718 | 306,116 | 2,358,188 | 2,238,491 | 2,261,738 | 1,449,685 |
| Culture and recreation | 1 | | | 182,336 | | | | 1,068,836 | 315,002 | 185,369 |
| Health and welfare | | | | | I | | | | | |
| Public works | 11,188 | 241,527 | 438,798 | | 212,121 | | | 178,652 | 209,276 | 186,036 |
| Operating grants and contributions | 2,639,015 | 3,021,357 | 2,941,790 | 2,772,014 | 3,825,193 | 4,783,811 | 5,855,562 | 6,577,695 | 5,315,545 | 1 |
| Capital grants and contributions | 891,292 | 723,157 | 904,578 | 268,122 | 2,560,754 | 1,916,522 | 7,431,152 | 280,647 | 425,880 | 1,732,322 |
| Total governmental activities program revenues | 12,708,860 | 11,094,876 | 13,901,584 | 13,172,249 | 15,581,619 | 10,449,247 | 16,704,537 | 11,419,603 | 10,628,494 | 5,708,408 |
| | | | | | | | | | | |

LEA COUNTY NEW MEXICO CHANGES IN NET POSITION LAST TEN FISCAL YEARS (accrual basis of accounting)

| ì | | | | | Fiscal Year | Year | | | | |
|---|---------------------------|--------------|--------------|---------------------------|---|--------------|--------------|--------------|--------------|--------------|
| Business-type Activities: | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | <u>2019</u> | 2020 |
| Charges for services | | I | 1,413 | 7,878 | 4,501 | I | I | I | I | |
| Operating grants and contributions | 1 | I | 475,000 | 25,000 | | I | I | I | 1 | 5,883,342 |
| Water service proprietary fund | I | I | 476,413 | 32,878 | 4,501 | I | I | I | I | 5,883,342 |
| Net (Expense)/Revenue | (32,420,894) (40,912,148) | (40,912,148) | (36,881,476) | (36,881,476) (42,108,691) | (39,205,077) (50,111,144) (42,861,593) (49,221,632) (57,019,144) (69,486,146) | (50,111,144) | (42,861,593) | (49,221,632) | (57,019,144) | (69,486,146) |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities: Taxes (see Schedule 4) | | | | | | | | | | |
| Property taxes | 11,192,869 | 11,449,078 | 12,301,844 | 13,286,760 | 14,360,743 | 15,978,645 | 16,462,835 | 17,776,009 | 18,634,296 | 21,546,626 |
| Gross receipts taxes | 10,472,450 | 12,221,686 | 13,583,359 | 15,488,554 | 18,093,847 | 10,070,902 | 10,103,026 | 15,154,566 | 22,534,132 | 23,048,517 |
| Gas/Motor vehicle taxes | 315,950 | 304,340 | 325,180 | 308,043 | 348,811 | 311,359 | 359,764 | 370,488 | 369,900 | 263,467 |
| Franchise taxes | | | | | | | | | l | 32,971 |
| Oil & gas taxes | 20,182,688 | 24,202,546 | 23,038,185 | 31,072,987 | 27,438,261 | 19,597,346 | 23,101,563 | 33,731,130 | 48,706,163 | 56,997,759 |
| Cigarette taxes | | | | | | | | | | |
| Payments in lieu of taxes (Note 1) | | | | | | 3,267,767 | 3,640,614 | 3,056,061 | 4,056,216 | 3,026,191 |
| Loss on defeasance | | | | | | | | | | |
| Investment earnings (Note 1) | | | | | | 217,366 | 40,763 | 123,055 | 1,947,898 | 1,508,323 |
| Sale of capital assets | (49,758) | (82,051) | (94,534) | (270,616) | 226,535 | l | 854,460 | l | l | l |
| Miscellaneous | 391,583 | 387,795 | 366,479 | 418,383 | 445,446 | 539,694 | | 675,316 | 756,098 | 637,139 |
| Total governmental activities | 42,505,782 | 48,483,394 | 49,520,513 | 60,304,111 | 60,913,643 | 49,983,079 | 54,563,025 | 70,886,625 | 97,004,703 | 107,060,993 |
| Transfers to Agency Funds | l | I | I | I | 1 | 1 | 60,000 | 1 | I | 1 |
| Changes in Net Position | 10 084 888 | 7 571 246 | 12 630 037 | 18 195 420 | 21 708 566 | (128 065) | 11 641 432 | 21 664 993 | 30 085 550 | 37 574 847 |
| | 000,400 | 044,110,1 | 12,039,031 | 10,130,420 | 21,100,000 | (120,000) | 204,140,11 | 066,400,12 | 600,000 | , to, to |

Note (1) Breakout not available for 2011-2015

Information gathered from the Statement of Activities.

PROGRAM REVENUES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS (accrual basis of accounting) LEA COUNTY NEW MEXICO

| | | | | | Program Revenues | Revenues | | | | |
|---|-----------------------|------------|------------|------------|------------------|------------|---|------------|------------|------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Function/Program | | | | | | | | | | |
| Primary Government Governmental Activities: | | | | | | | | | | |
| General government | 12,146,383 | 9,922,039 | 12,678,627 | 12,030,389 | 11,729,746 | 4,895,047 | 2,365,026 | 1,717,817 | 2,765,006 | 2,765,337 |
| Public safety | 693,751 | 839,428 | 714,047 | 942,386 | 861,799 | 2,677,705 | 4,807,925 | 4,819,210 | 4,763,116 | 3,933,371 |
| Culture and recreation | 14,355 | 15,254 | 14,516 | 11,526 | 12,311 | 15,970 | I | 1,068,836 | 415,002 | 185,369 |
| Health and welfare | I | 10,000 | l | I | I | I | I | I | I | l |
| Public works | 170,321 | 612,495 | 819,574 | 495,991 | 3,326,574 | 3,171,884 | 9,891,350 | 4,184,228 | 3,055,270 | 4,707,673 |
| Capital Outlay | I | I | | | | | I | I | I | |
| Interest on long-term debt | 1 | | 1 | | | | 1 | 1 | | |
| Total governmental activities | 13,024,810 11,399,216 | 11,399,216 | 14,226,764 | 13,480,292 | 15,930,430 | 10,760,606 | 17,064,301 | 11,790,091 | 10,998,394 | 11,591,750 |
| Function/Program Business-type Activities | 1 | 1 | 476,413.00 | 32,878.00 | 4,501.00 | I | 1 | 1 | 1 | 1 |
| Total Program Revenues By Function | 13,024,810 11,399,216 | 11,399,216 | 14,703,177 | 13,513,170 | 15,934,931 | 10,760,606 | 14,703,177 13,513,170 15,934,931 10,760,606 17,064,301 11,790,091 10,998,394 11,591,750 | 11,790,091 | 10,998,394 | 11,591,750 |

Information gathered from the Statement of Activities.

LEA COUNTY NEW MEXICO REVENUES BY SOURCE LAST TEN FISCAL YEARS

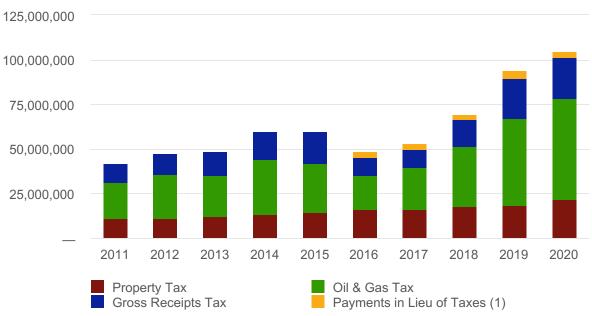
(accrual basis of accounting)

| 5 :! V | D | O:1 0 O T | One as Bassinta Tass | Payments in Lieu | T-4-1 T |
|----------------------|--------------|---------------|----------------------|------------------|-------------|
| Fiscal Year | Property Tax | Oil & Gas Tax | Gross Receipts Tax | of Taxes (1) | Total Taxes |
| 2011 | 11,192,869 | 20,182,688 | 10,472,450 | _ | 41,848,007 |
| 2012 | 11,449,078 | 24,202,546 | 12,221,686 | _ | 47,873,310 |
| 2013 | 12,301,844 | 23,038,185 | 13,583,359 | _ | 48,923,388 |
| 2014 | 13,286,760 | 31,072,987 | 15,488,554 | _ | 59,848,301 |
| 2015 | 14,360,743 | 27,438,261 | 18,093,847 | _ | 59,892,851 |
| 2016 | 15,978,645 | 19,597,346 | 10,070,902 | 3,267,767 | 48,914,660 |
| 2017 | 16,462,835 | 23,101,563 | 10,103,026 | 3,640,614 | 53,308,038 |
| 2018 | 17,776,009 | 33,731,130 | 15,154,566 | 3,056,061 | 69,717,766 |
| 2019 | 18,634,296 | 48,706,163 | 22,534,132 | 4,056,216 | 93,930,807 |
| 2020 | 21,662,348 | 56,997,759 | 23,048,517 | 3,026,191 | 104,734,815 |
| Percent Change | | | | | |
| 2010-2019 | 93.54% | 182.41% | 120.09% | | 150.27% |

(1) Breakout not available 2011-2015

Information gathered from the Statement of Activities.





LEA COUNTY NEW MEXICO FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS (modified accrual basis of accounting)

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---------------------------------------|-----------------------|----------------------|-----------------------|-----------------------|-------------|----------------------------------|---|------------|--------------------------------|-------------|
| Primary Government: | | | | | | | | | | |
| General Fund | | | | | | | | | | |
| Nonspendable | | | | | | | | | | l |
| Restricted | | | | | 1 | 7,978,590 | 7,103,211 | 7,840,991 | 9,029,359 | 9,029,359 |
| Committed | 3,229,904 | 3,502,567 | 4,384,110 | 7,375,396 | 5,935,164 | | | | l | I |
| Assigned | 41,310,734 | 35,462,997 | 36,408,451 | 43,947,978 | 43,674,931 | 42,517,258 | 59,179,974 | | | |
| Unassigned | 17,704,600 | 18,268,817 | 18,755,869 | 22,639,868 | 22,499,207 | 12,899,246 | 2,251,878 | 52,511,554 | 76,296,265 | 94,925,623 |
| Total general fund | 62,245,238 | 57,234,381 | 59,548,430 | 73,963,242 72,109,302 | 72,109,302 | 63,395,094 | 68,535,063 | 60,352,545 | 85,325,624 103,954,982 | 103,954,982 |
| | | | | | | | | | | |
| All other governmental funds | | | | | | | | | | |
| Nonspendable | I | 1,353,125 | 1,353,125 | 1,353,125 | | | | | l | I |
| Restricted | 9,534,056 | 9,534,056 10,086,995 | 15,170,328 | 16,471,419 | 20,328,831 | 20,328,831 13,634,612 10,629,550 | 10,629,550 | 19414708 | 19414708 17,124,860 20,941,752 | 20,941,752 |
| Committed | 297,207 | 2,358,258 | 615,394 | 536,552 | 9,454,399 | | | | | |
| Assigned | 2,462,643 | 2,545,332 | l | | 264,196 | 1,140,059 | | | | |
| Unassigned (deficit) | (720) | (182,833) | (203) | | (138, 124) | (312, 181) | (21,290) | (129,787) | | |
| Total all other governmental funds | 12,293,186 16,160,877 | 16,160,877 | 17,138,644 18,361,096 | 18,361,096 | 29,909,302 | 14,462,490 | 10,608,260 | 19,284,921 | 17,124,860 | 20,941,752 |
| Total governmental funds fund balance | 74,538,424 73,395,258 | 73,395,258 | 76,687,074 | 92,324,338 | 102,018,604 | 77,857,584 | 92,324,338 102,018,604 77,857,584 79,143,323 79,637,466 102,450,484 124,896,734 | 79,637,466 | 102,450,484 | 124,896,734 |

Information gathered from the Balance Sheets - Governmental Funds. (Major Funds Balance Sheet)

LEA COUNTY NEW MEXICO CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

| | | | | | Fiscal Year | | | | | |
|--|------------|-------------------------|------------|------------|-------------|--------------|------------|------------|-------------|-------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Revenues | | | | | | | | | | |
| Property, sales, and miscellaneous taxes | 40,906,318 | 46,786,728 | 47,866,522 | 58,808,460 | 58,888,922 | 45,644,492 | 49,463,435 | 66,580,156 | 89,964,428 | 101,439,287 |
| Payment in lieu of taxes | | | l | l | | 3,267,767 | 3,640,614 | 3,056,061 | 4,056,216 | 3,026,191 |
| Licenses and permits | 350,954 | 560,635 | 646,441 | 708,096 | 963,352 | 143,733 | 359,680 | 340,286 | 187,393 | 179,831 |
| Intergovernmental: | | | | | | | | | | |
| Federal | 6,649,787 | 3,525,488 | 4,147,118 | 2,813,181 | 5,414,092 | 2,684,440 | 7,709,001 | 3,353,010 | 1,845,488 | 2,886,352 |
| State | | 981,009 | 1,233,767 | 1,767,863 | 2,171,512 | 4,015,893 | 5,577,713 | 3,505,332 | 3,895,937 | 4,729,312 |
| Charges for services | 3,186,522 | 2,773,647 | 3,676,149 | 3,304,851 | 3,357,304 | 4,060,273 | 3,777,587 | 4,931,749 | 5,256,969 | 3,976,086 |
| Investment Earnings | 555,809 | 381,830 | 427,108 | 515,110 | 538,025 | 217,366 | 40,763 | 123,055 | 1,947,898 | 1,508,323 |
| Miscellaneous | 5,646,190 | 4,162,039 | 5,901,743 | 6,154,182 | 4,919,276 | 395,961 | 541,034 | 753,745 | 865,668 | 940,138 |
| Total revenues | 57,295,580 | 59,171,376 | 63,898,848 | 74,071,743 | 76,252,483 | 60,429,925 | 71,109,827 | 82,643,394 | 108,019,997 | 118,685,520 |
| Expenditures | | | | | | | | | | |
| General government | 23,335,316 | 20,907,153 | 20,402,829 | 21,388,999 | 28,235,434 | 19,137,935 | 18,704,689 | 14,663,575 | 13,985,500 | 20,203,716 |
| Public safety | 11,977,713 | 11,772,525 | 13,746,029 | 14,168,805 | 6,101,169 | 17,522,978 | 17,911,214 | 21,285,001 | 22,362,144 | 25,194,804 |
| Culture and recreation | 2,454,783 | 3,336,501 | 4,402,910 | 5,293,398 | 4,193,046 | 2,039,046 | 2,222,430 | 3,150,253 | 3,338,776 | 3,379,221 |
| Health and welfare | 5,533,976 | 3,727,007 | 5,621,812 | 4,930,881 | 8,894,430 | 10,417,007 | 6,928,601 | 6,996,124 | 10,621,975 | 13,900,835 |
| Public works | 6,035,798 | 5,335,932 | 7,854,671 | 5,288,394 | 11,115,280 | 6,270,880 | 4,849,178 | 5,893,882 | 5,842,449 | 4,307,717 |
| Capital outlay | 8,306,464 | 14,062,456 | 5,747,609 | 6,186,871 | 5,026,360 | 28,331,517 | 19,328,257 | 29,289,204 | 28,180,654 | 24,217,513 |
| Debt service | | | | | | | | | | |
| Principal | 625,000 | 645,000 | 1,965,000 | 680,000 | 695,000 | 737,060 | 720,000 | 735,000 | 755,000 | 4,875,000 |
| Interest | 549,843 | 527,968 | 622,673 | 196,131 | 181,498 | 166,582 | 151,285 | 136,212 | 120,481 | 160,464 |
| Issuance costs | | | | | | | | | l | I |
| Refunding | | | | | | | | | 1 | I |
| Interest expense | l | l | I | 1 | l | | 1 | | 1 | I |
| Total expenditures _ | 58,818,893 | 60,314,542 | 60,363,533 | 58,133,479 | 64,442,217 | 84,623,005 | 70,815,654 | 82,149,251 | 85,206,979 | 96,239,270 |
| Excess of revenues | | | ! ! | | | | | | | |
| over (under) expenditures | | (1,523,313) (1,143,166) | 3,535,315 | 15,938,264 | 11,810,266 | (24,193,080) | 294,173 | 494,143 | 22,813,018 | 22,446,250 |

LEA COUNTY NEW MEXICO CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

| | 2019 2020 | | 1 | 1 | I | I | ı | 29 35,322,705 | 29) (35,322,705) | | 18 22,446,250 | | l |
|-------------|-----------|--------------------------------|---|-------------------------|--|------------------------|-----------------|---------------------------------|---------------------------|--------------------------------------|---|---------------------------------|-----------------------------|
| | 20 | | · | | · | | | 39,479,029 | (39,479,029) | | 22,813,018 | | • |
| | 2018 | | | | | | | 47,720,888 | (47,720,888) | _ | 494,143 | | I |
| | 2017 | | | | | | | 26,958,598 | (25,967,032) | 991,566 | 1,285,739 | | I |
| | 2016 | | 32,060 | | | | | 48,400,654 | (18,960,078) (48,400,654) | 32,060 | 9,694,266 (24,161,020) | | I |
| Fiscal Year | 2015 | | | | | | | 6,028,448 16,844,078 48,400,654 | | (301,000) (2,116,000) | 9,694,266 | | I |
| | 2014 | | | | | | | 6,028,448 | (6,329,448) | (301,000) | 15,637,264 | | I |
| | 2013 | | 10,000,000 | | (10,000,000) | | | 10,413,209 | (6,862,186) (10,656,709) | (243,500) | 3,291,815 | | I |
| | 2012 | | | | | | | 6,862,186 | (6,862,186) | | (1,143,166) | | I |
| | 2011 | | | | | | | 3,459,212 | (3,459,212) | | s in fund balances (1,523,313) (1,143,166) | | I |
| | | Other Financing Sources (Uses) | Bonds/debt issued/proceeds of refunding | Bond premium (discount) | Payment to refunding bond escrow agent | Capital lease issuance | Bond defeasance | Transfers in | Transfers out (3,459,212) | Total other financing sources (uses) | Net changes in fund balances | Debt service as a percentage of | noncapital expenditures (2) |

⁽¹⁾ The capital outlay listed above is adjusted in the government-wide statement of activities for the following variances: donated assets, depreciation expense, gain or loss on disposal of assets, and capital outlay classified as operating expenditures on the fund financial statements.

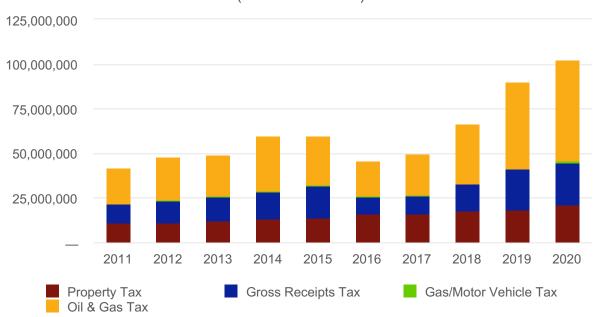
⁽²⁾ The debt service as a percentage of noncapital expenditures formula for fiscal years 2006-2011 was updated to reflect only the capitalized capital outlay reported in the Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.

LEA COUNTY NEW MEXICO TAX REVENUE BY SOURCE LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

| Property Tax | Gross Receipts Tax | Gas/Motor Vehicle Tax | Oil & Gas Tax | Total Taxes |
|--------------|--|--|--|--|
| 11,270,610 | 10,472,450 | 315,950 | 20,182,688 | 42,241,698 |
| 11,406,424 | 12,221,686 | 307,340 | 24,202,546 | 48,137,996 |
| 12,238,175 | 13,583,359 | 325,180 | 23,038,185 | 49,184,899 |
| 13,360,897 | 15,488,554 | 308,043 | 31,072,987 | 60,230,481 |
| 14,009,757 | 18,093,847 | 348,811 | 27,438,261 | 59,890,676 |
| 15,976,244 | 10,070,902 | 311,359 | 19,597,346 | 45,955,851 |
| 16,258,846 | 10,103,026 | 359,764 | 23,101,563 | 49,823,199 |
| 17,694,460 | 15,154,566 | 370,488 | 33,731,130 | 66,950,644 |
| 18,724,133 | 22,534,132 | 369,900 | 48,706,163 | 90,334,328 |
| 21,546,626 | 23,048,517 | 263,467 | 56,997,759 | 101,856,369 |
| 91.18% | 120.09% | -16.61% | 182.41% | 141.13% |
| | 11,270,610 11,406,424 12,238,175 13,360,897 14,009,757 15,976,244 16,258,846 17,694,460 18,724,133 21,546,626 | Property Tax Tax 11,270,610 10,472,450 11,406,424 12,221,686 12,238,175 13,583,359 13,360,897 15,488,554 14,009,757 18,093,847 15,976,244 10,070,902 16,258,846 10,103,026 17,694,460 15,154,566 18,724,133 22,534,132 21,546,626 23,048,517 | Property Tax Tax Tax 11,270,610 10,472,450 315,950 11,406,424 12,221,686 307,340 12,238,175 13,583,359 325,180 13,360,897 15,488,554 308,043 14,009,757 18,093,847 348,811 15,976,244 10,070,902 311,359 16,258,846 10,103,026 359,764 17,694,460 15,154,566 370,488 18,724,133 22,534,132 369,900 21,546,626 23,048,517 263,467 | Property Tax Tax Tax Oil & Gas Tax 11,270,610 10,472,450 315,950 20,182,688 11,406,424 12,221,686 307,340 24,202,546 12,238,175 13,583,359 325,180 23,038,185 13,360,897 15,488,554 308,043 31,072,987 14,009,757 18,093,847 348,811 27,438,261 15,976,244 10,070,902 311,359 19,597,346 16,258,846 10,103,026 359,764 23,101,563 17,694,460 15,154,566 370,488 33,731,130 18,724,133 22,534,132 369,900 48,706,163 21,546,626 23,048,517 263,467 56,997,759 |

TAX REVENUE BY SOURCE (Modified Accrual)



LEA COUNTY NEW MEXICO GROSS RECEIPTS TAX REVENUE BY INDUSTRY LAST TEN FISCAL YEARS

Matched Taxable Gross Receipts for the County By Major Industrial Classifications

| Fiscal Year Ending 6/30 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|--------------|---------------|----------------|---|---------------|---|---------------|---------------|--|---------------|
| Agriculture, Forestry, Fishing and Hunting | \$ 2,511,258 | \$ 3,569,932 | . \$ 4,397,523 | \$ 7,368,247 | \$ 7,304,153 | \$ 10,236,174 | \$ 13,559,567 | \$ 14,651,530 | \$ 10,302,683 | \$ 8,790,974 |
| Mining and Oil and Gas | 000 | 700 000 | | 0 1 1 0 1 1 0 1 1 0 1 1 0 1 1 0 1 1 1 1 | 4 040 040 | 0 | 770 | 7 | 77 77 77 77 77 77 77 77 77 77 77 77 77 | 007.00 |
| Extraction | 021,0890,226 | 1,192,632,061 | 1,323,300,930 | 1,564,510,770 | 1,972,342,363 | 940,421,394 | 386,344,203 | 753 629 078 | 2,020,114,774 | 2,400,301,000 |
| Ountes | 000,000,471 | 1,00,01 | | 200,000,000 | 244,000,000 | 0.10,000,422 | 200,012,002 | 0.10,620,002 | 177,000,407 | 200,412,002 |
| Construction | 510,174,986 | 455,115,143 | | 566,486,057 | 919,665,762 | 577,075,203 | 528,528,008 | 612,267,891 | 871,358,415 | 945,814,821 |
| Manufacturing | 143,613,712 | 274,916,578 | 309,216,417 | 410,409,294 | 397,346,079 | 174,188,366 | 101,127,401 | 166,852,469 | 241,972,706 | 228,877,718 |
| Wholesale Trade | 215,295,336 | 274,461,384 | 318,498,845 | 335,742,058 | 347,979,198 | 211,069,590 | 241,231,793 | 366,952,809 | 435,458,394 | 377,837,008 |
| Retail Trade | 527,819,359 | 623,355,739 | 679,351,375 | 683,958,893 | 731,090,746 | 562,251,501 | 526,291,129 | 771,162,209 | 944,612,144 | 926,500,773 |
| Transportation and Warehousing | 92,828,415 | 115,001,331 | 161,159,604 | 190,160,254 | 218,724,193 | 130,938,060 | 99,629,396 | 149,217,454 | 245,353,436 | 205,718,036 |
| Information and Cultural Industries | 58,208,649 | 68,334,376 | 75,701,931 | 88,321,730 | 92,424,867 | 87,938,635 | 87,222,985 | 89,018,114 | 95,942,518 | 104,583,465 |
| Finance and Insurance | 4,685,077 | 5,425,721 | 7,516,098 | 7,634,163 | 8,103,089 | 7,460,754 | 7,818,890 | 8,032,460 | 8,711,663 | 9,175,962 |
| Real Estate and Rental and Leasing | 40,115,856 | 62,135,205 | 79,284,473 | 93,996,093 | 109,635,803 | 74,975,037 | 84,410,619 | 156,036,199 | 200,140,813 | 189,502,779 |
| Professional, Scientific and Technical Services | 109,547,309 | 109,278,852 | 122,397,607 | 132,237,309 | 148,527,368 | 100,869,094 | 111,859,960 | 121,093,051 | 163,248,677 | 169,563,034 |
| Admin and Support, Waste Mgt and Remed | 56,130,750 | (15,388,075) |) 73,285,471 | 51,437,518 | 58,450,816 | 46,061,550 | 51,009,557 | 89,822,974 | 101,116,857 | 111,901,879 |
| Educational Services | 485,264 | 65,386 | 208,885 | 533,771 | 583,800 | 712,847 | 755,160 | 1,046,745 | 1,110,320 | 1,000,714 |
| Health Care and Social Assistance | 72,872,059 | 72,960,327 | , 69,440,341 | 65,686,208 | 73,852,181 | 17,600,472 | 65,580,278 | 75,166,530 | 83,205,587 | 72,922,677 |
| Arts, Entertainment and Recreation | 4,384,281 | 7,077,608 | 5,450,461 | 5,661,597 | 12,206,135 | 7,595,475 | 8,018,476 | 8,963,359 | 8,024,025 | 4,965,875 |
| Accommodation and Food Services | 95,685,063 | 115,079,893 | 124,619,807 | 131,331,067 | 156,190,917 | 123,729,727 | 123,159,563 | 161,701,766 | 194,453,199 | 163,645,831 |
| Other Services (except Public Admin) | 356,733,372 | 399,365,581 | 405,261,064 | 404,352,485 | 426,269,468 | 268,407,961 | 241,278,839 | 333,885,089 | 428,813,321 | 403,627,843 |
| Public Administration | 1,889,873 | 1,339,980 | 2,200,362 | 36,665 | 75,937 | 138,365 | 85,513 | 223,197 | 658,399 | 593,894 |

LEA COUNTY NEW MEXICO GROSS RECEIPTS TAX REVENUE BY INDUSTRY LAST TEN FISCAL YEARS

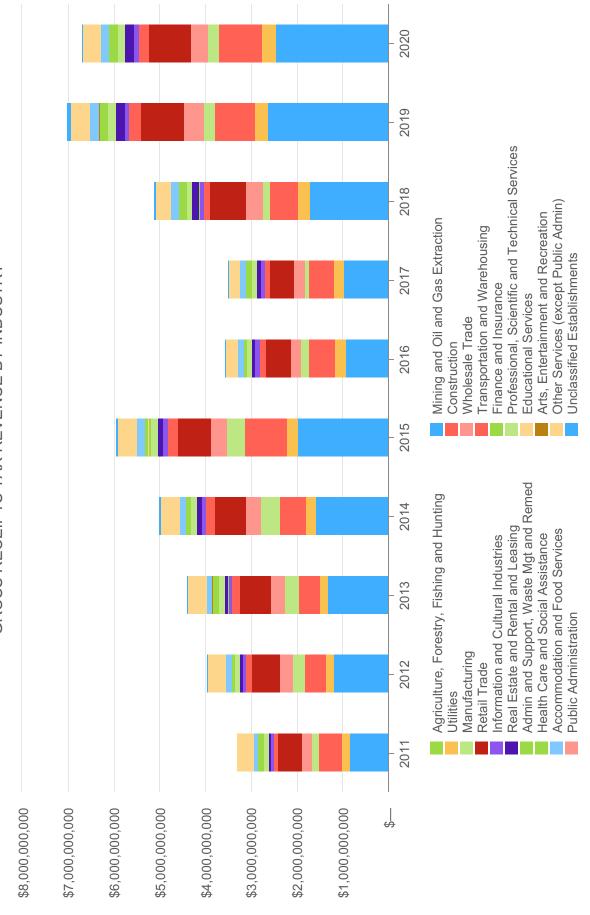
| 2020 | 404,313 | 8,462,294 | 0.3750% |
|----------------------------|----------------------------------|---|--|
| ., | 25 | \$6,71 | |
| 2019 | 50,151,743 78,765,213 25,404,313 | \$7,036,356,365 | 0.3750% |
| 2018 | | \$5,147,015,910 | 0.3750% |
| 2017 | 27,613,643 | \$3,517,735,885 | 0.3750% |
| 2016 | 22,186,762 | \$3,587,955,540 | 0.3750% |
| 2015 | 38,963,263 | \$5,025,013,187 \$5,964,421,396 \$3,587,955,540 \$3,517,735,885 \$5,147,015,910 \$7,036,356,365 \$6,718,462,294 | 0.3750% |
| 2014 | 45,162,620 | \$5,025,013,187 | 0.3750% |
| 2013 | 17,529,271 | \$4,408,453,119 | 0.3750% |
| 2012 | 6,100,996 10,106,337 17,529,271 | \$3,325,262,809 \$3,951,864,547 \$4,408,453,119 | 0.3750% |
| 2011 | 6,100,996 | \$3,325,262,809 | 0.3750% |
| Fiscal Year Ending 6/30 | Unclassified Establishments | Total (1) | County Direct GRT Rate as of 06/30 |

(1) These figures are annual totals taken from the "RP-500 - Monthly Local Government Distribution Reports by Standard Industrial Classification". These totals are for the actual business activity months in the fiscal year which differs from the month that the tax distribution is received. Also, the State suppresses revenue information in certain categories if the release of information would compromise the confidentiality of an individual taxpayer. Accordingly, the taxable gross receipts totals in this table will differ from those in the prior table.

Source: State of New Mexico, Taxation and Revenue Department (derived from Report RP-500)

LEA COUNTY NEW MEXICO GROSS RECEIPTS TAX REVENUE BY INDUSTRY LAST TEN FISCAL YEARS

GROSS RECEIPTS TAX REVENUE BY INDUSTRY



LEA COUNTY NEW MEXICO DIRECT AND OVERLAPPING GROSS RECEIPT TAX RATES LAST TEN FISCAL YEARS

LEA COUNTY (06-006)

CITY OF HOBBS (HOB)

| | Total HOB GRT | 6.8125% | 6.8125% | 6.8125% | 6.8125% | 6.8125% | 6.8125% | 6.8125% | 6.8125% | 6.8125% | 6.8125% | | Total LOV GRT | 6.8750% | 6.8750% | 6.8750% | 6.8750% | 7.2500% | 7.2500% | 7.2500% | 7.2500% | 7.2500% | 7.2500% |
|--------------------|------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------------------------|--------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | Lea County | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | | Lea County | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% |
| | HOB Direct Rate | 1.4375% | 1.4375% | 1.4375% | 1.4375% | 1.4375% | 1.4375% | 1.4375% | 1.4375% | 1.4375% | 1.4375% | | LOV Direct Rate | 1.5000% | 1.5000% | 1.5000% | 1.5000% | 1.8750% | 1.8750% | 1.8750% | 1.8750% | 1.8750% | 1.8750% |
| | HOB Share of State GRT | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | LOV) | LOV Share of State GRT | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% |
| | State GRT | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | CITY OF LOVINGTON (LOV) | State GRT o | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% |
| | Fiscal Year | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | CITY OF | Fiscal Year | 2011 | 2012 | 2013 | 2014 | 2015** | 2016 | 2017 | 2018 | 2019 | 2020 |
| | | | | | | | | | | | | | Total EU GRT | 6.8125% | 6.8125% | 6.8125% | 6.8125% | 6.8125% | 6.8125% | 7.3125% | 7.3125% | 7.3125% | 7.3125% |
| | Total LC GRT | 2.5000% | 2.5000% | 2.5000% | 2.5000% | 2.5000% | 2.5000% | 2.5000% | 2.5000% | 2.5000% | 2.5000% | | Lea County | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% |
| County Unincor- | porated Rate | 0.1250% | 0.1250% | 0.1250% | 0.1250% | 0.1250% | 0.1250% | 0.1250% | 0.1250% | 0.1250% | 0.1250% | | EU Direct Rate I | 1.4375% | 1.4375% | 1.4375% | 1.4375% | 1.4375% | 1.4375% | 1.9375% | 1.9375% | 1.9375% | 1.9375% |
| | County Direct Rate | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | | EU Share of State GRT | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% |
| | State GRT | 5.1250% | 5.1250% | 5.1250% | 5.1250% | 5.1250% | 5.1250% | 5.1250% | 5.1250% | 5.1250% | 5.1250% | CITY OF EUNICE (EU) | E State GRT | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% |
| | Fiscal Year | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | CITY OF | Fiscal Year | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017* | 2018 | 2019 | 2020 |

LEA COUNTY NEW MEXICO DIRECT AND OVERLAPPING GROSS RECEIPT TAX RATES LAST TEN FISCAL YEARS

LOVINGTON INDUSTRIAL PARK (LIP)

TOWN OF JAL (JAL)

| Total JAL GRT | 6.8125% | 7.0625% | 7.0625% | 7.0625% | 7.0625% | 7.0625% | 7.0625% | 7.0625% | 7.4375% | 7.4375% |
|-------------------------------|-----------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------|-------------------------|-------------------------|-------------------------|-----------------|
| ea County | \ 0 | | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% | 0.2500% |
| JAL Direct Rate L | 1.4375% | 1.6875% | 1.6875% | 1.6875% | 1.6875% | 1.6875% | 1.6875% | 1.6875% | 2.0625% | 2.0625% |
| AL Share State GRT | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% | 1.2250% |
| State GRT o | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% | 3.9000% |
| Fiscal Year | | 2012** | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| otal LIP GRT | 2.5000% | 2.5000% | 2.5000% | 2.5000% | 2.5000% | 2.5000% | 2.5000% | 2.5000% | 2.5000% | 2.5000% |
| Total | 4, | 4, | | | ٠, | 4, | | | 4, | |
| _ | | | | | | 0.3750% | | | ٠, | 0.2500% |
| T Lea County | % 0.3750% | 0.3750% | 0.3750% | 0.3750% | 0.3750% | | 0.3750% | 0.3750% | ٠, | 0.1250% 0.2500% |
| LIP Direct Rate Lea County | 0.0000% 0.3750% | 0.0000% 0.3750% | 0.0000% 0.3750% | 0.0000% 0.3750% | 0.0000% 0.3750% | 0.3750% | 0.0000% 0.3750% | 0.0000% 0.3750% | 0.0000% 0.3750% | |
| T Lea County | 0.0000% 0.3750% | 1.2250% 0.0000% 0.3750% | 1.2250% 0.0000% 0.3750% | 1.2250% 0.0000% 0.3750% | 1.2250% 0.0000% 0.3750% | 0.0000% 0.3750% | 1.2250% 0.0000% 0.3750% | 1.2250% 0.0000% 0.3750% | 1.2250% 0.0000% 0.3750% | 1.2250% 0.1250% |

TATUM (TAT)

| Fiscal Year | State GRT | TAT Share of State GRT | TAT Direct Rate | Lea County | Total TAT GRT | |
|----------------|-----------|------------------------|--------------------|------------|------------------|-------------|
| 2011 | 3.9000% | _ | 1.4375% | | 6.8125% | * Loc |
| 2012 | 3.9000% | 1.2250% | 1.4375% | 0.2500% | 6.8125% | * Lo |
| 2013 | 3.9000% | 1.2250% | 1.4375% | 0.2500% | 6.8125% | * * * |
| 2014 | 3.9000% | 1.2250% | 1.4375% | 0.2500% | 6.8125% | * * * |
| 2015 | 3.9000% | | 1.4375% | 0.2500% | 6.8125% | |
| 2016 | 3.9000% | | 1.4375% | 0.2500% | 6.8125% | |
| 2017 | 3.9000% | | 1.4375% | 0.2500% | 6.8125% | |
| 2018 | 3.9000% | 1.2250% | 1.4375% | 0.2500% | 6.8125% | |
| 2019 | 3.9000% | 1.2250% | 1.4375% | 0.2500% | 6.8125% | |
| 2020 | 3.9000% | 1.2250% | 1.4375% | 0.2500% | 6.8125% | Soul |

^{*} Local option taxes increase effective January 1, 2017
** Local option taxes increase effective January 1, 2015
*** Local option taxes increase effective January 1, 2012

^{****} Local option taxes increase effective January 1, 2018

Source: State of New Mexico Taxation and Revenue

LEA COUNTY NEW MEXICO GROSS RECEIPTS TAX REVENUE PAYERS BY INDUSTRY CURRENT YEAR AND NINE YEARS AGO

| | | Fiscal | Fiscal Year 2020 | | | Fiscal | Fiscal Year 2011 | |
|---|---------------------|----------------------------|---------------------------|-----------------------|---------------------|-------------------------------|---------------------------|-----------------------|
| | | | _ | Percentage of Taxable | | | ш. | Percentage of Taxable |
| Fiscal Year Ending 6/30 | Number of Filers | Percentage of Total Filers | Taxable Gross Receipts | Gross Receipts | Number of Filers | Percentage of Total Filers | Taxable Gross Receipts | Gross Receipts |
| Agriculture, Forestry, Fishing and Hunting | 197 | 0.37% | \$8,790,974 | 0.13% | 217 | 0.63% | \$2,511,258 | 0.08% |
| Mining and Oil and Gas Extraction | 6,309 | 11.63% | 2,468,561,866 | 36.74% | 2,669 | 7.65% | 851,890,228 | 25.62% |
| Utilities | 410 | 0.75% | 299,472,832 | 4.46% | 201 | 0.58% | 174,290,966 | 5.24% |
| Construction | 4,831 | 8.90% | 945,814,821 | 14.08% | 3,453 | 9.88% | 510,174,986 | 15.34% |
| Manufacturing | 3,130 | 2.76% | 228,877,718 | 3.41% | 1,355 | 3.88% | 143,613,712 | 4.32% |
| Wholesale Trade | 3,751 | 6.91% | 377,837,008 | 2.62% | 1,844 | 5.28% | 215,295,336 | 6.47% |
| Retail Trade | 9,082 | 16.72% | 926,500,773 | 13.79% | 6,666 | 19.08% | 527,819,359 | 15.87% |
| Transportation and Warehousing | 3,102 | 5.71% | 205,718,036 | 3.06% | 1,245 | 3.56% | 92,828,415 | 2.79% |
| Information and Cultural Industries | 1,954 | 3.60% | 104,583,465 | 1.56% | 926 | 2.79% | 58,208,649 | 1.75% |
| Finance and Insurance | 466 | %98.0 | 9,175,962 | 0.14% | 308 | 0.88% | 4,685,077 | 0.14% |
| Real Estate and Rental and Leasing | 2,821 | 5.19% | 189,502,779 | 2.82% | 1,127 | 3.23% | 40,115,856 | 1.21% |
| Professional, Scientific and Technical Services | 3,932 | 7.24% | 169,563,034 | 2.52% | 2,076 | 5.94% | 109,547,309 | 3.29% |
| Admin and Support, Waste Mgt and Remed | 1,997 | 3.68% | 111,901,879 | 1.67% | 684 | 1.96% | 56,130,750 | 1.69% |
| Educational Services | 247 | 0.45% | 1,000,714 | 0.01% | 29 | 0.19% | 485,264 | 0.01% |
| Health Care and Social Assistance | 1,210 | 2.23% | 72,922,677 | 1.09% | 1,129 | 3.23% | 72,872,059 | 2.19% |
| Arts, Entertainment and Recreation | 89 | 0.16% | 4,965,875 | 0.07% | 119 | 0.34% | 4,384,281 | 0.13% |
| Accommodation and Food Services | 2,214 | 4.08% | 163,645,831 | 2.44% | 1,840 | 5.27% | 95,685,063 | 2.88% |
| Other Services (except Public Admin) | 7,650 | 14.09% | 403,627,843 | 6.01% | 8,680 | 24.84% | 356,733,372 | 10.73% |
| Public Administration | 31 | %90.0 | 593,894 | 0.01% | 25 | 0.07% | 1,889,873 | %90.0 |
| Unclassified Establishments | 882 | 1.62% | 25,404,313 | 0.38% | 257 | 0.74% | 6,100,996 | 0.18% |
| | | | | | | | | |
| Total (1) | 54,305 | 100.00% | 100.00% \$6,718,462,295 | 100.00% | 34,938 | 100.00% | 100.00% \$3,325,262,808 | 100.00% |

(1) These figures are annual totals taken from the "RP-500 - Monthly Local Government Distribution Reports by Standard Industrial Classification". These totals are for the actual business activity months in the fiscal year which differs from the month that the tax distribution is received. Also, the State suppresses revenue information in certain categories if the release of information would compromise the confidentiality of an individual taxpayer. Accordingly, the taxable gross receipts totals in this table will differ from those in the prior table.

Source: State of New Mexico, Taxation and Revenue Department (derived from Report RP-550)

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LEA COUNTY NEW MEXICO LAST TEN FISCAL YEARS

| | Total Taxable Assessed Value (1) | 2,584,850,429 | 3,095,336,310 | 3,539,824,919 | 3,566,667,211 | 4,189,410,181 | 4,753,607,555 | 3,708,066,183 | 3,595,509,017 | 4,865,047,771 | 7,067,438,527 |
|-------------------|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------------------|---------------------------|---------------------------|
| | Adjustment For Protested Taxes To Date | 1,615,721 | | 593,391,969 | | | | (7,006,858) | | 489,771,714 | (808,106) |
| | Less: Tax- Exempt Property | 57,818,914 | 57,633,377 | 59,877,860 | 60,694,079 | 60,778,728 | 60,760,888 | 61,286,686 | 60,945,473 | 60,462,816 | 60,239,468 |
| Gas | Equipment | 249,293,733 | 317,913,833 | 375,736,964 | 360,675,113 | 445,096,919 | 510,216,626 | 329,322,764 | 311,304,405 | 68,179,015 | 926,353,025 |
| Oil & Gas | Production | 1,277,872,442 | 1,593,608,130 | 1,880,085,224 | 1,837,287,307 | 2,237,755,897 | 2,540,883,533 | 1,624,198,949 | 1,509,861,815 | 2,357,835,690 | 3,926,179,876 926,353,025 |
| ty | Mobile Homes | 24,091,716 | 25,491,105 | 28,215,197 | 32,069,773 | 36,465,393 | 40,868,018 | 44,057,893 | 44,697,013 | 44,106,001 | 45,711,133 |
| Personal Property | Agricultural | * * | * | * * | * * | * * | * * | * * | * | * * | * * |
| Pe | Personal Property | 68,281,066 | 71,375,670 | 82,778,047 | 84,708,745 | 87,813,417 | 107,266,207 | 106,728,898 | 112,420,928 | 113,527,559 | 133,427,801 |
| Real Property | Non- Residential Property | 634,542,497 | 741,635,207 | 221,459,491 | 872,113,348 | 965,520,933 | 1,108,398,782 | 1,118,978,036 | 581,823,285 1,096,347,044 | 601,865,443 1,250,225,165 | 627,492,432 1,469,321,834 |
| Real P | Residential Property | 386,972,168 | 402,945,742 | 418,035,887 | 440,507,004 | 477,536,350 | 506,735,277 | 553,073,187 | 581,823,285 | 601,865,443 | 627,492,432 |
| , | Fiscal Year Ended June 30 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |

| Taxable Assessed | Value as a Percentage of Actual Value | 33.3% | 33.3% | 33.3% | 33.3% | 33.3% | 33.3% | 33.3% | 33.3% | 33.3% | 33.3% |
|------------------|--|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Estimated Actual Value | 7,762,313,601 | 9,295,304,234 | 10,630,104,862 | 10,710,712,345 | 12,580,811,354 | 14,275,097,763 | 11,135,333,883 | 10,797,324,375 | 14,609,753,066 | 21,223,539,120 |
| | Total Nonresidential Direct Tax Rate | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 |
| | Total Residential Direct Tax Rate | 7.844 | 7.733 | 7.734 | 7.580 | 7.318 | 7.119 | 6.947 | 6.916 | 7.041 | 7.110 |
| | Fiscal Year Ended June 30 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |

⁽¹⁾ Taxable assessed values are established by the Lea County Assessor for locally assessed property, and by the State of New Mexico Taxation and Revenue Department, Audit and Compliance Division (oil and gas equipment and production), and Property Tax Division (state assessed property).

Note: Total taxable assessed value is calculated as 1/3rd of estimated actual value. For additional information, refer to Note 4 - Property Taxes in the Notes to Financial Statements.

^{**}The Personal Property - Non-Residential Agriculture is included in the Personal Property total per the Assessor's Office

LEA COUNTY NEW MEXICO RESIDENTIAL PROPERTY TAX RATES LAST TEN FISCAL YEARS

| <u>Fiscal Year</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | 2017 | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------|
| <u>Direct Rate</u> | | | | | | | | | |
| Lea County | | | | | | | | | |
| Operating Millage | 7.734 | 7.580 | 1.360 | 7.119 | 6.947 | 6.916 | 7.041 | 7.110 | 7.099 |
| Debt Service Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total County Millage | 7.734 | 7.580 | 1.360 | 7.119 | 6.947 | 6.916 | 7.041 | 7.110 | 7.099 |
| Overlapping Rates | | | | | | | | | |
| City of Lovington | | | | | | | | | |
| Operating Millage | 4.324 | 4.199 | 3.998 | 3.853 | 3.709 | 3.699 | 3.733 | 3.800 | 3.759 |
| Debt Service Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total City Millage | 4.324 | 4.199 | 3.998 | 3.853 | 3.709 | 3.699 | 3.733 | 3.800 | 3.759 |
| City of Eunice | | | | | | | | | |
| Operating Millage | 6.156 | 6.018 | 5.791 | 5.629 | 5.428 | 5.359 | 5.405 | 5.467 | 5.419 |
| Debt Service Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total City Millage | 6.156 | 6.018 | 5.791 | 5.629 | 5.428 | 5.359 | 5.405 | 5.467 | 5.419 |
| City of Hobbs | | | | | | | | | |
| Operating Millage | 4.309 | 4.221 | 4.096 | 3.994 | 3.918 | 3.900 | 3.984 | 4.014 | 4.022 |
| Debt Service Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total City Millage | 4.309 | 4.221 | 4.096 | 3.994 | 3.918 | 3.900 | 3.984 | 4.014 | 4.022 |
| City of Jal | | | | | | | | | |
| Operating Millage | 6.675 | 6.468 | 6.266 | 6.036 | 5.830 | 5.816 | 5.893 | 5.820 | 5.722 |
| Debt Service Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Town Millage | 6.675 | 6.468 | 6.266 | 6.036 | 5.830 | 5.816 | 5.893 | 5.820 | 5.722 |
| Tarres of Tatares | | | | | | | | | |
| Town of Tatum | 0.444 | 0.074 | 2 244 | 0.454 | 2.070 | 2.000 | 2.400 | 2.400 | 0.440 |
| Operating Millage | 3.411 | 3.371 | 3.244 | 3.154 | 3.078 | 3.090 | 3.126 | 3.100 | 3.113 |
| Debt Service Millage Total School Millage | 0.000 3.411 | 0.000 3.371 | 0.000 3.244 | 0.000 3.154 | 0.000 3.078 | 0.000 3.090 | 0.000 3.126 | 0.000 3.100 | 3.113 |
| Total Scriool Millage | 3.411 | 3.371 | 3.244 | 3.134 | 3.076 | 3.090 | 3.120 | 3.100 | 3.113 |
| Lovington Schools | | | | | | | | | |
| Operating Millage | 0.266 | 0.259 | 0.248 | 0.239 | 0.231 | 0.230 | 0.232 | 0.236 | 0.235 |
| Capital Improvements | 3.861 | 3.934 | 3.759 | 3.844 | 3.711 | 3.924 | 3.944 | 4.000 | 3.974 |
| Debt Service Millage | 2.160 | 2.797 | 0.000 | 6.804 | 7.248 | 7.205 | 7.205 | 6.351 | 7.223 |
| Total School Millage | 6.287 | 6.990 | 4.007 | 10.887 | 11.190 | 11.359 | 11.381 | 10.587 | 11.432 |
| Eunice Schools | | | | | | | | | |
| Operating Millage | 0.295 | 0.289 | 0.279 | 0.272 | 0.260 | 0.258 | 0.262 | 0.266 | 0.264 |
| Capital Improvements | 3.778 | 3.702 | 3.574 | 3.482 | 8.000 | 7.929 | 8.000 | 8.000 | 3.984 |
| Debt Service Millage | 4.496 | 5.647 | 4.327 | 3.484 | 6.387 | 6.337 | 5.933 | 5.721 | 7.517 |
| Total School Millage | 8.569 | 9.638 | 8.180 | 7.238 | 14.647 | 14.524 | 14.195 | 13.987 | 11.765 |

LEA COUNTY NEW MEXICO RESIDENTIAL PROPERTY TAX RATES LAST TEN FISCAL YEARS

| Fiscal Year | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Hobbs Schools Operating Millage | 0.279 | 0.274 | 0.265 | 0.258 | 0.253 | 0.252 | 0.257 | 0.259 | 0.259 |
| Capital Improvements | 5.734 | 5.632 | 5.452 | 6.000 | 5.880 | 5.852 | 5.973 | 6.000 | 6.000 |
| Debt Service Millage | 2.177 | 2.940 | 3.117 | 3.981 | 6.845 | 5.816 | 3.918 | 4.043 | 4.512 |
| Total School Millage | 8.190 | 8.846 | 8.834 | 10.239 | 12.978 | 11.920 | 10.148 | 10.302 | 10.771 |
| Jal Schools | | | | | | | | | |
| Operating Millage | 0.435 | 0.422 | 0.410 | 0.396 | 0.383 | 0.382 | 0.386 | 0.382 | 0.375 |
| Capital Improvements | 1.985 | 1.927 | 1.872 | 1.807 | 1.748 | 2.000 | 1.878 | 1.978 | 1.941 |
| Debt Service Millage | 0.000 | 0.000 | 0.000 | 2.642 | 3.619 | 3.626 | 4.724 | 3.624 | 3.625 |
| Total School Millage | 2.420 | 2.349 | 2.282 | 4.845 | 5.750 | 6.008 | 6.988 | 5.984 | 5.941 |
| Tatum Schools | | | | | | | | | |
| Operating Millage | 0.258 | 0.254 | 0.247 | 0.241 | 0.233 | 0.234 | 0.238 | 0.239 | 0.240 |
| Capital Improvements | 1.950 | 2.000 | 1.945 | 1.904 | 1.840 | 1.849 | 1.878 | 2.000 | 2.000 |
| Debt Service Millage | 2.968 | 3.270 | 3.239 | 3.389 | 5.902 | 5.165 | 4.724 | 4.734 | 4.754 |
| Total School Millage | 5.176 | 5.524 | 5.431 | 5.534 | 7.975 | 7.248 | 6.840 | 6.973 | 6.994 |
| New Marries Junior Callena | | | | | | | | | |
| New Mexico Junior College | 2 044 | 2 062 | 3.729 | 2 620 | 3.540 | 2 524 | 2 500 | 2 622 | 3.618 |
| Operating Millage Debt Service Millage | 3.941 0.000 | 3.862 0.000 | 0.000 | 3.628 0.000 | 0.000 | 3.524 0.000 | 3.588 0.000 | 3.623 0.000 | 0.000 |
| Total School Millage | 3.941 | 3.862 | 3.729 | 3.628 | 3.540 | 3.524 | 3.588 | 3.623 | 3.618 |
| Total School Willage | 3.341 | 3.002 | 3.729 | 3.020 | 3.340 | 3.324 | 3.300 | 3.023 | 3.010 |
| Nor-Lea Hospital District | | | | | | | | | |
| Operating Millage | 3.977 | 4.000 | 3.828 | 4.000 | 3.861 | 4.000 | 4.000 | 4.000 | 3.977 |
| Debt Service Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total School Millage | 3.977 | 4.000 | 3.828 | 4.000 | 3.861 | 4.000 | 4.000 | 4.000 | 3.977 |
| Eunice Hospital District | | | | | | | | | |
| Operating Millage | 1.973 | 1.933 | 1.866 | 2.000 | 1.917 | 1.900 | 1.930 | 2.000 | 1.984 |
| Debt Service Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total School Millage | 1.973 | 1.933 | 1.866 | 2.000 | 1.917 | 1.900 | 1.930 | 2.000 | 1.984 |
| Chata of Nov. Marris | | | | | | | | | |
| State of New Mexico | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Operating Millage | 0.000 1.360 | 0.000 | 0.000 | 0.000 1.360 | 0.000 | 0.000 1.360 | 0.000 | 0.000 | 0.000 |
| Debt Service Millage Total School Millage | 1.360 | 1.360 1.360 | 1.360 1.360 | 1.360 | 1.360 1.360 | 1.360 | 1.360 1.360 | 1.360 1.360 | 1.360 1.360 |
| Total School Willage | 1.300 | 1.300 | 1.300 | 1.300 | 1.300 | 1.300 | 1.300 | 1.300 | 1.300 |

Note: The Lea County Commission can impose a maximum of 11.85 mills for operating purposes. The yield control formula provides that no operating tax rate established by the Department of Finance and Administration, Department of Education and Commission on Higher Education on residential and nonresidential property by governmental unit shall produce revenue in excess of 5% from one year to the next solely as a consequence of property reappraisal.

LEA COUNTY NEW MEXICO NON-RESIDENTIAL PROPERTY TAX RATES LAST TEN FISCAL YEARS

| | Fiscal Year | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Direct Rate | | | | | | | | | | | |
| Lea County | | | | | | | | | | | |
| Operating Milla | age | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 | 10.6 | 10.600 | 10.600 | 10.600 | 10.600 |
| Debt Service N | Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total County M | /lillage | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 | 10.600 |
| Overlapping R | ates | | | | | | | | | | |
| City of Lovingt | ton | | | | | | | | | | |
| Operating Milla | age | 5.650 | 5.650 | 5.650 | 5.650 | 5.617 | 5.650 | 5.650 | 5.650 | 5.650 | 5.650 |
| Debt Service N | Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total City Milla | ige | 5.650 | 5.650 | 5.650 | 5.650 | 5.617 | 5.650 | 5.650 | 5.650 | 5.650 | 5.650 |
| City of Eunice | | | | | | | | | | | |
| Operating Milla | age | 7.650 | 7.650 | 7.650 | 7.650 | 7.228 | 7.251 | 7.650 | 7.650 | 7.650 | 7.650 |
| Debt Service N | Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total City Milla | ige . | 7.650 | 7.650 | 7.650 | 7.650 | 7.228 | 7.251 | 7.650 | 7.650 | 7.650 | 7.650 |
| City of Hobbs | | | | | | | | | | | |
| Operating Milla | age | 5.152 | 5.418 | 5.408 | 5.555 | 5.555 | 5.555 | 5.555 | 5.555 | 5.555 | 5.555 |
| Debt Service N | Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total City Milla | ige . | 5.152 | 5.418 | 5.408 | 5.555 | 5.555 | 5.555 | 5.555 | 5.555 | 5.555 | 5.555 |
| City of Jal | | | | | | | | | | | |
| Operating Milla | age | 6.730 | 7.650 | 7.650 | 7.650 | 7.650 | 7.639 | 7.650 | 7.650 | 7.650 | 7.650 |
| Debt Service N | | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Town Mil | lage . | 6.730 | 7.650 | 7.650 | 7.650 | 7.650 | 7.639 | 7.650 | 7.650 | 7.650 | 7.650 |
| Town of Tatum | 1 | | | | | | | | | | |
| Operating Milla | age | 4.225 | 4.225 | 4.225 | 4.225 | 4.225 | 4.225 | 4.225 | 4.225 | 4.225 | 4.225 |
| Debt Service N | ٠. | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total School M | /lillage | 4.225 | 4.225 | 4.225 | 4.225 | 4.225 | 4.225 | 4.225 | 4.225 | 4.225 | 4.225 |
| Lovington Sch | iools | | | | | | | | | | |
| Operating Milla | age | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 |
| Capital Improv | /ements | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 |
| Debt Service N | Millage | 2.694 | 2.160 | 2.797 | 4.179 | 6.804 | 7.248 | 7.205 | 7.205 | 7.212 | 7.223 |
| Total School M | /lillage | 7.194 | 6.660 | 7.297 | 8.679 | 11.304 | 11.748 | 11.705 | 11.705 | 11.712 | 11.723 |
| Eunice School | ls | | | | | | | | | | |
| Operating Milla | age | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 |
| Capital Improv | /ements | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 8.000 | 8.000 | 8.000 | 8.000 | 4.000 |
| Debt Service N | ٠. | 5.138 | 4.496 | 5.647 | 4.327 | 3.484 | 6.387 | 6.337 | 5.933 | 5.721 | 7.517 |
| Total School M | /lillage | 9.638 | 8.996 | 10.147 | 8.827 | 7.984 | 14.887 | 14.837 | 14.433 | 14.221 | 12.017 |

LEA COUNTY NEW MEXICO NON-RESIDENTIAL PROPERTY TAX RATES LAST TEN FISCAL YEARS

| Fiscal Year | <u>2011</u> | 2012 | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | 2017 | 2018 | <u>2019</u> | <u>2020</u> |
|---------------------------------|-------------|-------|-------------|-------------|-------------|-------------|--------|--------|-------------|-------------|
| Hobbs Schools | | | | | | | | | | |
| Operating Millage | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 |
| Capital Improvements | 6.000 | 6.000 | 6.000 | 6.000 | 6.000 | 6.000 | 6.000 | 6.000 | 6.000 | 6.000 |
| Debt Service Millage | 2.846 | 2.177 | 2.940 | 3.117 | 3.981 | 6.845 | 5.816 | 3.918 | 4.043 | 4.512 |
| Total School Millage | 9.346 | 8.677 | 9.440 | 9.617 | 10.481 | 13.345 | 12.316 | 10.418 | 10.543 | 11.012 |
| Jal Schools | | | | | | | | | | |
| Operating Millage | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 |
| Capital Improvements | 0.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 |
| Debt Service Millage | 2.000 | 0.000 | 0.000 | 0.000 | 2.642 | 3.619 | 3.626 | 4.724 | 3.624 | 3.625 |
| Total School Millage | 2.500 | 2.500 | 2.500 | 2.500 | 5.142 | 6.119 | 6.126 | 7.224 | 6.124 | 6.125 |
| Total Collect Miliago | 2.000 | 2.000 | 2.000 | 2.000 | 0.112 | 0.110 | 0.120 | 7.22 | 0.121 | 0.120 |
| Tatum Schools | | | | | | | | | | |
| Operating Millage | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 | 0.500 |
| Capital Improvements | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 1.999 | 2.000 | 2.000 | 2.000 | 2.000 |
| Debt Service Millage | 2.915 | 2.968 | 3.270 | 3.239 | 3.389 | 5.902 | 5.165 | 4.724 | 4.734 | 4.754 |
| Total School Millage | 5.415 | 5.468 | 5.770 | 5.739 | 5.889 | 8.401 | 7.665 | 7.224 | 7.234 | 7.254 |
| New Mexico Junior College | | | | | | | | | | |
| Operating Millage | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 |
| Debt Service Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total School Millage | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 | 5.000 |
| Nor-Lea Hospital District | | | | | | | | | | |
| Operating Millage | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 |
| Debt Service Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total School Millage | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 | 4.000 |
| | | | | | | | | | | |
| Eunice Hospital District | | | | | | | | | | |
| Operating Millage | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 |
| Debt Service Millage | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total School Millage | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 | 2.000 |
| State of New Mexico | | | | | | | | | | |
| Operating Millage | 0.000 | 1.360 | 1.360 | 1.360 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Debt Service Millage | 1.362 | 0.000 | 0.000 | 0.000 | 1.360 | 1.360 | 1.360 | 1.360 | 1.360 | 1.360 |
| Total School Millage | 1.362 | 1.360 | 1.360 | 1.360 | 1.360 | 1.360 | 1.360 | 1.360 | 1.360 | 1.360 |

Note: The Lea County Commission can impose a maximum of 11.85 mills for operating purposes. The yield control formula provides that no operating tax rate established by the Department of Finance and Administration, Department of Education and Commission on Higher Education on residential and nonresidential property by governmental unit shall produce revenue in excess of 5% from one year to the next solely as a consequence of property reappraisal.

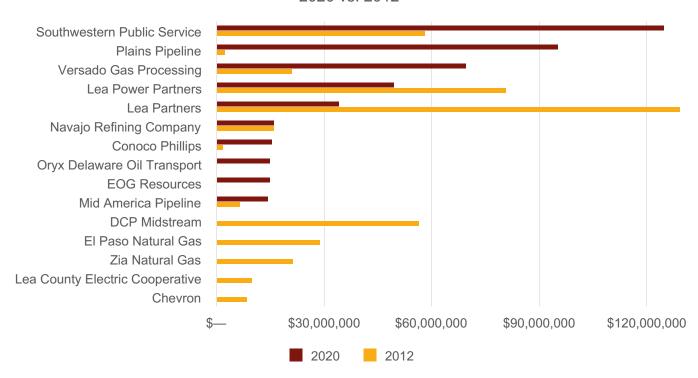
LEA COUNTY NEW MEXICO NON-RESIDENTIAL PROPERTY TAX RATES LAST TEN FISCAL YEARS

| | | | | 2020 | | | 2012 |
|------------------------------------|---------|----------------|--------|--|--------------------------|------|--|
| Taxpayer | Taxable | Assessed Value | Rank | Percentage of Total Taxable Assessed Value | able sessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Southwestern Public Service | \$ | 124,965,362 | 1 | 4.5 % | \$ 58,222,768 | 3 | 4.9 % |
| Plains Pipeline | | 95,475,155 | 2 | 3.4 % | 2,604,990 | | 0.2 % |
| Versado Gas Processing | | 69,686,431 | 3 | | 21,089,444 | 7 | 1.8 % |
| Lea Power Partners | | 49,608,750 | 4 | 1.8 % | 81,000,000 | 2 | 6.9 % |
| Lea Partners | | 34,177,983 | 5 | 1.2 % | 129,396,166 | 1 | 11.0 % |
| Navajo Refining Company | | 16,129,237 | 6 | 0.6 % | 16,128,066 | 8 | 1.4 % |
| Conoco Phillips | | 15,606,166 | 7 | 0.6 % | 1,968,842 | | 0.2 % |
| Oryx Delaware Oil Transport | | 15,061,849 | 8 | 0.5 % | | | — % |
| EOG Resources | | 14,932,619 | 9 | 0.5 % | | | — % |
| Mid America Pipeline | | 14,578,150 | 10 | 0.5 % | 6,651,656 | | 0.6 % |
| DCP Midstream | | | | | 56,666,810 | 4 | 4.8 % |
| El Paso Natural Gas | | | | | 29,150,982 | 5 | 2.5 % |
| Zia Natural Gas | | | | | 21,556,922 | 6 | 1.8 % |
| Lea County Electric Cooperative | | | | | 10,041,117 | 9 | 0.9 % |
| Chevron | | | | | 8,769,014 | 10 | 0.7 % |
| Totals | \$ | 450,221,702 | - = | 13.6 % | \$ 443,246,777 | • | 37.6 % |

Source: Lea County County Assessor's Office

LEA COUNTY NEW MEXICO PRINCIPAL PROPERTY TAXPAYERS CURRENT YEAR AND EIGHT YEARS AGO

PRINCIPAL PROPERTY TAXPAYERS 2020 vs. 2012



LEA COUNTY NEW MEXICO PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

| | Incollected Taxes | 4,340 | 5,191 | 6,167 | 7,643 | 9,938 | 58,980 | 642,302 | 110,822 | 319,485 | 1,436,734 |
|--|---|----------------|-------------|-------------|-------------|-------------|-------------|-------------|------------|------------|------------|
| 1s to Date | Percentage of [| \$ % 66.66 | % 86.66 | % 86.66 | % 86.66 | % 16.66 | % 18.66 | % 22.3 | % 08.66 | 99.46 % | 97.81 % |
| Total Collections to Date | Amount A | 211 | 30,548,367 | 32,355,370 | 35,690,785 | 39,298,688 | 46,606,966 | 51,727,948 | 55,668,175 | 59,043,486 | 64,143,569 |
| | Collections (Refunds) in Subsequent Years | (1,273,189) \$ | (1,242,981) | (972,876) | (1,203,375) | (602, 191) | (1,082,805) | 1,438,384 | 2,413,448 | 1,766,103 | |
| e Fiscal Year of | Percentage of Orioinal Levy | 104.17 % | 104.05 % | 102.99 % | 103.35 % | 101.51 % | 102.19 % | 96.03 % | 95.47 % | 96.49 % | 97.81 % |
| Collected within the Fiscal Year of the Levy | Amount | 31,705,400 | 31,791,348 | 33,328,246 | 36,894,161 | 39,900,878 | 47,689,771 | 50,289,565 | 53,254,728 | 57,277,383 | 64,143,569 |
|) | Fotal Adjusted Levy | 30,436,551 \$ | 30,553,558 | 32,361,538 | 35,698,428 | 39,308,626 | 46,665,946 | 52,370,250 | 55,778,997 | 59,362,970 | 65,580,303 |
| | Tot Adiustments | 720,970 \$ | (1,681,245) | (1,798,421) | (1,530,142) | (1,774,522) | (2,016,861) | (1,943,893) | 2,402,439 | 2,505,436 | 1,303,340 |
| | Taxes Levied for the Fiscal Year (Original Levy) | 29,715,581 | 32,234,803 | 34,159,959 | 37,228,570 | 41,083,147 | 48,682,807 | 54,314,143 | 53,376,558 | 56,857,535 | 64,276,963 |
| | T fo Fiscal Yo Vear | 2011 \$ | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |

(2)

0.000%

(2)

LEA COUNTY NEW MEXICO RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

| | Govern | mental Activit | ies | | | | |
|-------------|--------------------------------|----------------------|-------------------|--------------------------------|---|------------------|-----|
| Fiscal Year | General Obligation Bonds | Revenue Bonds (3) | Capital Leases | Total Primary Government | Percentage of Personal Income (1) | Per Capit (1) | a |
| 2011 | \$ - \$ | 11,775,000 | \$ — | \$ 11,775,000 | 0.486% | 181 | |
| 2012 | _ | 11,130,000 | _ | 11,130,000 | 0.416% | 168 | |
| 2013 | _ | 9,165,000 | _ | 9,165,000 | 0.334% | 134 | |
| 2014 | _ | 8,485,000 | _ | 8,485,000 | 0.297% | 121 | |
| 2015 | _ | 7,790,000 | _ | 7,790,000 | 0.266% | 109 | |
| 2016 | _ | 7,085,000 | _ | 7,085,000 | 0.158% | 101 | |
| 2017 | _ | 6,365,000 | _ | 6,365,000 | 0.242% | 92 | |
| 2018 | _ | 5,630,000 | _ | 5,630,000 | 0.178% | 81 | |
| 2019 | _ | 4,875,000 | _ | 4,875,000 | 0.000% | (2) 69 | (2) |

Notes: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

- (1) See Schedule 20 for personal income and population data.
- (2) Information not available.

2020

(3) Presented net of original issuance discounts, premiums, and adjustments beginning in FY2013.

LEA COUNTY NEW MEXICO DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF JUNE 30, 2020

| Governmental Unit | General Obligation Long-Term Debt Outstanding | Estimated Percentage Applicable | Estimated Share of Overlapping Debt |
|-----------------------------------|---|---------------------------------------|--|
| School Districts | | | |
| Hobbs Municipal Schools | 44,325,000 | 100.00% | 44,325,000 |
| Lovington Municipal Schools | 36,490,000 | 100.00% | 36,490,000 |
| Eunice Public Schools | 13,066,809 | 100.00% | 13,066,809 |
| Jal Public Schools | 41,155,000 | 100.00% | 41,155,000 |
| Tatum Municipal Schools | 2,175,000 | 100.00% | 2,175,000 |
| New Mexico Junior College | _ | 100.00% | _ |
| Cities | | | |
| City of Hobbs | 27,421,687 | 100.00% | 27,421,687 |
| City of Lovington | 18,798,100 | 100.00% | 18,798,100 |
| City of Eunice | _ | 100.00% | _ |
| City of Jal | _ | 100.00% | _ |
| Town of Tatum | 31,950 | 100.00% | 31,950 |
| State of New Mexico | 421,700,000 | 3.33% | 14,021,525 |
| Debt repaid with property taxes: | | | |
| Subtotal, overlapping debt | | | 197,485,071 |
| Lea County direct debt | | | |
| Total direct and overlapping debt | | | 197,485,071 |

Notes: This total represents all general obligation debt outstanding within the County as of June 30, 2020. However, no single property would be subject to taxation on this total since the cities and the school districts apply their separate tax rates to net taxable value within the boundaries.

(1) Require Note 7

Sources: Debt amounts and percentages are provided by each governmental unit.

LEA COUNTY NEW MEXICO LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS

| Fiscal Year | 2011 | 2012 | 2013 | 7000 | 2015 | 2016 | 2047 | 8000 | 9010 | 0000 |
|--|-----------------|---|-----------------|-----------------|-----------------|-----------------|---|-----------------|-----------------|-----------------|
| | | 2012 | 202 | 107 | 2107 | 2007 | 107 | 20102 | 6104 | 202 |
| Assessed Value of Property | \$2,583,234,709 | \$2,583,234,709 \$3,540,014,396 \$3,565,723,847 | \$3,565,723,847 | \$4,188,042,888 | \$4,752,949,964 | \$3,712,756,413 | \$4,188,042,888 \$4,752,949,964 \$3,712,756,413 \$3,590,606,586 \$4,867,584,308 \$7,068,359,267 \$6,828,204,042 | \$4,867,584,308 | \$7,068,359,267 | \$6,828,204,042 |
| Debt Limit, 4% of Assessed Value | 103,329,388 | 141,600,576 | 142,628,954 | 167,521,716 | 190,117,999 | 148,510,257 | 143,624,263 | 194,703,372 | 282,734,371 | 273,128,162 |
| Total net debt applicable to limit | I | I | I | I | I | I | I | I | I | I |
| Legal debt margin | 103,329,388 | 141,600,576 | 142,628,954 | 167,521,716 | 190,117,999 | 148,510,257 | 143,624,263 | 194,703,372 | 282,734,371 | 273,128,162 |
| Total net debt applicable to the limit as a percentage of debt limit | 0.00% | 0.00% | 0.00 | 0.00 | 0:00 | 0.00% | 0.00% | 0.00% | 0.00% | %00:0 |

 $www.nmdfa.state.nm.us/Net_Taxable_Value.aspx$

LEA COUNTY NEW MEXICO PLEDGED-REVENUE COVERAGE LAST TEN FISCAL YEARS

| | | Fiscal Year | Year | | | | Fisca | Fiscal Year | | |
|---|-------------|-------------------------|-------------|-------------|-------------|---|-------------|-------------------------|-------------|----------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Gross Receipts Tax Revenue Bonds - Detention Center | | | | | | | | | | |
| Pledged Revenue - Local Hospital GRT 1/8th of 1% | \$4,137,741 | \$4,137,741 \$4,958,010 | \$5,479,807 | \$6,264,599 | \$7,306,130 | \$5,479,807 \$6,264,599 \$7,306,130 \$4,293,439 \$4,222,637 | \$4,222,637 | \$6,698,266 \$8,378,486 | \$8,378,486 | \$ |
| Debt Service | | | | | | | | | | |
| Principal | 625,000 | 645,000 | 670,000 | 680,000 | 695,000 | 705,000 | 720,000 | 735,000 | 755,000 | \$ |
| Interest | 549,843 | 527,968 | 541,230 | 196,131 | 181,498 | 166,652 | 151,285 | 136,212 | 120,481 | |
| Coverage | 3.52 | 4.23 | 4.52 | 7.15 | 8.34 | 4.93 | 4.85 | 7.69 | 9.57 | I |

Notes:

Pledged revenue is reported from actual cash receipts. Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Lea County refunded the outstanding bonds during the year ended June 30, 2013 to take advantage of lower interest rates. The County elected to early retire the bonds in December 2019 using excess pledged revenue. Gross Receipts Tax: The gross receipts tax is a tax on persons engaged in business in New Mexico for both tangibles and services. The county portion is determined by the County Commission.

LEA COUNTY NEW MEXICO DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

| Year | Population | Personal Income (1) | Per Capita Personal Income | Median Age | School Enrollment | Unemployment Rate |
|------|------------|------------------------|----------------------------------|---------------|----------------------|----------------------|
| 2011 | 65,126 | 2,422,947,704 | 37,204 | 31.6 | 12,669 | 5.6% |
| 2012 | 66,326 | 2,673,999,016 | 40,316 | 31.6 | 13,399 | 4.7% |
| 2013 | 68,613 | 2,745,617,808 | 40,016 | 31.8 | 14,025 | 4.5% |
| 2014 | 70,165 | 2,859,504,410 | 40,754 | 31.5 | 14,637 | 4.3% |
| 2015 | 71,476 | 2,928,157,292 | 40,967 | 31.8 | 15,324 | 5.9% |
| 2016 | 70,249 | 4,485,478,000 | 34,132 | 31.8 | 15,441 | 8.8% |
| 2017 | 69,046 | 2,635,278,682 | 38,167 | 31.7 | 15,158 | 7.1% |
| 2018 | 69,543 | 3,158,137,590 | 44,437 | 31.7 | 15,361 | 4.2% |
| 2019 | 71,070 | (2) — | (2) — | (2) — | (2) | (2) 3.9% |
| 2020 | 69,611 | (2) — | (2) — | (2) — | (2) | (2) 5.5% |

Sources: Population, Per Capita Personal Income, Unemployment Rate and Median Age provided by the Federal Reserve Bank of St. Louis Economic Research. Enrollment provided by the Kidscount Datacenter.

⁽¹⁾ Computation of per capita personal income multiplied by population.

⁽²⁾ Information not available.

LEA COUNTY NEW MEXICO PRINCIPAL EMPLOYERS LAST TEN FISCAL YEARS

| | | | 2020 | | | 2015 | 2 |
|--|-------------------|-------------------------|------|---|------------------------|------|---|
| Employer | Product/Service | Number of Employees* | Rank | Percentage of Total County Employment | Number of Employees | Rank | Percentage of Total County Employment |
| Hobbs Municipal Schools | Education | 1,489 | ~ | 2.05% | 1,185 | ~ | 4.34% |
| Nor-Lea Hospital | Healthcare | 575 | 7 | 1.95% | 437 | 4 | 1.60% |
| City of Hobbs | City Government | 532 | က | 1.80% | 473 | 7 | 1.73% |
| Watson Construction | Construction | 485 | 4 | 1.64% | | | 0.00% |
| Walmart Supercenter | Retail | 386 | 2 | 1.31% | 384 | œ | 1.41% |
| Lea County | County Government | 372 | 9 | 1.26% | 315 | 10 | 1.15% |
| McDonald's Restaurant | Food Services | 350 | 7 | 1.19% | 215 | 14 | 0.79% |
| Ferguson Construction Company | Construction | 335 | 80 | 1.14% | 411 | 9 | 1.51% |
| Lea Regional Medical Center | Healthcare | 305 | 6 | 1.03% | 420 | 2 | 1.54% |
| Constructor's Inc. | Road Construction | 300 | 10 | 1.02% | | | 0.00% |
| D&D Pipeline Company | Oil & Gas | 300 | 7 | 1.02% | | | %00:0 |
| New Mexico Junior College | Education | 252 | 12 | 0.85% | 215 | 13 | 0.79% |
| Zia Park Casino, Racetrack and Hotel | Hospitality | 250 | 13 | 0.85% | 260 | 12 | 0.95% |
| GEO Group | Prison Management | 241 | 4 | 0.82% | 273 | = | 1.00% |
| Miracle Home Healthcare | Healthcare | 240 | 15 | 0.81% | | | %00:0 |
| Urenco USA | Nuclear Energy | 230 | 16 | 0.78% | 350 | တ | 1.28% |
| Lin-Mar Inc | Healthcare | 230 | 17 | 0.78% | 170 | 16 | 0.62% |
| Albertson's Market | Groceries | 225 | 18 | 0.76% | 167 | 17 | 0.61% |
| Ingram Professional Services | Oil & Gas | 200 | 19 | 0.68% | | | %00:0 |
| Newbourne Oil Company | Oil & Gas | 176 | 20 | %09:0 | | | 0.00% |
| Halliburton Energy Services | Oil & Gas | 1 | | 0.00% | 469 | က | 1.72% |
| Key Energy Services | Oil & Gas | | | 0.00% | 387 | 7 | 1.42% |
| Baker Hughes | Oil & Gas | 1 | | 0.00% | 183 | 15 | %290 |
| BJ Service Company | Oil & Gas | 1 | | %00.0 | 164 | | %09:0 |
| Totals | | 7,473 | . " | 25.33% | 6,478 | | 23.73% |
| Total Employment Lea County Employment | ment | | | 29,489 | | | 27,302 |

Total employment obtained from State of New Mexico Department of Labor.

LEA COUNTY NEW MEXICO GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

| Function/Program | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| General Government | | | | | | | | | | |
| Commissioners | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 |
| Executive | 5.00 | 4.00 | 3.00 | 4.00 | 3.00 | 4.00 | 5.00 | 3.90 | 3.90 | 3.90 |
| Community Development | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Information Technology | 0.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 5.00 | 5.00 |
| Facilities Management | 6.00 | 6.50 | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | 13.00 | 17.00 | 15.00 |
| County Clerk | 10.00 | 10.00 | 10.00 | 10.00 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 | 11.00 |
| County Assessor | 12.00 | 12.00 | 12.00 | 12.00 | 12.00 | 13.00 | 13.00 | 13.00 | 13.00 | 13.00 |
| County Treasurer | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 | 6.00 |
| Probate Judge | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| County Attorney | 0.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| Human Resources | 0.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 2.00 | 3.00 | 3.00 |
| Finance | 8.00 | 5.00 | 5.30 | 6.30 | 6.30 | 6.40 | 7.60 | 9.00 | 9.00 | 9.00 |
| Planning | 4.00 | 1.00 | 2.00 | 2.00 | 3.00 | 2.00 | 2.00 | 2.00 | 1.00 | 1.50 |
| Indigent Care | 1.00 | 1.00 | 1.30 | 1.30 | 1.30 | 1.20 | 0.00 | 0.00 | 0.00 | 0.00 |
| Public Safety | | | | | | | | | | |
| County Sheriff | 69.00 | 51.50 | 59.00 | 59.00 | 59.00 | 69.00 | 69.08 | 80.08 | 80.00 | 89.00 |
| Drug Task Force | 2.00 | 2.00 | 3.00 | 3.00 | 3.00 | 3.00 | 1.92 | 1.92 | 2.00 | 3.00 |
| DWI/Misdemeanor Compliance | 6.00 | 6.00 | 7.00 | 8.00 | 10.00 | 11.90 | 11.80 | 12.00 | 12.00 | 13.00 |
| Emergency Management | 0.00 | 2.00 | 1.95 | 3.95 | 3.95 | 4.50 | 4.50 | 4.95 | 4.70 | 4.70 |
| Detention | 88.00 | 84.00 | 86.00 | 86.00 | 86.00 | 86.00 | 87.00 | 87.00 | 87.00 | 89.00 |
| Environmental Services | 5.00 | 8.00 | 7.95 | 7.95 | 7.95 | 8.50 | 8.50 | 7.55 | 7.80 | 9.80 |
| Environmental Services | 3.00 | 0.00 | 1.75 | 1.75 | 1.75 | 0.50 | 0.50 | 7.55 | 7.00 | 7.00 |
| Public Works | | | | | | | | | | |
| Road | 48.00 | 40.00 | 47.50 | 47.50 | 47.50 | 47.50 | 47.50 | 47.50 | 43.50 | 43.50 |
| Airports | 0.00 | 2.00 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 | 4.00 |
| Water Service | 0.00 | 0.00 | 0.20 | 0.20 | 0.20 | 0.20 | 0.20 | 0.00 | 0.00 | 0.00 |
| Quality of Life | | | | | | | | | | |
| Event Center | 7.00 | 5.00 | 5.70 | 5.70 | 5.70 | 1.00 | 1.00 | 5.00 | 5.00 | 5.00 |
| Equine Facility | 0.00 | 0.00 | 0.00 | 0.00 | 4.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Fairgrounds | 2.00 | 2.00 | 2.30 | 2.30 | 2.30 | 0.00 | 0.00 | 7.00 | 6.00 | 6.00 |
| T4 8 A | | | | | | | | | | |
| Trust & Agency | 0.00 | 24.00 | 26.00 | 27.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 | 20.00 |
| Communications Center | 0.00 | 24.00 | 26.00 | 27.00 | 29.00 | 29.00 | 29.00 | 29.00 | 29.00 | 29.00 |
| Solid Waste Authority | 1.00 | 0.00 | 0.30 | 0.30 | 0.30 | 1.30 | 1.40 | 1.60 | 1.60 | 1.60 |
| Total | 286.00 | 286.00 | 317.00 | 323.00 | 332.00 | 336.00 | 336.00 | 359.00 | 359.00 | 372.00 |

LEA COUNTY NEW MEXICO CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST FIVE FISCAL YEARS

| Function/Program | 2016 | 2017 | 2018 | 2019 | 2020 |
|--------------------------|------------|-------------|-------------|-------------|-------------|
| General Government | | | | | |
| Land | 8,249,045 | 8,249,045 | 7,908,833 | 8,143,833 | 8,143,833 |
| Buildings | 29,354,731 | 28,544,467 | 27,608,736 | 26,047,954 | 24,797,377 |
| Infrastructure | 30,792 | 120,671 | 165,427 | 184,790 | 268,874 |
| Machinery & Equipment | 975,774 | 943,985 | 985,870 | 939,284 | 1,110,884 |
| Other Improvements | 224,142 | 2,865,011 | 2,985,393 | 2,827,043 | 2,685,670 |
| Vehicles | 176,307 | 185,654 | 194,239 | 193,618 | 388,021 |
| Water Rights | 575,000 | 575,000 | 575,000 | 575,000 | 575,000 |
| _ | 39,585,790 | 41,483,832 | 40,423,499 | 38,911,522 | 37,969,659 |
| Public Safety | | | | | |
| Land | 32,676 | 32,676 | 32,676 | 32,676 | 32,676 |
| Buildings | 4,576,378 | 4,348,520 | 4,112,910 | 3,877,301 | 3,641,692 |
| Infrastructure | 1,123,176 | 1,199,584 | 1,179,387 | 1,192,422 | 1,164,762 |
| Machinery & Equipment | 1,375,443 | 1,184,932 | 1,248,138 | 1,464,608 | 1,791,282 |
| Other Improvements | 257,075 | 206,022 | 200,912 | 195,801 | 175,376 |
| Vehicles | 2,968,995 | 2,868,285 | 3,122,771 | 4,156,619 | 4,546,403 |
| _ | 10,333,744 | 9,840,020 | 9,896,794 | 10,919,427 | 11,352,191 |
| Public Works | | | | | |
| Land | 1,173,652 | 1,173,652 | 1,173,652 | 1,173,652 | 1,173,652 |
| Buildings | 6,330,151 | 8,497,316 | 8,587,810 | 8,325,588 | 8,063,367 |
| Infrastructure | 73,331,573 | 79,717,086 | 83,492,669 | 87,268,765 | 88,247,607 |
| Machinery & Equipment | 2,060,328 | 2,252,312 | 2,030,199 | 1,862,194 | 2,098,575 |
| Other Improvements | 1,720,085 | 2,455,510 | 2,415,293 | 2,265,594 | 2,116,598 |
| Vehicles | 1,347,861 | 1,254,398 | 1,065,014 | 1,362,608 | 1,861,610 |
| _ | 85,963,650 | 95,350,274 | 98,764,637 | 102,258,401 | 103,561,408 |
| Quality of Life | | | | | |
| Land | 171,146 | 171,146 | 169,282 | 169,282 | 169,282 |
| Buildings | 13,225,288 | 12,850,475 | 12,454,502 | 13,535,566 | 13,746,519 |
| Infrastructure | 2,157,545 | 2,133,472 | 2,074,569 | 2,146,706 | 5,130,022 |
| Machinery & Equipment | 372,043 | 321,542 | 271,376 | 265,574 | 301,655 |
| Other Improvements | 282,034 | 240,733 | 198,875 | 135,909 | 128,054 |
| Vehicles | 44,936 | 27,955 | 14,923 | 48,554 | 43,617 |
| _ | 16,252,993 | 15,745,325 | 15,183,526 | 16,301,591 | 19,519,148 |
| Construction in Progress | 8,346,286 | 10,980,896 | 31,432,169 | 46,345,430 | 57,772,396 |
| Total Capital Assets | 16,048,263 | 173,400,346 | 195,700,625 | 214,736,371 | |

Note: Detailed Information not available for years before 2016.

LEA COUNTY NEW MEXICO OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

| Function/Program | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|--------------|------------|-------------|--|------------|------------|----------------------------------|---------|------------------------|-------------|
| General Government | | | | | | | | | | |
| Assessor's | | | | | | | | | | |
| Property Transfers | 2,853 | 3,339 | 3,397 | N/A | N/A | N/A | 2,613 | 3,181 | 3,729 | 2,420 |
| County Clerk | | | | | | | | | | |
| Number of documents recorded | 12,520 | 13,490 | 14,258 | 15,472 | 14,127 | 15,667 | 17,978 | 17,110 | 16,374 | 11,937 |
| Number of marriage licenses issued | 909 | 9/9 | <i>L</i> 69 | 1,083 | 773 | 621 | 009 | 591 | 209 | 415 |
| Bureau of Elections | | | | | | | | | | |
| Number of registered voters | 26,919 | 30,340 | 31,459 | 32,040 | 30,723 | 34,156 | 32,954 | 34,723 | 35,066 | 37,531 |
| Probate Judge | | | | | | | | | | |
| Number of probates filed | 133 | 168 | 205 | 186 | 155 | 149 | 183 | 183 | 236 | 190 |
| County Treasurer | | | | | | | | | | |
| Number of property tax billed | 34,541 | 34,610 | 34,851 | 34,985 | 35,534 | 35,177 | 36,483 | 36,698 | 36,231 | 36,037 |
| Number of 2nd half notice reminders | 5,177 | 4,610 | 5,008 | 4,885 | 5,019 | 5,279 | 5,670 | 2,667 | 5,372 | 5,662 |
| Dollars Distributed to State & Local Entities | 39,062,118 4 | 15,248,874 | 13,489,670 | 5,248,874 43,489,670 51,727,756 54,888,306 | 54,888,306 | 53,154,160 | 53,154,160 68,025,677 77,402,428 | | 97,695,197 111,882,482 | 111,882,482 |
| Finance | | | | | | | | | | |
| Number of Accounts Payable Checks | 5,020 | 5,403 | 6,083 | 6,132 | 6,408 | 7,276 | 6,226 | 6,009 | 5,872 | 5,867 |
| Number of Payroll Checks Processed | 8,285 | 8,612 | 8,033 | 8,383 | 8,158 | 7,884 | 8,899 | 8,574 | 8,677 | 9,045 |
| Indigent Claims Paid | 20,769 | 8,052 | 6,800 | 7,139 | 6,628 | 4,400 | 5,600 | 5,800 | 7,429 | 8,700 |
| Central Purchasing | | | | | | | | | | |
| Number of purchase orders processed | 6,363 | 9,272 | 11,270 | 11,118 | 11,356 | 18,727 | 10,010 | 7,278 | 6,912 | 7,022 |
| Number of bids & RFP's processed | 33 | 30 | 15 | 13 | 20 | 20 | 28 | 45 | 49 | 43 |
| Human Resources | | | | | | | | | | |
| Number of applicants processed | N/A | 211 | 273 | 382 | 450 | 591 | 426 | 449 | 1,130 | 902 |
| Risk Management | | | | | | | | | | |
| Dollar Amount of Insurance Premiums | 678,694 | 667,558 | 768,471 | 831,673 | 876,829 | 846,956 | 925,590 | 928,138 | 1,008,953 | 901,028 |
| Dollar Amount of Worker's Compensation Premiums | 287,086 | 281,256 | 271,000 | 285,063 | 284,649 | 287,954 | 310,803 | 356,495 | 391,092 | 448,946 |
| | | | | | | | | | | |

LEA COUNTY NEW MEXICO OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

Public Safety

Corrections/Adult & Youth Detention

23,712 2,941 ,229 9/ 23,712 3,241 1,099 3,483 23,712 2,550 1,555 23,712 23,712 N/AN/A23,712 N/A23,712 N/AN/AN/A23,712 N/AN/AN/A23,712 Number of Radio Towers Used By Lea Inmate Worker (trustee) hours worked Individuals Treated - DWI Treatment Number of floodplain permits issued Number of New Addressess Issued Number of Juveniles Prisoners in Number of Calls Responded To Number of Adults Prisoners in Number of Beds (Juveniles) Individuals Treated - Adult Misdemeanor Compliance Number of Beds (Adults) Number of Subdivisions Number of Exemptions Volunteer Firefighters Community Development **Emergency Management** Floodplain Management Number of Replats Custody (Average) Custody (Average) Alternative Sentencing Arrests - Juvenile Per Diem Rate Arrests - Adult Fire Districts Fire Stations Fire Operations Citations Facility County Sheriff

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS LEA COUNTY NEW MEXICO

| 27,774 | 1,216 | 712 | 35 | | | 4 | 95,154 | 233 | | 85 | | | |
|--|---|----------------------|--------------------------------|------------------------|------------------------------|-------------------------------|-----------------------------|----------------------------|-----------------|-----------------------|-------------|--------------------------------|--|
| 23,475 | 1,216 | 712 | 119 | | | 4 | 117,123 | 154 | | 261 | | 92 | 67,000 |
| 16,216 | 1,226 | 723 | 30 | | | 4 | 104,164 | 155 | | 231 | | 75 | 59,200 |
| 14,707 | 1,223 | 724 | 09 | | | 4 | 95,458 | 148 | | 218 | | 78 | 39,500 |
| 16,567 | 1,223 | 724 | 88 | 23 | | 4 | 94,485 | 151 | | 209 | | 89 | 33,200 |
| 18,239 | 1,219 | 269 | 19 | 10 | | 4 | 106,078 | 83 | | 244 | | 75 | 37,058 |
| 17,246 | 1,219 | 989 | 37 | 10 | | 4 | 98,519 | 197 | | 357 | | 72 | 53,491 |
| 17,111 | 1,217 | 929 | 21 | 19 | | 4 | 86,637 | 126 | | 212 | | 92 | 52,225 |
| 7,346 | 1,223 | 693 | 78 | 24 | | 4 | 77,265 | 212 | | 327 | | 75 | 108,000 |
| N/A | 1,225 | 642 | 123 | ∞ | | 4 | 78,291 | N/A | | 336 | | 71 | 76,700 |
| Public Works Airports Number of Commercial Enplanements (Note 2) | Roads Total Miles of County Roads Maintained Miles of Caliche Roads | Miles of Paved Roads | Miles of Chip Seal Maintenance | Miles of New Chip Seal | Environmental Solid Waste | Number of Convenience Centers | Tons Hauled to the Landfill | Number of Citations Issued | Quality of Life | Number of Events Held | Fairgrounds | Number of Events Held (Note 1) | Annual Attendance at Fair & Rodeo (Note 1) |

Note 1 - All Events cancelled due to COVID-19 Outbreak Note 2 - Commercial airline flights commenced in FY 12



gold that helps provide many of the amenities we enjoy



Compliance Section



5310 Homestead Road N.E. Suite 100 B Albuquerque, New Mexico 87110 .505,266,5904 pbhcpa.com

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

To Brian S. Colón, Esq. New Mexico State Auditor

The County Commission Lea County

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 Lea County, New Mexico (the "County") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 1, 2020.

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

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

OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston NEW MEXICO | Albuquerque



weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from 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 financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings and questioned costs as item 2020-001.

County's Response to Findings

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

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 results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Pattillo, Brown & Hill, LLP Albuquerque, New Mexico

Pattillo, Brown & Hill, 157

December 1, 2020



5310 Homestead Road N.E. Suite 100 B Albuquerque, New Mexico 87110 505.266,5904 | phtcpa.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To Brian S. Colón, Esq. New Mexico State Auditor

The County Commission Lea County

Report on Compliance for Each Major Federal Program

We have audited Lea County, New Mexico (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2020. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.



Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Pattillo, Brown, & Hill, L.L.P.
Albuquerque, New Mexico

December 1, 2020

STATE OF NEW MEXICO LEA COUNTY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS Year Ended June 30, 2020

| Federal Grantor or Pass-Through Grantor/Program Title | Pass-through Grant Number | Federal CFDA Number | Federal Expenditures | |
|--|---------------------------------|---------------------------|-------------------------|--|
| Department of Homeland Security | | | | |
| Passed through State of New Mexico Department | | | | |
| of Homeland Security and Emergency Management | | | | |
| 2018 State Homeland Security Grant Program | N/A | 97.067 | \$ 34,352 | |
| Total Emergency Management Performance Grants | | | 34,352 | |
| Passed through State of New Mexico Department | | | | |
| of Homeland Security and Emergency Management | | | | |
| 2017 State Homeland Security Grant Program | N/A | 97.067 | | |
| Total Homeland Security Grant Program Grants | | | | |
| Total Department of Homeland Security | | | 34,352 | |
| Executive Office of the President | | | | |
| High Intensity Drug Trafficking Areas Programs | | | | |
| High Intensity Drug Trafficking Areas Program - G18SN0017A | N/A | 95.001 (1) | 404,789 | |
| High Intensity Drug Trafficking Areas Program - G19SN0017A | N/A | 95.001 (1) | 1,139,060 | |
| Total Executive Office of the President | | | 1,543,849 | |
| Department of Transportation | | | | |
| Airport Improvement Programs | | | | |
| Lea Regional Improvement Runway Safety Area | N/A | 20.106 | 58,314 | |
| Lea County Regional Airport Reconstruction Apron | N/A | 20.106 | 1,158,041 | |
| Lea Regional Improvement Runday Safety Area | N/A | 20.106 | 1,314,749 | |
| Lea County Jal Airport Electrical Vault | N/A | 20.106 | 106,877 | |
| Lea County Jal Airport Replace Plasi with Papi | N/A | 20.106 | 22,832 | |
| Reconstruction Taxiway A | N/A | 20.106 | 40,928 | |
| Zip Franklin Memorial Airport Install | N/A | 20.106 | 33,116 | |
| End Driving While Impaired DWI | N/A | 20.608 | 3,124 | |
| Total Department of Transportation | | | 2,737,981 | |
| Department of Interior | | | | |
| Passed through State of New Mexico | | | | |
| Taylor Grazing Act Wildlife - 14 | N/A | 15.237 | 123,500 | |
| Total Department of Interior | | | 123,500 | |
| Total Federal Financial Assistance | | | \$ 4,439,682 | |

⁽¹⁾ Denotes major federal assistance program

STATE OF NEW MEXICO LEA COUNTY NOTE TO SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2019

NOTES TO SUPPLEMENTAL SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal grant activity of the County under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the county, it is not intended and does not present the financial position or changes in net position of the County.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The County has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Subrecipients of Grant Awards

| CFDA Number | Program Name | Subrecipient Name | Amount |
|--------------------------------------|--|--|---|
| 95.001 95.001 95.001 95.001 | High Intensity Drug Trafficking Areas Program High Intensity Drug Trafficking Areas Program High Intensity Drug Trafficking Areas Program High Intensity Drug Trafficking Areas Program | Chaves County Lincoln County Pecos Valley Region VI | \$ 153,580 163,848 378,905 99,998 |
| | | Total CFDA 95.001 | \$ 796,331 |

STATE OF NEW MEXICO LEA COUNTY SCHEDULE OF FINDINGS AND QUESTIONED COSTS Year Ended June 30, 2020

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of Auditor's report issued: Unmodified

Internal control over financial reporting:

Material Weakness reported?

Significant deficiencies reported not

considered to be material weaknesses?

Noncompliance material to financial statements noted?

Federal Awards

Internal control over major programs:

Material weaknesses reported?

Significant deficiencies reported not

considered to be material weaknesses? None

Type of auditor's report issued on

compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported

in accordance with Uniform Guidance?

Identification of major programs:

High Intensity Drug Trafficking Areas Program – CFDA #95.001

Airport Improvements – FDA #21.106

Dollar threshold used to distinguish

Between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee?

STATE OF NEW MEXICO LEA COUNTY SCHEDULE OF FINDINGS AND QUUESTIONED COSTS Year Ended June 30, 2020

SECTION II - FINDINGS - FINANCIAL STATEMENT AUDIT

2019-001 Property Tax Assessment (Other Non-Compliance)

CONDITION: During our testing over the controls for the County Assessor's office regarding conducting annual appraisals, we noted that there was vacant land that had a building constructed on it and thus the value of the land should have been adjusted at that time and it was not.

CRITERIA: The County's policy is to update land values when new buildings are constructed in accordance with NMSA 7-36-21.

EFFECT: The parcel of land was not properly valued in the assessed valuation and revenue was not collected by the County.

CAUSE: The appraisers did not notify the Chief Appraiser of the changes to the parcel of land.

RECOMMENDATION: We recommend the County develop policies and procedures to ensure that land parcels are updated upon construction.

MANAGEMENT'S RESPONSE: The County will implement procedures to ensure that for new construction the following is performed:

- 1. Collect the physical data regarding the structure.
- 2. Using valuation models estimate the value of the structure.
- 3. Review the previous land use. If necessary change the land use code, refer to land table to ascertain the correct value.
- 4. If the land use is correct, refer to the land table to determine if the value is appropriate or should be addressed in the next reappraisal cycle.

The Chief Appraiser will ensure that land values are:

- 1. Reviewed annually
- 2. Update the land tables on a regular basis
- 3. Update in reappraisal cycle.

RESPONSIBLE PARTY/TIMELINE TO CORRECT: The County's Chief Appraiser is responsible for implementing the new controls. They will be implemented immediately.

STATE OF NEW MEXICO LEA COUNTY SCHEDULE OF FINDINGS AND QUUESTIONED COSTS Year Ended June 30, 2020

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

STATE OF NEW MEXICO LEA COUNTY SCHEDULE OF FINDINGS AND QUUESTIONED COSTS Year Ended June 30, 2020

SECTION IV – OTHER FINDINGS, AS REQUIRED BY NEW MEXICO STATE STATUTE, SECTION 12-6-5, NMSA 1978

None

STATE OF NEW MEXICO LEA COUNTY STATUS OF PRIOR YEAR FINDINGS Year Ended June 30, 2020

STATUS OF PRIOR YEAR FINDINGS

| | Description | Status |
|----------|---------------------------------|----------|
| 2019-001 | Cash Disbursements – Wire Fraud | Resolved |

STATE OF NEW MEXICO LEA COUNTY EXIT CONFERENCE JUNE 30, 2020

EXIT CONFERENCE

An exit conference was conducted on December 1, 2020, with the following individuals:

Lea County

Rebecca Long, County Commissioner Michael Gallagher, County Manager Henry C. Low, Jr., CPA, Director of Finance

Pattillo, Brown & Hill, LLP

Chris Garner, CPA

Auditor Prepared Financial Statements

Pattillo, Brown & Hill, LLP prepared the GAAP-basis financial statements, related footnotes and supporting schedules from the original books and records provided to them by the management of the County. The County's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements, and the County accepts responsibility for the financial statements.