

**STATE OF NEW MEXICO  
GENERAL SERVICES DEPARTMENT  
SANTA FE, NEW MEXICO**

**FINANCIAL STATEMENTS  
JUNE 30, 2016**

CliftonLarsonAllen LLP



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2016**

<b>OFFICIAL ROSTER</b>	<b>1</b>
<b>INDEPENDENT AUDITORS' REPORT</b>	<b>2</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<b>6</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS</b>	
<b>STATEMENT OF NET POSITION</b>	<b>12</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>13</b>
<b>FUND FINANCIAL STATEMENTS</b>	
<b>BALANCE SHEET – GOVERNMENTAL FUNDS</b>	<b>15</b>
<b>RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION – GOVERNMENTAL FUNDS</b>	<b>16</b>
<b>STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS</b>	<b>17</b>
<b>RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES – GOVERNMENTAL FUNDS</b>	<b>18</b>
<b>STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUND – BUDGET AND ACTUAL (MODIFIED ACCRUAL BUDGETARY GAAP BASIS)</b>	<b>19</b>
<b>STATEMENT OF NET POSITION – ENTERPRISE FUNDS</b>	<b>20</b>
<b>STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – ENTERPRISE FUNDS</b>	<b>22</b>
<b>STATEMENT OF CASH FLOWS – ENTERPRISE FUNDS</b>	<b>24</b>
<b>STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES – AGENCY FUNDS</b>	<b>28</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>29</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>GENERAL FUND DESCRIPTIONS</b>	<b>53</b>
<b>COMBINING BALANCE SHEET – BY FUND TYPE – NON-MAJOR GOVERNMENTAL FUNDS</b>	<b>54</b>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2016**

<b>COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BY FUND TYPE – NON-MAJOR GOVERNMENTAL FUNDS</b>	<b>55</b>
<b>NON-MAJOR FUNDS – SPECIAL REVENUE FUNDS DESCRIPTIONS</b>	<b>57</b>
<b>COMBINING BALANCE SHEET –NON-MAJOR SPECIAL REVENUE FUNDS</b>	<b>58</b>
<b>COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –NON-MAJOR SPECIAL REVENUE FUNDS</b>	<b>59</b>
<b>MAJOR AND NON-MAJOR FUNDS – CAPITAL PROJECTS FUNDS DESCRIPTIONS</b>	<b>60</b>
<b>COMBINING BALANCE SHEET –NON-MAJOR CAPITAL PROJECTS FUNDS</b>	<b>61</b>
<b>COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –NON-MAJOR CAPITAL PROJECTS FUNDS</b>	<b>62</b>
<b>ADMINISTRATIVE COSTS – STATEMENT OF REVENUES AND EXPENDITURES – NON-MAJOR SPECIAL REVENUE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>63</b>
<b>PURCHASING DIVISION FEES – STATEMENT OF REVENUES AND EXPENDITURES –NON-MAJOR SPECIAL REVENUE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>64</b>
<b>PUBLIC BUILDINGS REPAIR – STATEMENT OF REVENUES AND EXPENDITURES –NON-MAJOR SPECIAL REVENUE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>65</b>
<b>PROCUREMENT ASSISTANCE PROGRAM – STATEMENT OF REVENUES AND EXPENDITURES –NON-MAJOR SPECIAL REVENUE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>66</b>
<b>PROPERTY CONTROL RESERVE FUND – STATEMENT OF REVENUES AND EXPENDITURES –NON-MAJOR CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>67</b>
<b>TOBACCO TAX: DOH FACILITIES – STATEMENT OF REVENUES AND EXPENDITURES –NON-MAJOR CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>68</b>
<b>LAWS OF 2005 – STATEMENT OF REVENUES AND EXPENDITURES –NON-MAJOR CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>69</b>
<b>LAWS OF 1999 – STATEMENT OF REVENUES AND EXPENDITURES –NON-MAJOR CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>70</b>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2016**

<b>LAWS OF 2006 – STATEMENT OF REVENUES AND EXPENDITURES –NON-MAJOR CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>71</b>
<b>LAWS OF 2015 – STATEMENT OF REVENUES AND EXPENDITURES –NON-MAJOR CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>72</b>
<b>GENERAL FUND PROJECTS – STATEMENT OF REVENUES AND EXPENDITURES –NON-MAJOR CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>73</b>
<b>CAPITOL BUILDING REPAIR – STATEMENT OF REVENUES AND EXPENDITURES –NON-MAJOR CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>74</b>
<b>SEVERANCE TAX BOND PROJECTS – STATEMENT OF REVENUES AND EXPENDITURES –NON-MAJOR CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>75</b>
<b>MAJOR AND NON-MAJOR FUNDS – ENTERPRISE FUNDS DESCRIPTIONS</b>	<b>76</b>
<b>COMBINING STATEMENT OF NET POSITION – NON-MAJOR ENTERPRISE FUNDS</b>	<b>79</b>
<b>COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – NON-MAJOR ENTERPRISE FUNDS</b>	<b>83</b>
<b>COMBINING STATEMENT OF CASH FLOWS – NON-MAJOR ENTERPRISE FUNDS</b>	<b>85</b>
<b>ADMINISTRATIVE SERVICES DIVISION – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>89</b>
<b>SURPLUS PROPERTY BUREAU – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>90</b>
<b>STATE AIRCRAFT POOL – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>91</b>
<b>STATE PRINTING – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>92</b>
<b>RISK MANAGEMENT OPERATING ACCOUNT – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>93</b>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2016**

<b>LOCAL PUBLIC BODY UNEMPLOYMENT COMPENSATION – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>94</b>
<b>SURETY BOND – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>95</b>
<b>PUBLIC PROPERTY RESERVE – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>96</b>
<b>STATE UNEMPLOYMENT COMPENSATION RESERVE – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>97</b>
<b>PUBLIC LIABILITY – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>98</b>
<b>WORKERS’ COMPENSATION RETENTION – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>99</b>
<b>STATE TRANSPORTATION POOL – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>100</b>
<b>GROUP INSURANCE PREMIUM – STATEMENT OF REVENUES AND EXPENSES –NON-MAJOR ENTERPRISE FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)</b>	<b>101</b>
<b>FIDUCIARY FUNDS DESCRIPTIONS</b>	<b>102</b>
<b>COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES –AGENCY FUNDS</b>	<b>103</b>
<b>OTHER SUPPLEMENTAL INFORMATION</b>	
<b>SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS</b>	<b>104</b>
<b>SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) (UNAUDITED)</b>	<b>106</b>
<b>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 <i>GOVERNMENT AUDITING STANDARDS</i></b>	<b>110</b>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2016**

<b>SCHEDULE OF FINDINGS AND RESPONSES</b>	<b>112</b>
<b>SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS</b>	<b>115</b>
<b>EXIT CONFERENCE</b>	<b>117</b>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
OFFICIAL ROSTER  
JUNE 30, 2016**

**Office of the Secretary**

Ed Burckle, Cabinet Secretary

**Division Directors**

Zella Cox, Administrative Services Division

George Morgan, Facilities Management Division

Lawrence Maxwell, Purchasing Division

Robert Newlin, State Printing Division

Anthony J. (AJ) Forte, Risk Management Division

James Chavez, Transportation Services Division

## INDEPENDENT AUDITORS' REPORT

Mr. Ed Burckle, Secretary  
State of New Mexico General Services Department and  
Mr. Timothy Keller  
New Mexico State Auditor

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparison for the general fund of the State of New Mexico General Services Department (the Department) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Department's nonmajor governmental funds, nonmajor enterprise funds, and fiduciary funds and the budgetary comparisons for the major capital project funds, major enterprise funds and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2016, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### 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 auditors' 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 auditors consider 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.



Mr. Ed Burckle, Secretary  
State of New Mexico General Services Department and  
Mr. Timothy Keller  
New Mexico State Auditor

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.

### **Basis for Qualified Opinion on Governmental Activities**

Management has identified to us that records of land owned by the Department do not agree with the balances contained in the governmental activities in the government-wide financial statements. Accounting principles generally accepted in the United States of America require that land be recorded at historical cost or estimated fair value at the date of contribution on the government-wide financial statements. The amount by which this departure would affect the assets and net position of the governmental activities has not been determined.

### **Qualified Opinion on Governmental Activities**

In our opinion, except for the effects of the matter described in the “Basis for Qualified Opinion on Governmental Activities” paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the Department, as of June 30, 2016, and the changes in financial position for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

### **Unmodified Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the Department, as of June 30, 2016, and the respective changes in financial position and where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund, nonmajor enterprise fund and each fiduciary fund of the Department as of June 30, 2016, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital projects funds, major enterprise funds and all the nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Emphasis of Matter**

As discussed in Note 1, the financial statements of the Department are intended to present the financial position and changes in financial position of only that portion of the governmental activities, each major fund, the aggregate remaining fund information and all respective budgetary comparisons of the State of New Mexico that is attributable to the transactions of the Department. They do not purport to, and do not present fairly the financial position of the entire State of New Mexico as of June 30, 2016, and the changes in the financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Mr. Ed Burckle, Secretary  
State of New Mexico General Services Department and  
Mr. Timothy Keller  
New Mexico State Auditor

## **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 6 through 12 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 Department's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The schedule of changes in assets and liabilities – agency funds and the schedule of vendor information for purchases exceeding \$60,000 (excluding GRT) required by 2.2.2.NMAC is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of changes in assets and liabilities – agency funds required by 2.2.2 NMAC is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the schedule of changes in assets and liabilities – agency funds required by 2.2.2 NMAC is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of vendor information for purchases exceeding \$60,000 (excluding gross receipt tax) has 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 it.

Mr. Ed Burckle, Secretary  
State of New Mexico General Services Department and  
Mr. Timothy Keller  
New Mexico State Auditor

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2016 on our consideration of the Department's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Department's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

**CliftonLarsonAllen LLP**

Albuquerque, New Mexico  
November 30, 2016

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

The Management's Discussion and Analysis (MD&A) of the State of New Mexico General Services Department (Department) explains the Department's financial statements and gives our summary of the Department's finances for the fiscal year ended June 30, 2016. We ask that it be read together with the financial statements, which follow it.

**Overview of the Financial Statements**

The Department's financial statements include the Basic Financial Statements (BFS) and Required Supplementary Information (RSI). The BFS consist of the Government-Wide Financial Statements, Fund Financial Statements and the Notes to the Financial Statements.

**Government-Wide Financial Statements.** The government-wide financial statements consist of a statement of net position and a statement of activities. These statements cover all of the financial activities and resources of the Department as a whole, except fiduciary activities. Fiduciary activities are not included because the resources do not belong to the Department. The government-wide financial statements report the Department's governmental and business-type activities. Governmental activities are the activities financed by a general revenue appropriation, bonds or state and federal grant. Business-type activities are activities operated like a business. These activities provide goods or services for a fee on a cost reimbursement basis (i.e., are self-supporting).

The Statement of Net Position reports what the Department owned (assets) and owed (liabilities) at June 30, 2016. Net position is what will remain after all liabilities are paid off. Net position legally limited to a particular use is reported as restricted. Unrestricted net position is assets that can be used for any of the Department's purposes in future years.

The Statement of Activities reports the costs (expenses) of providing support services to other state agencies and local governments and the revenues obtained to finance them. The first column of the statement reports the Department's governmental and business-type activities by program. A program is a grouping of similar activities. For example, Program Support includes the support activities of the Office of the Secretary and the Administrative Services Division (which also operates the state's Inter-agency Mail Service). The second column lists each program's expenses. The next set of columns report program revenues (revenues earned by the programs themselves). The last three columns are obtained by subtracting program revenues from program expenses. They show the amounts by which programs covered their own costs with user fees, bond proceeds and grants. The bottom half of the statement shows the money appropriated and transferred to the Department from the State General Fund and other general revenues used to finance services.

**Fund Financial Statements.** The fund financial statements follow the government-wide financial statements. They provide more detail about the Department's major funds (as defined by GASB 34, the most material governmental and business-type funds, not the Department as a whole). Smaller funds (labeled non-major) are combined and reported in total under the other funds column. The financial details pertaining to these smaller funds are reported in the combining financial statements located in the supplemental schedules.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

Funds are a method of accounting used by the Department to keep track of specific revenue sources and expenditures for separate functions. Some funds are required by state law and by bond provisions. Management established other funds to control and manage money for particular purposes or to show that it is properly using certain financial resources. The Department uses three types of funds to account for its service activities.

**Governmental Funds** have a short-term focus. They report only current assets (cash, accounts receivable, etc.), current liabilities and financial resources that flowed in and out of the Department during the year. They are the governmental activities reported in the government-wide financial statements. The Department uses three types of governmental funds:

The General Fund is used to account for services funded by general revenue appropriations not accounted for in other funds.

Special Revenue Funds are used to give an accounting of the use of the proceeds of specific revenue sources. For example, the Procurement Assistance federal and state grant must be used to educate New Mexico businesses on how to do business with state, federal and local governments.

Capital Project Funds are used to track appropriations to the Department to build, acquire, renovate and improve state-owned buildings and land.

**Proprietary Funds** are used to report the Department's service activities that charge customers a fee. Most of the Department's services are included in proprietary funds. Like the government-wide financial statements, they report all assets (including capital assets), liabilities (short- and long-term), revenues, expenses, gains and loss. They report the services included in the business-type activities in the government-wide financial statements. The Department uses one kind of proprietary fund, Enterprise Funds, to account for services provided to external customers.

**Fiduciary Funds** are used to account for resources the Department holds for others. The Department uses one kind of fiduciary fund, Agency Funds, to hold medical insurance premiums collected from other state agencies and other public bodies until the premiums are remitted to the insurance carriers. The Department is responsible for seeing that the assets in these funds are spent for their intended purpose. The finances of these funds are reported in a separate statement of fiduciary net assets. The resources of these funds are excluded from the government-wide financial statements because they cannot be used to finance the Department's operations.

**Budgetary Comparisons.** In addition to the MD&A, GASB 34 requires budgetary comparison schedules for the general fund and for each major special revenue fund that has a legally adopted annual budget to be presented. The budgetary comparison schedules should present both the original and the final appropriated budgets for the reporting period, as well as the actual inflows, outflows and balances, stated on the government's budgetary basis.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

As required by the Office of the State Auditor under 2.2.2 NMAC (the "Audit Rule"), the Statements of Revenues and Expenditures – Budget and Actual are also presented. This information is provided at the approved budget level to demonstrate compliance with legally authorized appropriations.

**Notes to the Financial Statements.** The notes to the financial statements consist of narratives and explanatory financial schedules that provide information that is essential to a user's understanding of the basic financial statements.

**Financial Analysis of the Department as a Whole**

**Table A-1  
The Department's Net Position**

	FY 2016	FY 2015	Amount Change	Total % Change
<b>Assets:</b>				
Current Assets	\$ 195,337,309	\$ 159,051,152	\$ 36,286,157	23%
Capital Assets, Net	551,787,532	543,655,358	8,132,174	1%
<b>Total Assets</b>	<b><u>\$ 747,124,841</u></b>	<b><u>\$ 702,706,510</u></b>	<b><u>\$ 44,418,331</u></b>	<b>6%</b>
<b>Liabilities:</b>				
Current Liabilities	\$ 131,200,114	\$ 117,722,211	\$ 13,477,903	11%
Long-Term Liabilities	95,078,898	101,045,765	(5,966,867)	-6%
<b>Total Liabilities</b>	<b><u>226,279,012</u></b>	<b><u>218,767,976</u></b>	<b><u>7,511,036</u></b>	<b>3%</b>
<b>Net Position:</b>				
Net Investment in				
Capital Assets	551,787,532	543,655,358	8,132,174	1%
Restricted	23,606,379	19,614,761	3,991,618	20%
Unrestricted	(54,548,082)	(79,331,585)	24,783,503	-31%
<b>Total Net Position</b>	<b><u>520,845,829</u></b>	<b><u>483,938,534</u></b>	<b><u>36,907,295</u></b>	<b>8%</b>
<b>Total Liabilities and Net Position</b>	<b><u>\$ 747,124,841</u></b>	<b><u>\$ 702,706,510</u></b>	<b><u>\$ 44,418,331</u></b>	<b>6%</b>

**Net Position:** Table A-1 summarizes the Department's net position for the fiscal year ending June 30, 2016. Total Department net position for fiscal year 2016 was \$520,845,829. The negative unrestricted balance is the result of the large deficit net position of the risk funds offsetting the positive amounts of capital assets. It should be noted that the risk fund amounts shown reflect actuarially estimated losses from claims incurred that the affected fund(s) would need to pay using the fund's June 30, 2016, asset balance. Such reporting is required by GASB 10. The New Mexico Risk Management Advisory Board recommends maintaining the asset balances at a minimum of at least 50 percent of the actuarially estimated losses. Therefore, any fund amount that has less than 100 percent in assets to pay its estimated incurred losses, and other liabilities, will show a deficit net asset balance. As a result of the recording of actuarially estimated losses from claims, the following risk funds have negative fund balances:

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

Public Liability Fund	\$47,208,585
Workers' Compensation Retention	\$26,783,007
Group Insurance Premium Stabilization	\$8,985,315

The larger part of the Department's restricted net position represents payments that are restricted for insurance claims. They represent insurance premiums and contributions collected from other state agencies, local public bodies and employees that can only be spent to insure these entities and their employees against loss.

The \$54,548,082 deficit of unrestricted net position indicates there are not sufficient resources on hand to pay claims against the state in future years.

However, the Department had an increase in net position for the year in the amount of \$36,907,295.

The Department's claims reserve for risk management decreased this year by approximately \$6 million. These reserves are recorded based on calculations provided by an actuary.

**Table A-2  
Changes in the Department's Net Position**

	FY 2016	FY2015	Amount Change	Total % Change
Revenues:				
Program Revenues:				
Capital Grants and Contributions	\$ -	\$ -	\$ -	
Charges for Services	11,395,268	12,149,249	(753,981)	-6%
Risk Management	449,099,176	455,363,364	(6,264,188)	-1%
Total Program Revenues	<u>460,494,444</u>	<u>467,512,613</u>	<u>(7,018,169)</u>	-2%
General Revenues	<u>53,943,763</u>	<u>44,713,702</u>	<u>9,230,061</u>	21%
Total Revenues	514,438,207	512,226,315	2,211,892	0%
Expenses:				
Employee Group Benefits	347,743,806	333,972,761	13,771,045	4%
Risk Management	62,322,097	72,912,535	(10,590,438)	-15%
Other State Agency Transfers, Net	<u>67,465,009</u>	<u>52,148,110</u>	<u>15,316,899</u>	29%
Total Expenses	<u>477,530,912</u>	<u>459,033,406</u>	<u>18,497,506</u>	4%
Change in Net Position	36,907,295	53,192,909	(16,285,614)	-31%
Net Position, Beginning of Year	<u>483,938,534</u>	<u>430,745,625</u>	<u>53,192,909</u>	12%
Net Position, End of Year	<u>\$ 520,845,829</u>	<u>\$ 483,938,534</u>	<u>\$ 36,907,295</u>	8%

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

**Changes in Net Position:** The Department's change in net position for fiscal year FY16 was an increase of \$36,907,295 (Table A-2). The change is the difference between total program revenues, general revenues and the total cost of all programs and services. The increase indicates the Department's financial position as a whole has improved from the previous fiscal year, primarily because of reduced expenses related to risk management and increased general revenues.

A major portion of the Department's revenues came from program revenues. Approximately 90% of total revenues came from service fees and insurance premiums collected from all state agencies, participating local public bodies and their employees. Only 10% of the Department's revenues came from general revenue appropriations, taxes and other general revenues.

Of the total cost of all programs and services of \$477,530,912, 73% of this amount, or \$347,497,797, is for group health and disability, dental, vision, long-term care and life insurance premiums paid to insurance companies on behalf of employees, former employees and retirees. \$62,322,097, or 13%, of the total cost pertains to public liability administration and claims payments.

**Governmental Activities:** General revenues of governmental activities increased to \$58,251,277. The cost of all governmental activities this year increased to \$49,220,437.

**Business-type Activities:** The cost of all business-type activities was \$428,310,475. Those who benefited from the services funded 100% of the cost.

### **Financial Analysis of the Department's Funds**

**Governmental Funds:** Combined revenues and net financing sources from governmental fund types totaled \$60,915,340, an increase of 34% from the preceding year. The increase is primarily due to an increase in STB proceeds and land grant permanent fund distributions.

Expenditures from governmental funds totaled \$56,917,494, an increase of 24% from fiscal year 2015. The increase in total governmental expenditures is primarily due to an increase in capital project activity during the current year.

**Proprietary Funds:** Operating revenues and net non-operating revenues of the Department's business-type activities decreased 2% from the previous year to \$453,522,867.

Expenses increased to \$428,310,475. The increase occurred primarily because of claims paid from risk liability funds.

### **Budget Comparisons**

**General Fund:** For FY16, total actual revenues of \$13,543,427 varied from budgeted revenues by \$6,227. Total expenditures were \$13,457,588.

### **Capital Assets and Debt Management**

**Capital Assets:** The Department's net capital assets increased by \$8,132,174 in 2016 (see Note 6).



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

**Long-term Debt:** The Department does not hold any long-term debt but does hold long-term liabilities consisting of claims payable of \$94,956,698 and compensated absences of \$122,200.

**Items Affecting the Department's Future**

The Department's management believes that its future financial position could be affected by the following trends or events:

**Rates for Services:** The Department's business-type activities, as measured by the Statement of Revenues, Expenses and Changes in Net Assets for the major enterprise funds: State Unemployment Compensation Reserve, Public Liability, Worker's Compensation Retention, State Transportation Pool, Group Insurance Premium Stabilization and Other Enterprise Funds, show that three of the five funds have an operating loss. This indicates that the service rates as developed with the current methods are not sufficient to recover actual costs of the programs.

The largest loss was in Public Liability. Rate adjustments and reallocation of costs, which are currently in process, will help eliminate these losses.

The Risk Management Advisory Board recommends that all Risk Management funds maintain 50% soundness (Assets/Estimated Outstanding Losses). The cumulative Risk Management funds, based on total assets of \$153,637,080 and estimated outstanding losses and other liabilities of \$211,377,115, shows the Risk Management funds to be 73% sound.

**Fund Sweeps:** The significant fund sweeps that were made in fiscal year 2016 had a major impact on Facilities Management Division, State Purchasing Division, Risk Management Division, and Transportation Services Division. The affected divisions will require close monitoring to ensure all operations are executed within revised budgets and planned projects and activities that will have to be curtailed and/or eliminated have been identified.

**Requests for Information**

This financial report is designed to provide a general overview of the Department'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 Department's Administrative Services Division, PO Box 6850, Santa Fe, New Mexico 87502.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF NET POSITION  
JUNE 30, 2016**

	Primary Government				Primary Government		
	Governmental Activities	Business-type Activities	Total		Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>				<b>LIABILITIES</b>			
<b>CURRENT ASSETS</b>				<b>CURRENT LIABILITIES</b>			
Investment in the State General Fund				Bank Overdraft	\$ 4,350,737	\$ 156,741	\$ 4,507,478
Investment Pool	\$ 26,315,272	\$ 157,586,190	\$ 183,901,462	Claims Payable	-	100,514,365	100,514,365
Receivables:				Accounts Payable	8,304,138	11,138,505	19,442,643
Interest Receivable	-	-	-	Unearned Revenue	-	-	-
Accounts/Trade Receivable	-	6,633,053	6,633,053	Accrued Payroll	267,274	306,095	573,369
Allowance for Doubtful Accounts	-	(5,913,990)	(5,913,990)	Due to State General Fund	79,860	-	79,860
Due From (to) Other Funds	-	-	-	Due to Other Agencies	-	5,516,489	5,516,489
Due from Other Agencies	10,609,369	100,552	10,709,921	Compensated Absences	256,690	309,220	565,910
Other Assets	450	40	490				
Inventories	-	6,373	6,373	Total current liabilities	13,258,699	117,941,415	131,200,114
Total Current Assets	36,925,091	158,412,218	195,337,309	<b>LONG-TERM LIABILITIES</b>			
<b>NON-CURRENT ASSETS</b>				Claims Payable	-	94,956,698	94,956,698
Capital Assets	1,011,010,780	29,310,621	1,040,321,401	Compensated Absences	55,428	66,772	122,200
Less Accumulated Depreciation	(465,376,237)	(23,157,632)	(488,533,869)				
				Total Liabilities	13,314,127	212,964,885	226,279,012
Total Non-Current Assets	545,634,543	6,152,989	551,787,532	<b>NET POSITION</b>			
				Net Investment in Capital Assets	545,634,543	6,152,989	551,787,532
				Restricted for:			
				Capital Projects	23,606,379	-	23,606,379
				Unrestricted	4,585	(54,552,667)	(54,548,082)
					569,245,507	(48,399,678)	520,845,829
				Total Net Position			
<b>TOTAL ASSETS</b>	\$ 582,559,634	\$ 164,565,207	\$ 747,124,841	<b>TOTAL LIABILITIES AND NET POSITION</b>	\$ 582,559,634	\$ 164,565,207	\$ 747,124,841

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2016**

<b>FUNCTIONS/PROGRAMS</b>	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>GOVERNMENTAL ACTIVITIES</b>				
Program Support	\$ 8,336,970	\$ 2,664,063	\$ -	\$ -
Procurement Services	3,087,498	-	-	-
Business Office Space Management/Maintenance	43,557	-	-	-
Capital Projects	37,752,412	-	-	-
Total Governmental Activities	49,220,437	2,664,063	-	-
<b>BUSINESS-TYPE ACTIVITIES</b>				
Program Support	10,349,849	1,370,299	-	-
Risk Management	62,322,097	97,290,711	-	-
Employee Group Benefits	347,743,806	351,808,465	-	-
Transportation Services	7,894,723	7,360,906	-	-
Total Business-Type Activities	428,310,475	457,830,381	-	-
<b>TOTAL</b>	<b>\$ 477,530,912</b>	<b>\$ 460,494,444</b>	<b>\$ -</b>	<b>\$ -</b>

Net (Expenses) Revenue and Changes in Net Position

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
	\$ (5,672,907)	\$ -	\$ (5,672,907)
	(3,087,498)	-	(3,087,498)
	(43,557)	-	(43,557)
	<u>(37,752,412)</u>	<u>-</u>	<u>(37,752,412)</u>
	(46,556,374)	-	(46,556,374)
	-	(8,979,550)	(8,979,550)
	-	34,968,614	34,968,614
	-	4,064,659	4,064,659
	<u>-</u>	<u>(533,817)</u>	<u>(533,817)</u>
	<u>-</u>	<u>29,519,906</u>	<u>29,519,906</u>
	(46,556,374)	29,519,906	(17,036,468)
<b>GENERAL REVENUES</b>			
Transfers:			
Intra-Agency Transfers	(272,800)	272,800	-
Capital Asset Transfers, Net	-	-	-
Severance Tax Bond Proceeds	23,725,663	-	23,725,663
Appropriations - General Fund	13,537,200	600,300	14,137,500
Reversions - General Fund	(79,611)	-	(79,611)
Other State Agency Transfers, Net	14,111,965	(5,500,000)	8,611,965
Federal Funds	63,937	-	63,937
Interest Income	7,085,091	319,386	7,404,477
Other Miscellaneous Revenue	79,832	-	79,832
	<u>58,251,277</u>	<u>(4,307,514)</u>	<u>53,943,763</u>
<b>CHANGE IN NET POSITION</b>	11,694,903	25,212,392	36,907,295
<b>NET POSITION - BEGINNING</b>	<u>557,550,604</u>	<u>(73,612,070)</u>	<u>483,938,534</u>
<b>NET POSITION - ENDING</b>	<u>\$ 569,245,507</u>	<u>\$ (48,399,678)</u>	<u>\$ 520,845,829</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
BALANCE SHEET – GOVERNMENTAL FUNDS  
JUNE 30, 2016**

	Major Funds			Other Governmental Funds	Total Governmental
	17400 General Fund	86300 Capital Buildings Repair Fund	89200 STB Projects		
<b>ASSETS</b>					
Investment in the State General Fund Investment Pool	\$ 991,474	\$ 12,925,035	\$ -	\$ 12,398,763	\$ 26,315,272
Receivables:					
Interest	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Due from Other Agencies	-	585,236	7,354,914	2,669,219	10,609,369
Other assets	450	-	-	-	450
Inventories	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 991,924</b>	<b>\$ 13,510,271</b>	<b>\$ 7,354,914</b>	<b>\$ 15,067,982</b>	<b>\$ 36,925,091</b>
<b>LIABILITIES</b>					
Due to the State General Fund Investment Pool	\$ -	\$ -	\$ 3,052,700	\$ 1,298,037	\$ 4,350,737
Accounts Payable	353,534	1,890,775	4,302,214	1,757,615	8,304,138
Unearned Revenue	-	-	-	-	-
Accrued Payroll	241,827	-	-	25,447	267,274
Due to Other Funds	-	-	-	-	-
Due to State General Fund	79,860	-	-	-	79,860
Due to Other Agencies	-	-	-	-	-
Total Liabilities	675,221	1,890,775	7,354,914	3,081,099	13,002,009
<b>FUND BALANCE</b>					
Nonspendable:					
Inventories	-	-	-	-	-
Restricted	-	11,619,496	-	11,986,883	23,606,379
Committed	316,703	-	-	-	316,703
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	316,703	11,619,496	-	11,986,883	23,923,082
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 991,924</b>	<b>\$ 13,510,271</b>	<b>\$ 7,354,914</b>	<b>\$ 15,067,982</b>	<b>\$ 36,925,091</b>

See accompanying Notes to Financial Statements

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2016**

<b>TOTAL FUND BALANCE - GOVERNMENTAL FUNDS (GOVERNMENTAL FUND BALANCE SHEET)</b>	<b>\$</b>	<b>23,923,082</b>
 Amounts reported for governmental activities in the Statement of Net Position are different because:		
 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
The cost of capital assets is:		1,011,010,780
Accumulated depreciation is:		<u>(465,376,237)</u>
Total capital assets		545,634,543
 Long-term and certain other liabilities, such as compensated absences, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.		
		<u>(312,118)</u>
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES - (STATEMENT OF NET POSITION)</b>	<b>\$</b>	<b><u>569,245,507</u></b>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2016**

	Major Funds			Other Governmental Funds	Total Governmental
	17400 General Fund	86300 Capital Buildings Repair Fund	89200 STB Projects		
<b>REVENUES</b>					
Service Fees/Premiums	\$ -	\$ 763,249	\$ -	\$ 1,900,814	\$ 2,664,063
Federal Funds	-	-	35,000	28,937	63,937
Interest Income	-	7,081,596	-	3,495	7,085,091
Other	6,227	66,235	-	7,370	79,832
<b>Total Revenues</b>	<b>6,227</b>	<b>7,911,080</b>	<b>35,000</b>	<b>1,940,616</b>	<b>9,892,923</b>
<b>EXPENDITURES</b>					
Current Expenditures:					
Personnel Services	4,977,013	-	-	632,206	5,609,219
Employee Benefits	2,428,145	-	-	285,196	2,713,341
In-State Travel	2,249	-	-	5,551	7,800
Out-of-State Travel	736	-	-	372	1,108
Maintenance and Repairs	2,401,822	1,684,564	2,005,230	340,790	6,432,406
Supplies	156,809	-	99,158	58,757	314,724
Contractual Services	366,612	-	-	2,618,381	2,984,993
Operating Costs	2,854,178	-	3,681	229,639	3,087,498
Other Costs	20,830	-	-	13,819	34,649
Capital Outlay	17,094	5,337,727	21,148,594	9,228,341	35,731,756
<b>Total Expenditures</b>	<b>13,225,488</b>	<b>7,022,291</b>	<b>23,256,663</b>	<b>13,413,052</b>	<b>56,917,494</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(13,219,261)</b>	<b>888,789</b>	<b>(23,221,663)</b>	<b>(11,472,436)</b>	<b>(47,024,571)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Severance Tax Bond Proceeds	-	-	23,725,663	-	23,725,663
Intra-Agency Transfer	(232,100)	(118,320)	(504,000)	581,620	(272,800)
Transfers:					
General and Special Appropriations	13,537,200	-	-	-	13,537,200
Reversions to State General Fund	(79,611)	-	-	-	(79,611)
Other State Agency Transfers, Net	-	1,466,603	-	12,645,362	14,111,965
<b>NET OTHER FINANCING SOURCES (USES)</b>	<b>13,225,489</b>	<b>1,348,283</b>	<b>23,221,663</b>	<b>13,226,982</b>	<b>51,022,417</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>6,228</b>	<b>2,237,072</b>	<b>-</b>	<b>1,754,546</b>	<b>3,997,846</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>310,475</b>	<b>9,382,424</b>	<b>-</b>	<b>10,232,337</b>	<b>19,925,236</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 316,703</b>	<b>\$ 11,619,496</b>	<b>\$ -</b>	<b>\$ 11,986,883</b>	<b>\$ 23,923,082</b>

See accompanying Notes to Financial Statements

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2016**

<b>NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS (STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES)</b>	<b>\$ 3,997,846</b>
---	---------------------

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

In the Statement of Activities, certain operating expenses - compensated absences (sick and annual leave) are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are measured by the amounts of financial resources used (essentially, the amounts actually paid). The decrease in the liabilities for the fiscal year was:	(14,410)
---	----------

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period, these amounts were:

Capital outlay	35,731,756
Depreciation expense	<u>(27,236,945)</u>
Excess of capital outlay and transfers over depreciation expense	<u>8,494,811</u>

The Statement of Activities reports the loss on the sale of equipment, while the Statement of Revenues, Expenditures and Changes in Fund Balance reports the proceeds. The reconciling amount is the difference:	<u>(783,344)</u>
--	------------------

<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES (STATEMENT OF ACTIVITIES)</b>	<b><u><u>\$ 11,694,903</u></u></b>
--	------------------------------------



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
MAJOR GOVERNMENTAL FUND – BUDGET AND ACTUAL  
YEAR ENDED JUNE 30, 2016**

	GENERAL FUND - TOTAL			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Appropriations	\$ 13,537,200	\$ 13,537,200	\$ 13,537,200	\$ -
Interest	-	-	-	-
Other Revenues	-	-	6,227	6,227
Other Financing Sources	-	-	-	-
Total Revenue	13,537,200	13,537,200	13,543,427	<u>\$ 6,227</u>
<b>FUND BALANCE</b>	-	-		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND FUND BALANCE BUDGETED</b>	<u>\$ 13,537,200</u>	<u>\$ 13,537,200</u>		
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personal Services and Employee Benefits	\$ 7,613,400	\$ 7,474,400	\$ 7,405,158	\$ 69,242
Contractual Services	278,800	367,800	366,612	1,188
Other	5,462,900	5,462,900	5,453,718	9,182
Other Financing Uses	182,100	232,100	232,100	-
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 13,537,200</u>	<u>\$ 13,537,200</u>	13,457,588	<u>\$ 79,612</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FUNDING SOURCES (USES)</b>			85,839	
<b>NON-BUDGETED RECONCILING ITEMS</b>				
Reversions to State General Fund			<u>(79,611)</u>	
<b>NET CHANGE IN FUND BALANCE</b>			6,228	
<b>FUND BALANCE, BEGINNING OF YEAR</b>			<u>310,475</u>	
<b>FUND BALANCE, END OF YEAR</b>			<u>\$ 316,703</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF NET POSITION – ENTERPRISE FUNDS  
JUNE 30, 2016**

	35300 State Unemployment Compensation Reserve	35700 Public Liability	35900 Workers' Compensation Retention	36500 State Transportation Pool	75200 Group Insurance Premium Stabilization	Other Enterprise Funds	Total
<b>ASSETS</b>							
Current Assets:							
Investment in the State General Fund Investment Pool	\$ 22,202,108	\$ 51,225,010	\$ 23,142,719	\$ 935,024	\$ 39,732,163	\$ 20,349,166	\$ 157,586,190
Receivables:							
Interest Receivable	-	-	-	-	-	-	-
Accounts/Trade Receivable	2,425,942	847,869	1,081,953	737,324	292,853	1,247,112	6,633,053
Allowance for Doubtful Accounts	(2,425,942)	(847,869)	(1,081,953)	(179,204)	(253,842)	(1,125,180)	(5,913,990)
Due from Other Funds	-	-	-	-	-	-	-
Due from Other Agencies	-	100,000	-	-	-	552	100,552
Other Assets	-	-	-	40	-	-	40
Inventories	-	-	-	-	-	6,373	6,373
<b>Total Current Assets</b>	<b>22,202,108</b>	<b>51,325,010</b>	<b>23,142,719</b>	<b>1,493,184</b>	<b>39,771,174</b>	<b>20,478,023</b>	<b>158,412,218</b>
Non-Current Assets:							
Capital Assets	-	-	-	24,725,891	-	4,584,730	29,310,621
Accumulated Depreciation	-	-	-	(20,517,750)	-	(2,639,882)	(23,157,632)
<b>Total Non-Current Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,208,141</b>	<b>-</b>	<b>1,944,848</b>	<b>6,152,989</b>
<b>TOTAL ASSETS</b>	<b>\$ 22,202,108</b>	<b>\$ 51,325,010</b>	<b>\$ 23,142,719</b>	<b>\$ 5,701,325</b>	<b>\$ 39,771,174</b>	<b>\$ 22,422,871</b>	<b>\$ 164,565,207</b>

See accompanying Notes to Financial Statements

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF NET POSITION – ENTERPRISE FUNDS (CONTINUED)  
JUNE 30, 2016**

	35300 State Unemployment Compensation Reserve	35700 Public Liability	35900 Workers' Compensation Retention	36500 State Transportation Pool	75200 Group Insurance Premium Stabilization	Other Enterprise Funds	Total
<b>LIABILITIES</b>							
Current Liabilities:							
Due to the State General Fund Investment Pool	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 156,741	\$ 156,741
Claims Payable	4,657,878	40,764,765	11,443,605	-	41,250,000	2,398,117	100,514,365
Accounts Payable	1,082,607	911,060	649,077	444,122	7,506,489	545,150	11,138,505
Unearned Revenue	-	-	-	-	-	-	-
Accrued Payroll	-	-	-	43,818	-	262,277	306,095
Due to Other Funds	-	-	-	-	-	-	-
Due to Other Agencies	5,500,000	-	-	-	-	16,489	5,516,489
Compensated Absences	-	-	-	52,255	-	256,966	309,220
<b>Total Current Liabilities</b>	<b>11,240,485</b>	<b>41,675,825</b>	<b>12,092,682</b>	<b>540,195</b>	<b>48,756,489</b>	<b>3,635,740</b>	<b>117,941,415</b>
Long-Term Liabilities:							
Claims Payable	-	56,857,770	37,833,044	-	-	265,884	94,956,698
Compensated Absences	-	-	-	10,364	-	56,407	66,772
<b>Total Liabilities</b>	<b>11,240,485</b>	<b>98,533,595</b>	<b>49,925,726</b>	<b>550,559</b>	<b>48,756,489</b>	<b>3,958,031</b>	<b>212,964,885</b>
<b>NET POSITION</b>							
Invested in Capital Assets Unrestricted	-	-	-	4,208,141	-	1,944,848	6,152,989
	<u>10,961,623</u>	<u>(47,208,585)</u>	<u>(26,783,007)</u>	<u>942,625</u>	<u>(8,985,315)</u>	<u>16,519,992</u>	<u>(54,552,667)</u>
<b>Total Net Position</b>	<b><u>10,961,623</u></b>	<b><u>(47,208,585)</u></b>	<b><u>(26,783,007)</u></b>	<b><u>5,150,766</u></b>	<b><u>(8,985,315)</u></b>	<b><u>18,464,840</u></b>	<b><u>(48,399,678)</u></b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b><u>\$ 22,202,108</u></b>	<b><u>\$ 51,325,010</u></b>	<b><u>\$ 23,142,719</u></b>	<b><u>\$ 5,701,325</u></b>	<b><u>\$ 39,771,174</u></b>	<b><u>\$ 22,422,871</u></b>	<b><u>\$ 164,565,207</u></b>

See accompanying Notes to Financial Statements

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION – ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2016**

	35300 State Unemployment Compensation Reserve	35700 Public Liability	35900 Workers' Compensation Retention
<b>OPERATING REVENUES</b>			
Charges for Premiums/Services	\$ 7,652,512	\$ 59,204,573	\$ 23,189,964
Interest Income	48,542	101,463	50,031
Other Revenue	-	-	-
<b>Total Operating Revenues</b>	<b>7,701,054</b>	<b>59,306,036</b>	<b>23,239,995</b>
<b>OPERATING EXPENSES</b>			
Personnel Services	-	-	-
Employee Benefits	-	-	-
In-State Travel	-	-	-
Out-of-State Travel	-	-	-
Maintenance and Repairs	-	-	-
Supplies	-	22,722	24,222
Contractual Services	76,800	12,438,413	1,123,193
Depreciation	-	-	-
Operating Costs	4,987,437	64,243	63,664
Other Costs	-	21,431,815	16,366,638
<b>Total Operating Expenses</b>	<b>5,064,237</b>	<b>33,957,193</b>	<b>17,577,717</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>2,636,817</b>	<b>25,348,843</b>	<b>5,662,278</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Gain on Disposal of Capital Assets	-	-	-
Intra-Agency Transfers	(150,000)	(2,143,991)	(2,142,491)
Transfers:			
General Appropriations	-	-	-
Other State Agency Transfers	-	-	-
Other State Funds	(5,500,000)	-	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(5,650,000)</b>	<b>(2,143,991)</b>	<b>(2,142,491)</b>
<b>CHANGE IN NET POSITION</b>	<b>(3,013,183)</b>	<b>23,204,852</b>	<b>3,519,787</b>
<b>NET POSITION (DEFICIT) - BEGINNING</b>	<b>13,974,806</b>	<b>(70,413,437)</b>	<b>(30,302,794)</b>
<b>NET POSITION (DEFICIT) - ENDING</b>	<b>\$ 10,961,623</b>	<b>\$ (47,208,585)</b>	<b>\$ (26,783,007)</b>

See accompanying Notes to Financial Statements

36500 State Transportation Pool	75200 Group Insurance Premium Stabilization	Other Enterprise Funds	Total
\$ 6,461,407	\$ 344,155,953	\$ 16,467,549	\$ 457,131,958
-	84,554	34,796	319,386
231,821	-	466,602	698,423
6,693,228	344,240,507	16,968,947	458,149,767
871,977	-	5,547,769	6,419,746
615,657	-	2,827,638	3,443,295
13,319	-	20,146	33,465
4,562	-	10,851	15,413
1,414,329	-	231,010	1,645,339
39,560	2,598	418,730	507,832
129,539	17,658,929	5,376,935	36,803,809
958,190	-	196,096	1,154,286
3,053,367	-	6,461,464	14,630,175
64,949	324,757,084	1,036,629	363,657,115
7,165,449	342,418,611	22,127,268	428,310,475
(472,221)	1,821,896	(5,158,321)	29,839,292
-	-	-	-
(330,900)	(2,917,873)	7,958,055	272,800
-	-	600,300	600,300
-	-	-	-
-	-	-	(5,500,000)
(330,900)	(2,917,873)	8,558,355	(4,626,900)
(803,121)	(1,095,977)	3,400,034	25,212,392
5,953,887	(7,889,338)	15,064,806	(73,612,070)
\$ 5,150,766	\$ (8,985,315)	\$ 18,464,840	\$ (48,399,678)

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF CASH FLOWS – ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2016**

	35300 State Unemployment Compensation Reserve	35700 Public Liability	35900 Workers' Compensation Retention
<b>OPERATING ACTIVITIES</b>			
Premiums/Service Fees Received	\$ 7,702,496	\$ 58,598,353	\$ 23,241,393
Other Income	-	-	-
Cash Paid to Suppliers	(349,101)	(41,520,417)	(16,926,800)
Cash Paid to Employees	-	-	-
Net Cash Provided (Used) by Operating Activities	7,353,395	17,077,936	6,314,593
<b>NON-CAPITAL FINANCING ACTIVITIES</b>			
Appropriation from/Reversion to State General Fund	-	-	-
Transfers	(5,650,000)	(2,143,991)	(2,142,491)
Net Cash Provided (Used) by Non-Capital Financing Activities	(5,650,000)	(2,143,991)	(2,142,491)
<b>CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of Capital Assets	-	-	-
Proceeds from the Sale of Capital Assets	-	-	-
Capital Lease and Expenditures	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	-
<b>NET INCREASE (DECREASE) IN CASH</b>	1,703,395	14,933,945	4,172,102
<b>CASH, BEGINNING OF YEAR</b>	20,498,713	36,291,065	18,970,617
<b>CASH, END OF YEAR</b>	<u>\$ 22,202,108</u>	<u>\$ 51,225,010</u>	<u>\$ 23,142,719</u>

36500	75200		
State Transportation Pool	Group Insurance Premium Stabilization	Other Enterprise Funds	Total
\$ 6,497,444	\$ 344,773,179	\$ 16,966,986	\$ 457,779,851
231,821	-	-	231,821
(4,805,328)	(340,206,611)	(14,501,290)	(418,309,547)
(1,473,006)	-	(8,293,079)	(9,766,085)
450,931	4,566,568	(5,827,383)	29,936,040
-	-	600,300	600,300
(330,900)	(2,917,873)	7,958,055	(5,227,200)
(330,900)	(2,917,873)	8,558,355	(4,626,900)
(1,440,912)	-	(134,080)	(1,574,992)
-	-	-	-
-	-	-	-
(1,440,912)	-	(134,080)	(1,574,992)
(1,320,881)	1,648,695	2,596,892	23,734,148
2,255,905	38,083,468	17,752,274	133,852,042
\$ 935,024	\$ 39,732,163	\$ 20,349,166	\$ 157,586,190

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF CASH FLOWS – ENTERPRISE FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	<u>35300</u> State Unemployment Compensation Reserve	<u>35700</u> Public Liability	<u>35900</u> Workers' Compensation Retention
<b>RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH FROM OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 2,636,817	\$ 25,348,843	\$ 5,662,278
Adjustments:			
Depreciation	-	-	-
Decrease (increase) in assets:			
Accounts Receivable and Due from Other Agencies and Funds	1,442	(92,348)	1,396
Inventories	-	-	-
Other Assets	-	-	-
Increase (Decrease) in Liabilities:			
Claims Payable	(656,020)	(7,563,224)	259,250
Accounts Payable and Due to Other Agencies and Funds	5,371,156	(615,335)	391,669
Accrued Expenses	-	-	-
Accrued Compensated Absences	-	-	-
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u>\$ 7,353,395</u>	<u>\$ 17,077,936</u>	<u>\$ 6,314,593</u>



36500	75200		
State Transportation Pool	Group Insurance Premium Stabilization	Other Enterprise Funds	Total
\$ (472,221)	\$ 1,821,896	\$ (5,158,321)	\$ 29,839,292
958,190	-	196,096	1,154,286
36,037	532,672	284,787	763,986
-	-	17,943	17,943
(40)	-	-	(40)
	2,285,678	(361,739)	(6,036,055)
(85,663)	(73,678)	(888,476)	4,099,673
12,773	-	56,004	68,777
1,855	-	26,323	28,178
<u>\$ 450,931</u>	<u>\$ 4,566,568</u>	<u>\$ (5,827,383)</u>	<u>\$ 29,936,040</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES – AGENCY FUNDS  
JUNE 30, 2016**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Investment in the State General Fund Investment Pool	\$ 1,570,555
Due from Other Funds	<u>-</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,570,555</u></u>
<b>LIABILITIES</b>	
Accounts Payable	\$ -
Deposits Held in Custody for Others	<u>1,570,555</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 1,570,555</u></u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

The State of New Mexico General Services Department (the Department) was created to increase the efficiency and responsiveness of New Mexico State Government by consolidating certain governmental functions within a single department and by providing support services for other governmental entities. Specific programs accomplish a number of services, including building maintenance and security, transportation, capital projects and improvements, central purchasing, and printing.

The financial reporting entity, as defined by the Government Accounting Standards Board (GASB), consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. This definition of the reporting entity is based primarily on the notion of financial accountability as the "cornerstone of all financial reporting in government."

The chief executive of the Department is the Secretary, who is appointed by the Governor of New Mexico and is a member of the Governor's cabinet. The Department is included in the State's reporting entity. These financial statements include all funds over which the Department Secretary has oversight responsibility. The functions of the Department are administered through the following divisions: Administrative Services, Facilities Management, Risk Management, State Purchasing, State Printing & Graphics, and Transportation Services. Overall support is provided by the Administrative Services Division and the Office of the Secretary.

The Department had no component units during the year ended June 30, 2016.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Use of Estimates in Preparing Financial Statements**

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

**Financial Reporting Entity**

The financial statements for the Department have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-wide Financial Statements**

The government-wide financial statements, i.e., the statement of net position and the statement of activities, report information on all of the non-fiduciary funds of the Department and exclude fiduciary funds. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The components of net position are investment in capital assets, net of related debt (if applicable) and restricted and unrestricted.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, 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 are reported as general revenues. Indirect expenses are allocated to other costs.

Separate financial statements are provided for governmental funds and proprietary (enterprise) funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary (enterprise) funds and the fiduciary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Department first uses restricted net assets.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

Fund financial statements report detailed information about the Department. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

In applying the “susceptible to accrual” concept to intergovernmental revenues pursuant to GASB No. 33 (as it relates to non-exchange and exchange transactions), the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and as a deferred inflow of resources by the recipient. Derived tax revenues (gas, motor vehicle) are included as revenue when the underlying transaction takes place. Any non-exchange transactions (including grants, taxes and contributions) are not recognized until they are measurable or reasonably estimable.

Proprietary (enterprise) 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 enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The accounts of the Department are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance/net position, revenues and expenditures/expenses. The various funds are summarized by type in the accompanying financial statements.

The following fund types are used by the Department:

**Governmental-type Funds** – Governmental-type funds are those through which most governmental functions of the Department are financed. The acquisition, use and balances of the Department’s expendable available financial resources and the related liabilities (except those accounted for in enterprise funds) are accounted for through governmental-type funds. Governmental fund types have fund balance, classified as follows: nonspendable, restricted, committed, assigned and unassigned. The measurement focus is upon determination of changes in financial position rather than upon net income determination. The following are the government fund types:

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

General Fund – The General Fund is the general operating fund of the Department. It is used to account for the general operations of the Department in carrying out its specific functions. The primary source of revenue for the General Fund is State appropriations. The General Fund exists through the annual budget approval.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects or debt service) that are restricted or committed to expenditures for specific purposes.

Capital Projects Funds – Capital Projects funds are used to account for financial resources that are restricted, committed or assigned to be used for the acquisition or construction of major capital facilities.

Major governmental-type funds in addition to the general fund include:

Capital Buildings Repair Fund – A capital projects fund used to account for repairs, remodeling and equipping of capitol buildings and adjacent lands, and to repair or replace building machinery and building equipment located in the capitol building.

Severance Tax Bond (STB) Projects – A capital projects fund used to account for the acquisition, improvement, alteration or reconstruction of long-term assets.

The governmental-type funds identified below did not have budget authority for the fiscal year, nor did they have any financial activity or balances. Because of this, they have not been included for presentation in the financial statements.

<b>Fund No.</b>	<b>Description</b>
89000	American Recovery and Reinvestment Act
36400	Laws of 2004
30600	Laws of 2003
76600	Laws of 2000
35500	Laws of 1999

**Business-type Funds** – Enterprise funds are used to account for the Department's ongoing activities where the intent of the State is that the costs and expenses, including depreciation, of providing goods and services to other departments or agencies of the governmental unit or to other unrelated governmental units, on a continuing basis, be financed or recovered primarily through user or customer charges.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

Major enterprise-type funds include:

State Unemployment Compensation Reserve – accounts for the administration of all contributions collected and payments made to beneficiaries pursuant to the Unemployment Compensation Law.

Public Liability – provides liability insurance for state agencies and their employees and for any local public body participating in the fund and pays claims and judgments under the certificate of coverage.

Workers' Compensation Retention – accounts for the purchase and administration of workers' compensation insurance for employees of state agencies.

State Transportation Pool – provides transportation for all state agencies in the Santa Fe and Albuquerque, New Mexico areas.

Group Insurance Premium Stabilization – accounts for premiums collected from employees of the Department who have elected health insurance coverage with the Department's carrier.

**Fiduciary Funds (Agency Funds)** – These funds are used to account for assets held by the Department as an agent for individuals, private organizations, other governments and/or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations.

**Deferred Outflows/Inflows 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 that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Department did not have any items that qualified for reporting in this category as of June 30, 2016.

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 that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Department did not have any items that were required to be reported in this category as of June 30, 2016.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgetary Data**

Per the General Appropriation Act, Laws of 2010, Chapter 6, Section 3, item M, "For the purpose of administering the General Appropriation Act of 2010 and approving operating budgets, the state of New Mexico shall follow the modified accrual basis of accounting for governmental funds in accordance with the manual of model accounting practices issued by the department of finance and administration." The budget is adopted on the modified accrual basis of accounting, except for accounts payable accrued at the end of the fiscal year that do not get paid by the statutory deadline per Section 6-10-4 NMSA 1978. Those accounts payable that do not get paid timely must be paid out of the next year's budget. Encumbrances related to single year appropriations lapse at year end. Appropriation periods are sometimes for periods in excess of twelve months (multiple-year appropriations). When multiple-year appropriation periods lapse, the authority for the budget also lapses and encumbrances can no longer be charged to that budget. The legal level of budgetary control is at the appropriation unit level.

The unexpended State General Fund appropriation to the Department lapses at year end and reverts to the State General Fund. The Department may also receive funding from various special appropriations. The language of a particular special appropriation determines when it lapses and whether or not unexpended balances revert to the State General Fund.

**Cash Deposits**

The Department is required by statute to deposit any money received into the State Fiscal Agent Bank. Balances maintained at the end of the day are pooled and invested by the State Treasurer in repurchase agreements. The State Treasurer issues separate financial statements that disclose the collateral pledged to secure these deposits, categories of risk involved and the market value of purchased investments, which may differ from the cash deposited by the Department. Cash and cash equivalents are defined to include cash on deposit with banks or the State Treasurer.

**Receivables**

All accounts/trade receivables represent uncollected insurance premiums or fees for services rendered to external parties. Receivables in excess of 120 days comprise the Department's allowance for doubtful accounts.

**Inventories**

Inventories are valued at the lower of cost (first-in, first-out method) or market and consist of expendable supplies held for consumption and raw materials used in the printing department.

The Department also maintains an inventory of Federal Surplus Property for resale to other state departments or agencies, local government or not-for-profit organizations. This inventory is not recorded on the financial statements of the Department as it is not considered to be a financial or capital resource.



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Use of Restricted Resources**

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Department's policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the Department's policy to spend committed resources first.

**Capital Assets and Depreciation**

Capital assets are stated at cost or estimated cost, and include land, buildings, computer software, property and equipment constructed with Department resources and acquired with State appropriations and government grant funds. They also include certain land and buildings transferred from other departments and agencies of the State of New Mexico under the provisions of the Property Control Act (Section 12-6-10, NMSA 1978). Capitalized asset additions made through governmental funds are recorded as capital outlay expenditures in the respective funds and recorded in the government-wide financial statements. Items greater than \$5,000 are capitalized.

Capital assets acquired by enterprise funds are reported in those funds at cost or at estimated fair value at the time of donation. Provisions for depreciation are computed using the straight-line method and charged to operations of enterprise funds over the assets' estimated useful lives using the straight-line method. Estimated useful lives are 10 to 40 years for building and improvements; 3 to 6 years for motor vehicles and motorized equipment; and 4 to 20 years for furniture, machinery and equipment.

Capital assets for the governmental activities are recorded on the government-wide financial statements and depreciated over the same estimated useful lives using the straight-line method.

**Compensated Absences**

A total of 12 days of sick leave per year may be accumulated by each employee. Employees are paid for accumulated sick leave annually, or upon retirement or other termination, but only for accumulated sick leave in excess of 600 hours. Annually, employees may be paid 50% of the excess over 600 hours, up to a maximum of 120 hours. Upon retirement or termination, employees are paid 50% of the excess over 600 hours, up to a maximum of 400 hours. Employees may accrue from 10 days to 20 days of annual leave per year, depending on the years of service. Employees are paid for the accumulated annual leave upon retirement or other termination. A maximum of 30 days of annual leave may be accumulated by each employee.

Compensated absences liabilities are computed using the regular pay and termination pay rates in effect at the financial statement date, plus an additional amount for compensation-related payments such as social security and Medicare taxes computed using rates in effect at that date.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Interfund Transactions**

Quasi-external transactions are accounted for as revenues and expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made for it that are properly applicable to another fund are recorded as expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

On fund financial statements, receivables and payables (resulting from short-term interfund loans and as a result of transactions between the funds) are classified as "Due to/from other funds."

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are various charges between the business-type activities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**Pensions**

In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*. This Statement improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards governing accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

In January 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Compliant with the requirements of Government Accounting Standards Board Statement No.68 and No.71, the State of New Mexico has implemented the standards for the fiscal year ending June 30, 2016.

The General Services Department, as part of the primary government of the State of New Mexico, is a contributing employer to a cost-sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement Association (PERA). Overall, the total pension liability exceeds Plan net position resulting in a Net pension liability. The State has determined the State's share of the net pension liability to be a liability of the State as a whole, rather than any agency or department of the State and will

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Pensions (Continued)**

not be reported in the department or agency level financial statements of the State. All required disclosures will be presented in the Comprehensive Annual Financial Report (CAFR) of the State of New Mexico.

Information concerning the net pension liability, pension expense, and pension-related deferred inflows and outflows of resources of the primary government will be contained in the General Fund and the CAFR and will be available, when issued, from the Office of State Controller, Room 166, Bataan Memorial Building, 407 Galisteo Street, Santa Fe, New Mexico, 87501.

**Restricted Expendable Net Position**

GASB Pronouncement Number 46 states that net position is legally enforceable, meaning that a government can be compelled by an external party (i.e., citizen, public interest group, etc.) to use resources only as created by the legislation. The three categories of net position are net investment in capital assets, restricted and unrestricted.

Restricted expendable net position is created to either 1) satisfy legal covenants that require a portion of the fund balance be segregated, or 2) identify the portion of the fund balance that is not appropriated for future expenditures. Specific restricted net position accounts are summarized below:

**Restricted for capital projects** – Resources that must be used to acquire capital assets.

**NOTE 3 STATE GENERAL FUND INVESTMENT POOL**

Compliant with statute 6-10-3 (NMSA 1978), and to optimize state cash management and investment practices, funds of various state agencies are deposited in the State General Fund Investment Pool (SGFIP). This pool is managed by the New Mexico State Treasurer's Office (STO). Claims on the SGFIP are reported as financial assets by the various agencies investing in the SGFIP.

Agency claims against the SGFIP and fiduciary resources held at STO to fulfill those claims were not reconciled from the inception of SHARE (the State's centralized accounting system), in July 2006 through January 2013, which caused uncertainty as to the validity of the claims and the ability of fiduciary resources to fulfill those claims. As a result of business process and systems configuration changes made during the Cash Management Remediation Project Phase I, the Board of Finance and Administration's Financial Control division began reconciling transactional activity reported by the State's fiscal agent bank to the SHARE general ledger on a point-forward basis beginning February 1, 2013. In March 2015, the Financial Control Division implemented a reconciliation process that compares statewide agency claims against the resources held in the SGFIP at STO. This process is known as the claims to resources reconciliation.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 3 STATE GENERAL FUND INVESTMENT POOL (CONTINUED)**

The State Controller indicated on August 8, 2016 that calculated difference between resources maintained by STO and the agency claims has remained stable and within a narrow and acceptable range (< \$200k standard deviation) over the last twelve months; resources are sufficient to cover claims and there is no need to adjust any specific business unit claim on the SGFIP and that all claims will be honored at face value.

The Department has established daily and monthly procedures that mitigate the risk of misstatement of the Department's balances within the Pool. In addition, as required by Section 6-5-2.1 (J) NMSA 1978, DFA/FCD is to complete, on a monthly basis, reconciliation with the balances and accounts kept by the state treasurer and adopt and promulgate rules regarding reconciliation for state agencies.

State law (Section 8-6-3 NMSA 1978) requires the Department's cash be managed by the New Mexico State Treasurer's Office. Accordingly, the investments of the Department consist of an interest in the State General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

**NOTE 4 INTEREST IN THE STATE GENERAL FUND INVESTMENT POOL**

State law (Section 8-6-3 NMSA 1978) requires the Department's cash be managed by the New Mexico State Treasurer's Office. Accordingly, the investments of the Department consist of an interest in the State General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

At June 30, 2016, the Department had the following invested in the State General Fund Investment Pool:

State General Fund Investment Pool*	\$180,964,539
-------------------------------------	---------------

\*Includes cash overdraft of \$3,052,700 in Fund 892, \$1,298,037 in Fund 970 and \$156,741 in Fund 806.

**Interest Rate Risk**

The New Mexico State Treasurer's Office has an investment policy that limits investment maturities to five years or less on allowable investments. This policy is a means of managing exposure to fair value losses arising from increasing interest rates. This policy is reviewed and approved annually by the New Mexico State Board of Finance.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 4 INTEREST IN THE STATE GENERAL FUND INVESTMENT POOL (CONTINUED)**

**Credit Risk**

The New Mexico State Treasurer pools are not rated.

For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer, the reader should see the separate financial statements for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2016.

The fair values of the investments maintained at the New Mexico State Treasurer's Office are as follows at June 30, 2016:

Investment	Balance, June 30, 2016
New Mexico State Treasurer's Office*	
General Fund Investment Pool (Primary Government)	\$ 179,393,984
Agency Fund Total	1,570,555
 Total	 \$ 180,964,539

\*Includes cash overdraft of \$3,052,700 in Fund 892, \$1,298,037 in Fund 970 and \$156,741 in Fund 806.

**Pledged Collateral (Custodial Credit Risk)**

In accordance with Section 6-10-7 NMSA 1978, deposits of public monies are to be collateralized in an aggregate equal to 50% of deposits in excess of Federal Deposit Insurance Corporation (FDIC) insurance coverage. Deposits are exposed to custodial risks if they are not covered by depository insurance.

Detail of pledged collateral specific to this agency is unavailable because the bank commingles pledged collateral for all state funds it holds. However, the State Treasurer's Office collateral bureau monitors pledged collateral for all state funds held by state agencies in such "authorized" bank accounts.

The New Mexico State Treasurer's office is responsible to ensure that all accounts have collateral at the required level for amounts in excess of FDIC coverage. The New Mexico State Treasurer issues separate financial statements, which disclose the collateral pledged to secure these deposits, the categories of risk involved, and the market value of purchased investments, which may differ from the cash deposited by the Department.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 5 INTERAGENCY RECEIVABLES AND PAYABLES**

Due from other state agencies as of June 30, 2016, are as follows:

Due From Other State Agencies	Fund No.	Amount	Due From Agency/Purpose	Fund No.	Amount
Public Liability	35300	\$ 100,000	DPS - RMD claim	12801	\$ 100,000
Surplus Property	36002	440	DGF - Storage services	19800	440
Laws of 2005	97000	26,031	EMNRD - MOU	10740	26,031
Laws of 2005	97000	1,042,690	DOH - Reimbursement	11350	1,042,690
Laws of 2005	97000	1,600,498	DVS - Reimbursement	11440	1,600,498
STB Projects	89200	34,946	BOF - STB Draws	10740	34,946
STB Projects	89200	1,680,879	BOF - STB Draws	11350	1,680,879
STB Projects	89200	286,842	BOF - STB Draws	11440	286,842
STB Projects	89200	2,616,399	BOF - STB Draws	11720	2,616,399
STB Projects	89200	158,371	BOF - STB Draws	201610	158,371
STB Projects	89200	729,616	BOF - STB Draws	50230	729,616
STB Projects	89200	238,080	BOF - STB Draws	10920	238,080
STB Projects	89200	611,963	BOF - STB Draws	50120	611,963
STB Projects	89200	265,837	BOF - STB Draws	50260	265,837
STB Projects	89200	716,981	BOF - STB Draws	60900	716,981
STB Projects	89200	15,000	BOF - STB Draws	12500	15,000
State Printing	80603	112	DA 10th District - Printing Services	16400	112
Capital Buildings Repair	86305	<u>585,236</u>	SIC - Self-earning Interest	60100	<u>585,236</u>
Total All Funds		<u>\$ 10,709,921</u>			<u>\$ 10,709,921</u>

Due to other state agencies as of June 30, 2016 are as follows:

Due To Other State Agencies	Fund No.	Amount	Due To Agency/ Purpose	Fund No.	Amount
Program Support	19704	\$ 16,186	DoIT - MOU	85300	\$ 16,186
State Unemployment Compensation	35300	5,500,000	SGF - Fund Sweep	83200	5,500,000
State Printing	80603	<u>303</u>	DVS - Refund	83200	<u>303</u>
Total All Funds		<u>\$ 5,516,489</u>			<u>\$ 5,516,489</u>

The purpose of all interfund and interagency balances is to record the services that the Department provides to other funds and agencies (e.g., information processing, printing, insurance, etc.).

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 6 CAPITAL ASSETS**

Governmental-Type Activities	Balance, June 30, 2015	Additions	Transfers	Deletions	Balance, June 30, 2016
Building and Improvements	\$ 946,606,303	\$ -	\$ 3,279,378	\$ (2,298,830)	\$ 947,586,851
Machinery	9,678,796	59,574	2,495,463	(51,809)	12,182,024
Construction in Progress	1,290,272	35,672,182	(6,526,726)	-	30,435,728
Total	957,575,371	35,731,756	(751,885)	(2,350,639)	990,204,603
Accumulated Depreciation:					
Buildings and Improvements	(438,486,675)	(25,969,024)	-	1,518,331	(462,937,368)
Machinery and Equipment	(1,219,912)	(1,267,921)	-	48,964	(2,438,869)
Total Accumulated Depreciation	(439,706,587)	(27,236,945)	-	1,567,295	(465,376,237)
Land	20,054,292	-	751,885	-	20,806,177
Net Total	\$ 537,923,076	\$ 8,494,811	\$ -	\$ (783,344)	\$ 545,634,543

Depreciation expense of \$27,236,945 was charged to the Capital Projects function.

**Business-type Activities Capital Assets**

A summary of changes in business-type activities capital assets follows:

Business-type Activities	Balance, June 30, 2015	Additions	Adjustments/ Deletions	Balance, June 30, 2016
Aircraft, Autos and Trucks	\$ 26,825,245	\$ 1,411,386	\$ (1,136,028)	\$ 27,100,603
Buildings and Improvements	1,798	8,982	-	10,780
Furniture and Fixtures	49,843	12,424	-	62,267
Machinery and Equipment	1,126,671	44,002	-	1,170,673
Information Technology	868,099	98,199	-	966,298
Total	28,871,656	1,574,993	(1,136,028)	29,310,621
Accumulated Depreciation:				
Aircraft, Autos and Trucks	(21,284,100)	(1,056,247)	1,136,028	(21,204,319)
Buildings and Improvements	(1,798)	(30)	-	(1,828)
Furniture and Fixtures	(49,843)	(725)	-	(50,568)
Machinery and Equipment	(1,060,899)	(15,864)	-	(1,076,763)
Information Technology	(742,734)	(81,420)	-	(824,154)
Total Accumulated Depreciation	(23,139,374)	(1,154,286)	1,136,028	(23,157,632)
Net Total	\$ 5,732,282	\$ 420,707	\$ -	\$ 6,152,989

Depreciation expense of \$958,190 was charged to Transportation Services and \$196,096 was charged to Program Support.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 7 LEASES (ENTERPRISE FUNDS)**

**Operating Leases**

Lease expenditures/expenses for the year ended June 30, 2016 totaled \$3,133,371. Lease expense for vehicles approximates the revenue earned by the Department for leasing these vehicles to other state agencies. The Department has other lease agreements with related expenses reflected in the individual funds' operating costs.

The following is a schedule by year of future minimum lease payments for various buildings, copiers and vehicles at June 30, 2016:

Years ending June 30:

Years Ending June 30,	
2017	\$ 2,937,716
2018	265,299
2019	183,803
2020	80,643
2021 and thereafter	-
Total	<u><u>\$ 3,467,461</u></u>

**NOTE 8 INSURANCE CLAIMS PAYABLE (ENTERPRISE FUNDS)**

The State of New Mexico manages its risks internally and sets aside assets for claim settlement through Enterprise Funds within the Risk Management Division (RMD) of the General Services Department. The RMD services all claims for risk of loss to which the State is exposed, including general liability, property and casualty, workers' compensation, employee health and accident, and unemployment compensation. The Department has coverage for general liability and civil rights claims through the Public Liability Fund administered by the State of New Mexico's Risk Management Division. The dollar amount "limits" of the insurance coverage are the damages caps set forth in the Tort Claims Act, NMSA § 41-4-19, which may be amended from time to time by the legislature. All funds, agencies and authorities of the State participate in Risk Management. Risk Management allocates the cost of providing claims servicing and claims payment by charging a "premium" to each fund, agency or public authority based on claims history and exposure of each participant. The charge considers recent trends in actual claims experience of the State as a whole, and makes provision for catastrophic losses.

Risk Management fund liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are reevaluated annually to take into consideration recent settled claims, the frequency of claims and other economic and social factors.



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 8 INSURANCE CLAIMS PAYABLE (ENTERPRISE FUNDS) (CONTINUED)**

Insurance claims payable of \$195,471,063 were reported by the Department as of June 30, 2016. The amounts of the liabilities are determined by independent actuarial consultants to the Department. The total liability is shown in the accompanying financial statements at the present value of the payments, computed at 2% annual rate between June 30, 2016, and the date the claims are ultimately expected to be paid.

Insurance claims payable presented are actuarial computed estimates of the costs of administering, defending and settling claims for events that had occurred as of the year end. Since these estimates are based on historical information and various statistical measures, actual amounts paid may vary significantly from the amount estimated by the fund actuaries and reported herein.

The basis of estimating the liabilities for unpaid claims is found in the independent actuarial report. The following shows the reconciliation of changes in the unpaid claims in the Risk Management Funds, which are stated at present value:

Fund	Balance, June 30, 2015	Incurred (net of Actuarial Provision)	Payments	Balance, June 30, 2016
35300 State Unemployment	\$ 5,313,899	\$ (654,746)	\$ (1,275)	\$ 4,657,878
35400 Local Public Body	1,169,058	877,874	(1,022,199)	1,024,733
35600 Public Property Reserve	1,852,776	4,345,968	(4,564,359)	1,634,385
35700 Public Liability	105,185,759	13,193,487	(20,756,711)	97,622,535
35800 Surety Bond	3,906	977	-	4,883
35900 Workers' Compensation	49,017,400	16,366,638	(16,107,389)	49,276,649
75200 Group Insurance Premium	38,964,322	321,506,535	(319,220,857)	41,250,000
Net Total	<u>\$ 201,507,120</u>	<u>\$ 355,636,733</u>	<u>\$(361,672,790)</u>	<u>\$ 195,471,063</u>

Fund	Balance, June 30, 2014	Incurred (net of Actuarial Provision)	Payments	Balance, June 30, 2015
35300 State Unemployment	\$ 5,811,822	\$ (496,683)	\$ (1,240)	\$ 5,313,899
35400 Local Public Body	1,278,601	325,469	(435,012)	1,169,058
35600 Public Property Reserve	2,355,208	5,943,110	(6,445,542)	1,852,776
35700 Public Liability	107,285,420	26,994,736	(29,094,397)	105,185,759
35800 Surety Bond	5,857	247,508	(249,459)	3,906
35900 Workers' Compensation	48,857,150	15,717,002	(15,556,752)	49,017,400
75200 Group Insurance Premium	37,889,901	313,582,958	(312,508,537)	38,964,322
Net Total	<u>\$ 203,483,959</u>	<u>\$ 362,314,100</u>	<u>\$(364,290,939)</u>	<u>\$ 201,507,120</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 9 COMPENSATED ABSENCES**

The compensated absence liability of the governmental funds has typically been liquidated by the general fund in prior years. The changes in accrued compensated absences for governmental activities are as follows:

Governmental Activities				
Balance, June 30, 2015	Increase	Adjustments/ (Decrease)	Balance, June 30, 2016	Amounts Due within One Year
\$ 297,708	\$ 259,249	\$ (244,839)	\$ 312,118	\$ 256,690

The changes in accrued compensated absences for business-type activities are as follows:

Business Type				
Balance, June 30, 2015	Increase	Adjustments/ (Decrease)	Balance, June 30, 2016	Amounts Due within One Year
\$ 347,814	\$ 312,303	\$ (284,125)	\$ 375,992	\$ 309,220

**NOTE 10 JOINT POWERS AGREEMENTS**

1. The Department entered into an agreement with the Office of the Governor for cooperative funding and representation for labor litigation in arbitration cases, prohibited practices complaints, and grievance proceedings. The Office of the Governor designated the State Personnel Director as the Governor's designee for collective bargaining negotiations and contract administration in labor litigation matters on behalf of state agencies and departments named in the agreement. The term of this agreement is from June 15, 2015, and will remain in effect until terminated by the Office of the Governor, in writing.
2. The Department entered into an agreement with the Office of the Governor for cooperative funding and representation for collective bargaining cases and negotiations. The Office of the Governor designated the State Personnel Director as the Governor's designee for collective bargaining negotiations. The State Personnel Office will administer a contract with a consultant to complete negotiations of the existing collective bargaining agreements, develop a strategy for negotiating the new agreements, provide training to the management negotiation team for contract negotiations, and conduct labor negotiations between labor organizations. The term of this agreement is from June 15, 2015, and will remain in effect until terminated by the Office of the Governor, in writing.
3. The General Services Department Risk Management Division (GSD RMD) provided legal representation of New Mexico Corrections Department (NMCD) employees by NMCD's Office of General Counsel in those pro se cases for which NMCD employers are provided by GSD RMD pursuant to the New Mexico Tort Claims Act and GSD RMD's certificate of insurance with NMCD. The term was from July 1, 2012, to June 30,

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 10 JOINT POWERS AGREEMENTS (CONTINUED)**

2016, and was funded with \$987,384 in other state funds. GSD RMD will pay any settlements authorized and any judgments resulting from trials.

4. The General Services Department Office of the Secretary entered into an agreement with the Department of Information Technology (DoIT), wherein DoIT will provide public information officer and records custodian duties and GSD will reimburse DoIT 50% with respect to the cost of employment and related expenses. This agreement terminates effective November 18, 2016 per notice from DoIT Cabinet Secretary Ackley.
5. The General Services Department Property Control Division (now Facilities Management Division) entered into an agreement with the Energy, Minerals, and Natural Resources Department (EMNRD) to implement an energy efficiency program called WISE to install approved equipment and components for the purpose of reducing state buildings' energy consumption. The term of the agreement was from October 1, 2012, to September 30, 2015, and was funded through Executive Order 12372 not to exceed \$1,250,000.
6. The General Services Department Office of the Secretary entered into an agreement with the Department of Information Technology (DoIT), wherein DoIT will provide dedicated desktop support and other related technical job assignments to GSD by assigning a DoIT employee Monday through Friday during regular business hours. GSD will compensate for desktop billed services at the DoIT public rate of \$47.00/hour for desktop services. The term is from March 23, 2016, for the remainder of FY16 and renews for one more year upon agreement of both parties.
7. The General Services Department Facilities Management Division entered into an agreement with the Department of Veterans Services to create a Veterans Cemetery in Fort Stanton, NM. The project is being funded with a DVA federal Cemetery grant supplemented by a NM capital appropriation. FMD will contract for professional design services and general construction services and materials, and any other associated services. This was effective October 8, 2015, and shall terminate only after the Project is satisfactorily completed.
8. The General Services Department Facilities Management Division entered into an agreement with the Department Health to build a new 39-bed Alzheimer's unit and wellness facility at the NM State Veterans' Home in Truth or Consequences, NM. The project is being funded with a Federal Veterans Administration grant supplemented by a NM capital appropriation. FMD will assist in the plan, design, construction, and expansion of a facility for an Alzheimer's unit and make other improvements at the NM Veterans' Home as appropriate. This was effective July 10, 2015, and shall terminate only after the Project is satisfactorily completed.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 10 JOINT POWERS AGREEMENTS (CONTINUED)**

Participants	Responsible Party	Description	Term	Total Amount	Current Year Amount	Books Recorded
Office of the Governor/GSD	State Personnel Office	See 1. above	June 2015 until terminated by the Office of the Governor	\$ 28,333	\$640	GSD
Office of the Governor/GSD	State Personnel Office	See 2. above	June 2015 until terminated by the Office of the Governor	\$ 28,333	\$640	GSD
NMCD/GSD	GSD	See 3. above	July 2012 - June 2016	\$ 987,384	\$ 256,063	GSD
GSD/DoIT	GSD	See 4. above	February 2015 - until terminated by either GSD or DoIT	\$ 18,202	\$ 56,531	GSD
GSD/EMNRD	EMNRD	See 5. above	January 2013 - September 2015	\$ 328,616	*No FMD funding	GSD
GSD/DoIT	GSD	See 6. above	March 2016 - June 2016	\$ 28,538	\$ 28,538	GSD
GSD/DVS	GSD	See 7. above	October 2016 until completion	\$ 6,241,388	\$1,600,497	GSD/DVS
GSD/DOH	GSD	See 8. above	July 2015 until completion	\$30,514,709	\$7,116,810	GSD/DOH

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 11 OPERATING TRANSFERS**

Transfers between funds for the year ended June 30, 2016 are as follows:

Fund Description	Fund #	Transfer In	Transfer Out	Net
<b>Governmental Funds</b>				
General Fund - Major	17400	\$ -	\$ (232,100)	\$ (232,100)
Administrative Cost	12500	728,845	-	728,845
Laws of 2015	24900	-	(61,500)	(61,500)
Purchasing Division Fees	28600	500,000	(540,700)	(40,700)
Capital Buildings Repair - Major	86300	-	(118,320)	(118,320)
STB Projects - Major	89200	55,000	(559,000)	(504,000)
Laws of 2005	97000	-	(45,025)	(45,025)
Total Governmental Funds		1,283,845	(1,556,645)	(272,800)
<b>Enterprise Funds</b>				
Program Support	19700	4,080,500	-	4,080,500
Risk Management Operating	35200	7,378,400	(3,377,200)	4,001,200
State Unemployment Compensation	35300	-	(150,000)	(150,000)
LPB Unemployment	35400	-	(50,000)	(50,000)
Public Property Reserve	35600	-	-	-
Public Liability - Major	35700	-	(2,134,400)	(2,134,400)
Surety Bond	35800	-	-	-
Workers' Compensations Retention - Major	35900	-	(2,134,400)	(2,134,400)
Surplus Property Bureau	36000	-	(30,200)	(30,200)
State Transportation - Major	36500	-	(330,900)	(330,900)
State Aircraft Bureau	41700	-	(24,500)	(24,500)
Group Insurance Premium Stabilization - Major	75200	-	(2,909,600)	(2,909,600)
State Printing	80600	-	(44,900)	(44,900)
Total Enterprise Funds		11,458,900	(11,186,100)	272,800
Total		\$ 12,742,745	\$ (12,742,745)	\$ -

Transfers from (to) other state agencies for the year ended June 30, 2016 are as follows:

State Agency	Agency Number	24900 Laws of 2015	86300 Capital Projects Repair Fund	97000 Laws of 2005	Governmental Funds Subtotal	35300 State Unemployment Compensation Reserve	Enterprise Funds Subtotal
Regulation and Licensing Dept.	42000	\$ 1,500,000	-	-	\$ 1,500,000	-	-
Dept. of Transportation	80500	1,000,000	-	-	1,000,000	-	-
Worker's Comp. Administration	63200	550,000	-	-	550,000	-	-
Leg. Cncl. Svcl. Bldg. Svc.	11900	-	3,319,645	-	3,319,645	-	-
Department of Military affairs	70500	-	(1,700,000)	-	(1,700,000)	-	-
LCS - Capital Kitchen Fund	11100	-	(153,042)	-	(153,042)	-	-
Dept. of Veteran's Services	67000	878,055	-	1,600,497	2,478,552	-	-
Department of Health	66500	-	-	7,116,810	7,116,810	-	-
State General Fund	34101	-	-	-	-	(5,500,000)	(5,500,000)
		\$ 3,928,055	\$ 1,466,603	\$ 8,717,307	\$ 14,111,965	\$ (5,500,000)	\$ (5,500,000)

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 12 REVERSIONS**

The Department had reversions listed in the operating statements for fiscal years as follows:

		<u>Year of Appropriation</u>	
17400	General Fund	2016	\$ 79,611

In accordance with statute Section 6-5-10(A) NMSA 1978, all unrestricted balances in reverting funds and accounts as reflected in the SHARE system as of June 30 shall revert. \$79,611 is payable at June 30, 2016, and due by September 30, 2016. This payable may be adjusted within 45 days of the release of this audit by the New Mexico Office of the State Auditor.

**NOTE 13 PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION**

**Plan Description**

Substantially all of the Department’s full-time employees participate in a public employee retirement system authorized under the Public Employees’ Retirement Act (Chapter 10, Article 11 NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is also available on PERA’s website at [www.pera.state.nm.us](http://www.pera.state.nm.us).

**Funding Policy**

Plan members are required to contribute between 3.83% and 7.42% of their gross salary, and the Department is required to contribute 11.48% to 13.83% of the gross covered salary, depending on the selected plan. The contribution requirements of plan members and the Department are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department’s contributions to PERA for the fiscal years ending June 30, 2016, 2015 and 2014 were \$2,002,315, \$1,906,046, and \$1,751,072, respectively, which equal the amount of the required contributions for each fiscal year.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 14 POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN**

**Plan Description**

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

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which the event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

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

**Funding Policy**

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

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 14 POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN  
(CONTINUED)**

**Funding Policy (Continued)**

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2016, the Legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The Department's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were \$235,702, \$224,450, and \$211,410, respectively, which equal the requirement contributions for each year.

**NOTE 15 COMMITMENTS AND CONTINGENCIES**

**Litigation**

The Department has been named as defendant in several lawsuits or complaints. Neither the final outcome nor the amount of potential loss from these cases is presently determinable. However, management estimates that the potential loss to the Department, if any, is not likely to be material to the Department's financial statements.

In addition, the Risk Management Division is named as defendant in several lawsuits or complaints. The cases outstanding at June 30, 2016, have been included in the actuary's determination of "claims payable."



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 15 COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**Risk Management**

The Department is exposed to various risks of loss for which the Department carries insurance with the State of New Mexico Risk Management Division (an enterprise fund within the Department). Coverage is provided for the following:

Workers' Compensation	General Liability
Civil Rights and Foreign Jurisdiction	Automobile
Aircraft	Property
Money and Securities	Employee Fidelity Bond
Health/Life	Short-term and Long-term Disability
Law Enforcement	Medical Malpractice

**NOTE 16 – NET POSITION DEFICITS**

The following funds had net position deficits at June 30, 2016:

Enterprise Funds:

35700	Public Liability	357	\$ (47,208,585)
35900	Workers' Compensation Retention	359	(26,783,007)
75200	Group Insurance Premium Stabilization	752	(8,985,315)
80600	State Printing	806	(151,576)

The Public Liability, State Unemployment Compensation and Workers' Compensation Retention funds are Risk Management funds that include claims liabilities (see Note 8, Insurance Claims Payable) based on future actuarial estimated losses from claims incurred that the affected funds would need to pay using June 30, 2016 net position balances. Such reporting is required by GASB 10 Accounting and Financial Reporting for Risk Financing and Related Insurance Issues. The New Mexico Risk Management Advisory Board recommends maintaining the position balances at a minimum of at least 50 percent of the actuarial estimated losses. While the Public Liability and the State Unemployment Compensation funds are above 50 percent soundness, the Department is working on increasing insurance premium fees to help make the Workers' Compensation Retention fund reach this level.

**NOTE 17 FUND BALANCE**

In the governmental fund financial statements, fund balances are classified as:

Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 17 FUND BALANCE (CONTINUED)**

Restricted – Amounts that can be spent only for specific purposes where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches of the State. The committed portion is committed for maintenance and utility costs.

Assigned – Amounts that are constrained by the Legislative and Executive branches' intent to be used for specific purposes or, in some cases, by legislation.

Unassigned – All amounts not included in other spendable classifications.

	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
<b>17400 General Fund</b>			
Maintenance Costs	\$ -	\$ 316,703	\$ -
<b>86300 Capitol Building Repair Fund</b>			
State Building Repair	11,619,496	-	-
<b>12500 Administrative Costs</b>			
Capital Projects	222,225	-	-
<b>28600 Purchasing Division Fees</b>			
Procurement Services	3,677,006	-	-
<b>28700 Public Building Repair</b>			
State Building Repair	996,534	-	-
<b>78500 Property Control Reserve</b>			
Capital Projects	1,535,684	-	-
<b>28500 Tobacco Tax: DOH Facilities</b>			
Capital Projects	1,649,458	-	-
<b>24900 Laws of 2015</b>			
Capital Projects	3,830,017	-	-
<b>64100 Laws of 2006</b>			
Capital Projects	69,693	-	-
<b>97000 Laws of 2005</b>			
Capital Projects	6,266	-	-
	<u>\$ 23,606,379</u>	<u>\$ 316,703</u>	<u>\$ -</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
GENERAL FUND DESCRIPTION  
JUNE 30, 2016**

The General Fund (Fund 17400) is used to account for all resources traditionally associated with governments that are not required to be accounted for in another fund. The General Fund is a reverting fund and includes the following:

**Purchasing Division**

**Facilities Maintenance Division**

**Building Services Division**

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
COMBINING BALANCE SHEET – BY FUND TYPE –  
NON-MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2016**

	Special Revenue Funds	Capital Projects Funds	Total
<b>ASSETS</b>			
Investment in State General Fund			
Investment Pool	\$ 5,255,009	\$ 7,143,754	\$ 12,398,763
Receivables:			
Interest Receivable	-	-	-
Due from Other Funds	-	-	-
Due from Other Agencies	-	2,669,219	2,669,219
Other Assets	-	-	-
Inventories	-	-	-
	<b>\$ 5,255,009</b>	<b>\$ 9,812,973</b>	<b>\$ 15,067,982</b>
<b>TOTAL ASSETS</b>			
	<b>\$ 5,255,009</b>	<b>\$ 9,812,973</b>	<b>\$ 15,067,982</b>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Due to the State General			
Fund Investment Pool	\$ -	\$ 1,298,037	\$ 1,298,037
Accounts Payable	333,797	1,423,818	1,757,615
Unearned Revenue	-	-	-
Accrued Payroll	25,447	-	25,447
Due to Other Funds	-	-	-
Due to State General Fund	-	-	-
Due to Other Agencies	-	-	-
	359,244	2,721,855	3,081,099
Total Liabilities			
<b>FUND BALANCE</b>			
Nonspendable:			
Inventories	-	-	-
Restricted	4,895,765	7,091,118	11,986,883
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	4,895,765	7,091,118	11,986,883
Total Fund Balances			
	<b>\$ 5,255,009</b>	<b>\$ 9,812,973</b>	<b>\$ 15,067,982</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>			

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES – BY FUND TYPE –  
 NON-MAJOR GOVERNMENTAL FUNDS  
 YEAR JUNE 30, 2016**

	Special Revenue Funds	Capital Projects Funds	Total
<b>REVENUES</b>			
Service Fees/Premiums	\$ 1,900,814	\$ -	\$ 1,900,814
Federal Funds	-	28,937	28,937
Interest Income	-	3,495	3,495
Other	-	7,370	7,370
Total Revenues	1,900,814	39,802	1,940,616
<b>EXPENDITURES</b>			
Current:			
Personnel Services	632,206	-	632,206
Employee Benefits	285,196	-	285,196
In-State Travel	5,551	-	5,551
Out-of-State Travel	372	-	372
Maintenance and Repairs	331,756	9,034	340,790
Supplies	58,757	-	58,757
Contractual Services	2,589,912	28,469	2,618,381
Operating Costs	229,639	-	229,639
Other Costs	13,819	-	13,819
Capital Outlay	19,521	9,208,820	9,228,341
Total Expenditures	4,166,729	9,246,323	13,413,052
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>\$ (2,265,915)</b>	<b>\$ (9,206,521)</b>	<b>\$ (11,472,436)</b>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES – BY FUND TYPE –  
 NON-MAJOR GOVERNMENTAL FUNDS (CONTINUED)  
 YEAR ENDED JUNE 30, 2016**

	Special Revenue Funds	Capital Projects Funds	Total
<b>OTHER FINANCING SOURCES (USES)</b>			
Severance Tax Bond Proceeds	\$ -	\$ -	\$ -
Intra-Agency Transfer	188,145	393,475	581,620
Transfers:			
General Appropriations	-	-	-
Reversions to State General Fund	-	-	-
Other State Agency Transfers	-	12,645,362	12,645,362
Total Other Financing Sources (Uses)	<u>188,145</u>	<u>13,038,837</u>	<u>13,226,982</u>
<b>NET CHANGE IN FUND BALANCES</b>	(2,077,770)	3,832,316	1,754,546
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>6,973,535</u>	<u>3,258,802</u>	<u>10,232,337</u>
<b>FUND BALANCES, END OF YEAR</b>	<u><u>\$ 4,895,765</u></u>	<u><u>\$ 7,091,118</u></u>	<u><u>\$ 11,986,883</u></u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
NON-MAJOR FUNDS  
YEAR ENDED JUNE 30, 2016**

**SPECIAL REVENUE FUNDS DESCRIPTIONS:**

**Administrative Costs Fund**

The Administrative Costs Fund (Fund 12500, non-reverting FY04, Section 15-33-10 NMSA 1978) was created by the Laws of 2001, Chapter 319, for the purpose of accounting for Capital Projects overhead expenses. Transfers are made from Capital Projects to cover administrative costs of each project as expenses are incurred.

**Purchasing Division Fees Fund**

The Purchasing Division Fees Fund (Fund 28600, non-reverting) was created by the Laws of 1984, Chapter 65 (13-1-104, NMSA 1978) for the purpose of accounting for the collection and expenditure of registration fees for qualified vendors submitting bids to provide the State of New Mexico with tangible items of personal property, construction or services. Fees collected are expended for the actual, direct cost of furnishing copies of a public notice or invitation for bids to the prospective bidders.

**Public Buildings Repair Fund**

The Public Buildings Repair Fund (Fund 28700, non-reverting, Section 15-3B-18 NMSA) was created by the Laws of 1996, Chapter 46, House bill 349 for the purpose of expenditure related to necessary repair, renovation and purchase of physical plant equipment for public buildings owned by the state and under the control of the Facilities Maintenance Division. The fund shall consist of appropriations, building use fees, gifts, grants, donations and bequests.

**Procurement Assistance Program Fund**

The Procurement Assistance Program Fund (Fund 58500, reverting and non-reverting, 13-1-185 NMSA 1978) was established as a separate fund in fiscal year 1999. The purpose of separating this activity from the General Fund activities of the State Purchasing Division is to simplify accounting and reporting for its revenues, which include both vendor fees and a federal grant.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
COMBINING BALANCE SHEET – NON-MAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2016**

	12500 Administrative Costs	28600 Purchasing Division Fees	28700 Public Buildings Repair	58500 Procurement Assistance Program	Total
<b>ASSETS</b>					
Investment in the State General Fund Investment Pool	\$ 298,712	\$ 3,791,268	\$ 1,165,029	\$ -	\$ 5,255,009
Receivables:					
Interest Receivable	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Due from Other Agencies	-	-	-	-	-
Other Assets	-	-	-	-	-
Inventories	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 298,712</b>	<b>\$ 3,791,268</b>	<b>\$ 1,165,029</b>	<b>\$ -</b>	<b>\$ 5,255,009</b>
<b>LIABILITIES</b>					
Due to the State General Fund Investment Pool	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Payable	76,487	88,815	168,495	-	333,797
Unearned Revenue	-	-	-	-	-
Accrued Payroll	-	25,447	-	-	25,447
Due to Other Funds	-	-	-	-	-
Due to State General Fund	-	-	-	-	-
Due to Other Agencies	-	-	-	-	-
<b>Total Liabilities</b>	<b>76,487</b>	<b>114,262</b>	<b>168,495</b>	<b>-</b>	<b>359,244</b>
<b>FUND BALANCES</b>					
Nonspendable:					
Inventories	-	-	-	-	-
Restricted	222,225	3,677,006	996,534	-	4,895,765
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balances</b>	<b>222,225</b>	<b>3,677,006</b>	<b>996,534</b>	<b>-</b>	<b>4,895,765</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 298,712</b>	<b>\$ 3,791,268</b>	<b>\$ 1,165,029</b>	<b>\$ -</b>	<b>\$ 5,255,009</b>



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES – NON-MAJOR SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2016**

	12500 Administrative Costs	28600 Purchasing Division Fees	28700 Public Buildings Repair	58500 Procurement Assistance Program	Total
<b>REVENUES</b>					
Service Fees/Premiums	\$ -	\$ 1,801,695	\$ 99,119	\$ -	\$ 1,900,814
Interest Income	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues	<u>-</u>	<u>1,801,695</u>	<u>99,119</u>	<u>-</u>	<u>1,900,814</u>
<b>EXPENDITURES</b>					
Current Expenditures:					
Personnel Services	-	632,206	-	-	632,206
Employee Benefits	-	285,196	-	-	285,196
In-State Travel	4,831	720	-	-	5,551
Out-of-State Travel	372	-	-	-	372
Maintenance and Repairs	-	21,027	310,729	-	331,756
Supplies	20,602	38,155	-	-	58,757
Contractual Services	1,464,709	104,424	1,020,779	-	2,589,912
Operating Costs	77,406	37,573	114,660	-	229,639
Other Costs	-	13,819	-	-	13,819
Capital Outlay	-	19,521	-	-	19,521
Total Expenditures	<u>1,567,920</u>	<u>1,152,641</u>	<u>1,446,168</u>	<u>-</u>	<u>4,166,729</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,567,920)	649,054	(1,347,049)	-	(2,265,915)
<b>OTHER FINANCING SOURCES (USES)</b>					
Severance Tax Bond Proceeds	-	-	-	-	-
Intra-Agency Transfer	728,845	(540,700)	-	-	188,145
Transfers:					
General and Special Appropriations	-	-	-	-	-
Reversions to State General Fund	-	-	-	-	-
Other State Agency Transfers	-	-	-	-	-
Net Other Financing Sources (Uses)	<u>728,845</u>	<u>(540,700)</u>	<u>-</u>	<u>-</u>	<u>188,145</u>
<b>NET CHANGE IN FUND BALANCES</b>	(839,075)	108,354	(1,347,049)	-	(2,077,770)
Fund Balances - Beginning	<u>1,061,300</u>	<u>3,568,652</u>	<u>2,343,583</u>	<u>-</u>	<u>6,973,535</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 222,225</u>	<u>\$ 3,677,006</u>	<u>\$ 996,534</u>	<u>\$ -</u>	<u>\$ 4,895,765</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
MAJOR AND NON-MAJOR FUNDS  
YEAR ENDED JUNE 30, 2016**

**CAPITAL PROJECTS FUNDS DESCRIPTIONS:**

**Capitol Buildings Repair Fund – Major Fund**

The Capitol Buildings Repair Fund (Fund 86300) was created by the Laws of 2001, Chapter 19, Section 17, to account for repairs, remodeling and equipping of capitol buildings and adjacent lands and to repair or replace building machinery and building equipment located in capitol buildings. Financing is provided through transfers from the State Land Office and the State Investment Council of all income, including earnings on investments, derived from lands granted to the State by the U.S. Congress for legislative, executive and judicial public buildings. Balances in this fund are non-reverting. Two percent of this fund shall be transferred annually to a “state capital maintenance fund”, hereby created, as a special perpetual fund for the upkeep and maintenance of the capitol renovation and capital grounds.

**Property Control Reserve Fund**

The Property Control Reserve Fund (Fund 78500) was created by the Laws of 1998, Chapter 58 (15-3-24.2, NMSA 1978) for the purpose of providing a reserve account from which the Facilities Maintenance Division can purchase or construct state office buildings. Such buildings are to be purchased or built to alleviate the State’s reliance on leased offices in Santa Fe, New Mexico. Fund revenues consist mainly of proceeds from the sale of property under the division’s control. Expenditures are subject to legislative appropriations and balances are non-reverting.

**Capital Improvement Funds (Various)**

The Capital Improvement Funds are used to account for the acquisition, improvement, alteration or reconstruction of long-term assets, including land, buildings, machinery, furniture and equipment. The Capital Improvement Funds are appropriated to the Facilities Maintenance Division for capital out projects specified by the Legislature in accordance with State statutes. The primary sources of financing for Capital Projects and Capital Improvement Funds are provided through State General Fund appropriations, severance tax bond proceeds and general obligation bond proceeds.

The Capital Improvement Funds include the following:

- 28500 Tobacco Tax: DOH Facilities - reverting
- 97000 Laws of 2005 – reverting
- 35500 Laws of 1999 – reverting
- 64100 Laws of 2006 – reverting
- 24900 Laws of 2015 – reverting
- 93100 General Fund Projects - reverting
- 89200 Severance Tax Bond (STB) Projects (Major Fund) – reverting

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
COMBINING BALANCE SHEET – NON-MAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2016**

	78500 Property Control Reserve	28500 Tobacco Tax: DOH Facilities	97000 Laws of 2005	35500 Laws of 1999	64100 Laws of 2006	24900 Laws of 2015	93100 General Fund Projects	Total
<b>ASSETS</b>								
Investment in the State General Fund	\$ 1,535,684	\$ 1,649,458	\$ -	\$ -	\$ 69,693	\$ 3,888,919	\$ -	\$ 7,143,754
Receivables:								
Interest Receivable	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
Due from Other Agencies	-	-	2,669,219	-	-	-	-	2,669,219
Other Assets	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,535,684</b>	<b>\$ 1,649,458</b>	<b>\$ 2,669,219</b>	<b>\$ -</b>	<b>\$ 69,693</b>	<b>\$ 3,888,919</b>	<b>\$ -</b>	<b>\$ 9,812,973</b>
<b>LIABILITIES</b>								
Due to the State General Fund Investment Pool	\$ -	\$ -	\$ 1,298,037	\$ -	\$ -	\$ -	\$ -	\$ 1,298,037
Accounts Payable	-	-	1,364,916	-	-	58,902	-	1,423,818
Unearned Revenue	-	-	-	-	-	-	-	-
Accrued Payroll	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-
Due to State General Fund	-	-	-	-	-	-	-	-
Due to Other Agencies	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>2,662,953</b>	<b>-</b>	<b>-</b>	<b>58,902</b>	<b>-</b>	<b>2,721,855</b>
<b>FUND BALANCES (DEFICIT)</b>								
Nonspendable:								
Inventories	-	-	-	-	-	-	-	-
Restricted	1,535,684	1,649,458	6,266	-	69,693	3,830,017	-	7,091,118
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>1,535,684</b>	<b>1,649,458</b>	<b>6,266</b>	<b>-</b>	<b>69,693</b>	<b>3,830,017</b>	<b>-</b>	<b>7,091,118</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,535,684</b>	<b>\$ 1,649,458</b>	<b>\$ 2,669,219</b>	<b>\$ -</b>	<b>\$ 69,693</b>	<b>\$ 3,888,919</b>	<b>\$ -</b>	<b>\$ 9,812,973</b>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES – NON-MAJOR CAPITAL PROJECTS FUNDS  
YEAR ENDED JUNE 30, 2016**

	78500 Property Control Reserve	28500 Tobacco Tax: DOH Facilities	97000 Laws of 2005	35500 Laws of 1999	64100 Laws of 2006	24900 Laws of 2015	93100 General Fund Projects	Total
<b>REVENUES</b>								
Service Fees/Premiums	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	28,937	-	-	-	-	28,937
Interest Income	3,495	-	-	-	-	-	-	3,495
Other	4,500	-	-	-	2,870	-	-	7,370
Total Revenues	7,995	-	28,937	-	2,870	-	-	39,802
<b>EXPENDITURES</b>								
Current:								
Personnel Services	-	-	-	-	-	-	-	-
Employee Benefits	-	-	-	-	-	-	-	-
In-State Travel	-	-	-	-	-	-	-	-
Out-of-State Travel	-	-	-	-	-	-	-	-
Maintenance & repairs	9,034	-	-	-	-	-	-	9,034
Supplies	-	-	-	-	-	-	-	-
Contractual Services	-	-	28,469	-	-	-	-	28,469
Operating Costs	-	-	-	-	-	-	-	-
Other Costs	-	-	-	-	-	-	-	-
Capital Outlay	-	-	8,672,282	-	-	536,538	-	9,208,820
Total Expenditures	9,034	-	8,700,751	-	-	536,538	-	9,246,323
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,039)	-	(8,671,814)	-	2,870	(536,538)	-	(9,206,521)
<b>OTHER FINANCING SOURCES (USES)</b>								
Severance Tax Bond Proceeds	-	-	-	-	-	-	-	-
Intra-Agency Transfers	-	-	(45,025)	-	-	438,500	-	393,475
Transfers:								
General Appropriations	-	-	-	-	-	-	-	-
Reversions to State General Fund	-	-	-	-	-	-	-	-
Other State Agency Transfers	-	-	8,717,307	-	-	3,928,055	-	12,645,362
Total Other Financing Sources (Uses)	-	-	8,672,282	-	-	4,366,555	-	13,038,837
<b>NET CHANGE IN FUND BALANCES</b>	(1,039)	-	468	-	2,870	3,830,017	-	3,832,316
<b>Fund Balances - Beginning</b>	1,536,723	1,649,458	5,798	-	66,823	-	-	3,258,802
<b>FUND BALANCES - ENDING</b>	\$ 1,535,684	\$ 1,649,458	\$ 6,266	\$ -	\$ 69,693	\$ 3,830,017	\$ -	\$ 7,091,118

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
NON-MAJOR SPECIAL REVENUE FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS)  
YEAR ENDED JUNE 30, 2016**

	ADMINISTRATIVE COSTS			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds	-	-	-	-
Appropriations	-	-	-	-
Interest	-	-	-	-
Budgeted Fund Balance	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	-	-	728,845	728,845
Total Revenues and Other Financing Sources	-	-	728,845	<u>\$ 728,845</u>
Fund Balance	<u>2,051,529</u>	<u>2,051,529</u>		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	<u><u>\$ 2,051,529</u></u>	<u><u>\$ 2,051,529</u></u>		
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	1,699,252	1,699,252	1,464,709	234,543
Other Costs	127,577	127,577	103,211	24,366
Other Financing Uses	224,700	224,700	-	224,700
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u><u>\$ 2,051,529</u></u>	<u><u>\$ 2,051,529</u></u>	1,567,920	<u>\$ 483,609</u>
<b>NET CHANGE IN FUND BALANCE</b>			(839,075)	
<b>FUND BALANCE, JULY 1, 2015</b>			<u>1,061,300</u>	
<b>FUND BALANCE, JUNE 30, 2016</b>			<u><u>\$ 222,225</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
NON-MAJOR SPECIAL REVENUE FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	PURCHASING DIVISION FEES			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ 3,703,100	\$ 3,743,100	\$ 1,801,695	\$ (1,941,405)
Severance Tax Bond Proceeds	-	-	-	-
Appropriations	-	-	-	-
Interest	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	-	-	-	-
Total Revenues and Other Financing Sources	3,703,100	3,743,100	1,801,695	<u>\$ (1,941,405)</u>
Fund Balance	-	-		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	<u>\$ 3,703,100</u>	<u>\$ 3,743,100</u>		
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ 1,049,000	\$ 989,000	917,402	\$ 71,598
Contractual Services	1,985,200	2,065,200	104,424	1,960,776
Other Costs	128,200	148,200	130,815	17,385
Other Financing Uses	540,700	540,700	540,700	-
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 3,703,100</u>	<u>\$ 3,743,100</u>	<u>1,693,341</u>	<u>\$ 2,049,759</u>
<b>NET CHANGE IN FUND BALANCE</b>			108,354	
<b>FUND BALANCE, JULY 1, 2015</b>			<u>3,568,652</u>	
<b>FUND BALANCE, JUNE 30, 2016</b>			<u>\$ 3,677,006</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
NON-MAJOR SPECIAL REVENUE FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	PUBLIC BUILDINGS REPAIR			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ 2,229,157	\$ 2,229,157	\$ 99,119	\$ (2,130,038)
Severance Tax Bond Proceeds	-	-	-	-
Appropriations	-	-	-	-
Interest	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	-	-	-	-
Total Revenues and Other Financing Sources	2,229,157	2,229,157	99,119	<u>\$ (2,130,038)</u>
Fund Balance	-	-		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	<u>\$ 2,229,157</u>	<u>\$ 2,229,157</u>		
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	1,629,157	1,629,157	1,020,779	608,378
Other Costs	600,000	600,000	425,389	174,611
Other Financing Uses	-	-	-	-
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 2,229,157</u>	<u>\$ 2,229,157</u>	1,446,168	<u>\$ 782,989</u>
<b>NET CHANGE IN FUND BALANCE</b>			(1,347,049)	
<b>FUND BALANCE, JULY 1, 2015</b>			2,343,583	
<b>FUND BALANCE, JUNE 30, 2016</b>			<u>\$ 996,534</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
NON-MAJOR SPECIAL REVENUE FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	PROCUREMENT ASSISTANCE PROGRAM			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds	-	-	-	-
Appropriations	-	-	-	-
Interest	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	-	-	-	-
	<hr/>		<hr/>	
Total Revenues and Other Financing Sources	-	-	-	<u>\$ -</u>
Fund Balance	<hr/> -	<hr/> -		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	<u>\$ -</u>	<u>\$ -</u>		
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Financing Uses	-	-	-	-
	<hr/>		<hr/>	
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>NET CHANGE IN FUND BALANCE</b>				-
<b>NON-BUDGETED RECONCILING ITEMS</b>				
Reversions to State General Fund				
<b>NET CHANGE IN FUND BALANCE</b>				-
<b>FUND BALANCE, JULY 1, 2015</b>			<hr/> -	
<b>FUND BALANCE, JUNE 30, 2016</b>			<u>\$ -</u>	



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS)  
YEAR ENDED JUNE 30, 2016**

	PROPERTY CONTROL RESERVE FUND			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Over (Under)
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds	-	-	-	-
Appropriations	-	-	-	-
Interest	-	-	3,495	3,495
Other Revenues	-	-	4,500	4,500
Other Financing Sources	-	-	-	-
	-	-	-	-
Total Revenues and Other Financing Sources	-	-	7,995	<u>\$ 7,995</u>
Fund Balance	16,870	16,870	-	
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	<u>\$ 16,870</u>	<u>\$ 16,870</u>	7,995	
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	16,870	16,870	9,034	7,836
Other Uses	-	-	-	-
	-	-	-	-
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 16,870</u>	<u>\$ 16,870</u>	9,034	<u>\$ 7,836</u>
<b>NET CHANGE IN FUND BALANCE</b>			(1,039)	
<b>FUND BALANCE, JULY 1, 2015</b>			<u>1,536,723</u>	
<b>FUND BALANCE, JUNE 30, 2016</b>			<u>\$ 1,535,684</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	TOBACCO TAX: DOH FACILITIES			
	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final	Amounts (Budgetary Basis)	
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Total Revenue	-	-	-	<u>\$ -</u>
Total Revenues and Other Financing Sources	-	-	-	
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	<u>\$ -</u>	<u>\$ -</u>	-	
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Financing Uses	-	-	-	-
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>NET CHANGE IN FUND BALANCE</b>			-	
<b>FUND BALANCE, JULY 1, 2015</b>			<u>1,649,458</u>	
<b>FUND BALANCE, JUNE 30, 2016</b>			<u>\$ 1,649,458</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	LAWS OF 2005			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Over (Under)
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	28,937	28,937
Appropriations	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	<u>5,767,088</u>	<u>22,944,584</u>	<u>8,717,307</u>	<u>(14,227,277)</u>
Total Revenues and Other Financing Sources	5,767,088	22,944,584	8,746,244	<u><u>\$(14,198,340)</u></u>
Fund Balance	-	<u>(5,741,388)</u>	-	
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	<u><u>\$ 5,767,088</u></u>	<u><u>\$ 17,203,196</u></u>	8,746,244	
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	25,700	28,487	28,469	18
Other Costs	5,741,388	17,129,684	8,672,282	8,457,402
Other Financing Uses	-	45,025	45,025	45,025
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u><u>\$ 5,767,088</u></u>	<u><u>\$ 17,203,196</u></u>	<u>8,745,776</u>	<u><u>\$ 8,502,445</u></u>
<b>NET CHANGE IN FUND BALANCE</b>			468	
<b>FUND BALANCE, JULY 1, 2015</b>			<u>5,798</u>	
<b>FUND BALANCE, JUNE 30, 2016</b>			<u><u>\$ 6,266</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	LAWS OF 1999			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance Over (Under)
	Original	Final		
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds			-	-
Appropriations	-	-	-	-
Interest	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	-	-	-	-
	<hr/>			
Total Revenues and Other Financing Sources	-	-	-	<u><u>\$ -</u></u>
Fund Balance	-	-	-	
	<hr/>			
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	-	
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Financing Uses	-	-	-	-
	<hr/>			
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	-	<u><u>\$ -</u></u>
<b>NON-BUDGETED RECONCILING ITEMS</b>				
Reversions of Capital Project Funds			<hr/>	-
<b>NET CHANGE IN FUND BALANCE</b>				-
<b>FUND BALANCE, JULY 1, 2015</b>			<hr/>	-
<b>FUND BALANCE, JUNE 30, 2016</b>			<u><u>\$ -</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	LAWS OF 2006			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Over (Under)
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds	-	-	-	-
Appropriations	-	-	-	-
Interest	-	-	-	-
Other Revenues	-	-	2,870	2,870
Other Financing Sources	-	-	-	-
	-	-	-	-
Total Revenues and Other Financing Sources	-	-	2,870	<u>\$ 2,870</u>
Fund Balance	-	-	-	
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	<u>\$ -</u>	<u>\$ -</u>	2,870	
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Uses	-	-	-	-
	-	-	-	-
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>NET CHANGE IN FUND BALANCE</b>			2,870	
<b>FUND BALANCE, JULY 1, 2015</b>			<u>66,823</u>	
<b>FUND BALANCE, JUNE 30, 2016</b>			<u>\$ 69,693</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	LAWS OF 2015			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Over (Under)
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds				-
Appropriations	-	-	-	-
Interest	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	4,550,000	4,550,000	4,366,555	(183,445)
<b>Total Revenues and Other Financing Sources</b>	4,550,000	4,550,000	4,366,555	<u>\$ (183,445)</u>
Fund Balance	-	-	-	
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	<u>\$ 4,550,000</u>	<u>\$ 4,550,000</u>	4,366,555	
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	4,408,000	4,408,000	536,538	3,871,462
Other Costs	142,000	142,000	-	142,000
Other Uses	-	-	-	-
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 4,550,000</u>	<u>\$ 4,550,000</u>	536,538	<u>\$ 4,013,462</u>
<b>NET CHANGE IN FUND BALANCE</b>			3,830,017	
<b>FUND BALANCE, JULY 1, 2015</b>			-	
<b>FUND BALANCE, JUNE 30, 2016</b>			<u>\$ 3,830,017</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	GENERAL FUND PROJECTS			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Over (Under)
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds			-	-
Other Financing Sources	-	-	-	-
				<u>-</u>
Total Revenues and Other Financing Sources	-	-	-	<u>\$ -</u>
Fund Balance	-	-	-	
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	<u>\$ -</u>	<u>\$ -</u>	-	
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Uses	-	-	-	-
				<u>-</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
<b>NET CHANGE IN FUND BALANCE</b>			<u>-</u>	
<b>FUND BALANCE, JULY 1, 2015</b>			-	
<b>FUND BALANCE, JUNE 30, 2016</b>			<u>\$ -</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	CAPITOL BUILDING REPAIR			
	Budgeted Amounts		Actual	Variance Over (Under)
	Original	Final	Amounts (Budgetary Basis)	
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ -	\$ -	\$ 763,249	\$ 763,249
Interest	-	-	7,081,596	7,081,596
Other Revenues			66,235	66,235
Other Financing Sources	14,589,445	14,589,445	1,466,603	(13,122,842)
 Total Revenues and Other Financing Sources	 14,589,445	 14,589,445	 9,377,683	 <u>\$ (5,211,762)</u>
 Fund Balance	 -	 -	 -	
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	<u>\$ 14,589,445</u>	<u>\$ 14,589,445</u>	9,377,683	
<b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	365,295	365,295	-	365,295
Other Costs	8,808,320	8,807,630	7,022,291	1,785,339
Other Uses	3,206,711	3,207,401	118,320	3,089,081
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 12,380,326</u>	<u>\$ 12,380,326</u>	7,140,611	<u>\$ 5,239,715</u>
<b>NET CHANGE IN FUND BALANCE</b>			2,237,072	
<b>FUND BALANCE, JULY 1, 2015</b>			<u>9,382,424</u>	
<b>FUND BALANCE, JUNE 30, 2016</b>			<u>\$ 11,619,496</u>	



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENDITURES –  
CAPITAL PROJECTS FUNDS – BUDGET AND ACTUAL  
(BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	SEVERANCE TAX BOND PROJECTS			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis)	Over (Under)
<b>REVENUES AND OTHER FINANCING SOURCES</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
Severance Tax Bond Proceeds	380,063,317	148,519,924	23,760,663	(124,759,261)
Appropriations	-	-	-	-
Other Revenues	-	-	-	-
Other Financing Sources	-	-	-	-
 Total Revenues and Other Financing Sources	 380,063,317	 148,519,924	 23,760,663	 <u>\$ (124,759,261)</u>
 Fund Balance	 -	 -	 -	
 <b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING FUND BALANCE BUDGETED</b>	 <u>\$ 380,063,317</u>	 <u>\$ 148,519,924</u>	 23,760,663	
 <b>EXPENDITURES AND OTHER FINANCING USES</b>				
Personnel Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	146,013,933	146,013,933	23,256,663	122,757,270
Other Financing Uses	2,505,991	2,505,991	504,000	2,001,991
 <b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	 <u>\$ 148,519,924</u>	 <u>\$ 148,519,924</u>	 23,760,663	 <u>\$ 124,759,261</u>
 <b>NET CHANGE IN FUND BALANCE</b>				 -
 <b>FUND BALANCE, JULY 1, 2015</b>				 -
 <b>FUND BALANCE, JUNE 30, 2016</b>			 <u>\$ -</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
MAJOR AND NON-MAJOR FUNDS  
YEAR ENDED JUNE 30, 2016**

**ENTERPRISE FUNDS DESCRIPTIONS:**

**Administrative Services Division and Office of the Secretary**

The Administrative Services Division and Office of the Secretary (Fund 19700, non-reverting) provides program support for the Department. Both Divisions were separated from the General Fund in fiscal year 2002. The Office of the Secretary is responsible to the Governor for the operations of the Department. It is his duty to manage all operations of the Department and to administer and enforce the laws with which he or the Department is charged. The Administrative Services Division provides financial, purchasing, budget and personnel-related services for its parent agency, the General Services Department.

**Transportation Services Division**

**State Transportation Pool** (Major Fund 36500, non-reverting, Chapter 15, Article 8, NMSA 1978) provides transportation for all state agencies in the Santa Fe and Albuquerque, New Mexico areas.

**Surplus Property Bureau** (Fund 36000, non-reverting, Section 15-4-3 NMSA 1978) administers federal and state surplus property. The surplus property is sold to qualified organizations at a discounted fee prescribed by the United States General Services Administration.

**State Aircraft Pool** (Fund 41700, non-reverting, Aviation Services Fund, Section 15-9-4.1 NMSA 1978) provides transportation services via the State aircraft to all governmental entities.

**Communications Division**

**State Printing** (Fund 80600, non-reverting) is responsible for all large printing work for the State Government agencies.

**Risk Management Division**

**Public Liability** (Major Fund 35700, non-reverting, Section 15-7-2 NMSA 1978) provides for liability insurance for State agencies and their employees and for any local public body participating in this fund and pays claims and judgments against governmental entities or their employees covered by a certificate of coverage. Financing is provided through collections and transfers from governmental entities and interest on invested funds. This is a major fund.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
MAJOR AND NON-MAJOR FUNDS  
YEAR ENDED JUNE 30, 2016**

**ENTERPRISE FUNDS DESCRIPTIONS - continued:**

**Risk Management Division - continued**

**Workers' Compensation Retention** (Major Fund 35900, non-reverting, Section 15-7-6 NMSA 1978) accounts for the purchase and administration of workers' compensation insurance and provides appropriate reserves for workers' compensation coverage for employees of the State agencies. Financing is provided through the collection and transfer of funds from State agencies for workers' compensation, and from interest earned on investments.

**Group Insurance Premium Stabilization** (Major Fund 75200, non-reverting, Section 15-7-2C NMSA 1978) is used to account for premiums collected under the Consolidated Omnibus Budget Reconciliation Act (COBRA) from former employees of the Department who have elected to continue their health insurance coverage with the Department's carrier, and for retiree participation in the group insurance plans.

This fund is also used to account for money appropriated, employers' contributions, employees' contributions, insurance proceeds and other income from group life, vision care, dental care, health and disability insurance plans.

**Risk Management Operating Account** (Fund 35200, non-reverting) serves as an enterprise fund to the other Risk Funds within the Risk Management Division. The Operating Account assesses an administrative fee to the Risk Funds and is reflected in income. The Risk Funds report the assessment as part of expenses within each Risk Fund.

**State Unemployment Compensation Reserve** (Major Fund 35300, non-reverting, Section 15-7-2 NMSA 1978) accounts for the administration of all contributions collected and payments made to beneficiaries pursuant to the Unemployment Compensation Law. The fund is self-insured and financing is provided through billings to State government agencies and interest on invested funds.

**Local Public Body (LPB) Unemployment Compensation** (Fund 35400, non-reverting, Section 15-7-2 NMSA 1978) accounts for the administration of unemployment compensation benefits paid to public employees of local public bodies of the State of New Mexico who have agreed to participate in the fund activity. Financing is provided through assessments made to local public bodies pursuant to the rate schedule prescribed by the Risk Management Division and interest on invested funds.

**Surety Bond** (Fund 35800, non-reverting, Section 15-7-2 NMSA 1978) accounts for surety bond coverage of all or any portion of the surety bond risk of State agencies covered by a surety bond certificate of coverage issued by the Department. Financing is provided through the collection or transfer of funds from each State agency to cover costs of coverage of employees of that agency, and from interest earned on investments.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
MAJOR AND NON-MAJOR FUNDS  
YEAR ENDED JUNE 30, 2016**

**MAJOR AND NON-MAJOR FUNDS**

**ENTERPRISE FUNDS DESCRIPTIONS - continued:**

**Risk Management Division - continued**

**Public Property Reserve** (Fund 35600, non-reverting, Section 15-7-2 NMSA 1978) accounts for the purchase and administration of property insurance and the payment of any claim covered by a certificate of coverage, used by the Risk Management Division. Financing is provided through assessments to State agencies. Interest on invested funds is retained in the State of New Mexico General Fund.

Rates of the Risk Management Division are based upon the costs of insurance coverage purchased from third-party carriers or the direct cost of coverage for any risk not insured. Rates are also weighted to reflect the respective risk of each agency.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
COMBINING STATEMENT OF NET POSITION –  
NON-MAJOR ENTERPRISE FUNDS  
JUNE 30, 2016**

	19700	36000	41700	80600
	Administrative Services Division	Surplus Property Bureau	State Aircraft Pool	State Printing
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Investment in the State General Fund Investment Pool	\$ 519,779	\$ 483,566	\$ 398,169	\$ -
Receivables:				
Interest Receivable	-	-	-	-
Accounts/Trade Receivables	7,232	11,167	38,529	137,562
Allowance for Doubtful Accounts	-	(4,664)	(20,068)	(53,102)
Due from Other Funds	-	-	-	-
Due from Other Agencies	-	440	-	112
Other Assets	-	-	-	-
Inventories	6,373	-	-	-
	<u>6,373</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Current Assets	533,384	490,509	416,630	84,572
 <b>NON-CURRENT ASSETS</b>				
Capital Assets	433,618	144,329	2,477,372	1,481,259
Accumulated Depreciation	<u>(343,761)</u>	<u>(120,112)</u>	<u>(757,999)</u>	<u>(1,394,701)</u>
Total Non-Current Assets	<u>89,857</u>	<u>24,217</u>	<u>1,719,373</u>	<u>86,558</u>
 <b>TOTAL ASSETS</b>	 <u>\$ 623,241</u>	 <u>\$ 514,726</u>	 <u>\$ 2,136,003</u>	 <u>\$ 171,130</u>

35200 Risk Management Operating Account	35400 LPB Unemployment Compensation	35800 Surety Bond	35600 Public Property Reserve	Total
\$ 1,756,859	\$ 6,159,714	\$ 493,614	\$ 10,537,465	\$ 20,349,166
-	-	-	-	-
-	159,526	253,235	639,861	1,247,112
-	(159,526)	(247,959)	(639,861)	(1,125,180)
-	-	-	-	-
-	-	-	-	552
-	-	-	-	-
-	-	-	-	6,373
1,756,859	6,159,714	498,890	10,537,465	20,478,023
48,152	-	-	-	4,584,730
(23,309)	-	-	-	(2,639,882)
24,843	-	-	-	1,944,848
<u>\$ 1,781,702</u>	<u>\$ 6,159,714</u>	<u>\$ 498,890</u>	<u>\$ 10,537,465</u>	<u>\$ 22,422,871</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
COMBINING STATEMENT OF NET POSITION –  
NON-MAJOR ENTERPRISE FUNDS (CONTINUED)  
JUNE 30, 2016 JUNE 30, 2016**

	19700	36000	41700	80600
	Administrative Services Division	Surplus Property Bureau	State Aircraft Pool	State Printing
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>LIABILITIES AND NET ASSETS</b>				
<b>LIABILITIES</b>				
Current Liabilities:				
Due to the State General				
Fund Investment Pool	\$ -	\$ -	\$ -	\$ 156,741
Claims Payable	-	-	-	-
Accounts Payable	119,853	2,140	5,030	131,909
Unearned Revenue	-	-	-	-
Accrued Payroll	101,941	20,389	9,279	16,165
Due to Other Funds	-	-	-	-
Due to Other Agencies	16,186	-	-	303
Compensated Absences	105,055	26,480	23,128	14,422
	<u>343,035</u>	<u>49,009</u>	<u>37,437</u>	<u>319,540</u>
Total Current Liabilities				
	343,035	49,009	37,437	319,540
<b>LONG-TERM LIABILITIES</b>				
Claims Payable	-	-	-	-
Compensated Absences	23,061	5,813	5,077	3,166
	<u>23,061</u>	<u>5,813</u>	<u>5,077</u>	<u>3,166</u>
Total Long-Term Liabilities				
	23,061	5,813	5,077	3,166
Total Liabilities				
	366,096	54,822	42,514	322,706
<b>NET POSITION</b>				
Investment in Capital Assets	89,857	24,217	1,719,373	86,558
Unrestricted	167,288	435,687	374,116	(238,134)
	<u>257,145</u>	<u>459,904</u>	<u>2,093,489</u>	<u>(151,576)</u>
Total Net Position				
	257,145	459,904	2,093,489	(151,576)
<b>TOTAL LIABILITIES AND NET POSITION</b>				
	<u>\$ 623,241</u>	<u>\$ 514,726</u>	<u>\$ 2,136,003</u>	<u>\$ 171,130</u>

35200 Risk Management Operating Account	35400 LPB Unemployment Compensation	35800 Surety Bond	35600 Public Property Reserve	Total
\$ -	\$ -	\$ -	\$ -	\$ 156,741
-	1,024,733	2,948	1,370,436	2,398,117
29,399	256,819	-	-	545,150
-	-	-	-	-
114,503	-	-	-	262,277
-	-	-	-	-
-	-	-	-	16,489
87,880	-	-	-	256,966
231,782	1,281,552	2,948	1,370,436	3,635,740
-	-	1,935	263,949	265,884
19,291	-	-	-	56,407
19,291	-	1,935	263,949	322,291
251,073	1,281,552	4,883	1,634,385	3,958,031
24,843	-	-	-	1,944,848
1,505,786	4,878,162	494,007	8,903,080	16,519,992
1,530,629	4,878,162	494,007	8,903,080	18,464,840
<u>\$ 1,781,702</u>	<u>\$ 6,159,714</u>	<u>\$ 498,890</u>	<u>\$ 10,537,465</u>	<u>\$ 22,422,871</u>



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
IN NET POSITION – NON-MAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2016**

	19700	36000	41700	80600
	Administrative Services Division	Surplus Property Bureau	State Aircraft Pool	State Printing
<b>OPERATING REVENUE</b>				
Service Fees/Premiums	\$ 8,710	377,933	64,840	\$ 1,264,217
Interest Income	-	-	-	-
Other Revenue	1,365	224,905	-	96,007
	<u>10,075</u>	<u>602,838</u>	<u>64,840</u>	<u>1,360,224</u>
<b>OPERATING EXPENSES</b>				
Personnel Services	2,215,541	352,294	191,948	335,114
Employee Benefits	833,346	238,108	110,587	122,070
In-State Travel	1,264	635	2,490	456
Out-of-State Travel	2,837	2,934	3,625	1,455
Maintenance and Repairs	36,892	400	173,499	11,098
Supplies	170,177	15,885	2,703	197,612
Contractual Services	365,611	79,257	348	6,896
Depreciation	74,090	4,108	98,720	10,066
Operating Costs	290,585	31,166	143,559	474,884
Other Costs	1,879	67	1,795	8,678
	<u>3,992,222</u>	<u>724,854</u>	<u>729,274</u>	<u>1,168,329</u>
Total Expenses				
Operating Income (Loss)	(3,982,147)	(122,016)	(664,434)	191,895
<b>NON-OPERATING REVENUE (EXPENSE):</b>				
Intra-Agency Transfers	4,080,500	(30,200)	(24,500)	(44,900)
Gain (Loss) on Disposal of Capital Assets	-	-	-	-
Transfers:				
General Appropriations	-	-	600,300	-
Other State Agency Transfers	-	-	-	-
Other State Funds	-	-	-	-
	<u>4,080,500</u>	<u>(30,200)</u>	<u>575,800</u>	<u>(44,900)</u>
<b>TOTAL NON-OPERATING REVENUE (EXPENSE)</b>				
<b>CHANGE IN NET POSITION</b>	98,353	(152,216)	(88,634)	146,995
<b>NET POSITION, BEGINNING OF YEAR</b>	158,792	612,120	2,182,123	(298,571)
<b>NET POSITION, END OF YEAR</b>	<u>\$ 257,145</u>	<u>\$ 459,904</u>	<u>\$ 2,093,489</u>	<u>\$ (151,576)</u>

35200 Risk Management Operating Account	35400 LPB Unemployment Compensation	35800 Surety Bond	35600 Public Property Reserve	Total
\$ -	\$ 1,621,590	\$ 13,873	\$ 13,116,386	\$ 16,467,549
-	13,483	1,131	20,182	34,796
-	144,325	-	-	466,602
-	1,779,398	15,004	13,136,568	16,968,947
2,452,872	-	-	-	5,547,769
1,523,527	-	-	-	2,827,638
15,301	-	-	-	20,146
-	-	-	-	10,851
9,121	-	-	-	231,010
32,353	-	-	-	418,730
140,681	51,200	13,972	4,718,970	5,376,935
9,112	-	-	-	196,096
279,466	13,835	246,986	4,980,983	6,461,464
2,011	1,022,199	-	-	1,036,629
4,464,444	1,087,234	260,958	9,699,953	22,127,268
(4,464,444)	692,164	(245,954)	3,436,615	(5,158,321)
4,029,700	(50,000)	-	(2,545)	7,958,055
-	-	-	-	-
-	-	-	-	600,300
-	-	-	-	-
-	-	-	-	-
4,029,700	(50,000)	-	(2,545)	8,558,355
(434,744)	642,164	(245,954)	3,434,070	3,400,034
1,965,373	4,235,998	739,961	5,469,010	15,064,806
<u>\$ 1,530,629</u>	<u>\$ 4,878,162</u>	<u>\$ 494,007</u>	<u>\$ 8,903,080</u>	<u>\$ 18,464,840</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
COMBINING STATEMENT OF CASH FLOWS –  
NON-MAJOR ENTERPRISE FUNDS  
YEAR ENDED JUNE 30, 2016**

	19700	36000	41700	80600
	Administrative Services Division	Surplus Property Bureau	State Aircraft Pool	State Printing
<b>OPERATING ACTIVITIES</b>				
Premiums/Service Fees Received	\$ 10,075	\$ 602,398	\$ 62,156	\$ 1,360,404
Other Income	-	-	-	-
Cash Paid to Suppliers	(958,477)	(99,786)	(417,200)	(778,146)
Cash Paid to Employees	(3,029,548)	(568,106)	(300,450)	(453,184)
Net Cash Provided (Used) by Operating Activities	(3,977,950)	(65,494)	(655,494)	129,074
<b>NON-CAPITAL FINANCING ACTIVITIES</b>				
Appropriation From/Reversion to State General Fund	-	-	600,300	-
Transfers	4,080,500	(30,200)	(24,500)	(44,900)
Net Cash Provided (Used) by Non-Capital Financing Activities	4,080,500	(30,200)	575,800	(44,900)
<b>CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of Capital Assets	(21,406)	-	-	(84,174)
Proceeds from the Sale of Capital Assets	-	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(21,406)	-	-	(84,174)
<b>NET INCREASE (DECREASE) IN CASH</b>	81,144	(95,694)	(79,694)	-
<b>CASH, BEGINNING OF YEAR</b>	438,635	579,260	477,863	-
<b>CASH, END OF YEAR</b>	\$ 519,779	\$ 483,566	\$ 398,169	\$ -

35200 Risk Management Operating Account	35400 LPB Unemployment Program	35800 Surety Bond	35600 Public Property Reserve	Total
\$ -	\$ 1,779,781	\$ 15,004	\$ 13,137,168	\$ 16,966,986
-	-	-	-	-
(484,533)	(1,255,346)	(19,210)	(10,488,592)	(14,501,290)
<u>(3,941,791)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(8,293,079)</u>
(4,426,324)	524,435	(4,206)	2,648,576	(5,827,383)
-	-	-	-	600,300
<u>4,029,700</u>	<u>(50,000)</u>	<u>-</u>	<u>(2,545)</u>	<u>7,958,055</u>
4,029,700	(50,000)	-	(2,545)	8,558,355
(28,500)	-	-	-	(134,080)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(28,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(134,080)</u>
(425,124)	474,435	(4,206)	2,646,031	2,596,892
<u>2,181,983</u>	<u>5,685,279</u>	<u>497,820</u>	<u>7,891,434</u>	<u>17,752,274</u>
<u>\$ 1,756,859</u>	<u>\$ 6,159,714</u>	<u>\$ 493,614</u>	<u>\$ 10,537,465</u>	<u>\$ 20,349,166</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
COMBINING STATEMENT OF CASH FLOWS –  
NON-MAJOR ENTERPRISE FUNDS (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	19700	36000	41700	80600
	Administrative Services Division	Surplus Property Bureau	State Aircraft Pool	State Printing
<b>RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH FROM</b>				
<b>OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ (3,982,147)	\$ (122,016)	\$ (664,434)	\$ 191,895
Adjustments:				
Depreciation	74,090	4,108	98,720	10,066
(Increase) Decrease in Assets:				
Accounts Receivable, Interest Receivable and Due from Other Agencies and Funds	65	35,335	(2,684)	10,317
Inventories	8,545	-	-	9,398
Other Assets	-	-	-	-
Increase (Decrease) in Liabilities:				
Insurance Claim Payable	-	-	-	-
Accounts Payable and Due to Other Agencies and Funds	(97,840)	(5,217)	(89,181)	(96,602)
Accrued Expenses	20,053	10,626	2,069	(527)
Accrued Compensated Absences	(716)	11,670	16	4,527
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>\$ (3,977,950)</b>	<b>\$ (65,494)</b>	<b>\$ (655,494)</b>	<b>\$ 129,074</b>

35200 Risk Management Operating Account	35400 LPB Unemployment Compensation	35800 Surety Bond	35600 Public Property Reserve	Total
\$ (4,464,444)	\$ 692,164	\$ (245,954)	\$ 3,436,615	\$ (5,158,321)
9,112	-	-	-	196,096
-	383	240,771	600	284,787
-	-	-	-	17,943
-	-	-	-	-
-	(144,325)	977	(218,391)	(361,739)
(5,601)	(23,787)	-	(570,248)	(888,476)
23,783	-	-	-	56,004
10,826	-	-	-	26,323
<u>\$ (4,426,324)</u>	<u>\$ 524,435</u>	<u>\$ (4,206)</u>	<u>\$ 2,648,576</u>	<u>\$ (5,827,383)</u>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS)  
YEAR ENDED JUNE 30, 2016**

	ADMINISTRATIVE SERVICES DIVISION			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Service Fees	\$ -	\$ -	\$ 8,710	\$ 8,710
Other Revenues	-	-	1,365	1,365
Other Financing Sources	4,255,200	4,255,200	4,080,500	(174,700)
Total Revenue	4,255,200	4,255,200	4,090,575	(164,625)
Net Position Balance	-	-		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>	<u>\$ 4,255,200</u>	<u>\$ 4,255,200</u>		
<b>EXPENSES</b>				
Personal Services and Employee Benefits	\$ 3,434,600	\$ 3,221,100	3,048,887	\$ 172,213
Contractual Services	294,000	442,500	365,611	76,889
Other Costs	526,600	591,600	503,634	87,966
Other Financing Uses	-	-	-	-
Total Expenses Before Depreciation	<u>\$ 4,255,200</u>	<u>\$ 4,255,200</u>	3,918,132	<u>\$ 337,068</u>
Depreciation Not Budgeted			74,090	
Total Expenses			<u>3,992,222</u>	
<b>CHANGE IN NET POSITION</b>			98,353	
<b>NET POSITION, JULY 1, 2015</b>			<u>158,792</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u>\$ 257,145</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	SURPLUS PROPERTY BUREAU			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Service Fees	\$ 908,200	\$ 908,200	\$ 377,933	\$ (530,267)
Other Revenues	-	-	224,905	224,905
Other Financing Sources	-	-	-	-
Total Revenue	<u>908,200</u>	<u>908,200</u>	602,838	<u>(305,362)</u>
Net Position Balance	<u>-</u>	<u>-</u>		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>	<u><u>\$ 908,200</u></u>	<u><u>\$ 908,200</u></u>		
<b>EXPENSES</b>				
Personal Services and Employee Benefits	\$ 609,600	\$ 609,600	590,402	\$ 19,198
Contractual Services	119,000	119,000	79,257	39,743
Other Costs	149,400	149,400	51,087	98,313
Other Financing Uses	<u>30,200</u>	<u>30,200</u>	<u>30,200</u>	<u>-</u>
Total Expenses Before Depreciation	<u><u>\$ 908,200</u></u>	<u><u>\$ 908,200</u></u>	750,946	<u><u>\$ 157,254</u></u>
Depreciation Not Budgeted			<u>4,108</u>	
Total Expenses			<u>755,054</u>	
<b>CHANGE IN NET POSITION</b>			(152,216)	
<b>NET POSITION, JULY 1, 2015</b>			<u>612,120</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u><u>\$ 459,904</u></u>	



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	STATE AIRCRAFT POOL			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
Appropriations	600,300	600,300	600,300	-
Interest	-	-	-	-
Other Revenues	135,000	135,000	64,840	(70,160)
Other Financing Sources	-	-	-	-
Total Revenue	<u>735,300</u>	<u>735,300</u>	665,140	<u>(70,160)</u>
Net Position Balance	<u>27,000</u>	<u>27,000</u>		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>	<u><u>\$ 762,300</u></u>	<u><u>\$ 762,300</u></u>		
<b>EXPENSES</b>				
Personal Services and Employee Benefits	\$ 304,400	\$ 304,400	302,535	\$ 1,865
Contractual Services	30,000	30,000	348	29,652
Other Costs	403,400	403,400	327,671	75,729
Other Financing Uses	24,500	24,500	24,500	-
Total Expenses Before Depreciation	<u><u>\$ 762,300</u></u>	<u><u>\$ 762,300</u></u>	655,054	<u><u>\$ 107,246</u></u>
Depreciation Not Budgeted			<u>98,720</u>	
Total Expenses			<u>753,774</u>	
<b>CHANGE IN NET POSITION</b>			(88,634)	
<b>NET POSITION, JULY 1, 2015</b>			<u>2,182,123</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u><u>\$ 2,093,489</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	STATE PRINTING			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
Service Fees	\$ 1,478,500	\$ 1,418,500	\$ 1,264,217	\$ (154,283)
Other Revenues	-	-	96,007	96,007
Total Revenue	<u>1,478,500</u>	<u>1,418,500</u>	1,360,224	<u>(58,276)</u>
Net Position Balance	<u>-</u>	<u>135,000</u>		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>	<u><u>\$ 1,478,500</u></u>	<u><u>\$ 1,553,500</u></u>		
<b>EXPENSES</b>				
Personal Services and Employee Benefits	\$ 736,600	\$ 661,600	457,184	\$ 204,416
Contractual Services	12,000	27,000	6,896	20,104
Other Costs	685,000	820,000	694,183	125,817
Other Financing Uses	<u>44,900</u>	<u>44,900</u>	<u>44,900</u>	<u>-</u>
Total Expenses Before Depreciation	<u><u>\$ 1,478,500</u></u>	<u><u>\$ 1,553,500</u></u>	1,203,163	<u><u>\$ 350,337</u></u>
Depreciation Not Budgeted			<u>10,066</u>	
Total Expenses			<u>1,213,229</u>	
<b>CHANGE IN NET POSITION</b>			146,995	
<b>NET POSITION, JULY 1, 2015</b>			<u>(298,571)</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u><u>\$ (151,576)</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	<u>RISK MANAGEMENT OPERATING ACCOUNT</u>			
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance From Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Service Fees	\$ -	\$ -	\$ -	\$ -
Other Revenues	-	-	-	-
Other Financing Sources	<u>8,968,300</u>	<u>8,968,300</u>	<u>7,406,900</u>	<u>(1,561,400)</u>
Total Revenue	<u>8,968,300</u>	<u>8,968,300</u>	<u>7,406,900</u>	<u>(1,561,400)</u>
Net Position Balance	<u>-</u>	<u>-</u>		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>	<u><u>\$ 8,968,300</u></u>	<u><u>\$ 8,968,300</u></u>		
<b>EXPENSES</b>				
Personal Services and Employee Benefits	\$ 4,850,800	\$ 4,850,800	3,976,399	\$ 874,401
Contractual Services	169,300	169,300	140,681	28,619
Other Costs	571,000	571,000	338,252	232,748
Other Financing Uses	<u>3,377,200</u>	<u>3,377,200</u>	<u>3,377,200</u>	<u>-</u>
Total Expenses Before Depreciation	<u><u>\$ 8,968,300</u></u>	<u><u>\$ 8,968,300</u></u>	<u>7,832,532</u>	<u><u>\$ 1,135,768</u></u>
Depreciation Not Budgeted			<u>9,112</u>	
Total Expenses			<u>7,841,644</u>	
<b>CHANGE IN NET POSITION</b>			(434,744)	
<b>NET POSITION, JULY 1, 2015</b>			<u>1,965,373</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u><u>\$ 1,530,629</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	<u>LOCAL PUBLIC BODY UNEMPLOYMENT COMPENSATION</u>			
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance From Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Service Fees	\$ 2,040,000	\$ 2,040,000	\$ 1,621,590	\$ (418,410)
Interest	-	-	13,483	13,483
Other Revenues	-	-	144,325	144,325
Total Revenue	<u>2,040,000</u>	<u>2,040,000</u>	1,779,398	<u>(260,602)</u>
Net Position Balance	<u>-</u>	<u>-</u>		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>	<u><u>\$ 2,040,000</u></u>	<u><u>\$ 2,040,000</u></u>		
<b>EXPENSES</b>				
Personal Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	90,000	90,000	51,200	38,800
Other Costs	1,900,000	1,900,000	1,036,034	863,966
Other Financing Uses	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total Expenses Before Depreciation	<u><u>\$ 2,040,000</u></u>	<u><u>\$ 2,040,000</u></u>	1,137,234	<u><u>\$ 902,766</u></u>
Depreciation Not Budgeted			<u>-</u>	
Total Expenses			<u>1,137,234</u>	
<b>CHANGE IN NET POSITION</b>			642,164	
<b>NET POSITION, JULY 1, 2015</b>			<u>4,235,998</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u><u>\$ 4,878,162</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	SURETY BOND			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Service Fees	\$ 87,500	\$ 87,500	\$ 13,873	\$ (73,627)
Interest	-	-	1,131	1,131
Other Revenue	-	-	-	-
Total Revenue	<u>87,500</u>	<u>87,500</u>	15,004	<u>(72,496)</u>
Net Position Balance	<u>-</u>	<u>-</u>		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>	<u>\$ 87,500</u>	<u>\$ 87,500</u>		
<b>EXPENSES</b>				
Personal Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	65,000	65,000	13,972	51,028
Other Costs	22,500	22,500	977	21,523
Other Financing Uses	-	-	-	-
Total Expenses Before Non-Budgeted Items	<u>\$ 87,500</u>	<u>\$ 87,500</u>	14,949	<u>\$ 72,551</u>
Allowance for Uncollectible Accounts Not Budgeted			246,009	
Depreciation Not Budgeted			<u>-</u>	
Total Expenses			<u>260,958</u>	
<b>CHANGE IN NET POSITION</b>			(245,954)	
<b>NET POSITION, JULY 1, 2015</b>			<u>739,961</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u>\$ 494,007</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	PUBLIC PROPERTY RESERVE			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
Service Fees	\$ 10,957,900	\$ 12,957,900	\$ 13,116,386	\$ 158,486
Interest	-	-	20,182	20,182
Other Revenue	-	-	-	-
Total Revenue	<u>10,957,900</u>	<u>12,957,900</u>	13,136,568	<u>178,668</u>
Net Position Balance	<u>-</u>	<u>-</u>		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>	<u>\$ 10,957,900</u>	<u>\$ 12,957,900</u>		
<b>EXPENSES</b>				
Personal Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	4,954,900	4,954,900	4,718,970	235,930
Other Costs	6,003,000	8,003,000	4,980,983	3,022,017
Other Uses	-	-	-	-
Total Expenses Before Depreciation	<u>\$ 10,957,900</u>	<u>\$ 12,957,900</u>	9,699,953	<u>\$ 3,257,947</u>
Transfer of Assets Not Budgeted			2,545	
Depreciation Not Budgeted			<u>-</u>	
Total Expenses			<u>9,702,498</u>	
<b>CHANGE IN NET POSITION</b>			3,434,070	
<b>NET POSITION, JULY 1, 2015</b>			<u>5,469,010</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u>\$ 8,903,080</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	<u>STATE UNEMPLOYMENT COMPENSATION RESERVE</u>			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Service Fees	\$ 20,050,000	\$ 20,050,000	\$ 7,652,512	\$ (12,397,488)
Interest	-	-	48,542	48,542
Other Revenues	-	-	-	-
Total Revenue	<u>20,050,000</u>	<u>20,050,000</u>	7,701,054	<u>(12,348,946)</u>
Net Position Balance	-	-		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>	<u>\$ 20,050,000</u>	<u>\$ 20,050,000</u>		
<b>EXPENSES</b>				
Personal Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	200,000	200,000	76,800	123,200
Other Costs	14,200,000	14,200,000	4,987,437	9,212,563
Other Financing Uses	5,650,000	5,650,000	5,650,000	-
Total Expenses Before Depreciation	<u>\$ 20,050,000</u>	<u>\$ 20,050,000</u>	10,714,237	<u>\$ 9,335,763</u>
Depreciation Not Budgeted			-	
Total Expenses			<u>10,714,237</u>	
<b>CHANGE IN NET POSITION</b>			(3,013,183)	
<b>NET POSITION, JULY 1, 2015</b>			<u>13,974,806</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u>\$ 10,961,623</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	PUBLIC LIABILITY			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
Service Fees	\$ 46,653,000	\$ 46,653,000	\$ 59,204,573	\$ 12,551,573
Interest			101,463	
Other Revenue	-	-	-	-
Total Revenue	<u>46,653,000</u>	<u>46,653,000</u>	59,306,036	<u>12,551,573</u>
Net Position Balance	-	-		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>	<u>\$ 46,653,000</u>	<u>\$ 46,653,000</u>		
<b>EXPENSES</b>				
Personal Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	16,584,400	16,584,400	12,438,413	4,145,987
Other Costs	27,934,200	27,934,200	21,518,780	6,415,420
Other Financing Uses	2,134,400	2,134,400	2,134,400	-
Total Expenses Before Depreciation	<u>\$ 46,653,000</u>	<u>\$ 46,653,000</u>	36,091,593	<u>\$ 10,561,407</u>
Transfer of Assets Not Budgeted			9,591	
Depreciation Not Budgeted			-	
Total expenses			<u>36,101,184</u>	
<b>CHANGE IN NET POSITION</b>			23,204,852	
<b>NET POSITION, JULY 1, 2015</b>			<u>(70,413,437)</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u>\$ (47,208,585)</u>	



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

WORKERS' COMPENSATION RETENTION				
	Budgeted Amounts		Actual Amounts	Variance From
	Original	Final		Final Budget Positive (Negative)
<b>REVENUES</b>				
Service Fees	\$ 22,924,500	\$ 22,924,500	\$ 23,189,964	\$ 265,464
Interest	-	-	50,031	50,031
Total Revenue	<u>22,924,500</u>	<u>22,924,500</u>	23,239,995	<u>315,495</u>
Net Position Balance	-	-		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>				
	<u>\$ 22,924,500</u>	<u>\$ 22,924,500</u>		
<b>EXPENSES</b>				
Personal Services and Employee Benefits	\$ -	\$ -	-	\$ -
Contractual Services	2,761,800	2,761,800	1,123,193	1,638,607
Other Costs	18,028,300	18,028,300	16,454,524	1,573,776
Other Financing Uses	2,134,400	2,134,400	2,134,400	-
Total Expenses Before Depreciation	<u>\$ 22,924,500</u>	<u>\$ 22,924,500</u>	19,712,117	<u>\$ 3,212,383</u>
Transfer of Assets Not Budgeted			8,091	
Depreciation Not Budgeted			-	
Total expenses			<u>19,720,208</u>	
<b>CHANGE IN NET POSITION</b>			3,519,787	
<b>NET POSITION, JULY 1, 2015</b>			<u>(30,302,794)</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u>\$(26,783,007)</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	STATE TRANSPORTATION POOL			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Service Fees	\$ 9,937,400	\$ 9,937,400	\$ 6,461,407	\$ (3,475,993)
Other Revenues	-	-	231,821	231,821
Total Revenue	<u>9,937,400</u>	<u>9,937,400</u>	6,693,228	<u>(3,244,172)</u>
Net Position Balance	<u>-</u>	<u>-</u>		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>	<u><u>\$ 9,937,400</u></u>	<u><u>\$ 9,937,400</u></u>		
<b>EXPENSES</b>				
Personal Services and Employee Benefits	\$ 1,672,200	\$ 1,672,200	1,487,634	\$ 184,566
Contractual Services	58,500	172,000	129,539	42,461
Other Costs	7,875,800	7,762,300	4,590,086	3,172,214
Other Financing Uses	330,900	330,900	330,900	-
Total Expenses Before Depreciation	<u><u>\$ 9,937,400</u></u>	<u><u>\$ 9,937,400</u></u>	6,538,159	<u><u>\$ 3,399,241</u></u>
Depreciation Not Budgeted			<u>958,190</u>	
Total Expenses			<u><u>7,496,349</u></u>	
<b>CHANGE IN NET POSITION</b>				(803,121)
<b>NET POSITION, JULY 1, 2015</b>			<u>5,953,887</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u><u>\$ 5,150,766</u></u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
STATEMENT OF REVENUES AND EXPENSES – ENTERPRISE FUNDS  
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)  
YEAR ENDED JUNE 30, 2016**

	GROUP INSURANCE PREMIUM STABILIZATION			Variance From Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
Service fees	\$ 323,622,400	\$ 343,622,400	\$344,155,953	\$ 533,553
Interest	-	-	84,554	84,554
Other revenues	-	-	-	-
Other financing sources	-	-	-	-
Total revenue	323,622,400	343,622,400	344,240,507	<u>\$ 618,107</u>
Net position balance	-	-		
<b>TOTAL REVENUES, OTHER FINANCING SOURCES AND BEGINNING NET ASSET BALANCE BUDGETED</b>	<u>\$ 323,622,400</u>	<u>\$ 343,622,400</u>		
<b>EXPENSES</b>				
Personal services and employee benefits	\$ -	\$ -	-	\$ -
Contractual services	20,712,800	20,712,800	17,658,928	3,053,872
Other costs	300,000,000	320,000,000	322,474,005	(2,474,005)
Other uses	2,909,600	2,909,600	2,909,600	-
Total expenses before depreciation	<u>\$ 323,622,400</u>	<u>\$ 343,622,400</u>	343,042,533	<u>\$ 579,867</u>
Claims Reserves Not Budgeted			2,285,678	
Transfer of Assets Not Budgeted			8,273	
Depreciation Not Budgeted			-	
Total expenses			<u>345,336,484</u>	
<b>CHANGE IN NET POSITION</b>			(1,095,977)	
<b>NET POSITION, JULY 1, 2015</b>			<u>(7,889,338)</u>	
<b>NET POSITION, JUNE 30, 2016</b>			<u>\$ (8,985,315)</u>	

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
FIDUCIARY FUNDS DESCRIPTIONS  
YEAR ENDED JUNE 30, 2016**

**Purchasing Division**

**The Bond Securities** (Fund 75100) is used to account for bid securities of contractors bidding on construction projects who elect to remit cash directly to State Purchasing instead of obtaining bonding from a surety company.

**Risk Management Division**

**The Insurance Carrier Premiums** (Fund 56100) was established in fiscal year 2001 to hold both the employer's and employee's share of vision, long-term care and life insurance premiums until they are remitted to the Davis Vision and Prudential insurance companies. The premiums are collected from state agencies, participating local public bodies and their employees.

**Administrative Services Division**

**Governor's Residence Preservation Fund** (Fund 11490) was established in fiscal year 2013 to account for gifts, donations, and bequests of money to the Governor's Residence Advisory Commission (the Commission), as well as appropriations made to the Commission. Earnings from the investment of the fund shall be credited to the fund. Expenditure of the fund shall be only for the purpose for which the Commission was created and shall be paid to the Commission upon vouchers signed by the chairman of the Commission and warrants issued by the Secretary of Finance and Administration.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
 COMBINING STATEMENT OF FIDUCIARY ASSETS  
 AND LIABILITIES - AGENCY FUNDS  
 JUNE 30, 2016**

	75100 Bond Securities	56100 Insurance Carrier Premiums	11490 Gov Residence Preservation	Total
<b>ASSETS</b>				
Investment in the State General Fund				
Investment Pool	\$ 150	\$ 1,561,878	\$ 8,527	\$ 1,570,555
Due from Other Funds	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 150</b>	<b>\$ 1,561,878</b>	<b>\$ 8,527</b>	<b>\$ 1,570,555</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	-	\$ -
Deposits Held for Others	150	1,561,878	8,527	1,570,555
<b>TOTAL LIABILITIES</b>	<b>\$ 150</b>	<b>\$ 1,561,878</b>	<b>\$ 8,527</b>	<b>\$ 1,570,555</b>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS  
JUNE 30, 2016**

	Balance as of June 30, 2015	Additions	Deletions	Balance as of June 30, 2016
<b>75100 BOND SECURITIES</b>				
<b>ASSETS</b>				
Investment in the State General Fund Investment Pool	\$ 150	\$ -	\$ -	\$ 150
<b>TOTAL ASSETS</b>	<b>\$ 150</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Deposits Held in Custody for Others	150	-	-	150
<b>TOTAL LIABILITIES</b>	<b>\$ 150</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150</b>
<b>56100 INSURANCE CARRIER PREMIUMS</b>				
<b>ASSETS</b>				
Investment in the State General Fund Investment Pool	\$ 1,914,065	\$ 8,350,445	\$ 8,702,632	\$ 1,561,878
Due from Other Funds	190	-	190	-
<b>TOTAL ASSETS</b>	<b>\$ 1,914,255</b>	<b>\$ 8,350,445</b>	<b>\$ 8,702,822</b>	<b>\$ 1,561,878</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 544,073	\$ 3,971,359	\$ 4,515,432	\$ -
Deposits Held in Custody for Others	1,370,182	8,350,445	8,158,749	1,561,878
<b>TOTAL LIABILITIES</b>	<b>\$ 1,914,255</b>	<b>\$ 12,321,804</b>	<b>\$ 12,674,181</b>	<b>\$ 1,561,878</b>

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS (CONTINUED)  
JUNE 30, 2016**

	Balance as of June 30, 2015	Additions	Deletions	Balance as of June 30, 2016
<b>11490 GOV RESIDENCE PRESERVATION</b>				
<b>ASSETS</b>				
Investment in the State General Fund Investment Pool	\$ 13,812	\$ 16,264	\$ 21,549	\$ 8,527
<b>TOTAL ASSETS</b>	<b>\$ 13,812</b>	<b>\$ 16,264</b>	<b>\$ 21,549</b>	<b>\$ 8,527</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 167	\$ 9,980	\$ 10,147	\$ -
Deposits Held in Custody for Others	13,645	16,278	21,396	8,527
<b>TOTAL LIABILITIES</b>	<b>\$ 13,812</b>	<b>\$ 26,258</b>	<b>\$ 31,543</b>	<b>\$ 8,527</b>

	Balance as of June 30, 2015	Additions	Deletions	Balance as of June 30, 2016
<b>TOTAL ALL AGENCY FUNDS</b>				
<b>ASSETS</b>				
Investment in the State General Fund Investment Pool	\$ 1,928,027	\$ 8,366,709	\$ 8,724,181	\$ 1,570,555
Due from Other Funds	190	-	190	-
<b>TOTAL ASSETS</b>	<b>\$ 1,928,217</b>	<b>\$ 8,366,709</b>	<b>\$ 8,724,371</b>	<b>\$ 1,570,555</b>
<b>LIABILITIES</b>				
Accounts Payable	\$ 544,240	\$ 3,981,339	\$ 4,525,579	\$ -
Deposits Held in Custody for Others	1,383,977	8,366,723	8,180,145	1,570,555
<b>TOTAL LIABILITIES</b>	<b>\$ 1,928,217</b>	<b>\$ 12,348,062</b>	<b>\$ 12,705,724</b>	<b>\$ 1,570,555</b>

**GENERAL SERVICES DEPARTMENT**  
**SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED**  
**YEAR ENDED JUNE 30, 2016**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
13 350 6005 0004 06	Prof. Serv. Comp.		Health Benefit Svcs for RMD/HB	0000048862	Presbyterian	\$ 162,129,000	\$ 163,129,000				Health Benefit Svcs for RMD/HB
13 350 6005 0006 05	Prof. Serv. Comp.		Health Benefits for RMD/HB	0000013471	Blue Cross Blue Shield	\$ 101,000,000	\$ 101,000,000				Health Benefits for RMD/HB
14 350 4905 0001 02	Prof. Serv. Small Purch.		Legal Representation for RMD	0000105800	Paul Kennedy & Assoc., PA	\$ 50,000	\$ 250,000				Legal Representation for RMD
15 350 0050 0013 01	Prof. Serv. Price Agreement			0000079500	AssetWorks	\$ 487,652	\$ 148,082				
15 350 4905 0007 03	Prof. Serv. Comp.		Legal Representation for RMD	0000047071	Butt, Thiomton & Baehr, PC	\$ 500,000	\$ 100,000				Legal Representation for RMD
15 350 4905 0007 04	Prof. Serv. Comp.		Legal Representation for RMD	0000047071	Butt, Thiomton & Baehr, PC	\$ 500,000	\$ 150,000				Legal Representation for RMD
15 350 4905 0007 05	Prof. Serv. Comp.		Legal Representation for RMD	0000047071	Butt, Thiomton & Baehr, PC	\$ 500,000	\$ 174,700				Legal Representation for RMD
15 350 4905 0033 03	Prof. Serv. Comp.		Legal Representation for RMD	0000047304	Montgomery & Andrews PA	\$ 1,000,000	\$ 200,000				Legal Representation for RMD
15 350 5905 0011 02	Prof. Serv. Comp.		Legal Representation for RMD	0000117934	LYMAN, R MORGAN	\$ 115,666	\$ 90,000				Legal Representation for RMD
16-350-0000-01	Prof. Serv. Comp.		FY15 Audit Services	0000095914	CLIFTON LARSON ALLEN LLP	\$ 149,800					FY15 Audit Services
16 350 0050 0045	Prof. Serv. Price Agreement		Technology Agreement	0000126814	AssetWorks	\$ 95,781					Technology Agreement
16 350 0090 0003	Prof. Serv. Comp.		Commissioning Tissue Digester	0000045248	MERRICK & CO	\$ 171,965					Commissioning Tissue Digester
16 350 0090 0008 01	Prof. Serv. Comp.		Contracts for PM's	0000059713	ATA	\$ 97,640	\$ 67,600				Contracts for PM's
16 350 0090 0008 03	Prof. Serv. Price Agreement		Project Manager Fund Increase	0000059713	ATA	\$ 97,640	\$ 80,000				Project Manager Fund Increase
16 350 0090 0025	Prof. Serv. Comp.		Special Inspection & Testing	0000055429	AMEC FOSTER WHEELER ENVIRONMENTAL & INFRASTRUCTURE INC	\$ 2,000,000					Special Inspection & Testing
16 350 0090 0026	Prof. Serv. Comp.		Special Inspection & Testing	0000099159	X8E VINYAR	\$ 2,000,000					Special Inspection & Testing
16 350 0090 0027	Prof. Serv. Comp.		On-Call Commissioning Contract	0000113631	BATH GROUP INC.	\$ 2,000,000					On-Call Commissioning Contract
16 350 0090 0028	Prof. Serv. Comp.		On-Call Commissioning Contract	0000072206	ENGINEERING ECOMOMICS INC.	\$ 2,000,000					On-Call Commissioning Contract
16 350 0090 0029	Prof. Serv. Comp.		On-Call Commissioning Contract	0000071254	BG BULDINGWORKS INC	\$ 2,000,000					On-Call Commissioning Contract
16 350 0090 0030	Prof. Serv. Comp.		On-Call Commissioning Contract	0000108577	QA ENGINEERING LLC	\$ 2,000,000					On-Call Commissioning Contract
16 350 0090 0037	Prof. Serv. Comp.		NMBHI Phase III	0000073402	VIGIL & ASSOCIATES ARCHITECTURAL GROUP	\$ 1,318,348					NMBHI Phase III
16-350-0090-0037	Prof. Serv. Comp.		NMBHI Building Phase 3	0000073402	VIGIL & ASSOCIATES ARCHITECTURAL GROUP	\$ 1,303,875					NMBHI Building Phase 3



**GENERAL SERVICES DEPARTMENT**  
**SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED**  
**YEAR ENDED JUNE 30, 2016**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
16-350-0090-0048	Prof. Serv. Comp.		A/E On-Call	0000052300	CONRON & WOODS ARCHITECTS	\$ 2,000,000					A/E On-Call
16-350-0090-0049	Prof. Serv. Comp.		A/E On-Call	0000049489	DEKKER, PERICH, SABATINI LTD	\$ 2,000,000					A/E On-Call
16-350-0090-0050	Prof. Serv. Comp.		A/E On-Call	0000050138	FANNING BARD TATUM ARCH AIA	\$ 2,000,000					A/E On-Call
16-350-0090-0051	Prof. Serv. Comp.		A/E On-Call	0000108134	GREER STAFFORD SJCF ARCHITECTURE INC	\$ 2,000,000					A/E On-Call
16 350 0090 0052	Prof. Serv. Comp.		A/E On Call	0000044175	HUITT-ZOLLARS INC	\$ 2,000,000					A/E On Call
16-350-0090-0053	Prof. Serv. Comp.		A/E On-Call	0000053175	LEE GAMELSKY ARCHITECT PC	\$ 2,000,000					A/E On-Call
16-350-0090-0054	Prof. Serv. Comp.		A/E On-Call	0000125910	NINE DEGREES ARCHITECTURE & DESIGN INC	\$ 2,000,000					A/E On-Call
16-350-0090-0055	Prof. Serv. Comp.		A/E On-Call	0000051668	ROHDE MAY KELLER MCNAMARA	\$ 2,000,000					A/E On-Call
16-350-0090-0056	Prof. Serv. Comp.		A/E On-Call	0000054286	SPEARS HORN ARCHITECTS INC	\$ 2,000,000					A/E On-Call
16 350 0090 0057	Prof. Serv. Comp.		A/E On Call	0000014051	HARTMAN & MAJEWSKI DESIGN GROUP	\$ 2,000,000					A/E On Call
16-350-0090-0058	Prof. Serv. Comp.		A/E On-Call	0000073402	VIGIL & ASSOCIATES ARCHITECTURAL GROUP	\$ 2,000,000					A/E On-Call
16-350-0090-0059	Prof. Serv. Small Purch.		NM Vets' Alzheimer's Facility	0000029961	WORKING BUILDINGS LLC	\$ 71,022					NM Vets' Alzheimer's Facility
16 350 0090 0059	Prof. Serv. Small Purch.		NM Vets' Alzheimer Facility	0000029961	WORKING BUILDINGS LLC	\$ 71,022					NM Vets' Alzheimer Facility
16-350-0090-0060	Prof. Serv. Comp.		Engineering On-Call	0000009181	ALLIED ENGINEERING & DESIGN	\$ 2,000,000					Engineering On-Call
16-350-0090-0061	Prof. Serv. Comp.		Engineering On-Call	0000008988	ARMSTRONG GROUP INC	\$ 2,000,000					Engineering On-Call
16-350-0090-0062	Prof. Serv. Comp.		Engineering On-Call	0000046026	BRIDGERS & PAXTON CONSULTING	\$ 2,000,000					Engineering On-Call
16-350-0090-0063	Prof. Serv. Comp.		Engineering On-Call	0000044175	HUITT-ZOLLARS INC	\$ 2,000,000					Engineering On-Call
16-350-0090-0064	Prof. Serv. Comp.		Engineering On-Call	0000047927	M&E ENGINEERING INC	\$ 2,000,000					Engineering On-Call
16 350 0090 0065	Prof. Serv. Comp.		Engineering Description	0000045187	MILLER ENGINEERING CONSULTANTS	\$ 2,000,000					Engineering Description
16-350-0090-0066	Prof. Serv. Comp.		Engineering On-Call	0000118135	TESTUDO ENGINEERING INC	\$ 2,000,000					Engineering On-Call
16 350 0090 0067	Prof. Serv. Price Agreement		PM for CAMPS Phase II	0000059713	ATA SERVICES INC	\$ 484,728					PM for CAMPS Phase II
16 350 4905 0001	Prof. Serv. Comp.		Claims Adjusting for RMD	0000046242	INTEGRION GROUP INC	\$ 750,000					Claims Adjusting for RMD
16 350 4905 0002	Prof. Serv. Comp.		Claims Adjusting for RMD	0000052370	LYLE ADJUSTMENT CO	\$ 400,000					Claims Adjusting for RMD

**GENERAL SERVICES DEPARTMENT  
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED  
YEAR ENDED JUNE 30, 2016**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement			Awarded Vendor		Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
16 350 4905 0003	Prof. Serv. Comp.		Claims Adjusting Services RMD	0000005180	PRATT APPRAISALS & CLAIMS INC	\$ 425,000					Claims Adjusting Services RMD
16 350 4905 0004	Prof. Serv. Comp.		Claims Adjusting for RMD	0000048240	VALDEZ DELAO & ASSOCIATES INC	\$ 950,000					Claims Adjusting for RMD
16 350 4905 0007	Prof. Serv. Comp.		Legal Representation for RMD	0000116767	TORRES, MARY T. LLC	\$ 250,000					Legal Representation for RMD
16 350 4905 0008 01	Prof. Serv. Small Purch.		Legal Representation for RMD	0000046562	RODEY DICKASON SLOAN AKIN	\$ 50,000	\$ 100,000				Legal Representation for RMD
16 350 4905 0008 02	Prof. Serv. Small Purch.		Legal Representation for RMD	0000046562	RODEY DICKASON SLOAN AKIN	\$ 50,000	\$ 150,000				Legal Representation for RMD
16-350-0090-0037	Richard	Contract	NM Veterans' Home Phase III		Vigil & Associates	\$ 1,303,875	\$1,629.84	Vigil & Associates Architectural Group, 4477 Irving NW Ste A, Albuquerque, NM 87114	Y	N	Design Services for NMBHI Phase III. Amendment 1 is to increase the New Mexico Gross Receipt Taxes (NMGR) from 7.1875% to 7.3125%.
16-350-0090-0059		Sole Source	Commissioning Services		Working Buildings	\$ 67,560	No Amendments	Sole Source - Only Working Buildings Working Buildings Corporate Office 1230 Peachtree St NE Ste 300 Atlanta, GA 30309 678-990-8001 New Mexico Regional Office 11620 Terra Bonita Way SE Albuquerque, NM 87123	Out of State	No	Commissioning Services for the New Veterans' Alzheimer's & Skilled Nursing Facility
17-350-0090-0003		Contract	Gallup State Veterans' Cemetery		Huitt-Zollars	\$ 459,145	No Amendments	Benson Studio Architects 600 Central Ave, SE Albuquerque, NM 87102  Greer Stafford / SHCF Architecture, Inc. 1717 Louisiana Blvd. NE, Suite 205 Albuquerque, NM 87110  Hartman + Majewski Design Group 120 Vassar Drive, SE Suite 100 Albuquerque, NM 871  Huitt-Zollars Inc. 6501 Americas Parkway NE Suite 550 Albuquerque, NM 87110  McClain + YU Architecture & Design 2009 Rodgecrest Dr. SE Albuquerque, NM 87108  Wilson & Company, Inc. 4900 Lang Ave. NE Albuquerque, NM 87109	In-State	In-State Submitted Resident Contractor Certificate	Design Services for Gallup State Veterans Cemetery

**GENERAL SERVICES DEPARTMENT**  
**SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED**  
**YEAR ENDED JUNE 30, 2016**

RFB#/RFP#/State-Wide Price Agreement #	Type of Procurement		Awarded Vendor	Amount of Awarded Contract	Amount of Amended Contract	Name and Physical Address of ALL Vendors that Responded	In-State/Out of State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N)	Brief Description of Scope of Work
17-350-0090-0004	Contract	DPS D3 District 3 Renovation/Addition Roswell	WDG/RMKM	\$ 182,741	No Amendments (Contract at DFA for approval)	66 Architects LLC 2041 South Plaza St. NW Albuquerque, NM 87104  Hartman + Majewski Design Group 120 Vassar Drive SE Suite 100 Albuquerque, NM 87106  Huitt Zollars 6501 Americas Parkway Suite 550 Albuquerque, NM 87110  McClain + Yu Architecture & Design 2009 Ridgcrest Dr. SE Albuquerque, NM 87108  Molzen-Corbin & Associates 2701 Miles Road SE Albuquerque, NM 87106  NCA Architects 1306 Rio Grande Blvd. NW Albuquerque, NM 87104  WDG ARchitects 1014 South Main Street Ste. A Las Cruces, NM 88005	In-State	Submitted Resident Contractor Certificate	A/E Services for DPS D3 in Roswell, NM
70-350-16-06713	Contract	YDDC Warehouse & Visitor Center	Anissa Construction	\$ 813,429	No Amendments	Anissa Construction 1232 Western Meadows Rd. NW Albuquerque, NM 87114	In-State	Resident Contractor Certificate	Construct metal-frame building for warehouse and visitor center
60-350-15-06368	Contract	CNMCF Kitchen Renovation	AIC General Contractor, Inc.	\$ 2,540,666	W.O. #3 \$11,010.30	AIC General Contractor, Inc. 2703-G Broadbent Parkway NE Albuquerque, NM 87107	In-State	Resident Contractor Certificate	Complete renovation of kitchen at CNMCF
60-350-15-06084	Contract	Mechanical Upgrades NMBHI	Hays Plumbing & Heating, Inc.	\$ 1,997,735		Hays Plumbing & Heating, Inc. 600 Railroad Avenue Las Vegas, NM 87701	In-State	Resident Contractor Certificate	Re-do mechanical systems at Housing Unites Tesuque & Isleta
60-350-15-06336	Contract	CNMCF Fire Access Road	Star Paving Co.	\$ 76,920		Star Paving Company 3109 Love Rd. SW Albuquerque, NM 87121	In-State	Resident Contractor Certificate	Preparation of roadway at CNMCF
17-350-0090-0002	Richard	Contract	POD, Inc	\$ 63,207		POD, Inc. 5971 Jefferson NE, Suite 101 Albuquerque, NM 87109	Y	N	Provide Independent Validation and Verification services for the GSD PROOF-NM project.
16-350-0050-0045	Richard	Amendment	AimIQ Dashboard and Reports	\$ 1,191,479	\$ 1,287,259	Assetworks LLC 998 Eagle School Road, Suite 1215 Wayne, Pa 19087-1805	N	N	Develop new business processes, reconfigure, implement, test and train Agency users in existing Aim Work.
16-350-0090-0009	Richard	Amendment	On-Call Commissioning Services	\$2,000,000.00	\$ -	BG Building works, Inc. 7007 Wyoming Blvd., NE Albuquerque, NM 87109 Bath Commissioning, Albuquerque, NM, Engineering Economics, Albuquerque, NM QA Engineering, Albuquerque, NM	Y	N	Amendment 1 is for a vendor name change. Vendor previously known as Beaudin Ganze Consulting Engineers, Inc., changed their name to BG Buildingworks, Inc



**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**

Mr. Ed Burckle, Secretary  
State of New Mexico General Services Department and  
Mr. Timothy Keller  
New Mexico State Auditor

We have audited, in accordance with the 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, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, the budgetary comparison of the general fund of the New Mexico General Services Department (the Department), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise General Services Department's basic financial statements, and the combining and individual funds and related budgetary comparisons of the Department presented as supplementary information, and have issued our report thereon dated November 30, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered General Services Department's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of General Services Department's internal control. Accordingly, we do not express an opinion on the effectiveness of General Services Department'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 was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described as 2016-001 in the accompanying schedule of findings and responses, that we consider to be material weaknesses.

Mr. Ed Burckle, Secretary  
State of New Mexico General Services Department and  
Mr. Timothy Keller  
New Mexico State Auditor

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether General Services Department'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as 2016-002 and 2016-003.

### **General Services Department's Response to Findings**

General Services Department's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. General Services Department's responses were 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 result 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.



**CliftonLarsonAllen LLP**

Albuquerque, New Mexico  
November 30, 2016

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2016**

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**2016-001 (Originally Finding 2013-001) Land Reconciliation (Material Weakness) Repeated and Modified**

**Condition:** During our testwork over capital assets during the FY13 audit, the Department's internal land holding listing did not agree with other internal records or the annual audited financial statements. The Department informed us it was in the process of reconciling all land assets because they identified discrepancies during their transition to their new capital asset software. These discrepancies include variances from the prior capital asset software (GEAC), the imported balances to the new software (SunSystems), the Department's internal Land Holdings listing, and the annual audited financial statements. At June 30, 2016, the dollar value of the reconciliation remains unknown, but it is believed to be material to the financial statements.

**Management's Progress for Repeat Finding 2016-001 (Originally Finding 2013-001):** *The Department and its Facilities Management Division (FMD) identified the properties (34 parcels in six different counties) for which no historic value was maintained in the records of all land holdings. The effort to obtain historic values was incorporated into an overall plan to comply with several statutory requirements for obtaining current facility condition assessment information and to assist all agencies with developing and administering master planning guidelines. In addition, under Executive order 2012-023, FMD was directed to provide assessment of space and tenant assignments in all buildings owned by FMD. This plan included contracting with professional real estate appraisers to obtain historic values on land as well as obtain land surveys, titles, deeds, and all other documentation to substantiate ownership. The funding for this work, for which contracts were already issued, was eliminated through a fund "sweep" by the Legislature in the special session in FY17; no fund remained for the contractors to be hired. The information relating to the 34 parcels was obtained by FMD staff, but the spreadsheets maintained by FMD were not complete with financial summary information nor reconciled to GSD's fixed asset software (SunSystems).*

**Criteria:** The Manual of Model Accounting Practices section FIN 6.4, *Recording and Reporting Capital Assets*, states that Agencies shall record and report state owned capital assets in accordance with state law, state rule, and Generally Accepted Accounting Principles. Capital assets shall be recorded at the time of acquisition at cost (including ancillary costs) as determined by the amount paid for purchased assets, at cost of construction for constructed assets, or at estimated fair market value for donated capital assets.

**Cause:** Lack of historical communication between the Financial Division of the Department and the Property Control Division regarding land values when acquired, in addition to a lack of historical documents for various properties that indicate the incremental value of land such as water rights, mineral rights, legal definitions and historical costs that comprise the total land value.

**Effect:** Land balances in the Department's capital asset software and financial statements could be misstated.

**Recommendation:** We recommend the Department continue to perform a thorough reconciliation of their land capital assets to identify all properties it owns, as well as the appropriate historical value of the respective land properties.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2016**

**SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**2016-001 (Originally Finding 2013-001) Land Reconciliation (Material Weakness) Repeated and Modified (Continued)**

**Management Response:** During FY17, all land holdings will be reflected in SunSystems, including values and descriptions. This application will be maintained on a monthly basis with reconciliations to information maintained by FMD and its AiM application, ensuring that SunSystems contains a complete listing of all land held by FMD. ASD's GL Bureau Chief will be responsible for overseeing this project.

**2016-002 Fuel Cards (Compliance and Other Matters)**

**Condition:** During our testwork over fuel cards, we noted 1 out of 131 vehicles in the Department's possession had two fuel cards assigned to it.

**Criteria:** NMAC 1.5.3.19 NMSA 1978 requires a single fuel card be assigned to each vehicle and should be kept inside the vehicle at all times.

**Cause:** The Transportation Service Division (TSD) of the Department leases vehicles on a short-term basis of six months or less and sends an invoice at the end of the lease. The Facilities Management Division of the Department leased a vehicle from TSD and requested an additional card in order to be billed as the charges were incurred rather than being billed at the end of the lease.

**Effect:** Non-compliance with New Mexico Statutes and the potential for misuse of state issued fuel credit cards.

**Recommendation:** We recommend the Department cancel the duplicate card and to review statutory regulations over the use of state issued fuel card to ensure the Department is managing the assignment of gas cards to vehicles consistently and uniformly.

**Management's Response:** According to NMAC 1.5.3.19, all lessors of state vehicles provided by GSD/Transportation Services Division are responsible for ordering fuel cards for vehicles assigned to them and for cancelling the same when vehicles are returned to TSD. GSD/Facilities Management Division returned a vehicle that had been assigned to it but, due to staffing changes, did not cancel in a timely way the WEX fuel card assigned to that vehicle. The cancellation has now been completed and a procedure developed to have a specific individual in the FMD Business Operations Bureau assigned responsibility to administer all vehicles leased to FMD and the associated fuel cards.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
SCHEDULE OF FINDINGS AND RESPONSES  
JUNE 30, 2016**

**SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**2016-003 Procurement Violation (Compliance and Other Matters)**

**Condition:** The Department's Facilities Management Division (FMD) procured architectural and engineering services through a series of professional services contracts. During the course of the project, it was discovered by FMD that the most recent contract for the procured services expired prior to the project's completion. The contractor had continued to provide services after the expiration date and billed FMD for approximately \$15,000.

**Criteria:** Sec. 13-1-118 NMSA 1978

**Cause:** FMD oversight in that the expiration date of the contract was not properly monitored in conjunction with the services being provided.

**Effect:** Professional services were performed under an expired contract.

**Recommendation:** We recommend the Department require all individuals involved with the procurement violation attend and pass a State Purchasing Division training class as required by MAPS FIN 4.13.1.

**Management's Response:** In accordance with the requirements identified by the GSD State Purchasing Agent (SPA) in the determination that GSD's Facilities Management Division (FMD) violated the procurement code in the course of executing a project involving the acquisition of architectural and engineering services, GSD has complied with all provisions. This includes having those involved in the process (FMD Deputy Director, FMD Project Manager, GSD Chief Financial Officer, GSD SPA) attend and complete successfully the GSD/SPD Procurement 101 Class; providing confirmation to State Controller and Department of Finance and Administration/Financial Control Division Director of attendance and completion of the procurement class by those involved; developing a procedure for GSD/FMD staff (Project Managers, Project Assistants, Finance Manager) to ensure complete communications and feedback on contract status with SPD contracts staff as well as requisition/Purchase Order processing with GSD/Administrative Services Division.



**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
JUNE 30, 2016**

**Section II – Financial Statement Findings**

**2013-001 Land Reconciliation (Material Weakness) Repeated and Modified**

**Condition:** During our testwork over capital assets in the FY13 audit, variances from the Department's internal land holding listing did not agree with either internal records or the annual audit financial statements. The Department informed it was in the process of reconciling all land assets because they identified discrepancies during their transition to their new capital asset software. These discrepancies include variances from the prior capital assets software (GEAC), the imported balances to the new software (SunSystems), the Department's internal Land Holdings Listing, and the annual audited financial statements. At June 30, 2015, the dollar value of the reconciliation remain unknown but is believed to be material to the financial statements.

**2014-005 Internal Control over Service Organization (Significant Deficiency) - Resolved**

**Condition:** During our audit testwork over Disability payments, we noted that the Department's contract with CompuSys Erisa, a service organization, does not require CompuSys Erisa to furnish the Department with an SSAE 16 report.

Statement on Standards for Attestation Engagements (SSAE) No. 16, *Reporting on Controls at a Service Organization*, was finalized by the Auditing Standards Board of the [American Institute of Certified Public Accountants \(AICPA\)](#) in January 2010 and enhances SAS 70 as the authoritative guidance for reporting on service organizations. Without this report, the Department lacks the ability to assess the internal control environment of the service organization that it has enlisted to process disability payments on behalf of the Department. During fiscal year 2015, the service organization processed \$1.8 million in disability payments on behalf of the Department.

**2015-001 General Internal Controls over Capital Assets (Significant Deficiency) - Resolved**

**Condition:** During our audit testwork over capital assets during the fiscal year 2015 audit, we noted the following deficiencies over internal controls:

- A process was not in place process for reconciling assets per the Department's capital asset software (SunSystems), rollforward schedules, and listings from FMD during the year.
- The Department did not perform a timely transfer of closed projects from construction in process to buildings. This process occurred five months after year-end.
- During our review of the Department's asset listing, we noted an asset, totaling \$634,546, was mistakenly removed by the Department.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
JUNE 30, 2016**

**SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)**

**2015-002 Use of State Issued Fuel Credit Cards (Compliance and Other Matters) - Resolved**

**Condition:** During our audit testwork over fuel cards, we noted the following:

- 3 out of 10 mileage logs kept for vehicles contained errors in which beginning mileage was greater than ending mileage or mileage was not entered.
- 1 out of 10 vehicles per gas card statements had identifying information that did not agree to TSD's vehicles records, including license plate number, manufacturer, model, and year.

**2015-003 Financial Review Process (Significant Deficiency) - Resolved**

**Condition:** During our audit testwork over the financial review process, we noted the following:

- A journal entry, totaling \$398,000, was recorded twice, resulting in capital assets and related depreciation being understated.
- A journal entry of \$92,168 was recorded to the incorrect account, resulting in contract payable being overstated.

**2015-004 Untimely Reversion (Compliance and Other Matters) - Resolved**

**Condition:** The Department's general fund FY15 reversion of \$53,842 was not transferred to the State General Fund by the required date of September 30, 2015. The transfer was made on November 4, 2015. Additionally, we noted that the FY14 reversion of \$64,709 has yet to be transferred as of the report date for the 2015 audit.

**2015-005 Late Submission of Audit Report (Compliance and Other Matters) - Resolved**

**Condition:** The Department's audit report for the year ended June 30, 2015 was not submitted as of the due date of December 1, 2015 because the Department did not perform a timely transfer of closed projects from construction in process to buildings. This process occurred five months after year-end.

**2015-06 Severance Tax Bonds (STB) – (Significant Deficiency) - Resolved**

**Condition:** During our audit testwork over severance tax bonds, we noted the Department received duplicate reimbursement by both the Board of Finance and Risk Management for an expenditure of \$417,035.

**STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT  
EXIT CONFERENCE  
YEAR ENDED JUNE 30, 2016**

An exit conference was held with the Department on November 29, 2016. The conference was held at the offices of the General Services Department in Santa Fe, New Mexico. The conference was held in a closed meeting to preserve the confidentiality of the audit information prior to the official release of the financial statements by the State Auditor. In attendance were:

STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT

Ed Burckle, Cabinet Secretary  
Zella Kay Cox, Chief Financial Officer, Administrative Services Division Director  
Miranda Ntoko, GL/AR Bureau Chief  
Rebecca Abbo, Internal Auditor

CLIFTONLARSONALLEN LLP

Raul Anaya, CPA, CFE, CGFM, Principal  
Roger Lilly, CPA, Senior Associate

The financial statements presented in this report have been prepared by the independent auditor. However, they are the responsibility of management, as addressed in the Independent Auditors' Report. Management reviewed and approved the financial statements.