



**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
June 30, 2016**

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
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**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
OFFICIAL ROSTER
As of June 30, 2016**

| <u>Name</u> | <u>Title</u> |
|------------------------|---|
| Mike Unthank | Superintendent |
| David Jablonski | Deputy Superintendent and Acting Director, Administrative Services Division Director |
| Clayton Pelletier, CPA | Chief Financial Officer |
| David Martinez | Chief Information Officer |
| Enrique Knell | Director, Boards and Commissions Division |
| Pat McMurray | Director, Construction Industries Division and Manufactured Housing Division |
| Alexis Lotero | Acting Director, Securities Division |
| Cynthia Richards | Director, Financial Institutions Division |
| Mary Kay Root | Director, Alcohol and Gaming Division |

Independent Auditor's Report

Mr. Mike Unthank, Superintendent
State of New Mexico
Regulation and Licensing Department
&
Mr. Tim Keller
New Mexico State Auditor
Santa Fe, New Mexico

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the State of New Mexico Regulation and Licensing Department (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 have also audited the financial statements of each of the Department's nonmajor governmental funds, fiduciary funds and the budgetary comparisons for all the 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 did not audit the financial statements of the Department's Fund 46600 Public Accountancy Board, which statements reflect total assets constituting three percent of total Department assets at June 30, 2016 and total revenues constituting two percent of total Department revenues for the year then ended. Those statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included

Mr. Mike Unthank, Superintendent
State of New Mexico
Regulation and Licensing Department
&
Mr. Tim Keller
New Mexico State Auditor
Santa Fe, New Mexico

for Fund 46600, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Department as of June 30, 2016, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. 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 and fiduciary fund of the Department as of June 30, 2016, and the respective changes in financial position and the respective budgetary comparisons for all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Mr. Mike Unthank, Superintendent
State of New Mexico
Regulation and Licensing Department
&
Mr. Tim Keller
New Mexico State Auditor
Santa Fe, New Mexico

Emphasis of Matter

As discussed in Note 17 to the financial statements, the Department's management determined the government-wide financial statements, and certain fund financial statements were materially misstated in the previously issued financial statements and restated the June 30, 2015 ending balances in these financial statements. Our opinion is not modified with respect to this matter

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis identified in the table of contents 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 "other supplementary information" as identified in the table of contents and required by Section 2.2.2 NMAC is presented is for purposes of additional analysis and is not a required part of the basic financial statements.

The additional schedules listed as "other supplementary information" in the table of contents and required by Section 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and

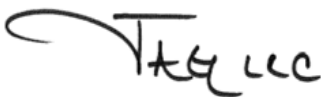
Mr. Mike Unthank, Superintendent
State of New Mexico
Regulation and Licensing Department
&
Mr. Tim Keller
New Mexico State Auditor
Santa Fe, New Mexico

other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules listed in the table of contents as “other supplementary information” required by Section 2.2.2 NMAC are 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 listed as “other information” in the table of contents and required by Section 2.2.2 NMAC 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.

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.



Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
November 30, 2016

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2016**

The Regulation and Licensing Department's discussion and analysis provides an overview of the financial activities for the fiscal year ended June 30, 2016. Since this information is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the financial statements.

USING THE FINANCIAL STATEMENTS

The financial statements consist of four sections.

The first section is the Introductory Section.

The second is the Financial Section, which includes the management's discussion and analysis (this section), the basic financial statements, Individual Fund Statements, and the Supplementary Information.

The third section is the Other Information section which consists of the schedule of vendor information for purchases exceeding \$60,000.

The fourth section is the Compliance section which consists of the report on internal controls and schedules of prior and current year findings.

The basic financial statements include a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Department as a whole and present a longer-term view of the Department's finances. The fund financial statements follow. For governmental activities, these statements tell how these services were financed for the reporting period. Fund financial statements report the Department's operations in more detail than the government-wide statements by providing information about the Department's most significant funds, which are the General Fund, Board of Dental Health Care Fund, Board of Pharmacy Fund, Real Estate Commission Fund and Mortgage Regulatory Bureau Fund.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2016**

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the Regulation and Licensing Department's finances is, "Is the Department as a whole better or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Department as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Department's net position and changes in them. The net position, which is the difference between assets and liabilities, can be used as a one way to measure the Department's financial health or financial position. Over time, increases or decreases in the Department's net position are one indicator of whether its financial health is improving or deteriorating. Other nonfinancial factors must also be considered, such as changes in the revenue projections of the State in general and the size of the licensing pools, to assess the overall health of the Department. In the Statement of Net Position and the Statement of Activities, the Department presents Governmental activities. All of the Department's activities are reported here. Appropriations from the State General Fund and licensing fees finance most of the Department's activities.

As disclosed in Note 11, the State of New Mexico implemented GASB 68 in fiscal year 2015. Accounting and Financial Reporting for Pensions only in the Statewide Comprehensive Annual Financial Report (CAFR) and did not impact the Department's financial statements.

Fund Financial Statements

The fund financial statements provide detailed information about the Department's General Fund, Mortgage Regulatory Fund, Board of Dental Health Care Fund, Board of Pharmacy Fund, and Real Estate Commission Fund, and a summary of all the non-major funds. The Department's funds are reported using an accounting method called modified accrual accounting. This method measures cash and all other financial assets that can be readily converted to cash. The fund statements provide a detailed view of the Department's operations and the services it provides. Governmental fund information is an indicator of whether there are more or fewer financial resources that can be spent in the future to finance the Department's programs.

The Department as Fiduciary

The Department is the fiduciary over assets which are collected on behalf of the State General Fund. The Department's fiduciary activities are reported in separate Statement of Changes in Assets and Liabilities. We exclude these activities from the Department's other financial statements because the Department cannot use these assets to finance its operations.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2016**

THE DEPARTMENT AS A WHOLE

The Department's net position decreased by \$2,717,933 from \$26,385,994 to \$23,668,061. Our analysis below focuses on the net position and changes in net position of the Department's governmental activities.

Statement of Net Position

| | <u>June 30, 2016</u> | <u>June 30, 2015</u> |
|----------------------------------|----------------------|----------------------|
| Assets | | |
| Current and other assets | \$ 32,940,339 | \$ 34,147,009 |
| Capital assets | <u>1,515,639</u> | <u>1,838,358</u> |
| Total assets | <u>34,455,978</u> | <u>35,985,367</u> |
| Liabilities | | |
| Current liabilities | 10,787,917 | 9,489,810 |
| Long-term liabilities | <u>-</u> | <u>109,563</u> |
| Total liabilities | <u>10,787,917</u> | <u>9,599,373</u> |
| Net position | | |
| Net investment in capital assets | 1,515,639 | 1,838,358 |
| Restricted | 22,946,698 | 25,224,230 |
| Unrestricted (deficit) | <u>(794,276)</u> | <u>(676,594)</u> |
| Total net position | <u>\$ 23,668,061</u> | <u>\$ 26,385,994</u> |

The Department realized a 10% decrease in net position over fiscal year 2015. The decrease was primarily due to the 52nd Legislature, 1st Special Session, Laws 2015, Chapter 3, Senate Bill 1 which appropriated \$4,900,000 to be used for infrastructure improvements projects of other State Agencies.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2016**

Statement of Activities

| | For the year ended <u>June 30, 2016</u> | For the year ended <u>June 30, 2015</u> |
|---|--|--|
| General Revenues and Transfers | | |
| Operating grants and charges for services | \$ 12,467,503 | \$ 11,996,363 |
| State General Fund appropriation | 13,376,100 | 13,489,200 |
| State General Fund - Special appropriation | - | 186,200 |
| Transfers, net | (4,597,008) | 668,800 |
| Reversions to State General Fund | (491,225) | (563,115) |
| Other | <u>34,197</u> | <u>(35,704)</u> |
| Total general revenue and transfers | <u>20,789,567</u> | <u>25,741,744</u> |
| Program Expense | <u>22,700,107</u> | <u>22,251,850</u> |
| Change in net position | <u>(1,910,540)</u> | <u>3,489,894</u> |
| Net position, beginning of year | 26,385,994 | 22,896,100 |
| Restatement | <u>(807,393)</u> | <u>-</u> |
| Net position, beginning, as restated | <u>25,578,601</u> | <u>22,896,100</u> |
| Net position, end of year | <u>\$ 23,668,061</u> | <u>\$ 26,385,994</u> |

The Department's total general revenues and transfers (net) decreased 24% or \$4,952,177. The decrease in general revenues and transfers is primarily due to the 52nd Legislature, 1st Special Session, Laws 2015, Chapter 3, Senate Bill 1 which appropriated \$4,900,000 to be used for infrastructure improvements projects of other State Agencies.

Total program expense increased by \$448,257 or about 2%.

The Department continues to identify ways to reduce expenses.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended June 30, 2016**

THE DEPARTMENT'S FUNDS

Budgetary Highlights

Over the course of the year, the Regulation and Licensing Department adjusted the budget in accordance with the General Appropriation Act. Budget adjustments allowed fall into two categories: transfers between categories and budget increases of up to 5% in the special revenue funds. During the 2016 Special Legislative Session, the Department's General Fund for fiscal year 2017 was reduced by 5.5%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2016, the Department had \$1,515,639 invested in capital assets, net of accumulated depreciation, including vehicles, data processing equipment and system software licenses. This amount represents a net decrease of \$322,719 or 18% over last year.

Long-Term Liabilities

The Department's obligations include accrued vacation pay and sick leave. The liability decreased from \$109,563 in FY 2015 to \$0 in FY 2016, or a 100% reduction from last year due to the determination that all the compensated absences for FY 2016 were current liabilities.

CURRENTLY KNOWN FACTS THAT ARE EXPECTED TO HAVE A MATERIAL EFFECT ON FINANCIAL POSITION (NET POSITION) OR RESULTS OF OPERATIONS (REVENUES, EXPENSES, AND OTHER CHANGES IN NET POSITION)

During the 52nd Legislature, 2nd Session, Laws 2016, Chapter 12, House Bill 311, Section 2-A-(7 and 13 thru 35) the State appropriated, from 24 of the Department's Funds, \$7,808,700 to be used for the State General Fund operating reserve in fiscal year 2016. These funds are to be transferred in fiscal year 2017.

CONTACTING THE DEPARTMENT'S FINANCIAL MANAGEMENT

The Department's financial statements are designed to provide users with a general overview of the Department's finances and to show the Department's accountability for the money it receives.

If you have questions about this report or need additional financial information, contact the Department's Chief Financial Officer at (505) 476-4526 or the Administrative Services Division Director at (505) 476-4928 or at the Department's Administrative Services Division office located in the Toney Anaya Building, 2550 Cerrillos Road, Santa Fe, NM 87505.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF NET POSITION
June 30, 2016**

| | Governmental Activities |
|--|------------------------------------|
| ASSETS | |
| Current Assets | |
| Interest in State Treasurer General Fund Investment Pool | \$ 32,630,796 |
| Accounts receivable | 1,546 |
| Prepaid postage | 49,003 |
| Due from other state agencies | 11,115 |
| Due from federal government | 247,879 |
| Total current assets | 32,940,339 |
| Capital assets | |
| Capital assets | 2,634,501 |
| Accumulated depreciation | (1,118,862) |
| Total noncurrent assets | 1,515,639 |
| Total assets | 34,455,978 |
| LIABILITIES AND NET POSITION | |
| Current Liabilities | |
| Accounts payable | 597,077 |
| Accrued payroll | 645,599 |
| Due to federal government | 440 |
| Due to local governments | 31,351 |
| Due to state general fund | 491,225 |
| Unearned revenue | 8,178,946 |
| Compensated absences | 843,279 |
| Total current liabilities | 10,787,917 |
| Net position | |
| Net investment in capital assets | 1,515,639 |
| Restricted | 22,946,698 |
| Unrestricted (deficit) | (794,276) |
| Total net position | \$ 23,668,061 |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF ACTIVITIES
Year Ended June 30, 2016**

| | | Program Revenues | | Net (Expense) Revenue and Changes in Net Position Governmental Activities |
|--|----------------------|---------------------------------|-----------------------------|--|
| | Expenses | Charges for Services | Operating Grants | |
| Governmental Activities | | | | |
| Construction Industries | \$ 8,543,066 | \$ - | \$ - | \$ (8,543,066) |
| Financial Institutions and Securities | 2,426,074 | - | - | (2,426,074) |
| Alcohol and Gaming | 945,031 | - | - | (945,031) |
| Mortgage Regulatory | 639,492 | 2,333,343 | - | 1,693,851 |
| Securities Enforcement and Investors Education | 318,293 | 990,236 | - | 671,943 |
| Boards and Commissions | 5,988,054 | 8,725,063 | 139,895 | 2,876,904 |
| Program Support | 3,840,097 | 278,966 | - | (3,561,131) |
| Total governmental activities | \$ 22,700,107 | \$ 12,327,608 | \$ 139,895 | (10,232,604) |
| General Revenues | | | | |
| Transfer - State General Fund appropriation | | | | 13,376,100 |
| Transfers in - other state agencies | | | | 302,992 |
| Transfers out - other state agencies | | | | (4,900,000) |
| Reversions to State General Fund | | | | (491,225) |
| Interest and investment earnings | | | | 34,197 |
| Total general revenues | | | | 8,322,064 |
| Change in net position | | | | (1,910,540) |
| Net position, beginning | | | | 26,385,994 |
| Restatement | | | | (807,393) |
| Net position, beginning, as restated | | | | 25,578,601 |
| Net position, ending | | | | \$ 23,668,061 |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
BALANCE SHEET
GOVERNMENTAL FUNDS**

| | Combined General Fund | 10660 Mortgage Regulatory Fund | 44700 Board of Dental Health Care | 46400 Board of Pharmacy |
|--|--------------------------------------|---|--|--|
| ASSETS | | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 1,477,030 | \$ 4,298,324 | \$ 1,689,817 | \$ 3,446,409 |
| Accounts receivable | 589 | - | - | - |
| Prepaid postage | 14,820 | 888 | 2,263 | - |
| Due from other funds | - | - | - | - |
| Due from other state agencies | 8,911 | - | - | - |
| Due from federal government | - | - | - | 247,879 |
| Inventories | - | - | - | - |
| Total assets | <u>\$ 1,501,350</u> | <u>\$ 4,299,212</u> | <u>\$ 1,692,080</u> | <u>\$ 3,694,288</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Accounts payable | \$ 453,096 | \$ 14,686 | \$ 9,137 | \$ 73,266 |
| Accrued payroll | 542,209 | 17,328 | - | 47,163 |
| Unearned revenues | - | - | 1,014,022 | 2,016,215 |
| Due to State General Fund | 491,225 | - | - | - |
| Due to other state agencies | - | - | - | - |
| Due to local governments | - | - | - | - |
| Due to other funds | - | - | - | - |
| Due to federal government | - | - | - | - |
| Total liabilities | <u>1,486,530</u> | <u>32,014</u> | <u>1,023,159</u> | <u>2,136,644</u> |
| Fund Balances | | | | |
| Nonspendable: | | | | |
| Prepaid postage | 14,820 | 888 | 2,263 | - |
| Restricted | - | 2,766,310 | 666,658 | 1,557,644 |
| Committed | - | 1,500,000 | - | - |
| Unassigned (deficit) | - | - | - | - |
| Total fund balances | <u>14,820</u> | <u>4,267,198</u> | <u>668,921</u> | <u>1,557,644</u> |
| Total liabilities and fund balances | <u>\$ 1,501,350</u> | <u>\$ 4,299,212</u> | <u>\$ 1,692,080</u> | <u>\$ 3,694,288</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
BALANCE SHEET
GOVERNMENTAL FUNDS**

| | 46700 Real Estate Commission | Non-Major Funds | Total Governmental Funds |
|--|---|----------------------------|---|
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 1,950,189 | \$ 19,769,027 | \$ 32,630,796 |
| Accounts receivable | - | 957 | 1,546 |
| Prepaid postage | 1,465 | 29,567 | 49,003 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | 2,204 | 11,115 |
| Due from federal government | - | - | 247,879 |
| Inventories | - | - | - |
| Total assets | <u>\$ 1,951,654</u> | <u>\$ 19,801,755</u> | <u>\$ 32,940,339</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 10,406 | \$ 36,486 | \$ 597,077 |
| Accrued payroll | 24,092 | 14,807 | 645,599 |
| Unearned revenues | 1,348,526 | 3,800,183 | 8,178,946 |
| Due to State General Fund | - | - | 491,225 |
| Due to other state agencies | - | - | - |
| Due to local governments | - | 31,351 | 31,351 |
| Due to other funds | - | - | - |
| Due to federal government | - | 440 | 440 |
| Total liabilities | <u>1,383,024</u> | <u>3,883,267</u> | <u>9,944,638</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 1,465 | 29,567 | 49,003 |
| Restricted | 567,165 | 9,782,573 | 15,340,350 |
| Committed | - | - | 7,808,700 |
| Unassigned (deficit) | - | (202,352) | (202,352) |
| Total fund balances | <u>568,630</u> | <u>15,918,488</u> | <u>22,995,701</u> |
| Total liabilities and fund balances | <u>\$ 1,951,654</u> | <u>\$ 19,801,755</u> | <u>\$ 32,940,339</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
WITH THE STATEMENT OF NET POSITION
June 30, 2016

Amounts reported for governmental activities in the Statement of Net Position is different because

| | |
|---|---------------|
| Total fund balance - governmental funds | \$ 22,995,701 |
|---|---------------|

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

| | |
|----------------------------|--------------|
| The cost of capital assets | \$ 2,634,501 |
| Accumulated depreciation | (1,118,862) |

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of

| | |
|----------------------|------------------|
| Compensated absences | <u>(843,279)</u> |
|----------------------|------------------|

| | |
|---|-----------------------------|
| Total net position - governmental activities | <u>\$ 23,668,061</u> |
|---|-----------------------------|

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2016**

| | Combined General Fund | 10660 Mortgage Regulatory Fund | 44700 Board of Dental Health Care | 46400 Board of Pharmacy |
|--|--------------------------------------|---|--|--|
| Revenues | | | | |
| License fees | \$ 59,675 | \$ 2,074,600 | \$ 484,990 | \$ 1,987,282 |
| Services | 191,580 | - | 540 | 29,480 |
| Printing and reproduction | - | - | 10,108 | 8,985 |
| Publications | 489 | - | - | - |
| Federal sources | - | - | - | - |
| Interest on investments | - | 11,387 | - | - |
| Other revenues | 27,222 | 258,743 | 22,486 | 40,902 |
| Total revenues | <u>278,966</u> | <u>2,344,730</u> | <u>518,124</u> | <u>2,066,649</u> |
| Expenditures | | | | |
| Current | | | | |
| Personal services and employee benefits | 15,273,164 | 568,758 | - | 1,295,471 |
| Contractual services | 711,194 | 1,923 | 522 | 57,821 |
| In-state travel | 97,516 | 5,987 | 13,865 | 14,456 |
| Maintenance and repairs | 54,083 | 1,861 | 284 | - |
| Supplies and materials | 325,841 | 21,705 | 3,464 | 68,000 |
| Operating costs | 1,655,234 | 36,449 | 19,206 | 163,660 |
| Other costs | 44,422 | 275 | 7,602 | 11,351 |
| Out-of-state travel | 5,248 | 2,534 | 493 | - |
| Capital outlay | 76,941 | - | - | - |
| Total expenditures | <u>18,243,643</u> | <u>639,492</u> | <u>45,436</u> | <u>1,610,759</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(17,964,677)</u> | <u>1,705,238</u> | <u>472,688</u> | <u>455,890</u> |
| Other financing sources (uses) | | | | |
| Transfers in-interagency | 277,992 | - | - | - |
| Transfers out-interagency | - | (2,900,000) | - | - |
| Transfers in-interfund | 4,644,308 | - | - | - |
| Transfers out-interfund | - | (69,987) | (320,869) | (266,693) |
| State General Fund appropriation | 13,347,400 | - | - | - |
| Reversions to State General Fund | (491,225) | - | - | - |
| Total financing sources (uses) | <u>17,778,475</u> | <u>(2,969,987)</u> | <u>(320,869)</u> | <u>(266,693)</u> |
| Net change in fund balances | <u>(186,202)</u> | <u>(1,264,749)</u> | <u>151,819</u> | <u>189,197</u> |
| Fund balances, beginning of year | 201,022 | 5,531,947 | 565,032 | 1,626,652 |
| Restatement | - | - | (47,930) | (258,205) |
| Fund balances, beginning of year, as restated | <u>201,022</u> | <u>5,531,947</u> | <u>517,102</u> | <u>1,368,447</u> |
| Fund balances, end of year | <u>\$ 14,820</u> | <u>\$ 4,267,198</u> | <u>\$ 668,921</u> | <u>\$ 1,557,644</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended June 30, 2016**

| | 46700 | | |
|--|-------------------|----------------------|----------------------|
| | Real | | |
| | Estate | Non-Major | |
| | Commission | Funds | Total |
| Revenues | | | |
| License fees | \$ 710,477 | \$ 5,140,694 | \$ 10,457,718 |
| Services | 12,661 | 501,553 | 735,814 |
| Printing and reproduction | 40,529 | 61,234 | 120,856 |
| Publications | 5,190 | 1,492 | 7,171 |
| Federal sources | - | 139,895 | 139,895 |
| Interest on investments | - | 22,810 | 34,197 |
| Other revenues | 57,110 | 599,586 | 1,006,049 |
| Total revenues | <u>825,967</u> | <u>6,467,264</u> | <u>12,501,700</u> |
| Expenditures | | | |
| Current | | | |
| Personal services and employee benefits | 504,515 | 561,045 | 18,202,953 |
| Contractual services | 6,466 | 97,814 | 875,740 |
| In-state travel | 18,190 | 94,939 | 244,953 |
| Maintenance and repairs | 1,197 | 10,260 | 67,685 |
| Supplies and materials | 17,912 | 84,252 | 521,174 |
| Operating costs | 59,070 | 245,115 | 2,178,734 |
| Other costs | 8,139 | 49,225 | 121,014 |
| Out-of-state travel | 2,928 | 11,087 | 22,290 |
| Capital outlay | - | - | 76,941 |
| Total expenditures | <u>618,417</u> | <u>1,153,737</u> | <u>22,311,484</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>207,550</u> | <u>5,313,527</u> | <u>(9,809,784)</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | 25,000 | 302,992 |
| Transfers out-interagency | - | (2,000,000) | (4,900,000) |
| Transfers in-interfund | - | - | 4,644,308 |
| Transfers out-interfund | (170,602) | (3,816,157) | (4,644,308) |
| State General Fund appropriation | - | 28,700 | 13,376,100 |
| Reversions to State General Fund | - | - | (491,225) |
| Total financing sources (uses) | <u>(170,602)</u> | <u>(5,762,457)</u> | <u>8,287,867</u> |
| Net change in fund balances | <u>36,948</u> | <u>(448,930)</u> | <u>(1,521,917)</u> |
| Fund balances, beginning of year | 664,990 | 16,735,368 | 25,325,011 |
| Restatement | (133,308) | (367,950) | (807,393) |
| Fund balances, beginning of year, as restated | <u>531,682</u> | <u>16,367,418</u> | <u>24,517,618</u> |
| Fund balances, end of year | <u>\$ 568,630</u> | <u>\$ 15,918,488</u> | <u>\$ 22,995,701</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT
OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO
THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2016

Total net change in fund balances - governmental funds \$ (1,521,917)

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities these costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.

| | | |
|----------------------------------|----------------|---------------|
| Capital outlay additions | 73,190 | |
| Capital outlay adjustments | 154,554 | |
| Net capital outlay | <u>227,744</u> | |
| Depreciation expense | (548,163) | |
| Loss on disposal of assets | <u>(2,300)</u> | |
| Net Change in Capital Assets | | (322,719) |

Accrued compensated absences are not recorded as liabilities in the in the governmental funds. However, for government activities, these costs are shown in the Statement of Net Position and the changes in the liability are recorded as a reduction or increase in the current personal services category.

| | | |
|--|--|----------------------------------|
| Change in accrued compensated absences | | <u>(65,904)</u> |
| Change in net position of governmental activities | | <u>\$ (1,910,540)</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
BALANCE SHEET
COMBINING GENERAL FUND
June 30, 2016**

| | 43300 | 50150 | |
|---|---------------------|---------------------|---------------------|
| | General | Boards and | |
| | Fund | Commissions | Total |
| | <u> </u> | <u>Flow-through</u> | <u> </u> |
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment | \$ 1,380,615 | \$ 96,415 | \$ 1,477,030 |
| Accounts receivable | 589 | - | 589 |
| Prepaid postage | 14,820 | - | 14,820 |
| Due from other funds | - | - | - |
| Due from other state agencies | 8,911 | - | 8,911 |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 1,404,935</u> | <u>\$ 96,415</u> | <u>\$ 1,501,350</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 453,096 | \$ - | \$ 453,096 |
| Accrued payroll | 445,794 | 96,415 | 542,209 |
| Unearned revenues | - | - | - |
| Due to State General Fund | 491,225 | - | 491,225 |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | - |
| Due to other funds | - | - | - |
| Due to federal government | - | - | - |
| Total liabilities | <u>1,390,115</u> | <u>96,415</u> | <u>1,486,530</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 14,820 | - | 14,820 |
| Restricted | - | - | - |
| Committed | - | - | - |
| Unassigned (deficit) | - | - | - |
| Total fund balances | <u>14,820</u> | <u>-</u> | <u>14,820</u> |
| Total liabilities and fund balances | <u>\$ 1,404,935</u> | <u>\$ 96,415</u> | <u>\$ 1,501,350</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
COMBINING GENERAL FUND
Year Ended June 30, 2016**

| | 43300 | 50150 | |
|---|---------------------|---------------------|---------------------|
| | General | Boards and | |
| | Fund | Commissions | Total |
| | <u> </u> | <u>Flow-through</u> | <u> </u> |
| Revenues | | | |
| License fees | \$ 59,675 | \$ - | \$ 59,675 |
| Services | 191,580 | - | 191,580 |
| Printing and reproduction | - | - | - |
| Publications | 489 | - | 489 |
| Federal sources | - | - | - |
| Interest on investments | - | - | - |
| Other revenues | 27,222 | - | 27,222 |
| Total revenues | <u>278,966</u> | <u>-</u> | <u>278,966</u> |
| Expenditures | | | |
| Current | | | |
| Personal services and employee benefits | 12,395,166 | 2,877,998 | 15,273,164 |
| Contractual services | 711,194 | - | 711,194 |
| In-state travel | 97,516 | - | 97,516 |
| Maintenance and repairs | 54,083 | - | 54,083 |
| Supplies and materials | 325,841 | - | 325,841 |
| Operating costs | 1,655,234 | - | 1,655,234 |
| Other costs | 44,422 | - | 44,422 |
| Out-of-state travel | 5,248 | - | 5,248 |
| Capital outlay | 76,941 | - | 76,941 |
| Total expenditures | <u>15,365,645</u> | <u>2,877,998</u> | <u>18,243,643</u> |
| Excess (deficiency) of | | | |
| revenues over (under) expenditures | <u>(15,086,679)</u> | <u>(2,877,998)</u> | <u>(17,964,677)</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | 277,992 | - | 277,992 |
| Transfers out-interagency | - | - | - |
| Transfers in-interfund | 1,766,310 | 2,877,998 | 4,644,308 |
| Transfers out-interfund | - | - | - |
| State General Fund appropriation | 13,347,400 | - | 13,347,400 |
| Reversions to State General Fund | (491,225) | - | (491,225) |
| Total financing sources (uses) | <u>14,900,477</u> | <u>2,877,998</u> | <u>17,778,475</u> |
| Net change in fund balances | (186,202) | - | (186,202) |
| Fund balances, beginning of year | 201,022 | - | 201,022 |
| Fund balances, end of year | <u>\$ 14,820</u> | <u>\$ -</u> | <u>\$ 14,820</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND - 43300
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| State General Fund appropriation | \$ 13,428,000 | \$ 13,347,400 | \$ 13,347,400 | \$ - |
| Federal funds | - | - | - | - |
| Other licenses and permits | - | - | 59,675 | 59,675 |
| Other revenue | 306,700 | 291,700 | 219,291 | (72,409) |
| Other financing sources | 2,054,400 | 2,104,400 | 2,044,302 | (60,098) |
| Reversion to State General Fund | - | - | (491,225) | (491,225) |
| Total revenues | <u>15,789,100</u> | <u>15,743,500</u> | <u>15,179,443</u> | <u>(564,057)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | 12,820,700 | 12,762,100 | 12,395,166 | 366,934 |
| Contractual services | 830,400 | 838,408 | 711,194 | 127,214 |
| Other | 2,324,200 | 2,329,192 | 2,259,285 | 69,907 |
| Total expenditures | <u>15,975,300</u> | <u>15,929,700</u> | <u>15,365,645</u> | <u>564,055</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (186,200) | (186,200) | <u>\$ (186,202)</u> | <u>\$ (2)</u> |
| Cash balance carryforward | <u>186,200</u> | <u>186,200</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND (BOARDS & COMMISSIONS PAYROLL FLOW THROUGH FUND) - 50150
Year Ended June 30, 2016

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ - | \$ - | \$ - | \$ - |
| Registration for trades and professions licenses | - | - | - | - |
| Other current services | - | - | - | - |
| Other penalties | - | - | - | - |
| Other financing sources | <u>3,210,600</u> | <u>3,210,600</u> | <u>2,877,998</u> | <u>(332,602)</u> |
| Total revenues | <u>3,210,600</u> | <u>3,210,600</u> | <u>2,877,998</u> | <u>(332,602)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | 3,210,600 | 3,210,600 | 2,877,998 | 332,602 |
| Contractual services | - | - | - | - |
| Other | - | - | - | - |
| Other financing uses | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>3,210,600</u> | <u>3,210,600</u> | <u>2,877,998</u> | <u>332,602</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ -</u> | <u>\$ -</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
MORTGAGE REGULATORY FUND - 10660
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trade and professions licenses | \$ 989,000 | \$ 989,000 | \$ 2,074,600 | \$ 1,085,600 |
| Other registration fees | - | - | - | - |
| Other exam fees | - | - | - | - |
| Interest on investments | - | - | 11,387 | 11,387 |
| Other revenue | - | - | 258,743 | 258,743 |
| | <u>989,000</u> | <u>989,000</u> | <u>2,344,730</u> | <u>1,355,730</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | 750,300 | 750,300 | 568,758 | 181,542 |
| Contractual services | 15,000 | 15,000 | 1,923 | 13,077 |
| Other | 153,100 | 153,100 | 68,811 | 84,289 |
| Other financing uses* | - | 2,900,000 | 2,900,000 | - |
| Other financing uses | 71,500 | 71,500 | 69,987 | 1,513 |
| | <u>989,900</u> | <u>3,889,900</u> | <u>3,609,479</u> | <u>280,421</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (900) | (2,900,900) | <u>\$ (1,264,749)</u> | <u>\$ 1,636,151</u> |
| Cash balance carryforward | <u>900</u> | <u>2,900,900</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

The 2015 Legislature, 1st Special Session, Laws 2015, Chapter 3, Senate Bill 1, Sections 68, 69, 70 and 71

* appropriated from the Mortgage Regulatory Fund \$2,900,000 to be to be used for infrastructure improvements projects of other State Agencies.

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF DENTAL HEALTH CARE - 44700
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 130,000 | \$ 130,000 | \$ 484,990 | \$ 354,990 |
| Registration for trades and professions licenses | 294,000 | 294,000 | - | (294,000) |
| Other current services | 10,000 | 10,000 | 10,648 | 648 |
| Trades and professions examination fees | 2,500 | 2,500 | - | (2,500) |
| Miscellaneous revenue | <u>20,000</u> | <u>20,000</u> | <u>22,486</u> | <u>2,486</u> |
| Total revenues | <u>456,500</u> | <u>456,500</u> | <u>518,124</u> | <u>61,624</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 17,000 | 17,000 | 522 | 16,478 |
| Other | 85,700 | 85,700 | 44,914 | 40,786 |
| Other financing uses | <u>379,400</u> | <u>379,400</u> | <u>320,869</u> | <u>58,531</u> |
| Total expenditures | <u>482,100</u> | <u>482,100</u> | <u>366,305</u> | <u>115,795</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (25,600) | (25,600) | <u>\$ 151,819</u> | <u>\$ 177,419</u> |
| Cash balance carryforward | <u>25,600</u> | <u>25,600</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF PHARMACY - 46400
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | - | - | - | - |
| Registration for trades and professions licenses | 1,980,000 | 1,980,000 | 1,987,282 | 7,282 |
| Trades and professions examination fees | 300 | 300 | - | (300) |
| Other current services | 32,000 | 32,000 | 38,465 | 6,465 |
| Other publications | - | - | - | - |
| Court fines and forfeitures | 10,000 | 10,000 | - | (10,000) |
| Other penalties | - | - | - | - |
| Federal grants | 10,000 | 10,000 | - | (10,000) |
| Miscellaneous revenue | - | - | 40,902 | 40,902 |
| | <u>2,032,300</u> | <u>2,032,300</u> | <u>2,066,649</u> | <u>34,349</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel Services and employee benefits | 1,379,700 | 1,379,700 | 1,295,471 | 84,229 |
| Contractual services | 68,600 | 68,600 | 57,821 | 10,779 |
| Other | 311,700 | 311,700 | 257,467 | 54,233 |
| Other financing uses | 272,300 | 272,300 | 266,693 | 5,607 |
| | <u>2,032,300</u> | <u>2,032,300</u> | <u>1,877,452</u> | <u>154,848</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 189,197</u> | <u>\$ 189,197</u> |
| Cash balance carryforward | - | - | | |
| | <u>\$ -</u> | <u>\$ -</u> | | |
| Total | | | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
REAL ESTATE COMMISSION - 46700
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 160,000 | \$ 160,000 | \$ 710,477 | \$ 550,477 |
| Registration for trades and professions licenses | 652,000 | 652,000 | - | (652,000) |
| Other registration fees | 35,000 | 35,000 | 12,661 | (22,339) |
| Trades and professions examination fees | 5,000 | 5,000 | - | (5,000) |
| Other current services | 4,000 | 4,000 | - | (4,000) |
| Manuals and codes | 16,000 | 16,000 | 5,190 | (10,810) |
| Other publications | 2,000 | 2,000 | 40,529 | 38,529 |
| Other penalties | 73,800 | 73,800 | - | (73,800) |
| Miscellaneous revenue | <u>3,700</u> | <u>3,700</u> | <u>57,110</u> | <u>53,410</u> |
| Total revenues | <u>951,500</u> | <u>951,500</u> | <u>825,967</u> | <u>(125,533)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | 626,800 | 591,800 | 504,515 | 87,285 |
| Contractual services | 8,000 | 43,000 | 6,466 | 36,534 |
| Other | 142,600 | 142,600 | 107,436 | 35,164 |
| Other financing uses | <u>174,100</u> | <u>174,100</u> | <u>170,602</u> | <u>3,498</u> |
| Total expenditures | <u>951,500</u> | <u>951,500</u> | <u>789,019</u> | <u>162,481</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 36,948</u> | <u>\$ 36,948</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
June 30, 2016**

| | <u>Agency Funds</u> |
|--|---------------------|
| ASSETS | |
| Interest in State Treasurer General Fund Investment Pool | \$ <u>582,516</u> |
| LIABILITIES | |
| Other Liabilities | 581,514 |
| Due to State General Fund | <u>1,002</u> |
| Total Liabilities | \$ <u>582,516</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 1. ORGANIZATION AND FUNCTION

The State of New Mexico and Licensing Department (Department) was created July 1, 1983, by the Regulation and Licensing Department Act (Laws of 1983, Chapter 297, Section 19 through 29). The Act provided that the administration of professional and occupational licensing functions of the executive branch of state government may be consolidated under the supervision of the Department upon executive order issued by the Governor. This consolidation was completed during the fiscal year ended June 30, 1987.

The mission of the Department is to enforce applicable laws, rules, regulation and codes and administer them in a manner that affects a balanced approach to public safety, financial welfare and the development of the regulated industries. The Department consists of the Office of the Superintendent and six divisions: the Administrative Services Division, the Construction Industries Division, the Manufactured Housing Division, the Financial Institutions Division, the Securities Division and the Alcohol and Gaming Division.

The Administrative Services Division (ASD) provides the Department with fiscal personnel, management information systems, and other support services and acts as liaison with the Department of Finance and Administration, General Services Department, State Personnel, State Auditor, State Treasurer, Records and Archives and other general control agencies to ensure compliance with state laws and regulation.

The Regulation and Licensing Act (Laws of 1983, Chapter 297, Section 30) provides for the administration of professional and occupational licensing functions of the executive branch of state government under the supervision of the Regulation and Licensing Department upon executive and financial services to 48 boards and commissions. Each of the boards and commissions has Department employees assigned as staff which are responsible for licensing of individuals and for maintaining licensing files containing historical, continuing education and disciplinary information on each licensee, thereby providing daily accessibility to the public, licensees, legislators and board members. Additionally, the staff is responsible for the daily execution of board operations, including all licensing and examination functions, preparing minutes of board meetings, responding to inquiries, taking actions as required by the boards they serve, and coordinating actions with appropriate officials and agencies.

Complaints received are reviewed by the boards, referred for investigation, when appropriate, and returned to the specific licensing boards for a determination of disciplinary action. Inspections are performed on sites or person who distribute, manufacture, or sell prescription drugs, cosmetology establishments, barber establishments, funeral homes and real estate offices in order to ensure compliance with statutes, regulations and minimum standards of sanitation, where applicable.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 1. ORGANIZATION AND FUNCTION (CONTINUED)

The Construction Industries Division (CID) administers examinations, licensing, certification, regulation, inspection, and supervision of individuals and businesses in the contracting and construction industries. The Division is required by law to "promote the general welfare of the people of New Mexico by providing for the protection of life and property by adopting and enforcing codes and standards for construction, alteration, installation, connection, demolition and repair work" pursuant to NMSA 1978 Compilation (1989 amendment). Section 60-13-1.1. CID also administers the Employee Leasing, Carnival Ride Insurance and Hoisting Operators Safety Acts pursuant to NMSA 1978, Sections 60-13A, 57-25 and 60-15, respectively.

The Manufactured Housing Division (MHD) supervises and regulates the manufactured housing industry within the state, with the exception of manufactured units used for commercial purposes that are regulated by the Construction Industries Division. The Manufactured Housing Act (NMSA 1978, 1983 Supplement, Section 60-14-20 Through 60-14-20) provides that its purpose is "to insure the purchasers and users of manufactured homes and essential conditions of health and safety which are their right and to provide that the business practices of the industry are fair and orderly among the members of the industry with due regard to the ultimate consumers in this important area of human shelter".

The Financial Institutions Division (FID) is responsible for administering the statutory requirements of the Banking Act, the Trust Company Act, Collection Agency Regulatory Act, the endowed Care Cemetery Act, the New Mexico Small Loan Act, the Mortgage Loan Company and Broker Act, the Credit Union Regulatory Act, the Motor Vehicle Sales Finance Company Act, the Escrow Company Act, the Negotiable Check, Drafts and Money Order Act, the Retail Installment Sales Act, and the Savings and Loan Act. Additionally, the Director, by statute, is an ex-officio voting member of the New Mexico Mortgage Finance Authority. The Division provides general supervision of all state-chartered financial institutions and regulated industries, with a primary focus to ensure the existence of safe and sound financial practices within the regulated entities.

The Securities Division is responsible for administering the New Mexico Securities Act of 1986 and the Model State Commodity Code. Pursuant to those laws the Division registers securities offerings, licenses securities sales representatives, broker-dealers, investment advisers and investment adviser representatives, and takes administrative civil enforcement action when necessary. The Division also administers the Securities Enforcement and Investor Education Fund, which is funded by administrative assessments levied against companies or individuals found to have violated the Securities Act.

The Alcohol and Gaming Division is the licensing and regulatory authority for the Liquor Control Act. The Division licenses and regulates the sales, services and public consumption of alcoholic beverages so as to protect the public health, safety and morals of each community. The Division is also charged with the ultimate disposition of any administrative charges filed against

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 1. ORGANIZATION AND FUNCTION (CONTINUED)

a licensee by the New Mexico Department of Public Safety Special Investigations Division. The Division is funded by an appropriation from the State General Fund. All fees from licenses, citations, and other administrative charges are transferred to the State General Fund.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in accounting principles generally accepted in the United States of America (GAAP). Based on this criteria, the Department does not have any component units.

Basic Financial Statements

The accounting policies of the Department conform to accounting principles generally accepted in the United States of America as applicable to governmental entities.

The basic financial statements include both government-wide (based on the Department as a whole) and fund financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type. The Department only has governmental activities. In the government-wide Statement of Net Position, the governmental activities are presented on a consolidated basis and are reflected on the full accrual, economic resource basis, measurement focus, which incorporates long-term obligations. Interfund balances and activity has been eliminated in the government-wide statements. A deficit (negative) balance in unrestricted net position would indicate that obligations incurred in the current and prior periods exceed the value of assets currently available, and that the assets of future periods will be required to meet the established obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category, which are otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation expense on capital assets) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function and consist primarily of fees and operating grants.

The net cost by function is normally covered by general revenue. Historically, the previous model did not summarize or present net cost by function or activity. The Department does not employ indirect cost allocation in the financial statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As to fund financial statements, emphasis is on the major funds of the governmental category. Nonmajor funds are summarized into a single column.

The governmental funds in the fund financial statements are presented on a current financial resource measurement focus and accrual basis of accounting.

The Department's only fiduciary funds are agency funds. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Basis of Presentation – Fund Financial Statements

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 equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements into three generic fund types and two broad fund categories as follows:

Governmental Funds

Governmental funds are those through which general governmental functions of the Department are financed. The acquisition, use and balances of the Department's expendable financial resources and the related liabilities are accounted for through governmental fund types:

General Fund (SHARE Fund 43300) –The general fund is the general operating fund of the Department. This fund is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Department has two types of special revenue funds. One type is the special revenue funds used to account for specific revenue sources that are restricted for the activities of Boards and Commissions that the Department has oversight authority over. The revenues collected through permits, licenses, and other registration and exam fees by the individual boards and commissions are to be used to fund the activities of each respective board or commission. In addition to the individual boards and commissions, there are special revenue funds that have been established for restricted funds administered by the Department's other divisions. The purpose and statutes that established these funds along

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

with the restricted revenue sources are identified in the Special Revenue Fund Descriptions section.

Fiduciary Funds – Fiduciary funds are used to account for assets held by the Department as an agent for other government and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The funds serve as suspense accounts for the deposit of receipts of the Alcohol and Gaming Division, Construction Industries Division, Financial Institutions Division, Securities Division, and Manufactured Housing Division. At the close of each month, money received is transferred from the suspense accounts to other state funds.

Major Funds

The Department reports the following major governmental funds:

General Fund (SHARE Fund Number 43300). The General Fund is used to account for the activities of the Department's divisions that are not funded by restricted resources. The divisions, are supported primarily by a New Mexico State General Fund appropriation. The Combined General Fund includes the Boards and Commissions payroll clearing account (SHARE Fund Number 50150), a new fund approved in 2016.

Mortgage Regulatory Fund (SHARE Fund 10660). To account for application, licensing, renewal, examination, investigation and any other fees received that are associated with the costs of administering the New Mexico Mortgage Loan Originator Licensing Act, fees specified in Subsection E of Section 58-21 NMSA 1978, and any money that is appropriated or donated or that otherwise accrues to the fund. Income from the investment of the fund shall be credited to the fund. The Fund is created as a non-reverting fund in the state treasury and shall be administered by the financial institutions in accordance with the provisions of Section 9-16-15 NMSA 1978.

Board of Dental Health Care Fund (SHARE Fund 44700). The Board of Dental Health Care is authorized under Section 61-5A-2 to account for the application and to issue licenses to qualified dentists and owners of dental practices; to certify qualified dental assistants, expanded-function dental auxiliaries and community dental health coordinators; issue licenses to dental hygienists through the dental hygienists committee, discipline incompetent or unprofessional dentists, dental assistants, owners of dental practices and, through the dental hygienists committee, dental hygienists; and aid in the rehabilitation of impaired dentists and dental hygienists for the purpose of protecting the public. Fees are specified under Section 61-5A-20 NMSA 1978.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Board of Pharmacy Fund (SHARE Fund 46400). The Board of Pharmacy is authorized under 61-11-6(A)(1) NMSA 1978 to adopt, regularly review and revise rules and regulations necessary to carry out the provisions of the Pharmacy Act, 61-11-1, 61-11-2, 61-11-4 to 61-11-28 NMSA 1978. Section 61-11-6(A)(3) directs the board to provide for the issuance and renewal of licenses for pharmacists. Sections 61-11-6(A)(12), (13) and (14) NMSA 1978 authorize the board to employ and define the duties of an executive officer, inspectors, and qualified employees. Fees are specified under Section 61-11-12 NMSA 1978.

Real Estate Commission Fund (SHARE Fund 46700). The New Mexico Real Estate Commission is authorized under 61-29, NMSA 1978 to account for the issuance, renewal, and transfer of real estate broker's licenses, Establishment and enforcement of real estate broker pre-licensing and continuing education requirements, certification of providers of real estate broker education, investigation and adjudication of consumer and real estate broker complaints about potential and actual violations of the Real Estate License Law and Commission Rules, and education of consumers and real estate brokers about the Real Estate License Law and Commission Rules. Fees are specified under Section 61-29-8 NMSA 1978.

Basis of Accounting

Basis of accounting refers to the point at which revenues, expenditures, transfers and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Basis accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis. The fiduciary funds are presented using the economic resources measurement focus and the accrual basis of accounting.

The government-wide financial statements are prepared using the economic resources measurement focus and accrual basis of accounting.

The governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they become both measurable and available). "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days). Expenditures are recorded when the related fund liability is incurred.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In applying the "susceptible to accrual" concept to intergovernmental revenues, 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 unearned revenues by the recipient.

Budgets, Budgetary Accounting and Reverting Funds.

The Department prepares budgets for its governmental funds, which are subject to approval by the New Mexico Department of Finance and Administration (DFA), based upon the appropriations made by the State Legislature. Budgets are controlled at the appropriation unit level (personal services, employee benefits, etc.), and amendments affecting a category are approved by DFA and the Legislative Finance Committee (LFC). Expenditures may not exceed appropriations at this level.

The Department's budget is appropriated by program code. Each program code includes the operations of the Department's divisions accounted for in the General Fund and, in some cases, related special revenue funds. The budgetary presentations in the accompanying financial statements are presented by fund and by program code in order to provide information that demonstrates accountability at the program code level. The structure of this presentation is as follows:

Program Code P599-Construction Industries and Manufactured Housing. This program includes the Construction Industries and Manufactured Housing Division's activities accounted for in the Department's General Fund (SHARE Fund 43300) along with the Carnival Ride Insurance Bureau Fund (SHARE Fund 64300), Hoisting and Safety Act Fund (SHARE Fund 21100), Construction Publication Fund (SHARE Fund 37300) and the Federal Manufactured Housing Fund (SHARE Fund 47200). The Department allocates the budget under this program code to the various funds. Only the General Fund (SHARE Fund 43300) is allocated State General Fund appropriations and thus is reverting. The remaining funds are special revenue funds with restricted resources and are thus non reverting funds.

Program Code P600-Financial Institutions and Securities Enforcement. This program includes the Financial Institutions Division's activities accounted for in the General Fund (SHARE Fund 43300) along with the Mortgage Regulatory Fund (SHARE Fund 10660), and FID Settlement Proceeds (SHARE Fund 11550). The Department allocates the budget under this program code to the various funds. Only the General Fund (SHARE Fund 43300) is allocated State General Fund appropriations and thus is reverting. The remaining funds are special revenue funds with restricted resources and are thus non reverting funds.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The only activity in the FID Settlement Proceeds (SHARE Fund 11550) is the transfer of funds to the General Fund (SHARE Fund 43300). Since this activity is within the program code, it is not subject to separate budget and therefore is not presented in the budget comparison schedules in the financial statements.

Program Code P601-Alcohol and Gaming. This program includes only the activities of the Alcohol and Gaming Division accounted for in the General Fund (SHARE Fund 43300). Unexpended balances in these program are subject to reversion to the State General Fund.

Program Code P602-Program Support. This program includes the activities of the Office of the Superintendent, Administrative Services Division and Information Technology accounted for in the General Fund (SHARE Fund 43300). Unexpended balances in these program are subject to reversion to the State General Fund.

Program Code P617-Securities. This program includes only the activities of the Securities Division accounted for in the General Fund (SHARE Fund 43300) along with the Securities Enforcement and Education Fund (SHARE Fund 04400). The Department allocates the budget under this program code to the two funds. Only the General Fund (SHARE Fund 43300) is allocated State General Fund appropriations and thus is reverting.

BOARDS AND COMMISSIONS. The remaining special revenue funds, used primarily to account for the Boards and Commissions, have individual budgets. With the exception of the Animal Shelter Services (SHARE Fund 20120) which receives a State General Fund appropriation, none of these funds are subject to reversion.

Basis of Presentation–Fund Accounting

The unexpended balances of the State General Fund appropriation to the Department are to be reverted to the State General Fund at the end of each fiscal year. The Department also receives funding from various special and supplemental appropriations. The language of a particular appropriation determines when it lapses and whether or not unexpended balances revert to the State General Fund.

The Department follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Department submits a proposed budget to the New Mexico state legislature for the fiscal year commencing the following July 1. The state legislature must approve the budget prior to the legal enactment.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. The expenditures and encumbrances of each appropriation unit may not legally exceed the budget for that category. Budgets are controlled at the “appropriation unit” program level within activities (personal services and benefits, contractual services, P-Code, Z-Code, etc.).
3. New Mexico Department of Finance and Administration State Budget Division in the form of a budget adjustment request.
4. Beginning in FY 2006, the annual budget, per the General Appropriations Act, Laws of 2006, Chapter 109, Section 3, Subsections N and O, was adopted on a 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 (Section 6-10-4 NMSA 1978) must be paid out of the next year’s budget. The modified accrual basis of accounting is consistent with generally accepted accounting principles (GAAP). Budgeted revenues may be less than budgeted expenditures as the ending fund balance may, in certain instances, be rebudgeted for expenditures in the next fiscal year. Budgetary comparisons presented in the financial statements are on a modified accrual basis of accounting.
5. The Department has been designated as a “reverting agency” by the New Mexico state legislature and, therefore, pursuant to the Laws of 2004, Chapter 114, Section 2(E), “unencumbered balances in agency accounts remaining at the end of the fiscal year 2015 shall revert to the State General Fund by September 30, 2015, unless otherwise indicated in the General Appropriations Act of 2004 or otherwise provided by law” to the extent noted above.
6. The budget for the General Fund and Special Revenue Funds are adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of fiscal year that do not get paid by statutory deadline (Section 6-10-4 NMSA 1978), that must be paid out of next year’s budget. A reconciliation of budgetary basis to GAAP basis will be necessary if all accounts payable at the end of the fiscal year are not paid by the statutory deadline.

Financial Statement Amounts

1. Prepaid Postage

Prepaid balances are for payments made by the Department in the current year to provide postage for use in the subsequent fiscal year, and the reserve for prepayment has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Receivables

No allowance for doubtful accounts has been recorded as management estimates that all amounts are collectible.

3. Interfund Receivables and Payables

Short-term amounts owed between funds are classified as "Due from/to other funds". These are eliminated in the government-wide financial statements.

4. Other Financing Sources

The amounts recorded as "other financing sources" are overhead costs charged to various board and commissions. The costs are recorded as expenditures under other financing uses category. The revenue and costs are eliminated on the Statement of Activities.

5. Capital Assets

Property, plant and equipment assets purchased or acquired at a value of \$5,000 or greater per Section 12-6-10 NMSA 1978 are capitalized.

Capital assets capitalized include computer software license rights purchased. All capital assets are valued at historical cost or estimated historical cost if actual history is not available. Donated assets, or those contributed by other governmental entities, are valued at their estimated fair market value on the date donated. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over estimated useful lives with no salvage value.

The Department estimates the useful lives of capital assets as follows:

| | |
|---------------------------|------------|
| Data processing equipment | 5-7 years |
| Software License Rights | 5-10 years |
| Automotive | 5 years |

6. Accrued Compensated Absences

Qualified employees are entitled to accumulate annual leave at various rates depending upon their length of service. A maximum of thirty (30) working days (240 hours) of such accumulated annual leave may be carried forward into the beginning of a calendar leave year and any excess is lost. When employees terminate, they are compensated for accumulated unpaid annual leave as of the date of termination, up to a maximum of thirty days. Qualified employees are entitled to accumulate sick leave at 3.69 hours per pay period. There is no limit to the amount of sick leave that an employee may accumulate. The Department's policy is to permit employees to accumulate earned but unused vacation and sick pay benefits.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Qualified employees accumulate maximum annual leave as follows:

| <u>Years of Service</u> | <u>Hours Earned Per Pay Period</u> | <u>Days of Maximum Accrual</u> |
|-------------------------|--|------------------------------------|
| Up to 3 years | 3.08 | 30 |
| Over 3 – 7 years | 3.69 | 30 |
| Over 7 – 11 years | 4.61 | 30 |
| Over 11-15 years | 5.54 | 30 |
| Over 15 years | 6.15 | 30 |

Sick leave is not paid when employees terminate or retire, except in two instances. The 1983 State Legislature approved, and the New Mexico State Personnel Board Rules permit, payment at (50%) of an employee's hourly wage of accrued sick leave in excess of 600 hours as follows: (1) twice a year for current employees (an employee cannot be paid twice within the same year), for a maximum of 120 hours and (2) to retiring employees, for a maximum of 400 hours.

The Department recognizes the liabilities for compensated absences meeting the requirements of accrual as of year-end. The compensated absences payable has been valued using current pay levels. All compensated absences are considered to be paid out of subsequent year resources.

7. Fund Balance Classifications

In the governmental fund financial statements, fund balances are classified as nonspendable, restricted, or unrestricted (committed, assigned, or unassigned). Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches of the State. Assigned fund balance is constrained by the Legislature's and Executive Branch's intent to be used for specific purposes or in some cases by legislation.

The Department's fund balances represent: 1) Restricted Purposes, which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; 2) Committed Purposes, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches; 3) Assigned Purposes, which includes balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted or committed.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A summary of the nature and purpose of these reserves by fund type at year end, follows:

Nonspendable - Postage – This reserve was created for prepaid postage on hand at year end. At year end, postage remaining in the meter is recorded as a prepaid asset with an offsetting reserve of fund balance in the Governmental Fund Statement.

Reservations and Designations

Restricted – This reserve consists of liquid assets (generated from revenues and not bond proceeds), which have third-party (statutory or granting agency) limitation on their use.

Committed – Committed for Multi-Year Appropriations. This reserve was created for multi-year appropriations for which the Department has received funds for projects which extend into future years. .

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, restricted fund balance must be spent first.

When expenditures are incurred for purposes for which amounts in any of unrestricted fund balance classifications can be used, committed amounts should be reduced first, followed by assigned amounts and then unassigned amounts.

8. Net Position

The government-wide financial statements utilize a net position presentation.

Net position is categorized as net investment in capital assets, restricted and unrestricted. Net investment in Capital Assets is intended to reflect the portion of net position which is associated with non-liquid, capital assets less outstanding capital asset related debt.

9. Revenues

Revenues are recognized as follows:

1. Special and capital outlay appropriations require project and draw down approval from the New Mexico Department of Finance and Administration (DFA) Board of Finance. The Department considers this part of the eligibility requirements and does not recognize the revenues and receivables until the approval is obtained.
2. Federal and other grants revenues are recognized when the applicable eligibility criteria, including time requirements, are met and the resources are available. Resources received for which applicable eligibility criteria have not been met are reflected as unearned revenues in the accompanying financial statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Revenues from grants that are restricted for specific uses are recognized as revenues and as receivables when the related costs are incurred. Contributions and other monies held by other state and local agencies are recorded, as a receivable at the time the money is made available to the specific fund. All other revenues are recognized when they are received and are not susceptible to accrual.

10. Unearned Revenue

Amounts received prior to the time they are considered available to pay current liabilities are recorded as unearned revenue and recognized as revenue using the modified accrual basis of accounting. Such revenue sources include collections received by various boards for licenses and permits prior to their effective license period as of the end of the fiscal year. Boards issue licenses and permits with a one year to three year renewal period (depending on applicable state statute). License and permit revenue is recognized ratably over the license period. License revenue received prior to year-end but not recognized during the year is “unearned” at year-end.

11. Interfund Transactions

Quasi-external transactions are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures are shown in the reimbursing fund as reductions of expenditures and in the fund that is reimbursed as additions. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers.

The administrative costs charged to the Boards and recorded as revenue by the General Fund have been eliminated in the government-wide statements.

12. Use of Estimates

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

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 3. INTEREST IN THE STATE TREASURER GENERAL FUND INVESTMENT POOL

The State General Fund Investment Pool (SGFIP) is the State of New Mexico’s main operating account. State revenues such as income taxes, sales taxes, rents and royalties, and other recurring revenues are credited to the General Fund Investment Pool. The fund also comprises numerous State agency accounts whose assets, by statute (Section 8-6-3 NMSA 1978), must be held at the State Treasury. Reconciliation of the SGFIP is the responsibility of the Department Finance and Administration (DFA).

The Financial Control Division (FCD) of DFA in collaboration with the State Treasurer's Office, implemented a comprehensive reconciliation model that compared aggregated agency claims on the State General Fund Investment Pool and to the associated resources held by the State Treasurer's Office. This process now has been reviewed by the IPAs performing audits of the General Fund, the Department of Finance and Administration and the State of New Mexico's Comprehensive Annual Financial Report for fiscal year 2015. Each review of the process deemed it to be adequate and the findings related to Cash Reconciliation were significantly reduced or eliminated. Successfully addressing this issue allowed the Department to reinstate \$100M that had been reserved as a loss contingency. For FY 2016 the following assertions are provided,

1. The 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;
2. Resources are sufficient to cover claims and there is no need to adjust any specific business unit claim on the SGFIP;
3. All claims will be honored at face value.

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 General Fund Investment Pool managed by the New Mexico State Treasurer’s Office.

Investment balances at year end, consisted of the following:

| | |
|---|---------------|
| Deposits with State Treasurer-governmental activities | \$ 32,630,796 |
| Deposits with State Treasurer-fiduciary balances | 582,516 |
| Total balance | \$ 33,213,312 |

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

**NOTE 3. INTEREST IN THE STATE TREASURER GENERAL FUND INVESTMENT POOL
(CONTINUED)**

All funds deposited by to the Department are held by the New Mexico State Treasurer. Deposits are non-interest bearing, with exceptions noted on the schedule of cash accounts. Money deposited by the Department with the State Treasurer is pooled and invested by the State Treasurer. The State Treasurer deposits public monies with New Mexico financial institutions in denominations which generally are in excess of the \$250,000 in insurance coverage provided by federal agencies. Accordingly, the State Treasurer requires that depository financial institutions provide additional collateral for such investments. The collateral generally is in the form of marketable debt securities and is required in amounts ranging from 50% to 102% of the par value of the investment dependent upon the institutions operating results and capital. Collateral for the fiscal account is required in amounts equal to 50% of the average investment balance.

Separate financial statements of the State Treasurer indicate collateral categories of risk and market value of purchased investments. All collateral is held in third-party safekeeping. A supplemental schedule of cash that the Department held as of June 30, 2016, is presented in the financial statements as other supplementary information.

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 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.

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 audit report for the New Mexico State Treasurer’s Office for the fiscal year ended June 30, 2016.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 4. DUE FROM AND DUE TO OTHER STATE AGENCIES

Transactions that occur among state agencies under legislative mandate, exchange transactions and other situations are accounted for in the financial statements which make up the due from other state agencies. Due from other state agencies at June 30, 2016 consist of the following:

| Agency Business Unit Number | Agency Fund Number | Purpose | Amount | RLD's Business Unit Number | RLD's Fund Number |
|--|-----------------------------------|--|-------------------------|---|----------------------------------|
| 94000 | 94700 | Project Inspections for PSFA | \$ 8,911 | 42000 | 43300 |
| 33300 | 82500 | Taxation and Revenue License Plate Fees | 1,925 | 42000 | 20120 |
| 33300 | 81900 | Taxation and Revenue Voluntary Contributions | 229 | 42000 | 20120 |
| 44900 | 07200 | Funds deposited by wrong Agency | <u>50</u> | 42000 | 43905 |
| | | Total Governmental Funds | 11,115 | | |
| | | Total Agency Funds | <u>-</u> | | |
| | | Total All Funds | <u><u>\$ 11,115</u></u> | | |

The Department did not have Due To Other State Agencies balances at June 30, 2016.

NOTE 5. DUE TO AND DUE FROM OTHER FUNDS

Due to and due from other funds represent interfund receivables and payables arising from interdepartmental transactions related to administrative costs allocated and are expected to be repaid within one year. These amounts have been eliminated on the government-wide statements. There were no interfund due to or from balances at June 30, 2016.

NOTE 6. DUE TO STATE GENERAL FUND

Unexpended cash balances of the Department's General Fund are subject to reversion to the State's General Fund unless they are multi-year appropriations or the appropriation periods are specifically extended by act of the Legislature. Stale dated checks are also due to be returned to the State General Fund. 2016 reversions recorded in SHARE Fund 43300 include \$403,809 for appropriated funds and \$87,386 for non-appropriated funds totaling \$491,225. The table below summarizes the reversions along with the balance due to the State General Fund at year-end.

| SHARE Fund | June 30, 2015 Due to State General Fund | Transfer of Prior Year Reversion | 2016 Reversion | June 30, 2016 Due to State General Fund |
|-----------------------|--|---|-----------------------|--|
| 43300 | <u>\$ 218,621</u> | <u>\$ (218,621)</u> | <u>\$ 491,225</u> | <u>\$ 491,225</u> |

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 7. CAPITAL ASSETS

The capital asset activity for the year ended June 30, 2016 is as follows:

| | June 30, 2015 | Additions | Deletions | Adjustments | June 30, 2016 |
|---------------------------------------|--------------------|---------------------|-------------------|-------------------|--------------------|
| Depreciable Assets | | | | | |
| System Software License | \$1,314,212 | \$ 73,190 | \$ - | \$ - | \$1,387,402 |
| Machinery and Equipment | 184,344 | - | (5,749) | - | 178,595 |
| Data Processing equipment | 732,533 | - | (78,339) | 154,554 | 808,748 |
| Automotive | <u>325,026</u> | <u>-</u> | <u>(65,270)</u> | <u>-</u> | <u>259,756</u> |
| Totals at historical cost | <u>2,556,115</u> | <u>73,190</u> | <u>(149,358)</u> | <u>154,554</u> | <u>2,634,501</u> |
| Accumulated depreciation | | | | | |
| System Software License | (138,561) | (277,480) | - | - | (416,041) |
| Machinery and Equipment | (175,489) | (4,507) | 3,641 | - | (176,355) |
| Data Processing equipment | (298,724) | (218,034) | 78,148 | - | (438,610) |
| Automotive | <u>(104,983)</u> | <u>(48,142)</u> | <u>65,269</u> | <u>-</u> | <u>(87,856)</u> |
| Total accumulated depreciation | <u>(717,757)</u> | <u>(548,163)</u> | <u>147,058</u> | <u>-</u> | <u>(1,118,862)</u> |
| Capital assets, net | <u>\$1,838,358</u> | <u>\$ (474,973)</u> | <u>\$ (2,300)</u> | <u>\$ 154,554</u> | <u>\$1,515,639</u> |

The Department does not have any debt related to capital assets as of June 30, 2016.

Depreciation expense for the Department amounted to \$548,163 and is all related to the General Government Program Support function in the government-wide Statement of Activities.

NOTE 8. COMPENSATED ABSENCES

Management estimates that \$843,279 in compensated absences is due within one year. Most of the compensated absences balances have been paid by the General Fund in prior years. The amount of compensated absences is calculated by multiplying the vested hours by the pay rate at year-end plus applicable payroll taxes.

| | June 30, 2015 | Additions | Deletions | June 30, 2016 | Amount due within one year |
|----------------------|-------------------|--------------------|----------------------|-------------------|----------------------------------|
| Compensated Absences | <u>\$ 777,375</u> | <u>\$1,138,947</u> | <u>\$(1,037,074)</u> | <u>\$ 843,279</u> | <u>\$ 843,279</u> |

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 9. INTER-FUND TRANSFERS

Operating transfers are for the allocation of administrative and payroll costs and consist of the following:

| Fund Name | SHARE Fund | Transfers | |
|---------------------------------------|---------------|---------------------|---------------------|
| | | In | Out |
| Sec. Education & Training | 04400 | \$ - | \$ 92,614 |
| Mortgage Regulatory Fund | 10660 | - | 69,987 |
| FID Settlement Fund | 11550 | - | - |
| Sign Language Interpretation Practice | 20110 | - | 83,157 |
| Animal Shelter Services | 20120 | - | 63,911 |
| General Fund | 43300 | 1,766,310 | - |
| Barber and Cosmetology | 43900 | - | 831,241 |
| Body Art Practitioners | 44010 | - | 79,223 |
| Athletic Commission | 44100 | - | 109,183 |
| Massage Therapy | 44200 | - | 203,157 |
| Counselor/Therapy Board | 44400 | - | 327,018 |
| Board of Chiropractors | 44600 | - | 115,274 |
| Board of Dental Health Care | 44700 | - | 320,869 |
| Nutrition and Dietetics | 44800 | - | 11,628 |
| Board of Nursing Home Administration | 44900 | - | 27,481 |
| Occupational Therapy | 45000 | - | 69,079 |
| Board of Optometry | 45100 | - | 66,460 |
| Board of Osteopathic Examiners | 45200 | - | 127,502 |
| Board of Podiatry | 45300 | - | 26,297 |
| Board of Psychology | 45400 | - | 119,067 |
| Physical Therapy Board | 45500 | - | 95,926 |
| Thanatopractice | 45600 | - | 116,935 |
| Board of Interior Design | 45700 | - | 5,636 |
| Private Investigators | 45900 | - | 298,025 |
| Landscape Architects Board | 46000 | - | 7,682 |
| Pharmacy Board | 46400 | - | 266,693 |
| Real Estate Appraisers Board | 46500 | - | 263,651 |
| Accountancy Board | 46600 | - | 79,657 |
| Real Estate Commission | 46700 | - | 170,602 |
| Social Workers Board | 46900 | - | 213,489 |
| Acupuncture Board | 47100 | - | 165,408 |
| HUD MHD Housing | 47200 | - | 11,748 |
| Speech and Language Pathology | 47300 | - | 99,529 |
| Respiratory Care Advisory Board | 47400 | - | 88,701 |
| Athletic Trainers Board | 47500 | - | 17,478 |
| Payroll Flow-Through Fund | 50150 | 2,877,998 | - |
| Total | | <u>\$ 4,644,308</u> | <u>\$ 4,644,308</u> |

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 10. TRANSFERS TO/FROM OTHER STATE AGENCIES

Transfers to and from other state agencies for the year ended June 30, 2016 are routine in nature and are consistent with the activities of the fund making the transfer.

Transfers to other state agencies consist of the following:

| RLD Fund Name | From SHARE Fund No. | To Business Unit | To SHARE Fund No. | Amount | Purpose |
|---|---------------------------|------------------------|----------------------|------------------------|---|
| Special Revenue Funds: | | | | | |
| Securities Ed & Training | 04400 | 34100 | 85300 | \$ (2,000,000) | Sweep - excess balances to State General Fund |
| Mortgage Regulatory Fund | 10660 | 34100 | 85300 | <u>(2,900,000)</u> | Sweep - excess balances to State General Fund |
| | | | | <u>(4,900,000)</u> | |
| Agency Funds: | | | | | |
| FID Receipts | 43500 | 34100 | 85300 | (3,455,193) | Monthly sweep of cash to State General Fund |
| MHD Receipts | 43600 | 34100 | 85300 | (374,224) | Monthly sweep of cash to State General Fund |
| CID Receipts | 43700 | 34100 | 85300 | (6,092,078) | Monthly sweep of cash to State General Fund |
| SEC Receipts | 43800 | 34100 | 85300 | (22,016,265) | Monthly sweep of cash to State General Fund |
| Alcohol and Gaming Receipts | 80800 | 34100 | 85300 | <u>(4,027,570)</u> | Monthly sweep of cash to State General Fund |
| | | | | <u>(35,965,330)</u> | |
| Total transfers to other state agencies | | | | <u>\$ (40,865,330)</u> | |

Transfers from other state agencies consist of the following:

| RLD Fund Name | RLD SHARE Fund No. | From Business Unit | Amount | Purpose |
|---|-----------------------------|--------------------------|----------------------|--|
| Sign Language Services | 20110 | 43700 | 25,000 | For administrative and licensing support |
| General Fund | 43300 | 94000 | 277,992 | For permit issuance |
| General Fund | 43300 | 34100 | 13,347,400 | State General Fund Appropriation |
| Animal Shelter Services | 20120 | 34100 | <u>28,700</u> | State General Fund Appropriation |
| Total transfers from other state agencies | | | <u>\$ 13,679,092</u> | |

NOTE 11. RETIREMENT PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

As required by Government Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*, the State of New Mexico implemented the standard for the fiscal year ending June 30, 2015.

The 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

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 11. RETIREMENT PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

administered by the Public Employees Retirement Association (PERA). Disclosure requirements for governmental funds apply to the primary government as a whole, and as such, this information is presented in the Component Appropriation Funds Annual Financial Report (General Fund) and 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.

NOTE 12. 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 N.E., Suite 104, Albuquerque, New Mexico 87107.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 12. POST-EMPLOYMENT BENEFITS-STATE RETIREE HEALTH CARE PLAN (CONTINUED)

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2016, the statutes 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, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The Department's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were \$244,800, \$236,410, and \$216,256, respectively, which equal the required contributions for each year.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 13. INSURANCE COVERAGE

The Department obtains coverage through the Risk Management Division of the State of New Mexico General Services Department. This coverage includes liability and civil rights, property, vehicle, employer bond, workers' compensation, group insurance and state unemployment. These coverages are designed to satisfy the requirements of the State Tort Claims Act. All Department employees are covered by a blanket fidelity bond with a \$5,000,000 coverage limit with a \$1,000 deductible per occurrence by the State of New Mexico.

The Department is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the agency carries insurance (workers' compensation, unemployment compensation, employee liability, and transportation property) with the State of New Mexico Risk Management Division (RMD) of the General Services Department.

Risk Management

The Department, as a state agency defined in the New Mexico Tort Claims Act, is insured through the Risk Management Division of the state of New Mexico. The Department pays annual premiums to the Risk Management Division for coverage provided in the following areas:

1. Liability and civil rights protection for claims made by others against the state of New Mexico.
2. Coverage to protect the state of New Mexico's property and assets.
3. Fringe benefit coverage's for state of New Mexico employees.

The Department's exposure is limited to \$1,000 per any first-party incurred property loss, with the exception of theft, which has a \$5,000 deductible. After conferring with legal counsel concerning pending litigation and claims, the Department believes that the outcome of pending litigation should not have a materially adverse effect on the financial position or operations of the Department. In addition, for the years ended June 30, 2016, 2015, and 2014, the Department had no claims for which the Risk Management Division has returned as "not covered" that would become the responsibility of the Department.

NOTE 14. OPERATING LEASE AGREEMENTS

Building Leases. The Department has a building lease agreement to provide office space for the Construction Industries Division located in Las Cruces. The Department has also entered into lease agreements to provide office space for the Boards and Commissions and Construction Industries Division located in Albuquerque.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 14. OPERATING LEASE AGREEMENTS (CONTINUED)

Rent expense under these building leases totaled \$ 368,792 for the year ended June 30, 2016. The Department is obligated under these building leases as follows:

| | |
|------------|---------------------|
| 2017 | \$ 340,678 |
| 2018 | 341,271 |
| 2019 | 319,754 |
| 2020 | 328,377 |
| 2021 | 328,363 |
| Thereafter | <u>1,332,294</u> |
| | <u>\$ 2,990,738</u> |

Equipment Leases. The Department leases equipment under operating lease agreements that range in term from 36 to 48 month leases. Rent expense under these equipment leases totaled \$40,851 for the year ended June 30, 2016. The Department is obligated under these equipment leases as follows:

| | |
|------|------------------|
| 2017 | \$ 16,189 |
| 2018 | 6,525 |
| 2019 | <u>1,698</u> |
| | <u>\$ 24,413</u> |

Vehicle Leases. The Department leases vehicles under operating lease agreements in term for 60 months. Rent expense under these vehicle leases totaled \$ 122,928 for the year ended June 30, 2016. The Department is obligated under these vehicle leases as follows:

| | |
|------|-------------------|
| 2017 | \$ 122,928 |
| 2018 | 122,928 |
| 2019 | 122,928 |
| 2020 | <u>25,096</u> |
| | <u>\$ 393,880</u> |

NOTE 15. SPECIAL APPROPRIATION

For the General Fund (SHARE Fund 43300), in fiscal year 2013, the Laws of 2013, 1st Session, Chapter 227, Section 7, item 12 provided for a special appropriation in the amount of \$186,200 for the purchase of certain Information Technology items. This appropriation was extended until June 15, 2017 by the Laws of 2015, 1st session, Chapter 101, Section 7, Item 15. The entire balance of \$186,200 was spent for its intended purpose during fiscal year 2016.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 16. FUND BALANCE

For the special revenue funds, the fund balance is restricted by the enabling legislation. The statutes are listed with the related fund description in the section “Non-major Special Revenue Fund Descriptions”.

The Private Investigators and Polygraph Board Fund (SHARE Fund 45900) had a deficit fund balance of \$202,352 at June 30, 2016. Effective January 2015, the Private Investigators and Polygraph Board increased all fees for initial licensing and registration and all renewals. This was necessary to provide for adequate funding of the Board’s on-going operations and recover the current deficit.

During the 52nd Legislature, 2nd Session, Laws 2016, Chapter 12, House Bill 311, Section 2-A-(7 and 13 thru 35) the State appropriated, from 24 of the Department’s Funds, \$7,808,700 to be used for the State General Fund operating reserve in fiscal year 2016. These funds are to be transferred in fiscal year 2017. The Legislature’s action caused the appropriated amounts to be classified as committed fund balance in the accompanying fund financial statements at June 30, 2016.

NOTE 17. RESTATEMENT OF FUND BALANCES AND NET POSITION

Professional licenses (license) granted by the Boards and Commissions are for period of one to three years (with renewal dates such as birthdate, July 1, December 31, April 30, etc.) depending on the enabling legislation of the Board or Commission. Revenue derived from the issuance of a license that crosses a fiscal year is deferred (unearned revenue) and amortized into license revenue over the remaining life of the license.

During fiscal year 2016, management determined that unearned revenue balances presented in the June 30, 2015 financial statements were misstated for certain Boards and Commissions.

Bi-annually, management of the Department calculates unearned revenue by fund using a number of factors. One of the factors used in the unearned revenue calculations are cash receipts from licenses. Cash receipted at various Boards and Commissions in fiscal year 2015 for renewed licenses were incorrectly coded to the general ledger and, as a result, the revenue was recognized immediately and not included in unearned revenue calculation. Fund balance, by fund was misstated at June 30, 2015. Accordingly, the Department restated its special revenue fund balances. The restatement for the Statement of Activities is for the same purposes and net total of all funds.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016**

NOTE 17. RESTATEMENT OF FUND BALANCES AND NET POSITION (CONTINUED)

The restatement of fund balances at June 30, 2015, by fund, is as follows:

| Fund | Amount | Purpose of restatement |
|-------------|---------------------|-------------------------------------|
| 43900 | \$ (90,284) | Correction of 2015 unearned revenue |
| 44400 | (5,953) | Correction of 2015 unearned revenue |
| 44600 | (31,700) | Correction of 2015 unearned revenue |
| 44700 | (47,930) | Correction of 2015 unearned revenue |
| 44800 | (3,000) | Correction of 2015 unearned revenue |
| 45100 | (9,300) | Correction of 2015 unearned revenue |
| 45200 | (11,150) | Correction of 2015 unearned revenue |
| 45400 | (39,974) | Correction of 2015 unearned revenue |
| 45600 | (48,550) | Correction of 2015 unearned revenue |
| 45900 | (8,843) | Correction of 2015 unearned revenue |
| 46000 | (6,500) | Correction of 2015 unearned revenue |
| 46400 | (258,205) | Correction of 2015 unearned revenue |
| 46500 | (2,713) | Correction of 2015 unearned revenue |
| 46600 | (55,853) | Correction of 2015 unearned revenue |
| 46700 | (133,308) | Correction of 2015 unearned revenue |
| 46900 | (44,020) | Correction of 2015 unearned revenue |
| 47100 | (7,085) | Correction of 2015 unearned revenue |
| 47500 | <u>(3,025)</u> | Correction of 2015 unearned revenue |
| Total | <u>\$ (807,393)</u> | |

NOTE 18. SUBSEQUENT EVENT

The New Mexico State Legislature passed Senate Bill 2 during fiscal year 2017, which required sweeps of cash from the Department's funds to revert to the New Mexico State General Fund. The amounts swept totaled \$8,147,200 and are as follows: NM Public Accountancy (\$648,100), Board of Acupuncture and Oriental Medicine (\$249,500), Athletic Commission (\$172,700), Athletic Trainer Practice Board (\$32,500), Barbers and Cosmetologists (\$935,700), Body Art Practitioners (\$249,500), Chiropractic (\$181,500), Counseling and Therapy Practice (\$563,200), Landscape Architects (\$18,900), Massage Therapy (\$327,100), Nursing Home Administrators (\$56,300), Nutrition and Dietetics (\$60,500), Occupational Therapy (\$161,500), Optometry (\$35,800), Osteopathic Medical Examiners (\$57,200), Physical Therapy (\$329,700), Psychology (\$157,800), Appraiser (\$417,600), Real Estate Commission (\$621,400), Respiratory Care (\$114,500), Social Work Examiners (\$304,000), Speech Language Pathology, Audiology, and Hearing Aid Dispensing Practices (\$283,400), Funeral Services (\$104,100), Dental Health Care (\$598,800), and Pharmacy (\$1,465,900).

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NON-MAJOR SPECIAL REVENUE FUND DESCRIPTIONS
For the Year Ended June 30, 2016**

Securities Enforcement & Investor Education Fund (SHARE Fund 04400). To account for the education and training of New Mexico residents concerning securities laws and investment issues and to support of Division enforcement activity. To fulfill that mandate, the Division Investor Education Program conducts a coordinated community outreach effort designed to reach as many New Mexicans as possible through a variety of communications channels.

The fund was established in accordance with the provisions of Section 58-13C-601 NMSA 1978.

FID Settlement Fund (SHARE Fund 11550). To account for money distributed to the financial institutions division pursuant to the consent judgment in litigation between mortgage lenders and various states, including New Mexico, in 2012 and of income from the investment of the fund. Money in the fund is subject to appropriation by the legislature to Financial Institutions Division to support and improve state financial regulation and supervision as provided in the judgment.

The fund was established as a non-reverting fund under Section 9-16-16 NMSA 1978.

Hoisting Operators Fund (SHARE Fund 21100). To account for fees charged by the Department pursuant to the Hoisting Operators Safety Act.

The fund was established in accordance with the provisions of Section 60-15-15 NMSA 1978.

Financial Institutions Division (FID) Revolving Fund (SHARE Fund 37200). To account for the code books and publications to financial institutions. Receipts from such sales are used to recover related costs.

The fund was established by the Department with the authority of the New Mexico Department of Finance and Administration.

Construction Industries Division (CID) Revolving Fund (SHARE Fund 37300). To account for the sales of code books and publications by the Construction Industries Division of the Department. Collections received from such sales are used to recover related costs incurred.

The fund was established by the Department with the authority of the New Mexico Department of Finance and Administration.

HUD Manufactured Housing Fund (SHARE Fund 47200). To account for the revenue and related expenses for inspection service of manufactured housing units shipped into and manufactured in New Mexico. Funding is provided by an agreement with the United States Department of Housing and Urban Development. In addition, inspection services are billed to the manufacturing companies.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NON-MAJOR SPECIAL REVENUE FUND DESCRIPTIONS
For the Year Ended June 30, 2016**

Money Services Regulatory Fund (SHARE Fund 50520). To account for the application, licensing, renewal, investigation and any other fees received that are associated with the costs of administering the Uniform Money Services Act and any money that is appropriated or donated or that otherwise accrues to the fund.

The fund was established by the Laws of 2016, Chapter 88, Senate Bill 250, Section 1004, this fund is a non-reverting fund in the state treasury and shall be administered by the financial institutions division of the Department. There was no activity in fiscal year 2016.

Carnival Ride Insurance Fund - (SHARE Fund 64300). To account for the per-ride inspection fees collected under the provisions of the Carnival Ride Insurance Act. Each operator of a carnival ride must pay an inspection fee of \$50.00 per ride. This money is restricted to the purpose of fulfilling the provisions of the Carnival Ride Insurance Act.

The fund was established in accordance with provisions of NMSA 1978 Compilation, Section 57-25-3.

American Recovery and Reinvestment Act (ARRA) Fund (SHARE Fund 89000). An administrative fund established by the Department of Finance and Administration and funded by the Federal Government.

Individual Boards and Commissions. Separate SHARE funds have been set up to account for the administration of each individual board and commission established by certain sections of the New Mexico state statutes (as noted in the Funding Authority column below). Each board or commission's revenue is restricted to each board or commission's activity and administration. Without the action of the New Mexico Legislature, excess funds at the end of the fiscal year do not revert to the State General Fund. The detail on the next page summarizes the fund, fund name, and statutory authority for the Department's boards and commissions and other special revenue funds that were in existence at June 30, 2016.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NON-MAJOR SPECIAL REVENUE FUND DESCRIPTIONS
For the Year Ended June 30, 2016**

| SHARE Fund Number | SHARE Fund Name | Funding Authority |
|------------------------------|---|------------------------------|
| 04400 | Securities Enforcement and Investor Education | 58-13B-57 |
| 11550 | FID Settlement | 9-16-16 |
| 20110 | Sign Language Interpreting Services | 61-34-13 |
| 20120 | Animal Shelter Services | 77-1B-4 |
| 21100 | Hoisting Operators | 60-15-1 to 15 |
| 29700 | Real Estate Recovery | 61-29-21 |
| 37200 | Financial Institutions Revolving Fund | 9-16-14 |
| 37300 | CID Revolving Fund | 60-13-8.1 |
| 43900 | Barbers and Cosmetologists | 61-17A-14 |
| 44010 | Body Art Practitioners | 61-17B 1-18 |
| 44100 | Athletic Commission | 60-2A-24 |
| 44200 | Massage Therapist | 61-12C-23 |
| 44400 | Counselors and Therapists | 61-9A-25 |
| 44500 | Real Estate Education and Training | 61-29-19.1 |
| 44600 | Chiropractic Examiners | 61-4-7 |
| 44700 | Dental Health Care | 61-5A-26 |
| 44800 | Nutrition and Dietetics | 61-7A-12 |
| 44900 | Nursing Home Administrators | 61-13-12 |
| 45000 | Occupational Therapy | 61-12A-20 |
| 45100 | Optometry | 61-2-7 |
| 45200 | Osteopathic Examiners | 61-10-6 |
| 45300 | Podiatry | 61-8-7 |
| 45400 | Psychologist Examiners | 61-9-5 |
| 45500 | Physical Therapists | 61-1R-4 |
| 45600 | Thanatopractice | 61-32-26 |
| 45700 | Interior Design | 61-24C-16 |
| 45900 | Private Investigators and Polygraphers | 61-27B-30 |
| 46000 | Landscape Architects | 61-24B-14 |
| 46500 | Real Estate Appraisers | 61-30-18 |
| 46600 | Accountancy | 61-28B-6 |
| 46700 | Real Estate Commission | 61-29-4 |
| 46900 | Social Workers | 61-31-16 |
| 47100 | Acupuncture | 61-14A-18 |
| 47200 | HUD Manufactured Housing | 60-14-1 |
| 47300 | Speech, Language and Audiology | 61-14B-24 |
| 47400 | Respiratory Care Advisory | 61-12B-13 |
| 47500 | Athletic Trainers | 61-14D-18 |
| 64300 | Carnival Ride Insurance | 57-25-3 |
| 87600 | Impaired Dentists Hygienists | 61-5B-11 |
| 89000 | ARRA Fund | ARRA Grant |

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 04400 | 11550 | 20110 |
|--|---|------------------------------------|---------------------------------------|
| | Sec. Enforce. and Investor Education | FID Settlement Fund | Sign Language Interpreting |
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 1,451,615 | \$ 818,434 | \$ 141,171 |
| Accounts receivable | - | - | - |
| Prepaid postage | 2,322 | - | 7,386 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | - | - |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 1,453,937</u> | <u>\$ 818,434</u> | <u>\$ 148,557</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 9,927 | \$ 1,277 | \$ - |
| Accrued payroll | 4,927 | - | - |
| Unearned revenues | - | - | 2,062 |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | - |
| Due to other funds | - | - | - |
| Due to federal government | - | - | - |
| Total liabilities | <u>14,854</u> | <u>1,277</u> | <u>2,062</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 2,322 | - | 7,386 |
| Restricted | 1,436,761 | 817,157 | 139,109 |
| Committed | - | - | - |
| Unassigned (deficit) | - | - | - |
| Total fund balances | <u>1,439,083</u> | <u>817,157</u> | <u>146,495</u> |
| Total liabilities and fund balances | <u>\$ 1,453,937</u> | <u>\$ 818,434</u> | <u>\$ 148,557</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 20120 | 21100 | 29700 |
|--|------------------------------------|-------------------------------|---------------------------------|
| | <u>Animal Shelter Services</u> | <u>Hoisting Operators</u> | <u>Real Estate Recovery</u> |
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 151,944 | \$ 205,576 | \$ 292,612 |
| Accounts receivable | - | - | - |
| Prepaid postage | 189 | 335 | - |
| Due from other funds | - | - | - |
| Due from other state agencies | 2,154 | - | - |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 154,287</u> | <u>\$ 205,911</u> | <u>\$ 292,612</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ - | \$ - | \$ - |
| Accrued payroll | - | - | - |
| Unearned revenues | 8,979 | - | - |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | 31,351 | - | - |
| Due to other funds | - | - | - |
| Due to federal government | - | - | - |
| Total liabilities | <u>40,330</u> | <u>-</u> | <u>-</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 189 | 335 | - |
| Restricted | 113,768 | 205,576 | 50,012 |
| Committed | - | - | 242,600 |
| Unassigned (deficit) | - | - | - |
| Total fund balances | <u>113,957</u> | <u>205,911</u> | <u>292,612</u> |
| Total liabilities and fund balances | <u>\$ 154,287</u> | <u>\$ 205,911</u> | <u>\$ 292,612</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 37200 | 37300 | 43900 |
|--|--------------------|-------------------|-----------------------|
| | FID | CID | Board of |
| | Revolving | Revolving | Cosmetologists |
| | and Barbers | | |
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 200 | \$ 157,889 | \$ 2,915,825 |
| Accounts receivable | - | - | - |
| Prepaid postage | - | - | 2,458 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | - | 50 |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 200</u> | <u>\$ 157,889</u> | <u>\$ 2,918,333</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ - | \$ - | \$ 262 |
| Accrued payroll | - | - | - |
| Unearned revenues | - | - | 438,291 |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | - |
| Due to other funds | - | - | - |
| Due to federal government | - | - | - |
| Total liabilities | <u>-</u> | <u>-</u> | <u>438,553</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | - | - | 2,458 |
| Restricted | 200 | 52,689 | 1,028,722 |
| Committed | - | 105,200 | 1,448,600 |
| Unassigned (deficit) | - | - | - |
| Total fund balances | <u>200</u> | <u>157,889</u> | <u>2,479,780</u> |
| Total liabilities and fund balances | <u>\$ 200</u> | <u>\$ 157,889</u> | <u>\$ 2,918,333</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 44010 | 44100 | 44200 |
|--|-----------------------------------|--------------------------------|-------------------------------|
| | Body Art Practitioners | Athletic Commission | Massage Therapists |
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 358,147 | \$ 362,929 | \$ 521,067 |
| Accounts receivable | - | - | - |
| Prepaid postage | 605 | 285 | 747 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | - | - |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 358,752</u> | <u>\$ 363,214</u> | <u>\$ 521,814</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 383 | \$ 554 | \$ 48 |
| Accrued payroll | - | - | - |
| Unearned revenues | 79,471 | 13,200 | 149,847 |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | - |
| Due to other funds | - | - | - |
| Due to federal government | - | - | - |
| Total liabilities | <u>79,854</u> | <u>13,754</u> | <u>149,895</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 605 | 285 | 747 |
| Restricted | 278,293 | 195,775 | 371,172 |
| Committed | - | 153,400 | - |
| Unassigned (deficit) | - | - | - |
| Total fund balances | <u>278,898</u> | <u>349,460</u> | <u>371,919</u> |
| Total liabilities and fund balances | <u>\$ 358,752</u> | <u>\$ 363,214</u> | <u>\$ 521,814</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 44400 Counselors and Therapists | 44500 Real Estate Education and Training | 44600 Chiropractic Examiners |
|--|--|---|---|
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 1,244,856 | \$ 57,613 | \$ 927,349 |
| Accounts receivable | - | - | - |
| Prepaid postage | 912 | - | 721 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | - | - |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | \$ 1,245,768 | \$ 57,613 | \$ 928,070 |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 258 | \$ - | \$ 3,460 |
| Accrued payroll | - | - | - |
| Unearned revenues | 280,797 | 1,698 | 175,800 |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | - |
| Due to other funds | - | - | - |
| Due to federal government | - | - | - |
| Total liabilities | 281,055 | 1,698 | 179,260 |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 912 | - | 721 |
| Restricted | 644,401 | 55,915 | 209,589 |
| Committed | 319,400 | - | 538,500 |
| Unassigned (deficit) | - | - | - |
| Total fund balances | 964,713 | 55,915 | 748,810 |
| Total liabilities and fund balances | \$ 1,245,768 | \$ 57,613 | \$ 928,070 |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 44800 Nutrition and Dietetics | 44900 Nursing Home Administration | 45000 Occupational Therapy |
|--|--|--|---|
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 208,247 | \$ 194,258 | \$ 530,725 |
| Accounts receivable | - | - | - |
| Prepaid postage | 297 | 720 | 534 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | - | - |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 208,544</u> | <u>\$ 194,978</u> | <u>\$ 531,259</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 62 | \$ 4 | \$ 11 |
| Accrued payroll | - | - | - |
| Unearned revenues | 17,810 | 30,960 | 23,127 |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | - |
| Due to other funds | - | - | - |
| Due to federal government | - | - | - |
| Total liabilities | <u>17,872</u> | <u>30,964</u> | <u>23,138</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 297 | 720 | 534 |
| Restricted | 73,575 | 60,894 | 190,987 |
| Committed | 116,800 | 102,400 | 316,600 |
| Unassigned (deficit) | - | - | - |
| Total fund balances | <u>190,672</u> | <u>164,014</u> | <u>508,121</u> |
| Total liabilities and fund balances | <u>\$ 208,544</u> | <u>\$ 194,978</u> | <u>\$ 531,259</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 45100 | 45200 | 45300 |
|--|-------------------|----------------------------------|-------------------|
| | <u>Optometry</u> | <u>Osteopathic Examiners</u> | <u>Podiatry</u> |
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 421,238 | \$ 735,693 | \$ 182,884 |
| Accounts receivable | - | - | - |
| Prepaid postage | 662 | 903 | 343 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | - | - |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 421,900</u> | <u>\$ 736,596</u> | <u>\$ 183,227</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 1,318 | \$ 1,746 | \$ 11 |
| Accrued payroll | - | - | - |
| Unearned revenues | 88,949 | 163,098 | 20,044 |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | - |
| Due to other funds | - | - | - |
| Due to federal government | - | - | - |
| Total liabilities | <u>90,267</u> | <u>164,844</u> | <u>20,055</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 662 | 903 | 343 |
| Restricted | 30,271 | 44,449 | 53,629 |
| Committed | 300,700 | 526,400 | 109,200 |
| Unassigned (deficit) | - | - | - |
| Total fund balances | <u>331,633</u> | <u>571,752</u> | <u>163,172</u> |
| Total liabilities and fund balances | <u>\$ 421,900</u> | <u>\$ 736,596</u> | <u>\$ 183,227</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 45400 | 45500 | 45600 |
|--|-----------------------------------|-------------------------------|------------------------|
| | Psychologist Examiners | Physical Therapist | Thanatopractice |
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 851,486 | \$ 1,283,467 | \$ 424,395 |
| Accounts receivable | - | - | - |
| Prepaid postage | 1,013 | 1,329 | 589 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | - | - |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 852,499</u> | <u>\$ 1,284,796</u> | <u>\$ 424,984</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 2,953 | \$ 959 | \$ 4,390 |
| Accrued payroll | - | - | - |
| Unearned revenues | 397,780 | 242,641 | 106,682 |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | - |
| Due to other funds | - | - | - |
| Due to federal government | - | - | - |
| Total liabilities | <u>400,733</u> | <u>243,600</u> | <u>111,072</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 1,013 | 1,329 | 589 |
| Restricted | 150,753 | 404,767 | 108,423 |
| Committed | 300,000 | 635,100 | 204,900 |
| Unassigned (deficit) | - | - | - |
| Total fund balances | <u>451,766</u> | <u>1,041,196</u> | <u>313,912</u> |
| Total liabilities and fund balances | <u>\$ 852,499</u> | <u>\$ 1,284,796</u> | <u>\$ 424,984</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 45700 | 45900 | 46000 |
|--|----------------------------|--|---------------------------------|
| | Interior Design | Private Investigators and Polygraph | Landscape Architects |
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 70,717 | \$ 84,093 | \$ 230,704 |
| Accounts receivable | - | - | - |
| Prepaid postage | 329 | 1,523 | 1,514 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | - | - |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 71,046</u> | <u>\$ 85,616</u> | <u>\$ 232,218</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ - | \$ 15 | \$ 461 |
| Accrued payroll | - | - | - |
| Unearned revenues | 4,152 | 286,430 | 35,400 |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | - |
| Due to other funds | - | - | - |
| Due to federal government | - | - | - |
| Total liabilities | <u>4,152</u> | <u>286,445</u> | <u>35,861</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 329 | 1,523 | 1,514 |
| Restricted | 27,165 | - | 19,643 |
| Committed | 39,400 | - | 175,200 |
| Unassigned (deficit) | - | (202,352) | - |
| Total fund balances | <u>66,894</u> | <u>(200,829)</u> | <u>196,357</u> |
| Total liabilities and fund balances | <u>\$ 71,046</u> | <u>\$ 85,616</u> | <u>\$ 232,218</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 46500 | 46600 | 46900 |
|--|----------------------|---------------------|---------------------|
| | Estate Appraisers | Accountancy | Social Workers |
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 588,294 | \$ 1,034,045 | \$ 1,011,831 |
| Accounts receivable | 957 | - | - |
| Prepaid postage | 611 | 777 | 384 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | - | - |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 589,862</u> | <u>\$ 1,034,822</u> | <u>\$ 1,012,215</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 1,645 | \$ 2,383 | \$ 3,180 |
| Accrued payroll | - | 6,895 | - |
| Unearned revenues | 100,811 | 240,255 | 599,676 |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | - |
| Due to other funds | - | - | - |
| Due to federal government | 440 | - | - |
| Total liabilities | <u>102,896</u> | <u>249,533</u> | <u>602,856</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 611 | 777 | 384 |
| Restricted | 486,355 | 784,512 | 308,975 |
| Committed | - | - | 100,000 |
| Unassigned (deficit) | - | - | - |
| Total fund balances | <u>486,966</u> | <u>785,289</u> | <u>409,359</u> |
| Total liabilities and fund balances | <u>\$ 589,862</u> | <u>\$ 1,034,822</u> | <u>\$ 1,012,215</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 47100 | 47200 | 47300 |
|--|--------------------|---|--|
| | Acupuncture | HUD Manufactured Housing | Speech Language and Audio |
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 400,299 | \$ 425,761 | \$ 782,944 |
| Accounts receivable | - | - | - |
| Prepaid postage | 601 | - | 1,122 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | - | - |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 400,900</u> | <u>\$ 425,761</u> | <u>\$ 784,066</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 1,173 | \$ - | \$ 6 |
| Accrued payroll | - | 2,985 | - |
| Unearned revenues | 10,904 | - | 189,474 |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | - |
| Due to other funds | - | - | - |
| Due to federal government | - | - | - |
| Total liabilities | <u>12,077</u> | <u>2,985</u> | <u>189,480</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 601 | - | 1,122 |
| Restricted | 288,222 | 422,776 | 342,264 |
| Committed | 100,000 | - | 251,200 |
| Unassigned (deficit) | - | - | - |
| Total fund balances | <u>388,823</u> | <u>422,776</u> | <u>594,586</u> |
| Total liabilities and fund balances | <u>\$ 400,900</u> | <u>\$ 425,761</u> | <u>\$ 784,066</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 47400 Respiratory Care Advisory | 47500 Athletic Trainers | 64300 Carnival Ride Insurance |
|--|--|--|--|
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 291,616 | \$ 128,228 | \$ 194,575 |
| Accounts receivable | - | - | - |
| Prepaid postage | 139 | 74 | 143 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | - | - |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 291,755</u> | <u>\$ 128,302</u> | <u>\$ 194,718</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ - | \$ - | \$ - |
| Accrued payroll | - | - | - |
| Unearned revenues | 87,867 | 3,978 | - |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | - |
| Due to other funds | - | - | - |
| Due to federal government | - | - | - |
| Total liabilities | <u>87,867</u> | <u>3,978</u> | <u>-</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | 139 | 74 | 143 |
| Restricted | 131,549 | 38,550 | 194,575 |
| Committed | 72,200 | 85,700 | - |
| Unassigned (deficit) | - | - | - |
| Total fund balances | <u>203,888</u> | <u>124,324</u> | <u>194,718</u> |
| Total liabilities and fund balances | <u>\$ 291,755</u> | <u>\$ 128,302</u> | <u>\$ 194,718</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING BALANCE SHEETS - ALL NONMAJOR FUNDS
June 30, 2016**

| | 87600 | 89000 | Total |
|--|------------------------------|-------------------|----------------------------|
| | Impaired Dentists | ARRA | Non-major Funds |
| | <u> </u> | <u> </u> | <u> </u> |
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 86,300 | \$ - | \$ 19,769,027 |
| Accounts receivable | - | - | 957 |
| Prepaid postage | - | - | 29,567 |
| Due from other funds | - | - | - |
| Due from other state agencies | - | - | 2,204 |
| Due from federal government | - | - | - |
| Inventories | - | - | - |
| Total assets | <u>\$ 86,300</u> | <u>\$ -</u> | <u>\$ 19,801,755</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ - | \$ - | \$ 36,486 |
| Accrued payroll | - | - | 14,807 |
| Unearned revenues | - | - | 3,800,183 |
| Due to State General Fund | - | - | - |
| Due to other state agencies | - | - | - |
| Due to local governments | - | - | 31,351 |
| Due to other funds | - | - | - |
| Due to federal government | - | - | 440 |
| Total liabilities | <u>-</u> | <u>-</u> | <u>3,883,267</u> |
| Fund Balances | | | |
| Nonspendable: | | | |
| Prepaid postage | - | - | 29,567 |
| Restricted | 21,100 | - | 9,782,573 |
| Committed | 65,200 | - | 6,308,700 |
| Unassigned (deficit) | - | - | (202,352) |
| Total fund balances | <u>86,300</u> | <u>-</u> | <u>15,918,488</u> |
| Total liabilities and fund balances | <u>\$ 86,300</u> | <u>\$ -</u> | <u>\$ 19,801,755</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016

| | 04400 | 11550 | 20110 |
|--|----------------------|-------------------|----------------------|
| | Sec. Enforce. | FID | Sign Language |
| | and Investor | Settlement | Services |
| | Education | Fund | Education |
| | <u> </u> | <u> </u> | <u> </u> |
| Revenues | | | |
| License fees | \$ 745,185 | \$ - | \$ 9,006 |
| Services | - | - | - |
| Printing and reproduction | - | - | 10 |
| Publications | - | - | - |
| Federal sources | - | - | - |
| Interest on investments | 5,393 | - | 452 |
| Other revenue | 245,051 | - | 440 |
| Total revenues | <u>995,629</u> | <u>-</u> | <u>9,908</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | 237,931 | - | - |
| Contractual services | 1,608 | - | 2,846 |
| In-state travel | 2,573 | - | 3,261 |
| Maintenance and repairs | 7,795 | - | 11 |
| Supplies and materials | 14,939 | - | 3,068 |
| Operating costs | 51,786 | 1,293 | 1,490 |
| Other costs | - | 128 | 80 |
| Out-of-state travel | 1,661 | 6,144 | - |
| Capital outlay | - | - | - |
| Total expenditures | <u>318,293</u> | <u>7,565</u> | <u>10,756</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>677,336</u> | <u>(7,565)</u> | <u>(848)</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | 25,000 |
| Transfers out-interagency | (2,000,000) | - | - |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | (92,614) | - | (83,157) |
| State General Fund appropriation | - | - | - |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>(2,092,614)</u> | <u>-</u> | <u>(58,157)</u> |
| Net change in fund balance | <u>(1,415,278)</u> | <u>(7,565)</u> | <u>(59,005)</u> |
| Fund balances, beginning of year | 2,854,361 | 824,722 | 205,500 |
| Restatement | - | - | - |
| Fund balances, beginning of year, as restated | <u>2,854,361</u> | <u>824,722</u> | <u>205,500</u> |
| Fund balances, end of year | <u>\$ 1,439,083</u> | <u>\$ 817,157</u> | <u>\$ 146,495</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016**

| | 20120 | 21100 | 29700 |
|--|------------------------------------|-------------------------------|---------------------------------|
| | <u>Animal Shelter Services</u> | <u>Hoisting Operators</u> | <u>Real Estate Recovery</u> |
| Revenues | | | |
| License fees | \$ 3,831 | \$ 21,600 | \$ - |
| Services | - | - | - |
| Printing and reproduction | 45 | - | - |
| Publications | - | - | - |
| Federal sources | - | - | - |
| Interest on investments | 396 | 441 | 4 |
| Other revenue | 900 | 585 | - |
| Total revenues | <u>5,172</u> | <u>22,626</u> | <u>4</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | - | - | - |
| Contractual services | - | - | - |
| In-state travel | 920 | 2,676 | - |
| Maintenance and repairs | - | - | - |
| Supplies and materials | 700 | - | - |
| Operating costs | 842 | 157 | - |
| Other costs | 28 | - | - |
| Out-of-state travel | - | - | - |
| Capital outlay | - | - | - |
| Total expenditures | <u>2,490</u> | <u>2,833</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>2,682</u> | <u>19,793</u> | <u>4</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | - |
| Transfers out-interagency | - | - | - |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | (63,911) | - | - |
| State General Fund appropriation | 28,700 | - | - |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>(35,211)</u> | <u>-</u> | <u>-</u> |
| Net change in fund balance | <u>(32,529)</u> | <u>19,793</u> | <u>4</u> |
| Fund balances, beginning of year | 146,486 | 186,118 | 292,608 |
| Restatement | - | - | - |
| Fund balances, beginning of year, as restated | <u>146,486</u> | <u>186,118</u> | <u>292,608</u> |
| Fund balances, end of year | <u>\$ 113,957</u> | <u>\$ 205,911</u> | <u>\$ 292,612</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016**

| | 37200 | 37300 | 43900 |
|--|-------------------|-------------------|-------------------------------|
| | FID | CID | Board of |
| | Revolving | Revolving | Cosmetologists and Barbers |
| | <u> </u> | <u> </u> | <u> </u> |
| Revenues | | | |
| License fees | \$ - | \$ - | \$ 998,515 |
| Services | - | - | 3,715 |
| Printing and reproduction | - | - | 8,705 |
| Publications | - | 1,347 | 45 |
| Federal sources | - | - | - |
| Interest on investments | - | - | - |
| Other revenue | - | - | 89,854 |
| Total revenues | <u>-</u> | <u>1,347</u> | <u>1,100,834</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | - | - | - |
| Contractual services | - | - | - |
| In-state travel | - | - | 9,285 |
| Maintenance and repairs | - | - | 840 |
| Supplies and materials | - | - | 10,241 |
| Operating costs | - | - | 28,936 |
| Other costs | - | - | 7,996 |
| Out-of-state travel | - | - | 1,296 |
| Capital outlay | - | - | - |
| Total expenditures | <u>-</u> | <u>-</u> | <u>58,594</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>1,347</u> | <u>1,042,240</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | - |
| Transfers out-interagency | - | - | - |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | - | - | (831,241) |
| State General Fund appropriation | - | - | - |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>(831,241)</u> |
| Net change in fund balance | <u>-</u> | <u>1,347</u> | <u>210,999</u> |
| Fund balances, beginning of year | 200 | 156,542 | 2,359,065 |
| Restatement | - | - | (90,284) |
| Fund balances, beginning of year, as restated | <u>200</u> | <u>156,542</u> | <u>2,268,781</u> |
| Fund balances, end of year | <u>\$ 200</u> | <u>\$ 157,889</u> | <u>\$ 2,479,780</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016

| | 44010 | 44100 | 44200 |
|--|-----------------------------------|--------------------------------|-------------------------------|
| | Body Art Practitioners | Athletic Commission | Massage Therapists |
| | <u> </u> | <u> </u> | <u> </u> |
| Revenues | | | |
| License fees | \$ 39,661 | \$ 25,985 | \$ 208,297 |
| Services | - | 112,847 | 26,250 |
| Printing and reproduction | 375 | - | 3,660 |
| Publications | - | - | - |
| Federal sources | - | - | - |
| Interest on investments | 320 | - | - |
| Other revenue | 9,361 | - | 16,572 |
| Total revenues | <u>49,717</u> | <u>138,832</u> | <u>254,779</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | - | - | - |
| Contractual services | 2,144 | 9,619 | - |
| In-state travel | 1,438 | 8,037 | 2,714 |
| Maintenance and repairs | - | 40 | 175 |
| Supplies and materials | 1,203 | 1,997 | 2,620 |
| Operating costs | 2,831 | 1,507 | 7,201 |
| Other costs | 55 | 77 | 2,199 |
| Out-of-state travel | - | - | - |
| Capital outlay | - | - | - |
| Total expenditures | <u>7,671</u> | <u>21,277</u> | <u>14,909</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>42,046</u> | <u>117,555</u> | <u>239,870</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | - |
| Transfers out-interagency | - | - | - |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | (79,223) | (109,183) | (203,157) |
| State General Fund appropriation | - | - | - |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>(79,223)</u> | <u>(109,183)</u> | <u>(203,157)</u> |
| Net change in fund balance | <u>(37,177)</u> | <u>8,372</u> | <u>36,713</u> |
| Fund balances, beginning of year | 316,075 | 341,088 | 335,206 |
| Restatement | - | - | - |
| Fund balances, beginning of year, as restated | <u>316,075</u> | <u>341,088</u> | <u>335,206</u> |
| Fund balances, end of year | <u>\$ 278,898</u> | <u>\$ 349,460</u> | <u>\$ 371,919</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016

| | 44400 | 44500 | 44600 |
|--|--|---|-----------------------------------|
| | Counselors and Therapists | Real Estate Education and Training | Chiropractic Examiners |
| | <u> </u> | <u> </u> | <u> </u> |
| Revenues | | | |
| License fees | \$ 382,682 | \$ 2,971 | \$ 181,675 |
| Services | 55,765 | - | 8,525 |
| Printing and reproduction | 7,163 | - | 1,500 |
| Publications | - | - | - |
| Federal sources | - | - | - |
| Interest on investments | 2,879 | 166 | - |
| Other revenue | 18,968 | 1,610 | 6,900 |
| Total revenues | <u>467,457</u> | <u>4,747</u> | <u>198,600</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | - | - | - |
| Contractual services | - | 29,244 | - |
| In-state travel | 4,378 | - | 2,501 |
| Maintenance and repairs | 200 | - | 31 |
| Supplies and materials | 3,279 | - | 831 |
| Operating costs | 7,373 | - | 2,722 |
| Other costs | 4,735 | - | 2,793 |
| Out-of-state travel | - | - | - |
| Capital outlay | - | - | - |
| Total expenditures | <u>19,965</u> | <u>29,244</u> | <u>8,878</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>447,492</u> | <u>(24,497)</u> | <u>189,722</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | - |
| Transfers out-interagency | - | - | - |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | (327,018) | - | (115,274) |
| State General Fund appropriation | - | - | - |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>(327,018)</u> | <u>-</u> | <u>(115,274)</u> |
| Net change in fund balance | <u>120,474</u> | <u>(24,497)</u> | <u>74,448</u> |
| Fund balances, beginning of year | 850,192 | 80,412 | 706,062 |
| Restatement | (5,953) | - | (31,700) |
| Fund balances, beginning of year, as restated | <u>844,239</u> | <u>80,412</u> | <u>674,362</u> |
| Fund balances, end of year | <u>\$ 964,713</u> | <u>\$ 55,915</u> | <u>\$ 748,810</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016

| | 44800 | 44900 | 45000 |
|--|--|--|---------------------------------|
| | Nutrition and Dietetics | Nursing Home Administration | Occupational Therapy |
| | <u> </u> | <u> </u> | <u> </u> |
| Revenues | | | |
| License fees | \$ 35,974 | \$ 39,358 | \$ 88,224 |
| Services | 3,450 | 15,990 | 29,155 |
| Printing and reproduction | 60 | 175 | 2,240 |
| Publications | - | - | - |
| Federal sources | - | - | - |
| Interest on investments | - | - | - |
| Other revenue | 500 | 1,800 | 2,590 |
| Total revenues | <u>39,984</u> | <u>57,323</u> | <u>122,209</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | - | - | - |
| Contractual services | - | - | - |
| In-state travel | 975 | 3,664 | 2,521 |
| Maintenance and repairs | - | 9 | 48 |
| Supplies and materials | 777 | 398 | 947 |
| Operating costs | 617 | 2,619 | 2,391 |
| Other costs | 420 | 458 | 1,166 |
| Out-of-state travel | - | - | - |
| Capital outlay | - | - | - |
| Total expenditures | <u>2,789</u> | <u>7,148</u> | <u>7,073</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>37,195</u> | <u>50,175</u> | <u>115,136</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | - |
| Transfers out-interagency | - | - | - |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | (11,628) | (27,481) | (69,079) |
| State General Fund appropriation | - | - | - |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>(11,628)</u> | <u>(27,481)</u> | <u>(69,079)</u> |
| Net change in fund balance | <u>25,567</u> | <u>22,694</u> | <u>46,057</u> |
| Fund balances, beginning of year | 168,105 | 141,320 | 462,064 |
| Restatement | (3,000) | - | - |
| Fund balances, beginning of year, as restated | <u>165,105</u> | <u>141,320</u> | <u>462,064</u> |
| Fund balances, end of year | <u>\$ 190,672</u> | <u>\$ 164,014</u> | <u>\$ 508,121</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016

| | 45100 | 45200 | 45300 |
|--|-------------------|----------------------------------|-------------------|
| | <u>Optometry</u> | <u>Osteopathic Examiners</u> | <u>Podiatry</u> |
| Revenues | | | |
| License fees | \$ 88,500 | \$ 134,000 | \$ 40,150 |
| Services | 8,075 | 3,220 | 325 |
| Printing and reproduction | 2,254 | 1,730 | 675 |
| Publications | - | - | - |
| Federal sources | - | - | - |
| Interest on investments | - | - | - |
| Other revenue | 3,350 | 5,722 | 350 |
| Total revenues | <u>102,179</u> | <u>144,672</u> | <u>41,500</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | - | - | - |
| Contractual services | 6,100 | - | - |
| In-state travel | 2,957 | 1,986 | 344 |
| Maintenance and repairs | 13 | 25 | 6 |
| Supplies and materials | 342 | 933 | 827 |
| Operating costs | 2,380 | 4,862 | 1,255 |
| Other costs | 1,520 | 1,944 | 627 |
| Out-of-state travel | - | - | - |
| Capital outlay | - | - | - |
| Total expenditures | <u>13,312</u> | <u>9,750</u> | <u>3,059</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>88,867</u> | <u>134,922</u> | <u>38,441</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | - |
| Transfers out-interagency | - | - | - |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | (66,460) | (127,502) | (26,297) |
| State General Fund appropriation | - | - | - |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>(66,460)</u> | <u>(127,502)</u> | <u>(26,297)</u> |
| Net change in fund balance | <u>22,407</u> | <u>7,420</u> | <u>12,144</u> |
| Fund balances, beginning of year | 318,526 | 575,482 | 151,028 |
| Restatement | (9,300) | (11,150) | - |
| Fund balances, beginning of year, as restated | <u>309,226</u> | <u>564,332</u> | <u>151,028</u> |
| Fund balances, end of year | <u>\$ 331,633</u> | <u>\$ 571,752</u> | <u>\$ 163,172</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016

| | 45400 | 45500 | 45600 |
|--|-----------------------------------|-------------------------------|------------------------|
| | <u>Psychologist Examiners</u> | <u>Physical Therapist</u> | <u>Thanatopractice</u> |
| Revenues | | | |
| License fees | \$ 164,800 | \$ 206,566 | \$ 107,200 |
| Services | 17,845 | 20,530 | 17,150 |
| Printing and reproduction | 2,191 | 10,450 | 8,250 |
| Publications | - | - | - |
| Federal sources | - | - | - |
| Interest on investments | - | 2,744 | 939 |
| Other revenue | 3,985 | 12,805 | 6,200 |
| Total revenues | <u>188,821</u> | <u>253,095</u> | <u>139,739</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | - | - | - |
| Contractual services | - | - | 2,950 |
| In-state travel | 3,018 | 3,176 | 2,721 |
| Maintenance and repairs | 32 | 92 | 23 |
| Supplies and materials | 1,760 | 951 | 2,084 |
| Operating costs | 5,871 | 4,966 | 1,571 |
| Other costs | 3,417 | 1,848 | 1,408 |
| Out-of-state travel | - | - | - |
| Capital outlay | - | - | - |
| Total expenditures | <u>14,098</u> | <u>11,033</u> | <u>10,757</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>174,723</u> | <u>242,062</u> | <u>128,982</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | - |
| Transfers out-interagency | - | - | - |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | (119,067) | (95,926) | (116,935) |
| State General Fund appropriation | - | - | - |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>(119,067)</u> | <u>(95,926)</u> | <u>(116,935)</u> |
| Net change in fund balance | <u>55,656</u> | <u>146,136</u> | <u>12,047</u> |
| Fund balances, beginning of year | 436,084 | 895,060 | 350,415 |
| Restatement | (39,974) | - | (48,550) |
| Fund balances, beginning of year, as restated | <u>396,110</u> | <u>895,060</u> | <u>301,865</u> |
| Fund balances, end of year | <u>\$ 451,766</u> | <u>\$ 1,041,196</u> | <u>\$ 313,912</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016**

| | 45700 | 45900 | 46000 |
|--|-------------------|----------------------|-------------------|
| | Interior | Private | Landscape |
| | Design | Investigators | Architects |
| | <u> </u> | <u> </u> | <u> </u> |
| Revenues | | | |
| License fees | \$ 16,938 | \$ 190,196 | \$ 35,200 |
| Services | 415 | 19,360 | 1,240 |
| Printing and reproduction | 30 | - | 200 |
| Publications | - | - | - |
| Federal sources | - | - | - |
| Interest on investments | - | 279 | - |
| Other revenue | 650 | 11,259 | 5,800 |
| Total revenues | <u>18,033</u> | <u>221,094</u> | <u>42,440</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | - | - | - |
| Contractual services | - | - | - |
| In-state travel | 1,043 | 2,747 | 2,240 |
| Maintenance and repairs | - | 232 | 9 |
| Supplies and materials | 432 | 3,307 | 553 |
| Operating costs | 4,375 | 8,832 | 6,378 |
| Other costs | 184 | - | 529 |
| Out-of-state travel | - | - | - |
| Capital outlay | - | - | - |
| Total expenditures | <u>6,034</u> | <u>15,118</u> | <u>9,709</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>11,999</u> | <u>205,976</u> | <u>32,731</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | - |
| Transfers out-interagency | - | - | - |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | (5,636) | (298,025) | (7,682) |
| State General Fund appropriation | - | - | - |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>(5,636)</u> | <u>(298,025)</u> | <u>(7,682)</u> |
| Net change in fund balance | <u>6,363</u> | <u>(92,049)</u> | <u>25,049</u> |
| Fund balances, beginning of year | 60,531 | (99,937) | 177,808 |
| Restatement | - | (8,843) | (6,500) |
| Fund balances, beginning of year, as restated | <u>60,531</u> | <u>(108,780)</u> | <u>171,308</u> |
| Fund balances, end of year | <u>\$ 66,894</u> | <u>\$ (200,829)</u> | <u>\$ 196,357</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016

| | 46500 | 46600 | 46900 |
|--|-------------------|--------------------|-------------------|
| | Real | | |
| | Estate | | Social |
| | Appraisers | Accountancy | Workers |
| | <u> </u> | <u> </u> | <u> </u> |
| Revenues | | | |
| License fees | \$ 142,906 | \$ 467,093 | \$ 267,823 |
| Services | 102,225 | 9,520 | 1,825 |
| Printing and reproduction | 1,906 | 1,560 | 5,052 |
| Publications | - | - | - |
| Federal sources | - | - | - |
| Interest on investments | 1,481 | 2,213 | 2,076 |
| Other revenue | 98,795 | 18,451 | 2,620 |
| Total revenues | <u>347,313</u> | <u>498,837</u> | <u>279,396</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | - | 233,685 | - |
| Contractual services | - | 1,701 | - |
| In-state travel | 10,923 | 5,082 | 5,942 |
| Maintenance and repairs | 50 | 335 | 169 |
| Supplies and materials | 1,669 | 22,497 | 2,874 |
| Operating costs | 6,480 | 39,668 | 6,005 |
| Other costs | 3,179 | 3,653 | 4,168 |
| Out-of-state travel | 1,986 | - | - |
| Capital outlay | - | - | - |
| Total expenditures | <u>24,287</u> | <u>306,621</u> | <u>19,158</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>323,026</u> | <u>192,216</u> | <u>260,238</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | - |
| Transfers out-interagency | - | - | - |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | (263,651) | (79,657) | (213,489) |
| State General Fund appropriation | - | - | - |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>(263,651)</u> | <u>(79,657)</u> | <u>(213,489)</u> |
| Net change in fund balance | <u>59,375</u> | <u>112,559</u> | <u>46,749</u> |
| Fund balances, beginning of year | 430,304 | 728,583 | 406,630 |
| Restatement | (2,713) | (55,853) | (44,020) |
| Fund balances, beginning of year, as restated | <u>427,591</u> | <u>672,730</u> | <u>362,610</u> |
| Fund balances, end of year | <u>\$ 486,966</u> | <u>\$ 785,289</u> | <u>\$ 409,359</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016

| | 47100 | 47200 | 47300 |
|--|--------------------|---|--|
| | Acupuncture | HUD Manufactured Housing | Speech Language and Audio |
| Revenues | | | |
| License fees | \$ 161,214 | \$ - | \$ 190,747 |
| Services | 11,766 | - | 8,175 |
| Printing and reproduction | 1,013 | - | 1,735 |
| Publications | 100 | - | - |
| Federal sources | - | 139,895 | - |
| Interest on investments | 1,001 | - | 1,737 |
| Other revenue | 6,465 | - | 7,500 |
| Total revenues | <u>181,559</u> | <u>139,895</u> | <u>209,894</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | - | 89,429 | - |
| Contractual services | 25,410 | 4,642 | - |
| In-state travel | 2,014 | - | 3,776 |
| Maintenance and repairs | 36 | - | 83 |
| Supplies and materials | 920 | - | 2,135 |
| Operating costs | 1,495 | 30,000 | 5,035 |
| Other costs | 2,143 | - | 2,239 |
| Out-of-state travel | - | - | - |
| Capital outlay | - | - | - |
| Total expenditures | <u>32,018</u> | <u>124,071</u> | <u>13,268</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>149,541</u> | <u>15,824</u> | <u>196,626</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | - |
| Transfers out-interagency | - | - | - |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | (165,408) | (11,748) | (99,529) |
| State General Fund appropriation | - | - | - |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>(165,408)</u> | <u>(11,748)</u> | <u>(99,529)</u> |
| Net change in fund balance | <u>(15,867)</u> | <u>4,076</u> | <u>97,097</u> |
| Fund balances, beginning of year | 411,775 | 418,700 | 497,489 |
| Restatement | (7,085) | - | - |
| Fund balances, beginning of year, as restated | <u>404,690</u> | <u>418,700</u> | <u>497,489</u> |
| Fund balances, end of year | <u>\$ 388,823</u> | <u>\$ 422,776</u> | <u>\$ 594,586</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016

| | 47400 Respiratory Care Advisory | 47500 Athletic Trainers | 64300 Carnival Ride Insurance |
|---|--|--|--|
| Revenues | | | |
| License fees | \$ 75,666 | \$ 24,543 | \$ 44,188 |
| Services | 19,045 | 5,125 | - |
| Printing and reproduction | 170 | 85 | - |
| Publications | - | - | - |
| Federal sources | - | - | - |
| Interest on investments | - | 289 | - |
| Other revenue | 1,800 | 1,093 | - |
| Total revenues | <u>96,681</u> | <u>31,135</u> | <u>44,188</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | - | - | - |
| Contractual services | - | - | - |
| In-state travel | 190 | - | 1,837 |
| Maintenance and repairs | - | 6 | - |
| Supplies and materials | 528 | 566 | 874 |
| Operating costs | 1,379 | 639 | 2,159 |
| Other costs | 1,863 | 368 | - |
| Out-of-state travel | - | - | - |
| Capital outlay | - | - | - |
| Total expenditures | <u>3,960</u> | <u>1,579</u> | <u>4,870</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>92,721</u> | <u>29,556</u> | <u>39,318</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | - |
| Transfers out-interagency | - | - | - |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | (88,701) | (17,478) | - |
| State General Fund appropriation | - | - | - |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>(88,701)</u> | <u>(17,478)</u> | <u>-</u> |
| Net change in fund balance | <u>4,020</u> | <u>12,078</u> | <u>39,318</u> |
| Fund balances, beginning of year | 199,868 | 115,271 | 155,400 |
| Restatement | - | (3,025) | - |
| Fund balances, beginning of year, as restated | <u>199,868</u> | <u>112,246</u> | <u>155,400</u> |
| Fund balances, end of year | <u>\$ 203,888</u> | <u>\$ 124,324</u> | <u>\$ 194,718</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - ALL NONMAJOR FUNDS
Year Ended June 30, 2016**

| | 87600 | 89000 | Total |
|--|----------------------|-------------|----------------------|
| | Impaired Dentists | ARRA | Non-major Funds |
| Revenues | | | |
| License fees | \$ - | \$ - | \$ 5,140,694 |
| Services | 15 | - | 501,553 |
| Printing and reproduction | - | - | 61,234 |
| Publications | - | - | 1,492 |
| Federal sources | - | - | 139,895 |
| Interest on investments | - | - | 22,810 |
| Other revenue | 17,610 | - | 599,586 |
| Total revenues | <u>17,625</u> | <u>-</u> | <u>6,467,264</u> |
| Expenditures | | | |
| Current | | | |
| Personnel services and employee benefits | - | - | 561,045 |
| Contractual services | 11,550 | - | 97,814 |
| In-state travel | - | - | 94,939 |
| Maintenance and repairs | - | - | 10,260 |
| Supplies and materials | - | - | 84,252 |
| Operating costs | - | - | 245,115 |
| Other costs | - | - | 49,225 |
| Out-of-state travel | - | - | 11,087 |
| Capital outlay | - | - | - |
| Total expenditures | <u>11,550</u> | <u>-</u> | <u>1,153,737</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>6,075</u> | <u>-</u> | <u>5,313,527</u> |
| Other financing sources (uses) | | | |
| Transfers in-interagency | - | - | 25,000 |
| Transfers out-interagency | - | - | (2,000,000) |
| Transfers in-interfund | - | - | - |
| Transfers out-interfund | - | - | (3,816,157) |
| State General Fund appropriation | - | - | 28,700 |
| Reversions to State General Fund | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>(5,762,457)</u> |
| Net change in fund balance | <u>6,075</u> | <u>-</u> | <u>(448,930)</u> |
| Fund balances, beginning of year | 80,225 | - | 16,735,368 |
| Restatement | - | - | (367,950) |
| Fund balances, beginning of year, as restated | <u>80,225</u> | <u>-</u> | <u>16,367,418</u> |
| Fund balances, end of year | <u>\$ 86,300</u> | <u>\$ -</u> | <u>\$ 15,918,488</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINED GENERAL FUND BUDGET SCHEDULES BY PROGRAM-
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND ONLY- CONSTRUCTION INDUSTRIES AND HOUSING (P599)
Year Ended June 30, 2016

| | Original Budget | Revised Budget | Actual Budgetary Basis | Variance Favorable (Unfavorable) |
|--|---------------------|---------------------|------------------------------|--|
| Revenues | | | | |
| State General Fund appropriation | \$ 8,144,000 | \$ 8,144,000 | \$ 8,144,000 | \$ - |
| Federal funds | - | - | - | - |
| Other licenses and permits | - | - | - | - |
| Other revenue | - | - | - | - |
| Other financing sources | 250,000 | 300,000 | 278,000 | (22,000) |
| State General Fund Reversions | - | - | (65,224) | (65,224) |
| | <u>8,394,000</u> | <u>8,444,000</u> | <u>8,356,776</u> | <u>(87,224)</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | 6,822,500 | 6,882,500 | 6,841,385 | 41,115 |
| Contractual services | 234,100 | 264,100 | 250,179 | 13,921 |
| Contractual services* | 186,200 | 186,200 | 186,000 | 200 |
| Other | 1,337,400 | 1,297,400 | 1,265,502 | 31,898 |
| Other financing uses | - | - | - | - |
| | <u>8,580,200</u> | <u>8,630,200</u> | <u>8,543,066</u> | <u>87,134</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget) | (186,200) | (186,200) | <u>\$ (186,290)</u> | <u>\$ (90)</u> |
| Cash balance carryforward | - | - | | |
| | <u>\$ (186,200)</u> | <u>\$ (186,200)</u> | | |
| Total | | | | |

* Expenditure out of prior year special appropriation

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINED GENERAL FUND BUDGET SCHEDULES BY PROGRAM-
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND ONLY - FINANCIAL INSTITUTION AND SECURITIES (P600)
Year Ended June 30, 2016

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| State General Fund appropriation | \$ 1,573,400 | \$ 1,492,800 | \$ 1,492,800 | \$ - |
| Federal funds | - | - | - | - |
| Other licenses and permits | - | - | - | - |
| Other revenue | - | - | - | - |
| Other financing sources | - | - | - | - |
| State General Fund Reversion | - | - | (76,373) | (76,373) |
| Total revenues | <u>1,573,400</u> | <u>1,492,800</u> | <u>1,416,427</u> | <u>(76,373)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | 1,401,900 | 1,321,300 | 1,250,242 | 71,058 |
| Contractual services | 9,000 | 3,508 | 3,503 | 5 |
| Other | 162,500 | 167,992 | 162,684 | 5,308 |
| Other financing uses | - | - | - | - |
| Total expenditures | <u>1,573,400</u> | <u>1,492,800</u> | <u>1,416,429</u> | <u>76,371</u> |
| Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget) | | | | |
| | - | - | <u>\$ (2)</u> | <u>\$ (2)</u> |
| Cash balance carryforward | | | | |
| | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINED GENERAL FUND BUDGET SCHEDULES BY PROGRAM-
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND ONLY-ALCOHOL AND GAMING (P601)
Year Ended June 30, 2016

| | Original Budget | Revised Budget | Actual Budgetary Basis | Variance Favorable (Unfavorable) |
|--|--------------------|-------------------|------------------------------|--|
| Revenues | | | | |
| State General Fund appropriation | \$ 981,200 | \$ 981,200 | \$ 981,200 | \$ - |
| Federal funds | - | - | - | - |
| Other licenses and permits | - | - | - | - |
| Other revenue | 100,000 | 100,000 | - | (100,000) |
| Other financing sources | - | - | - | - |
| State General Fund Reversion | - | - | (36,169) | (36,169) |
| | <u>1,081,200</u> | <u>1,081,200</u> | <u>945,031</u> | <u>(136,169)</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | 891,600 | 876,600 | 866,249 | 10,351 |
| Contractual services | 110,900 | 110,900 | 8,949 | 101,951 |
| Other | 78,700 | 93,700 | 69,833 | 23,867 |
| | <u>1,081,200</u> | <u>1,081,200</u> | <u>945,031</u> | <u>136,169</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget) | - | - | \$ - | \$ - |
| Cash balance carryforward | - | - | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINED GENERAL FUND BUDGET SCHEDULES BY PROGRAM-
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND ONLY - PROGRAM SUPPORT (P602)
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| State General Fund appropriation | \$ 1,570,000 | \$ 1,570,000 | \$ 1,570,000 | \$ - |
| Federal revenues | - | - | - | - |
| Other licenses and permits | - | - | 59,675 | 59,675 |
| Other revenues | 206,700 | 191,700 | 219,291 | 27,591 |
| Other financing sources | 1,804,400 | 1,804,400 | 1,766,302 | (38,098) |
| Reversions to State General Fund | - | - | (163,805) | (163,805) |
| Total revenues | <u>3,581,100</u> | <u>3,566,100</u> | <u>3,451,463</u> | <u>(114,637)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | 2,703,300 | 2,665,300 | 2,573,205 | 92,095 |
| Contractual services | 280,800 | 264,300 | 261,371 | 2,929 |
| Other | 597,000 | 636,500 | 616,898 | 19,602 |
| Other financing uses | - | - | - | - |
| Total expenditures | <u>3,581,100</u> | <u>3,566,100</u> | <u>3,451,474</u> | <u>114,626</u> |
| Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget) | - | - | <u>\$ (11)</u> | <u>\$ (11)</u> |
| Cash balance carryforward | - | - | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINED GENERAL FUND BUDGET SCHEDULES BY PROGRAM-
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL -
GENERAL FUND ONLY - SECURITIES (P617)
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| State General Fund appropriation | \$ 1,159,400 | \$ 1,159,400 | \$ 1,159,400 | \$ - |
| Federal revenues | - | - | - | - |
| Other licenses and permits | - | - | - | - |
| Other revenues | - | - | - | - |
| Other financing sources | - | - | - | - |
| Reversions to State General Fund | - | - | (149,654) | (149,654) |
| Total revenues | <u>1,159,400</u> | <u>1,159,400</u> | <u>1,009,746</u> | <u>(149,654)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | 1,001,400 | 1,001,400 | 864,085 | 137,315 |
| Contractual services | 9,400 | 9,400 | 1,192 | 8,208 |
| Other | 148,600 | 148,600 | 144,368 | 4,232 |
| Other financing uses | - | - | - | - |
| Total expenditures | <u>1,159,400</u> | <u>1,159,400</u> | <u>1,009,645</u> | <u>149,755</u> |
| Excess (deficiency) of revenues over expenditures (beginning cash balance used to balance budget) | - | - | <u>\$ 101</u> | <u>\$ 101</u> |
| Cash balance carryforward | <u>315,400</u> | <u>315,400</u> | | |
| Total | <u>\$ 315,400</u> | <u>\$ 315,400</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
SECURITIES ENFORCEMENT AND INVESTOR EDUCATION FUND - 04400
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Interest on investments | \$ - | \$ - | \$ 5,393 | \$ 5,393 |
| Trades and professions licenses | 700,000 | 700,000 | 745,185 | 45,185 |
| Other gifts and grants | - | - | - | - |
| Other services | 500 | 500 | - | (500) |
| Other penalty | 30,000 | 30,000 | 245,051 | 215,051 |
| Miscellaneous revenue | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total revenues | <u>730,500</u> | <u>730,500</u> | <u>995,629</u> | <u>265,129</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | 566,300 | 566,300 | 237,931 | 328,369 |
| Contractual services | 180,700 | 180,700 | 1,608 | 179,092 |
| Other | 204,500 | 204,500 | 78,754 | 125,746 |
| Capital outlay | - | - | - | - |
| Other financing uses* | - | 2,000,000 | 2,000,000 | - |
| Other financing uses | <u>94,400</u> | <u>94,400</u> | <u>92,614</u> | <u>1,786</u> |
| Total expenditures | <u>1,045,900</u> | <u>3,045,900</u> | <u>2,410,907</u> | <u>634,993</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (315,400) | (2,315,400) | <u>\$ (1,415,278)</u> | <u>\$ 900,122</u> |
| Cash balance carryforward | <u>315,400</u> | <u>2,315,400</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

The 2015 Legislature, 1st Special Session, Laws 2015, Chapter 3, Senate Bill 1, Sections 78, 79 and 80
* appropriated from the Securities Enforcement and Investor Education Fund \$2,000,000 to be used for infrastructure improvements projects of other State Agencies.

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
SIGN LANGUAGE SERVICES BOARD - 20110
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| License fees | \$ 9,900 | \$ 9,900 | \$ 9,006 | \$ (894) |
| Services | - | - | 10 | 10 |
| Interest on investments | - | - | 452 | 452 |
| Other revenue | 200 | 200 | 440 | 240 |
| Other financing sources | 25,000 | 25,000 | 25,000 | - |
| | <hr/> | | | |
| Total revenues | 35,100 | 35,100 | 34,908 | (192) |
| | <hr/> | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | | | - | - |
| Contractual services | 13,000 | 13,000 | 2,846 | 10,154 |
| Other | 26,400 | 26,400 | 7,910 | 18,490 |
| Other financing uses | 111,400 | 111,400 | 83,157 | 28,243 |
| | <hr/> | | | |
| Total expenditures | 150,800 | 150,800 | 93,913 | 56,887 |
| | <hr/> | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (115,700) | (115,700) | <u>\$ (59,005)</u> | <u>\$ 56,695</u> |
| Cash balance carryforward | <u>115,700</u> | <u>115,700</u> | | |
| | <hr/> | | | |
| Total | <u>-</u> | <u>-</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ANIMAL SHELTERING SERVICES BOARD - 20120
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Interest on investments | \$ - | \$ - | \$ 396 | \$ 396 |
| License Plates | 7,800 | 7,800 | 3,831 | (3,969) |
| Services | 100 | 100 | - | (100) |
| Other revenue | - | - | 945 | 945 |
| General Fund Appropriation | 28,700 | 28,700 | 28,700 | - |
| Reversion to State General Fund | - | - | - | - |
| | <u>36,600</u> | <u>36,600</u> | <u>33,872</u> | <u>(2,728)</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | | | - | - |
| Contractual services | 23,100 | 23,100 | - | 23,100 |
| Other | 9,800 | 9,800 | 2,490 | 7,310 |
| Other financing uses | 63,400 | 63,400 | 63,911 | (511) |
| | <u>96,300</u> | <u>96,300</u> | <u>66,401</u> | <u>29,899</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (59,700) | (59,700) | <u>\$ (32,529)</u> | <u>\$ 27,171</u> |
| Cash balance carryforward | <u>59,700</u> | <u>59,700</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
HOISTING OPERATORS - 21100
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Other Licenses & Permits | \$ 20,000 | \$ 20,000 | \$ 21,600 | \$ 1,600 |
| Other revenue | <u>-</u> | <u>-</u> | <u>1,026</u> | <u>1,026</u> |
| Total revenues | <u>20,000</u> | <u>20,000</u> | <u>22,626</u> | <u>2,626</u> |
| Expenditures | | | | |
| Personal services and employee benefits | 25,500 | 25,500 | - | 25,500 |
| Contractual services | - | - | - | - |
| Other | <u>14,500</u> | <u>14,500</u> | <u>2,833</u> | <u>11,667</u> |
| Total expenditures | <u>40,000</u> | <u>40,000</u> | <u>2,833</u> | <u>37,167</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (20,000) | (20,000) | <u>\$ 19,793</u> | <u>\$ 39,793</u> |
| Cash balance carryforward | <u>20,000</u> | <u>20,000</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
REAL ESTATE RECOVERY FUND - 29700
Year Ended June 30, 2016

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Interest on investments | \$ 200 | \$ 200 | \$ 4 | \$ (196) |
| Total revenues | <u>200</u> | <u>200</u> | <u>4</u> | <u>(196)</u> |
| Expenditures | | | | |
| Other | 50,000 | 50,000 | - | 50,000 |
| Total expenditures | <u>50,000</u> | <u>50,000</u> | <u>-</u> | <u>50,000</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (49,800) | (49,800) | <u>\$ 4</u> | <u>\$ 49,804</u> |
| Cash balance carryforward | <u>49,800</u> | <u>49,800</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FID REVOLVING FUND - 37200
Year Ended June 30, 2016

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Other revenue | \$ 1,573,400 | \$ 1,492,800 | \$ - | \$ (1,492,800) |
| Total revenues | <u>1,573,400</u> | <u>1,492,800</u> | <u>-</u> | <u>(1,492,800)</u> |
| Expenditures | | | | |
| Personal services and employee benefits | 1,401,900 | 1,321,300 | - | 1,321,300 |
| Contractual services | 9,000 | 3,508 | - | 3,508 |
| Other | <u>162,500</u> | <u>167,992</u> | <u>-</u> | <u>167,992</u> |
| Total expenditures | <u>1,573,400</u> | <u>1,492,800</u> | <u>-</u> | <u>1,492,800</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ -</u> | <u>\$ -</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
CONSTRUCTION INDUSTRIES REVOLVING FUND - 37300
Year Ended June 30, 2016

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Other revenue | \$ 10,500 | \$ 10,500 | \$ 1,347 | \$ (9,153) |
| Total revenues | <u>10,500</u> | <u>10,500</u> | <u>1,347</u> | <u>(9,153)</u> |
| Expenditures | | | | |
| Other | <u>51,300</u> | <u>51,300</u> | - | <u>51,300</u> |
| Total expenditures | <u>51,300</u> | <u>51,300</u> | - | <u>51,300</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (40,800) | (40,800) | <u>\$ 1,347</u> | <u>\$ 42,147</u> |
| Cash balance carryforward | <u>40,800</u> | <u>40,800</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF BARBERS AND COSMETOLOGISTS FUND - 43900
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 243,000 | \$ 243,000 | \$ 998,515 | \$ 755,515 |
| Registration for trades and professions licenses | 694,000 | 694,000 | 3,715 | (690,285) |
| Other registration fees | 41,600 | 41,600 | 8,705 | (32,895) |
| Other current services | 11,000 | 11,000 | 45 | (10,955) |
| Manuals and codes | - | - | - | - |
| Other financing sources | - | - | - | - |
| Other penalties | - | - | 89,854 | 89,854 |
| | <u>989,600</u> | <u>989,600</u> | <u>1,100,834</u> | <u>111,234</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 40,000 | - | - | - |
| Other | 77,200 | 117,200 | 58,594 | 58,606 |
| Other financing uses | 872,400 | 872,400 | 831,241 | 41,159 |
| | <u>989,600</u> | <u>989,600</u> | <u>889,835</u> | <u>99,765</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 210,999</u> | <u>\$ 210,999</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF BODY ART PRACTITIONERS - 44010
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trade and professions licenses | \$ 30,000 | \$ 30,000 | \$ 39,661 | \$ 9,661 |
| Registration for trades and professions licenses | 50,000 | 50,000 | - | (50,000) |
| Interest on investments | - | - | 320 | 320 |
| Other current services | - | - | - | - |
| Miscellaneous revenue | <u>5,000</u> | <u>5,000</u> | <u>9,736</u> | <u>4,736</u> |
| Total revenues | <u>85,000</u> | <u>85,000</u> | <u>49,717</u> | <u>(35,283)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 5,000 | 5,500 | 2,144 | 3,356 |
| Other | 17,000 | 16,500 | 5,527 | 10,973 |
| Other financing uses | <u>78,000</u> | <u>78,000</u> | <u>79,223</u> | <u>(1,223)</u> |
| Total expenditures | <u>100,000</u> | <u>100,000</u> | <u>86,894</u> | <u>13,106</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (15,000) | (15,000) | <u>\$ (37,177)</u> | <u>\$ (22,177)</u> |
| Cash balance carryforward | <u>15,000</u> | <u>15,000</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ATHLETIC COMMISSION - 44100
Year Ended June 30, 2016**

| | Original Budget | Revised Budget | Actual Budgetary Basis | Variance Favorable (Unfavorable) |
|---|--------------------|-------------------|------------------------------|--|
| Revenues | | | | |
| Trade and professions licenses | \$ 13,600 | \$ 13,600 | \$ 25,985 | \$ 12,385 |
| Registration for trades and professions licenses | 15,000 | 15,000 | 112,847 | 97,847 |
| Other current services | 158,200 | 158,200 | - | (158,200) |
| Miscellaneous revenue | - | - | - | - |
| Total revenues | <u>186,800</u> | <u>186,800</u> | <u>138,832</u> | <u>(47,968)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 18,000 | 18,000 | 9,619 | 8,381 |
| Other | 45,800 | 45,800 | 11,658 | 34,142 |
| Other financing uses | 123,000 | 123,000 | 109,183 | 13,817 |
| Total expenditures | <u>186,800</u> | <u>186,800</u> | <u>130,460</u> | <u>56,340</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 8,372</u> | <u>\$ 8,372</u> |
| Cash balance carryforward | - | - | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
MASSAGE THERAPY BOARD - 44200
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 65,000 | \$ 65,000 | \$ 208,297 | \$ 143,297 |
| Registration for trades and professions licenses | 164,900 | 164,900 | 26,250 | (138,650) |
| Other current services | 4,000 | 4,000 | 3,660 | (340) |
| Other penalties | 13,000 | 13,000 | - | (13,000) |
| Miscellaneous revenue | - | - | 16,572 | 16,572 |
| | <u>246,900</u> | <u>246,900</u> | <u>254,779</u> | <u>7,879</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 5,000 | 5,000 | - | 5,000 |
| Other | 26,900 | 26,900 | 14,909 | 11,991 |
| Other financing uses | 215,000 | 215,000 | 203,157 | 11,843 |
| | <u>246,900</u> | <u>246,900</u> | <u>218,066</u> | <u>28,834</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 36,713</u> | <u>\$ 36,713</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
COUNSELORS AND THERAPY PRACTICE BOARD - 44400
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 100,000 | \$ 100,000 | \$ 382,682 | \$ 282,682 |
| Registration for trades and professions licenses | 304,800 | 304,800 | 55,765 | (249,035) |
| Trades and professions examination fees | 10,000 | 10,000 | - | (10,000) |
| Other current services | 8,000 | 8,000 | 26,131 | 18,131 |
| Interest Investments | - | - | 2,879 | 2,879 |
| Other penalties | 6,000 | 6,000 | - | (6,000) |
| Miscellaneous Revenue | - | - | - | - |
| | <u>428,800</u> | <u>428,800</u> | <u>467,457</u> | <u>38,657</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 11,000 | 11,000 | - | 11,000 |
| Other | 63,700 | 63,700 | 19,965 | 43,735 |
| Other financing uses | 354,100 | 354,100 | 327,018 | 27,082 |
| | <u>428,800</u> | <u>428,800</u> | <u>346,983</u> | <u>81,817</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 120,474</u> | <u>\$ 120,474</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
REAL ESTATE EDUCATION & TRAINING - 44500
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Registration for trades and professions licenses | \$ - | \$ - | \$ 2,971 | \$ 2,971 |
| Miscellaneous revenue | <u>-</u> | <u>-</u> | <u>1,776</u> | <u>1,776</u> |
| Total revenues | <u>-</u> | <u>-</u> | <u>4,747</u> | <u>4,747</u> |
| Expenditures | | | | |
| Contractual services | <u>-</u> | <u>30,000</u> | <u>29,244</u> | <u>756</u> |
| Total expenditures | <u>-</u> | <u>30,000</u> | <u>29,244</u> | <u>756</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | (30,000) | <u>\$ (24,497)</u> | <u>\$ 5,503</u> |
| Cash balance carryforward | <u>-</u> | <u>30,000</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF CHIROPRACTIC EXAMINERS - 44600
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 18,000 | \$ 18,000 | \$ 181,675 | \$ 163,675 |
| Registration for trades and professions licenses | 114,900 | 114,900 | 8,525 | (106,375) |
| Other current services | 12,000 | 12,000 | 1,500 | (10,500) |
| Miscellaneous revenue | <u>4,200</u> | <u>4,200</u> | <u>6,900</u> | <u>2,700</u> |
| Total revenues | <u>149,100</u> | <u>149,100</u> | <u>198,600</u> | <u>49,500</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 4,100 | 4,100 | - | 4,100 |
| Other | 20,000 | 20,000 | 8,878 | 11,122 |
| Other financing uses | <u>125,000</u> | <u>125,000</u> | <u>115,274</u> | <u>9,726</u> |
| Total expenditures | <u>149,100</u> | <u>149,100</u> | <u>124,152</u> | <u>24,948</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 74,448</u> | <u>\$ 74,448</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
NUTRITION AND DIETETICS PRACTICE BOARD - 44800
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 9,500 | \$ 9,500 | \$ 35,974 | \$ 26,474 |
| Other licenses and permits | - | - | 3,450 | 3,450 |
| Registration for trades and professions licenses | 21,700 | 21,700 | - | (21,700) |
| Other current services | | | 60 | 60 |
| Other penalties | 400 | 400 | - | (400) |
| Miscellaneous revenue | <u>-</u> | <u>-</u> | <u>500</u> | <u>500</u> |
| Total revenues | <u>31,600</u> | <u>31,600</u> | <u>39,984</u> | <u>8,384</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 1,000 | 1,000 | - | 1,000 |
| Other | 14,100 | 14,100 | 2,789 | 11,311 |
| Other financing uses | <u>16,500</u> | <u>16,500</u> | <u>11,628</u> | <u>4,872</u> |
| Total expenditures | <u>31,600</u> | <u>31,600</u> | <u>14,417</u> | <u>17,183</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 25,567</u> | <u>\$ 25,567</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF NURSING HOME ADMINISTRATORS - 44900
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 13,200 | \$ 13,200 | \$ 39,358 | \$ 26,158 |
| Other licenses and permits | - | - | 15,990 | 15,990 |
| Registration for trades and professions licenses | 31,100 | 31,100 | - | (31,100) |
| Trades and professions examination fees | 700 | 700 | - | (700) |
| Other current services | 700 | 700 | 175 | (525) |
| Miscellaneous revenue | <u>1,000</u> | <u>-</u> | <u>1,800</u> | <u>1,800</u> |
| Total revenues | <u>46,700</u> | <u>45,700</u> | <u>57,323</u> | <u>11,623</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual | 12,000 | 12,000 | - | 12,000 |
| Other | 10,100 | 10,100 | 7,148 | 2,952 |
| Other financing uses | <u>24,600</u> | <u>24,600</u> | <u>27,481</u> | <u>(2,881)</u> |
| Total expenditures | <u>46,700</u> | <u>46,700</u> | <u>34,629</u> | <u>12,071</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | (1,000) | <u>\$ 22,694</u> | <u>\$ 23,694</u> |
| Cash balance carryforward | <u>-</u> | <u>1,000</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF OCCUPATIONAL THERAPY PRACTICE - 45000
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 14,500 | \$ 14,500 | \$ 88,224 | \$ 73,724 |
| Other licenses and permits | 200 | 200 | 29,155 | 28,955 |
| Registration for trades and professions licenses | 60,600 | 60,600 | - | (60,600) |
| Trades and professions examination fees | 1,600 | 1,600 | - | (1,600) |
| Other current services | 12,500 | 12,500 | 2,240 | (10,260) |
| Other penalties | 2,500 | 2,500 | - | (2,500) |
| Miscellaneous revenue | <u>-</u> | <u>-</u> | <u>2,590</u> | <u>2,590</u> |
| Total revenues | <u>91,900</u> | <u>91,900</u> | <u>122,209</u> | <u>30,309</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 3,000 | 3,000 | - | 3,000 |
| Other | 20,800 | 20,800 | 7,073 | 13,727 |
| Other financing uses | <u>68,100</u> | <u>68,100</u> | <u>69,079</u> | <u>(979)</u> |
| Total expenditures | <u>91,900</u> | <u>91,900</u> | <u>76,152</u> | <u>15,748</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 46,057</u> | <u>\$ 46,057</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
OPTOMETRY BOARD - 45100
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 8,900 | \$ 8,900 | \$ 88,500 | \$ 79,600 |
| Other licenses and permits | - | - | 8,075 | 8,075 |
| Registration for trades and professions licenses | 79,000 | 79,000 | - | (79,000) |
| Trades and professions examination fees | 10,400 | 10,400 | - | (10,400) |
| Other current services | 900 | 900 | 2,254 | 1,354 |
| Other penalties | 3,000 | 3,000 | - | (3,000) |
| Miscellaneous revenue | <u>-</u> | <u>-</u> | <u>3,350</u> | <u>3,350</u> |
| Total revenues | <u>102,200</u> | <u>102,200</u> | <u>102,179</u> | <u>(21)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 9,500 | 9,500 | 6,100 | 3,400 |
| Other | 19,000 | 19,000 | 7,212 | 11,788 |
| Other financing uses | <u>80,000</u> | <u>80,000</u> | <u>66,460</u> | <u>13,540</u> |
| Total expenditures | <u>108,500</u> | <u>108,500</u> | <u>79,772</u> | <u>28,728</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (6,300) | (6,300) | <u>\$ 22,407</u> | <u>\$ 28,707</u> |
| Cash balance carryforward | <u>6,300</u> | <u>6,300</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF OSTEOPATHIC MEDICAL EXAMINERS - 45200
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 31,600 | \$ 31,600 | \$ 134,000 | \$ 102,400 |
| Other licenses and permits | - | - | 3,220 | 3,220 |
| Registration for trades and professions licenses | 114,000 | 114,000 | - | (114,000) |
| Other current services | | | 1,730 | 1,730 |
| Other penalties | | | - | - |
| Miscellaneous revenue | <u>-</u> | <u>-</u> | <u>5,722</u> | <u>5,722</u> |
| Total revenues | <u>145,600</u> | <u>145,600</u> | <u>144,672</u> | <u>(928)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 5,000 | 5,000 | - | 5,000 |
| Other | 26,800 | 26,800 | 9,750 | 17,050 |
| Other financing uses | <u>143,800</u> | <u>143,800</u> | <u>127,502</u> | <u>16,298</u> |
| Total expenditures | <u>175,600</u> | <u>175,600</u> | <u>137,252</u> | <u>38,348</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (30,000) | (30,000) | <u>\$ 7,420</u> | <u>\$ 37,420</u> |
| Cash balance carryforward | <u>30,000</u> | <u>30,000</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PODIATRY BOARD - 45300
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 6,000 | \$ 6,000 | \$ 40,150 | \$ 34,150 |
| Other licenses and permits | - | - | 325 | 325 |
| Registration for trades and professions licenses | 34,000 | 34,000 | - | (34,000) |
| Other registration fees | - | - | - | - |
| Other current services | 900 | 900 | 675 | (225) |
| Other penalties | - | - | - | - |
| Miscellaneous revenue | - | - | 350 | 350 |
| | <u>40,900</u> | <u>40,900</u> | <u>41,500</u> | <u>600</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 1,000 | 1,000 | - | 1,000 |
| Other | 16,400 | 16,400 | 3,059 | 13,341 |
| Other financing uses | 33,500 | 33,500 | 26,297 | 7,203 |
| | <u>50,900</u> | <u>50,900</u> | <u>29,356</u> | <u>21,544</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (10,000) | (10,000) | <u>\$ 12,144</u> | <u>\$ 22,144</u> |
| Cash balance carryforward | <u>10,000</u> | <u>10,000</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PSYCHOLOGY BOARD - 45400
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 19,000 | \$ 19,000 | \$ 164,800 | \$ 145,800 |
| Other licenses and permits | - | - | 17,845 | 17,845 |
| Registration for trades and professions licenses | 182,500 | 182,500 | - | (182,500) |
| Other current services | - | - | 2,191 | 2,191 |
| Other penalties | 1,000 | 1,000 | - | (1,000) |
| Miscellaneous revenue | - | - | 3,985 | 3,985 |
| Total revenues | <u>202,500</u> | <u>202,500</u> | <u>188,821</u> | <u>(13,679)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 12,000 | 12,000 | - | 12,000 |
| Other | 35,200 | 35,200 | 14,098 | 21,102 |
| Other financing uses | 155,300 | 155,300 | 119,067 | 36,233 |
| Total expenditures | <u>202,500</u> | <u>202,500</u> | <u>133,165</u> | <u>69,335</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 55,656</u> | <u>\$ 55,656</u> |
| Cash balance carryforward | - | - | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PHYSICAL THERAPY BOARD - 45500
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 50,000 | \$ 50,000 | \$ 206,566 | \$ 156,566 |
| Other licenses and permits | - | - | 20,530 | 20,530 |
| Registration for trades and professions licenses | 90,900 | 90,900 | - | (90,900) |
| Trades and professions examination fees | 10,000 | 10,000 | 10,450 | 450 |
| Interest on investments | - | - | 2,744 | 2,744 |
| Other penalties | - | - | - | - |
| Miscellaneous revenue | - | - | 12,805 | 12,805 |
| | <u>150,900</u> | <u>150,900</u> | <u>253,095</u> | <u>102,195</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 10,000 | 10,000 | - | 10,000 |
| Other | 46,000 | 46,000 | 11,033 | 34,967 |
| Other financing uses | 94,900 | 94,900 | 95,926 | (1,026) |
| | <u>150,900</u> | <u>150,900</u> | <u>106,959</u> | <u>43,941</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 146,136</u> | <u>\$ 146,136</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
THANATOPRACTICE BOARD - 45600
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 27,000 | \$ 27,000 | \$ 107,200 | \$ 80,200 |
| Other licenses and permits | - | - | 17,150 | 17,150 |
| Registration for trades and professions licenses | 87,000 | 87,000 | - | (87,000) |
| Trades and professional examination fees | 1,200 | 1,200 | - | (1,200) |
| Other current services | 5,000 | 5,000 | 8,250 | 3,250 |
| Other penalties | 3,000 | 3,000 | - | (3,000) |
| Interest on bank deposits | - | - | 939 | 939 |
| Miscellaneous revenue | - | - | 6,200 | 6,200 |
| | <u>123,200</u> | <u>123,200</u> | <u>139,739</u> | <u>16,539</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 5,700 | 5,700 | 2,950 | 2,750 |
| Other | 25,100 | 25,100 | 7,807 | 17,293 |
| Other financing uses | 117,200 | 117,200 | 116,935 | 265 |
| | <u>148,000</u> | <u>148,000</u> | <u>127,692</u> | <u>20,308</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (24,800) | (24,800) | <u>\$ 12,047</u> | <u>\$ 36,847</u> |
| Cash balance carryforward | <u>24,800</u> | <u>24,800</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
INTERIOR DESIGN BOARD - 45700
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 1,300 | \$ 1,300 | \$ 16,938 | \$ 15,638 |
| Other licenses and permits | - | - | 445 | 445 |
| Registration for trades and professions licenses | 14,500 | 14,500 | - | (14,500) |
| Other penalties | 1,000 | 1,000 | - | (1,000) |
| Miscellaneous revenue | - | - | 650 | 650 |
| Total revenues | <u>16,800</u> | <u>16,800</u> | <u>18,033</u> | <u>1,233</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | - | - | - | - |
| Other | 10,600 | 10,600 | 6,034 | 4,566 |
| Other financing uses | <u>12,200</u> | <u>12,200</u> | <u>5,636</u> | <u>6,564</u> |
| Total expenditures | <u>22,800</u> | <u>22,800</u> | <u>11,670</u> | <u>11,130</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (6,000) | (6,000) | <u>\$ 6,363</u> | <u>\$ 12,363</u> |
| Cash balance carryforward | <u>6,000</u> | <u>6,000</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
PRIVATE INVESTIGATORS AND POLYGRAPHERS BOARD - 45900
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 99,100 | \$ 99,100 | \$ 190,196 | \$ 91,096 |
| Other licenses and permits | - | - | 19,360 | 19,360 |
| Registration for trades and professions licenses | 233,400 | 233,400 | - | (233,400) |
| Other registration fees | - | - | - | - |
| Other current service | 2,200 | 2,200 | - | (2,200) |
| Interest on investments | - | - | 279 | 279 |
| Other penalties | 4,400 | 4,400 | - | (4,400) |
| Miscellaneous revenue | <u>-</u> | <u>-</u> | <u>11,259</u> | <u>11,259</u> |
| Total revenues | <u>339,100</u> | <u>339,100</u> | <u>221,094</u> | <u>(118,006)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | - | - | - | - |
| Other | 20,900 | 20,900 | 15,118 | 5,782 |
| Other financing uses | <u>318,200</u> | <u>318,200</u> | <u>298,025</u> | <u>20,175</u> |
| Total expenditures | <u>339,100</u> | <u>339,100</u> | <u>313,143</u> | <u>25,957</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ (92,049)</u> | <u>\$ (92,049)</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF LANDSCAPE ARCHITECTS - 46000
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ - | \$ - | \$ 35,200 | \$ 35,200 |
| Registration for trades and professions licenses | 23,500 | 23,500 | 1,240 | (22,260) |
| Other penalties | - | - | - | - |
| Printing and reproduction | - | - | 200 | 200 |
| Other financing sources | - | - | 5,800 | 5,800 |
| | <u>-</u> | <u>-</u> | <u>5,800</u> | <u>5,800</u> |
| Total revenues | <u>23,500</u> | <u>23,500</u> | <u>42,440</u> | <u>18,940</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 500 | 500 | - | 500 |
| Other | 16,400 | 16,400 | 9,709 | 6,691 |
| Other financing uses | 10,000 | 10,000 | 7,682 | 2,318 |
| | <u>10,000</u> | <u>10,000</u> | <u>7,682</u> | <u>2,318</u> |
| Total expenditures | <u>26,900</u> | <u>26,900</u> | <u>17,391</u> | <u>9,509</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (3,400) | (3,400) | <u>\$ 25,049</u> | <u>\$ 28,449</u> |
| Cash balance carryforward | <u>3,400</u> | <u>3,400</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
REAL ESTATE APPRAISERS BOARD - 46500
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 80,000 | \$ 80,000 | \$ 142,906 | \$ 62,906 |
| Other licenses and permits | - | - | 102,225 | 102,225 |
| Registration for trades and professions licenses | 155,000 | 155,000 | - | (155,000) |
| Other registration fees | - | - | - | - |
| Other current services | 48,000 | 48,000 | 1,906 | (46,094) |
| Interest on investments | - | - | 1,481 | 1,481 |
| Other penalties | 5,000 | 5,000 | - | (5,000) |
| Miscellaneous revenue | <u>-</u> | <u>-</u> | <u>98,795</u> | <u>98,795</u> |
| Total revenues | <u>288,000</u> | <u>288,000</u> | <u>347,313</u> | <u>59,313</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 30,800 | 30,800 | - | 30,800 |
| Other | 59,500 | 59,500 | 24,287 | 35,213 |
| Other financing uses | <u>292,200</u> | <u>292,200</u> | <u>263,651</u> | <u>28,549</u> |
| Total expenditures | <u>382,500</u> | <u>382,500</u> | <u>287,938</u> | <u>94,562</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (94,500) | (94,500) | <u>\$ 59,375</u> | <u>\$ 153,875</u> |
| Cash balance carryforward | <u>94,500</u> | <u>94,500</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
BOARD OF ACCOUNTANCY - 46600
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 24,000 | \$ 24,000 | \$ 467,093 | \$ 443,093 |
| Other licenses and permits | - | - | 9,520 | 9,520 |
| Registration for trades and professions licenses | 448,000 | 448,000 | - | (448,000) |
| Trades and professions examination fees | 9,000 | 9,000 | | |
| Other current services | - | - | 1,560 | 1,560 |
| Interest on investments | - | - | 2,213 | 2,213 |
| Other penalties | 25,000 | 25,000 | - | (25,000) |
| Miscellaneous revenue | <u>5,000</u> | <u>5,000</u> | <u>18,451</u> | <u>13,451</u> |
| Total revenues | <u>511,000</u> | <u>511,000</u> | <u>498,837</u> | <u>(3,163)</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | 296,700 | 296,700 | 233,685 | 63,015 |
| Contractual services | 16,600 | 16,600 | 1,701 | 14,899 |
| Other | 126,600 | 126,600 | 71,235 | 55,365 |
| Other financing uses | <u>81,400</u> | <u>81,400</u> | <u>79,657</u> | <u>1,743</u> |
| Total expenditures | <u>521,300</u> | <u>521,300</u> | <u>386,278</u> | <u>135,022</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (10,300) | (10,300) | <u>\$ 112,559</u> | <u>\$ 131,859</u> |
| Cash balance carryforward | <u>10,300</u> | <u>10,300</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
SOCIAL WORK EXAMINERS BOARD - 46900
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 59,500 | \$ 59,500 | \$ 267,823 | \$ 208,323 |
| Other licenses and permits | - | - | 1,825 | 1,825 |
| Registration for trades and professions licenses | 218,100 | 218,100 | - | (218,100) |
| Other current services | - | - | 5,052 | 5,052 |
| Interest on bank deposits | - | - | - | - |
| Interest on investments | - | - | 2,076 | 2,076 |
| Other penalties | 9,500 | 9,500 | - | (9,500) |
| Other Financing Sources | - | - | 2,620 | 2,620 |
| | <u>287,100</u> | <u>287,100</u> | <u>279,396</u> | <u>(7,704)</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 7,000 | 7,000 | - | 7,000 |
| Other | 44,400 | 44,400 | 19,158 | 25,242 |
| Other financing uses | 235,700 | 235,700 | 213,489 | 22,211 |
| | <u>287,100</u> | <u>287,100</u> | <u>232,647</u> | <u>54,453</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 46,749</u> | <u>\$ 46,749</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ACUPUNCTURE BOARD - 47100
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 18,200 | \$ 18,200 | \$ 161,214 | \$ 143,014 |
| Other licenses and permits | 2,500 | 2,500 | 11,766 | 9,266 |
| Registration for trades and professions licenses | 160,300 | 160,300 | - | (160,300) |
| Trades and professions examination fees | 16,700 | 16,700 | - | (16,700) |
| Other current services | 3,800 | 3,800 | 1,013 | (2,787) |
| Manuals and codes | - | - | 100 | 100 |
| Other penalties | 6,600 | 6,600 | - | (6,600) |
| Interest on bank deposits | - | - | 1,001 | 1,001 |
| Miscellaneous revenue | - | - | 6,465 | 6,465 |
| | <u>208,100</u> | <u>208,100</u> | <u>181,559</u> | <u>(26,541)</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 31,000 | 31,000 | 25,410 | 5,590 |
| Other | 22,800 | 22,800 | 6,608 | 16,192 |
| Other financing uses | 182,500 | 182,500 | 165,408 | 17,092 |
| | <u>236,300</u> | <u>236,300</u> | <u>197,426</u> | <u>38,874</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (28,200) | (28,200) | <u>\$ (15,867)</u> | <u>\$ 12,333</u> |
| Cash balance carryforward | <u>28,200</u> | <u>28,200</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
HUD MANUFACTURED HOUSING - 47200
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ - | \$ - | \$ - | \$ - |
| Federal grants | 17,500 | 17,500 | 139,895 | 122,395 |
| Other services | 94,200 | 94,200 | - | (94,200) |
| House trailer inspection fees | - | - | - | - |
| Total revenues | <u>111,700</u> | <u>111,700</u> | <u>139,895</u> | <u>28,195</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | 96,100 | 98,100 | 89,429 | 8,671 |
| Contractual services | - | 315,633 | 4,642 | 310,991 |
| Other | - | 30,000 | 30,000 | - |
| Other financing uses | <u>15,600</u> | <u>15,600</u> | <u>11,748</u> | <u>3,852</u> |
| Total expenditures | <u>111,700</u> | <u>459,333</u> | <u>135,819</u> | <u>323,514</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | (347,633) | <u>\$ 4,076</u> | <u>\$ 351,709</u> |
| Cash balance carryforward | <u>-</u> | <u>347,633</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
SPEECH, LANGUAGE PATHOLOGY, AND AUDIOLOGY BOARD - 47300
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 25,000 | \$ 25,000 | \$ 190,747 | \$ 165,747 |
| Other licenses and permits | - | - | 8,175 | 8,175 |
| Registration for trades and professions licenses | 112,700 | 112,700 | - | (112,700) |
| Trades and professions examination fees | 1,200 | 1,200 | - | (1,200) |
| Other current services | 8,500 | 8,500 | 1,735 | (6,765) |
| Interest on investments | - | - | 1,737 | 1,737 |
| Other penalties | 6,500 | 6,500 | - | (6,500) |
| Miscellaneous revenue | <u>-</u> | <u>-</u> | <u>7,500</u> | <u>7,500</u> |
| Total revenues | <u>153,900</u> | <u>153,900</u> | <u>209,894</u> | <u>55,994</u> |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 7,700 | 7,700 | - | 7,700 |
| Other | 30,900 | 30,900 | 13,268 | 17,632 |
| Other financing uses | <u>115,300</u> | <u>115,300</u> | <u>99,529</u> | <u>15,771</u> |
| Total expenditures | <u>153,900</u> | <u>153,900</u> | <u>112,797</u> | <u>41,103</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 97,097</u> | <u>\$ 97,097</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
RESPIRATORY CARE ADVISORY BOARD - 47400
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 14,700 | \$ 14,700 | \$ 75,666 | \$ 60,966 |
| Other licenses and permits | 500 | 500 | 19,045 | 18,545 |
| Registration for trades and professions licenses | 700 | 700 | - | (700) |
| Other registration fees | - | - | - | - |
| Other current services | 1,400 | 1,400 | 170 | (1,230) |
| Other penalties | - | - | 1,800 | 1,800 |
| | <u>17,300</u> | <u>17,300</u> | <u>96,681</u> | <u>79,381</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 1,500 | 1,500 | - | 1,500 |
| Other | 11,200 | 11,200 | 3,960 | 7,240 |
| Other financing uses | 90,100 | 90,100 | 88,701 | 1,399 |
| | <u>102,800</u> | <u>102,800</u> | <u>92,661</u> | <u>10,139</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | (85,500) | (85,500) | <u>\$ 4,020</u> | <u>\$ 89,520</u> |
| Cash balance carryforward | <u>85,500</u> | <u>85,500</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ATHLETIC TRAINER'S BOARD - 47500
Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Trades and professions licenses | \$ 6,000 | \$ 6,000 | \$ 24,543 | \$ 18,543 |
| Registration for trades and professions licenses | 21,000 | 21,000 | - | (21,000) |
| Other current services | - | - | 5,210 | 5,210 |
| Other penalties | - | - | 1,093 | 1,093 |
| Interest on investments | - | - | 289 | 289 |
| | <u>27,000</u> | <u>27,000</u> | <u>31,135</u> | <u>4,135</u> |
| Total revenues | | | | |
| Expenditures | | | | |
| Personnel services and employee benefits | - | - | - | - |
| Contractual services | 1,000 | 1,000 | - | 1,000 |
| Other | 7,100 | 7,100 | 1,579 | 5,521 |
| Other financing uses | 18,900 | 18,900 | 17,478 | 1,422 |
| | <u>27,000</u> | <u>27,000</u> | <u>19,057</u> | <u>7,943</u> |
| Total expenditures | | | | |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 12,078</u> | <u>\$ 12,078</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
CARNIVAL RIDE INSURANCE - 64300
Year Ended June 30, 2016

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Other licenses and permits | \$ 20,000 | \$ 20,000 | \$ 44,188 | \$ 24,188 |
| Total revenues | <u>20,000</u> | <u>20,000</u> | <u>44,188</u> | <u>24,188</u> |
| Expenditures | | | | |
| Personal services and employee benefits | 25,500 | 25,500 | - | 25,500 |
| Other | <u>14,500</u> | <u>14,500</u> | <u>4,870</u> | <u>9,630</u> |
| Total expenditures | <u>14,500</u> | <u>14,500</u> | <u>4,870</u> | <u>9,630</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | 5,500 | 5,500 | <u>\$ 39,318</u> | <u>\$ 33,818</u> |
| Cash balance carryforward | <u>(5,500)</u> | <u>(5,500)</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
IMPAIRED DENTISTS AND DENTAL HYGIENISTS BOARD - 87600
Year Ended June 30, 2016

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Other services | \$ 15,000 | \$ 15,000 | \$ 17,625 | \$ 2,625 |
| Total revenues | <u>15,000</u> | <u>15,000</u> | <u>17,625</u> | <u>2,625</u> |
| Expenditures | | | | |
| Contractual services | <u>15,000</u> | <u>15,000</u> | <u>11,550</u> | <u>3,450</u> |
| Total expenditures | <u>15,000</u> | <u>15,000</u> | <u>11,550</u> | <u>3,450</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ 6,075</u> | <u>\$ 6,075</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
ARRA - 89000
Year Ended June 30, 2016

| | <u>Original Budget</u> | <u>Revised Budget</u> | <u>Actual Budgetary Basis</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|----------------------------|---------------------------|---------------------------------------|---|
| Revenues | | | | |
| Federal Grants | \$ - | \$ - | \$ - | \$ - |
| Total revenues | - | - | - | - |
| Expenditures | | | | |
| Personal services and employee benefits | - | - | - | - |
| Contractual services | - | - | - | - |
| Other | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (deficiency) of revenues over expenditures (prior year cash balance required to balance budget) | - | - | <u>\$ -</u> | <u>\$ -</u> |
| Cash balance carryforward | <u>-</u> | <u>-</u> | | |
| Total | <u>\$ -</u> | <u>\$ -</u> | | |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2016**

| | 43500 | 43600 | 43700 |
|---|-------------------------|-------------------------|-------------------------|
| | <u>FID Receipts</u> | <u>MHD Receipts</u> | <u>CID Receipts</u> |
| ASSETS | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ - | \$ 102,159 | \$ 480,357 |
| Due from State General Fund | - | - | - |
| Due from other state agencies | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Assets | <u>\$ -</u> | <u>\$ 102,159</u> | <u>\$ 480,357</u> |
| LIABILITIES | | | |
| Due to State Treasurer General Fund Investment Pool | \$ - | \$ - | \$ - |
| Accounts payable | - | - | - |
| Other liabilities | - | 101,259 | 480,254 |
| Due to State General Fund | - | 900 | 102 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total Liabilities | <u>\$ -</u> | <u>\$ 102,159</u> | <u>\$ 480,357</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2016**

| | 43800 | 80800 | |
|-------------------------------------|-------------------|--------------------|-------------------|
| | SEC | Alcohol and | |
| | Receipts | Gaming | Total |
| | <u> </u> | <u> </u> | <u> </u> |
| ASSETS | | | |
| Interest in State Treasurer General | | | |
| Fund Investment Pool | \$ - | \$ - | \$ 582,516 |
| Due from State General Fund | - | - | - |
| Due from other state agencies | - | - | - |
| | <u> </u> | <u> </u> | <u> </u> |
| | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 582,516</u> |
| LIABILITIES | | | |
| Due to State Treasurer General | | | |
| Fund Investment Pool | \$ - | \$ - | \$ - |
| Accounts payable | - | - | - |
| Other liabilities | - | - | 581,514 |
| Due to State General Fund | - | - | 1,002 |
| | <u> </u> | <u> </u> | <u> </u> |
| | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 582,516</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF CHANGES
IN ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2016**

| | <u>Balance July 1, 2015</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance June 30, 2016</u> |
|---|---------------------------------|---------------------|-----------------------|----------------------------------|
| FID RECEIPTS- 43500 | | | | |
| ASSETS | | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 350 | \$ 3,467,039 | \$ (3,467,389) | \$ - |
| Due from State General Fund | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>\$ 350</u> | <u>\$ 3,467,039</u> | <u>\$ (3,467,389)</u> | <u>\$ -</u> |
| LIABILITIES | | | | |
| Due to State Treasurer General Fund Investment Pool | \$ - | \$ - | \$ - | \$ - |
| Due to State General Fund - reversions | <u>350</u> | <u>3,470,379</u> | <u>(3,470,729)</u> | <u>-</u> |
| Total liabilities | <u>\$ 350</u> | <u>\$ 3,470,379</u> | <u>\$ (3,470,729)</u> | <u>\$ -</u> |
| MHD RECEIPTS- 43600 | | | | |
| ASSETS | | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 54,618 | \$ 439,900 | \$ (392,359) | \$ 102,159 |
| Total assets | <u>\$ 54,618</u> | <u>\$ 439,900</u> | <u>\$ (392,359)</u> | <u>\$ 102,159</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ 155 | \$ 330 | \$ (485) | \$ - |
| Other Liabilities | 17,511 | 93,034 | (9,286) | 101,259 |
| Due to State General Fund - reversions | <u>36,952</u> | <u>444,634</u> | <u>(480,686)</u> | <u>900</u> |
| Total liabilities | <u>\$ 54,618</u> | <u>\$ 537,998</u> | <u>\$ (490,457)</u> | <u>\$ 102,159</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF CHANGES
IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
June 30, 2016**

| | <u>Balance July 1, 2015</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance June 30, 2016</u> |
|---|---------------------------------|----------------------|------------------------|----------------------------------|
| CID RECEIPTS- 43700 | | | | |
| ASSETS | | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ 1,554,086 | \$ 5,060,065 | \$ (6,133,795) | \$ 480,357 |
| Total assets | <u>\$ 1,554,086</u> | <u>\$ 5,060,065</u> | <u>\$ (6,133,795)</u> | <u>\$ 480,357</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ 1,339 | \$ 17,262 | \$ (18,601) | \$ - |
| Other Liabilities | 500,148 | 1,064,349 | (1,084,243) | 480,254 |
| Due to State General Fund - reversions | <u>1,052,599</u> | <u>6,124,307</u> | <u>(7,176,804)</u> | <u>102</u> |
| Total liabilities | <u>\$ 1,554,086</u> | <u>\$ 7,205,919</u> | <u>\$ (8,279,649)</u> | <u>\$ 480,357</u> |
| SEC RECEIPTS -43800 | | | | |
| ASSETS | | | | |
| Interest in State Treasurer General Fund Investment Pool | \$ - | \$ 22,019,615 | \$ (22,019,615) | \$ - |
| Total assets | <u>\$ -</u> | <u>\$ 22,019,615</u> | <u>\$ (22,019,615)</u> | <u>\$ -</u> |
| LIABILITIES | | | | |
| Accounts Payable | \$ - | \$ 4,050 | \$ (4,050) | \$ - |
| Due to State General Fund - reversions | <u>-</u> | <u>22,104,065</u> | <u>(22,104,065)</u> | <u>-</u> |
| Total liabilities | <u>\$ -</u> | <u>\$ 22,108,115</u> | <u>\$ (22,108,115)</u> | <u>\$ -</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
COMBINING SCHEDULE OF CHANGES
IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
June 30, 2016

| | <u>Balance July 1, 2015</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance June 30, 2016</u> |
|---|---------------------------------|---------------------|-----------------------|----------------------------------|
| ALCOHOL AND GAMING RECEIPTS -80800 | | | | |
| ASSETS | | | | |
| Interest in State Treasurer General | | | | |
| Fund Investment Pool | \$ - | \$ 4,037,770 | \$ (4,037,770) | \$ - |
| Due from other State Agencies | <u>30,000</u> | <u>-</u> | <u>(30,000)</u> | <u>-</u> |
| Total assets | <u>\$ 30,000</u> | <u>\$ 4,037,770</u> | <u>\$ (4,067,770)</u> | <u>\$ -</u> |
| LIABILITIES | | | | |
| Due to State General Fund - reversions | <u>\$ 30,000</u> | <u>\$ 4,007,770</u> | <u>\$ (4,037,770)</u> | <u>\$ -</u> |
| Total liabilities | <u>\$ 30,000</u> | <u>\$ 4,007,770</u> | <u>\$ (4,037,770)</u> | <u>\$ -</u> |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF CASH ACCOUNTS
Year Ended June 30, 2016**

| <u>Name of Fund</u> | <u>Fund Type</u> | <u>SHARE Fund Number</u> | <u>Interest Bearing</u> | <u>Type of Account</u> | <u>Balance at June 30, 2016</u> |
|---|------------------|----------------------------------|-----------------------------|----------------------------|-------------------------------------|
| General Fund | General | 43300 | YES | State Treasury | \$ 1,477,030 |
| General Fund (Boards and Commissions Payroll Flow Through) | General | 50150 | No | State Treasury | - |
| | | | | | <u>1,477,030</u> |
| Special Revenue Fund | | | | | |
| Securities Education | Special Revenue | 04400 | YES | State Treasury | 1,451,615 |
| Mortgage Regulatory | Special Revenue | 10660 | YES | State Treasury | 4,298,324 |
| FID Settlement | Special Revenue | 11550 | YES | State Treasury | 818,434 |
| Sign Language Services | Special Revenue | 20110 | YES | State Treasury | 141,171 |
| Animal Sheltering Services | Special Revenue | 20120 | YES | State Treasury | 151,944 |
| Hoisting Operators | Special Revenue | 21100 | YES | State Treasury | 205,576 |
| Real Estate Recovery | Special Revenue | 29700 | YES | State Treasury | 292,612 |
| FID Revolving Fund | Special Revenue | 37200 | NO | State Treasury | 200 |
| CID Revolving Fund | Special Revenue | 37300 | NO | State Treasury | 157,889 |
| Barber and Cosmetology | Special Revenue | 43900 | NO | State Treasury | 2,915,825 |
| Body Art Practitioners | Special Revenue | 44010 | NO | State Treasury | 358,147 |
| Athletic Commission | Special Revenue | 44100 | NO | State Treasury | 362,929 |
| Massage Therapists | Special Revenue | 44200 | NO | State Treasury | 521,067 |
| Counselors and Therapists | Special Revenue | 44400 | YES | State Treasury | 1,244,856 |
| Real Estate Education and Training | Special Revenue | 44500 | YES | State Treasury | 57,613 |
| Chiropractic Examiners | Special Revenue | 44600 | NO | State Treasury | 927,349 |
| Dental | Special Revenue | 44700 | NO | State Treasury | 1,689,817 |
| Nutrition and Dietetics | Special Revenue | 44800 | NO | State Treasury | 208,247 |
| Nursing Home Administration | Special Revenue | 44900 | NO | State Treasury | 194,258 |
| Occupational Therapy | Special Revenue | 45000 | NO | State Treasury | 530,725 |
| Optometry | Special Revenue | 45100 | NO | State Treasury | 421,238 |
| Osteopathic Examiners | Special Revenue | 45200 | NO | State Treasury | 735,693 |
| Podiatry | Special Revenue | 45300 | NO | State Treasury | 182,884 |
| Psychologist Examiners | Special Revenue | 45400 | NO | State Treasury | 851,486 |
| Physical Therapist | Special Revenue | 45500 | YES | State Treasury | 1,283,467 |
| Thanatopractice | Special Revenue | 45600 | YES | State Treasury | 424,395 |
| Interior Design | Special Revenue | 45700 | NO | State Treasury | 70,717 |
| Private Investigation & Polygraph | Special Revenue | 45900 | YES | State Treasury | 84,093 |
| Landscape Architects | Special Revenue | 46000 | NO | State Treasury | 230,704 |
| Pharmacy | Special Revenue | 46400 | NO | State Treasury | 3,446,409 |
| Real Estate Appraisers | Special Revenue | 46500 | YES | State Treasury | 588,294 |
| Accountancy | Special Revenue | 46600 | YES | State Treasury | 1,034,045 |
| Real Estate Commission | Special Revenue | 46700 | NO | State Treasury | 1,950,189 |

See Notes to Financial Statements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF CASH ACCOUNTS (CONTINUED)
Year Ended June 30, 2016**

| <u>Name of Fund</u> | <u>Fund Type</u> | <u>SHARE Fund Number</u> | <u>Interest Bearing</u> | <u>Type of Account</u> | <u>Balance at June 30, 2016</u> |
|---|------------------|----------------------------------|-----------------------------|----------------------------|-------------------------------------|
| Special Revenue Fund (Continued) | | | | | |
| Social Workers | Special Revenue | 46900 | YES | State Treasury | \$ 1,011,831 |
| Acupuncture | Special Revenue | 47100 | YES | State Treasury | 400,299 |
| HUD Manufactured Housing | Special Revenue | 47200 | NO | State Treasury | 425,761 |
| Speech Language & Audio | Special Revenue | 47300 | YES | State Treasury | 782,944 |
| Respiratory Care Advisory | Special Revenue | 47400 | NO | State Treasury | 291,616 |
| Athletic Trainers | Special Revenue | 47500 | YES | State Treasury | 128,228 |
| Carnival Ride Insurance | Special Revenue | 64300 | NO | State Treasury | 194,575 |
| Impaired Dentists | Special Revenue | 87600 | NO | State Treasury | 86,300 |
| ARRA | Special Revenue | 89000 | NO | State Treasury | - |
| Total Special Revenue | | | | | <u>31,153,766</u> |
| Total General Fund and Special Revenue Funds | | | | | <u>32,630,796</u> |
| Fiduciary Fund | | | | | |
| FID Receipts Fund | Fiduciary | 43500 | NO | State Treasury | - |
| MHD Receipts Fund | Fiduciary | 43600 | NO | State Treasury | 102,159 |
| CID Receipts Fund | Fiduciary | 43700 | NO | State Treasury | 480,357 |
| SEC Receipts Fund | Fiduciary | 43800 | NO | State Treasury | - |
| Alcohol and Gaming Receipts Fund | Fiduciary | 80800 | NO | State Treasury | - |
| Total Fiduciary Funds | | | | | <u>582,516</u> |
| Total All funds | | | | | <u>\$ 33,213,312</u> |

See Notes to Financial Statements.

STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (UNAUDITED) (EXCLUDING GRT)
June 30, 2016

| RFB#/RFP# (If applicable) | Type of Procurement | Vendor Name | Did Vendor Win Contract? | \$ Amount of Awarded Contract | \$ Amount of Amended Contract | Physical Address of Vendor (City, State) | Did the Vendor provide documentation of eligibility for in-state preference? | Did the Vendor provide documentation of eligibility for veterans' preference? | Brief Description of the Scope of Work | If the procurement is attributable to a Component Unit, Name of Component Unit |
|--|------------------------|----------------------------|-----------------------------|-------------------------------------|-------------------------------------|---|---|--|---|---|
| 50-42000-15- 10394 (Sole Source number) | Sole Source | Accela Inc. | Yes | \$ 549,075 | | Chicago, Illinois | no | no | 3 year award for Software Maintenance and Support | N/A |
| 50-42000-15- 10395 (Sole Source number) | Sole Source | System Automation Corp. | Yes | \$ 146,538 | | Columbia, Maryland | no | no | Software Maintenance and Support | N/A |

See notes to Schedule of Vendor Information for Purchases Exceeding \$60,000 (Excluding GRT).

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
NOTES TO SCHEDULE OF VENDOR INFORMATION FOR PAYMENTS EXCEEDING \$60,000
For the Year Ended June 30, 2016**

This Schedule includes:

Competitive procurements in fiscal year (FY) 2016 that result in one or more contracts with a maximum contract price of over \$60,000 or more, excluding gross receipts tax, regardless of whether expenditures under that contract were over \$60,000 in FY 2016;

Sole-source procurements in FY 2016 that result in one or more contracts with a maximum contract price of over \$60,000 or more, excluding gross receipts tax, regardless of whether expenditures under that contract were over \$60,000 in FY 2016; and

Emergency procurements in FY 2016 that result in one or more contracts with a maximum contract price of over \$60,000 or more, excluding gross receipts tax, regardless of whether expenditures under that contract were over \$60,000 in FY 2016.

This Schedule does not include:

Information on a multi-year procurement that occurred in a prior year, even if it resulted in expenditures of \$60,000 or more in FY 2016, unless there was a contract amendment that occurred in the current fiscal year (i) of a contract with a maximum contract price of \$60,000 or more, or (ii) that increased the maximum contract price of an existing contract to equal or exceed \$60,000; and

Procurements based on statewide pricing agreements or other pricing agreements in FY2016, unless your agency entered into the pricing agreement on behalf of other agencies.

Purchases from federal agencies or other state agencies.

**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***

Independent Auditor's Report

Mr. Mike Unthank, Superintendent
State of New Mexico
Regulation and Licensing Department
&
Mr. Tim Keller
New Mexico State Auditor
Santa Fe, New Mexico

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, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds of the State of New Mexico Regulation and Licensing Department (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, 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 the 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 the Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

Mr. Mike Unthank, Superintendent
State of New Mexico
Regulation and Licensing Department
&

Mr. Tim Keller
New Mexico State Auditor
Santa Fe, New Mexico

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we considered to be significant deficiencies as items 2006-006, 2015-001, 2015-003, 2016-001 and 2016-002.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 items 2006-006, 2015-003, and 2016-001.

Mr. Mike Unthank, Superintendent
State of New Mexico
Regulation and Licensing Department
&

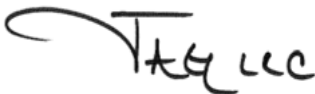
Mr. Tim Keller
New Mexico State Auditor
Santa Fe, New Mexico

The Department's Responses to Findings

The Department's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The 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 them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the 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 Department's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read "JAG LLC". The signature is stylized with a large, sweeping initial letter.

Jaramillo Accounting Group LLC (JAG)
Albuquerque, New Mexico
November 30, 2016

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For The Year Ended June 30, 2016**

| <u>#</u> | <u>Finding</u> | <u>Status of Prior Year Findings</u> | <u>Material Weakness</u> | <u>Significant Deficiency</u> | <u>Non Compliance</u> |
|----------|---|--------------------------------------|--------------------------|-------------------------------|-----------------------|
| 2006-006 | Disaster Recovery Plan | Repeated and Modified | | X | X |
| 2012-002 | Prepaid Construction Permits (Other Liabilities) and Due to State General Fund - Agency Funds | Resolved | | X | |
| 2015-001 | Monitoring of Licensing Services Contract | Repeated | | X | |
| 2015-002 | Procurement Violations | Resolved | | X | X |
| 2015-003 | Legal Compliance with Budget | Repeated | | X | X |

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2016**

2006-006 APPROVE, IMPLEMENT AND TEST DISASTER RECOVERY PLAN

Type of Finding: Significant Deficiency / Non Compliance

Statement of Condition

Management's progress towards implementing 2015 corrective action plan: The Department made significant progress during fiscal year 2016 in the configuration and implementation of a disaster recovery plan; however, the following conditions still exist at June 30, 2016:

The Department last updated its Disaster Recovery Plan (DR Plan) in August 2011.

The Department has multiple IT databases that are critical to certain activity in the State; including the data to support the issuance of construction permits, and data to support the issuance of professional licenses for approximately thirty (30) boards and commissions. As a result of the critical nature of these databases, the Department has been working for approximately last ten (10) years to enhance its IT back-up process with the ultimate goal of an offsite hot-site for the Department's IT databases and files.

During fiscal year 2016, the Department implemented an offsite hot-site for all of the Department's databases and files (excluding SHARE, which is managed by the New Mexico Department of Information Technology). The hot-site is located in Albuquerque at the New Mexico Gaming Control Board data center. The hot-site is a mirror replication of the Department's data backed up at the State Data Center (primary data center) with asynchronous real-time data replication from the primary data center to the Gaming Control Board data center. The hot-site is part of the Department's disaster recovery processes; however, the DR Plan has not been updated for this material change in the Department's disaster recovery processes. Additionally, there is not a regular testing schedule in place to ensure data replicated to the hot-site can be restored.

Criteria

Per the State of New Mexico Statewide Guideline "Enterprise IT Security Policy", S-GUIDE-00.003, "the State of New Mexico shall securely and economically protect its business functions including public access to appropriate information and resources, while maintaining compliance with legal requirements established by existing Federal and State statutes pertaining to confidentiality privacy, accessibility, availability, and integrity. This includes a Disaster Recovery Plan in order to reduce the impact of a major disruption on key business functions and processes."

Effect

The lack of an updated DR Plan and absence of periodic recovery testing may impact the Department's ability to respond and recover its critical data and applications in the event of an unforeseen disaster.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2016**

2006-006 APPROVE, IMPLEMENT AND TEST DISASTER RECOVERY PLAN (CONTINUED)

Cause

During fiscal year 2016, the Department made major improvements in its disaster recovery processes. However, management has not yet allocated resources to update the Disaster Recovery Plan and ensure periodic recovery testing of the data that is replicated to the new hot-site.

Recommendation

Based on the substantial revisions to the Department's IT processes in 2016, we recommend the Department clear the finding completely in 2017 by updating and periodically testing the Department's Disaster Recovery Plan.

Management Response

Responsible Person: Chief Information Officer

Timeline of corrective action: Effective immediately

The Department made significant progress in the configuration and implementation of a disaster recovery plan. At the end of fiscal year 2015, the agency acquired the hardware and software to implement disaster recovery at the New Mexico Gaming Control Boards data center. During the fall of fiscal year 2016 the site was configured and the initial server snapshots were taken from the primary site and built at the disaster recovery site. The data replication then began until the disaster recovery site was a completely mirrored image of the primary data center. The data replication is completed and has been tested, however, making the disaster recovery site the primary and operating off it is not fully tested at this point. The Department will take the following steps in the remainder of fiscal year 2017 to fully complete the disaster recovery system:

- During non-peak business hours bypass the primary data center and operate off the disaster recovery site.
- Upon switching back to the primary data center ensure that any data that was added, modified, or deleted is reflected back at the primary data center ensuring full mirroring of data and data redundancy.
- Create a quarterly schedule for testing the process of making the disaster recovery site the primary site then switching back to the primary data center.
- Hardware and software testing and patching to ensure the disaster recovery site is fully functional and operational.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2016**

2006-006 APPROVE, IMPLEMENT AND TEST DISASTER RECOVERY PLAN (CONTINUED)

- Modifying the Department disaster recovery plan so that the current configuration and operation is fully documented and procedures are in place for a true emergency.

- Maintaining and updating the disaster recovery plan as hardware and or software changes occur at the primary data center which would also have to be configured at the disaster recovery site.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2016**

2015-001 - MONITORING OF LICENSING SERVICES CONTRACT

Type of Finding: Significant Deficiency

Statement of Condition

Management's progress towards implementing 2015 corrective action plan: During fiscal year 2016, corrective action was not completed on the following finding from prior year.

The Department receives, monthly, a portion of licensing fees collected from a vendor who is contracted to administer licensing services. During our testing, we noted that while the Department does monitor the programmatic aspects of this contract, the financial aspects should be monitored more thoroughly.

ASD should maintain documentation of the financial reports required by the contract (see Criteria). There are required procedures in the contract for an independent auditing firm to verify the vendor activity and financial reports. However, we noted the most recent report received by the Department was for the year ended October 31, 2013 and the agreed-upon-procedures performed do not verify the completeness of the fees being submitted to the Department in addition to the existence of the amounts transferred. Additionally, there were three differences noted in the Agreed-upon-Procedures report (\$5,481, \$124, and \$25). The Department still has not received the agreed-upon-procedures report for the year ended October 31, 2014.

Criteria

Title 2, Chapter 20 Part 5 Accounting by Governmental Entities Responsibility for Accounting Function requires that the Department ensure that the model accounting practices, established by the division, are followed. The model accounting practices include but are not limited to ensuring that an internal control structure exists at the state agency and is functioning properly and that all transactions are properly classified in the agency's records.

60-13-20 NMSA 1978 B. states "The Division by regulation may provide that fees charged pursuant to Subsection A of this section shall be paid to the agency providing or administering the service if the service is provided pursuant to authority of the Division".

This contract included deliverables the vendor is to provide the Department, including Financial Accounting Reports. This includes a monthly statement of all monies received pursuant to the Agreement fifteen days following month-end and, additionally, financial statements of all monies assessed and/or received by contractor pursuant to the contract, prepared by an independent professional auditing firm of national reputation that has been pre-approved by the Department). Fees for services performed by the vendor must be charged in accordance with the fee schedules established in the NMAC 14-5-19 Ch. 15 Pt 4.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2016**

2015-001 - MONITORING OF LICENSING SERVICES CONTRACT (CONTINUED)

Effect

Fee revenue could be over or under stated without strong internal controls and monitoring.

Cause

The Department has not designed and implemented strong fiscal monitoring activities.

Recommendation

We recommend the Department implement monitoring methods and related controls over the related licensing activities and fees collected/submitted. Specifically, maintaining related documentation, ensuring procurement of the contract is followed, reporting the contract on the Schedule of Vendor Information, participating in the design of timely audit procedures of the activities in order to include completeness verification and an element of unpredictability each year. Additionally, we recommend the Department follow up with the vendor on the differences noted in the Agreed-upon-Procedures report (\$5,481, \$124, and \$25) and determine the disposition of the differences.

Management Response

Responsible person: Construction Industries Division (CID) Financial Manager

Timeline of corrective action: June 30, 2017

At the time of contract negotiations with PSI, the CID/MHD will reform deliverables. The new deliverables will request that PSI shall require their third-party CPA firm create a reconciliation process to verify that all PSI's reported licenses, issued, or renewed, are in fact included in the revenue transfer reports. Other procedures to address the revenue and IT risks will be addressed at that time.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2016**

2015-003 – LEGAL COMPLIANCE WITH BUDGET

Type of Finding: Significant Deficiency / Non Compliance

Statement of Condition

Management’s progress towards implementing 2015 corrective action plan: During fiscal year 2016, the Department put into place internal controls to prevent the cause of the fiscal year 2015 budget overage. However, in fiscal year 2016, it was determined (as more fully described below) that certain budget internal controls (unrelated to the 2015 budget overage) over the year-end payroll accrual were lacking.

The Department exceeded the budget in the “other financing uses” category for the following funds: Fund 20120 (\$511), Fund 44010 (\$1,223), Fund 44900 (\$2,881), Fund 45000 (\$979) and Fund 45500 (\$1,026).

Criteria

NMSA 1978, Section 6-6-6 restricts all officials and governing authorities from approving claims in excess of the approved budget.

Effect

The Department was not in compliance with NMSA 1978, Section 6-6-6.

Cause

At year-end, the Department did not have adequate controls in place to ensure the year-end payroll accrual was appropriately estimated for certain Boards and Commissions.

Recommendation

We recommend the Department ensure that the year-end payroll accrual is adequately budgeted for.

Management Response

Responsible person: Budget Director and Chief Financial Officer

Timeline of corrective action: May 2017

The Department will implement a process in May of each fiscal year to estimate what the accrued payroll amount to be for the effected Boards and Commissions, by using the prior year’s actual accrued amount and increase it by 15%. This will ensure that each board that is effected by the Boards and Commissions Flow-Through fund will have sufficient budget in the 500 category. This will ensure a checks and balances is in place so the effected boards and commissions do not overspend their respective budgets in the 500 category.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2016**

2016-001 – CAPITAL ASSETS INVENTORY COUNTS

Type of Finding: Significant Deficiency / Non Compliance

Statement of Condition

State agencies are required to perform a physical count of all capital assets to assure that capital assets are adequately safeguarded and accurately reported. The Department's physical counts were not reconciled properly to capital asset records and not certified timely at year-end.

During the course of the 2016 audit, the Department discovered they had not recorded, in prior years, \$154,554 in data processing equipment. Additionally, during our testwork, we noted one capital asset (PowerVault ML6000 Tape Library - acquisition date of November 12, 2008, acquisition cost of \$21,869) was not included in the capital assets listing for the general ledger, although it was listed on the fiscal year 2015 physical inventory count as counted. Subsequent to June 30, 2016, the Department determined that it no longer has the asset. The physical count sheets and the general ledger listing were not properly reconciled.

Criteria

NMSA 1978, §6-5-2(B-C) states that the division shall issue a manual of model accounting practices containing the procedures and policies prescribed pursuant to Subsection A of this section and shall annually review and, if necessary, revise and reissue the manual. State agencies shall comply with the model accounting practices established by the division, and the administrative head of each state agency shall ensure that the model accounting practices are followed. And state agencies shall implement internal accounting controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters. In addition, state agencies shall implement controls to prevent the submission of processing documents to the division that contain errors or that are for a purpose not authorized by law.

§12-6-10(A) states that the governing authority of each agency shall, at the end of each fiscal year, conduct a physical inventory of movable chattels and equipment costing more than five thousand dollars (\$5,000) and under the control of the governing authority. This inventory shall include all movable chattels and equipment procured through the capital program fund under Section 15-3B-16 NMSA 1978, which are assigned to the agency designated by the director of the facilities management division of the general services department as the user agency. The inventory shall list the chattels and equipment and the date and cost of acquisition. No agency shall be required to list any item costing five thousand dollars (\$5,000) or less. Upon completion, the inventory shall be certified by the governing authority as to correctness. Each agency shall maintain one copy in its files. At the time of the annual audit, the state auditor shall ascertain the correctness of the inventory by generally accepted auditing procedures.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2016**

2016-001 – CAPITAL ASSETS CAPITAL ASSETS INVENTORY COUNTS (CONTINUED)

Per NM Department of Finance and Administration MAP Policies and Procedures FIN 6.6:

1. State agencies shall perform a physical inventory of capital assets at the end of each fiscal year in compliance with the annual inventory statutory requirement for property and equipment. They must:
 - a. Verify the accuracy of the data on the capital asset inventory list maintained by each state agency,
 - b. Physically verify the existence and location of all movable property and equipment costing more than five thousand dollars (\$5,000),
 - c. Correct the inventory list based upon the physical inventory; and
 - d. Provide certification from the person to whom the inventory is assigned and the governing authority of each state agency that the inventory list is correct.
2. State agencies shall perform a physical inventory of capital assets at the end of each fiscal year and must reconcile the physical inventory results with the physical inventory list. Any adjustments that result from the physical inventory should be recorded in the state agency accounting records. These adjustments should be made immediately after the count is taken.
3. When any capital asset is found to be missing and cannot be accounted for, the state agencies shall determine the cause(s) and augment internal controls, as necessary, to minimize any future occurrences.
4. Any capital assets determined to be missing should be documented in writing for reporting to the Office of the State Auditor.

Effect

Without an annual physical inventory and reconciliation, the Department may have inaccurate account balances for capital assets, accumulated depreciation and depreciation expense. The Department is more exposed to the risk of loss or theft of assets without proper monitoring.

Cause

The Department did not have internal controls in place to ensure compliance with the requirements.

Recommendation

We recommend that the Department implement policies and procedures and monitor their effectiveness to ensure that the Department remains in compliance with all elements of the capital asset requirements.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2016**

2016-001 – CAPITAL ASSETS (CONTINUED)

Management Response

Responsible persons: Administrative Services Division (ASD) Director

Timeline of corrective action: June 30, 2017

During an inventory of all IT assets, 4 items were identified and verified, by an audit of purchases between fiscal year 2011 through 2013, to be considered capital assets. These items were above the threshold but were miscategorized and not placed in the correct account code, 548300. The Department will implement internal controls to help identify and categorize assets for future purchases. These internal controls will be assessed during FY17 and proper auditing, reporting of these controls have already been implemented by the Department's designated assets person, the Administrative Services Coordinator and their supervisor.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
SCHEDULE OF FINDINGS AND RESPONSES
For The Year Ended June 30, 2016**

2016-002 – CALCULATION OF UNEARNED REVENUE / RESTATEMENT

Type of Finding: Significant Deficiency

Statement of Condition

During fiscal year 2016, management determined that unearned revenue balances presented in the June 30, 2015 financial statements were misstated for certain Boards and Commissions totaling \$807,393 as more fully disclosed in Note 17 to the financial statements. Bi-annually, management of the Department calculates unearned revenue by fund using a number of factors. Cash receipts at various Boards and Commissions in fiscal year 2015 for renewed licenses were incorrectly coded to the general ledger and, as a result, the revenue was recognized immediately and not included in unearned revenue calculation.

Criteria

According to DFA Model Accounting Procedures (FIN 16.D.4.C) and good accounting practices, cash receipts should be recorded to the appropriate general ledger account to ensure accurate financial reporting.

Effect

As a result of the incorrect classification of revenue, unearned revenue was incorrectly calculated.

Cause

Incorrect coding of revenue for certain Boards and Commissions.

Recommendation

We recommend that management continue to monitor the coding of cash receipts to ensure an accurate unearned revenue calculation.

Management Response

Responsible persons: Chief Financial Officer of the Department.

Timeline of corrective action: Effective immediately

For the Fiscal Year ended June 30, 2015 and prior, the Boards and Commissions Division of the Regulation and Licensing Department has coded License Renewals into the general ledger as Registration for Trades & Professions. Starting in the Fiscal Year ended June 30, 2016, these License Renewals have been properly coded into the general ledger as Trade & Professions Licenses. Therefore, as a result, the revenue for Fiscal Year 2015 was recognized immediately and not included in the unearned revenue calculation. The Department restated its special revenue fund balances for the eighteen (18) funds within the Boards and Commissions Division that were affected by this miscoding issue. This correction has now been made to correctly reflect a comparison of Fiscal Year 2015 to Fiscal Year 2016.

**STATE OF NEW MEXICO
REGULATION AND LICENSING DEPARTMENT
EXIT CONFERENCE
For The Year Ended June 30, 2016**

An exit conference was held on November 30, 2016. Attending were the following:

Representing the Department:

| | |
|------------------------|-------------------------------|
| Mike Unthank | Superintendent |
| Alex Sanchez | Deputy Superintendent |
| Alexis Lotero | Acting ASD Director |
| Anthony Webb | Budget Director |
| Catherine Monroe | Budget Manager |
| Clayton Pelletier, CPA | Chief Financial Officer |
| Erica Encinias | Chief Procurement Officer |
| JoAnn D. Lovato | Accountant/Auditor Supervisor |

Representing the Independent Auditor, Jaramillo Accounting Group (JAG):

| | |
|-------------------------------|---------|
| Audrey J. Jaramillo, CPA, CFE | Partner |
| Scott Eliason, CPA | Partner |

Jaramillo Accounting Group (JAG) assisted in the preparation of the financial statements presented in this report. The District's administration has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements.