

State of New Mexico

Catron County
FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S
REPORT THEREON

For The Fiscal Year Ended June 30, 2015

Catron County
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Catron County
Directory of Officials
June 30, 2015

Elected Officials

Glyn Griffin

Chairman

Van J. (Bucky) Allred

Commissioner

Anita A. Hand

Commissioner

Susan Griffin

Assessor

M. Keith Riddle

Clerk

Ian Fletcher

Sheriff

Connie Shipley

Treasurer

Ed Wehrheim

Probate Judge

Administrative Staff

Kate Fletcher

County Manager

Hilton Dickson III

Finance Director

MIKE STONE, C.P.A.
LINDA STONE MCGEE, C.P.A.
KAY STONE, C.P.A.
JARROD MASON, C.P.A.
KELLEY WYATT, C.P.A.

RYAN MONTOYA, C.P.A.

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INDEPENDENT AUDITOR'S REPORT

Timothy Keller, State Auditor
And
Board of Commissioners
Catron County
Reserve, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund of Catron County, as of and for the year ended June 30, 2015, and the related notes to the financial statements which collectively comprise Catron County's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of Catron County's nonmajor governmental funds, and the budgetary comparisons for the nonmajor special revenue funds, the capital projects funds, and the enterprise funds presented as other supplementary information, as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud

or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Catron County as of June 30, 2015, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparisons for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of Catron County as of June 30, 2015, and the respective changes in financial position and the respective budgetary comparisons for the nonmajor special revenue funds, the capital projects funds, and the enterprise funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on Catron County's financial statements that collectively comprise the County's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of Federal Awards as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the other schedules presented as other supplemental data as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards and the other supplemental data are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the

basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and the other supplemental data are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedule of Vendor Information, listed as other information in the table of contents, 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 October 22, 2015, on our consideration of Catron County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreement and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Catron County's internal control over financial reporting and compliance.

Stone, McGee & Co CPAs

Silver City, New Mexico
October 22, 2015

Stone, McGee & Co.
Certified Public Accountants

Catron County
STATEMENT OF NET POSITION
June 30, 2015

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
ASSETS			
Current:			
Cash and investments	\$ 9,526,296	\$ 1,301,087	\$ 10,827,383
Prepays	49,797	864	50,661
Receivables, net	432,874	156,919	589,793
Interfund receivable	<u>580,699</u>		<u>580,699</u>
 Total current assets	 <u>\$ 10,589,666</u>	 <u>\$ 1,458,870</u>	 <u>\$ 12,048,536</u>
Noncurrent assets:			
Capital assets, net	<u>\$ 11,113,768</u>	<u>\$ 634,322</u>	<u>\$ 11,748,090</u>
 Total noncurrent assets	 <u>\$ 11,113,768</u>	 <u>\$ 634,322</u>	 <u>\$ 11,748,090</u>
 Total assets	 <u>\$ 21,703,434</u>	 <u>\$ 2,093,192</u>	 <u>\$ 23,796,626</u>
Deferred Outflows of Resources			
Related to pensions	<u>\$ 134,037</u>	<u>\$ 7,782</u>	<u>\$ 141,819</u>
LIABILITIES			
Current:			
Accounts payable	\$ 147,155	\$ 13,384	\$ 160,539
Accrued liabilities	46,171	6,373	52,544
Interest payable	2,558		2,558
Interfund payable		580,699	580,699
Current maturities of long-term debt	112,365		112,365
Estimated liability for landfill postclosure costs		<u>951,983</u>	<u>951,983</u>
 Total current liabilities	 <u>\$ 308,249</u>	 <u>\$ 1,552,439</u>	 <u>\$ 1,860,688</u>
Noncurrent:			
Net pension liability	\$ 1,360,508	\$ 71,605	\$ 1,432,113
Estimated liability for landfill postclosure costs		911,262	911,262
Notes payable	1,534,566		1,534,566

Catron County
STATEMENT OF NET POSITION (concluded)
June 30, 2015

	Governmental Activities	Business- Type Activities	Total
Compensated absences	\$ 65,029	\$ 7,362	\$ 72,391
Total noncurrent liabilities	\$ 2,960,103	\$ 990,229	\$ 3,950,332
Total liabilities	\$ 3,268,352	\$ 2,542,668	\$ 5,811,020
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	\$ 559,882	\$ 29,467	\$ 589,349
Unavailable revenue	1,546,099	907,796	2,453,895
Total deferred inflows of resources	\$ 2,105,981	\$ 937,263	\$ 3,043,244
NET POSITION			
Net investment in capital assets	\$ 9,466,837	\$ 634,322	\$ 10,101,159
Restricted for:			
Capital projects	296,624		296,624
Debt service	11,670		11,670
Other purposes	5,873,179		5,873,179
Unrestricted	814,828	(2,013,279)	(1,198,451)
Total net position	\$ 16,463,138	\$ (1,378,957)	\$ 15,084,181

The accompanying notes are an integral part of these financial statements.

Catron County
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2015

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Governmental activities:			
General government	\$ 1,701,072	\$ 72,859	\$ 549,000
Public safety	1,636,660	15,765	1,026,015
Public works	1,241,481	75	1,399,044
Health and welfare	435,489		19,641
Culture-recreation	249,585		1,811
Unallocated interest expense	<u>15,891</u>		
Total governmental activities	<u>\$ 5,280,178</u>	<u>\$ 88,699</u>	<u>\$ 2,995,511</u>
Business-type activities:			
Landfill	\$ 310,183	\$ 278,379	\$ 30,638
Ambulance	161,758	72,857	
Airport	<u>21,968</u>		
Total business-type activities	<u>\$ 493,909</u>	<u>\$ 351,236</u>	<u>\$ 30,638</u>
Total government	<u><u>\$ 5,774,087</u></u>	<u><u>\$ 439,935</u></u>	<u><u>\$ 3,026,149</u></u>

General revenues:

- Property taxes
- Gross receipts taxes
- Gas taxes
- Motor vehicle taxes
- Interest and investment earnings
- Miscellaneous
- Payment in lieu of taxes

Total general revenues

Change in net position

Net position--beginning of year, as originally stated

Restatement

Net position--beginning of year, as restated

Change in net position

Net position--end of year

The accompanying notes are an integral part of these financial statements.

Net (Expenses) Revenue
and Changes in Net Position

Capital Grants and Contributions	Governmental Activities	Business -Type Activities	Total
\$ -	\$ (1,079,213)	\$ -	\$ (1,079,213)
	(594,880)		(594,880)
177,369	335,007		335,007
	(415,848)		(415,848)
	(247,774)		(247,774)
	(15,891)		(15,891)
<u>\$ 177,369</u>	<u>\$ (2,018,599)</u>	<u>\$ -</u>	<u>\$ (2,018,599)</u>
\$ -	\$ -	\$ (1,166)	\$ (1,166)
		(88,901)	(88,901)
		(21,968)	(21,968)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (112,035)</u>	<u>\$ (112,035)</u>
<u>\$ 177,369</u>	<u>\$ (2,018,599)</u>	<u>\$ (112,035)</u>	<u>\$ (2,130,634)</u>
	\$ 1,323,766	\$ -	\$ 1,323,766
	198,327	80,050	278,377
	175,430		175,430
	352,233		352,233
	8,209		8,209
	33,674	100	33,774
	571,025		571,025
	<u>\$ 2,662,664</u>	<u>\$ 80,150</u>	<u>\$ 2,742,814</u>
	<u>\$ 644,065</u>	<u>\$ (31,885)</u>	<u>\$ 612,180</u>
	\$ 29,999,009	\$ 304,032	\$ 30,303,041
	(14,179,936)	(1,651,104)	(15,831,040)
	\$ 15,819,073	\$ (1,347,072)	\$ 14,472,001
	644,065	(31,885)	612,180
	<u>\$ 16,463,138</u>	<u>\$ (1,378,957)</u>	<u>\$ 15,084,181</u>

Catron County
BALANCE SHEETS
GOVERNMENTAL FUNDS
June 30, 2015

	<u>General Fund</u>	<u>Phase II Rancho Grande</u>	<u>Road Improvements</u>
Assets			
Cash and investments	\$ 6,058,757	\$ 768,295	\$ 749,202
Interest receivable	715		
Taxes receivable	228,415		
Prepaid expenses	49,797		
Due from other governments	20,116		
Interfund receivable	720,876	28,602	
Notes receivable			
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 7,078,676</u>	<u>\$ 796,897</u>	<u>\$ 749,202</u>
Liabilities			
Accounts payable	\$ 43,312	\$ -	\$ -
Salaries payable	46,171		
Interfund payable	28,602		
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>\$ 118,085</u>	<u>\$ -</u>	<u>\$ -</u>
Deferred Inflows of Resources			
Unavailable revenue	\$ 107,205	\$ 796,897	\$ 749,202
	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	<u>\$ 107,205</u>	<u>\$ 796,897</u>	<u>\$ 749,202</u>
Fund balance:			
Nonspendable			
Prepaid expenses	\$ 49,797	\$ -	\$ -
Restricted:			
Capital projects			
Debt service			
Public safety			
Health and welfare			
Public works	4,188,422		
General government			
Equipment purchases			
Culture and recreation			
Committed to future purchases			
Unassigned	2,615,167		
	<hr/>	<hr/>	<hr/>
Total fund balance	<u>\$ 6,853,386</u>	<u>\$ -</u>	<u>\$ -</u>
	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 7,078,676</u>	<u>\$ 796,897</u>	<u>\$ 749,202</u>

The accompanying notes are an integral part of these financial statements.

Other Funds	Total Governmental Funds
\$ 1,950,042	\$ 9,526,296
69	784
14,872	243,287
168,687	49,797
	188,803
	749,478
	-
<u>\$ 2,133,670</u>	<u>\$ 10,758,445</u>
\$ 103,843	\$ 147,155
	46,171
140,177	168,779
<u>\$ 244,020</u>	<u>\$ 362,105</u>
\$ -	\$ 1,653,304
\$ -	\$ 1,653,304
\$ -	\$ 49,797
296,624	296,624
23,438	23,438
1,254,100	1,254,100
261,275	261,275
	4,188,422
69,494	69,494
529	529
44,162	44,162
(59,972)	2,555,195
<u>\$ 1,889,650</u>	<u>\$ 8,743,036</u>
<u>\$ 2,133,670</u>	<u>\$ 10,758,445</u>

Catron County
**RECONCILIATION OF TOTAL GOVERNMENTAL
 FUND BALANCE TO NET POSITION OF
 GOVERNMENTAL ACTIVITIES**
 June 30, 2015

Total governmental fund balances	\$	8,743,036
<i>Amounts reported for governmental activities in the statement of net position are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		11,113,768
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the funds		
Deferred inflows of resources related to pensions		(559,882)
Deferred outflows of resources related to pensions		134,037
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Property taxes subject to the 60 day availability period		107,205
Receivables subject to the 60 day availability period		-
Long-term liabilities are not reported in the funds:		
Net pension liability		(1,360,508)
Notes payable		(1,646,931)
Accrued interest payable		(2,558)
Compensated absences		(65,029)
		(3,075,026)
<i>Net position of governmental activities</i>	<u>\$</u>	<u>16,463,138</u>

The accompanying notes are an integral part of these financial statements.

Catron County
**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS**
For The Fiscal Year Ended June 30, 2015

	<u>General Fund</u>	<u>Phase II Rancho Grande</u>
Revenues:		
Property taxes	\$ 1,332,738	\$ -
Gross receipts taxes	122,612	
Gas taxes	175,430	
Motor vehicle taxes	352,233	
Federal intergovernmental	2,071,065	
State intergovernmental	720,106	10,801
Fines, licenses and permits	75	
Charges for services	40,749	
Miscellaneous	40,991	
	<u>4,855,999</u>	<u>10,801</u>
Total revenues	<u>\$ 4,855,999</u>	<u>\$ 10,801</u>
Expenditures:		
Current:		
General government	\$ 1,226,038	\$ -
Public safety	863,423	
Public works	1,161,494	
Health and welfare	24,162	
Culture recreation	118,002	
Debt service:		
Principal		
Interest		
Capital outlay	<u>202,537</u>	<u>20,347</u>
Total expenditures	<u>\$ 3,595,656</u>	<u>\$ 20,347</u>
Revenues over (under) expenditures	\$ 1,260,343	\$ (9,546)
Other financing sources (uses):		
Transfer in		9,546
Transfer out	(17,332)	
Loan proceeds		
	<u>1,243,011</u>	<u>-</u>
Net change in fund balances	<u>\$ 1,243,011</u>	<u>\$ -</u>
Fund balance, July 1, 2014, as originally stated	\$ 6,525,294	\$ -
Restatement	<u>(914,919)</u>	
Fund balance, July 1, 2014, as restated	\$ 5,610,375	\$ -
Net change in fund balances	<u>1,243,011</u>	<u>-</u>
Fund balance, June 20, 2015	<u>\$ 6,853,386</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

Road Improvements	Other Funds	Governmental Funds Total
\$ -	\$ -	\$ 1,332,738
	75,715	198,327
		175,430
	232,075	352,233
	1,127,746	2,303,140
	13,423	1,858,653
	34,452	13,498
	892	75,201
		41,883
<u>\$ -</u>	<u>\$ 1,484,303</u>	<u>\$ 6,351,103</u>
\$ -	\$ 24,299	\$ 1,250,337
	465,018	1,328,441
		1,161,494
	270,945	295,107
	4,026	122,028
	179,087	179,087
	15,992	15,992
	644,600	867,484
<u>\$ -</u>	<u>\$ 1,603,967</u>	<u>\$ 5,219,970</u>
\$ -	\$ (119,664)	\$ 1,131,133
	7,786	17,332
		(17,332)
		-
<u>\$ -</u>	<u>\$ (111,878)</u>	<u>\$ 1,131,133</u>
\$ -	\$ 1,726,027	\$ 8,251,321
	275,501	(639,418)
\$ -	\$ 2,001,528	\$ 7,611,903
-	(111,878)	1,131,133
<u>\$ -</u>	<u>\$ 1,889,650</u>	<u>\$ 8,743,036</u>

Catron County
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**
For The Fiscal Year Ended June 30, 2015

Net change in fund balances-total governmental funds	\$ 1,131,133
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	(302,363)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. This is the net change for the year.	(426,860)
Governmental funds report pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense	
Pension contributions	134,037
Cost of benefits earned net of employee contributions	(67,823)
Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets	179,087
In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. This is the net change for the year.	101
Some expense reported in the Statement of Activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This is the net change for the year.	(3,247)
 <i>Change in Net Position of Governmental Activities</i>	 <u>\$ 644,065</u>

The accompanying notes are an integral part of these financial statements.

Catron County
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 1,930,000	\$ 1,930,000	\$ 1,958,034	\$ 28,034
State sources	2,328,666	2,328,666	1,172,709	(1,155,957)
Federal sources	1,780,000	1,780,000	1,695,379	(84,621)
Fines, licenses and permits			75	75
Charges for services	50,000	50,000	46,999	(3,001)
Miscellaneous	4,000	4,000	36,160	32,160
Total revenues	\$ 6,092,666	\$ 6,092,666	\$ 4,909,356	\$ (1,183,310)
Expenditures:				
Current:				
General government	\$ 1,779,161	\$ 1,540,446	\$ 1,270,395	\$ 270,051
Public safety	930,000	1,018,000	889,602	128,398
Public works	2,850,000	1,900,941	1,287,910	613,031
Health and welfare	30,850	30,850	26,431	4,419
Culture and recreation	199,600	199,600	118,263	81,337
Capital outlay	219,550	207,200	5,060	202,140
Total expenditures	\$ 6,009,161	\$ 4,897,037	\$ 3,597,661	\$ 1,299,376
Revenues over (under) expenditures	\$ 83,505	\$ 1,195,629	\$ 1,311,695	\$ 116,066
Other financing sources (uses):				
Transfer in				-
Transfer out			(12,794)	(12,794)
Net change in fund balance	\$ 83,505	\$ 1,195,629	\$ 1,298,901	\$ 103,272
Fund balance, July 1, 2014			4,759,856	4,759,856
Fund balance, June 30, 2015	\$ 83,505	\$ 1,195,629	\$ 6,058,757	\$ 4,863,128
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 1,243,011	
Revenue accruals (net)			53,357	
Expenditure accruals (net)			(2,005)	
Other financing sources (uses)			4,538	
Net change in fund balance, NON-GAAP budgetary basis			\$ 1,298,901	

The accompanying notes are an integral part of these financial statements

Catron County
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
June 30, 2015

	Landfill	Ambulance	Airport	Total
Assets				
Current:				
Cash and investments	\$ 1,154,951	\$ 145,890	\$ 246	\$ 1,301,087
Prepays			864	864
Receivables, net of allowances:				
Intergovernmental grants	23,786			23,786
Accounts	64,385	53,876		118,261
Taxes	7,436	7,436		14,872
	<u>\$ 1,250,558</u>	<u>\$ 207,202</u>	<u>\$ 1,110</u>	<u>\$ 1,458,870</u>
Total current assets				
Noncurrent assets:				
Capital assets (net)	<u>\$ 386,672</u>	<u>\$ 36,338</u>	<u>\$ 211,312</u>	<u>\$ 634,322</u>
Total noncurrent assets				
	<u>\$ 386,672</u>	<u>\$ 36,338</u>	<u>\$ 211,312</u>	<u>\$ 634,322</u>
Total assets				
	<u>\$ 1,637,230</u>	<u>\$ 243,540</u>	<u>\$ 212,422</u>	<u>\$ 2,093,192</u>
Deferred Outflows of Resources				
Related to pensions	<u>\$ 7,782</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,782</u>
Liabilities				
Current:				
Accounts payable	\$ 4,800	\$ 1,272	\$ 7,312	\$ 13,384
Accrued liabilities	4,814	1,559		6,373
Interfund payable	496,793	57,611	26,295	580,699
Estimated liability for landfill postclosure costs	951,983			951,983
	<u>\$ 1,458,390</u>	<u>\$ 60,442</u>	<u>\$ 33,607</u>	<u>\$ 1,552,439</u>
Total current liabilities				
Noncurrent liabilities:				
Estimated liability for landfill postclosure costs	\$ 911,262	\$ -	\$ -	\$ 911,262
Net pension liability	71,605			71,605
Compensated absences	7,362			7,362
Total noncurrent liabilities	<u>\$ 990,229</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 990,229</u>
Total liabilities				
	<u>\$ 2,448,619</u>	<u>\$ 60,442</u>	<u>\$ 33,607</u>	<u>\$ 2,542,668</u>

Catron County
STATEMENT OF NET POSITION - PROPRIETARY FUNDS (concluded)
June 30, 2015

	Landfill	Ambulance	Airport	Total
DEFERRED INFLOWS OF RESOURCES				
Related to pensions	\$ 29,467	\$ -	\$ -	\$ 29,467
Unavailable revenue	907,796			907,796
Total deferred inflows of resources	<u>\$ 937,263</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 937,263</u>
Net Position				
Net investment in capital assets	\$ 386,672	\$ 36,338	\$ 211,312	\$ 634,322
Restricted for:				
Debt service				-
Unrestricted	(2,127,542)	146,760	(32,497)	(2,013,279)
Total net position	<u>\$ (1,740,870)</u>	<u>\$ 183,098</u>	<u>\$ 178,815</u>	<u>\$ (1,378,957)</u>

The accompanying notes are an integral part of these financial statements.

Catron County
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2015

	<u>Landfill</u>	<u>Ambulance</u>	<u>Airport</u>	<u>Total</u>
Operating revenues:				
Charges for services	\$ 278,379	\$ 72,857	\$ -	\$ 351,236
Operating expenses:				
Personnel	\$ 127,221	\$ 35,315	\$ -	\$ 162,536
Operating	154,178	82,698	2,839	239,715
Depreciation	28,784	43,745	19,129	91,658
Total operating expenses	\$ 310,183	\$ 161,758	\$ 21,968	\$ 493,909
Net operating income	\$ (31,804)	\$ (88,901)	\$ (21,968)	\$ (142,673)
Nonoperating revenue (expense):				
Investment income	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	40,025	40,025		80,050
State grants	23,786			23,786
Federal grants	6,852			6,852
Miscellaneous revenue		100		100
Interest expense				-
Total nonoperating revenue (expense)	\$ 70,663	\$ 40,125	\$ -	\$ 110,788
Net income before operating transfers	\$ 38,859	\$ (48,776)	\$ (21,968)	\$ (31,885)
Transfers:				
In				-
Out				-
Change in net position	<u>\$ 38,859</u>	<u>\$ (48,776)</u>	<u>\$ (21,968)</u>	<u>\$ (31,885)</u>
Net position, beginning of year, as originally stated	\$ 92,894	\$ 235,951	\$ (24,813)	\$ 304,032
Restatement	<u>(1,872,623)</u>	<u>(4,077)</u>	<u>225,596</u>	<u>(1,651,104)</u>
Net position, beginning of year, as restated	\$ (1,779,729)	\$ 231,874	\$ 200,783	\$ (1,347,072)
Change in net position	<u>38,859</u>	<u>(48,776)</u>	<u>(21,968)</u>	<u>(31,885)</u>
Net position, end of year	<u>\$ (1,740,870)</u>	<u>\$ 183,098</u>	<u>\$ 178,815</u>	<u>\$ (1,378,957)</u>

The accompanying notes are an integral part of these financial statements.

Catron County
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2015

	<u>Landfill</u>	<u>Ambulance</u>	<u>Airport</u>	<u>Total</u>
Cash flows from operating activities:				
Receipts from customers	\$ 394,608	\$ 132,278	\$ -	\$ 526,886
Payments to suppliers	(177,005)	(81,473)	(2,888)	(261,366)
Payments to employees	(129,778)	(34,926)		(164,704)
Net cash provided (used) by operating activities	<u>\$ 87,825</u>	<u>\$ 15,879</u>	<u>\$ (2,888)</u>	<u>\$ 100,816</u>
Cash flows from noncapital financing activities:				
Dedicated tax receipts	\$ 36,572	\$ 36,572	\$ -	\$ 73,144
Miscellaneous collections		100		100
Transfers from other funds				-
Transfers to other funds				-
Net cash provided (used) by noncapital financing activities	<u>\$ 36,572</u>	<u>\$ 36,672</u>	<u>\$ -</u>	<u>\$ 73,244</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	\$ (126,759)	\$ -	\$ -	\$ (126,759)
Borrowings on capital debt				-
Principal paid on capital debt				-
Interest paid on capital debt				-
Net cash provided (used) by capital and related financing activities	<u>\$ (126,759)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (126,759)</u>
Cash flows from investing activities:				
Earnings on investments	\$ -	\$ -	\$ -	\$ -
Net cash provided (used) by investing activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net increase (decrease) in cash and equivalents	\$ (2,362)	\$ 52,551	\$ (2,888)	\$ 47,301
Cash and equivalents, beginning of year	<u>1,157,313</u>	<u>93,339</u>	<u>3,134</u>	<u>1,253,786</u>
Cash and equivalents, end of year	<u><u>\$ 1,154,951</u></u>	<u><u>\$ 145,890</u></u>	<u><u>\$ 246</u></u>	<u><u>\$ 1,301,087</u></u>

Catron County
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (concluded)
For the Fiscal Year Ended June 30, 2015

	<u>Landfill</u>	<u>Ambulance</u>	<u>Airport</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (31,804)	\$ (88,901)	\$ (21,968)	\$ (142,673)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	28,784	43,745	19,129	91,658
Changes in assets and liabilities:				
Prepaid expenses			(21)	(21)
Receivables, net	116,229	59,421		175,650
Accounts payable	(959)	1,225	(28)	238
Accrued expenses	(22,909)	389		(22,520)
Customer deposits				-
Compensated absences	(1,516)			(1,516)
Net cash provided (used) by operating activities	<u>\$ 87,825</u>	<u>\$ 15,879</u>	<u>\$ (2,888)</u>	<u>\$ 100,816</u>

The accompanying notes are an integral part of these financial statements.

Catron County
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2015

Assets

Cash and investments	\$ 3,442
Taxes receivable	<u>85,625</u>
Total assets	<u><u>\$ 89,067</u></u>

Liabilities

Due to others	<u>\$ 89,067</u>
Total liabilities	<u><u>\$ 89,067</u></u>

The accompanying notes are an integral part of these financial statements.

Catron County
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

Note 1 Summary of Significant Accounting Policies

A. GENERAL

Catron County, a political subdivision of the State of New Mexico, operates under the commissioner-manager form of government. The County provides the following authorized services: public safety, highways and streets, sanitation, health and welfare, social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The County's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for State and Local Governments, through its pronouncements (Statements and Interpretations). The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

B. FINANCIAL REPORTING ENTITY

The County's basic financial statements include the accounts of all County operations. The criteria for include organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the County holds the corporate powers of the organization
- the County appoints a voting majority of the organization's board
- the County is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the County
- there is fiscal dependency by the organization on the County

Based on the aforementioned criteria, the County has no component units.

C. BASIS OF PRESENTATION

Governmental-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the County and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Indirect expenses for centralized services and administrative overhead are not allocated, but are presented as separate functions. Program revenues include charges paid by recipients of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational and capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which a program or business segment is self-financing or draws from the general revenues of the County.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category of type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the County and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

Capital Project Fund

The Capital Project Fund is used to account for resources restricted for the acquisition or construction of specific capital projects or items.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of financial resources for the payment of interest and principle on the general obligation bonds of the County other than debt service payments made by enterprise funds. Ad valorem taxes are used for the payment of principal and interest on the County's general obligation bonds. The County currently has no general obligation bonds outstanding.

Proprietary Fund

Enterprise Fund

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Fiduciary Funds (Note included in government-wide statements)

Agency Funds

Agency funds account for assets held by the County in a purely custodial capacity. The reporting entity includes four agency funds. Since agency funds are custodial in nature (i.e., assets equal liabilities), they do not involve the measurement of results of operations. The Agency funds are as follows:

Property Tax Fund – to account for the undistributed property taxes both received and yet to be received which are to be distributed to the various taxing entities at a later date.

Major Funds

These funds classified as major are as follows:

General – accounts for all activities except those accounted for in other funds.

Capital Projects – to account for the revenues and expenditures associated with construction and renovation or maintenance of Rancho Grande and Road Improvements

Non-major Funds

Fund description for all funds are included in the "Other Supplementary Information" section of this report.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item “b” below:

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets, deferred outflows of resources, liabilities and deferred inflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or non-current) associated with their activities are reported. Revenues, expenses, gains, losses, assets, deferred outflow of resources, liabilities and deferred inflow of resources resulting from non-exchange transactions are recognized when the earnings process is complete. Proprietary fund equity is classified as net position.
- c. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Derived tax revenues are recognized when the exchange takes place, and grants are recognized when all eligibility requirements are met.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available”. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Revenues that are not available are recorded as deferred outflows of resources. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported when due.

All proprietary funds and fiduciary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

E. BUDGETS

Budgets for the General, Special Revenue, Capital Projects, and Enterprise Funds are prepared by management and approved by the local governing body and the New Mexico Department of Finance and Administration.

These budgets are prepared on the NON-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

Actual expenditures may not exceed the budget on a by fund basis. Budgets may be amended in two ways. If a budget transfer is necessary within a fund, this may be accomplished with only local Commission approval. If a transfer between “funds” or a budget increase is required, approval must also be obtained from the Department of Finance and Administration.

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

F. CASH AND INVESTMENTS

For the purpose of the Statement of Net Position, “cash and investments” includes all demand, savings accounts, and certificates of deposits of the County. For the purpose of the proprietary fund Statement of Cash Flows, “cash and cash equivalents” include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of six months or less.

Investments are carried at fair value except for short-term U.S. Treasury obligations with a remaining maturity at the time of purchase of one year or less. Those investments are reported at amortized cost. Fair value is based on quoted market price.

State statutes authorize the government to invest in interest bearing accounts with local financial institutions, direct obligations of the U.S. Treasury or New Mexico political subdivisions, and the State Treasurer’s investment pool.

New Mexico Statutes require that financial institutions with public monies on deposit pledge collateral, to the owner of such public monies, in an amount not less than 50% of the public monies held on deposit. Collateral pledged is held in safekeeping by other financial institutions, with safekeeping receipts held by the County. The pledged securities remain in the name of the financial institution. Premiums (discounts) on investments are amortized by the interest method, or methods approximating the interest method.

G. INTERFUND RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Short-term inter-fund loans are reported as “inter-fund receivables or payables”. Inter-fund receivables and

payables between funds within governmental activities are eliminated in the Statement of Net Position.

H. RECEIVABLES

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and periodic aging of accounts receivable. Major receivable balances for the governmental activities include gross receipts and use taxes, franchise taxes, and grants. Business-type activities report utilities and interest earnings as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as gross receipts tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis.

Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and interest earnings compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

I. CAPITAL ASSETS

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

In the government-wide financial statements, capital assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

The County has retroactively reported all infrastructure assets. The County has always maintained a capitalization policy which included infrastructure assets.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over assets estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

- Buildings 25-50 years
- Improvements 10-50 years
- Machinery and Equipment 03-10 years
- Infrastructure 25-75 years

- Software and Library

5-10 years

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements. Assets acquired with an original cost of \$5,000 or more are capitalized. Construction period interest is capitalized in proprietary funds.

J. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents consumption of net position that applies to a future period, and so will not be recognized as an outflow or resource (expenses/expenditures) until then. The Government has deferred outflows related to pensions as discussed in Note 8.

In addition to liabilities, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statements element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenues) until that time. The Government has three types of items, one of which arises under the full accrual basis of accounting and all of which arise under the modified accrual basis of accounting, that qualify for reporting in this category. Accordingly, the item unavailable revenue, is reported in the statement of net position, the governmental funds balance sheet and the proprietary funds balance sheet. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The Government reports unavailable revenue from the following sources:

	Governmental Funds				
<u>Statement Of Net Position</u>	<u>General Fund</u>	<u>Phase II Rancho Grande</u>	<u>Road Improvements</u>	<u>Total</u>	
Advances under expenditure driven grants	\$1,546,099	\$	\$ 796,897	\$ 749,202	\$1,546,099
Property taxes	<u>107,205</u>	<u>107,205</u>	<u>796,897</u>	<u>749,202</u>	<u>1,653,304</u>
Total	<u>\$1,546,099</u>	<u>\$ 107,205</u>	<u>\$ 796,897</u>	<u>\$ 749,202</u>	<u>\$1,653,304</u>

In addition, the landfill fund has deferred inflows of resources under expenditure driven grants of \$907,796.

Finally, the County has deferred inflows of resources related to pensions as disclosed in Note 8.

K. LONG-TERM DEBT

The accounting treatment of long-term debt depends on whether the assets acquired with the debt are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes payable, accrued compensated absences, and bonds payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principle and interest reported as expenditures. The accounting for proprietary fund is the same in the fund statements as it is in the government-wide statements.

L. COMPENSATED ABSENCES

The County's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred.

M. EQUITY CLASSIFICATIONS

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Fund Statements

During the year ended June 30, 2011, the County implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-spendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to remain intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by the government itself, using its highest level of decision-making authority, to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change its constraints.
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the government body delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Board of Commissioners establishes (and modifies or rescinds) fund balance commitments by adoption of a resolution or a vote of the Board. This is typically done through the adoption and amendment of the budget. Assigned fund balance is established by the Board of Commissioners through adoption or amendment of the budget as intended for a specific purpose (such as purchase of fixed assets, construction, debt service or for other purposes). Expenditures are normally made from the most highly constrained Group First.

N. REVENUES, EXPENDITURES, AND EXPENSES

Gross Receipts Tax

The County levies a gross receipts tax on taxable gross receipts within the County. The rate includes both County and State assessments. The tax is collected by the New Mexico Taxation and Revenue Department and remitted to the County in the month following receipt by the Department. The Department receives the tax one month after collection by vendors. Included in this tax is amounts dedicated to intercept agreements, and those dedicated amounts are recorded directly in those funds.

Gross receipts tax collected by the State in June and July (which represent May and June transactions) and received by the County in July and August have been accrued and are included under the caption “Taxes Receivable”.

Property Tax

Property taxes attach as an enforceable lien on property as of January 1. Property tax rates for the year are set no later than September 1 each year by the Secretary of Finance and Administration. The rates of tax are then used by County Assessors to develop the property tax schedule by October 1. Taxes are payable in equal semiannual installments by November 10 and April 10 of the subsequent year and become delinquent 30 days later. Taxes are collected on behalf of the County by the County Treasurer, and are remitted to the County in the month following collection. Because the Treasurer of the County in which the county is located is statutorily required to collect taxes as an intermediary agency for all forms of government, distribution of taxes are made through the applicable county to the County.

The County is permitted to levy taxes for general operating purposes based on a state formula, per \$1,000 of taxable value for both residential and nonresidential property, taxable value being defined as one third of the fully assessed value. In addition, the County is allowed to levy taxes for payments of bond principal and interest in amounts approved by voters of the County. The County's total tax rate to finance general government services for the year ended June 30, 2015 was \$11.850 per \$1,000 for non-residential property and \$9.642 for residential property. The County's tax rate for debt service was \$.00 per \$1,000 for both residential and nonresidential property.

Property tax receivables are recognized net of estimated refunds and uncollectible amounts in the period for which the taxes are levied, even if they are not available. Property taxes not collected within 60 days of year-end are reported as deferred inflows of resources in the fund statements.

Operating Revenues and Expenses

Operating revenue of governmental funds includes fees to users and license fees. Operating grants include operating-specific and discretionary grants while capital grants reflect capital-specific appropriations.

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, non-capital financing, or investing activities.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Fund – By Character: Current (further classified by function)
 Debt Service
 Capital Outlay
Proprietary Fund – By Operating and Non-operating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

The County first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. The County does not allocate indirect costs.

O. INTER-FUND TRANSFERS

Permanent reallocation of resources between funds of the reporting entity are classified as inter-fund transfers. For the purposes of the Statement of Activities, all inter-fund transfers between individual governmental funds have been eliminated.

P. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 Custodial Credit Risk

Custodial credit risk is the risk in the event of a bank failure the Governments deposits may not be returned to it. The County does not have a deposit policy for credit risk beyond that disclosed in Note 1. As of June 30, 2015, \$2,899,820 of the County’s bank balance of \$8,412,180 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized		<u>\$ 2,899,820</u>
	<u>Bank</u>	<u>Carrying</u>
	<u>Balance</u>	<u>Amount</u>
Deposits by custodial risk category:		
Insured	\$ 500,000	\$ 500,000
Collateral held by the pledging bank’s agent in the County’s name	5,012,360	5,012,360
Uninsured and uncollateralized	<u>2,899,820</u>	<u>2,728,148</u>
	<u>\$ 8,412,180</u>	<u>\$ 8,240,508</u>

The County does not have a risk policy beyond that required by State Statute.

The cash on deposit with NMFA is, in effect, loan proceeds or payments made by the County but not yet disbursed. Such deposits are subject to the collateral requirements of NMFA. Such deposits total \$2,540,438.

The County invests in the State Treasurer Local Governmental Investment Pool, a New Mexico sponsored investment alternative.

The State Treasurer Local Government Investment Pool is not SEC registered. The State Treasurer, with the advice and consent of the State Board of Finance, is authorized to invest money held in the short-term investment fund in accordance with Sections 6-10-10-10P and Sections 6-10-10.1 A and E, NMSA 1978. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments.

The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts fund were invested.

Investments are valued at fair value based on quoted market prices as of the valuation date.

Participation in the pool is voluntary. The County has \$49,879 on deposit in the pool at June 30, 2015, which is AAAM rated with a weighted average maturity of 54.6 days.

Note 3 Receivables

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Accounts receivable:		
Services (net)	\$ -0-	\$ 118,261
Property taxes	\$ 159,279	\$
Gross receipts tax	22,308	14,872
Motor Vehicle Taxes	33,658	
Gas Tax	<u>28,042</u>	
Total taxes receivable	<u>\$ 243,287</u>	<u>\$ 14,872</u>
Interest receivable	\$ 784	\$ -0-
Intergovernmental grants	<u>\$ 188,803</u>	<u>\$ 23,786</u>
Total	<u>\$ 432,874</u>	<u>\$ 156,919</u>

The County believes all receivables are collectible, therefore, no allowance for doubtful accounts has been established.

Note 4 Capital Assets

Capital asset activity for the year ended June 30, 2015, was as follows:

	<u>Balance July 1, 2014</u>	<u>Adjustments</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2015</u>
Governmental Activities:					
Capital assets not being depreciated:					
Land and land improvements	\$ 729,873	\$ (528,727)	\$	\$	\$ 201,146
Construction in pro- gress	<u>114,914</u>	<u>169,952</u>	<u>632,807</u>	<u>560,806</u>	<u>356,867</u>
Total capital assets not being depre- ciated	<u>\$ 844,787</u>	<u>\$ (358,775)</u>	<u>\$ 632,807</u>	<u>\$ 560,806</u>	<u>\$ 558,013</u>
Capital assets being depreciated:					
Infrastruction	\$ 947,456	\$ 9,197,369	\$	\$	\$ 10,144,825
Improvements	5,516,754	(4,518,572)	66,079		1,064,261
Buildings	4,472,978	1,587,050	494,727		6,554,755
Equipment/vehicles/					

machinery	<u>11,764,282</u>	<u>88,975</u>	<u>234,677</u>	<u>-</u>	<u>12,087,934</u>
Total capital assets being depreciated	<u>\$22,701,470</u>	<u>\$ 6,354,822</u>	<u>\$ 795,483</u>	<u>\$ -</u>	<u>\$ 29,851,775</u>
Less accumulated depreciation for:					
Infrastructure	\$ -	\$ (8,784,121)	\$ (31,746)	\$ -	\$ (8,815,867)
Improvements	-	(614,231)	(37,237)	-	(651,768)
Buildings	-	(2,367,705)	(143,228)	-	(2,510,933)
Equipment/vehicles/machinery	-	(6,360,116)	(957,336)	-	(7,317,452)
Total accumulated depreciation	<u>\$ -</u>	<u>\$(18,126,173)</u>	<u>\$(1,169,847)</u>	<u>\$ -</u>	<u>\$(19,296,020)</u>
Total capital assets being depreciated, net	<u>\$22,701,470</u>	<u>\$(11,771,351)</u>	<u>(374,364)</u>	<u>\$ -</u>	<u>\$ 10,555,755</u>
Governmental activity, capital assets, net	<u>\$23,546,257</u>	<u>\$(12,130,126)</u>	<u>\$ 258,443</u>	<u>\$ 560,806</u>	<u>\$ 11,113,768</u>

Other business-type activity programs:

	<u>Balance</u>	<u>Adjustments</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u>
	<u>July 1, 2014</u>				<u>June 30, 2015</u>
Capital assets not being depreciated:					
Land and land improvements	\$ 6,000	\$ 5,000	\$ -	\$ -	\$ 11,000
Construction in progress			7,256	-	7,256
Total capital assets not being depreciated	<u>\$ 6,000</u>	<u>\$ 5,000</u>	<u>\$ 7,256</u>	<u>\$ -</u>	<u>\$ 18,256</u>
Capital assets being depreciated:					
Equipment	\$ 732,757	\$ 356,716	\$ 126,759	\$ -	\$ 1,216,232
Buildings	51,129	(41,529)			9,600
Infrastructure	-	613,243			613,243
Improvements	<u>567,084</u>	<u>(275,879)</u>			<u>291,205</u>
Total capital assets being depreciated	<u>\$ 1,350,970</u>	<u>\$ 652,551</u>	<u>\$ 126,759</u>	<u>\$ -</u>	<u>\$ 2,130,280</u>
Less accumulated depreciation:					
Equipment	\$ 290,297	\$ 626,847	\$ 57,585	\$ -	\$ 974,729
Buildings	10,000	(8,848)	384		1,536
Infrastructure	-	395,058	19,129		414,187
Improvements	<u>250,000</u>	<u>(140,798)</u>	<u>14,560</u>	<u>-</u>	<u>123,762</u>

Total accumulated Depreciation	\$ 550,297	\$ 872,259	\$ 91,658	\$ -	\$ 1,514,214
Total capital assets being depreciated, net	\$ 800,673	\$ (219,708)	\$ 35,101	\$ -	\$ 616,066
Other business-type activity programs capital assets, net	\$ 806,673	\$ (214,708)	\$ 42,357	\$ -	\$ 634,322

Depreciation was charged to the Governmental Activities as follows:

General Government	\$ 474,351
Public Safety	333,969
Public Works	93,588
Health and welfare	140,382
Culture-recreation	<u>127,557</u>
	\$ <u>1,169,847</u>

Note 5 Landfill Post-closure Costs

State and Federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

Estimated closure and post-closure costs	\$ <u>1,887,031</u>
Landfill capacity utilized	100%
Cost incurred to date	\$ <u>23,786</u>
Remaining post-closure liability	\$ <u>1,863,245</u>

The County has received grants for the initial closure of its landfills, and continues to solicit funding sources for post-closure costs.

Note 6 Accrued Expenses

At June 30, 2015, accrued expenses consisted of the following:

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Accruals payroll and benefits	\$ 46,171	\$ 6,373
	<u>\$ 46,171</u>	<u>\$ 6,373</u>

Note 7 Long-Term Debt

Changes in governmental funds long-term debt is as follows:

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>	<u>Due Within One Year</u>
Notes payable	\$1,826,018	\$ -0-	\$ 179,087	\$1,646,931	\$ 112,365

Catron County has entered into several financing arrangements to purchase equipment and real property. The following are a synopsis of those loans.

Fire Department Loans – These loans are for equipment and real property. The loans are secured by the State Fire Allotments. The revenues pledged totaled \$1,639,704 at June 30, 2015, which is 18% of the future state fire allotments at their current rate. Interest rates range from 0% to 3.66% for individually scheduled retirements, and maturity dates range from 2016 through 2033. During the year ended June 30, 2015, the County recognized \$501,996 in pledged revenues, and retired \$117,412 in loan principal and interest.

Jail Renovations – These loans are for renovations to the jail facility. The loans are secured by gross receipts taxes. The revenues pledged totaled \$127,946 at June 30, 2015, which is 8% of gross receipts taxes at their current rate. Interest is not charged, and maturity rates range from 2016-2018. During the year ended June 30, 2015, the County recognized \$122,612 in pledged revenues, and retired \$9,139 in loan principal and interest.

Certain of these loans have covenants and restrictions related to pledged revenues and reserve balance requirements. The County is in compliance with these provisions at June 30, 2015.

The annual principal payment requirements for notes outstanding as of June 30, 2015 are summarized as follows:

	<u>Principal Payment</u>	<u>Interest Payment</u>
2016	\$ 112,365	\$ 15,162
2017	113,035	14,447
2018	102,405	13,624
2019	103,081	12,814
2020	93,750	11,850
2020-2025	489,413	40,673
2026-2030	434,020	11,609
2031-2035	<u>198,862</u>	<u>540</u>
	<u>\$ 1,646,931</u>	<u>\$ 120,719</u>

Compensated absences in governmental funds were as follows:

	<u>Balance July 1, 2014</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance June 30, 2015</u>	<u>Due in One Year</u>
Compensated absences	\$ <u>61,782</u>	\$ <u>55,526</u>	\$ <u>(52,279)</u>	\$ <u>65,029</u>	\$ <u>-0-</u>

Changes in Proprietary Funds Long-Term Debt were as follows during the year ended June 30, 2015:

	<u>Balance July 1, 2014</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance June 30, 2015</u>	<u>Due in One Year</u>
Compensated absences	\$ <u>8,878</u>	\$ <u>796</u>	\$ <u>(2,312)</u>	\$ <u>7,362</u>	\$ <u>-0-</u>

All compensated absences are considered non-current. Compensated absences are paid out of the fund that salaries for the respective employee are paid out of provided there are funds available. Otherwise, they are paid out of the general fund.

Note 8 Pension Plan – Public Employees Retirement Association

Summary of Significant Accounting Policies

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

General Information about the Pension Plan

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

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

Benefits Provided – For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2014 available at [http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366 Public Employees Retirement Association 2014.pdf](http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366%20Public%20Employees%20Retirement%20Association%202014.pdf).

Contributions – The contribution requirements of defined benefit plan members and Catron County are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY14 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY14 annual audit at <http://osanm.org/media/audits/366PublicEmployeesRetirementAssociation2014.pdf>. The PERA coverage options that apply to the County is the Municipal General, and Municipal Police. Statutorily required contributions to the pension plan from the County were \$141,819 and employer paid member benefits that were “picked up” by the employer were \$-0- for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore the employer’s portion was established as of the measurement date June 30, 2014.

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

members; state police members and legislative members. The County's proportion of the net pension liability for each member group that the employer participates in is based on the employer contributing entity's percentage of that membership group's total employer contributions for the fiscal year ended June 30, 2014. Only employer contributions for the pay period end dates that fell within the period of July 1, 2013 to June 30, 2014 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2014 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.

For PERA Fund Division – Municipal General, at June 30, 2015, the County reported a liability of \$972,794 for its proportionate share of the net pension liability. At June 30, 2014, the County's proportion was .1247 percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the County recognized PERA Fund Division Municipal General pension expense of \$40,546. At June 30, 2015, the County reported PERA Fund Division Municipal General deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	659
Net difference between projected and actual earnings on pension plan investments	-	380,583
Changes in proportion and differences between the County's contributions and proportionate share of contributions	-	-
The County's contributions subsequent to the measurement date	<u>91,975</u>	<u>-</u>
Total	<u>\$ 91,975</u>	<u>\$ 381,242</u>

\$91,975 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 95,310
2017	95,310
2018	95,310
2019	95,310
2020	2
Thereafter	-

For PERA Fund Division - Municipal Police, at June 30, 2015, the County reported a liability of \$459,319 for its proportionate share of the net pension liability. At June 30, 2014, the County's proportion was .1409 percent, which was unchanged from its proportion measured as of June 30 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the County recognized PERA Fund Division – Municipal Police pension expense of \$30,846. At June 30m 2015, the County reported PERA Fund Division – Municipal Police deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	37,312
Net difference between projected and actual earnings on pension plan investments	-	170,795
Changes in proportion and differences between Catron County's contributions and proportionate share of contributions	-	-
Catron County's contributions subsequent to the measurement date	<u>49,844</u>	<u>-</u>
Total	<u>\$ 49,844</u>	<u>\$ 208,107</u>

\$49,844 reported as deferred outflows of resources related to pensions resulting from Catron County's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2016	\$ 51,980
2017	51,980
2018	51,980
2019	51,980
2020	187

Actuarial Assumptions – As described above, the PERA Fund member group pension liabilities and net pension liabilities are based on actuarial valuations performed as of June 30, 2013 for each of the membership groups. Then each PERA Fund member group pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2014. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2014 actuarial valuation.

Actuarial valuation date	June 30, 2013
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay
Amortization period	Solved for based on statutory rates
Asset valuation method	Fair value
Actuarial assumptions:	
• Investment rate of return	7.75% annual rate, net of investment expense
• Payroll growth	3.50% annual rate
• Projected salary increases	3.50% to 14.25% annual rate
• Includes inflation at	3.00% annual rate

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

ALL FUNDS – Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	21.1%	5.00%
International Equity	24.8%	5.20%
Private Equity	7.0%	8.20%
Core and Global Fixed Income	26.1%	1.85%
Fixed Income Plus Sectors	5.0%	4.80%
Real Estate	5.0%	5.30%
Real Assets	7.0%	5.70%
Absolute Return	<u>4.0%</u>	4.15%
Total	<u>100.0%</u>	

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

Sensitivity of the County’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following tables show the sensitivity of the net pension liability to changes in the discount rate. In particular, the tables present the County’s net pension liability in each PERA Fund Division that the County participates in, under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease	Current Discount Rate	1% Increase
PERA Fund Division Municipal General	<u>(6.75%)</u>	<u>(7.75%)</u>	<u>(8.75%)</u>
The County’s proportionate share of the net pension liability	<u>\$1,833,935</u>	<u>\$ 972,794</u>	<u>\$ 307,521</u>
PERA Fund Division Municipal Police			
The County’s proportionate share of the net pension liability	<u>\$ 875,921</u>	<u>\$ 459,319</u>	<u>\$ 148,247</u>

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued FY14 restated PERA financial report. The report is available at <http://www.pera.state.nm.us/publications.html>.

Note 9 Operating Leases

The County has entered into operating leases for road maintenance equipment and copy machines. The County expended \$122,928 under the leases during the year ended June 30, 2015.

Future commitments under the leases are:

2016	\$ 121,104
2017	119,280
2018	44,010
2019	<u>1,565</u>
	<u>\$ 285,959</u>

Note 10 Retiree Health Care Act Contributions

The County does not participate in the Retiree Health Care Act.

Note 11 Contingent Liabilities

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

Note 12 Future Commitments

The County has contracts and grant awards for construction projects in various stages of completion. Such contracts, funded principally by federal and state agencies, constitute future commitments, and approximate \$2,000,000 at June 30, 2015.

Note 13 Risk Management

The County is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other agencies in the State and obtained insurance through the New Mexico Self Insurers Fund, a public risk pool currently operating as a common risk management and insurance program for local governments. The County pays an annual premium to New Mexico Self Insurers Fund for its general insurance coverage. No losses in excess of insurance coverage have been experienced.

Note 14 Expenditures in Excess of Budgetary Authority

The County incurred expenditures in excess of budgetary authority in the following funds:

Farm and Range	\$ 2,964
Clerk's Equipment	1,503
Emergency Medical Services (EMS)	23,365
Indigent	13,912
Safety Net	22,225

The County is in the process of reviewing its budget adjustment procedures to alleviate these overruns. The hiring of professional staff has been accomplished, and budget adjustment requests will be made in the future.

Note 15 Fund Balance Deficits

The County had fund balance deficits in the following funds:

Enhanced 911 (\$56,162). This deficit is caused by the accrual of accounts payable, and the modified accrual basis limitation of 60 days on the accrual of revenue. As revenue is received and liabilities liquidated, the deficit fund balance will be reduced.

Note 16 Inter-fund Activity

Inter-fund balances at June 30, 2015, consisted of the following:

	<u>Governmental Activities</u>		<u>Business-Like Activities</u>			
	<u>General Fund</u>	<u>Other Funds</u>	<u>Landfill</u>	<u>Ambulance</u>	<u>Airport</u>	<u>Total</u>
<u>Inter-Fund Receivable</u>						
General	\$	\$ 140,177	\$ 496,793	\$ 57,611	\$ 26,295	\$ 720,876
Phase II Rancho Grande	<u>28,602</u>					<u>28,602</u>
	<u>\$ 28,602</u>	<u>\$ 140,177</u>	<u>\$ 496,793</u>	<u>\$ 57,611</u>	<u>\$ 26,295</u>	<u>\$ 749,478</u>

These amounts are expected to be repaid within one year, and the advances were made to meet operating expenses.

Inter-fund transfers were as follows during the year ended June 30, 2015:

	<u>Transfers To</u>			
<u>Transfers From</u>	<u>General</u>	<u>Phase II Rancho Grande</u>	<u>Other Funds</u>	<u>Total</u>
General	<u>\$</u>	<u>\$ 9,546</u>	<u>\$ 7,786</u>	<u>\$ 17,332</u>

The transfers were made to fund construction projects and provide operating funds.

Note 17 Restricted Net Position

Net position restricted for other purposes consist of special revenue fund balances which are restricted by legislation to specific purposes. The restricting legislation is listed in the fund descriptions appearing at the beginning of Other Supplementary Information. Major restrictions are as follows:

Fairgrounds	\$ 41,547
Reappraisal	69,494
County Indigent Fund	243,336
Rural Fire Departments	1,215,139
Other	<u>4,303,663</u>
	<u>\$ 5,873,179</u>

The County reports \$6,181,473 in restricted assets, of which \$6,181,473 is restricted by enabling legislation.

Note 18 Evaluation of Subsequent Events

The County has evaluated subsequent events through October 22, 2015, the date which the financial statements were available to be issued.

Note 19 Restatement

Prior to July 1, 2014, the County had not reconciled capital asset records, provided for closure and post-closure costs for the Landfill Fund, nor reconciled cash in bank to cash by individual fund. During the year ended June 30, 2015, the County reconciled its capital assets records, provided for closure and post-closure costs in the Landfill Fund, and reconciled cash in banks to cash by individual funds. In addition, certain other error corrections were made to beginning balances.

Finally, the County adopted Governmental Accounting Standards Board Statements 67 and 68, which require the recognition of a net pension liability for the unfunded portion of the Public Employees Retirement Act, the County's cost-sharing multiple employer pension plan.

These corrections or adoptions or new standards resulted in the following restatements:

	<u>Position</u>	<u>Governmental Funds</u>		<u>Total</u>
		<u>General Fund</u>	<u>Other Funds</u>	
<u>Governmental Activities</u>				
Corrections to capital assets and depreciation	\$(12,130,126)	\$	\$	\$
Adjustment to beginning Cash balances	(192,420)	(492,208)	299,788	(192,429)
Recognition of pension liability	(1,852,567)			
Prior year unrecognized revenue accruals	23,779	23,779		23,779
Prior year revenue not collected within 60 days		(417,888)	(24,287)	(442,175)
Capital Projects reclassifications	<u>(28,602)</u>	<u>(28,602)</u>	<u>-</u>	<u>(28,602)</u>
	<u>\$(14,179,936)</u>	<u>\$ (914,919)</u>	<u>\$ 275,501</u>	<u>\$ (639,418)</u>

<u>Business-Type Activities</u>	<u>Proprietary Funds</u>		
	<u>Landfill</u>	<u>Ambulance</u>	<u>Airport</u>
Corrections to capital assets and depreciation	\$ (433,264)	\$ (4,629)	\$ 223,185
Adjustments to beginning cash balances	790	552	2,411
Recognition of pension liability	(97,503)		
Corrections to landfill closure costs	<u>(1,342,646)</u>	<u>-</u>	<u>-</u>
	<u>\$(1,872,623)</u>	<u>\$ (4,077)</u>	<u>\$ 225,596</u>

Prior year financial statements have been restated to show the effects of the changes, where necessary.

Special Revenue Funds

Farm and Range – to account for the maintenance, improvements and animal control of federal land under Section 10 of the Taylor Grazing Act of 6-28-34. The Taylor Grazing Co-Op agreement provides funds that are to be used strictly for the maintenance, improvements, and animal control of this federal land. The Authority for the fund is given by Section 6-11-6 NMSA 1978.

Recreation – to account for the operations and maintenance of County-owned recreation facilities. Financing is provided by the County's share of cigarette tax. State law requires the use of these cigarette taxes to be used for recreation purposes. The Authority for this fund was given by Section 7-12-15.

County Clerk's Equipment – to account for funds collected to be used for purchase of special equipment. The Authority for the fund is given by Section 14-8-12.2A, NMSA 1978.

Reappraisal – to account for recipients of revenue produced through ad valorem levies required to pay counties an administrative charge to offset collection costs. Expenditures are made pursuant to a property valuation program approved by the County Commissioners. The Authority for the fund is given by Section 7-38-38.1, NMSA 1978.

County Fairgrounds – to account for revenues and expenditures for the operations at the fairgrounds. The Authority for the fund is given by County resolution.

Emergency Medical Services – to account for the operations and maintenance of medical service equipment in the County. The Authority for the fund is given by Sections 24-10A-1 to 24-10A-10, NMSA 1978.

Indigent Fund – to account for the revenues received from state gross receipts taxes for hospital service for indigent citizens of the County. The Authority for the fund is given by Section 7-20E-9, NMSA 1978.

Medicaid – to account for monies transferred to provide for Medicaid services. The Authority for the fund is given by Title XIX of the Social Security Act, as amended.

Enhanced 911 – to account for the funding and expenditures of a regional 911 system. The Authority for the fund is given by Sections 63-9D-1 to 63-9D-9, NMSA 1978.

20 Communities – to account for state revenues and the related expenditures under the Landowner Assistance Program. The Authority for the fund is given by County resolution.

Corrections – to account for revenues and expenditures for the operation and maintenance of the County's corrections facilities. The Authority for the fund is given by Section 35-3-25, NMSA 1978.

Law Enforcement – to account for the County's state distribution of Law Enforcement Protection Funds to be used for the repair and/or replacement of law enforcement equipment. The Authority for the fund is given by Section 29-13-1, NMSA 1978.

Confiscated Drugs – to account for the revenues allocated to this fund from confiscated drug money. The Authority for the fund is given by County resolution.

COPS Grant – to account for the federal grant revenues from the Department of Justice and the related public safety expenditures. The Authority for the fund is given by County resolution.

Legal – to account for donations to the County to help defray the cost of legal expenditures. The Authority for the fund is given by County resolution.

Quemado – to account for state fire protection revenues that are to be expended only for the maintenance of its fire department. The Authority for the fund is given by Sections 59A-53-5 and 59A-53-8, NMSA 1978.

Datil Fire – to account for state fire protection revenues that are to be expended only for the maintenance of its fire department. The Authority for the fund is given by Sections 59A-53-5 and 59A-53-8, NMSA 1978.

Glenwood Fire – to account for state fire protection revenues that are to be expended only for the maintenance of its fire department. The Authority for the fund is given by Sections 59A-53-5 and 59A-53-8, NMSA 1978.

Pie Town Fire – to account for state fire protection revenues that are to be expended only for the maintenance of its fire department. The Authority for the fund is given by Sections 59A-53-8, NMSA 1978.

Rancho Grande Fire – to account for state fire protection revenues that are to be expended only for the maintenance of its fire department. The Authority for the fund is given by Sections 59A-53-5 and 59A-53-8, NMSA 1978.

Luna Fire Fund – to account for state fire protection revenues that are to be expended only for the maintenance of its fire department. The Authority for the fund is given by Sections 59A-53-5 and 59A-53-8, NMSA 1978.

Apache Creek – to account for state fire protection revenues that are to be expended only for the maintenance of its fire department. The Authority for the fund is given by Sections 59A-53-5 and 59A-53-8, NMSA 1978.

Horse Mountain Fire – to account for state fire protection revenues that are to be expended only for the maintenance of its fire department. The Authority for the fund is given by Sections 59A-53-5 and 59A-53-8, NMSA 1978.

Quemado Lake Fire – to account for state fire protection revenues that are to be expended only for the maintenance of its fire department. The Authority for the fund is given by Sections 59A-53-5 and 59A-53-8, NMSA 1978.

Coyote Creek Fire – to account for state fire protection revenues that are to be expended only for the maintenance of its fire department. The Authority for the fund is given by Sections 59A-53-5 and 59A-53-8, NMSA 1978.

Wild Horse Fire – to account for state fire protection revenues that are to be expended only for the maintenance of its fire department. The Authority for the fund is given by Sections 59A-53-5 and 59A-53-8, NMSA 1978.

Catron County Fire – to account for fire protection revenues that are to be expended only for the maintenance of its fire department. The Authority for the fund is given by Sections 59A-53-5 and 59A-53-8, NMSA 1978.

Capital Projects Funds

Capital Projects – to account for funds from federal, state and local sources for capital projects throughout the County. This includes co-operative agreements with the New Mexico Department of Transportation to construct or improve selected projects.

Proprietary Funds

Airport – to account for federal, state and local match revenues and expenditures for the Glenwood and Reserve airports within the County. The Authority for the fund is given by Section 3-39-1, NMSA 1978.

Ambulance – to account for the operations and maintenance of the County ambulances. The Authority for the fund is given by Section 5-1-1, NMSA 1978.

Catron County
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2015

	Special Revenue Funds			
	Farm and Range	Recreation	Clerk's Equipment	Reappraisal
Assets				
Cash and investments	\$ 1,721	\$ 2,615	\$ 8,016	\$ 69,463
Interest receivable				\$ 31
Taxes receivable				
Due from other governments				
Notes receivable				
Total assets	\$ 1,721	\$ 2,615	\$ 8,016	\$ 69,494
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Interfund payable			7,487	
Total liabilities	\$ -	\$ -	\$ 7,487	\$ -
Deferred Inflows of Resources				
Unavailable revenue	\$ -	\$ -	\$ -	\$ -
Total deferred inflows of resources	\$ -	\$ -	\$ -	\$ -
Fund balances:				
Restricted:				
Capital projects	\$ -	\$ -	\$ -	\$ -
Debt service				
Public safety				
Health and welfare	1,721			
General government				69,494
Equipment purchases			529	
Culture and recreation		2,615		
Assigned:				
Health and welfare				
Capital projects				
Unassigned				
Total fund balance	\$ 1,721	\$ 2,615	\$ 529	\$ 69,494
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,721	\$ 2,615	\$ 8,016	\$ 69,494

The accompanying notes are an integral part of these financial statements.

Special Revenue Funds

<u>Fairgrounds</u>	<u>EMS</u>	<u>Indigent</u>	<u>Enhanced 911</u>	<u>20 Communities</u>	<u>Corrections</u>
\$ 42,858	\$ 30,046	\$ 236,142	\$ 18,427	\$ 87,401	\$ 12,246
		7,436		12,116	
<u>\$ 42,858</u>	<u>\$ 30,046</u>	<u>\$ 243,578</u>	<u>\$ 18,427</u>	<u>\$ 99,517</u>	<u>\$ 12,246</u>
\$ 226 1,085	\$ 504	\$ 242	\$ - 74,589	\$ 92,540	\$ 6,846
<u>\$ 1,311</u>	<u>\$ 504</u>	<u>\$ 242</u>	<u>\$ 74,589</u>	<u>\$ 92,540</u>	<u>\$ 6,846</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	29,542	243,336		6,977	9,210
41,547					
			(56,162)		(3,810)
<u>\$ 41,547</u>	<u>\$ 29,542</u>	<u>\$ 243,336</u>	<u>\$ (56,162)</u>	<u>\$ 6,977</u>	<u>\$ 5,400</u>
<u>\$ 42,858</u>	<u>\$ 30,046</u>	<u>\$ 243,578</u>	<u>\$ 18,427</u>	<u>\$ 99,517</u>	<u>\$ 12,246</u>

Catron County
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS (concluded)
June 30, 2015

	Special Revenue Funds			
	Law Enforcement	Confiscated Drugs	Cops	Legal
Assets				
Cash and investments	\$ 3,566	\$ 897	\$ 2,601	\$ 2,395
Interest receivable				
Taxes receivable				
Due from other governments				
Notes receivable				
Total assets	\$ 3,566	\$ 897	\$ 2,601	\$ 2,395
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Interfund payable		40		
Total liabilities	\$ -	\$ 40	\$ -	\$ -
Deferred Inflows of Resources				
Unavailable revenue	\$ -	\$ -	\$ -	\$ -
Total deferred inflows of resources	\$ -	\$ -	\$ -	\$ -
Fund balances:				
Restricted:				
Capital projects	\$ -	\$ -	\$ -	\$ -
Debt service				
Public safety	3,566	857	2,601	2,395
Health and welfare				
General government				
Equipment purchases				
Culture and recreation				
Assigned:				
Health and welfare				
Capital projects				
Unassigned				
Total fund balance	\$ 3,566	\$ 857	\$ 2,601	\$ 2,395
Total liabilities, deferred inflows of resources, and fund balances	\$ 3,566	\$ 897	\$ 2,601	\$ 2,395

The accompanying notes are an integral part of these financial statements.

Capital

Special Revenue Funds		Projects Funds	
Rural Fire Departments	Safety Net	Capital Projects	Total
\$ 1,381,255	\$ 2,047	\$ 48,346	\$ 1,950,042
\$ 38			69
	7,436		14,872
		156,571	168,687
			-
<u>\$ 1,381,293</u>	<u>\$ 9,483</u>	<u>\$ 204,917</u>	<u>\$ 2,133,670</u>
\$ 3,243	\$ 242	\$ -	\$ 103,843
56,976			140,177
<u>\$ 60,219</u>	<u>\$ 242</u>	<u>\$ -</u>	<u>\$ 244,020</u>
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ 91,707	\$ -	\$ 204,917	\$ 296,624
14,228			23,438
1,215,139			1,254,100
	9,241		261,275
			69,494
			529
			44,162
			-
			-
			-
			(59,972)
<u>\$ 1,321,074</u>	<u>\$ 9,241</u>	<u>\$ 204,917</u>	<u>\$ 1,889,650</u>
<u>\$ 1,381,293</u>	<u>\$ 9,483</u>	<u>\$ 204,917</u>	<u>\$ 2,133,670</u>

Catron County
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For The Fiscal Year Ended June 30, 2015

	Special Revenue Funds			
	Farm and Range	Recreation	Clerk's Equipment	Reappraisal
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes				
Federal sources	13,391			
State sources				
Fines and forfeitures				
Charges for services			10,644	23,808
Miscellaneous				81
Total revenues	\$ 13,391	\$ -	\$ 10,644	\$ 23,889
Expenditures:				
Current:				
General government	\$ -	\$ -	\$ 17,503	\$ 6,796
Public safety				
Health and welfare	17,970			
Culture recreation				
Debt service:				
Principle				
Interest				
Capital outlay				
Total expenditures	\$ 17,970	\$ -	\$ 17,503	\$ 6,796
Revenues over (under) expenditures	\$ (4,579)	\$ -	\$ (6,859)	\$ 17,093
Other financing sources (uses):				
Transfer in				
Loan proceeds				
Net changes in fund balances	\$ (4,579)	\$ -	\$ (6,859)	\$ 17,093
Fund balance July 1, 2014, as originally stated	\$ (3,700)	\$ 2,615	\$ 7,388	\$ 76,688
Restatement	10,000			(24,287)
Fund balance, July 1, 2014, as restated	\$ 6,300	\$ 2,615	\$ 7,388	\$ 52,401
Net changes in fund balances	(4,579)	-	(6,859)	17,093
Fund balance, June 30, 2015	\$ 1,721	\$ 2,615	\$ 529	\$ 69,494

The accompanying notes are an integral part of these financial statements.

Special Revenue Funds

<u>Fairgrounds</u>	<u>EMS</u>	<u>Indigent</u>	<u>Medicaid</u>	<u>Enhanced 911</u>	<u>20 Communities</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		39,647			218,684
	100,106			1,800	
<u>\$ -</u>	<u>\$ 100,106</u>	<u>\$ 39,647</u>	<u>\$ -</u>	<u>\$ 1,800</u>	<u>\$ 218,684</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	81,955	4,219	7,786		211,707
4,026					
<u>\$ 4,026</u>	<u>\$ 81,955</u>	<u>\$ 4,219</u>	<u>\$ 7,786</u>	<u>\$ -</u>	<u>\$ 211,707</u>
\$ (4,026)	\$ 18,151	\$ 35,428	\$ (7,786)	\$ 1,800	\$ 6,977
			7,786		
<u>\$ (4,026)</u>	<u>\$ 18,151</u>	<u>\$ 35,428</u>	<u>\$ -</u>	<u>\$ 1,800</u>	<u>\$ 6,977</u>
\$ 45,573	\$ 90,499	\$ 207,908	\$ -	\$ (56,162)	\$ -
	(79,108)			(1,800)	
\$ 45,573	\$ 11,391	\$ 207,908	\$ -	\$ (57,962)	\$ -
(4,026)	18,151	35,428	-	1,800	6,977
<u>\$ 41,547</u>	<u>\$ 29,542</u>	<u>\$ 243,336</u>	<u>\$ -</u>	<u>\$ (56,162)</u>	<u>\$ 6,977</u>

Catron County
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (concluded)
For The Fiscal Year Ended June 30, 2015

	Special Revenue Funds		
	Corrections	Law Enforcement	Confiscated Drugs
Revenues:			
Property taxes	\$ -	\$ -	\$ -
Gross receipts taxes			
Federal sources			
State sources		24,200	
Fines and forfeitures	13,423		
Charges for services			
Miscellaneous	75		
	\$ 13,498	\$ 24,200	\$ -
Total revenues			
Expenditures:			
Current:			
General government	\$ -	\$ -	\$ -
Public safety	98,306		
Health and welfare			
Culture recreation			
Debt service			
Principle	9,139		
Interest			
Capital outlay		24,590	
	\$ 107,445	\$ 24,590	\$ -
Total expenditures			
Revenues over (under) expenditures	\$ (93,947)	\$ (390)	\$ -
Other financing sources (uses):			
Transfer in			
Loan proceeds			
Net changes in fund balances	\$ (93,947)	\$ (390)	\$ -
Fund balance, July 1, 2014, as originally stated	\$ 39,347	\$ 3,956	\$ 857
Restatement	60,000	-	-
Fund balance, July 1, 2014, as restated	\$ 99,347	\$ 3,956	\$ 857
Net changes in fund balances	(93,947)	(390)	-
Fund balance, June 30, 2015	\$ 5,400	\$ 3,566	\$ 857

The accompanying notes are an integral part of these financial statements.

Special Revenue Funds				Capital Projects Funds	
Cops	Legal	Rural Fire Departments	Safety Net	Capital Projects	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
			36,068		75,715
		835,072		166,568	232,075
					1,127,746
					13,423
					34,452
		736			892
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 835,808</u>	<u>\$ 36,068</u>	<u>\$ 166,568</u>	<u>\$ 1,484,303</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,299
		284,757			465,018
			26,827	2,436	270,945
					4,026
		169,948			179,087
		15,992			15,992
		453,442		166,568	644,600
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 924,139</u>	<u>\$ 26,827</u>	<u>\$ 169,004</u>	<u>\$ 1,603,967</u>
\$ -	\$ -	\$ (88,331)	\$ 9,241	\$ (2,436)	\$ (119,664)
					7,786
					-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (88,331)</u>	<u>\$ 9,241</u>	<u>\$ (2,436)</u>	<u>\$ (111,878)</u>
\$ 2,601	\$ 2,395	\$ 1,306,062	\$ -	\$ -	\$ 1,726,027
-	-	103,343	-	207,353	275,501
\$ 2,601	\$ 2,395	\$ 1,409,405	\$ -	\$ 207,353	\$ 2,001,528
-	-	(88,331)	9,241	(2,436)	(111,878)
<u>\$ 2,601</u>	<u>\$ 2,395</u>	<u>\$ 1,321,074</u>	<u>\$ 9,241</u>	<u>\$ 204,917</u>	<u>\$ 1,889,650</u>

Catron County
NONMAJOR SPECIAL REVENUE FUNDS - RURAL FIRE DEPARTMENTS
COMBINING BALANCE SHEET
For the Fiscal Year Ended June 30, 2015

	Quemado Fire	Datil Fire	Glenwood Fire	Pie Town Fire
Assets				
Cash	\$ 71,685	\$ 136,814	\$ 179,171	\$ 174,687
Interest receivable		15	23	
Total assets	<u>\$ 71,685</u>	<u>\$ 136,829</u>	<u>\$ 179,194</u>	<u>\$ 174,687</u>
Liabilities				
Accounts payable	\$ 441	\$ 189	\$ 117	\$ 147
Interfund payable	273	16,084		
Total liabilities	<u>\$ 714</u>	<u>\$ 16,273</u>	<u>\$ 117</u>	<u>\$ 147</u>
Deferred inflows of resources				
Unavailable revenue	\$ -	\$ -	\$ -	\$ -
Total deferred inflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:				
Restricted:				
Capital projects	\$ 17,595	\$ -	\$ -	\$ -
Public safety	53,369	120,553	179,077	174,540
Debt service	7	3		
Unassigned				
Total fund balance	<u>\$ 70,971</u>	<u>\$ 120,556</u>	<u>\$ 179,077</u>	<u>\$ 174,540</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 71,685</u>	<u>\$ 136,829</u>	<u>\$ 179,194</u>	<u>\$ 174,687</u>

The accompanying notes are an integral part of these financial statements.

<u>Rancho Grande Fire</u>	<u>Luna Fire</u>	<u>Apache Creek Fire</u>	<u>Horse Mountain Fire</u>	<u>Quemado Lake Fire</u>	<u>Coyote Creek Fire</u>
\$ 198,829	\$ 135,384	\$ 128,188	\$ 103,466	\$ 62,219	\$ 82,633
<u>\$ 198,829</u>	<u>\$ 135,384</u>	<u>\$ 128,188</u>	<u>\$ 103,466</u>	<u>\$ 62,219</u>	<u>\$ 82,633</u>
\$ 95	\$ 193	\$ 1,677	\$ 67	\$ 60	\$ 71
<u>\$ 95</u>	<u>\$ 193</u>	<u>\$ 1,677</u>	<u>\$ 67</u>	<u>\$ 60</u>	<u>\$ 29,427</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ - 198,725 9	\$ 74,112 61,075 4	\$ - 126,511	\$ - 103,392 7	\$ - 62,154 5	\$ - 53,135
<u>\$ 198,734</u>	<u>\$ 135,191</u>	<u>\$ 126,511</u>	<u>\$ 103,399</u>	<u>\$ 62,159</u>	<u>\$ 53,135</u>
<u>\$ 198,829</u>	<u>\$ 135,384</u>	<u>\$ 128,188</u>	<u>\$ 103,466</u>	<u>\$ 62,219</u>	<u>\$ 82,633</u>

Catron County
NONMAJOR SPECIAL REVENUE FUNDS - RURAL FIRE DEPARTMENTS
COMBINING BALANCE SHEET (concluded)
For the Fiscal Year Ended June 30, 2015

	<u>Wild Horse Fire</u>	<u>Catron County Fire</u>	<u>Total</u>
Assets			
Cash	\$ 39,722	\$ 68,457	\$ 1,381,255
Interest receivable			38
	<u>39,722</u>	<u>68,457</u>	<u>1,381,293</u>
Total assets	<u>\$ 39,722</u>	<u>\$ 68,457</u>	<u>\$ 1,381,293</u>
Liabilities			
Accounts payable	\$ 49	\$ 137	\$ 3,243
Interfund payable	11,192		56,976
	<u>11,241</u>	<u>137</u>	<u>60,219</u>
Total liabilities	<u>\$ 11,241</u>	<u>\$ 137</u>	<u>\$ 60,219</u>
Deferred inflows of resources			
Unavailable revenue	\$ -	\$ -	\$ -
	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:			
Restricted:			
Capital projects	\$ -	\$ -	\$ 91,707
Public safety	14,288	68,320	1,215,139
Debt service	14,193		14,228
Unassigned			-
	<u>28,481</u>	<u>68,320</u>	<u>1,321,074</u>
Total fund balance	<u>\$ 28,481</u>	<u>\$ 68,320</u>	<u>\$ 1,321,074</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 39,722</u>	<u>\$ 68,457</u>	<u>\$ 1,381,293</u>

The accompanying notes are an integral part of these financial statements.

Catron County
NONMAJOR SPECIAL REVENUE FUNDS - RURAL FIRE DEPARTMENTS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2015

	<u>Quemado Fire</u>	<u>Datil Fire</u>	<u>Glenwood Fire</u>
Revenues:			
Federal sources	\$ -	\$ -	\$ -
State sources	77,876	49,324	67,114
Charges for services			
Miscellaneous	320	59	77
	<u>78,196</u>	<u>49,383</u>	<u>67,191</u>
Total revenues	\$ 78,196	\$ 49,383	\$ 67,191
Expenditures:			
Current			
Public safety	\$ 9,253	\$ 31,599	\$ 26,694
Debt service:			
Principal	22,414	7,547	
Interest	5,326	57	
Loan issue costs			
Capital outlay	383,023		62,869
	<u>420,016</u>	<u>39,203</u>	<u>89,563</u>
Total expenditures	\$ 420,016	\$ 39,203	\$ 89,563
Revenues over (under) expenditures	\$ (341,820)	\$ 10,180	\$ (22,372)
Other financing sources (uses):			
Transfer in			
Transfer (out)			
Loan proceeds			
Net change in fund balances	<u>\$ (341,820)</u>	<u>\$ 10,180</u>	<u>\$ (22,372)</u>
Fund balance, July 1, 2014, as originally stated	\$ 401,851	\$ 101,003	\$ 182,341
Restatement	<u>10,940</u>	<u>9,373</u>	<u>19,108</u>
Fund balance, July 1, 2014, as restated	\$ 412,791	\$ 110,376	\$ 201,449
Net change in fund balances	<u>(341,820)</u>	<u>10,180</u>	<u>(22,372)</u>
Fund balance, June 20, 2015	<u>\$ 70,971</u>	<u>\$ 120,556</u>	<u>\$ 179,077</u>

The accompanying notes are an integral part of these financial statements.

<u>Pie Town Fire</u>	<u>Rancho Grande Fire</u>	<u>Luna Fire</u>	<u>Apache Creek Fire</u>	<u>Horse Mountain Fire</u>	<u>Quemado Lake Fire</u>	<u>Coyote Creek Fire</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
73,982	98,648	49,324	155,752	49,324	49,324	49,324
104	3	55		1	2	
<u>\$ 74,086</u>	<u>\$ 98,651</u>	<u>\$ 49,379</u>	<u>\$ 155,752</u>	<u>\$ 49,325</u>	<u>\$ 49,326</u>	<u>\$ 49,324</u>
\$ 28,048	\$ 20,340	\$ 17,096	\$ 51,630	\$ 22,137	\$ 22,340	\$ 12,246
	18,945	13,425	68,284	9,391	16,912	
	2,803	4,855	87	180	1,793	
			7,550			
<u>\$ 28,048</u>	<u>\$ 42,088</u>	<u>\$ 35,376</u>	<u>\$ 127,551</u>	<u>\$ 31,708</u>	<u>\$ 41,045</u>	<u>\$ 12,246</u>
\$ 46,038	\$ 56,563	\$ 14,003	\$ 28,201	\$ 17,617	\$ 8,281	\$ 37,078
<u>\$ 46,038</u>	<u>\$ 56,563</u>	<u>\$ 14,003</u>	<u>\$ 28,201</u>	<u>\$ 17,617</u>	<u>\$ 8,281</u>	<u>\$ 37,078</u>
\$ 130,496	\$ 112,136	\$ 130,550	\$ 38,460	\$ 100,643	\$ 46,842	\$ 16,057
(1,994)	30,035	(9,362)	59,850	(14,861)	7,036	
\$ 128,502	\$ 142,171	\$ 121,188	\$ 98,310	\$ 85,782	\$ 53,878	\$ 16,057
46,038	56,563	14,003	28,201	17,617	8,281	37,078
<u>\$ 174,540</u>	<u>\$ 198,734</u>	<u>\$ 135,191</u>	<u>\$ 126,511</u>	<u>\$ 103,399</u>	<u>\$ 62,159</u>	<u>\$ 53,135</u>

Catron County
NONMAJOR SPECIAL REVENUE FUNDS - RURAL FIRE DEPARTMENTS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (concluded)
For the Fiscal Year Ended June 30, 2015

	Wild Horse Fire	Catron County Fire	Total
Revenues:			
Federal sources	\$ -	\$ -	\$ -
State sources	49,324	65,756	835,072
Charges for services			-
Miscellaneous	115		736
Total revenues	<u>\$ 49,439</u>	<u>\$ 65,756</u>	<u>\$ 835,808</u>
Expenditures:			
Current			
Public safety	\$ 27,217	\$ 16,157	\$ 284,757
Debt service:			
Principal	13,030		169,948
Interest	891		15,992
Loan issue costs			-
Capital outlay			453,442
Total expenditures	<u>\$ 41,138</u>	<u>\$ 16,157</u>	<u>\$ 924,139</u>
Revenues over (under) expenditures	\$ 8,301	\$ 49,599	\$ (88,331)
Other financing sources (uses):			
Transfer in			-
Transfer (out)			-
Loan proceeds			-
Net change in fund balances	<u>\$ 8,301</u>	<u>\$ 49,599</u>	<u>\$ (88,331)</u>
Fund balance, July 1, 2014, as originally stated	\$ 20,180	\$ 25,503	\$ 1,306,062
Restatement		(6,782)	103,343
Fund balance, July 1, 2014, as restated	\$ 20,180	\$ 18,721	\$ 1,409,405
Net change in fund balances	<u>8,301</u>	<u>49,599</u>	<u>(88,331)</u>
Fund balance, June 20, 2015	<u>\$ 28,481</u>	<u>\$ 68,320</u>	<u>\$ 1,321,074</u>

The accompanying notes are an integral part of these financial statements.

Catron County
SPECIAL REVENUE FUND - FARM AND RANGE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Federal	\$ 15,790	\$ 19,000	\$ 13,391	\$ (5,609)
Miscellaneous				-
Total revenues	<u>\$ 15,790</u>	<u>\$ 19,000</u>	<u>\$ 13,391</u>	<u>\$ (5,609)</u>
Expenditures:				
Current:				
Health and Welfare	\$ 15,790	\$ 19,000	\$ 21,964	\$ (2,964)
Capital outlay				-
Total expenditures	<u>\$ 15,790</u>	<u>\$ 19,000</u>	<u>\$ 21,964</u>	<u>\$ (2,964)</u>
Revenues over (under) expenditures	\$ -	\$ -	\$ (8,573)	\$ (8,573)
Other financing sources (uses):				
Transfer in/(out)				-
Net change in fund balance	\$ -	\$ -	\$ (8,573)	\$ (8,573)
Fund balance, July 1, 2014			<u>10,294</u>	<u>10,294</u>
Fund balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,721</u>	<u>\$ 1,721</u>
 Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (4,579)	
Revenue accruals (net)				
Expenditure accruals (net)			(3,994)	
Other financing uses				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ (8,573)</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - RECREATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
State sources				-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total revenues				
Expenditures:				
Current:				
Culture and recreation	\$ 2,615	\$ 2,615	\$ -	\$ 2,615
Capital outlay				-
	<u>\$ 2,615</u>	<u>\$ 2,615</u>	<u>\$ -</u>	<u>\$ 2,615</u>
Total expenditures				
Revenues over (under) expenditures	\$ (2,615)	\$ (2,615)	\$ -	\$ 2,615
Other financing sources (uses):				
Transfer in/(out)				-
Net change in fund balance	\$ (2,615)	\$ (2,615)	\$ -	\$ 2,615
Fund balance, July 1, 2014	<u>2,615</u>	<u>2,615</u>	<u>2,615</u>	<u>-</u>
Fund balance, June 30, 2015	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,615</u></u>	<u><u>\$ 2,615</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ -	
Revenue accruals (net)				
Expenditure accruals (net)				
Other financing uses			-	
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ -</u></u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - COUNTY CLERK'S EQUIPMENT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Charges for services	\$ 16,000	\$ 16,000	\$ 10,644	\$ (5,356)
Expenditures:				
Current:				
General government	\$ -	\$ -	\$ -	\$ -
Capital outlay	16,000	16,000	17,503	(1,503)
Total expenditures	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 17,503</u>	<u>\$ (1,503)</u>
Net change in fund balance	\$ -	\$ -	\$ (6,859)	\$ (6,859)
Fund balance, July 1, 2014	<u> </u>	<u> </u>	14,875	14,875
Fund balance, June 30, 2015	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,016</u></u>	<u><u>\$ 8,016</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (6,859)	
Revenue accruals (net)				
Expenditure accruals (net)				
Other financing sources			<u> </u>	
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ (6,859)</u></u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - REAPPRAISAL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Charges for services	\$ 44,370	\$ 44,370	\$ 23,858	\$ (20,512)
Expenditures:				
Current:				
General government	\$ 37,300	\$ 37,300	\$ 4,802	\$ 32,498
Capital outlay	6,000	6,000	2,648	3,352
Total expenditures	<u>\$ 43,300</u>	<u>\$ 43,300</u>	<u>\$ 7,450</u>	<u>\$ 35,850</u>
Net change in fund balance	\$ 1,070	\$ 1,070	\$ 16,408	\$ 15,338
Fund balance, July 1, 2014	<u> </u>	<u> </u>	<u>53,055</u>	<u>53,055</u>
Fund balance, June 30, 2015	<u>\$ 1,070</u>	<u>\$ 1,070</u>	<u>\$ 69,463</u>	<u>\$ 68,393</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 17,093	
Revenue accruals (net)			(31)	
Expenditure accruals (net)			<u>(654)</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 16,408</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - FAIRGROUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Miscellaneous	\$ 41,850	\$ 41,850	\$ 4,114	\$ (37,736)
Expenditures:				
Current:				
Culture and recreation	\$ 8,000	\$ 8,000	\$ 3,993	\$ 4,007
Capital outlay				-
Total expenditures	<u>\$ 8,000</u>	<u>\$ 8,000</u>	<u>\$ 3,993</u>	<u>\$ 4,007</u>
Net change in fund balance	\$ 33,850	\$ 33,850	\$ 121	\$ (33,729)
Fund balance, July 1, 2014			<u>42,737</u>	<u>42,737</u>
Fund balance, June 30, 2015	<u>\$ 33,850</u>	<u>\$ 33,850</u>	<u>\$ 42,858</u>	<u>\$ 9,008</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (4,026)	
Revenue accruals (net)			4,114	
Expenditure accruals (net)			<u>33</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 121</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - EMS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 68,000	\$ 68,000	\$ 100,106	\$ 32,106
Miscellaneous	768	768		(768)
Total revenues	<u>\$ 68,768</u>	<u>\$ 68,768</u>	<u>\$ 100,106</u>	<u>\$ 31,338</u>
Expenditures:				
Current:				
Public Safety	\$ 68,000	\$ 68,000	\$ 91,365	\$ (23,365)
Capital outlay				-
Total expenditures	<u>\$ 68,000</u>	<u>\$ 68,000</u>	<u>\$ 91,365</u>	<u>\$ (23,365)</u>
Revenues over (under) expenditures	\$ 768	\$ 768	\$ 8,741	\$ 7,973
Other financing sources (uses):				
Transfer in				<u>\$ -</u>
Net change in fund balance	\$ 768	\$ 768	\$ 8,741	\$ 7,973
Fund balance, July 1, 2014			<u>21,305</u>	<u>21,305</u>
Fund balance, June 30, 2015	<u>\$ 768</u>	<u>\$ 768</u>	<u>\$ 30,046</u>	<u>\$ 29,278</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 18,151	
Revenue accruals (net)				
Expenditure accruals (net)			<u>(9,410)</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 8,741</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - INDIGENT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Taxes	\$ 40,000	\$ 40,000	\$ 36,192	\$ (3,808)
Miscellaneous				-
Total revenues	<u>\$ 40,000</u>	<u>\$ 40,000</u>	<u>\$ 36,192</u>	<u>\$ (3,808)</u>
Expenditures:				
Current:				
Health and welfare	\$ 5,000	\$ 5,000	\$ 18,912	\$ (13,912)
Capital outlay				-
Total expenditures	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 18,912</u>	<u>\$ (13,912)</u>
Revenues over (under) expenditures	\$ 35,000	\$ 35,000	\$ 17,280	\$ (17,720)
Other financing sources (uses):				
Transfer in				<u>\$ -</u>
Net change in fund balance	\$ 35,000	\$ 35,000	\$ 17,280	\$ (17,720)
Fund balance, July 1, 2014			<u>218,862</u>	<u>218,862</u>
Fund balance, June 30, 2015	<u>\$ 35,000</u>	<u>\$ 35,000</u>	<u>\$ 236,142</u>	<u>\$ 201,142</u>
 Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 35,428	
Revenue accruals (net)			(3,455)	
Expenditure accruals (net)			<u>(14,693)</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 17,280</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - MEDICAID
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Federal	\$ 15,000	\$ 15,000	\$ -	\$ (15,000)
Miscellaneous				-
Total revenues	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ -</u>	<u>\$ (15,000)</u>
Expenditures:				
Current:				
Health and welfare	\$ 15,000	\$ 15,000	\$ 7,786	\$ 7,214
Capital outlay				-
Total expenditures	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 7,786</u>	<u>\$ 7,214</u>
Revenues over (under) expenditures	\$ -	\$ -	\$ (7,786)	\$ (7,786)
Other financing sources (uses):				
Transfer in			<u>\$ 7,786</u>	<u>\$ 7,786</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance, July 1, 2014			<u>-</u>	<u>-</u>
Fund balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ -	
Revenue accruals (net)				
Expenditure accruals (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - ENHANCED 911
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Miscellaneous			1,800	1,800
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,800</u>	<u>\$ 1,800</u>
Total revenues				
Expenditures:				
Current:				
Health and welfare	\$ -	\$ -	\$ -	\$ -
Capital outlay				-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total expenditures				
Revenues over (under) expenditures	\$ -	\$ -	\$ 1,800	\$ 1,800
Other financing sources (uses):				
Transfer in				<u>\$ -</u>
Net change in fund balance	\$ -	\$ -	\$ 1,800	\$ 1,800
Fund balance, July 1, 2014			<u>16,627</u>	<u>16,627</u>
Fund balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,427</u>	<u>\$ 18,427</u>
 Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 1,800	
Revenue accruals (net)				
Expenditure accruals (net)			<u> </u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 1,800</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - 20 COMMUNITIES
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Federal	\$ 119,167	\$ 119,167	\$ 117,167	\$ (2,000)
Miscellaneous				-
Total revenues	<u>\$ 119,167</u>	<u>\$ 119,167</u>	<u>\$ 117,167</u>	<u>\$ (2,000)</u>
Expenditures:				
Current:				
Health and welfare	\$ 119,167	\$ 119,167	\$ 29,766	\$ 89,401
Capital outlay				-
Total expenditures	<u>\$ 119,167</u>	<u>\$ 119,167</u>	<u>\$ 29,766</u>	<u>\$ 89,401</u>
Revenues over (under) expenditures	\$ -	\$ -	\$ 87,401	\$ 87,401
Other financing sources (uses):				
Transfer in				<u>\$ -</u>
Net change in fund balance	\$ -	\$ -	\$ 87,401	\$ 87,401
Fund balance, July 1, 2014				-
Fund balance, June 30, 2015	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 87,401</u></u>	<u><u>\$ 87,401</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 6,977	
Revenue accruals (net)			(101,517)	
Expenditure accruals (net)			<u>181,941</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 87,401</u></u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - CORRECTION FEES
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Fines and forfeitures	\$ 70,700	\$ 192,506	\$ 20,698	\$ (171,808)
State sources				-
Miscellaneous				-
	<u>\$ 70,700</u>	<u>\$ 192,506</u>	<u>\$ 20,698</u>	<u>\$ (171,808)</u>
Total revenues				
Expenditures:				
Current:				
Public safety	\$ 70,000	\$ 217,112	\$ 102,268	\$ 114,844
Capital outlay				-
	<u>\$ 70,000</u>	<u>\$ 217,112</u>	<u>\$ 102,268</u>	<u>\$ 114,844</u>
Total expenditures				
Revenues over (under) expenditures	\$ 700	\$ (24,606)	\$ (81,570)	\$ (56,964)
Other financing sources (uses):				
Transfer in				-
Net change in fund balance	\$ 700	\$ (24,606)	\$ (81,570)	\$ (56,964)
Fund balance, July 1, 2014		24,606	84,606	60,000
Fund balance, June 30, 2015	<u>\$ 700</u>	<u>\$ -</u>	<u>\$ 3,036</u>	<u>\$ 3,036</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (93,947)	
Revenue accruals (net)			7,200	
Expenditure accruals (net)			5,177	
Other financing uses			<u> </u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ (81,570)</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - LAW ENFORCEMENT PROTECTION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 25,000	\$ 25,000	\$ 24,200	\$ (800)
Expenditures:				
Current:				
Public safety	\$ 25,000	\$ 25,000	\$ 24,590	\$ 410
Capital outlay				-
Total expenditures	<u>\$ 25,000</u>	<u>\$ 25,000</u>	<u>\$ 24,590</u>	<u>\$ 410</u>
Net change in fund balance	\$ -	\$ -	\$ (390)	\$ (390)
Fund balance, July 1, 2014			<u>3,956</u>	<u>3,956</u>
Fund balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,566</u>	<u>\$ 3,566</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (390)	
Revenue accruals (net)				
Expenditure accruals (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ (390)</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - CONFISCATED DRUGS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 500	\$ 500	\$ -	\$ (500)
Expenditures:				
Current:				
Public safety	\$ 500	\$ 500	\$ -	\$ 500
Capital outlay				-
Total expenditures	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 500</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance, July 1, 2014			<u>897</u>	<u>897</u>
Fund balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 897</u>	<u>\$ 897</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ -	
Revenue accruals (net)				
Expenditure accruals (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - QUEMADO FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 50,136	\$ 50,136	\$ 50,136	\$ -
Miscellaneous			215	215
Total revenues	<u>\$ 50,136</u>	<u>\$ 50,136</u>	<u>\$ 50,351</u>	<u>\$ 215</u>
Expenditures:				
Current:				
Public safety	\$ 50,136	\$ 475,040	\$ 417,134	\$ 57,906
Capital outlay				-
Total expenditures	<u>\$ 50,136</u>	<u>\$ 475,040</u>	<u>\$ 417,134</u>	<u>\$ 57,906</u>
Revenues over (under) expenditures	\$ -	\$ (424,904)	\$ (366,783)	\$ 58,121
Other financing sources (uses):				
Loan proceeds		<u>\$ 424,904</u>	<u>\$ 463,715</u>	<u>\$ 38,811</u>
Net change in fund balance	\$ -	\$ -	\$ 96,932	\$ 96,932
Fund balance, July 1, 2014			<u>(42,849)</u>	<u>(42,849)</u>
Fund balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,083</u>	<u>\$ 54,083</u>
 Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (341,820)	
Revenue accruals (net)			(27,845)	
Expenditure accruals (net)			2,882	
Other financing sources and uses (net)			<u>463,715</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 96,932</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - DATIL FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 41,720	\$ 41,720	\$ 41,720	\$ -
Miscellaneous			59	59
Total revenues	<u>\$ 41,720</u>	<u>\$ 41,720</u>	<u>\$ 41,779</u>	<u>\$ 59</u>
Expenditures:				
Current:				
Public safety	\$ 73,084	\$ 73,084	\$ 29,633	\$ 43,451
Capital outlay	83,360	83,360		83,360
Total expenditures	<u>\$ 156,444</u>	<u>\$ 156,444</u>	<u>\$ 29,633</u>	<u>\$ 126,811</u>
Revenues over (under) expenditures	\$ (114,724)	\$ (114,724)	\$ 12,146	\$ 126,870
Other financing sources (uses):				
Transfer out				<u>\$ -</u>
Net change in fund balance	\$ (114,724)	\$ (114,724)	\$ 12,146	\$ 126,870
Fund balance, July 1, 2014	<u>114,724</u>	<u>114,724</u>	<u>124,665</u>	<u>9,941</u>
Fund balance, June 30, 2015	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 136,811</u></u>	<u><u>\$ 136,811</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 10,180	
Revenue accruals (net)			(7,603)	
Expenditure accruals (net)			9,569	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 12,146</u></u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - GLENWOOD FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 68,803	\$ 68,803	\$ 68,803	\$ -
Miscellaneous	10,000	10,000	54	(9,946)
Total revenues	<u>\$ 78,803</u>	<u>\$ 78,803</u>	<u>\$ 68,857</u>	<u>\$ (9,946)</u>
Expenditures:				
Current:				
Public safety	\$ 90,589	\$ 90,589	\$ 26,787	\$ 63,802
Capital outlay	164,774	164,774	64,430	100,344
Total expenditures	<u>\$ 255,363</u>	<u>\$ 255,363</u>	<u>\$ 91,217</u>	<u>\$ 164,146</u>
Revenues over (under) expenditures	\$ (176,560)	\$ (176,560)	\$ (22,360)	\$ 154,200
Other financing sources (uses):				
Transfer out				<u>\$ -</u>
Net change in fund balance	\$ (176,560)	\$ (176,560)	\$ (22,360)	\$ 154,200
Fund balance, July 1, 2014	<u>176,560</u>	<u>176,560</u>	<u>201,531</u>	<u>24,971</u>
Fund balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179,171</u>	<u>\$ 179,171</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (22,372)	
Revenue accruals (net)			1,666	
Expenditure accruals (net)			(1,654)	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ (22,360)</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - PIE TOWN FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 73,982	\$ 73,982	\$ 73,982	\$ -
Miscellaneous			104	104
Total revenues	<u>\$ 73,982</u>	<u>\$ 73,982</u>	<u>\$ 74,086</u>	<u>\$ 104</u>
Expenditures:				
Current:				
Public safety	\$ 78,489	\$ 78,489	\$ 26,000	\$ 52,489
Capital outlay	122,200	122,200		122,200
Total expenditures	<u>\$ 200,689</u>	<u>\$ 200,689</u>	<u>\$ 26,000</u>	<u>\$ 174,689</u>
Revenues over (under) expenditures	\$ (126,707)	\$ (126,707)	\$ 48,086	\$ 174,793
Other financing sources (uses):				
Transfer out				<u>\$ -</u>
Net change in fund balance	\$ (126,707)	\$ (126,707)	\$ 48,086	\$ 174,793
Fund balance, July 1, 2014	<u>126,707</u>	<u>126,707</u>	<u>126,601</u>	<u>(106)</u>
Fund balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 174,687</u>	<u>\$ 174,687</u>
 Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 46,038	
Revenue accruals (net)				
Expenditure accruals (net)			2,048	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 48,086</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - RANCHO GRANDE FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 76,900	\$ 76,900	\$ 76,900	\$ -
Miscellaneous				-
Total revenues	<u>\$ 76,900</u>	<u>\$ 76,900</u>	<u>\$ 76,900</u>	<u>\$ -</u>
Expenditures:				
Current:				
Public safety	\$ 453,503	\$ 453,503	\$ 21,946	\$ 431,557
Capital outlay	122,420	122,420		122,420
Total expenditures	<u>\$ 575,923</u>	<u>\$ 575,923</u>	<u>\$ 21,946</u>	<u>\$ 553,977</u>
Revenues over (under) expenditures	\$ (499,023)	\$ (499,023)	\$ 54,954	\$ 553,977
Other financing sources (uses):				
Loan proceeds	<u>\$ 355,157</u>	<u>\$ 355,157</u>	<u>\$ -</u>	<u>\$ (355,157)</u>
Net change in fund balance	\$ (143,866)	\$ (143,866)	\$ 54,954	\$ 198,820
Fund balance, July 1, 2014	<u>143,866</u>	<u>143,866</u>	<u>143,866</u>	<u>-</u>
Fund balance, June 30, 2015	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 198,820</u></u>	<u><u>\$ 198,820</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 56,563	
Revenue accruals (net)			(21,751)	
Expenditure accruals (net)			20,142	
Other financing sources and uses (net)			<u> </u>	
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 54,954</u></u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - LUNA FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 31,044	\$ 31,044	\$ 31,044	\$ -
Miscellaneous				-
Total revenues	<u>\$ 31,044</u>	<u>\$ 31,044</u>	<u>\$ 31,044</u>	<u>\$ -</u>
Expenditures:				
Current:				
Public safety	\$ 366,825	\$ 366,825	\$ 15,190	\$ 351,635
Capital outlay	21,465	21,465		21,465
Total expenditures	<u>\$ 388,290</u>	<u>\$ 388,290</u>	<u>\$ 15,190</u>	<u>\$ 373,100</u>
Revenues over (under) expenditures	\$ (357,246)	\$ (357,246)	\$ 15,854	\$ 373,100
Other financing sources (uses):				
Loan proceeds	<u>\$ 294,861</u>	<u>\$ 294,861</u>		<u>\$ (294,861)</u>
Net change in fund balance	\$ (62,385)	\$ (62,385)	\$ 15,854	\$ 78,239
Fund balance, July 1, 2014	<u>62,385</u>	<u>62,385</u>	<u>45,414</u>	<u>(16,971)</u>
Fund balance, June 30, 2015	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 61,268</u></u>	<u><u>\$ 61,268</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 14,003	
Revenue accruals (net)			(18,335)	
Expenditure accruals (net)			20,186	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 15,854</u></u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - APACHE CREEK FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 148,120	\$ 148,120	\$ 148,120	\$ -
Miscellaneous				-
Total revenues	<u>\$ 148,120</u>	<u>\$ 148,120</u>	<u>\$ 148,120</u>	<u>\$ -</u>
Expenditures:				
Current:				
Public safety	\$ 329,775	\$ 329,775	\$ 109,239	\$ 220,536
Capital outlay	122,865	122,865	7,550	115,315
Total expenditures	<u>\$ 452,640</u>	<u>\$ 452,640</u>	<u>\$ 116,789</u>	<u>\$ 335,851</u>
Revenues over (under) expenditures	\$ (304,520)	\$ (304,520)	\$ 31,331	\$ 335,851
Other financing sources (uses):				
Loan proceeds	<u>\$ 68,224</u>	<u>\$ 68,224</u>	<u>\$ 74,507</u>	<u>\$ 6,283</u>
Net change in fund balance	\$ (236,296)	\$ (236,296)	\$ 105,838	\$ 342,134
Fund balance, July 1, 2014	<u>236,296</u>	<u>236,296</u>	<u>22,350</u>	<u>(213,946)</u>
Fund balance, June 30, 2015	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 128,188</u></u>	<u><u>\$ 128,188</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 28,201	
Revenue accruals (net)			(7,632)	
Expenditure accruals (net)			10,762	
Other financing sources and uses (net)			<u>74,507</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 105,838</u></u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - HORSE MOUNTAIN FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 39,753	\$ 39,753	\$ 39,753	\$ -
Miscellaneous				-
Total revenues	<u>\$ 39,753</u>	<u>\$ 39,753</u>	<u>\$ 39,753</u>	<u>\$ -</u>
Expenditures:				
Current:				
Public safety	\$ 245,383	\$ 245,383	\$ 20,213	\$ 225,170
Capital outlay	59,929	59,929		59,929
Total expenditures	<u>\$ 305,312</u>	<u>\$ 305,312</u>	<u>\$ 20,213</u>	<u>\$ 285,099</u>
Revenues over (under) expenditures	\$ (265,559)	\$ (265,559)	\$ 19,540	\$ 285,099
Other financing sources (uses):				
Loan proceeds	<u>\$ 179,850</u>	<u>\$ 179,850</u>	<u>\$ -</u>	<u>\$ (179,850)</u>
Net change in fund balance	\$ (85,709)	\$ (85,709)	\$ 19,540	\$ 105,249
Fund balance, July 1, 2014	<u>85,709</u>	<u>85,709</u>	<u>83,919</u>	<u>(1,790)</u>
Fund balance, June 30, 2015	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 103,459</u></u>	<u><u>\$ 103,459</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 17,617	
Revenue accruals (net)			(9,572)	
Expenditure accruals (net)			11,495	
Other financing sources and uses (net)			<u> </u>	
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 19,540</u></u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - QUEMADO LAKE FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 30,619	\$ 30,619	\$ 30,619	\$ -
Miscellaneous				-
Total revenues	<u>\$ 30,619</u>	<u>\$ 30,619</u>	<u>\$ 30,619</u>	<u>\$ -</u>
Expenditures:				
Current:				
Public safety	\$ 271,333	\$ 271,333	\$ 21,721	\$ 249,612
Capital outlay	5,671	5,671		5,671
Total expenditures	<u>\$ 277,004</u>	<u>\$ 277,004</u>	<u>\$ 21,721</u>	<u>\$ 255,283</u>
Revenues over (under) expenditures	\$ (246,385)	\$ (246,385)	\$ 8,898	\$ 255,283
Other financing sources (uses):				
Loan proceeds	<u>\$ 255,858</u>	<u>\$ 255,858</u>	<u>\$ -</u>	<u>\$ (255,858)</u>
Net change in fund balance	\$ 9,473	\$ 9,473	\$ 8,898	\$ (575)
Fund balance, July 1, 2014			<u>53,316</u>	<u>53,316</u>
Fund balance, June 30, 2015	<u>\$ 9,473</u>	<u>\$ 9,473</u>	<u>\$ 62,214</u>	<u>\$ 52,741</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 8,281	
Revenue accruals (net)			(18,707)	
Expenditure accruals (net)			19,324	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 8,898</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - COYOTE CREEK FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 49,324	\$ 49,324	\$ 49,324	\$ -
Miscellaneous				-
Total revenues	<u>\$ 49,324</u>	<u>\$ 49,324</u>	<u>\$ 49,324</u>	<u>\$ -</u>
Expenditures:				
Current:				
Public safety	\$ 31,720	\$ 31,720	\$ 11,235	\$ 20,485
Capital outlay	62,423	62,423		62,423
Total expenditures	<u>\$ 94,143</u>	<u>\$ 94,143</u>	<u>\$ 11,235</u>	<u>\$ 82,908</u>
Revenues over (under) expenditures	\$ (44,819)	\$ (44,819)	\$ 38,089	\$ 82,908
Other financing sources (uses):				
Loan proceeds			\$ -	\$ -
Net change in fund balance	\$ (44,819)	\$ (44,819)	\$ 38,089	\$ 82,908
Fund balance, July 1, 2014	<u>44,819</u>	<u>44,819</u>	<u>44,544</u>	<u>(275)</u>
Fund balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,633</u>	<u>\$ 82,633</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 37,078	
Revenue accruals (net)				
Expenditure accruals (net)			1,011	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 38,089</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - WILD HORSE FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 35,403	\$ 35,403	\$ 35,403	\$ -
Miscellaneous				-
Total revenues	<u>\$ 35,403</u>	<u>\$ 35,403</u>	<u>\$ 35,403</u>	<u>\$ -</u>
Expenditures:				
Current:				
Public safety	\$ 42,203	\$ 42,203	\$ 27,689	\$ 14,514
Capital outlay	61,305	61,305		61,305
Total expenditures	<u>\$ 103,508</u>	<u>\$ 103,508</u>	<u>\$ 27,689</u>	<u>\$ 75,819</u>
Revenues over (under) expenditures	\$ (68,105)	\$ (68,105)	\$ 7,714	\$ 75,819
Other financing sources (uses):				
Loan proceeds			\$ -	\$ -
Net change in fund balance	\$ (68,105)	\$ (68,105)	\$ 7,714	\$ 75,819
Fund balance, July 1, 2014	<u>68,105</u>	<u>68,105</u>	<u>17,815</u>	<u>(50,290)</u>
Fund balance, June 30, 2015	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 25,529</u></u>	<u><u>\$ 25,529</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 8,301	
Revenue accruals (net)			(14,036)	
Expenditure accruals (net)			13,449	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 7,714</u></u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - CATRON COUNTY FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 17,146	\$ 59,961	\$ 66,196	\$ 6,235
Miscellaneous				-
Total revenues	<u>\$ 17,146</u>	<u>\$ 59,961</u>	<u>\$ 66,196</u>	<u>\$ 6,235</u>
Expenditures:				
Current:				
Public safety	\$ 42,677	\$ 66,139	\$ 16,488	\$ 49,651
Capital outlay		19,353		19,353
Total expenditures	<u>\$ 42,677</u>	<u>\$ 85,492</u>	<u>\$ 16,488</u>	<u>\$ 69,004</u>
Revenues over (under) expenditures	\$ (25,531)	\$ (25,531)	\$ 49,708	\$ 75,239
Other financing sources (uses):				
Loan proceeds			\$ -	\$ -
Net change in fund balance	\$ (25,531)	\$ (25,531)	\$ 49,708	\$ 75,239
Fund balance, July 1, 2014	<u>25,531</u>	<u>25,531</u>	<u>18,749</u>	<u>(6,782)</u>
Fund balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,457</u>	<u>\$ 68,457</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 49,599	
Revenue accruals (net)			440	
Expenditure accruals (net)			(331)	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 49,708</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - SAFETY NET
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ -	\$ -	\$ 24,272	\$ 24,272
Miscellaneous				-
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,272</u>	<u>\$ 24,272</u>
Expenditures:				
Current:				
Health and welfare	\$ -	\$ -	\$ 22,225	\$ (22,225)
Capital outlay				-
Total expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,225</u>	<u>\$ (22,225)</u>
Revenues over (under) expenditures	\$ -	\$ -	\$ 2,047	\$ 2,047
Other financing sources (uses):				
Loan proceeds				<u>\$ -</u>
Net change in fund balance	\$ -	\$ -	\$ 2,047	\$ 2,047
Fund balance, July 1, 2014			-	-
Fund balance, June 30, 2015	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,047</u></u>	<u><u>\$ 2,047</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 9,241	
Revenue accruals (net)			(11,796)	
Expenditure accruals (net)			4,602	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 2,047</u></u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - COPS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Public safety	\$ -	\$ -	\$ -	\$ -
Capital outlay				-
Total expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance, July 1, 2014			<u>2,601</u>	<u>2,601</u>
Fund balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,601</u>	<u>\$ 2,601</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ -	
Revenue accruals (net)				
Expenditure accruals (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - LEGAL
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Public safety	\$ -	\$ -	\$ -	\$ -
Capital outlay				-
Total expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance, July 1, 2014			<u>2,395</u>	<u>2,395</u>
Fund balance, June 30, 2015	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,395</u>	<u>\$ 2,395</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ -	
Revenue accruals (net)				
Expenditure accruals (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

Catron County
CAPITAL PROJECTS FUND - CAPITAL PROJECTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 361,731	\$ 361,731	\$ 9,997	\$ (351,734)
Miscellaneous				-
Total revenues	<u>\$ 361,731</u>	<u>\$ 361,731</u>	<u>\$ 9,997</u>	<u>\$ (351,734)</u>
Expenditures:				
Current:				
Health and welfare	\$ 143,000	\$ 143,000	\$ 169,004	\$ (26,004)
Capital outlay	<u>207,428</u>	<u>207,428</u>		<u>207,428</u>
Total expenditures	<u>\$ 350,428</u>	<u>\$ 350,428</u>	<u>\$ 169,004</u>	<u>\$ 181,424</u>
Revenues over (under) expenditures	\$ 11,303	\$ 11,303	\$ (159,007)	\$ (170,310)
Other financing sources (uses):				
Loan proceeds				<u>\$ -</u>
Net change in fund balance	\$ 11,303	\$ 11,303	\$ (159,007)	\$ (170,310)
Fund balance, July 1, 2014			<u>207,353</u>	<u>207,353</u>
Fund balance, June 30, 2015	<u>\$ 11,303</u>	<u>\$ 11,303</u>	<u>\$ 48,346</u>	<u>\$ 37,043</u>
 Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (2,436)	
Revenue accruals (net)			(156,571)	
Expenditure accruals (net)				
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ (159,007)</u>	

The accompanying notes are an integral part of these financial statements

Catron County
ENTERPRISE FUNDS - LANDFILL
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS-
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 40,000	\$ 40,000	\$ 36,572	\$ (3,428)
Charges for services	260,000	260,000	394,608	134,608
State sources	907,796	907,796		(907,796)
Total revenues	\$ 1,207,796	\$ 1,207,796	\$ 431,180	\$ (776,616)
Expenses:				
Personnel	\$ 141,500	\$ 141,500	\$ 129,778	\$ 11,722
Operating	383,704	383,704	269,356	114,348
Capital outlay	24,000	24,000	34,408	(10,408)
Principle				-
Interest				-
Total expenses	\$ 549,204	\$ 549,204	\$ 433,542	\$ 115,662
Revenues over (under) expenses	\$ 658,592	\$ 658,592	\$ (2,362)	\$ (660,954)
Other financing sources (uses):				
Transfer in				-
Transfers out				-
Net change in retained earnings	\$ 658,592	\$ 658,592	\$ (2,362)	\$ (660,954)
Retained earnings, July 1, 2014			249,517	249,517
Retained earnings, June 30, 2015	\$ 658,592	\$ 658,592	\$ 247,155	\$ (411,437)
Budgetary reconciliation:				
Net change in retained earnings, GAAP basis			\$ 67,643	
Revenue accruals (net)			82,138	
Expenditure accruals (net)			(152,143)	
Other financing sources (uses)				
Net change in retained earnings, NON-GAAP budgetary basis			\$ (2,362)	

The accompanying notes are an integral part of these financial statements.

Catron County
ENTERPRISE FUNDS - AMBULANCE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS-
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Taxes	\$ 40,000	\$ 40,000	\$ 36,572	\$ (3,428)
Charges for services	110,000	110,000	132,278	22,278
Miscellaneous			100	100
	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ 168,950</u>	<u>\$ 18,950</u>
Expenses:				
Personnel	\$ 33,000	\$ 33,000	\$ 34,926	\$ (1,926)
Operating	128,300	128,300	81,473	46,827
Capital outlay				-
Principle				-
Interest				-
	<u>\$ 161,300</u>	<u>\$ 161,300</u>	<u>\$ 116,399</u>	<u>\$ 44,901</u>
Revenues over (under) expenses	\$ (11,300)	\$ (11,300)	\$ 52,551	\$ 63,851
Other financing sources (uses):				
Transfer in				-
Transfers out				-
				<u>-</u>
Net change in retained earnings	\$ (11,300)	\$ (11,300)	\$ 52,551	\$ 63,851
Retained earnings, July 1, 2014	<u>93,007</u>	<u>93,007</u>	<u>93,339</u>	<u>332</u>
Retained earnings, June 30, 2015	<u>\$ 81,707</u>	<u>\$ 81,707</u>	<u>\$ 145,890</u>	<u>\$ 64,183</u>
Budgetary reconciliation:				
Net change in retained earnings, GAAP basis			\$ (5,031)	
Revenue accruals (net)			55,968	
Expenditure accruals (net)			1,614	
Other financing sources (uses)				
			<u>52,551</u>	
Net change in retained earnings, NON-GAAP budgetary basis			<u>\$ 52,551</u>	

The accompanying notes are an integral part of these financial statements.

Catron County
ENTERPRISE FUNDS - AIRPORT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS-
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	5,000	5,000		(5,000)
Miscellaneous				-
	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Expenses:				
Personnel	\$ -	\$ -	\$ -	\$ -
Operating	5,000	5,000	2,888	2,112
Capital outlay				-
Principle				-
Interest				-
	\$ 5,000	\$ 5,000	\$ 2,888	\$ 2,112
Revenues over (under) expenses	\$ -	\$ -	\$ (2,888)	\$ (2,888)
Other financing sources (uses):				
Transfer in				-
Transfers out				-
	\$ -	\$ -	\$ (2,888)	\$ (2,888)
Net change in retained earnings	\$ -	\$ -	\$ (2,888)	\$ (2,888)
Retained earnings, July 1, 2014	-	-	3,134	3,134
Retained earnings, June 30, 2015	\$ -	\$ -	\$ 246	\$ 246
Budgetary reconciliation:				
Net change in retained earnings, GAAP basis			\$ (2,839)	
Revenue accruals (net)				
Expenditure accruals (net)			(49)	
Other financing sources (uses)			-	
Net change in retained earnings, NON-GAAP budgetary basis			\$ (2,888)	

The accompanying notes are an integral part of these financial statements.

Catron County
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY OF
 PERA FUND DIVISION MUNICIPAL GENERAL
 PUBLIC EMPLOYEES RETIREMENT ASSOCIATION)(PERA) PLAN
 LAST 10 FISCAL YEARS***

	2015
Catron County's proportion of the net pension liability	.1247%
Catron County's proportionate share of the net pension liability	\$ 972,794
Catron County's covered employee payroll	\$ 1,048,824
Catron County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	93%
Plan fiduciary net position as a percentage of the total pension liability	81%

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

Catron County
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY OF
PERA FUND DIVISION MUNICIPAL POLICE
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION)(PERA) PLAN
LAST 10 FISCAL YEARS***

	2015
Catron County's proportion of the net pension liability	.1409%
Catron County's proportionate share of the net pension liability	\$ 459,319
Catron County's covered employee payroll	\$ 269,427
Catron County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	170%
Plan fiduciary net position as a percentage of the total pension liability	81%

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

Catron County
**SCHEDULE OF CONTRIBUTIONS-PUBLIC EMPLOYEES RETIREMENT
ASSOCIATION (PERA) PLAN-PERA FUND DIVISION MUNICIPAL GENERAL
*LAST 10 FISCAL YEARS**

	2015
Contractually required contributions	\$ 91,975
Contributions in relation to contractually required contribution	(91,975)
Contribution deficiency (excess)	\$ -
Catron County's covered-employee payroll	\$ 1,048,824
Contributions as a percentage of covered-employee payroll	8.77%

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, Catron County will present information for those years for which information is available.

Catron County
**SCHEDULE OF CONTRIBUTIONS-PUBLIC EMPLOYEES RETIREMENT
ASSOCIATION (PERA) PLAN-PERA FUND DIVISION MUNICIPAL POLICE
*LAST 10 FISCAL YEARS**

	2015
Contractually required contributions	\$ 49,844
Contributions in relation to contractually required contribution	(49,844)
Contribution deficiency (excess)	\$ -
Catron County's covered-employee payroll	\$ 269,427
Contributions as a percentage of covered-employee payroll	18.50%

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, Catron County will present information for those years for which information is available.

Catron County
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2015

Change in benefit terms – The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY14 audit available at [http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366 Public Employees Retirement Association 2014.pdf](http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366%20Public%20Employees%20Retirement%20Association%202014.pdf).

Changes of assumptions – The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2014 report is available at:

http://www.pera.state.nm.us/pdf/Investment/RetirementFundValuationReports/6-30-2014%20PERA%20Valuation%20Report_FINAL.pdf.

The Summary of Key Findings for the PERA Fund (on page 2 of the report) states “Based on a recent experience study for the five year period ending June 30, 2013, the economic and demographic assumptions were updated for this valuation. The changes in assumptions resulted in a decrease of \$30.8 million to Fund liabilities and an increase of 0.13% to the funded ratio.” For details about changes in the actuarial assumptions, see Appendix B on page 60 of the report.

Catron County
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Fiscal Year Ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>June 30, 2015</u>
Property Tax Fund				
Assets				
Cash and investments	\$ 6,925	\$ 911,440	\$ 914,923	\$ 3,442
Taxes receivable	<u>71,328</u>	<u>912,367</u>	<u>898,070</u>	<u>85,625</u>
Total assets	<u>\$ 78,253</u>	<u>\$ 1,823,807</u>	<u>\$ 1,812,993</u>	<u>\$ 89,067</u>
Liabilities				
Due to others	<u>\$ 78,253</u>	<u>\$ 1,823,807</u>	<u>\$ 1,812,993</u>	<u>\$ 89,067</u>

The accompanying notes are an integral part of these financial statements.

Catron County
SCHEDULE OF DEPOSITORY COLLATERAL
 June 30, 2015

	First State Bank	Total
Checking and CD's	\$ 8,412,180	\$ 8,412,180
Total on deposit	\$ 8,412,180	\$ 8,412,180
Less: FDIC insurance	(500,000)	(500,000)
Total uninsured public funds	\$ 7,912,180	\$ 7,912,180
 50% collateralization requirement (Section 6-10-17 NMSA)	 \$ 3,956,090	 \$ 3,956,090
 Pledged Securities:		
FHLB non CBL #3133SN4B2	\$ 2,392,729	\$ 2,392,729
FHLB non CBL #3133S8EW8	2,102,413	2,102,413
FFCB non CBL #31331VKU9	517,218	517,218
Total pledged securities	\$ 5,012,360	\$ 5,012,360
 Pledged securities over (under) requirement	 \$ 1,056,270	 \$ 1,056,270

Securities pledged by Wells fargo are held by the Wells Fargo trust department in Minneapolis, Minnesota.

Catron County
SCHEDULE OF INDIVIDUAL DEPOSIT ACCOUNTS AND INVESTMENTS
June 30, 2015

	Type of Account	Bank Balance	Reconciled Balance
<u>First State Bank</u>			
Operational	Checking	\$ 6,212,180	\$ 6,040,508
Certificate of Deposit	CD	500,000	500,000
Certificate of Deposit	CD	200,000	200,000
Certificate of Deposit	CD	500,000	500,000
Certificate of Deposit	CD	500,000	500,000
Certificate of Deposit	CD	500,000	500,000
Total First State Bank		\$ 8,412,180	\$ 8,240,508
<u>LGIP</u>			
Operational	LGIP	\$ 49,879	\$ 49,879
Total LGIP		\$ 49,879	\$ 49,879
<u>NMFA</u>			
Cash on deposit with paying agent	NMFA	\$ 2,540,438	\$ 2,540,438
Total cash and investments		\$ 11,002,497	\$ 10,830,825

Catron County
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Fiscal Year Ended June 30, 2015

<u>Federal Grantor/Pass-through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grantor's Number</u>	<u>Federal Expenditures</u>
 <u>U.S. DEPARTMENT OF AGRICULTURE</u>			
Direct:			
Schools and Roads - Grants to States	10.665	N/A	\$ 1,124,354
Forest Service Patrol	10.670	12-LE-11030600-003	5,702
Passed Through N.M. Dept. of Energy and Minerals:			
Cooperative Forest Assistance Grants	10.664	14-03-1152	<u>218,684</u>
Total U.S. Department of Justice			<u>\$ 1,348,740</u>
 <u>U.S. DEPARTMENT OF THE INTERIOR</u>			
Direct:			
Distribution of receipts	15.227	Taylor Grazing Act	<u>\$ 13,391</u>
Total U.S. Department of the Interior			<u>\$ 13,391</u>
 <u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>			
Direct:			
Fire Management Assistance Grant	97.046	FEMA-2978-001	\$ 56,561
Disaster Grants - Public Assistance	97.036	FEMA-4152-DR-NM	<u>320,275</u>
Total U.S. Department of Homeland Security			<u>\$ 376,836</u>
Total expenditures of federal awards			<u><u>\$ 1,738,967</u></u>

See the accompanying notes to Schedule of Expenditures of Federal Awards.

Catron County
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For the Fiscal Year Ended June 30, 2015

Note 1 Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Catron County and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 2 Insurance

The County had the following insurance coverage during the year ended June 30, 2015:

Workers compensation	\$ Unlimited
Employer's liability	1,050,000
Persona injury:	
Per person	400,000
Per occurrence	750,000
Per occurrence property damage	100,000
Auto Liability	Limits
Auto physical damage	Per auto

Catron County
TAX ROLL RECONCILIATION
 For the Fiscal Year Ended June 30, 2015

Property taxes receivable, July 1, 2014	\$	253,684
Net taxes charged to the Treasurer for 2015		2,189,192
Collections/Distributions/Changes		<u>(2,197,972)</u>
Property taxes receivable, June 30, 2015	\$	<u><u>244,904</u></u>
Property taxes receivable, by year		
2014	\$	146,755
2013		30,402
2012		7,398
2011		4,602
2010		27,244
2009		15,841
2008		9,856
2007		1,213
2006		605
2005		<u>988</u>
	\$	<u><u>244,904</u></u>

Catron County
SCHEDULE OF LEGISLATIVE ALLOCATIONS
June 30, 2015

	Law Enforcement Vehicles 13-L-1662	Fair Building 14-L-1888	Assessor Office Building 13-L-1661	Health Clinic 12-L-G-1424
Original appropriation	\$ 80,000	\$ 143,000	\$ 25,000	\$ 200,000
Funds reverted		(1,430)		(2,000)
Appropriation remaining	<u>\$ 80,000</u>	<u>\$ 141,570</u>	<u>\$ 25,000</u>	<u>\$ 198,000</u>
Expended through June 30, 2015	\$ 80,000	\$ -	\$ 23,779	\$ 187,200
Encumbrances				
Total committed	<u>\$ 80,000</u>	<u>\$ -</u>	<u>\$ 23,779</u>	<u>\$ 187,200</u>
Project expiration date	6/30/2016	6/30/2018	6/30/2017	6/30/2016

Catron County, New Mexico
SCHEDULE OF VENDOR INFORMATION for Purchases Exceeding \$60,000 (excluding GRT)
For the Year Ended June 30, 2015
Prepared by Hilton A. (Skip) Dickson, III - Finance Director and Chief Procurement Officer

<u>RFB#/RFP#</u>	<u>Type of Procurement</u>	<u>Awarded Vendor</u>	<u>\$ Amount of Awarded Contract</u>	<u>\$ Amount of Amended Contract</u>	<u>Name and Physical Address per the Procurement Documentation of ALL Vendor(s) that Responded</u>	<u>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</u>	<u>Was the Vendor In-State and given Veteran's Preference (Y or N) for Federal Funds Answer</u>	<u>Brief Description of the Scope of Work</u>
2015-9-03	RFP	Engineers, Inc.	\$59,735.80		Engineers Inc. 3400 Hwy. 180 E, Suite A Silver City, NM 88061 Advisory Inspection & Operations Co., LLC 460 St. Michaels Dr., Suite 801 Santa Fe, NM 87505 Dennis Engineering Co. P.O. Box 909 Edgewood, CO 87015	Y	N	Engineering support and project management for road projects - Mineral Creek Rd. & Kellar Canyon Rd.
2015-9-04	RFP	Engineers Inc.	\$114,117.40	\$65,031.97	Engineers Inc. 3400 Hwy. 180 E, Suite A Silver City, NM 88061 Larken Group 8511 Menaul Blvd, Suite A-440 Albuquerque, NM 87112	Y	N	Engineering support and project management for subdivision drainage project - Rancho Grande Subdivision
2013-11-01	RFP	Forest Fitness	\$158,405.00	\$126,450.00	Forest Fitness, LLC 6 Tall Pinons Tijeras, NM 87059 Gila Tree Thinner 3701 Tracy Circle Silver City, NM 88061 Alamo Nation School Board, Inc. P.O. Box 5907 Alamo, NM 87825	Y	N	Forest management for wildfire prevention.

Catron County, New Mexico
SCHEDULE OF VENDOR INFORMATION for Purchases Exceeding \$60,000 (excluding GRT)
For the Year Ended June 30, 2015
Prepared by Hilton A. (Skip) Dickson, III - Finance Director and Chief Procurement Officer

<u>RFB#/RFP#</u>	<u>Type of Procurement</u>	<u>Awarded Vendor</u>	<u>\$ Amount of Awarded Contract</u>	<u>\$ Amount of Amended Contract</u>	<u>Name and Physical Address per the Procurement Documentation of ALL Vendor(s) that Responded</u>	<u>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</u>	<u>Was the Vendor In-State and given Veteran's Preference (Y or N) for Federal Funds Answer</u>	<u>Brief Description of the Scope of Work</u>
					WW Cattle Guards, LLC 5742 Webb Drive Lakeside, AZ 85929			
					American Fence & Supply Co. 3501 N. IH35 Georgetown, TX 78628			
2014-4-01	RFP	TFC Construction	\$345,822.68		TFC Construction P.O. Box 4 La Joya, NM 87028	Y	N	Construct new fire station - Red Hill
					Ken Barry Construction P.O. Box 168 Caballo, NM 87931			
					Southwest CM P.O. Box 7250 Albuquerque, NM 87194			
					Stoven Construction 2709 Vassar Place, NE, No. 7 Albuquerque, NM 87107			
					Rock Gap Construction 139 N. Farrell Court, #109 Gilbert, AZ 85223			
					CDR Construction 1219 Oregon Avenue Alamogordo, NM 88331			

Catron County, New Mexico
SCHEDULE OF VENDOR INFORMATION for Purchases Exceeding \$60,000 (excluding GRT)
For the Year Ended June 30, 2015
Prepared by Hilton A. (Skip) Dickson, III - Finance Director and Chief Procurement Officer

<u>RFB#/RFP#</u>	<u>Type of Procurement</u>	<u>Awarded Vendor</u>	<u>\$ Amount of Awarded Contract</u>	<u>\$ Amount of Amended Contract</u>	<u>Name and Physical Address per the Procurement Documentation of ALL Vendor(s) that Responded</u>	<u>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</u>	<u>Was the Vendor In-State and given Veteran's Preference (Y or N) for Federal Funds Answer</u>	<u>Brief Description of the Scope of Work</u>
N/A	State Contract	Kosh Solutions			Kosh Solutions 2651 Pan American Hwy. NE, Suite D Albuquerque, NM 87107	Y	N	Computer hardware, software & maintenance.
N/A	RFB	Southwestern Scale	\$92,350.00		Southwestern Scale Co., Inc. 2535 W. Broadway Phoenix, AZ 85066 Fairbanks Scale Company P.O. Box 6378 Glendale, AZ 85310 Weigh Tech 2105 Seabrook Circle Seabrook, TX 77586	N	N/A	Scale installation at Reserve, NM Solid Waste Convenience Center
N/A	State Contract	Western Refining			Western Refining Wholesale 1250 W. Washington, Suite 101 Tempe, AZ 85281	N	N/A	Wholesale fuel supply.

Catron County
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2015

Findings – Financial Statement Audit	<u>Current Status</u>
2006-004 Capital asset records not maintained	Resolved
2006-007 Landfill closure costs not recorded	Resolved
2006-008 Tax roll reconciliation not in required format	Repeated
2006-009 Expenditures in excess of budget authority	Repeated
2006-013 Deficit fund balances budgeted	Resolved
2007-005 Compensated absences not reconciled	Resolved
2008-001 Financial statements prepared by auditors	Resolved
2008-002 The County had not recorded NMFA debt transactions	Resolved
2010-001 Pooled cash not reconciled to the fund cash balances	Resolved
2010-003 Non-compliance with the Anti-Donation Clause	Resolved
2011-004 Compliance with the Per Diem and Mileage Act	Repeated
2012-001 Employee listed as independent contractor	Resolved
2013-002/003/004 Payroll reports and payments filed late	Resolved
2013-006 Audit report not filed by the mandated deadline	Resolved
2014-001 IPA recommendation and audit contract submitted late	Repeated
2014-002 PERA reports filed late	Resolved
2014-003 PERA reports not reconciled to total wages	Resolved
2014-004 Grant progress reports not submitted timely	Resolved

Catron County
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS (CONCLUDED)
For the Fiscal Year Ended June 30, 2015

Findings – Major Federal Award Programs

U.S. Department of Agriculture
Schools and Roads – Grants to States, CFDA No. 10.665, FY2011, Title I and Title III

U.S. Department of Homeland Security
Disaster Grants – Public Assistance, CFDA No. 97.036, FY2014, FEMA 4152-DR-NM

Finding 2014-005 – This was a finding indicating that the submission of the Reporting Package, including the Data Collection Form, to the Federal Audit Clearinghouse was not timely.

Current year action – The Reporting Package, including the Data Collection Form, will be timely filed for the 2014-2015 fiscal year.

Finding 2014-006 – This was a finding indicating that pooled cash had not been reconciled to general ledger fund accounts, and there was a possibility that this lack of reconciliation could affect federal program funds.

Current year action – The pooled cash account balances were reconciled to the general ledger fund accounts, and the appropriate adjustments were made.

Finding 2014-007 – This was a finding indicating that grant progress reports has not been filed timely for the Schools and Roads – States Program, CFDA No. 10.665.

Current year action – The reports, as required, were timely filed during the 2014-2015 fiscal year.

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LINDA STONE MCGEE, C.P.A.
KAY STONE, C.P.A.
JARROD MASON, C.P.A.
KELLEY WYATT, C.P.A.

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REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER
MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

INDEPENDENT AUDITOR'S REPORT

Timothy Keller, State Auditor
And
Board of Commissioners
Catron County
Reserve, 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, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund of Catron County as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Catron County's basic financial statements, and the combining and individual fund financial statements and related budgetary comparisons of the County presented as other supplementary information, and have issued our report thereon dated October 22, 2015.

Internal Control Over financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Catron County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, which are described in the accompanying schedule of findings and responses as items 2006-008, 2006-009, 2011-004, 2014-001 and 2015-001.

Catron County's Responses to Findings

Catron County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The County's responses were not subject 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Stone, McGee & Co CPAs

Silver City, New Mexico
October 22, 2015

Stone, McGee & Co.
Certified Public Accountants

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**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

INDEPENDENT AUDITOR'S REPORT

Timothy Keller, State Auditor
And
Board of Commissioners
Catron County
Reserve, New Mexico

Report on Compliance for Each Major Federal Program

We have audited Catron County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Catron County's major federal programs for the year ended June 30, 2015. Catron County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Catron County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Catron County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Catron County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control over Compliance

Management of Catron County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Catron County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Catron County's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Stone, McGee & Co CPAs

Silver City, New Mexico
October 22, 2015

Stone, McGee & Co.
Certified Public Accountants

Catron County
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2015

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of Catron County.
2. No significant deficiencies relating to the audit of the financial statements are reported in the *Independent Auditor's 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*.
3. No instances of noncompliance material to the financial statements of Catron County, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No significant deficiencies related to the audit of the major federal award programs are reported in the *Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133*.
5. The auditor's report on compliance for the major federal award programs for Catron County expresses an unmodified opinion on all major programs.
6. No audit findings that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 were noted during the audit.
7. The programs tested as major programs included: Disaster Grants-Public Assistance, CFDA No. 97.036, and Schools and Roads-Grants to States, CFDA No. 10.665.
8. The threshold for distinguishing types A and B programs was \$300,000.
9. Catron County was not a low-risk auditee.

FINDINGS – FINANCIAL STATEMENT AUDIT

2006-008 Property Tax Schedule (Other Noncompliance)

Condition – The County Treasurer's property tax schedule does not include ten years of information in the format required by the New Mexico State Auditor. The County has been unable to implement the prior year corrective action plan due to lack of personnel availability.

Criteria – Section 2.2.2.12D(1) of NMAC 2015 requires property tax information be presented in a specific format, and presented in that format in the audited financial statements.

Effect – Records relating to amounts due to other taxing entities is not available in a by-year format, and the County has not complied with 2.2.2 NMAC 2015.

Cause – The County has been unable to compile the information in the requested format, due to computer vendor problems, and the availability of staff to compile this information.

Recommendation – We recommend that the County compile the information necessary to comply with 2.2.2 NMAC 2015.

Agency Response – The County’s computer software vendor is in the process of developing reports which will satisfy the requirements of 2.2.2 NMAC.

2006-009 Budgetary Controls (Other Noncompliance)

Condition – The County incurred expenditures in excess of budgetary authority in the following funds:

Farm and Range	\$ 2,964
Clerk’s Equipment	1,503
EMS	23,365
Indigent	13,912
Safety Net	22,225

The County hired a Finance Director late in the 2014-2015 fiscal year, and was unable to implement its corrective action plan by June 30, 2015.

Criteria – Sections 6-3-1 through 6-3-25 NMSA 1978 require, in part, that expenditures not exceed budgetary authority. The fund is the legal level of budgetary control for the County.

Effect – The internal controls established by adherence to budgets has been compromised, and excess spending could result. In addition, New Mexico statutes have been violated.

Cause – The County did not request the budget adjustments to alleviate these budget overruns. A new Finance Director was hired late in the year, and the normal year-end budget adjustment requests were not made.

Recommendation – We recommend that the County adhere to their policy of reviewing expenditures and requesting budget adjustments where necessary.

Agency Response – We continue to adhere to our policy of reviewing expenditures and making the appropriate budgetary adjustments. These were unusual circumstances where expenditures were made late in the year, and budget adjustments were overlooked.

2011-004 Per Diem and Mileage Reimbursements (Other Noncompliance)

Condition – In a test of 25 transactions, we noted the County reimbursed employees for mileage when no odometer readings or map mileage was in evidence on 20 occasions. In addition, 12 instances were noted where the incorrect mileage rate was used to reimburse employees. Although the County implemented its corrective action plan by hiring a Finance Director, this occurred late in the year and these transactions occurred prior to the hiring.

Criteria – The Per Diem and Mileage Act, Sections 10-8-1 to 10-8-8 of NMSA 1978 and Regulations governing the Per Diem and Mileage Act, 2.42.2 NMAC, establish the documentation requirements for reimbursement of travel costs, as well as the rates of reimbursement. These requirements include the reimbursement for mileage only where

evidence exists of the actual miles travelled, and that the reimbursement be at the published rate.

Effect – The County has violated the aforementioned statutes and regulations, and reimbursements for travel have exceeded the amounts legally allowable.

Cause – The County was not aware that actual odometer readings or map readings were required for reimbursement, and the reimbursement rate was a miscalculation of .002 cents.

Recommendation – We recommend that the County reimburse employees and board members for authorized travel in accordance with the rates established by 2.42.2 NMAC.

Agency Response – The County will adopt the recommendation.

2014-001 Submission of Audit Contract and Recommendation (Other Noncompliance)

Condition - The County did not submit the signed IPA recommendation form for audits and the completed audit contract to the New Mexico State Auditor by May 1, 2015. The County's corrective action plan was implemented by hiring a Finance Director, however, the County changed auditors and the process of reviewing quotations for professional services and interviewing prospective auditors precluded filing the required documentation timely.

Criteria – As per Section 2.2.2.8(G)(6)c of the New Mexico Administrative Code Audit Rule, counties shall deliver the fully completed and signed IPA form and the completed contract to the State Auditor by May 1, 2015.

Effect – Delays in submission of these documents could lead to a delay in delivery of the completed audit report.

Cause – The County was in the process of reviewing proposals and interviewing audit firms, and the delay in delivery of the appropriate forms to the State Auditor was the result.

Recommendation – The County should develop an audit schedule which includes timelines for delivery of the appropriate documents to the State Auditor. Such timelines should be followed to ensure the timely delivery of the IPA recommendation and audit contract.

Agency Response – The timelines have already been established by the Finance Director, and we will submit the appropriate documents in a timely fashion in the future.

2015-001 Payroll Recordkeeping (Other Noncompliance)

Condition – In a total of 25 payroll files tested, 3 files were missing the I-9 citizenship form, and 5 were missing the W-4 withholding authorization form.

Criteria – Federal regulations require that documentation be maintained regarding employee citizenship and authorization for withholding on each employee.

Effect – Federal regulations have been violated, and the County has exposed itself to possible significant penalties if an Internal Revenue Service audit is conducted.

Cause – The County has undergone significant employee turnover, and the required documents were not obtained or properly filed for all employees.

Recommendation – The County should conduct a review of all current employee files to ensure that the proper documentation is on file for each employee, and develop a process to ensure that new hires provide the required information.

Agency Response – The recommendation will be adopted.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS

None

OTHER – FINANCIAL STATEMENT PREPARATION

The financial statements were prepared by Stone, McGee & Co., C.P.A.'s, with substantial assistance from County personnel. County personnel have approved and accepted responsibility for the financial statements.

EXIT CONFERENCE

The contents of this report were discussed in a meeting on October 1, 2015. Present at this exit conference were:

<u>Name</u>	<u>Title</u>	<u>Affiliation</u>
Glyn Griffin	Commission Chairman	Catron County
Connie Shipley	Treasurer	Catron County
Kate Fletcher	County Manager	Catron County
Hilton Dickson III	Finance Director	Catron County
Mike Stone	Shareholder	Stone, McGee & Co., CPA's