

State of New Mexico

Catron County
FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S
REPORT THEREON

For The Fiscal Year Ended June 30, 2016

Catron County
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 June 30, 2016

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Catron County
Directory of Officials
June 30, 2016

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

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, 2016, 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, 2016, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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, 2016, 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, 2016, 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

Accounting principles generally accepted in the United States of America require that information related to the County's pension plan presented on pages 95 to 99 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with evidence sufficient to express an opinion or provide any assurance.

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 is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards*, 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 25, 2016, 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 25, 2016

Stone, McGee & Co.
Certified Public Accountants

Catron County
STATEMENT OF NET POSITION
June 30, 2016

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current:			
Cash and investments	\$ 9,951,429	\$ 446,809	\$ 10,398,238
Prepays	96,586	32,737	129,323
Receivables, net	353,145	198,720	551,865
Interfund receivable	692,220		692,220
	\$ 11,093,380	\$ 678,266	\$ 11,771,646
Total current assets			
Noncurrent assets:			
Restricted:			
Cash and investments	\$ -	\$ 459,517	\$ 459,517
Capital assets, net	11,933,177	669,275	12,602,452
	\$ 11,933,177	\$ 1,128,792	\$ 13,061,969
Total noncurrent assets			
	\$ 23,026,557	\$ 1,807,058	\$ 24,833,615
Total assets			
Deferred Outflows of Resources			
Related to pensions	\$ 190,645	\$ 8,660	\$ 199,305
LIABILITIES			
Current:			
Accounts payable	\$ 273,658	\$ 112,598	\$ 386,256
Accrued liabilities	47,595	8,045	55,640
Interest payable	3,354		3,354
Interfund payable		692,220	692,220
Current maturities of long-term debt	122,739	437,654	560,393
Estimated liability for landfill postclosure costs			-
	\$ 447,346	\$ 1,250,517	\$ 1,697,863
Total current liabilities			
Noncurrent:			
Net pension liability	\$ 1,743,895	\$ 88,987	\$ 1,832,882
Estimated liability for landfill postclosure costs		911,262	911,262
Notes payable	1,520,644		1,520,644

Catron County
STATEMENT OF NET POSITION (concluded)
June 30, 2016

	Governmental Activities	Business- Type Activities	Total
Compensated absences	\$ 68,290	\$ 6,968	\$ 75,258
Total noncurrent liabilities	\$ 3,332,829	\$ 1,007,217	\$ 4,340,046
Total liabilities	\$ 3,780,175	\$ 2,257,734	\$ 6,037,909
DEFERRED INFLOWS OF RESOURCES			
Related to pensions	\$ 116,049	\$ 6,096	\$ 122,145
Unavailable revenue	844,018	369,681	1,213,699
Total deferred inflows of resources	\$ 960,067	\$ 375,777	\$ 1,335,844
NET POSITION			
Net investment in capital assets	\$ 10,289,794	\$ 669,275	\$ 10,959,069
Restricted for:			
Capital projects	222,749		222,749
Debt service	103,095	459,517	562,612
Other purposes	7,265,024		7,265,024
Unrestricted	596,298	(1,946,585)	(1,350,287)
Total net position	\$ 18,476,960	\$ (817,793)	\$ 17,659,167

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

Catron County
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2016

		Program Revenues	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions
Governmental activities:			
General government	\$ 1,769,289	\$ 73,875	\$ 521,000
Public safety	1,775,517	23,733	1,117,516
Public works	876,332	50	1,458,289
Health and welfare	367,223		188,628
Culture-recreation	250,074		4,492
Unallocated interest expense	16,774		
Total governmental activities	\$ 5,055,209	\$ 97,658	\$ 3,289,925
Business-type activities:			
Landfill	\$ 354,231	\$ 233,906	\$ 514,329
Ambulance	133,025	112,096	
Airport	17,929	-	
Total business-type activities	\$ 505,185	\$ 346,002	\$ 514,329
Total government	\$ 5,560,394	\$ 443,660	\$ 3,804,254
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			
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
\$ -	\$ (1,174,414)	\$ -	\$ (1,174,414)
	(634,268)		(634,268)
865,993	1,448,000		1,448,000
	(178,595)		(178,595)
	(245,582)		(245,582)
	(16,774)		(16,774)
<u>\$ 865,993</u>	<u>\$ (801,633)</u>	<u>\$ -</u>	<u>\$ (801,633)</u>
\$ -	\$ -	\$ 394,004	\$ 394,004
		(20,929)	(20,929)
99,838		81,909	81,909
<u>\$ 99,838</u>	<u>\$ -</u>	<u>\$ 454,984</u>	<u>\$ 454,984</u>
<u>\$ 965,831</u>	<u>\$ (801,633)</u>	<u>\$ 454,984</u>	<u>\$ (346,649)</u>
	\$ 1,340,313	\$ -	\$ 1,340,313
	208,464	106,180	314,644
	162,157		162,157
	403,894		403,894
	12,483		12,483
	17,528		17,528
	670,616		670,616
	<u>\$ 2,815,455</u>	<u>\$ 106,180</u>	<u>\$ 2,921,635</u>
	\$ 2,013,822	\$ 561,164	\$ 2,574,986
	16,463,138	(1,378,957)	15,084,181
	<u>\$ 18,476,960</u>	<u>\$ (817,793)</u>	<u>\$ 17,659,167</u>

Catron County
BALANCE SHEETS
GOVERNMENTAL FUNDS
June 30, 2016

	General Fund	Phase II Rancho Grande	Road Improvements
Assets			
Cash and investments	\$ 6,766,759	\$ 151,081	\$ 743,041
Interest receivable	715		
Taxes receivable	274,931		
Prepaid expenses	52,792		
Due from other governments			
Interfund receivable	904,946	72,934	
Total assets	\$ 8,000,143	\$ 224,015	\$ 743,041
Liabilities			
Accounts payable	\$ 31,399	\$ 142,947	\$ -
Salaries payable	47,595		
Interfund payable	72,934		
Total liabilities	\$ 151,928	\$ 142,947	\$ -
Deferred Inflows of Resources			
Unavailable revenue	\$ 140,640	\$ 100,977	\$ 743,041
Total deferred inflows of resources	\$ 140,640	\$ 100,977	\$ 743,041
Fund balance:			
Nonspendable			
Prepaid expenses	\$ 52,792	\$ -	\$ -
Restricted:			
Capital projects			
Debt service			
Public safety			
Health and welfare			
Public works	4,469,522		
General government	825,249		
Equipment purchases			
Culture and recreation			
Assigned:			
Culture and recreation			
Unassigned	2,360,012	(19,909)	
Total fund balance	\$ 7,707,575	\$ (19,909)	\$ -
Total liabilities, deferred inflows of resources and fund balances	\$ 8,000,143	\$ 224,015	\$ 743,041

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

<u>Other Funds</u>	<u>Total Governmental Funds</u>
\$ 2,290,548	\$ 9,951,429
38	753
12,691	287,622
43,794	96,586
64,770	64,770
	977,880
<u>\$ 2,411,841</u>	<u>\$ 11,379,040</u>
\$ 99,312	\$ 273,658
	47,595
212,726	285,660
<u>\$ 312,038</u>	<u>\$ 606,913</u>
\$ -	\$ 984,658
<u>\$ -</u>	<u>\$ 984,658</u>
\$ 43,794	\$ 96,586
204,817	204,817
115,674	115,674
1,406,797	1,406,797
327,124	327,124
	4,469,522
89,949	915,198
18,298	18,298
2,615	2,615
37,591	37,591
(146,856)	2,193,247
<u>\$ 2,099,803</u>	<u>\$ 9,787,469</u>
<u>\$ 2,411,841</u>	<u>\$ 11,379,040</u>

Catron County
**RECONCILIATION OF TOTAL GOVERNMENTAL
 FUND BALANCE TO NET POSITION OF
 GOVERNMENTAL ACTIVITIES**
 June 30, 2016

Total governmental fund balances	\$	9,787,469
<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.		11,933,177
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		(116,049)
Deferred outflows of resources related to pensions		190,645
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		140,640
Receivables subject to the 60 day availability period		
Long-term liabilities are not reported in the funds:		
Net pension liability		(1,743,895)
Notes payable		(1,643,383)
Accrued interest payable		(3,354)
Compensated absences		(68,290)
		(3,385,522)
<i>Net position of governmental activities</i>	<u>\$</u>	<u>18,476,960</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, 2016

	<u>General Fund</u>	<u>Phase II Rancho Grande</u>
Revenues:		
Property taxes	\$ 1,306,878	\$ -
Gross receipts taxes	146,856	
Gas taxes	162,157	
Motor vehicle taxes	403,894	
Federal intergovernmental	2,041,655	
State intergovernmental	719,333	859,832
Fines, licenses and permits	50	
Charges for services	41,658	
Miscellaneous	27,246	
	<hr/>	<hr/>
Total revenues	\$ 4,849,727	\$ 859,832
	<hr/>	<hr/>
Expenditures:		
Current:		
General government	\$ 1,329,670	\$ -
Public safety	940,231	
Public works	801,926	
Health and welfare	23,227	
Culture recreation	99,597	
Debt service:		
Principal		
Interest		
Loan issue costs		
Capital outlay	489,693	942,158
	<hr/>	<hr/>
Total expenditures	\$ 3,684,344	\$ 942,158
	<hr/>	<hr/>
Revenues over (under) expenditures	\$ 1,165,383	\$ (82,326)
Other financing sources (uses):		
Transfer in		62,417
Transfer out	(311,194)	
Loan proceeds		
	<hr/>	<hr/>
Net change in fund balances	\$ 854,189	\$ (19,909)
Fund balance, July 1, 2015	6,853,386	-
	<hr/>	<hr/>
Fund balance, June 30, 2016	<u>\$ 7,707,575</u>	<u>\$ (19,909)</u>

<u>Road Improvements</u>	<u>Other Funds</u>	<u>Governmental Funds Total</u>
\$ -	\$ - 61,608	\$ 1,306,878 208,464 162,157 403,894
6,161	89,089 1,110,464	2,130,744 2,695,790
	22,189 33,761 2,765	22,239 75,419 30,011
<u>\$ 6,161</u>	<u>\$ 1,319,876</u>	<u>\$ 7,035,596</u>
\$ -	\$ 10,257 555,067	\$ 1,339,927 1,495,298 801,926
	202,204 8,448	225,431 108,045
	112,365 15,162 816	112,365 15,162 816
<u>254,938</u>	<u>314,221</u>	<u>2,001,010</u>
<u>\$ 254,938</u>	<u>\$ 1,218,540</u>	<u>\$ 6,099,980</u>
\$ (248,777)	\$ 101,336	\$ 935,616
		311,194 (311,194)
<u>248,777</u>	<u>108,817</u>	<u>108,817</u>
\$ -	\$ 210,153	\$ 1,044,433
<u>-</u>	<u>1,889,650</u>	<u>8,743,036</u>
<u>\$ -</u>	<u>\$ 2,099,803</u>	<u>\$ 9,787,469</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, 2016

Net change in fund balances-total governmental funds	\$ 1,044,433
 <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.	819,409
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.	33,435
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	147,637
Cost of benefits earned net of employee contributions	(30,583)
Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets	112,365
Bond and loan proceeds are reported as financing sources in the funds, In the Statement of Activities, however, issuing debt increased long term liabilities	(108,817)
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.	(796)
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.	<u>(3,261)</u>
<i>Change in Net Position of Governmental Activities</i>	<u><u>\$ 2,013,822</u></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, 2016

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 2,052,000	\$ 2,052,000	\$ 2,005,080	\$ (46,920)
State sources	2,135,368	2,135,368	883,998	(1,251,370)
Federal sources	1,930,000	1,930,000	2,040,902	110,902
Fines, licenses and permits			50	50
Charges for services	40,000	40,000	34,457	(5,543)
Miscellaneous	2,700	2,700	34,447	31,747
Total revenues	\$ 6,160,068	\$ 6,160,068	\$ 4,998,934	\$ (1,161,134)
Expenditures:				
Current:				
General government	\$ 1,331,000	\$ 1,608,067	\$ 1,324,546	\$ 283,521
Public safety	995,000	1,346,205	937,489	408,716
Public works	1,850,000	1,909,850	1,351,808	558,042
Health and welfare		46,105	21,324	24,781
Culture and recreation		217,185	100,097	117,088
Capital outlay	2,000,000	83,432	368,365	(284,933)
Total expenditures	\$ 6,176,000	\$ 5,210,844	\$ 4,103,629	\$ 1,107,215
Revenues over (under) expenditures	\$ (15,932)	\$ 949,224	\$ 895,305	\$ (53,919)
Other financing sources (uses):				
Transfer in	180,000			-
Transfer out	(13,470)		(3,233)	(3,233)
Net change in fund balance	\$ 150,598	\$ 949,224	\$ 892,072	\$ (57,152)
Fund balance, July 1, 2015			6,058,757	6,058,757
Fund balance, June 30, 2016	\$ 150,598	\$ 949,224	\$ 6,950,829	\$ 6,001,605
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 854,189	
Revenue accruals (net)			149,207	
Expenditure accruals (net)			(419,285)	
Other financing sources (uses)			307,961	
Net change in fund balance, NON-GAAP budgetary basis			\$ 892,072	

The accompanying notes are an integral part of these financial statements

Catron County
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
June 30, 2016

Assets	<u>Landfill</u>	<u>Ambulance</u>	<u>Airport</u>	<u>Total</u>
Current:				
Cash and investments	\$ 286,876	\$ 159,933	\$ -	\$ 446,809
Prepays		31,851	886	32,737
Receivables, net of allowances:				
Intergovernmental grants			99,838	99,838
Accounts	11,958	61,542		73,500
Taxes	12,691	12,691		25,382
	<u>\$ 311,525</u>	<u>\$ 266,017</u>	<u>\$ 100,724</u>	<u>\$ 678,266</u>
Total current assets				
Noncurrent assets:				
Restricted:				
Cash and investments	\$ 459,517	\$ -	\$ -	\$ 459,517
Capital assets (net)	345,212	11,475	312,588	669,275
	<u>\$ 804,729</u>	<u>\$ 11,475</u>	<u>\$ 312,588</u>	<u>\$ 1,128,792</u>
Total noncurrent assets				
	<u>\$ 1,116,254</u>	<u>\$ 277,492</u>	<u>\$ 413,312</u>	<u>\$ 1,807,058</u>
Total assets				
	<u>\$ 1,116,254</u>	<u>\$ 277,492</u>	<u>\$ 413,312</u>	<u>\$ 1,807,058</u>
Deferred Outflows of Resources				
Related to pensions	\$ 8,660	\$ -	\$ -	\$ 8,660
	<u>\$ 8,660</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,660</u>
Liabilities				
Current:				
Accounts payable	\$ 95,553	\$ 2,273	\$ 14,772	\$ 112,598
Accrued liabilities	5,696	2,349		8,045
Interfund payable	496,793	57,611	137,816	692,220
Estimated liability for landfill postclosure costs	437,654			437,654
	<u>\$ 1,035,696</u>	<u>\$ 62,233</u>	<u>\$ 152,588</u>	<u>\$ 1,250,517</u>
Total current liabilities				
Noncurrent liabilities:				
Estimated liability for landfill postclosure costs	\$ 911,262	\$ -	\$ -	\$ 911,262
Net pension liability	88,987			88,987
Compensated absences	6,968			6,968
	<u>\$ 1,007,217</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,007,217</u>
Total noncurrent liabilities				
	<u>\$ 1,007,217</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,007,217</u>
Total liabilities				
	<u>\$ 2,042,913</u>	<u>\$ 62,233</u>	<u>\$ 152,588</u>	<u>\$ 2,257,734</u>

Catron County
STATEMENT OF NET POSITION - PROPRIETARY FUNDS (concluded)
June 30, 2016

	Landfill	Ambulance	Airport	Total
DEFERRED INFLOWS OF RESOURCES				
Related to pensions	\$ 6,096	\$ -	\$ -	\$ 6,096
Unavailable revenue	369,681			369,681
Total deferred inflows of resources	\$ 375,777	\$ -	\$ -	\$ 375,777
Net Position				
Net investment in capital assets	\$ 345,212	\$ 11,475	\$ 312,588	\$ 669,275
Restricted for:				
Debt service	459,517			459,517
Unrestricted	(2,098,505)	203,784	(51,864)	(1,946,585)
Total net position	\$ (1,293,776)	\$ 215,259	\$ 260,724	\$ (817,793)

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, 2016

	<u>Landfill</u>	<u>Ambulance</u>	<u>Airport</u>	<u>Total</u>
Operating revenues:				
Charges for services	\$ 233,906	\$ 112,096	\$ -	\$ 346,002
Operating expenses:				
Personnel	\$ 151,408	\$ 30,820	\$ -	\$ 182,228
Operating	161,363	77,342	4,201	242,906
Depreciation	41,460	24,863	13,728	80,051
Total operating expenses	\$ 354,231	\$ 133,025	\$ 17,929	\$ 505,185
Net operating income	\$ (120,325)	\$ (20,929)	\$ (17,929)	\$ (159,183)
Nonoperating revenue (expense):				
Investment income	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	53,090	53,090		106,180
State grants	514,329		99,838	614,167
Federal grants				-
Miscellaneous revenue				-
Interest expense				-
Total nonoperating revenue (expense)	\$ 567,419	\$ 53,090	\$ 99,838	\$ 720,347
Net income before operating transfers	\$ 447,094	\$ 32,161	\$ 81,909	\$ 561,164
Transfers:				
In				-
Out				-
Change in net position	\$ 447,094	\$ 32,161	\$ 81,909	\$ 561,164
Net position, beginning of year	(1,740,870)	183,098	178,815	(1,378,957)
Net position, end of year	<u>\$ (1,293,776)</u>	<u>\$ 215,259</u>	<u>\$ 260,724</u>	<u>\$ (817,793)</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, 2016

	<u>Landfill</u>	<u>Ambulance</u>	<u>Airport</u>	<u>Total</u>
Cash flows from operating activities:				
Receipts from customers	\$ 286,333	\$ 104,430	\$ -	\$ 390,763
Payments to suppliers	(583,315)	(106,568)	(4,191)	(694,074)
Payments to employees	(157,787)	(30,030)		(187,817)
Net cash provided (used) by operating activities	<u>\$ (454,769)</u>	<u>\$ (32,168)</u>	<u>\$ (4,191)</u>	<u>\$ (491,128)</u>
Cash flows from noncapital financing activities:				
Dedicated tax receipts	\$ 46,211	\$ 46,211	\$ -	\$ 92,422
Miscellaneous collections	-			-
Temporary loans from other funds			111,521	
Transfers from other funds				-
Transfers to other funds				-
Net cash provided (used) by noncapital financing activities	<u>\$ 46,211</u>	<u>\$ 46,211</u>	<u>\$ 111,521</u>	<u>\$ 92,422</u>
Cash flows from capital and related financing activities:				
Purchase of capital assets	\$ -	\$ -	\$ (107,576)	\$ (107,576)
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>\$ -</u>	<u>\$ -</u>	<u>\$ (107,576)</u>	<u>\$ (107,576)</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	\$ (408,558)	\$ 14,043	\$ (246)	\$ (506,282)
Cash and equivalents, beginning of year	<u>1,154,951</u>	<u>145,890</u>	<u>246</u>	<u>1,301,087</u>
Cash and equivalents, end of year	<u><u>\$ 746,393</u></u>	<u><u>\$ 159,933</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 906,326</u></u>

Catron County
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (concluded)
For the Fiscal Year Ended June 30, 2016

	<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)	\$ (120,325)	\$ (20,929)	\$ (17,929)	\$ (159,183)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation expense	41,460	24,863	13,728	80,051
Changes in assets and liabilities:				
Prepaid expenses		(31,851)	(22)	(31,873)
Receivables, net	52,427	(7,666)		44,761
Accounts payable	92,377	2,625	32	95,034
Accrued expenses	(5,985)	790		(5,195)
Landfill postclosure	(514,329)			(514,329)
Compensated absences	(394)			(394)
Net cash provided (used) by operating activities	<u>\$ (454,769)</u>	<u>\$ (32,168)</u>	<u>\$ (4,191)</u>	<u>\$ (491,128)</u>

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

Catron County
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2016

Assets

Cash and investments	\$ 20,706
Taxes receivable	<u>91,778</u>
Total assets	<u><u>\$ 112,484</u></u>

Liabilities

Due to others	<u>\$ 112,484</u>
Total liabilities	<u><u>\$ 112,484</u></u>

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

Catron County
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

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. Phase II Rancho Grande and Road Improvements are funded directly through NMFA and, therefore, are not budgeted.

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				
	Statement Of Net Position	General Fund	Phase II Rancho Grande	Road Improvements	Total
Advances under expenditure driven grants	\$ 844,018	\$	\$ 100,977	\$ 743,041	\$ 844,018
Property taxes	_____	140,640	_____	_____	140,640
Total	<u>\$ 844,018</u>	<u>\$ 140,640</u>	<u>\$ 100,977</u>	<u>\$ 743,041</u>	<u>\$ 984,658</u>

In addition, the landfill fund has deferred inflows of resources under expenditure driven grants of \$369,681.

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, 2016 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, 2016, \$4,067,960 of the County’s bank balance of \$9,558,171 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized		<u>\$ 4,067,960</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	4,990,211	4,990,211
Uninsured and uncollateralized	<u>4,067,960</u>	<u>3,850,186</u>
	<u>\$ 9,558,171</u>	<u>\$ 9,340,397</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 \$1,487,245.

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 \$49,869 on deposit in the pool at June 30, 2016, which is AAAM rated with a weighted average maturity of 44 days.

Note 3 Receivables

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Accounts receivable:		
Services (net)	\$ -0-	\$ 73,500
Property taxes	\$ 149,067	\$
Gross receipts tax	50,764	25,382
Motor Vehicle Taxes	60,537	
Gas Tax	<u>27,254</u>	
Total taxes receivable	<u>\$ 287,622</u>	<u>\$ 25,382</u>
Interest receivable	<u>\$ 753</u>	<u>\$ -0-</u>
Intergovernmental grants	<u>\$ 64,770</u>	<u>\$ 99,838</u>
Total	<u>\$ 353,145</u>	<u>\$ 198,720</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, 2016, was as follows:

	<u>Balance July 1, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2016</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land and land improvements	\$ 201,146	\$	\$	\$ 201,146
Construction in pro- gress	<u>356,867</u>	<u>1,325,896</u>	<u>24,299</u>	<u>1,658,464</u>
Total capital assets not being depre- ciated	<u>\$ 558,013</u>	<u>\$ 1,325,896</u>	<u>\$ 24,299</u>	<u>\$ 1,859,610</u>
Capital assets being depreciated:				
Infrastruction	\$ 10,144,825	\$ 30,069	\$	\$ 10,174,894
Improvements	1,064,261	214,616		1,278,877
Buildings	6,554,755	24,299		6,579,054
Equipment/vehicles/				

machinery	<u>12,087,934</u>	<u>430,429</u>	<u>-</u>	<u>12,518,363</u>
Total capital assets being depreciated	<u>\$ 29,851,775</u>	<u>\$ 699,413</u>	<u>\$ -</u>	<u>\$ 30,551,188</u>
Less accumulated depreciation for:				
Infrastructure	\$ (8,815,867)	\$ (31,745)	\$ -	\$ (8,847,612)
Improvements	(651,768)	(37,331)	-	(689,099)
Buildings	(2,510,933)	(156,811)	-	(2,667,744)
Equipment/vehicles/ machinery	<u>(7,317,452)</u>	<u>(955,714)</u>	<u>-</u>	<u>(8,273,166)</u>
Total accumulated depreciation	<u>\$(19,296,020)</u>	<u>\$ (1,181,601)</u>	<u>\$ -</u>	<u>\$(20,477,621)</u>
Total capital assets being depreciated, net	<u>\$ 10,555,755</u>	<u>\$ (482,188)</u>	<u>\$ -</u>	<u>\$ 10,073,567</u>
Governmental activity, capital assets, net	<u>\$ 11,113,768</u>	<u>\$ 843,708</u>	<u>\$ 24,299</u>	<u>\$ 11,933,177</u>
Other business-type activity programs:				
	<u>Balance July 1, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2016</u>
Capital assets not being depreciated:				
Land and land improvements	\$ 11,000	\$ -	\$ -	\$ 11,000
Construction in progress	<u>7,256</u>	<u>115,004</u>	<u>-</u>	<u>122,260</u>
Total capital assets not being depre- ciated	<u>\$ 18,256</u>	<u>\$ 115,004</u>	<u>\$ -</u>	<u>\$ 133,260</u>
Capital assets being depreciated:				
Equipment	\$ 1,216,232	\$ -	\$ -	\$ 1,216,232
Buildings	9,600	-	-	9,600
Infrastructure	613,243	-	-	613,243
Improvements	<u>291,205</u>	<u>-</u>	<u>-</u>	<u>291,205</u>
Total capital assets being depreciated	<u>\$ 2,130,280</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,130,280</u>
Less accumulated depreciation:				
Equipment	\$ 974,729	\$ 51,379	\$ -	\$ 1,026,108
Buildings	1,536	384	-	1,920
Infrastructure	414,187	13,728	-	427,915
Improvements	<u>123,762</u>	<u>14,560</u>	<u>-</u>	<u>138,322</u>

Total accumulated depreciation	<u>\$ 1,514,214</u>	<u>\$ 80,051</u>	<u>\$ -</u>	<u>\$ 1,594,265</u>
Total capital assets being depreciated, net	<u>\$ 616,066</u>	<u>\$ 80,051</u>	<u>\$ -</u>	<u>\$ 536,015</u>
Other business-type activity programs capital assets, net	<u>\$ 634,322</u>	<u>\$ 34,953</u>	<u>\$ -</u>	<u>\$ 669,275</u>

Depreciation was charged to the Governmental Activities as follows:

General Government	\$ 472,404
Public Safety	330,848
Public Works	94,528
Health and welfare	141,792
Culture-recreation	<u>142,029</u>
	<u>\$ 1,181,601</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>\$ 561,901</u>
Remaining post-closure liability	<u>\$ 1,325,130</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, 2016, accrued expenses consisted of the following:

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Accruals payroll and benefits	\$ 47,595	\$ 8,045
	<u>\$ 47,595</u>	<u>\$ 8,045</u>

Note 7 Long-Term Debt

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

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2016</u>	<u>Due Within One Year</u>
Notes payable	<u>\$1,646,931</u>	<u>\$ 108,817</u>	<u>\$ 112,365</u>	<u>\$1,643,383</u>	<u>\$ 122,739</u>

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 \$1,642,697 at June 30, 2016, which is 25% 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 2017 through 2033. During the year ended June 30, 2016, the County recognized \$569,650 in pledged revenues, and retired \$118,388 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 \$118,807 at June 30, 2016, which is 7% of gross receipts taxes at their current rate. Interest is not charged, and maturity rates range from 2017-2018. During the year ended June 30, 2016, the County recognized \$146,856 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, 2016.

The annual principal payment requirements for notes outstanding as of June 30, 2016 are summarized as follows:

	<u>Principal Payment</u>	<u>Interest Payment</u>
2017	\$ 122,739	\$ 16,882
2018	112,825	15,342
2019	113,590	14,443
2020	104,371	13,367
2021	105,467	12,114
2022-2026	554,072	38,054
2027-2031	406,659	7,748
2032-2037	<u>123,660</u>	<u>171</u>
	<u>\$ 1,643,383</u>	<u>\$ 118,121</u>

Compensated absences in governmental funds were as follows:

	<u>Balance July 1, 2015</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance June 30, 2016</u>	<u>Due in One Year</u>
Compensated absences	\$ <u>65,029</u>	\$ <u>59,014</u>	\$ <u>(55,753)</u>	\$ <u>68,290</u>	\$ <u>-0-</u>

Changes in Proprietary Funds Long-Term Debt were as follows during the year ended June 30, 2016:

	<u>Balance July 1, 2015</u>	<u>Increase</u>	<u>Decrease</u>	<u>Balance June 30, 2016</u>	<u>Due in One Year</u>
Compensated absences	\$ <u>7,362</u>	\$ <u>5,575</u>	\$ <u>(5,969)</u>	\$ <u>6,968</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, 2015 available at [http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366 Public Employees Retirement Association 2015.pdf](http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366%20Public%20Employees%20Retirement%20Association%202015.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 FY15 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 31 through 32 of the PERA FY15 annual audit at <http://osanm.org/media/audits/366PublicEmployeesRetirementAssociation2015.pdf>. The PERA coverage options that apply to the County are the Municipal General, and Municipal Police. Statutorily required contributions to the pension plan from the County were \$156,297 and employer paid member benefits that were “picked up” by the employer were \$0 for the year ended June 30, 2016.

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, 2014. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore the employer’s portion was established as of the measurement date June 30, 2015.

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, 2015. Only employer contributions for the pay period end dates that fell within the period of July 1, 2014 to June 30, 2015 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2015 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, 2016, the County reported a liability of \$1,217,386 for its proportionate share of the net pension liability. At June 30, 2015, the County's proportion was .1194 percent, and was .1247 percent measured as of June 30, 2014.

For the year ended June 30, 2016, the County recognized PERA Fund Division Municipal General pension expense of \$18,527. At June 30, 2016, 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	\$ -	\$ 26,966
Changes of assumptions	-	474
Net difference between projected and actual earnings on pension plan investments	-	3,851
Changes in proportion and differences between the County's contributions and proportionate share of contributions		31,572
The County's contributions subsequent to the measurement date	<u>89,442</u>	<u>-</u>
Total	<u>\$ 89,442</u>	<u>\$ 62,860</u>

\$89,442 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date, June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. 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:

2017	\$ 42,768
2018	42,768
2019	42,768
2020	(65,441)

For PERA Fund Division - Municipal Police, at June 30, 2016, the County reported a liability of \$615,496 for its proportionate share of the net pension liability. At June 30, 2015, the County's proportion was .1680 percent, and was .1409 percent as of June 30 2014.

For the year ended June 30, 2016, the County recognized PERA Fund Division – Municipal Police pension expense of \$13,849. At June 30, 2016, 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	\$ 43,008	\$ -
Changes of assumptions	-	25,464
Net difference between projected and actual earnings on pension plan investments	-	1,707
Changes in proportion and differences between Catron County's contributions and proportionate share of contributions	-	32,111
Catron County's contributions subsequent to the measurement date	<u>66,855</u>	<u>-</u>
Total	<u>\$ 109,863</u>	<u>\$ 59,282</u>

\$66,855 reported as deferred outflows of resources related to pensions resulting from Catron County's contributions subsequent to the measurement date, June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. 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:

2017	(15,945)
2018	(15,945)
2019	(15,945)
2020	31,561

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, 2014 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, 2015 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, 2015. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2015 actuarial valuation.

Actuarial valuation date	June 30, 2014
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>\$2,072,726</u>	<u>\$ 1,217,386</u>	<u>\$ 506,230</u>
PERA Fund Division Municipal Police			
The County’s proportionate share of the net pension liability	<u>\$1,016,454</u>	<u>\$ 615,496</u>	<u>\$ 286,574</u>

Pension Plan Fiduciary Net Position – Detailed information about the pension plan’s fiduciary net position is available in the separately issued FY14 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, 2016.

Future commitments under the leases are:

2017	\$ 155,256
2018	79,986
2019	33,713
2020	<u>16,750</u>
	<u>\$ 285,705</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, 2016.

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 no expenditures in excess of budgetary authority.

Note 15 Fund Balance Deficits

The County had fund balance deficits in the following funds:

Phase II Rancho Grande	\$ (19,909)
Farm and Ranch	(146)
Enhanced 911	(67,098)
Corrections	(52,816)
Safety net	(17,571)

These deficits are 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, 2016, consisted of the following:

	<u>Governmental Activities</u>		<u>Business-Like Activities</u>			
	<u>Inter-Fund Payable</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	\$	\$ 212,726	\$ 496,793	\$ 57,611	\$ 137,816	\$ 904,946
Phase II Rancho Grande	<u>72,934</u>					<u>72,934</u>
	<u>\$ 72,934</u>	<u>\$ 212,726</u>	<u>\$ 496,793</u>	<u>\$ 57,611</u>	<u>\$ 137,816</u>	<u>\$ 977,880</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, 2016:

	<u>Transfers To</u>		
<u>Transfers From</u>	<u>Road Improvement</u>	<u>Phase II Rancho Grande</u>	<u>Total</u>
General	<u>\$ 248,777</u>	<u>\$ 62,417</u>	<u>\$ 311,194</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	\$ 37,591
Reappraisal	89,949
County Indigent Fund	292,926
Rural Fire Departments	1,409,491
Other	<u>5,435,067</u>
	<u>\$ 7,265,024</u>

The County reports \$7,590,868 in restricted assets, of which \$7,590,868 is restricted by enabling legislation.

Note 18 Evaluation of Subsequent Events

The County has evaluated subsequent events through October 25, 2016, the date which the financial statements were available to be issued.

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.

DWI – to account for the state revenues to aid in education and prevention of DWI.

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, 2016

	Special Revenue Funds			
	Farm and Range	Recreation	Clerk's Equipment	Reappraisal
Assets				
Cash and investments	\$ -	\$ 2,615	\$ 7,853	\$ 89,949
Interest receivable				
Taxes receivable				
Due from other governments				
Prepaid expenses				
Total assets	\$ -	\$ 2,615	\$ 7,853	\$ 89,949
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Interfund payable	146		7,487	
Total liabilities	\$ 146	\$ -	\$ 7,487	\$ -
Deferred Inflows of Resources				
Unavailable revenue	\$ -	\$ -	\$ -	\$ -
Total deferred inflows of resources	\$ -	\$ -	\$ -	\$ -
Fund balances:				
Nonspendable:				
Prepaid expenses	\$ -	\$ -	\$ -	\$ -
Restricted:				
Capital projects				
Debt service				
Public safety				
Health and welfare				
General government				89,949
Equipment purchases			366	
Culture and recreation		2,615		
Assigned:				
Culture and recreation				
Unassigned	(146)			
Total fund balance	\$ (146)	\$ 2,615	\$ 366	\$ 89,949
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ 2,615	\$ 7,853	\$ 89,949

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>
\$ 38,985	\$ 9,935	\$ 280,647	\$ 7,491	\$ 7,280	\$ 9,225
		12,691		64,770	
<u>\$ 38,985</u>	<u>\$ 9,935</u>	<u>\$ 293,338</u>	<u>\$ 7,491</u>	<u>\$ 72,050</u>	<u>\$ 9,225</u>
\$ 309	\$ 1,854	\$ 412	\$ -	\$ 64,770	\$ 7,209
1,085			74,589		54,832
<u>\$ 1,394</u>	<u>\$ 1,854</u>	<u>\$ 412</u>	<u>\$ 74,589</u>	<u>\$ 64,770</u>	<u>\$ 62,041</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
					9,225
	8,081	292,926		7,280	
37,591			(67,098)		(62,041)
<u>\$ 37,591</u>	<u>\$ 8,081</u>	<u>\$ 292,926</u>	<u>\$ (67,098)</u>	<u>\$ 7,280</u>	<u>\$ (52,816)</u>
<u>\$ 38,985</u>	<u>\$ 9,935</u>	<u>\$ 293,338</u>	<u>\$ 7,491</u>	<u>\$ 72,050</u>	<u>\$ 9,225</u>

Catron County
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEETS (concluded)
June 30, 2016

	Special Revenue Funds			
	Law Enforcement	Confiscated Drugs	Cops	Legal
Assets				
Cash and investments	\$ 27,166	\$ 897	\$ 2,601	\$ 2,395
Interest receivable				
Taxes receivable				
Due from other governments				
Prepaid expenses				
Total assets	\$ 27,166	\$ 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:				
Nonspendable:				
Prepaid expenses	\$ -	\$ -	\$ -	\$ -
Restricted:				
Capital projects				
Debt service				
Public safety	27,166	857	2,601	2,395
Health and welfare				
General government				
Equipment purchases				
Culture and recreation				
Assigned:				
Culture and recreation				
Unassigned				
Total fund balance	\$ 27,166	\$ 857	\$ 2,601	\$ 2,395
Total liabilities, deferred inflows of resources, and fund balances	\$ 27,166	\$ 897	\$ 2,601	\$ 2,395

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

Special Revenue Funds			Capital Projects Funds	
DWI	Safety Net	Rural Fire Departments	Capital Projects	Total
\$ 26,967	\$ -	\$ 1,571,725 38	\$ 204,817	\$ 2,290,548 38
		43,794		12,691 64,770 43,794
<u>\$ 26,967</u>	<u>\$ -</u>	<u>\$ 1,615,557</u>	<u>\$ 204,817</u>	<u>\$ 2,411,841</u>
\$ 49	\$ - 17,571	\$ 24,709 56,976	\$ -	\$ 99,312 212,726
<u>\$ 49</u>	<u>\$ 17,571</u>	<u>\$ 81,685</u>	<u>\$ -</u>	<u>\$ 312,038</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ 43,794	\$ -	\$ 43,794
			204,817	204,817
		106,449		115,674
		1,365,697		1,406,797
26,918				327,124
				89,949
		17,932		18,298
				2,615
	(17,571)			37,591
				(146,856)
<u>\$ 26,918</u>	<u>\$ (17,571)</u>	<u>\$ 1,533,872</u>	<u>\$ 204,817</u>	<u>\$ 2,099,803</u>
<u>\$ 26,967</u>	<u>\$ -</u>	<u>\$ 1,615,557</u>	<u>\$ 204,817</u>	<u>\$ 2,411,841</u>

Catron County
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For The Fiscal Year Ended June 30, 2016

	Special Revenue Funds			
	<u>Farm and Range</u>	<u>Recreation</u>	<u>Clerk's Equipment</u>	<u>Reappraisal</u>
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes				
Federal sources	16,600			
State sources				
Fines and forfeitures				
Charges for services			10,321	23,440
Miscellaneous				49
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>\$ 16,600</u>	<u>\$ -</u>	<u>\$ 10,321</u>	<u>\$ 23,489</u>
Expenditures:				
Current:				
General government	\$ -	\$ -	\$ 7,223	\$ 3,034
Public safety				
Health and welfare	18,467			
Culture recreation				
Debt service:				
Principle				
Interest				
Loan issue costs				
Capital outlay			3,261	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>\$ 18,467</u>	<u>\$ -</u>	<u>\$ 10,484</u>	<u>\$ 3,034</u>
Revenues over (under) expenditures	\$ (1,867)	\$ -	\$ (163)	\$ 20,455
Other financing sources (uses):				
Transfer in				
Loan proceeds				
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net changes in fund balances	\$ (1,867)	\$ -	\$ (163)	\$ 20,455
Fund balance, July 1, 2015	<u>1,721</u>	<u>2,615</u>	<u>529</u>	<u>69,494</u>
Fund balance, June 30, 2016	<u>\$ (146)</u>	<u>\$ 2,615</u>	<u>\$ 366</u>	<u>\$ 89,949</u>

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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	68,034	53,089		72,489 4,492	22,189
					93
<u>\$ -</u>	<u>\$ 68,034</u>	<u>\$ 53,089</u>	<u>\$ -</u>	<u>\$ 76,981</u>	<u>\$ 22,282</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,956	89,495	3,499		72,186 4,492	71,359
			10,936		9,139
<u>\$ 3,956</u>	<u>\$ 89,495</u>	<u>\$ 3,499</u>	<u>\$ 10,936</u>	<u>\$ 76,678</u>	<u>\$ 80,498</u>
\$ (3,956)	\$ (21,461)	\$ 49,590	\$ (10,936)	\$ 303	\$ (58,216)
\$ (3,956)	\$ (21,461)	\$ 49,590	\$ (10,936)	\$ 303	\$ (58,216)
41,547	29,542	243,336	(56,162)	6,977	5,400
<u>\$ 37,591</u>	<u>\$ 8,081</u>	<u>\$ 292,926</u>	<u>\$ (67,098)</u>	<u>\$ 7,280</u>	<u>\$ (52,816)</u>

Catron County
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (concluded)
For The Fiscal Year Ended June 30, 2016

	Special Revenue Funds		
	Law Enforcement	Confiscated Drugs	Cops
Revenues:			
Property taxes	\$ -	\$ -	\$ -
Gross receipts taxes			
Federal sources			
State sources	23,600		
Fines and forfeitures			
Charges for services			
Miscellaneous			
	\$ 23,600	\$ -	\$ -
Total revenues			
Expenditures:			
Current:			
General government	\$ -	\$ -	\$ -
Public safety			
Health and welfare			
Culture recreation			
Debt service			
Principle			
Interest			
Loan issue costs			
Capital outlay			
	\$ -	\$ -	\$ -
Total expenditures			
Revenues over (under) expenditures	\$ 23,600	\$ -	\$ -
Other financing sources (uses):			
Transfer in			
Loan proceeds			
	\$ 23,600	\$ -	\$ -
Net changes in fund balances			
Fund balance, July 1, 2015	3,566	857	2,601
Fund balance, June 30, 2016	\$ 27,166	\$ 857	\$ 2,601

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

Special Revenue Funds				Capital Projects Funds	
Legal	DWI	Safety Net	Rural Fire Departments	Capital Projects	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		8,519			61,608
	99,539		914,799		89,089
					1,110,464
					22,189
					33,761
			2,623		2,765
<u>\$ -</u>	<u>\$ 99,539</u>	<u>\$ 8,519</u>	<u>\$ 917,422</u>	<u>\$ -</u>	<u>\$ 1,319,876</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,257
	72,621	35,331	394,213		555,067
				100	202,204
					8,448
			103,226		112,365
			15,162		15,162
			816		816
			300,024		314,221
<u>\$ -</u>	<u>\$ 72,621</u>	<u>\$ 35,331</u>	<u>\$ 813,441</u>	<u>\$ 100</u>	<u>\$ 1,218,540</u>
\$ -	\$ 26,918	\$ (26,812)	\$ 103,981	\$ (100)	\$ 101,336
			108,817		-
					108,817
\$ -	\$ 26,918	\$ (26,812)	\$ 212,798	\$ (100)	\$ 210,153
2,395		9,241	1,321,074	204,917	1,889,650
<u>\$ 2,395</u>	<u>\$ 26,918</u>	<u>\$ (17,571)</u>	<u>\$ 1,533,872</u>	<u>\$ 204,817</u>	<u>\$ 2,099,803</u>

Catron County
NONMAJOR SPECIAL REVENUE FUNDS - RURAL FIRE DEPARTMENTS
COMBINING BALANCE SHEET
For the Fiscal Year Ended June 30, 2016

	Quemado Fire	Datil Fire	Glenwood Fire	Pie Town Fire
Assets				
Cash	\$ 118,107	\$ 135,088	\$ 83,282	\$ 201,737
Interest receivable		15	23	
Prepaid expenses	3,981	3,981	3,982	3,981
Total assets	<u>\$ 122,088</u>	<u>\$ 139,084</u>	<u>\$ 87,287</u>	<u>\$ 205,718</u>
Liabilities				
Accounts payable	\$ 513	\$ 114	\$ 20,171	\$ 280
Interfund payable	273	16,084		
Total liabilities	<u>\$ 786</u>	<u>\$ 16,198</u>	<u>\$ 20,171</u>	<u>\$ 280</u>
Deferred inflows of resources				
Unavailable revenue	\$ -	\$ -	\$ -	\$ -
Total deferred inflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances:				
Nonspendable:				
Prepaid expenses	\$ 3,981	\$ 3,981	\$ 3,982	\$ 3,981
Restricted:				
Capital projects				
Public safety	99,641	118,889	45,201	201,457
Equipment purchase			17,932	
Debt service	17,680	16	1	
Unassigned				
Total fund balance	<u>\$ 121,302</u>	<u>\$ 122,886</u>	<u>\$ 67,116</u>	<u>\$ 205,438</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 122,088</u>	<u>\$ 139,084</u>	<u>\$ 87,287</u>	<u>\$ 205,718</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>
\$ 248,286	\$ 143,405	\$ 191,305	\$ 125,642	\$ 62,268	\$ 108,215
<u>3,981</u>	<u>3,982</u>	<u>3,981</u>	<u>3,981</u>	<u>3,982</u>	<u>3,981</u>
<u>\$ 252,267</u>	<u>\$ 147,387</u>	<u>\$ 195,286</u>	<u>\$ 129,623</u>	<u>\$ 66,250</u>	<u>\$ 112,196</u>
\$ 981	\$ 191	\$ 362	\$ 48	\$ 1,406	\$ 349
<u>981</u>	<u>191</u>	<u>362</u>	<u>48</u>	<u>1,406</u>	<u>29,427</u>
<u>\$ 981</u>	<u>\$ 191</u>	<u>\$ 362</u>	<u>\$ 48</u>	<u>\$ 1,406</u>	<u>\$ 29,776</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 3,981	\$ 3,982	\$ 3,981	\$ 3,981	\$ 3,982	\$ 3,981
247,261	68,920	190,943	125,571	60,827	78,439
44	74,294		23	35	
<u>\$ 251,286</u>	<u>\$ 147,196</u>	<u>\$ 194,924</u>	<u>\$ 129,575</u>	<u>\$ 64,844</u>	<u>\$ 82,420</u>
<u>\$ 252,267</u>	<u>\$ 147,387</u>	<u>\$ 195,286</u>	<u>\$ 129,623</u>	<u>\$ 66,250</u>	<u>\$ 112,196</u>

Catron County
NONMAJOR SPECIAL REVENUE FUNDS - RURAL FIRE DEPARTMENTS
COMBINING BALANCE SHEET (concluded)
For the Fiscal Year Ended June 30, 2016

	Wild Horse Fire	Catron County Fire	Total
	<u> </u>	<u> </u>	<u> </u>
Assets			
Cash	\$ 58,013	\$ 96,377	\$ 1,571,725
Interest receivable			38
Prepaid expenses		3,981	43,794
	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 58,013</u>	<u>\$ 100,358</u>	<u>\$ 1,615,557</u>
Liabilities			
Accounts payable	\$ 192	\$ 102	\$ 24,709
Interfund payable	11,192		56,976
	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>\$ 11,384</u>	<u>\$ 102</u>	<u>\$ 81,685</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:			
Nonspendable:			
Prepaid expenses	\$ -	\$ 3,981	\$ 43,794
Restricted:			
Capital projects	-	-	-
Public safety	32,273	96,275	1,365,697
Equipment purchase			17,932
Debt service	14,356		106,449
Unassigned			-
	<u> </u>	<u> </u>	<u> </u>
Total fund balance	<u>\$ 46,629</u>	<u>\$ 100,256</u>	<u>\$ 1,533,872</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 58,013</u>	<u>\$ 100,358</u>	<u>\$ 1,615,557</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, 2016

	Quemado Fire	Datil Fire	Glenwood Fire
Revenues:			
Federal sources	\$ -	\$ -	\$ -
State sources	155,704	49,309	68,783
Charges for services			
Miscellaneous	178	52	505
	<u>\$ 155,882</u>	<u>\$ 49,361</u>	<u>\$ 69,288</u>
Total revenues			
Expenditures:			
Current			
Public safety	\$ 77,810	\$ 39,465	\$ 28,999
Debt service:			
Principal	22,549	7,566	
Interest	5,192		
Loan issue costs			816
Capital outlay			260,251
	<u>\$ 105,551</u>	<u>\$ 47,031</u>	<u>\$ 290,066</u>
Total expenditures			
Revenues over (under) expenditures	\$ 50,331	\$ 2,330	\$ (220,778)
Other financing sources (uses):			
Transfer in			
Transfer (out)			
Loan proceeds			108,817
	<u>\$ 50,331</u>	<u>\$ 2,330</u>	<u>\$ (111,961)</u>
Net change in fund balances			
Fund balance, July 1, 2015	70,971	120,556	179,077
Fund balance, June 20, 2016	<u>\$ 121,302</u>	<u>\$ 122,886</u>	<u>\$ 67,116</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>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
73,960	98,618	49,309	155,704	49,309	49,309	49,309
	174	178		1,336	30	
<u>\$ 73,960</u>	<u>\$ 98,792</u>	<u>\$ 49,487</u>	<u>\$ 155,704</u>	<u>\$ 50,645</u>	<u>\$ 49,339</u>	<u>\$ 49,309</u>
\$ 43,062	\$ 23,570	\$ 19,202	\$ 47,518	\$ 14,897	\$ 27,949	\$ 20,024
	19,945	13,505		9,401	16,952	
	2,725	4,775		171	1,753	
			39,773			
<u>\$ 43,062</u>	<u>\$ 46,240</u>	<u>\$ 37,482</u>	<u>\$ 87,291</u>	<u>\$ 24,469</u>	<u>\$ 46,654</u>	<u>\$ 20,024</u>
\$ 30,898	\$ 52,552	\$ 12,005	\$ 68,413	\$ 26,176	\$ 2,685	\$ 29,285
\$ 30,898	\$ 52,552	\$ 12,005	\$ 68,413	\$ 26,176	\$ 2,685	\$ 29,285
174,540	198,734	135,191	126,511	103,399	62,159	53,135
<u>\$ 205,438</u>	<u>\$ 251,286</u>	<u>\$ 147,196</u>	<u>\$ 194,924</u>	<u>\$ 129,575</u>	<u>\$ 64,844</u>	<u>\$ 82,420</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, 2016

	Wild Horse Fire	Catron County Fire	Total
Revenues:			
Federal sources	\$ -	\$ -	\$ -
State sources	49,309	66,176	914,799
Charges for services			-
Miscellaneous	162	8	2,623
Total revenues	\$ 49,471	\$ 66,184	\$ 917,422
Expenditures:			
Current			
Public safety	\$ 17,469	\$ 34,248	\$ 394,213
Debt service:			
Principal	13,308		103,226
Interest	546		15,162
Loan issue costs			816
Capital outlay			300,024
Total expenditures	\$ 31,323	\$ 34,248	\$ 813,441
Revenues over (under) expenditures	\$ 18,148	\$ 31,936	\$ 103,981
Other financing sources (uses):			
Transfer in			-
Transfer (out)			-
Loan proceeds			108,817
Net change in fund balances	\$ 18,148	\$ 31,936	\$ 212,798
Fund balance, July 1, 2015	28,481	68,320	1,321,074
Fund balance, June 20, 2016	<u>\$ 46,629</u>	<u>\$ 100,256</u>	<u>\$ 1,533,872</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Federal	\$ 18,500	\$ 18,500	\$ 16,600	\$ (1,900)
Miscellaneous				-
Total revenues	<u>\$ 18,500</u>	<u>\$ 18,500</u>	<u>\$ 16,600</u>	<u>\$ (1,900)</u>
Expenditures:				
Current:				
Health and Welfare	\$ 18,500	\$ 18,500	\$ 18,467	\$ 33
Capital outlay				-
Total expenditures	<u>\$ 18,500</u>	<u>\$ 18,500</u>	<u>\$ 18,467</u>	<u>\$ 33</u>
Revenues over (under) expenditures	\$ -	\$ -	\$ (1,867)	\$ (1,867)
Other financing sources (uses):				
Transfer in/(out)				-
Net change in fund balance	\$ -	\$ -	\$ (1,867)	\$ (1,867)
Fund balance, July 1, 2015			<u>1,721</u>	<u>1,721</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (146)</u>	<u>\$ (146)</u>
 Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (1,867)	
Revenue accruals (net)				
Expenditure accruals (net)				
Other financing uses				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ (1,867)</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, 2016

	<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				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:				
Current:				
Culture and recreation			\$ -	\$ -
Capital outlay				-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total expenditures				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -
Other financing sources (uses):				
Transfer in/(out)				-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance	\$ -	\$ -	\$ -	\$ -
Fund balance, July 1, 2015			<u>2,615</u>	<u>2,615</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,615</u>	<u>\$ 2,615</u>
 Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ -	
Revenue accruals (net)				
Expenditure accruals (net)				
Other financing uses			-	
			<u>-</u>	
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 - 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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Charges for services	\$ 10,000	\$ 10,000	\$ 10,321	\$ 321
Expenditures:				
Current:				
General government	\$ 20,000	\$ 15,000	\$ 7,223	\$ 7,777
Capital outlay			3,261	(3,261)
Total expenditures	<u>\$ 20,000</u>	<u>\$ 15,000</u>	<u>\$ 10,484</u>	<u>\$ 4,516</u>
Net change in fund balance	\$ (10,000)	\$ (5,000)	\$ (163)	\$ 4,837
Fund balance, July 1, 2015	<u>14,874</u>	<u>14,874</u>	<u>8,016</u>	<u>(6,858)</u>
Fund balance, June 30, 2016	<u><u>\$ 4,874</u></u>	<u><u>\$ 9,874</u></u>	<u><u>\$ 7,853</u></u>	<u><u>\$ (2,021)</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (163)	
Revenue accruals (net)				
Expenditure accruals (net)				
Other financing sources			<u> </u>	
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ (163)</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Charges for services	\$ 59,300	\$ 43,300	\$ 23,520	\$ (19,780)
Expenditures:				
Current:				
General government	\$ 53,300	\$ 37,300	\$ 3,034	\$ 34,266
Capital outlay	6,000	6,000		6,000
Total expenditures	<u>\$ 59,300</u>	<u>\$ 43,300</u>	<u>\$ 3,034</u>	<u>\$ 40,266</u>
Net change in fund balance	\$ -	\$ -	\$ 20,486	\$ 20,486
Fund balance, July 1, 2015			<u>69,463</u>	<u>69,463</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 89,949</u>	<u>\$ 89,949</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 20,455	
Revenue accruals (net)			31	
Expenditure accruals (net)			<u> </u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 20,486</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Miscellaneous	\$ 42,736	\$ 42,736	\$ -	\$ (42,736)
Expenditures:				
Current:				
Culture and recreation	\$ 6,000	\$ 6,000	\$ 3,873	\$ 2,127
Capital outlay				-
Total expenditures	<u>\$ 6,000</u>	<u>\$ 6,000</u>	<u>\$ 3,873</u>	<u>\$ 2,127</u>
Net change in fund balance	\$ 36,736	\$ 36,736	\$ (3,873)	\$ (40,609)
Fund balance, July 1, 2015			<u>42,858</u>	<u>42,858</u>
Fund balance, June 30, 2016	<u>\$ 36,736</u>	<u>\$ 36,736</u>	<u>\$ 38,985</u>	<u>\$ 2,249</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (3,956)	
Revenue accruals (net)				
Expenditure accruals (net)			<u>83</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ (3,873)</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 66,352	\$ 66,602	\$ 68,034	\$ 1,432
Miscellaneous				-
Total revenues	<u>\$ 66,352</u>	<u>\$ 66,602</u>	<u>\$ 68,034</u>	<u>\$ 1,432</u>
Expenditures:				
Current:				
Public Safety	\$ 95,135	\$ 95,385	\$ 88,145	\$ 7,240
Capital outlay				-
Total expenditures	<u>\$ 95,135</u>	<u>\$ 95,385</u>	<u>\$ 88,145</u>	<u>\$ 7,240</u>
Revenues over (under) expenditures	\$ (28,783)	\$ (28,783)	\$ (20,111)	\$ 8,672
Other financing sources (uses):				
Transfer in				<u>\$ -</u>
Net change in fund balance	\$ (28,783)	\$ (28,783)	\$ (20,111)	\$ 8,672
Fund balance, July 1, 2015	<u>30,046</u>	<u>30,046</u>	<u>30,046</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ 1,263</u></u>	<u><u>\$ 1,263</u></u>	<u><u>\$ 9,935</u></u>	<u><u>\$ 8,672</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (21,461)	
Revenue accruals (net)				
Expenditure accruals (net)			<u>1,350</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ (20,111)</u></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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Taxes	\$ 42,000	\$ 42,000	\$ 46,210	\$ 4,210
Miscellaneous				-
Total revenues	<u>\$ 42,000</u>	<u>\$ 42,000</u>	<u>\$ 46,210</u>	<u>\$ 4,210</u>
Expenditures:				
Current:				
Health and welfare	\$ 35,500	\$ 40,000	\$ 1,705	\$ 38,295
Capital outlay				-
Total expenditures	<u>\$ 35,500</u>	<u>\$ 40,000</u>	<u>\$ 1,705</u>	<u>\$ 38,295</u>
Revenues over (under) expenditures	\$ 6,500	\$ 2,000	\$ 44,505	\$ 42,505
Other financing sources (uses):				
Transfer in				<u>\$ -</u>
Net change in fund balance	\$ 6,500	\$ 2,000	\$ 44,505	\$ 42,505
Fund balance, July 1, 2015	<u>200,000</u>	<u>200,000</u>	<u>236,142</u>	<u>36,142</u>
Fund balance, June 30, 2016	<u><u>\$ 206,500</u></u>	<u><u>\$ 202,000</u></u>	<u><u>\$ 280,647</u></u>	<u><u>\$ 78,647</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 49,590	
Revenue accruals (net)			(6,879)	
Expenditure accruals (net)			<u>1,794</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 44,505</u></u>	

The accompanying notes are an integral part of these financial statements

Catron County
SPECIAL REVENUE FUND - DWI
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES--BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 99,539	\$ 99,539	\$ 99,539	\$ -
Expenditures:				
Current:				
Health and welfare	\$ 78,000	\$ 91,963	\$ 72,572	\$ 19,391
Capital outlay				-
Total expenditures	<u>\$ 78,000</u>	<u>\$ 91,963</u>	<u>\$ 72,572</u>	<u>\$ 19,391</u>
Net change in fund balance	\$ 21,539	\$ 7,576	\$ 26,967	\$ 19,391
Fund balance, July 1, 2015				-
Fund balance, June 30, 2016	<u>\$ 21,539</u>	<u>\$ 7,576</u>	<u>\$ 26,967</u>	<u>\$ 19,391</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 26,918	
Revenue accruals (net)				
Expenditure accruals (net)			<u>49</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 26,967</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Charges for services	\$ 4,000	\$ 4,000	\$ -	\$ (4,000)
Miscellaneous				-
	<u>\$ 4,000</u>	<u>\$ 4,000</u>	<u>\$ -</u>	<u>\$ (4,000)</u>
Total revenues				
Expenditures:				
Current:				
Health and welfare	\$ 1,000	\$ 1,000	\$ -	\$ 1,000
Capital outlay	15,000	15,000	10,936	4,064
	<u>\$ 16,000</u>	<u>\$ 16,000</u>	<u>\$ 10,936</u>	<u>\$ 5,064</u>
Total expenditures				
Revenues over (under) expenditures	\$ (12,000)	\$ (12,000)	\$ (10,936)	\$ 1,064
Other financing sources (uses):				
Transfer in				<u>\$ -</u>
Net change in fund balance	\$ (12,000)	\$ (12,000)	\$ (10,936)	\$ 1,064
Fund balance, July 1, 2015	<u>18,427</u>	<u>18,427</u>	<u>18,427</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ 6,427</u>	<u>\$ 6,427</u>	<u>\$ 7,491</u>	<u>\$ 1,064</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (10,936)	
Revenue accruals (net)				
Expenditure accruals (net)			<u> </u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ (10,936)</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Federal	\$ 222,200	\$ 222,200	\$ -	\$ (222,200)
Miscellaneous				-
Total revenues	<u>\$ 222,200</u>	<u>\$ 222,200</u>	<u>\$ -</u>	<u>\$ (222,200)</u>
Expenditures:				
Current:				
Health and welfare	\$ 222,200	\$ 222,200	\$ 80,121	\$ 142,079
Capital outlay				-
Total expenditures	<u>\$ 222,200</u>	<u>\$ 222,200</u>	<u>\$ 80,121</u>	<u>\$ 142,079</u>
Revenues over (under) expenditures	\$ -	\$ -	\$ (80,121)	\$ (80,121)
Other financing sources (uses):				
Transfer in				<u>\$ -</u>
Net change in fund balance	\$ -	\$ -	\$ (80,121)	\$ (80,121)
Fund balance, July 1, 2015			<u>87,401</u>	<u>87,401</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,280</u>	<u>\$ 7,280</u>
 Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 303	
Revenue accruals (net)			(76,981)	
Expenditure accruals (net)			<u>(3,443)</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ (80,121)</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Fines and forfeitures	\$ 40,000	\$ 140,000	\$ 22,189	\$ (117,811)
State sources				-
Miscellaneous				-
	<u>\$ 40,000</u>	<u>\$ 140,000</u>	<u>\$ 22,189</u>	<u>\$ (117,811)</u>
Total revenues				
Expenditures:				
Current:				
Public safety	\$ 40,000	\$ 140,000	\$ 80,057	\$ 59,943
Capital outlay				-
	<u>\$ 40,000</u>	<u>\$ 140,000</u>	<u>\$ 80,057</u>	<u>\$ 59,943</u>
Total expenditures				
Revenues over (under) expenditures	\$ -	\$ -	\$ (57,868)	\$ (57,868)
Other financing sources (uses):				
Transfer in				-
Net change in fund balance	\$ -	\$ -	\$ (57,868)	\$ (57,868)
Fund balance, July 1, 2015			<u>3,036</u>	<u>3,036</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (54,832)</u>	<u>\$ (54,832)</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (58,216)	
Revenue accruals (net)			(93)	
Expenditure accruals (net)			441	
Other financing uses				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ (57,868)</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 23,600	\$ 23,600	\$ 23,600	\$ -
Expenditures:				
Current:				
Public safety	\$ -	\$ -	\$ -	\$ -
Capital outlay				-
Total expenditures	\$ -	\$ -	\$ -	\$ -
Net change in fund balance	\$ 23,600	\$ 23,600	\$ 23,600	\$ -
Fund balance, July 1, 2015	<u>3,566</u>	<u>3,566</u>	<u>3,566</u>	<u>-</u>
Fund balance, June 30, 2016	<u>\$ 27,166</u>	<u>\$ 27,166</u>	<u>\$ 27,166</u>	<u>\$ -</u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 23,600	
Revenue accruals (net)				
Expenditure accruals (net)			<u> </u>	
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 23,600</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, 2016

	<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	\$ -	\$ -	\$ -	\$ -
Capital outlay				
Total expenditures	\$ -	\$ -	\$ -	\$ -
Net change in fund balance	\$ 500	\$ 500	\$ -	\$ (500)
Fund balance, July 1, 2015			897	897
Fund balance, June 30, 2016	<u>\$ 500</u>	<u>\$ 500</u>	<u>\$ 897</u>	<u>\$ 397</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 127,963	\$ 127,963	\$ 128,063	\$ 100
Miscellaneous				-
Total revenues	<u>\$ 127,963</u>	<u>\$ 127,963</u>	<u>\$ 128,063</u>	<u>\$ 100</u>
Expenditures:				
Current:				
Public safety	\$ 131,353	\$ 131,353	\$ 81,719	\$ 49,634
Capital outlay				-
Total expenditures	<u>\$ 131,353</u>	<u>\$ 131,353</u>	<u>\$ 81,719</u>	<u>\$ 49,634</u>
Revenues over (under) expenditures	\$ (3,390)	\$ (3,390)	\$ 46,344	\$ 49,734
Other financing sources (uses):				
Loan proceeds				<u>\$ -</u>
Net change in fund balance	\$ (3,390)	\$ (3,390)	\$ 46,344	\$ 49,734
Fund balance, July 1, 2015	<u>54,083</u>	<u>54,083</u>	<u>54,083</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ 50,693</u></u>	<u><u>\$ 50,693</u></u>	<u><u>\$ 100,427</u></u>	<u><u>\$ 49,734</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 50,331	
Revenue accruals (net)			(27,819)	
Expenditure accruals (net)			23,832	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 46,344</u></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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 41,705	\$ 41,705	\$ 41,745	\$ 40
Miscellaneous				-
Total revenues	<u>\$ 41,705</u>	<u>\$ 41,705</u>	<u>\$ 41,745</u>	<u>\$ 40</u>
Expenditures:				
Current:				
Public safety	\$ 66,740	\$ 66,740	\$ 43,484	\$ 23,256
Capital outlay				-
Total expenditures	<u>\$ 66,740</u>	<u>\$ 66,740</u>	<u>\$ 43,484</u>	<u>\$ 23,256</u>
Revenues over (under) expenditures	\$ (25,035)	\$ (25,035)	\$ (1,739)	\$ 23,296
Other financing sources (uses):				
Transfer out				<u>\$ -</u>
Net change in fund balance	\$ (25,035)	\$ (25,035)	\$ (1,739)	\$ 23,296
Fund balance, July 1, 2015	<u>136,811</u>	<u>136,811</u>	<u>136,811</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ 111,776</u></u>	<u><u>\$ 111,776</u></u>	<u><u>\$ 135,072</u></u>	<u><u>\$ 23,296</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 2,330	
Revenue accruals (net)			(7,616)	
Expenditure accruals (net)			3,547	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ (1,739)</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 68,783	\$ 68,783	\$ 68,783	\$ -
Miscellaneous		18,850	322	(18,528)
Total revenues	<u>\$ 68,783</u>	<u>\$ 87,633</u>	<u>\$ 69,105</u>	<u>\$ (18,528)</u>
Expenditures:				
Current:				
Public safety	\$ 70,890	\$ 220,890	\$ 182,927	\$ 37,963
Capital outlay				-
Total expenditures	<u>\$ 70,890</u>	<u>\$ 220,890</u>	<u>\$ 182,927</u>	<u>\$ 37,963</u>
Revenues over (under) expenditures	\$ (2,107)	\$ (133,257)	\$ (113,822)	\$ 19,435
Other financing sources (uses):				
Transfer out				<u>\$ -</u>
Net change in fund balance	\$ (2,107)	\$ (133,257)	\$ (113,822)	\$ 19,435
Fund balance, July 1, 2015	<u>179,171</u>	<u>179,171</u>	<u>179,171</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ 177,064</u></u>	<u><u>\$ 45,914</u></u>	<u><u>\$ 65,349</u></u>	<u><u>\$ 19,435</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (111,961)	
Revenue accruals (net)			(183)	
Expenditure accruals (net)			107,139	
Other financing sources and uses (net)			<u>(108,817)</u>	
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ (113,822)</u></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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 73,960	\$ 73,960	\$ 73,960	\$ -
Miscellaneous				-
Total revenues	<u>\$ 73,960</u>	<u>\$ 73,960</u>	<u>\$ 73,960</u>	<u>\$ -</u>
Expenditures:				
Current:				
Public safety	\$ 86,369	\$ 86,369	\$ 46,910	\$ 39,459
Capital outlay				-
Total expenditures	<u>\$ 86,369</u>	<u>\$ 86,369</u>	<u>\$ 46,910</u>	<u>\$ 39,459</u>
Revenues over (under) expenditures	\$ (12,409)	\$ (12,409)	\$ 27,050	\$ 39,459
Other financing sources (uses):				
Transfer out				<u>\$ -</u>
Net change in fund balance	\$ (12,409)	\$ (12,409)	\$ 27,050	\$ 39,459
Fund balance, July 1, 2015	<u>174,687</u>	<u>174,687</u>	<u>174,687</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ 162,278</u></u>	<u><u>\$ 162,278</u></u>	<u><u>\$ 201,737</u></u>	<u><u>\$ 39,459</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 30,898	
Revenue accruals (net)				
Expenditure accruals (net)			(3,848)	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 27,050</u></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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 75,948	\$ 75,948	\$ 75,948	\$ -
Miscellaneous			139	139
Total revenues	<u>\$ 75,948</u>	<u>\$ 75,948</u>	<u>\$ 76,087</u>	<u>\$ 139</u>
Expenditures:				
Current:				
Public safety	\$ 121,015	\$ 121,015	\$ 26,665	\$ 94,350
Capital outlay	122,421	122,421		122,421
Total expenditures	<u>\$ 243,436</u>	<u>\$ 243,436</u>	<u>\$ 26,665</u>	<u>\$ 216,771</u>
Revenues over (under) expenditures	\$ (167,488)	\$ (167,488)	\$ 49,422	\$ 216,910
Other financing sources (uses):				
Loan proceeds			\$ -	\$ -
Net change in fund balance	\$ (167,488)	\$ (167,488)	\$ 49,422	\$ 216,910
Fund balance, July 1, 2015	<u>198,820</u>	<u>198,820</u>	<u>198,820</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ 31,332</u></u>	<u><u>\$ 31,332</u></u>	<u><u>\$ 248,242</u></u>	<u><u>\$ 216,910</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 52,552	
Revenue accruals (net)			(22,705)	
Expenditure accruals (net)			19,575	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 49,422</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 31,029	\$ 31,029	\$ 31,029	\$ -
Miscellaneous				-
Total revenues	<u>\$ 31,029</u>	<u>\$ 31,029</u>	<u>\$ 31,029</u>	<u>\$ -</u>
Expenditures:				
Current:				
Public safety	\$ 90,245	\$ 90,245	\$ 23,186	\$ 67,059
Capital outlay				-
Total expenditures	<u>\$ 90,245</u>	<u>\$ 90,245</u>	<u>\$ 23,186</u>	<u>\$ 67,059</u>
Revenues over (under) expenditures	\$ (59,216)	\$ (59,216)	\$ 7,843	\$ 67,059
Other financing sources (uses):				
Loan proceeds				<u>\$ -</u>
Net change in fund balance	\$ (59,216)	\$ (59,216)	\$ 7,843	\$ 67,059
Fund balance, July 1, 2015	<u>61,268</u>	<u>61,268</u>	<u>61,268</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ 2,052</u></u>	<u><u>\$ 2,052</u></u>	<u><u>\$ 69,111</u></u>	<u><u>\$ 67,059</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 12,005	
Revenue accruals (net)			(18,458)	
Expenditure accruals (net)			14,296	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 7,843</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 155,704	\$ 155,704	\$ 155,704	\$ -
Miscellaneous				-
Total revenues	<u>\$ 155,704</u>	<u>\$ 155,704</u>	<u>\$ 155,704</u>	<u>\$ -</u>
Expenditures:				
Current:				
Public safety	\$ 166,152	\$ 166,152	\$ 52,814	\$ 113,338
Capital outlay	40,000	40,000	39,773	227
Total expenditures	<u>\$ 206,152</u>	<u>\$ 206,152</u>	<u>\$ 92,587</u>	<u>\$ 113,565</u>
Revenues over (under) expenditures	\$ (50,448)	\$ (50,448)	\$ 63,117	\$ 113,565
Other financing sources (uses):				
Loan proceeds				<u>\$ -</u>
Net change in fund balance	\$ (50,448)	\$ (50,448)	\$ 63,117	\$ 113,565
Fund balance, July 1, 2015	<u>128,188</u>	<u>128,188</u>	<u>128,188</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ 77,740</u></u>	<u><u>\$ 77,740</u></u>	<u><u>\$ 191,305</u></u>	<u><u>\$ 113,565</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 68,413	
Revenue accruals (net)				
Expenditure accruals (net)			(5,296)	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 63,117</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 39,737	\$ 39,737	\$ 39,737	\$ -
Miscellaneous			1,320	1,320
Total revenues	<u>\$ 39,737</u>	<u>\$ 39,737</u>	<u>\$ 41,057</u>	<u>\$ 1,320</u>
Expenditures:				
Current:				
Public safety	\$ 60,672	\$ 60,672	\$ 18,897	\$ 41,775
Capital outlay				-
Total expenditures	<u>\$ 60,672</u>	<u>\$ 60,672</u>	<u>\$ 18,897</u>	<u>\$ 41,775</u>
Revenues over (under) expenditures	\$ (20,935)	\$ (20,935)	\$ 22,160	\$ 43,095
Other financing sources (uses):				
Loan proceeds			\$ -	\$ -
Net change in fund balance	\$ (20,935)	\$ (20,935)	\$ 22,160	\$ 43,095
Fund balance, July 1, 2015	<u>103,459</u>	<u>103,459</u>	<u>103,459</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ 82,524</u></u>	<u><u>\$ 82,524</u></u>	<u><u>\$ 125,619</u></u>	<u><u>\$ 43,095</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 26,176	
Revenue accruals (net)			(9,588)	
Expenditure accruals (net)			5,572	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 22,160</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 30,604	\$ 30,604	\$ 30,604	\$ -
Miscellaneous				-
Total revenues	<u>\$ 30,604</u>	<u>\$ 30,604</u>	<u>\$ 30,604</u>	<u>\$ -</u>
Expenditures:				
Current:				
Public safety	\$ 72,480	\$ 72,480	\$ 30,585	\$ 41,895
Capital outlay				-
Total expenditures	<u>\$ 72,480</u>	<u>\$ 72,480</u>	<u>\$ 30,585</u>	<u>\$ 41,895</u>
Revenues over (under) expenditures	\$ (41,876)	\$ (41,876)	\$ 19	\$ 41,895
Other financing sources (uses):				
Loan proceeds			\$ -	\$ -
Net change in fund balance	\$ (41,876)	\$ (41,876)	\$ 19	\$ 41,895
Fund balance, July 1, 2015	<u>62,214</u>	<u>62,214</u>	<u>62,214</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ 20,338</u></u>	<u><u>\$ 20,338</u></u>	<u><u>\$ 62,233</u></u>	<u><u>\$ 41,895</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 2,685	
Revenue accruals (net)			(18,735)	
Expenditure accruals (net)			16,069	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 19</u></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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 49,309	\$ 49,309	\$ 49,309	\$ -
Miscellaneous				-
Total revenues	<u>\$ 49,309</u>	<u>\$ 49,309</u>	<u>\$ 49,309</u>	<u>\$ -</u>
Expenditures:				
Current:				
Public safety	\$ 36,170	\$ 36,170	\$ 23,727	\$ 12,443
Capital outlay				-
Total expenditures	<u>\$ 36,170</u>	<u>\$ 36,170</u>	<u>\$ 23,727</u>	<u>\$ 12,443</u>
Revenues over (under) expenditures	\$ 13,139	\$ 13,139	\$ 25,582	\$ 12,443
Other financing sources (uses):				
Loan proceeds			\$ -	\$ -
Net change in fund balance	\$ 13,139	\$ 13,139	\$ 25,582	\$ 12,443
Fund balance, July 1, 2015	<u>82,633</u>	<u>82,633</u>	<u>82,633</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ 95,772</u></u>	<u><u>\$ 95,772</u></u>	<u><u>\$ 108,215</u></u>	<u><u>\$ 12,443</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 29,285	
Revenue accruals (net)				
Expenditure accruals (net)			(3,703)	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 25,582</u></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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 49,309	\$ 49,309	\$ 35,387	\$ (13,922)
Miscellaneous	174	174		(174)
Total revenues	<u>\$ 49,483</u>	<u>\$ 49,483</u>	<u>\$ 35,387</u>	<u>\$ (14,096)</u>
Expenditures:				
Current:				
Public safety	\$ 117,930	\$ 117,930	\$ 17,259	\$ 100,671
Capital outlay				-
Total expenditures	<u>\$ 117,930</u>	<u>\$ 117,930</u>	<u>\$ 17,259</u>	<u>\$ 100,671</u>
Revenues over (under) expenditures	\$ (68,447)	\$ (68,447)	\$ 18,128	\$ 86,575
Other financing sources (uses):				
Loan proceeds			\$ -	\$ -
Net change in fund balance	\$ (68,447)	\$ (68,447)	\$ 18,128	\$ 86,575
Fund balance, July 1, 2015	<u>75,669</u>	<u>75,669</u>	<u>25,529</u>	<u>(50,140)</u>
Fund balance, June 30, 2016	<u><u>\$ 7,222</u></u>	<u><u>\$ 7,222</u></u>	<u><u>\$ 43,657</u></u>	<u><u>\$ 36,435</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 18,148	
Revenue accruals (net)			(14,084)	
Expenditure accruals (net)			14,064	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 18,128</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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ 66,176	\$ 66,176	\$ 66,176	\$ -
Miscellaneous			8	8
Total revenues	<u>\$ 66,176</u>	<u>\$ 66,176</u>	<u>\$ 66,184</u>	<u>\$ 8</u>
Expenditures:				
Current:				
Public safety	\$ 84,319	\$ 84,319	\$ 38,264	\$ 46,055
Capital outlay				-
Total expenditures	<u>\$ 84,319</u>	<u>\$ 84,319</u>	<u>\$ 38,264</u>	<u>\$ 46,055</u>
Revenues over (under) expenditures	\$ (18,143)	\$ (18,143)	\$ 27,920	\$ 46,063
Other financing sources (uses):				
Loan proceeds			\$ -	\$ -
Net change in fund balance	\$ (18,143)	\$ (18,143)	\$ 27,920	\$ 46,063
Fund balance, July 1, 2015	<u>68,457</u>	<u>68,457</u>	<u>68,457</u>	<u>-</u>
Fund balance, June 30, 2016	<u><u>\$ 50,314</u></u>	<u><u>\$ 50,314</u></u>	<u><u>\$ 96,377</u></u>	<u><u>\$ 46,063</u></u>
Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ 31,936	
Revenue accruals (net)				
Expenditure accruals (net)			(4,016)	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u><u>\$ 27,920</u></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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Taxes	\$ 30,000	\$ 30,000	\$ 8,178	\$ (21,822)
Miscellaneous				-
Total revenues	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 8,178</u>	<u>\$ (21,822)</u>
Expenditures:				
Current:				
Health and welfare	\$ 30,000	\$ 30,000	\$ 27,796	\$ 2,204
Capital outlay				-
Total expenditures	<u>\$ 30,000</u>	<u>\$ 30,000</u>	<u>\$ 27,796</u>	<u>\$ 2,204</u>
Revenues over (under) expenditures	\$ -	\$ -	\$ (19,618)	\$ (19,618)
Other financing sources (uses):				
Loan proceeds				<u>\$ -</u>
Net change in fund balance	\$ -	\$ -	\$ (19,618)	\$ (19,618)
Fund balance, July 1, 2015			<u>2,047</u>	<u>2,047</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (17,571)</u>	<u>\$ (17,571)</u>
 Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (26,812)	
Revenue accruals (net)			(341)	
Expenditure accruals (net)			7,535	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ (19,618)</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, 2016

	<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, 2015			<u>2,601</u>	<u>2,601</u>
Fund balance, June 30, 2016	<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, 2016

	<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, 2015			<u>2,395</u>	<u>2,395</u>
Fund balance, June 30, 2016	<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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
State sources	\$ -	\$ -	\$ 156,471	\$ 156,471
Miscellaneous				-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,471</u>	<u>\$ 156,471</u>
Total revenues				
Expenditures:				
Current:				
Health and welfare	\$ -	\$ -	\$ -	\$ -
Capital outlay				-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total expenditures				
Revenues over (under) expenditures	\$ -	\$ -	\$ 156,471	\$ 156,471
Other financing sources (uses):				
Loan proceeds				\$ -
Net change in fund balance	\$ -	\$ -	\$ 156,471	\$ 156,471
Fund balance, July 1, 2015			<u>48,346</u>	<u>48,346</u>
Fund balance, June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 204,817</u>	<u>\$ 204,817</u>
 Budgetary reconciliation:				
Net change in fund balance, GAAP basis			\$ (100)	
Revenue accruals (net)			156,471	
Expenditure accruals (net)			100	
Other financing sources and uses (net)				
Net change in fund balance, NON-GAAP budgetary basis			<u>\$ 156,471</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, 2016

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ 42,145	\$ 42,145	\$ 46,210	\$ 4,065
Charges for services	282,964	282,964	286,333	3,369
State sources	448,279	448,279	448,279	-
Total revenues	\$ 773,388	\$ 773,388	\$ 780,822	\$ 7,434
Expenses:				
Personnel	\$ 118,000	\$ 118,000	\$ 157,786	\$ (39,786)
Operating	611,365	611,365	583,315	28,050
Capital outlay	29,000	29,000		29,000
Principle				-
Interest				-
Total expenses	\$ 758,365	\$ 758,365	\$ 741,101	\$ 17,264
Revenues over (under) expenses	\$ 15,023	\$ 15,023	\$ 39,721	\$ 24,698
Other financing sources (uses):				
Transfer in				-
Transfers out				-
Net change in retained earnings	\$ 15,023	\$ 15,023	\$ 39,721	\$ 24,698
Retained earnings, July 1, 2015			247,155	247,155
Retained earnings, June 30, 2016	\$ 15,023	\$ 15,023	\$ 286,876	\$ 271,853
Budgetary reconciliation:				
Net change in retained earnings, GAAP basis			\$ 447,094	
Revenue accruals (net)			(20,503)	
Expenditure accruals (net)			(386,870)	
Other financing sources (uses)				
Net change in retained earnings, NON-GAAP budgetary basis			\$ 39,721	

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, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:				
Taxes	\$ 30,000	\$ 30,000	\$ 46,211	\$ 16,211
Charges for services	140,000	140,000	104,430	(35,570)
Miscellaneous				-
Total revenues	<u>\$ 170,000</u>	<u>\$ 170,000</u>	<u>\$ 150,641</u>	<u>\$ (19,359)</u>
Expenses:				
Personnel	\$ 22,500	\$ 22,500	\$ 30,030	\$ (7,530)
Operating	122,325	122,325	106,568	15,757
Capital outlay				-
Principle				-
Interest				-
Total expenses	<u>\$ 144,825</u>	<u>\$ 144,825</u>	<u>\$ 136,598</u>	<u>\$ 8,227</u>
Revenues over (under) expenses	\$ 25,175	\$ 25,175	\$ 14,043	\$ (11,132)
Other financing sources (uses):				
Transfer in				-
Transfers out				-
Net change in retained earnings	\$ 25,175	\$ 25,175	\$ 14,043	\$ (11,132)
Retained earnings, July 1, 2015	<u>44,901</u>	<u>44,901</u>	<u>145,890</u>	<u>100,989</u>
Retained earnings, June 30, 2016	<u><u>\$ 70,076</u></u>	<u><u>\$ 70,076</u></u>	<u><u>\$ 159,933</u></u>	<u><u>\$ 89,857</u></u>
Budgetary reconciliation:				
Net change in retained earnings, GAAP basis			\$ 32,161	
Revenue accruals (net)			(14,545)	
Expenditure accruals (net)			(3,573)	
Other financing sources (uses)				
Net change in retained earnings, NON-GAAP budgetary basis			<u><u>\$ 14,043</u></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, 2016

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for services				-
State sources		660,000		(660,000)
Total revenues	\$ -	\$ 660,000	\$ -	\$ (660,000)
Expenses:				
Personnel	\$ -	\$ -	\$ -	\$ -
Operating		10,000	4,191	5,809
Capital outlay		650,000	107,576	542,424
Principle				-
Interest				-
Total expenses	\$ -	\$ 660,000	\$ 111,767	\$ 548,233
Revenues over (under) expenses	\$ -	\$ -	\$ (111,767)	\$ (111,767)
Other financing sources (uses):				
Transfer in				-
Transfers out				-
Net change in retained earnings	\$ -	\$ -	\$ (111,767)	\$ (111,767)
Retained earnings, July 1, 2015			246	246
Retained earnings, June 30, 2016	\$ -	\$ -	\$ (111,521)	\$ (111,521)
Budgetary reconciliation:				
Net change in retained earnings, GAAP basis			\$ 81,909	
Revenue accruals (net)			(99,838)	
Expenditure accruals (net)			(93,838)	
Other financing sources (uses)				
Net change in retained earnings, NON-GAAP budgetary basis			\$ (111,767)	

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***

	2016	2015
Catron County's proportion of the net pension liability	.1194%	.1247%
Catron County's proportionate share of the net pension liability	\$ 1,217,386	\$ 972,794
Catron County's covered employee payroll	\$ 915,137	\$ 1,048,224
Catron County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	133%	93%
Plan fiduciary net position as a percentage of the total pension liability	77%	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***

	2016	2015
Catron County's proportion of the net pension liability	.1280%	.1409%
Catron County's proportionate share of the net pension liability	\$ 615,496	\$ 459,319
Catron County's covered employee payroll	\$ 397,784	\$ 269,427
Catron County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	155%	170%
Plan fiduciary net position as a percentage of the total pension liability	77%	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**

	2016	2015
Contractually required contributions	\$ 80,782	\$ 91,975
Contributions in relation to contractually required contribution	(80,782)	(91,975)
Contribution deficiency (excess)	\$ -	\$ -
Catron County's covered-employee payroll	\$ 915,137	\$ 1,048,824
Contributions as a percentage of covered-employee payroll	8.82%	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**

	2016	2015
Contractually required contributions	\$ 66,855	\$ 49,844
Contributions in relation to contractually required contribution	(66,855)	(49,844)
Contribution deficiency (excess)	\$ -	\$ -
Catron County's covered-employee payroll	\$ 397,784	\$ 269,427
Contributions as a percentage of covered-employee payroll	16.80%	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, 2016

Change in benefit terms – The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY15 audit available at [http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366 Public Employees Retirement Association 2015.pdf](http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366%20Public%20Employees%20Retirement%20Association%202015.pdf).

Changes of valuation – The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2015 report is available at:

http://www.pera.state.nm.us/pdf/Investment/RetirementFundValuationReports/6-30-2015%20PERA%20Valuation%20Report_FINAL.pdf.

The Summary of Key Findings for the PERA Fund (on page 2 of the report) states “The return on the actuarial value of assets was 7.64% compared to the expected return of 7.75%. The total increase to the unfunded actuarial accrued liability is \$410 million and results in a decrease to the funded ratio from 75.8% to 74.9%.” For details about the actuarial assumptions, see Appendix B on page 53 of the report.

Catron County
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Fiscal Year Ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>June 30, 2016</u>
Property Tax Fund				
Assets				
Cash and investments	\$ 3,442	\$ 940,843	\$ 923,579	\$ 20,706
Taxes receivable	85,625	943,763	937,610	91,778
Total assets	<u>\$ 89,067</u>	<u>\$ 1,884,606</u>	<u>\$ 1,861,189</u>	<u>\$ 112,484</u>
Liabilities				
Due to others	<u>\$ 89,067</u>	<u>\$ 1,884,606</u>	<u>\$ 1,861,189</u>	<u>\$ 112,484</u>

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

Catron County
SCHEDULE OF DEPOSITORY COLLATERAL
June 30, 2016

	First State Bank	Total
Checking and CD's	\$ 9,558,171	\$ 9,558,171
Total on deposit	\$ 9,558,171	\$ 9,558,171
Less: FDIC insurance	(500,000)	(500,000)
Total uninsured public funds	\$ 9,058,171	\$ 9,058,171
 50% collateralization requirement (Section 6-10-17 NMSA)	 \$ 4,529,086	 \$ 4,529,086
 Pledged Securities:		
FHLB non CBL #3133SN4B2, 2/1/2020	\$ 2,383,600	\$ 2,383,600
FHLB non CBL #3133S8EW8, 3/22/2022	2,091,156	2,091,156
FFCB non CBL #31331VKU9, 7/8/2019	515,455	515,455
Total pledged securities	\$ 4,990,211	\$ 4,990,211
 Pledged securities over (under) requirement	 \$ 461,126	 \$ 461,126

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, 2016

	Type of Account	Bank Balance	Reconciled Balance
<u>First State Bank</u>			
Operational	Checking	\$ 8,858,171	\$ 8,640,397
Certificate of Deposit	CD	200,000	200,000
Certificate of Deposit	CD	500,000	500,000
Total First State Bank		\$ 9,558,171	\$ 9,340,397
<u>LGIP</u>			
Operational	LGIP	\$ 49,869	\$ 49,869
Total LGIP		\$ 49,869	\$ 49,869
<u>NMFA</u>			
Cash on deposit with paying agent	NMFA	\$ 1,487,245	\$ 1,487,245
Cash on hand			\$ 950
Total cash and investments		\$ 11,095,285	\$ 10,878,461

Catron County
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Fiscal Year Ended June 30, 2016

<u>Federal Grantor/Pass-through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
 <u>U.S. DEPARTMENT OF AGRICULTURE</u>				
Direct:				
Schools and Roads - Grants to States	10.665	N/A	\$ -	\$ 1,291,445
Forest Service Patrol	10.670	12-LE-11030600-003		753
Passed Through N.M. Dept. of Energy and Minerals:				
Cooperative Forest Assistance Grants	10.664	14-03-1152	<u> </u>	<u>72,489</u>
Total U.S. Department of Justice			<u>\$ -</u>	<u>\$ 1,364,687</u>
 <u>U.S. DEPARTMENT OF THE INTERIOR</u>				
Direct:				
Distribution of receipts	15.227	Taylor Grazing Act	<u>\$ -</u>	<u>\$ 16,600</u>
Total U.S. Department of the Interior			<u>\$ -</u>	<u>\$ 16,600</u>
 <u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Direct:				
Fire Management Assistance Grant	97.046	FEMA-2978-001	\$ -	\$ -
Disaster Grants - Public Assistance	97.036	FEMA-4152-DR-NM	<u> </u>	<u>78,841</u>
Total U.S. Department of Homeland Security			<u>\$ -</u>	<u>\$ 78,841</u>
Total expenditures of federal awards			<u><u>\$ -</u></u>	<u><u>\$ 1,460,128</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, 2016

Note 1 Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Catron County, under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Catron County, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Catron County.

Note 2 Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance.

Note 3 Catron County has elected not to use the de Minimis indirect cost rate allowed under the Uniform Guidance.

Catron County
TAX ROLL RECONCILIATION
 For the Fiscal Year Ended June 30, 2016

Property taxes receivable, July 1, 2015	\$	244,904
Net taxes charged to the Treasurer for 2016		2,250,167
Collections/Distributions/Changes		<u>(2,228,844)</u>
Property taxes receivable, June 30, 2016	\$	<u><u>266,227</u></u>

Property taxes receivable, by year		
	2015	153,690
	2014	40,702
	2013	15,784
	2012	3,868
	2011	2,877
	2010	24,266
	2009	15,650
	2008	7,820
	2007	1,022
	2006	<u>548</u>
		<u><u>\$ 266,227</u></u>

Catron County
SCHEDULE OF LEGISLATIVE ALLOCATIONS
June 30, 2016

	Senior Citizens Code Imp 2014-1164	Fair Building 14-L-1888	Assessor Office Building 13-L-1661	Health Clinic 12-L-G-1424	CC Senior Citizens Vehicles A14-1107
Original appropriation	\$ 60,000	\$ 143,000	\$ 25,000	\$ 200,000	\$ 125,000
Funds reverted	<u>(60,000)</u>	<u>(1,430)</u>		<u>(2,000)</u>	
Appropriation remaining	<u>\$ -</u>	<u>\$ 141,570</u>	<u>\$ 25,000</u>	<u>\$ 198,000</u>	<u>\$ 125,000</u>
Expended through June 30, 2016	\$ -	\$ -	\$ 24,299	\$ 187,200	\$ -
Encumbrances		<u>44,547</u>			
Total committed	<u>\$ -</u>	<u>\$ 44,547</u>	<u>\$ 24,299</u>	<u>\$ 187,200</u>	<u>\$ -</u>
Project expiration date	6/30/2017	6/30/2018	6/30/2017	6/30/2016	6/30/2018

Catron County
 SCHEDULE OF VENDOR INFORMATION for Purchases Exceeding \$60,000 (exluding GRT)
 For the Year Ended June 30, 2016
 Prepared by Agency Staff Name - Linda Cooke Date: October 21, 2016

<i>Agency Number</i>	<i>Agency Name</i>	<i>Agency Type</i>	<i>RFB#/RFP# (if applicable)</i>	<i>Type of Procurement</i>	<i>Vendor Name</i>	<i>Did Vendor Win Contract?</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Physical address of vendor (City, State)</i>	<i>Did the Vendor provide documentation of eligibility for in-state preference?</i>	<i>Did the Vendor provide documentation of eligibility for veterans' preference?</i>	<i>Brief Description of the Scope of Work</i>	<i>If the procurement is attributable to a Component Unit, Name of Component Unit</i>
5002	Catron County	Counties	2015-5-6	Competitive (RFP or RFB)	Pete's Equipment	Winner	\$240,251.00	\$240,251.00	1412 Broadway NE, Albuquerque, NM 87102	Yes	Yes	A 2,000 gallon water tender fire truck for the Glenwood Fire Department	
5002	Catron County	Counties	2015-11-05	Competitive (RFP or RFB)	KSA Engineers, Inc.	Winner	\$68,469.00	\$78,613.65	58 Buick Street, San Angelo, TX 76901	No	No	Airport engineering for the Reserve/Catron County Airport	
5002	Catron County	Counties	4319661	Competitive (RFP or RFB)	Sierra Valley Contractors Inc	Winner	\$232,861.74	\$236,361.74	P. O. Box 3831, T or C, New Mexcio 87901	Yes	Yes	Closure of the Reserve Landfill	
5002	Catron County	Counties	4319663	Competitive (RFP or RFB)	Sierra Valley Contractors Inc	Winner	\$383,624.50		P. O. Box 3831, T or C, New Mexcio 87901	Yes	Yes	Closure of the Glenwood Landfill	

Catron County
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Fiscal Year Ended June 30, 2016

Findings – Financial Statement Audit	<u>Current Status</u>
2006-008 Tax roll reconciliation not in required format	Repeated
2006-009 Expenditures in excess of budget authority	Resolved
2006-013 Deficit fund balances budgeted	Resolved
2011-004 Compliance with the Per Diem and Mileage Act	Resolved
2014-001 IPA recommendation and audit contract submitted late	Repeated
2015-001 I-9 and W-4 forms not complete	Resolved

Findings – Major Federal Award Programs

None

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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, 2016, 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 25, 2016.

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 questioned costs as items 2006-008, 2014-001 and 2016-001 through 2016-005.

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 25, 2016

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 THE UNIFORM GUIDANCE**

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 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, 2016. 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 federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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, 2016.

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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Stone, McGee & Co CPAs

Silver City, New Mexico
October 25, 2016

Stone, McGee & Co.
Certified Public Accountants

Catron County
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2016

SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unmodified opinion on whether the financial statements of Catron County were prepared in accordance with generally accepted accounting principles.
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 the Uniform Guidance*.
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 2 CFR section 200.516(a) were noted during the audit.
7. The programs tested as major programs were: Schools and Roads-Grants to States, CFDA No. 10.665.
8. The threshold for distinguishing types A and B programs was \$750,000.
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 a corrective action plan due to lack of personnel availability, and the limitations of the software currently in use.

Criteria – Section 2.2.2.12D(1) of NMAC 2016 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 2016.

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 2016.

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, however, those reports are not currently available. The County Treasurer is responsible for working with the software vendor, and it is expected to be complete by June 30, 2017.

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, 2016. The County’s corrective action plan was implemented by hiring a Finance Director, however, the County was evaluating proposals when the Finance Director resigned, therefore the process of reviewing quotations for professional services 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, 2016.

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 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 County Manager, and we will submit the appropriate documents in a timely fashion in the future, starting with year ending June 30, 2017.

2016-001 Procurement of Goods and Services (Other Noncompliance)

Condition – The County utilizes purchasing cards, which allow department heads to purchase up to specified amounts without going through the central purchasing office. We noted the following during our review related to these purchasing cards:

1. Receipts for items purchased with these purchasing cards were not always available to compare to the billing.
2. Purchases of Christmas cards totaling \$123.44, which is not an allowable expenditure, were made during the year.
3. Gross receipts tax was paid on goods purchased in some instances.

Criteria – Section 13-1-97 of NMSA 1978 requires, in part, that expenditures be properly evidenced by verifiable receipts, and that expenditures be made only for allowable and eligible purchases.

Effect – There is an increased likelihood of expenditures that are not for eligible and allowable purchases.

Cause – The County employees using purchasing cards have not been properly instructed in their use, and have not in all instances followed direction of the central purchasing office.

Recommendation – We recommend that the certified purchasing officer provide instruction to County personnel in the use of purchasing cards. We further recommend that use of these cards be discontinued if the central purchasing officer's instructions are not followed.

Agency Response – The County will pursue reimbursement for the unallowable expenditures, and will discontinue purchasing card use if cooperation is not obtained from the user. The County Manager and the certified purchasing officer are responsible for plan implementation, which will occur during the year ending June 30, 2017.

2016-002 Financial Reporting (Other Noncompliance)

Condition – The County does not currently have a procedure in place to reconcile cash in the bank to general ledger cash by individual fund on a monthly basis. Although cash is reconciled monthly, minor discrepancies exist between the actual reconciled cash and the general ledger.

Criteria – Sound internal control requires that cash in bank be reconciled to general ledger cash monthly.

Effect – There is an increased likelihood that the County's general ledger will not reflect the actual cash balances.

Cause – The Finance Director, prior to resigning, was performing this function. However, after his departure, no one was performing this function.

Recommendation – We recommend that reconciled cash be compared to general ledger balances monthly, and any reconciling items be properly investigated and adjustments made.

Agency Response – The County Manager and the County Treasurer will perform this function monthly.

2016-003 Ineligible Expenditures (Other Noncompliance)

Condition – In a review of expenditures under the Fire Protection Fund Law, we noted the following ineligible expenditures:

1. Payments for website management totaling \$599. While website management is allowable, our review indicated that the website was no longer active.
2. Payments for television programming totaling \$706. Such television programming is an ineligible expenditure under the fire administration portion of the Law.
3. Payments for thank you cards from an individual volunteer fire department totaling \$329, which are not allowed under the Law.

Criteria – Chapter 59A, Article 53, NMSA 1978-Fire Protection Fund Law, specifies eligible expenditures from fire protection funds.

Effect – The County has not complied with the Fire Protection Fund Law, and is now required to reimburse the fire funds for these ineligible expenditures from the General Fund.

Cause – Volunteer firefighters and County employees were unaware that these were ineligible expenditures.

Recommendation – We recommend that the certified purchasing officer hold training sessions with fire department personnel in the eligibility of expenditures. We further recommend that invoices from these departments be afforded additional scrutiny to ensure eligibility.

Agency Response – These expenditures will be reimbursed from the General Fund, and training sessions will be scheduled as needed. We will continue to monitor fire department expenditures closely. The County Manager and the certified purchasing officer will be responsible for monitoring these activities.

2016-004 Central Management (Other Noncompliance)

Condition – In one instance, a volunteer fire department applied for and received a grant, without notification or approval from the County Commission. In addition, the central purchasing office was unaware of the grant until funds were received.

Criteria – Sound internal control and County ordinances requires that the central purchasing office be involved in all financial activities, and that the County Commission approve all grant applications.

Effect – Decentralization of financial activities increases the likelihood of a misstatement of the County's financial statements.

Cause – The volunteer fire department did not consider it necessary to clear this grant activity through the County Commission.

Recommendation – We recommend that the County notify all separately operating departments, in writing, that no funds are to be applied for or accepted without express Commission approval, and that the County finance department is to be made aware of all applications.

Agency Response – the recommendation will be adopted, and will be done by the County Manager.

2016-005 Non-cash Transactions (Other Noncompliance)

Condition – The County has relationships with the New Mexico Finance Authority(NMFA), including both loans and grants, for which the County neither receives funds nor disburses funds. NMFA holds the funds, and in some cases, disburses the funds directly to the contractor. Since the County records its transactions on a cash basis, there have been instances where grants and loan proceeds revenue and expenditures have not been recorded in the County's general ledger. Instead, they are included as adjusting journal entries at year end for financial statement presentation.

Criteria – Generally accepted accounting principles require that all County operations be reflected in the general ledger.

Effect – There is an increased likelihood that the County’s general ledger will not reflect all County transactions, and that there could be a misstatement of the financial statements.

Cause – Since the County records transactions strictly on a cash in-cash out basis, if the funds are not received or disbursed by the County, then they are not recorded.

Recommendation – We recommend that the County consider making adjusting journal entries into the general ledger monthly to reflect these non-cash transactions.

Agency Response – While we do not record these transactions into the general ledger, because we consider them to be cumbersome and confusing to County personnel used to working on the cash basis, we will consider the recommendation. The County Manager will be responsible for the implementation of the recommendation during the year ending June 30, 2017.

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 13, 2016. Present at this exit conference were:

<u>Name</u>	<u>Title</u>	<u>Affiliation</u>
Glyn Griffin	Commission Chairman	Catron County
Kate Fletcher	County Manager	Catron County
Mike Stone	Shareholder	Stone, McGee & Co., CPA’s
Kay Stone	Shareholder	Stone, McGee & Co., CPAs