

Accounting & Consulting Group, LLP

Certified Public Accountants

STATE OF NEW MEXICO
COLFAX COUNTY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2013



STATE OF NEW MEXICO
COLFAX COUNTY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2013

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INTRODUCTORY SECTION

STATE OF NEW MEXICO

Colfax County

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STATE OF NEW MEXICO

Colfax County

Official Roster

June 30, 2013

| <u>Name</u> | <u>Elected Officials</u> | <u>Title</u> |
|--------------------|---------------------------------|-------------------------------------|
| Jim Maldonado | | County Commissioner - Chairman |
| William E. Sauble | | County Commissioner – Vice Chairman |
| James L. Newton | | County Commissioner |
| Freda Baca | | County Clerk |
| Kathy Trujillo | | County Treasurer |
| Linda Gallegos | | County Assessor |
| Patrick Casias | | County Sheriff |
| Roy Ackerman | | County Probate Judge |

Administrative Officials

| | |
|------------------|--------------------------|
| Don Day | County Manager |
| Cheryl Navarette | Assistant County Manager |
| Lydia Garcia | Deputy County Treasurer |

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FINANCIAL SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Hector H. Balderas
New Mexico State Auditor
The U.S. Office of Management and Budget and
The Colfax County Commissioners
Colfax County
Raton, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the General Fund and major special revenue fund of Colfax County, New Mexico (the County), as of and for the year ended June 30, 2013, and the related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the County's nonmajor governmental funds and the budgetary comparisons for the major capital projects funds, permanent fund, and all nonmajor funds presented as 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, 2013 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County'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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Colfax County, as of June 30, 2013, and the respective changes in financial position thereof 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 the County, as of June 30, 2013, and the respective changes in financial position, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the budget comparisons referred to above present fairly, in all material respects, the respective budgetary comparisons for the year then ended in conformity with the budgetary basis of accounting as prescribed in the New Mexico Administrative Code, as more fully described in Note 2 to the financial statements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages 12 through 18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the County's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The *Introductory Section and Supporting Schedules I through IV* required by 2.2.2 NMAC are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The *Supporting Schedules I through IV* required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the *Supporting Schedules I through IV* required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The *introductory section* has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 7, 2013 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
November 7, 2013

STATE OF NEW MEXICO
Colfax County
Management's Discussion and Analysis
June 30, 2013

As management of Colfax County (the County), we offer readers of the Colfax County financial statements this narrative overview and analysis of the financial activities of Colfax County for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with the financial statements of Colfax County and additional information provided.

Financial Highlights

- The assets of Colfax County exceeded its liabilities at the close of the most recent fiscal year by \$23,482,050, (*net position*). Of this amount, \$4,292,569 (*unrestricted net position*) may be used to meet the County's ongoing obligations to citizens and creditors.
- Change in net position for the year end was \$570,985. The increase is primarily due to an increase in property tax revenue and grant revenues.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$2,584,602 or 53 percent of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Colfax County's basic financial statements. Colfax County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of Colfax County's finances, in a manner similar to a private-sector business.

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

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of Colfax County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs. The governmental activities of Colfax County include general government, public safety, public works, culture and recreation, and health and welfare.

The government-wide financial statements can be found at Exhibits A-1 and A-2 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Colfax County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Colfax County can be divided into two categories: governmental funds and fiduciary funds.

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Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Colfax County maintains thirty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund, the Fire Protection Special Revenue Fund, the Capital Improvements Capital Projects Fund, the Angel Fire Airport Improvement Capital Projects Fund, and the Health Care Permanent Fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

Colfax County adopts an annual appropriated budget for its General Fund and all other funds. A budgetary comparison statement has been provided for the General Fund, the Fire Protection Special Revenue Fund, the Capital Improvements Capital Projects Fund, the Angel Fire Airport Improvement Capital Projects Fund, and the Health Care Permanent Fund to demonstrate compliance with this budget. In addition, the individual financial statements of the non-major governmental funds include budgetary comparison data.

The basic governmental fund financial statements can be found at Exhibits B-1 and B-2 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Colfax County's own programs.

Colfax County fiduciary funds account for the collection of property taxes and special fees and their remittance to other governmental agencies.

The basic fiduciary fund financial statements can be found at Exhibit D-1 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34-57 of this report.

Other information. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 64-113 of this report.

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Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Colfax County, assets exceeded liabilities by \$23,482,050 and \$22,462,467 at the close of the fiscal years ended June 30, 2013 and June 30, 2012, respectively. The County's revenues exceeded expenditures during the year in the amount of \$570,985. This is primarily due to an increase in the property taxes received as well as new grants received in the current year.

A large portion of the County's net position (56 percent) reflects its investment in capital assets (e.g., land, buildings, other improvements, infrastructure and furniture and equipment) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion (\$5,939,733) of Colfax County's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$4,292,569) may be used to meet the government's ongoing obligations to citizens and creditors.

Colfax County is able to report positive balances in all three categories (Net investment in capital assets, Restricted, and Unrestricted) of net position, for the government as a whole as of June 30, 2013.

**Colfax County Net Position
June 30, 2013**

| | <u>Governmental Activities</u> | |
|------------------------------------|--------------------------------|----------------------|
| | <u>2013</u> | <u>2012</u> |
| Current and other assets | \$ 11,359,866 | \$ 11,895,853 |
| Capital assets | <u>17,719,898</u> | <u>16,586,798</u> |
| Total assets | <u>\$ 29,079,764</u> | <u>\$ 28,482,651</u> |
| Current Liabilities | 1,089,865 | 1,287,998 |
| Non-current liabilities | <u>4,507,849</u> | <u>4,732,186</u> |
| Total liabilities | <u>5,597,714</u> | <u>6,020,184</u> |
| Net position: | | |
| Net investment in capital assets | 13,249,748 | 11,398,174 |
| Restricted for: | | |
| Debt service | 26,419 | 174,734 |
| Capital projects | 927,260 | 1,615,888 |
| Other purposes - special revenue | 3,259,318 | 3,540,815 |
| Permanent health care | 1,726,736 | 1,724,568 |
| Unrestricted | <u>4,292,569</u> | <u>4,008,288</u> |
| Total net position | <u>23,482,050</u> | <u>22,462,467</u> |
| Total liabilities and net position | <u>\$ 29,079,764</u> | <u>\$ 28,482,651</u> |

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Management's Discussion and Analysis
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Changes in Net Position

The County's total revenues of \$10,332,411 and program expenses of \$9,761,426 resulted in a change in net position of \$570,985. The County incurred an increase in capital outlay expenditures over the prior year. The County also maintained favorable budget to actual expenditure variances.

This section contains a condensed comparison of revenues and expenditures and explanations for significant differences. The table shows the summarized revenues and expenditures for the years ended June 30, 2013 and June 30, 2012.

Colfax County's Change in Net Position
June 30, 2013

| | <u>Governmental Activities</u> | |
|---------------------------------------|--------------------------------|-------------|
| | <u>2013</u> | <u>2012</u> |
| Program revenues: | | |
| Charges for service | \$ 553,200 | \$ 424,118 |
| Operating grants and contributions | 1,970,542 | 1,952,457 |
| Capital grants and contributions | 358,306 | 115,441 |
| General revenues: | | |
| Taxes | | |
| Property, levied for general purposes | 5,146,719 | 4,966,918 |
| Gross receipts | 1,088,827 | 1,072,219 |
| Gasoline and motor vehicle | 970,089 | 944,998 |
| Payment in lieu of taxes | 139,492 | 697,526 |
| Investment Income | 54,231 | 88,752 |
| (Loss) on sale of assets | - | (760) |
| Miscellaneous Income | 15,557 | 16,728 |
| Special item - donated assets | 35,448 | - |
| | <hr/> | <hr/> |
| Total revenues | 10,332,411 | 10,278,397 |
| | <hr/> | <hr/> |
| Program expenses: | | |
| General Government | 4,102,189 | 4,028,627 |
| Public Safety | 3,050,997 | 2,793,652 |
| Public Works | 1,376,577 | 1,680,721 |
| Culture and Recreation | 208,632 | 196,057 |
| Health and Welfare | 770,020 | 590,093 |
| Interest on Long Term Debt | 253,011 | 263,423 |
| | <hr/> | <hr/> |
| Total expenses | 9,761,426 | 9,552,573 |
| | <hr/> | <hr/> |
| Change in net position | \$ 570,985 | \$ 725,824 |

STATE OF NEW MEXICO
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Management's Discussion and Analysis
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Financial Analysis of the Government's Funds

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

The focus of Colfax County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Colfax County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Colfax County's governmental funds reported combined ending fund balances of \$9,775,086, a decrease of \$836,298 in comparison with the prior year. Approximately 26 percent of this total amount, \$2,584,602, constitutes *unassigned fund balance*, which is available for spending at the government's discretion, while approximately 73 percent of this total amount, \$7,112,840 is *restricted* or committed for specific purposes, and about one percent of this total amount, \$77,644, is *nonspendable for prepaid expenses*.

The General Fund is the chief operating fund of Colfax County. At the end of the current fiscal year, *unassigned* fund balance of the General Fund was \$2,584,602, while total fund balance was \$3,868,850. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 53 percent of total General Fund expenditures, while total fund balance represents 79 percent of that same amount. Fund balance of Colfax County's General Fund increased by \$153,434 during the current fiscal year. The increase is due to an increase in property tax revenues collected in the current year.

The Fire Protection Special Revenue Fund has a total fund balance of \$833,851. 87 percent is *restricted* for the fire departments and 11 percent is *committed* to the County fire marshall office, and about 2 percent of this total amount, \$14,092, is *nonspendable for prepaid expenses*. The net decrease in fund balance during the current year in the Fire Protection Special Revenue Fund was \$4,428. This decrease is due to an increase in capital outlay purchases during the year for the fire departments.

The Capital Improvements Capital Projects Fund has total fund balance of \$466,749. 100 percent is *committed* for capital improvement projects. The net decrease in fund balance during the current year in the Capital Improvements Capital Projects Fund was \$441,073. This decrease is due primarily to capital projects expenses during the fiscal year including the purchase of the Airport Main FBO Facility.

The Angel Fire Airport Improvement Capital Projects Fund has total fund balance of \$30,675. 100 percent is *committed* for capital improvement projects at the Angel Fire Airport. The net decrease in fund balance during the current year in the Angel Fire Airport Improvement Capital Projects Fund was \$10,926. This decrease is due primarily to capital projects expenses during the fiscal year including the purchase of the South Facility at Angel Fire Airport.

The Health Care Permanent Fund has a total fund balance of \$1,726,736. 100 percent is *restricted* for a permanent endowment. The net increase in fund balance during the current year in the Health Care Permanent Fund was \$2,168. This increase is due to an investment gain in the current year.

Budgetary Highlights

County budgets reflect the same pattern as seen in the revenue and expenditures of the County. The State of New Mexico budget process is defined under state law and regulation. To enhance the process of developing a budget at the county level, Colfax County utilizes goals and objectives defined by the County Commissioners, community input meetings, long term plans and input from various staff groups to develop the County budget. County priorities are well defined through this process.

GASB Statement No. 34 does not require a statement presenting the overall result of the budget for each year; however, all major budgetary funds are required to be reported as a separate statement.

The total variation in expenditures from the original and final budgets in the General Fund was \$75,000. Adjustments to expenditures were for accrued vacation and sick leave, workers' compensation, and liability expenditures.

The following table examines the summary budget performance of the major and aggregate non-major funds for the fiscal year ending June 30, 2013. Detail budget performance is reported in the budgetary comparison statements for each major fund and the statements of revenues and expenditures budget and actual for the non-major funds.

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June 30, 2013

Fund Expenditure Budget Performance

| | <u>Final Budget</u> | <u>Actual on Cash (Budgetary) Basis</u> | <u>Favorable (Unfavorable) Variance</u> |
|--|--------------------------|---|---|
| General Fund | \$ 4,996,164 | \$ 4,887,746 | \$ 108,418 |
| Fire Protection Special Revenue Fund | 1,104,382 | 590,722 | 513,660 |
| Capital Improvements Capital Projects Fund | 1,160,766 | 724,399 | 436,367 |
| Angel Fire Airport Improvement Capital Projects Fund | 300,000 | 191,346 | 108,654 |
| Health Care Permanent Fund | - | - | - |
| Other Governmental Funds | <u>5,386,304</u> | <u>4,429,249</u> | <u>957,055</u> |
| Total for Governmental Funds | <u>\$ 12,947,616</u> | <u>\$ 10,823,462</u> | <u>\$ 2,124,154</u> |

The County amends its budget during the year in response to unexpected changes in its operating environment. The original and final budgets are reported and can be examined in the budgetary comparison statements for each major fund and the statements of revenues and expenditures budget and actual for the non-major funds. The County was very disciplined this year with regards to spending and this was the reason for the favorable variances.

Capital Asset and Debt Administration

Capital Assets

Colfax County's investment in capital assets for its governmental activities as of June 30, 2013, amounts to \$17,719,898 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, improvements, buildings, infrastructure, machinery and equipment, and vehicles. The table below shows the summarized capital assets of Colfax County as of June 30, 2013 and June 30, 2012.

**Colfax County's Capital Assets, Net of Depreciation
June 30, 2013**

| | <u>Governmental Activities</u> | |
|--|--------------------------------|--------------------------|
| | <u>2013</u> | <u>2012</u> |
| Land | \$ 1,519,275 | \$ 1,519,275 |
| Constuction in progress | 770,578 | 652,881 |
| Improvements | 1,580,737 | 1,345,066 |
| Buildings | 13,987,139 | 12,495,811 |
| Infrastructure | 8,211,722 | 8,211,722 |
| Machinery and equipment | 481,014 | 433,312 |
| Vehicles | <u>7,014,334</u> | <u>6,659,927</u> |
| Total capital assets | <u>33,564,799</u> | <u>31,317,994</u> |
| Less: accumulated depreciation | <u>(15,844,901)</u> | <u>(14,731,196)</u> |
| Total capital assets, net of accumulated depreciation | <u>\$ 17,719,898</u> | <u>\$ 16,586,798</u> |

The County recognized \$1,123,681 in depreciation expense during the year. Additional information on Colfax County's capital assets can be found in note 6 of the financial statements.

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The County has several commitments to construction companies at June 30, 2013. Additional information on Colfax County's commitments can be found in note 16 of the financial statements.

Long-term debt

At June 30, 2013, Colfax County had loans outstanding of \$965,150, secured by pledged recurring fire fund appropriations and total gross receipt revenue bonds outstanding of \$3,505,000, secured by pledged gross receipts taxes.

**Colfax County's Outstanding Debt
June 30, 2013**

| | <u>Governmental Activities</u> | |
|------------------------|--------------------------------|---------------------|
| | <u>2013</u> | <u>2012</u> |
| NMFA Loans | \$ 965,150 | \$ 1,039,650 |
| Revenue Bonds | 3,505,000 | 3,610,619 |
| Capital Leases | - | 538,355 |
| Compensated Absences | 393,358 | 424,930 |
| | <u>\$ 4,863,508</u> | <u>\$ 5,613,554</u> |
| Total outstanding debt | <u>\$ 4,863,508</u> | <u>\$ 5,613,554</u> |

The County made principal payments towards loans and capital leases payable in the amount of \$164,257 and had a restatement of \$448,598 to remove capital leases from the long-term debt schedules. The County reduced bonds payable by their principal payment of \$105,619. Additional information on Colfax County's long-term debt can be found in note 7 of the financial statements and additional information on Colfax County's restatement can be found in note 10 of the financial statements.

Economic Factor and Next Year's Budgets and Rates

- Inflationary trends in the region compare favorably to national indices.

This factor was considered in preparing Colfax County's budget for the 2013 fiscal year.

During the current fiscal year, fund balance in the General Fund increased to \$3,868,850, up \$153,434 from the previous year. It is intended that the use of this available fund balance will avoid the need to raise taxes or charges during the 2014 fiscal year.

Request for Information

This financial report is designed to provide a general overview of Colfax County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the County Manager, Colfax County, PO Box 1498, Raton, NM 87740.

**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO

Exhibit A-1

Colfax County
Statement of Net Position
June 30, 2013

| | Governmental Activities |
|--|----------------------------|
| Assets | |
| Current assets | |
| Cash and cash equivalents | \$ 6,494,499 |
| Investments | 800,000 |
| Receivables: | |
| Property taxes | 774,427 |
| Other taxes | 303,176 |
| Other receivables | 442,948 |
| Prepaid expenses | 77,644 |
| Total current assets | <u>8,892,694</u> |
| Noncurrent assets | |
| Restricted cash and cash equivalents | 2,243,616 |
| Bond issuance costs, net of accumulated amortization of \$17,199 | 74,864 |
| Bond discount, net of accumulated amortization of \$35,258 | 148,692 |
| Capital assets | 33,564,799 |
| Less: accumulated depreciation | <u>(15,844,901)</u> |
| Total noncurrent assets | <u>20,187,070</u> |
| Total assets | <u>\$ 29,079,764</u> |
| Liabilities | |
| Current liabilities | |
| Accounts payable | \$ 666,426 |
| Accrued interest | 67,780 |
| Current portion of accrued compensated absences | 155,289 |
| Current portion of long-term debt | <u>200,370</u> |
| Total current liabilities | <u>1,089,865</u> |
| Noncurrent liabilities | |
| Noncurrent portion of accrued compensated absences | 238,069 |
| Loans and capital leases payable | 884,780 |
| Bonds payable | <u>3,385,000</u> |
| Total noncurrent liabilities | <u>4,507,849</u> |
| Total liabilities | <u>5,597,714</u> |
| Net Position | |
| Net investment in capital assets | 13,249,748 |
| Restricted for: | |
| Debt service | 26,419 |
| Capital projects | 927,260 |
| Other purposes - special revenue | 3,259,318 |
| Permanent health care | 1,726,736 |
| Unrestricted | <u>4,292,569</u> |
| Total net position | <u>23,482,050</u> |
| Total liabilities and net position | <u>\$ 29,079,764</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Colfax County
Statement of Activities
For the Year Ended June 30, 2013

Exhibit A-2

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position |
|--------------------------------------|---------------------|-------------------------|--|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Primary Government | | | | | |
| General government | \$ 4,102,189 | \$ 119,783 | \$ 6,715 | \$ - | \$ (3,975,691) |
| Public safety | 3,050,997 | 59,847 | 1,525,019 | - | (1,466,131) |
| Public works | 1,376,577 | 373,563 | 349,438 | 358,306 | (295,270) |
| Culture and recreation | 208,632 | 7 | - | - | (208,625) |
| Health and welfare | 770,020 | - | 89,370 | - | (680,650) |
| Interest on long-term debt | 253,011 | - | - | - | (253,011) |
| <i>Total governmental activities</i> | <u>\$ 9,761,426</u> | <u>\$ 553,200</u> | <u>\$ 1,970,542</u> | <u>\$ 358,306</u> | (6,879,378) |

General Revenues:

| | |
|--|---------------|
| Taxes: | |
| Property taxes - levied for general purposes | 5,146,719 |
| Gross receipts | 1,088,827 |
| Gasoline and motor vehicle | 970,089 |
| Payment in lieu of taxes | 139,492 |
| Investment income | 54,231 |
| Miscellaneous income | 15,557 |
| Special item - donated assets | 35,448 |
| | 7,450,363 |
| Total general revenues | 7,450,363 |
| Change in net position | 570,985 |
| Net position - beginning, as originally stated | 22,462,467 |
| Net position - restatement (note 10) | 448,598 |
| Net position - beginning, as restated | 22,911,065 |
| Net position - ending | \$ 23,482,050 |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Colfax County
Balance Sheet
Governmental Funds
June 30, 2013

| | <u>General Fund</u> | <u>Fire Protection Special Revenue Fund</u> | <u>Capital Improvements Capital Projects Fund</u> |
|--|----------------------------|---|---|
| Assets | | | |
| Cash and cash equivalents | \$ 2,858,802 | \$ 959,124 | \$ 552,191 |
| Investments | 800,000 | - | - |
| Receivables: | | | |
| Property taxes | 754,276 | - | - |
| Other taxes | 99,751 | - | 54,897 |
| Other receivables | 23,700 | 3,242 | - |
| Prepaid expenses | 63,552 | 14,092 | - |
| <i>Total assets</i> | <u><u>\$ 4,600,081</u></u> | <u><u>\$ 976,458</u></u> | <u><u>\$ 607,088</u></u> |
| Liabilities and fund balances | | | |
| <i>Liabilities</i> | | | |
| Accounts payable | \$ 54,512 | \$ 142,607 | \$ 140,339 |
| Deferred revenue: | | | |
| Property taxes | 676,719 | - | - |
| <i>Total liabilities</i> | <u>731,231</u> | <u>142,607</u> | <u>140,339</u> |
| <i>Fund balances</i> | | | |
| Nonspendable | | | |
| Prepaid expenses | 63,552 | 14,092 | - |
| Spendable | | | |
| Restricted for: | | | |
| Permanently endowed | - | - | - |
| General county operations | - | - | - |
| Maintenance of roads | - | - | - |
| Fire departments | - | 729,003 | - |
| Detention center expenditures | - | - | - |
| Public safety | - | - | - |
| Healthcare | - | - | - |
| Forest health | - | - | - |
| Debt service expenditures | - | - | - |
| Committed to: | | | |
| Fire departments | - | - | - |
| County fire marshall office | - | 90,756 | - |
| County inmate donations | - | - | - |
| County roadwork | - | - | - |
| WIPP project | - | - | - |
| Forfeited funds | - | - | - |
| Solid waste | - | - | - |
| Community support | - | - | - |
| Healthcare | - | - | - |
| Capital improvement projects | - | - | 466,749 |
| Angel Fire airport | - | - | - |
| Minimum fund balance | 1,220,696 | - | - |
| Unassigned | 2,584,602 | - | - |
| <i>Total fund balances</i> | <u>3,868,850</u> | <u>833,851</u> | <u>466,749</u> |
| <i>Total liabilities and fund balances</i> | <u><u>\$ 4,600,081</u></u> | <u><u>\$ 976,458</u></u> | <u><u>\$ 607,088</u></u> |

The accompanying notes are an integral part of these financial statements

| Angel Fire Airport Improvement Capital Projects Fund | Health Care Permanent Fund | Other Governmental Funds | Total |
|---|-------------------------------|-----------------------------|----------------------|
| \$ 60,636 | \$ 1,726,736 | \$ 2,580,626 | \$ 8,738,115 |
| - | - | - | 800,000 |
| - | - | 20,151 | 774,427 |
| - | - | 148,528 | 303,176 |
| 119,843 | - | 296,163 | 442,948 |
| - | - | - | 77,644 |
| <u>\$ 180,479</u> | <u>\$ 1,726,736</u> | <u>\$ 3,045,468</u> | <u>\$ 11,136,310</u> |
| \$ 149,804 | \$ - | \$ 179,164 | \$ 666,426 |
| - | - | 18,079 | 694,798 |
| <u>149,804</u> | <u>-</u> | <u>197,243</u> | <u>1,361,224</u> |
| - | - | - | 77,644 |
| - | 1,726,736 | - | 1,726,736 |
| - | - | 624,165 | 624,165 |
| - | - | 132,234 | 132,234 |
| - | - | 224,685 | 953,688 |
| - | - | 34,384 | 34,384 |
| - | - | 110,814 | 110,814 |
| - | - | 261,517 | 261,517 |
| - | - | 5,080 | 5,080 |
| - | - | 365,882 | 365,882 |
| - | - | 322,547 | 322,547 |
| - | - | - | 90,756 |
| - | - | 6,210 | 6,210 |
| - | - | 120,397 | 120,397 |
| - | - | 13,443 | 13,443 |
| - | - | 21,140 | 21,140 |
| - | - | 208,623 | 208,623 |
| - | - | 15,684 | 15,684 |
| - | - | 234,985 | 234,985 |
| - | - | 116,589 | 583,338 |
| 30,675 | - | 29,846 | 60,521 |
| - | - | - | 1,220,696 |
| - | - | - | 2,584,602 |
| <u>30,675</u> | <u>1,726,736</u> | <u>2,848,225</u> | <u>9,775,086</u> |
| <u>\$ 180,479</u> | <u>\$ 1,726,736</u> | <u>\$ 3,045,468</u> | <u>\$ 11,136,310</u> |

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STATE OF NEW MEXICO

Colfax County

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2013

Exhibit B-1

Page 2 of 2

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

| | | |
|---|----|-------------|
| Fund balances - total governmental funds | \$ | 9,775,086 |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds | | 17,719,898 |
| Bond issuance costs, including original issue discounts and premiums are not current financial resources and, therefore, are not reported in the funds: | | |
| Bond issuance costs, net of accumulated amortization | | 74,864 |
| Bond discount, net of accumulated amortization | | 148,692 |
| Delinquent property taxes and gross receipts taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities | | 694,798 |
| Interest on long-term debt is not accrued in the fund financial statements unless it is due and payable | | |
| Accrued interest | | (67,780) |
| Some liabilities, including compensated absences, bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds | | |
| Accrued compensated absences | | (393,358) |
| Notes payable | | (965,150) |
| Bonds payable | | (3,505,000) |
| | | (3,505,000) |
| Net position - governmental activities | \$ | 23,482,050 |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Colfax County
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2013

| | General Fund | Fire Protection Special Revenue Fund | Capital Improvements Capital Projects Fund |
|--|---------------------|--|---|
| <i>Revenues:</i> | | | |
| Taxes: | | | |
| Property | \$ 4,927,309 | \$ - | \$ - |
| Gross receipts | - | - | 468,606 |
| Gasoline and motor vehicle | 656,883 | - | - |
| Intergovernmental: | | | |
| Federal operating grants | - | - | - |
| Federal capital grants | - | - | - |
| State operating grants | 6,715 | 836,052 | - |
| State capital grants | - | - | - |
| Payment in lieu of taxes | 139,492 | - | - |
| Charges for services | 118,488 | - | - |
| Investment income (loss) | 37,471 | - | (3,480) |
| Miscellaneous | 9,799 | 73 | - |
| <i>Total Revenues</i> | <u>5,896,157</u> | <u>836,125</u> | <u>465,126</u> |
| <i>Expenditures:</i> | | | |
| Current: | | | |
| General government | 2,838,782 | - | - |
| Public safety | 1,708,665 | 297,504 | - |
| Public works | 24,130 | - | 2,197 |
| Culture and recreation | 208,632 | - | - |
| Health and welfare | 102,575 | - | - |
| Capital outlay | - | 428,925 | 685,775 |
| Debt service: | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| <i>Total Expenditures</i> | <u>4,882,784</u> | <u>726,429</u> | <u>687,972</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>1,013,373</u> | <u>109,696</u> | <u>(222,846)</u> |
| <i>Other financing sources (uses)</i> | | | |
| Transfers in | 159,061 | 606 | 176,766 |
| Transfers (out) | (1,019,000) | (114,730) | (394,993) |
| <i>Total other financing sources (uses)</i> | <u>(859,939)</u> | <u>(114,124)</u> | <u>(218,227)</u> |
| <i>Net change in fund balance</i> | 153,434 | (4,428) | (441,073) |
| <i>Fund balance - beginning of year</i> | <u>3,715,416</u> | <u>838,279</u> | <u>907,822</u> |
| <i>Fund balance - end of year</i> | <u>\$ 3,868,850</u> | <u>\$ 833,851</u> | <u>\$ 466,749</u> |

The accompanying notes are an integral part of these financial statements

| Angel Fire Airport Improvement Capital Projects Fund | Health Care Permanent Fund | Other Governmental Funds | Total |
|---|-------------------------------|-----------------------------|---------------------|
| \$ - | \$ - | \$ 145,091 | \$ 5,072,400 |
| - | - | 717,335 | 1,185,941 |
| - | - | 313,206 | 970,089 |
| - | - | 281,974 | 281,974 |
| - | - | 415 | 415 |
| - | - | 845,801 | 1,688,568 |
| 270,224 | - | 87,667 | 357,891 |
| - | - | - | 139,492 |
| - | - | 434,712 | 553,200 |
| - | 2,168 | 18,072 | 54,231 |
| - | - | 5,685 | 15,557 |
| <u>270,224</u> | <u>2,168</u> | <u>2,849,958</u> | <u>10,319,758</u> |
| 15,130 | - | 158,685 | 3,012,597 |
| - | - | 1,043,068 | 3,049,237 |
| - | - | 1,349,493 | 1,375,820 |
| - | - | - | 208,632 |
| - | - | 667,445 | 770,020 |
| 326,020 | - | 780,613 | 2,221,333 |
| - | - | 269,876 | 269,876 |
| - | - | 248,541 | 248,541 |
| <u>341,150</u> | <u>-</u> | <u>4,517,721</u> | <u>11,156,056</u> |
| <u>(70,926)</u> | <u>2,168</u> | <u>(1,667,763)</u> | <u>(836,298)</u> |
| 60,000 | - | 1,543,723 | 1,940,156 |
| - | - | (411,433) | (1,940,156) |
| <u>60,000</u> | <u>-</u> | <u>1,132,290</u> | <u>-</u> |
| <u>(10,926)</u> | <u>2,168</u> | <u>(535,473)</u> | <u>(836,298)</u> |
| <u>41,601</u> | <u>1,724,568</u> | <u>3,383,698</u> | <u>10,611,384</u> |
| <u>\$ 30,675</u> | <u>\$ 1,726,736</u> | <u>\$ 2,848,225</u> | <u>\$ 9,775,086</u> |

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STATE OF NEW MEXICO

Colfax County

Exhibit B-2

Page 2 of 2

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2013

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

| | | |
|--|----|-----------|
| Net change in fund balances - total governmental funds | \$ | (836,298) |
|--|----|-----------|

Governmental funds report capital outlays as expenditures. However, in
the Statement of Activities, the cost of those assets is allocated over their
estimated useful lives and reported as depreciation expense:

| | | |
|------------------------|--|-------------|
| Capital expenditures | | 2,221,333 |
| Depreciation expense | | (1,123,681) |
| Donated capital assets | | 35,448 |

Revenues in the Statement of Activities that do not provide current financial
resources are not reported as revenue in the funds:

| | | |
|---|--|----------|
| Increase in deferred revenue related to property taxes receivable | | 74,319 |
| Decrease in deferred revenue related to grants, gross receipts taxes, and other receivables | | (97,114) |

Some expenses reported in the Statement of Activities do not require the use of
current financial resources and, therefore, are not reported as expenditures in
the governmental funds

| | | |
|--|--|--------|
| Decrease in accrued compensated absences | | 31,572 |
| Decrease in accrued interest payable | | 9,323 |

The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial
resources to governmental funds, while the repayment of the principal of long-term
debt consumes the current financial resources of governmental funds. Neither
transaction, however, has any effect on net position. Also, governmental funds
report the effect of issuance costs, premiums, discounts, and similar items when
debt is first issued, whereas these amounts are deferred and amortized in the
Statement of Activities:

| | | |
|--|--|---------|
| Amortization of bond discount | | (9,198) |
| Amortization of bond issuance cost | | (4,595) |
| Principal payments on loans payable | | 74,500 |
| Principal payments on bonds payable | | 105,619 |
| Principal payments on capital leases payable | | 89,757 |
| | | 89,757 |

| | | |
|---|----|---------|
| Change in net position of governmental activities | \$ | 570,985 |
|---|----|---------|

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-1

Colfax County

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual | Variances |
|--|------------------|------------------|---------------------|---|
| | Original | Final | (Non-GAAP Basis) | Favorable (Unfavorable) Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ 4,758,350 | \$ 4,758,350 | \$ 4,939,542 | \$ 181,192 |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | 765,525 | 765,525 | 589,520 | (176,005) |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | 51,000 | 51,000 | 12,275 | (38,725) |
| State capital grants | - | - | - | - |
| Payment in lieu of taxes | 100,000 | 100,000 | 139,492 | 39,492 |
| Charges for services | 102,650 | 102,650 | 110,903 | 8,253 |
| Investment income (loss) | 55,000 | 55,000 | 38,468 | (16,532) |
| Miscellaneous | 6,000 | 6,000 | 9,111 | 3,111 |
| <i>Total revenues</i> | <u>5,838,525</u> | <u>5,838,525</u> | <u>5,839,311</u> | <u>786</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | 2,871,501 | 2,946,501 | 2,854,652 | 91,849 |
| Public safety | 1,745,050 | 1,745,050 | 1,715,887 | 29,163 |
| Public works | 6,000 | 6,000 | 6,000 | - |
| Culture and recreation | 203,613 | 203,613 | 208,632 | (5,019) |
| Health and welfare | 95,000 | 95,000 | 102,575 | (7,575) |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>4,921,164</u> | <u>4,996,164</u> | <u>4,887,746</u> | <u>108,418</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>917,361</u> | <u>842,361</u> | <u>951,565</u> | <u>109,204</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | (34,936) | 40,064 | - | (40,064) |
| Transfers in | 115,061 | 115,061 | 159,061 | 44,000 |
| Transfers (out) | (997,486) | (997,486) | (1,019,000) | (21,514) |
| <i>Total other financing sources (uses)</i> | <u>(917,361)</u> | <u>(842,361)</u> | <u>(859,939)</u> | <u>(17,578)</u> |
| <i>Net change in fund balances</i> | - | - | 91,626 | 91,626 |
| <i>Fund balance - beginning of year</i> | - | - | 3,567,176 | 3,567,176 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 3,658,802</u> | <u>\$ 3,658,802</u> |
| Net change in fund balance (non-GAAP budgetary basis) | | | | \$ 91,626 |
| Adjustments to revenues for property taxes, gasoline and motor vehicle taxes, and state grant revenues | | | | 56,846 |
| Adjustments to expenditures for prepaid insurance, utilities, and professional services expenses | | | | 4,962 |
| Net change in fund balance (GAAP) | | | | <u>\$ 153,434</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-2

Colfax County

Fire Protection Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual | Variances |
|---|------------------|------------------|---------------------|---|
| | Original | Final | (Non-GAAP Basis) | Favorable (Unfavorable) Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | - | - | - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | 708,029 | 836,094 | 836,094 | - |
| State capital grants | - | - | - | - |
| Payment in lieu of taxes | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | 73 | 73 |
| <i>Total revenues</i> | <u>708,029</u> | <u>836,094</u> | <u>836,167</u> | <u>73</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | 297,944 | 297,944 | 261,797 | 36,147 |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | 778,373 | 806,438 | 328,925 | 477,513 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>1,076,317</u> | <u>1,104,382</u> | <u>590,722</u> | <u>513,660</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(368,288)</u> | <u>(268,288)</u> | <u>245,445</u> | <u>513,733</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 483,018 | 383,018 | - | (383,018) |
| Transfers in | - | - | 606 | 606 |
| Transfers (out) | (114,730) | (114,730) | (114,730) | - |
| <i>Total other financing sources (uses)</i> | <u>368,288</u> | <u>268,288</u> | <u>(114,124)</u> | <u>(382,412)</u> |
| <i>Net change in fund balances</i> | - | - | 131,321 | 131,321 |
| <i>Fund balance - beginning of year</i> | - | - | 827,803 | 827,803 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 959,124</u> | <u>\$ 959,124</u> |
| Net change in fund balance (non-GAAP budgetary basis) | | | | \$ 131,321 |
| Adjustments to revenues for state grant revenues | | | | (42) |
| Adjustments to expenditures for prepaid insurance, supplies and capital outlay expenditures | | | | (135,707) |
| Net change in fund balance (GAAP) | | | | <u>\$ (4,428)</u> |

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
Colfax County
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2013

Exhibit D-1

Assets

| | |
|---------------------------|---------------|
| Cash and cash equivalents | \$ 342,380 |
| Property taxes receivable | 2,823,032 |
| Other taxes receivable | <u>56,007</u> |

Total assets

\$ 3,221,419

Liabilities

| | |
|------------------------------|------------------|
| Deposits held for others | \$ 342,380 |
| Due to other taxing entities | <u>2,879,039</u> |

Total liabilities

\$ 3,221,419

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies

Colfax County is a political sub-division of the State of New Mexico established under the provisions of Section 14-14-1 of NMSA, 1978 compilation and regulated by the constitution of the State of New Mexico. The County operates under a Board of County Commissioners-manager form of government and provides the following services as authorized by public law: public safety (sheriff, fire, emergency medical, etc.), roads, health and social services, recreation, sanitation, planning and zoning, property assessment, tax collection and general administrative services.

Colfax County is a body politic and corporate under the name and form of government selected by its qualified electors. The County may:

1. Sue or be sued;
2. Enter into contracts and leases;
3. Acquire and hold property, both real and personal;
4. Have common seal, which may be altered at pleasure;
5. Exercise such other privileges that are incident to corporations of like character or degree that are not inconsistent with the laws of New Mexico.
6. Protect generally the property of its County and its inhabitants;
7. Preserve peace and order within the County; and
8. Establish rates for services provided by the County utilities and revenue-producing projects, including amounts which the governing body determines to be reasonable in the operation of similar facilities.

This summary of significant accounting policies of Colfax County is presented to assist in the understanding of Colfax County's financial statements. The financial statements and notes are the representation of Colfax County's management who is responsible for their integrity and objectivity. The financial statements of Colfax County have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government entities.

During the year ended June 30, 2013, the County adopted GASB Statements No. 60 through 63. GASB Statement No. 60, Accounting and Financial Reporting for Service Concession Arrangements. The County does not have any Service Concession Arrangements. GASB Statement No. 61, The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34, modifies certain requirements for inclusion of component units in the financial reporting entity. GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in FASB and AICPA Pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources.

A. *Financial Reporting Entity*

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, as amended by GASB Statement No. 39 and GASB Statement No. 61. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

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

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity (continued)

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the County has no component units, and is not a component unit of another governmental agency.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The County does not have any *business-type activities*.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

In the government-wide Statement of Net Position, the governmental activities column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net position are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

C. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements of time, reimbursement and contingencies imposed by the provider have been met.

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation

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

Property taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, subject to the availability criterion. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met, subject to the availability criterion. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the County's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the County's general revenues. Program revenues are categorized as (a) charges for services, which include revenues collected for fees and use of County facilities, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

The County reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The County does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

C. Measurement focus, basis of accounting, and financial statement presentation (continued)

Under the requirements of GASB Statement No. 34, the County is required to present certain of its governmental funds as major based upon certain criteria. The major funds presented in the fund financial statements include the following, which includes funds that were not required to be presented as major but were at the discretion of management:

The *General Fund* is the County's primary operations fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Fire Protection Special Revenue Fund* accounts for expenditures made on behalf of the County Fire Marshall, expenditures related to wild land fire suppression and prevention activities within the County, revenues and expenditures of fire protection funds for the districts of French Tract, Miami, Farley, Ute Park, Philmont, Moreno Valley and Vermejo. Funding is provided by allotments from the New Mexico State Fire Marshall's Office. The funds were created under the authority of the Colfax County Commission and State Statute (see Section 59A-93-5-8 and 59A-53-5, NMSA 1978 Compilation)

The *Capital Improvements Capital Projects Fund* accounts for gross receipts taxes to be used for making improvements on County Property and other capital outlay. (Authorization for the establishment of this fund is by Colfax County Commission)

The *Angel Fire Airport Improvement Capital Projects Fund* accounts for the acquisition of capital outlay for the Angel Fire Airport. (Authorization for the establishment of this fund is by Colfax County Commission)

The *Health Care Permanent Fund* accounts for endowment proceeds and earnings on those proceeds to be used for any lawful health care purpose. (Authorization is Colfax County Commission)

Additionally, the County reports the following agency fund:

The *Fiduciary Funds* are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The County's fiduciary funds are used to account for the collection and payment of property taxes and special fees to other governmental agencies. They also account for collection and disbursement of inmate funds for the Colfax County Detention Center.

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

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Position or Fund Equity

Deposits and Investments

The County's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Investments for the County are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting funds and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, delinquent property taxes are recorded as revenue when levied net of estimated refunds and uncollectable amounts. Property taxes are considered to be 100% collectible.

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after November 10th and April 10th are considered delinquent and the County may assess penalties and interest. The taxes attach as an enforceable lien on property thirty (30) days thereafter, at which time they become delinquent.

Prepaid Expenses

Prepaid expenses include insurance and contract payments to vendors reflects costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide financial statements and the governmental fund financial statements.

Restricted Assets

Restricted assets consist of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended.

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Position or Fund Equity (continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Colfax County was a phase III government for purposes of implementing GASB 34 and therefore was not required to include the historical cost of infrastructure assets retroactive to 1980. Since the implementation of GASB 34, the County includes infrastructure in its capital assets. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.2.20.1.9 C (5). Donated capital assets, in the amount of \$35,448 are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives.

| <u>Assets</u> | <u>Years</u> |
|-------------------------|--------------|
| Improvements | 40-45 |
| Buildings | 40-45 |
| Infrastructure | 20-40 |
| Machinery and equipment | 5-10 |
| Vehicles | 5 |

Accrued Expenses

Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2013, along with applicable PERA, FICA, and Medicare payable.

Deferred Revenues

There are two types of deferred revenue. Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for deferred revenue (commonly referred to as unearned revenue). The other type of deferred revenue is “unavailable revenue.” Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. It must also be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred revenue.

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Position or Fund Equity (continued)

Compensated Absences

Qualified employees are entitled to accumulate annual leave according to a graduated annual leave schedule. Depending on the length of service, employees may accrue 12 to 20 days per year. Annual leave may be accumulated from year to year up to a maximum of 30 days. Annual leave balances in excess of 30 days as of December 31 of any calendar year will be lost. The employee or the employee's estate will be paid for each day of the unused annual leave at the time of the employee's voluntary or involuntary termination, retirement, death, or total disability up to a maximum of 30 days plus the number of days accrued and unused during the current calendar year.

Qualified employees are entitled to accumulate sick leave at a rate of 12 days per year, and may be accrued up to a maximum of 90 days. Absences in excess of the employee's accrued sick leave will be charged first against the employee's accrued annual leave and second to leave of absence without pay. The employee or employee's estate will be paid for each day of unused sick leave at the time of the employee's voluntary or involuntary termination, retirement, death, or total disability, up to a maximum of 90 days.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net position.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method, or the straight-line method if the difference is inconsequential. Bonds payable are reported net of the applicable bond premium or discount. For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Fund Balance Classification Policies and Procedures

For committed fund balance, the County's highest level of decision-making authority is the County Commission. The formal action that is required to be taken to establish a fund balance commitment is a resolution by the County Commission.

For assigned fund balance, the County Commission or an official or body to which the County Commission delegates the authority is authorized to assign amounts to a specific purpose. The authorization policy is in governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

For the classification of fund balances, the County considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Also for the classification of fund balances, the County considers committed, assigned, or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Position or Fund Equity (continued)

Nonspendable Fund Balance

At June 30, 2013, the nonspendable fund balance is made up of prepaid insurance expenditures in the amount of \$77,644 that is not in spendable form.

Restricted and Committed Fund Balance

At June 30, 2013, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$4,214,500 for various County operations as restricted by enabling legislation. The County has also presented committed fund balance on the governmental funds balance sheet in the amount of \$2,898,340 in order to provide services throughout the County. The details of these fund balance items are located on the governmental funds balance sheet as detailed on pages 22-23.

Minimum Fund Balance Policy

The County's policy for maintaining a minimum amount of fund balance for operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies. At a minimum, the budget shall ensure that the County holds cash reserves of 3/12th the General Fund expenditures.

Net Position

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

- a. Net investment in capital assets: This component consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any related debt attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position: Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for "special revenue, debt service, and capital projects" are described on pages 37 and 62-63.
- c. Unrestricted Net Position: All other net position that do not meet the definition of "restricted" or "Net Investment in Capital Assets."

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates for the County are management's estimate of depreciation on assets over their useful lives and the current portion of accrued compensated absences.

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets of the County are prepared prior to June 1 and must be approved by resolution of the County Commissioners, and submitted to the Department of Finance and Administration for State approval. Once the budget has been formally approved, any amendments must also be approved by the County Commissioners and the Department of Finance and Administration. A separate budget is prepared for each fund. Line items within each budget may be over-expended; however, it is not legally permissible to over-expend any budget at the fund level.

These budgets are prepared on the non-GAAP cash budgetary basis. Budgetary basis expenditures exclude encumbrances. The budget secures appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

The budgetary information presented in these financial statements has been amended by County Commissioners in accordance with the above procedures. These amendments resulted in the following changes:

| | Excess (deficiency) of | |
|--|----------------------------|-----------------|
| | revenues over expenditures | |
| | Original Budget | Final Budget |
| Budgeted Funds: | | |
| General Fund | \$ 917,361 | \$ 842,361 |
| Fire Protection Special Revenue Fund | \$ (368,288) | \$ (268,288) |
| Capital Improvements Capital Projects Fund | \$ (559,000) | \$ (735,766) |
| Angel Fire Airport Improvement Capital Projects Fund | \$ - | \$ - |
| Health Care Permanent Fund | \$ - | \$ - |
| Other Governmental Funds | \$ (2,502,084) | \$ (2,248,908) |

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual presents comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2013 is presented. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

NOTE 3. Deposits and Investments

State statutes authorize the investment of County funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the County properly followed State investment requirements as of June 30, 2013.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the County. Deposits may be made to the extent that they are insured by an agency of the United States or collateralized as required by statute. The financial institution must provide pledged collateral for 50% of the deposit amount in excess of the deposit insurance.

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

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 3. Deposits and Investments (continued)

Excess funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

By operation of federal law, beginning January 1, 2013, funds deposited in a noninterest-bearing transaction account (including an Interest on Lawyer Trust Account) no longer will receive unlimited deposit insurance coverage by the FDIC. Beginning January 1, 2013, all of the County's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the Standard Maximum Deposit Insurance Amount of \$250,000.

Custodial Credit Risk – Deposits

Custodial Credit Risk - Custodial credit risk is the risk that in the event of bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk, other than following state statutes as set forth in the Public Money Act (Section 6-10-1 to 6-10-63 NMSA 1978). At June 30, 2013, \$9,744,536 of the County's deposits of \$10,911,426 was exposed to custodial credit risk. \$9,682,736 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the County's name and \$61,800 was uninsured and uncollateralized.

| | First National Bank | International Bank | US Bank | Totals |
|---|---------------------------|-----------------------|--------------------|---------------------|
| Amount of Deposits | \$ 8,706,000 | \$ 1,726,736 | \$ 478,690 | \$ 10,911,426 |
| FDIC Coverage | (500,000) | (250,000) | (416,890) | (1,166,890) |
| Total uninsured public funds | <u>8,206,000</u> | <u>1,476,736</u> | <u>61,800</u> | <u>9,744,536</u> |
| Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name | 8,206,000 | 1,476,736 | - | 9,682,736 |
| Uninsured and uncollateralized | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 61,800</u> | <u>\$ 61,800</u> |
| Collateral requirement (50%) | \$ 4,103,000 | \$ 738,368 | \$ 30,900 | \$ 4,872,268 |
| Pledged Securities | <u>10,536,624</u> | <u>2,162,879</u> | <u>-</u> | <u>12,699,503</u> |
| Over (under) collateralized | <u>\$ 6,433,624</u> | <u>\$ 1,424,511</u> | <u>\$ (30,900)</u> | <u>\$ 7,827,235</u> |

The collateral pledged is listed on Schedule I of this report. The types of collateral are limited to direct obligations of the United States Government and all bonds issued by any agency, district, or political subdivision of the State of New Mexico.

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 3. Deposits and Investments (continued)

Investments

The County's investments at June 30, 2013 include the following:

| <u>Investment Type</u> | <u>Weighted Average Maturities</u> | <u>Fair Value</u> | <u>Rating**</u> |
|-------------------------------|------------------------------------|-------------------|-----------------|
| U.S. Treasury MM Mutual Fund* | <1 year | \$ 17,050 | AA+ |

*Restricted cash and cash equivalents per Exhibit A-1

**Based off Standard & Poor's rating

The investments are listed on Schedule II of this report. The types of investment and fair value per security are included in the schedule.

Interest Rate Risk – Investments. The County does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

Concentration of Credit Risk – Investments. For an investment, concentration credit risk is when any one issuer is 5% or more of the investment portfolio of the County. The investments in the U.S Treasury Money Market Mutual Funds represent 100% of the investment portfolio. Since the County only purchases investments with the highest credit rating, the concentration is not viewed to be an additional risk by the County. The County's policy related to concentration of credit risk is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

The County has presented certificates of deposits of \$800,000 as investments in the Statement of Net Position, however, these are classified as deposits for disclosure purposes.

The County utilizes pooled accounts for their funds. The General Fund, Special Revenue, Capital Projects, and Agency Funds are all pooled in multiple accounts. Separate accounts exist for the Health Care Permanent Fund and Debt Service Funds.

Reconciliation of Cash and Cash Equivalents

Primary Government

Reconciliation to the Statement of Net Position:

| | |
|--|---------------|
| Cash and cash equivalents per Exhibit A-1 | \$ 6,494,499 |
| Restricted cash and cash equivalents per Exhibit A-1 | 2,243,616 |
| Investments per Exhibit A-1 | 800,000 |
| Agency funds cash per Exhibit D-1 | 342,380 |
| | <hr/> |
| Total cash, cash equivalents and investments | 9,880,495 |
| | <hr/> |
| Add: outstanding checks | 1,069,711 |
| Less: deposits in transit | (21,183) |
| Less: U.S. Treasury Money Market Mutual Funds | (17,050) |
| Less: petty cash | (547) |
| | <hr/> |
| Bank balance of deposits | \$ 10,911,426 |
| | <hr/> <hr/> |

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 4. Receivables

Receivables as of June 30, 2013, are as follows:

| | General Fund | Fire Protection Special Revenue Fund | Capital Improvements Capital Projects Fund |
|----------------------------|-------------------|--|---|
| Current receivables: | | | |
| Property taxes | \$ 754,276 | \$ - | \$ - |
| Other taxes: | | | |
| Gasoline and motor vehicle | 99,751 | - | - |
| Gross receipts | - | - | 54,897 |
| Other receivables: | | | |
| Intergovernmental-grants: | | | |
| Federal | - | - | - |
| State | 1,781 | 3,242 | - |
| Charges for services | 7,603 | - | - |
| Investment income | 4,937 | - | - |
| Miscellaneous | 9,379 | - | - |
| Totals | <u>\$ 877,727</u> | <u>\$ 3,242</u> | <u>\$ 54,897</u> |

| | Angel Fire Airport Improvements Capital Projects Fund | Other Governmental Funds | Total |
|----------------------------|--|--------------------------------|---------------------|
| Current receivables: | | | |
| Property taxes | \$ - | \$ 20,151 | \$ 774,427 |
| Other taxes: | | | |
| Gasoline and motor vehicle | - | 55,073 | 154,824 |
| Gross receipts | - | 93,455 | 148,352 |
| Other receivables: | | | |
| Intergovernmental-grants: | | | |
| Federal | - | 93,013 | 93,013 |
| State | 119,843 | 190,073 | 314,939 |
| Charges for services | - | 13,077 | 20,680 |
| Investment income | - | - | 4,937 |
| Miscellaneous | - | - | 9,379 |
| Totals | <u>\$ 119,843</u> | <u>\$ 464,842</u> | <u>\$ 1,520,551</u> |

In accordance with GASB No. 33, property tax revenues in the amount of \$694,798 that were not collected within the period of availability have been reclassified as deferred revenue in the governmental fund financial statements.

All of the above receivables are deemed to be fully collectible.

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 5. Interfund Receivables, Payables, and Transfers

Net operating transfers, made to close out funds and to supplement other funding sources in the normal course of operations, were as follows:

| Transfers Out | Transfers In | Amount |
|---|---|----------------------------|
| Primary Government | | |
| General Fund | Corrections Special Revenue Fund | \$ 165,000 |
| General Fund | Road Special Revenue Fund | 665,000 |
| General Fund | Angel Fire Operations Special Revenue Fund | 145,000 |
| | NM Department of Homeland Security Special Revenue Fund | 24,000 |
| General Fund | YES Program Special Revenue Fund | 20,000 |
| General Fund | NMFA Debt Funds Debt Service Fund | 114,730 |
| Fire Protection Special Revenue Fund | Capital Improvements Capital Projects Fund | 176,766 |
| NMFA Debt Funds Debt Service Fund | Fire Protection Special Revenue Fund | 1 |
| NMFA Debt Funds Debt Service Fund | | |
| Environmental Gross Receipts Tax Special Revenue Fund | Solid Waste Special Revenue Fund | 75,000 |
| NM Department of Homeland Security Special Revenue Fund | General Fund | 24,000 |
| YES Program Special Revenue Fund | General Fund | 20,000 |
| Fire Excise Tax Special Revenue Fund | Fire Protection Special Revenue Fund | 605 |
| Judicial Center Capital Projects Fund | General Fund | 100,409 |
| Tract Fire Special Revenue Fund | General Fund | 14,652 |
| Capital Improvements Capital Projects Fund | Judicial Bond Center Payment Debt Service Fund | 334,993 |
| Capital Improvements Capital Projects Fund | Angel Fire Airport Improvement Capital Projects Fund | 60,000 |
| | Total | <u>\$ 1,940,156</u> |

There were no interfund balances at June 30, 2013.

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Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 6. Capital Assets

The following is a summary of capital assets and changes occurring during the year ended June 30, 2013. Land and construction in progress are not subject to depreciation.

| | Balance June 30, 2012 | Additions | Deletions | Balance June 30, 2013 |
|---------------------------------------|--------------------------|---------------------|---------------------|--------------------------|
| Capital assets, not depreciated: | | | | |
| Land | \$ 1,519,275 | \$ - | \$ - | \$ 1,519,275 |
| Construction in progress | 652,881 | 719,007 | (601,310) | 770,578 |
| Total capital assets, not depreciated | <u>2,172,156</u> | <u>719,007</u> | <u>(601,310)</u> | <u>2,289,853</u> |
| Capital assets, depreciated: | | | | |
| Improvements | 1,345,066 | 235,671 | - | 1,580,737 |
| Buildings | 12,495,811 | 1,491,328 | - | 13,987,139 |
| Infrastructure | 8,211,722 | - | - | 8,211,722 |
| Machinery and equipment | 433,312 | 47,702 | - | 481,014 |
| Vehicles | 6,659,927 | 364,383 | (9,976) | 7,014,334 |
| Total capital assets, depreciated | <u>29,145,838</u> | <u>2,139,084</u> | <u>(9,976)</u> | <u>31,274,946</u> |
| Accumulated depreciation: | | | | |
| Improvements | 515,285 | 60,847 | - | 576,132 |
| Buildings | 3,278,097 | 348,912 | - | 3,627,009 |
| Infrastructure | 6,605,253 | 189,622 | - | 6,794,875 |
| Machinery and equipment | 142,392 | 44,957 | - | 187,349 |
| Vehicles | 4,190,169 | 479,343 | (9,976) | 4,659,536 |
| Total accumulated depreciation | <u>14,731,196</u> | <u>1,123,681</u> | <u>(9,976)</u> | <u>15,844,901</u> |
| Net book value | <u>\$ 16,586,798</u> | <u>\$ 1,734,410</u> | <u>\$ (601,310)</u> | <u>\$ 17,719,898</u> |

Construction in progress relates to improvements on the Miami Lane Bridge Project, the Philmont FD Fire Training Building, the Airport Fuel Farm Project and the AF Airport Rehab Project.

Depreciation expense for the year ended June 30, 2013 was charged to governmental activities as follows:

General government \$ 1,123,681

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 7. Long-term Debt

During the year ended June 30, 2013, the following changes occurred in long-term debt reported in the government-wide statement of net position:

| | Balance June 30, 2012 | Restatement | Additions | Retirements | Balance June 30, 2013 | Due Within One Year |
|-----------------------------|--------------------------|---------------------|-------------------|-------------------|--------------------------|------------------------|
| NMFA Loans | \$ 1,039,650 | \$ - | \$ - | \$ 74,500 | \$ 965,150 | \$ 80,370 |
| Revenue Bonds | 3,610,619 | - | - | 105,619 | 3,505,000 | 120,000 |
| Capital Leases | 538,355 | (448,598) | - | 89,757 | - | - |
| Compensated Absences | 424,930 | - | 123,717 | 155,289 | 393,358 | 155,289 |
| Total long-term debt | \$ 5,613,554 | \$ (448,598) | \$ 123,717 | \$ 425,165 | \$ 4,863,508 | \$ 355,659 |

NMFA Revenue Notes

The County of Colfax entered into several loan agreements with the New Mexico Finance Authority, wherein the County pledged revenue derived from New Mexico Fire Protection Allotments to cover debt service. This revenue is subject to intercept agreements. The various NMFA Revenue Notes are as follows:

| Description | Date of Issue | Term | Interest Rate | Original Amount of Issue | Balance June 30, 2013 |
|---|------------------|----------|------------------|--------------------------------|--------------------------|
| French Tract Fire District - Fire Pumper Truck | August 2004 | 11 years | 3.50% | \$ 166,667 | \$ 38,744 |
| Fire District #6 - Fire Station | April 2007 | 15 years | 3.65% | \$ 180,000 | 120,672 |
| French Tract Fire District - Attack Fire Truck | December 2009 | 12 years | 1.69% | \$ 223,300 | 208,557 |
| Moreno Fire District - New Fire Pumper | December 2009 | 10 years | 1.04% | \$ 406,000 | 293,677 |
| Moreno Fire District - Upgrade Valverde Station | July 2011 | 20 years | 3.09% | \$ 304,500 | 303,500 |
| | | | | | <u>\$ 965,150</u> |

The annual requirements to amortize the NMFA Revenue Notes as of June 30, 2013, including interest payments are as follows:

| Fiscal Year Ending June 30, | Principal | Interest | Total Debt Service |
|--------------------------------|-------------------|-------------------|-----------------------|
| 2014 | \$ 80,370 | \$ 31,082 | \$ 111,452 |
| 2015 | 81,480 | 28,918 | 110,398 |
| 2016 | 82,651 | 26,496 | 109,147 |
| 2017 | 85,167 | 24,030 | 109,197 |
| 2018 | 87,905 | 21,341 | 109,246 |
| 2019-2023 | 306,956 | 64,226 | 371,182 |
| 2024-2028 | 120,852 | 29,598 | 150,450 |
| 2029-2032 | 119,769 | 9,220 | 128,989 |
| | <u>\$ 965,150</u> | <u>\$ 234,911</u> | <u>\$ 1,200,061</u> |

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Notes to Financial Statements
June 30, 2013

NOTE 7. Long-term Debt (continued)

NMFA Revenue Notes have been liquidated by the respective fire district debt service and/or special revenue funds in prior years

Revenue Bonds

The County issued the Series 2009 Gross Receipts Tax Revenue Bonds in order to finance the construction of the judicial center.

The revenue bonds are as follows:

| Description | Date of Issue | Term | Interest Rate | Original Amount of Issue | Balance June 30, 2013 |
|--|---------------|----------|---------------|--------------------------|-----------------------|
| Gross Receipts Tax Revenue Bonds Series 2009 | August 2009 | 20 years | 5.0-5.5% | \$ 3,825,000 | <u>\$ 3,505,000</u> |

The annual requirements to amortize the Revenue Bonds as of June 30, 2013, including interest payments are as follows:

| Fiscal Year Ending June 30, | Principal | Interest | Total Debt Service |
|-----------------------------|---------------------|---------------------|---------------------|
| 2014 | \$ 120,000 | \$ 184,800 | \$ 304,800 |
| 2015 | 130,000 | 178,550 | 308,550 |
| 2016 | 135,000 | 171,925 | 306,925 |
| 2017 | 140,000 | 165,050 | 305,050 |
| 2018 | 150,000 | 157,800 | 307,800 |
| 2019-2023 | 860,000 | 663,050 | 1,523,050 |
| 2024-2028 | 1,120,000 | 394,624 | 1,514,624 |
| 2029-2030 | 850,000 | 55,825 | 905,825 |
| | <u>\$ 3,505,000</u> | <u>\$ 1,971,624</u> | <u>\$ 5,476,624</u> |

The County has pledged future revenues derived from the first one-eighth percent increment of county gross receipts tax levied by the County on persons engaging in business in the County. Principal and interest due with respect to the Bonds are payable by the County from the "Pledged Revenues," and, in certain instances, from the Reserve Account within the Trust Fund established by the Bond Ordinance.

Revenue bonds have been liquidated by the judicial center bond debt service fund in prior years.

Compensated Absences – Employees of the County are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2013, compensated absences decreased \$31,572 over the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities.

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 8. Operating Leases

The County leases equipment under operating leases expiring during the next six years. Although renewal and purchase options are available on these leases, the County considers these to be operating leases as they contain a non-appropriation termination clause.

At June 30, 2013, future minimum lease payments applicable to the operating leases are as follows:

| | <u>Total</u> |
|------|-------------------|
| 2014 | \$ 88,824 |
| 2015 | 88,824 |
| 2016 | 88,824 |
| 2017 | 60,758 |
| 2018 | 46,034 |
| 2019 | 2,379 |
| | <u>\$ 375,643</u> |

NOTE 9. Risk Management

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

Colfax County is a member and is insured through the New Mexico County Insurance Authority. The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The Authority acts as the common carrier for the State of New Mexico counties. The County pays an annual premium to the Authority based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. The County is not liable for more than the premiums paid.

At June 30, 2013, no unpaid claims have been filed which exceed the policy limits and to the best of management's knowledge and belief, all known and unknown claims will be covered by insurance. The County is not aware of any major lawsuits that have been filed.

NOTE 10. Restatement

Government-Wide Statements

In prior years, the County recorded a capital lease liability related to 5 motor graders as part of the long-term debt obligations, however the County had not included these items as part of their capital assets. During the year ended June 30, 2013, the County returned the motor graders and terminated the related capital lease resulting in the following restatement to Net Position on the Government-Wide Financial Statements at June 30, 2013.

| | |
|--|----------------------|
| Net position - beginning, as originally stated | \$ 22,462,467 |
| Net position - restatement | <u>448,598</u> |
| Net position - beginning, as restated | <u>\$ 22,911,065</u> |

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 11. Change in Fund Classifications

During the year ended June 30, 2013, the County changed fund groupings for reporting purposes for the following funds:

Changes in fund groupings on the Non-GAAP Budgetary Basis:

Non-GAAP Budgetary Basis

| | Prior Year Non-GAAP Budgetary Basis |
|--|--|
| Funds as previously reported: | |
| French Tract Fire District Special Revenue Fund | \$ 55,944 |
| Miami Fire District Special Revenue Fund | 86,511 |
| Farley Fire District Special Revenue Fund | 75,750 |
| Ute Park Fire District Special Revenue Fund | 293,126 |
| Philmont Fire District Special Revenue Fund | 30,474 |
| Moreno Valley Fire District Special Revenue Fund | 46,792 |
| County Fire Marshall Special Revenue Fund | 85,199 |
| Vermejo Fire District Special Revenue Fund | <u>154,007</u> |

| | |
|---|--------------------------|
| Total prior year Non-GAAP Budgetary Basis | <u><u>\$ 827,803</u></u> |
|---|--------------------------|

| | |
|--|---------------------------------|
| Beginning Non-GAAP Budgetary Basis - Fire Protection Special Revenue Fund | <u><u>\$ 827,803</u></u> |
|--|---------------------------------|

Funds as previously reported:

| | |
|--|--------------|
| Community DWI Program Special Revenue Fund | \$ 683 |
| DWI Distribution Special Revenue Fund | 55,174 |
| DWI Local Grant Special Revenue Fund | 27,887 |
| DWI State Farm Special Revenue Fund | 8,566 |
| DWI Program Special Revenue Fund (YES - CYFD Special Revenue Fund) | <u>5,021</u> |

| | |
|---|-------------------------|
| Total prior year Non-GAAP Budgetary Basis | <u><u>\$ 97,331</u></u> |
|---|-------------------------|

| | |
|--|--------------------------------|
| Beginning Non-GAAP Budgetary Basis - DWI Program Special Revenue Fund | <u><u>\$ 97,331</u></u> |
|--|--------------------------------|

Funds as previously reported:

| | |
|--|-----------|
| French Tract Fire District Debt Service Fund | \$ 16,745 |
| Moreno Valley Equipment Debt Service Fund | 176,978 |
| Philmont Fire District Debt Service Fund | <u>1</u> |

| | |
|---|--------------------------|
| Total prior year Non-GAAP Budgetary Basis | <u><u>\$ 193,724</u></u> |
|---|--------------------------|

| | |
|---|---------------------------------|
| Beginning Non-GAAP Budgetary Basis - NMFA Debt Funds Debt Service Fund | <u><u>\$ 193,724</u></u> |
|---|---------------------------------|

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 11. Change in Fund Classifications (continued)

Changes in fund groupings on the GAAP Basis:

GAAP Basis

| | Prior Year GAAP Basis |
|--|-------------------------------------|
| Funds as previously reported: | |
| French Tract Fire District Special Revenue Fund | \$ 57,327 |
| Miami Fire District Special Revenue Fund | 88,524 |
| Farley Fire District Special Revenue Fund | 77,517 |
| Ute Park Fire District Special Revenue Fund | 295,139 |
| Philmont Fire District Special Revenue Fund | 30,860 |
| Moreno Valley Fire District Special Revenue Fund | 48,048 |
| County Fire Marshall Special Revenue Fund | 84,844 |
| Vermejo Fire District Special Revenue Fund | <u>156,020</u> |
| Total prior year GAAP Basis | \$ <u><u>838,279</u></u> |
| Beginning GAAP Basis - Fire Protection Special Revenue Fund | \$ <u><u>838,279</u></u> |

Funds as previously reported:

| | |
|--|------------------------------------|
| Community DWI Program Special Revenue Fund | \$ 683 |
| DWI Distribution Special Revenue Fund | 55,254 |
| DWI Local Grant Special Revenue Fund | 27,887 |
| DWI State Farm Special Revenue Fund | 8,566 |
| DWI Program Special Revenue Fund (YES - CYFD Special Revenue Fund) | <u>5,021</u> |
| Total prior year GAAP Basis | \$ <u><u>97,411</u></u> |
| Beginning GAAP Basis - DWI Program Special Revenue Fund | \$ <u><u>97,411</u></u> |

Funds as previously reported:

| | |
|---|-------------------------------------|
| French Tract Fire District Debt Service Fund | \$ 16,745 |
| Moreno Valley Equipment Debt Service Fund | 176,978 |
| Philmont Fire District Debt Service Fund | <u>1</u> |
| Total prior year GAAP Basis | \$ <u><u>193,724</u></u> |
| Beginning GAAP Basis - NMFA Debt Funds Debt Service Fund | \$ <u><u>193,724</u></u> |

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 12. Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

- A. Deficit fund balance of individual funds. There were not any funds that reflected a deficit fund balance as of June 30, 2013.
- B. Excess of expenditures over appropriations. There were not any funds with expenditures in excess of the budgeted appropriations for the year ended June 30, 2013.
- C. Designated cash appropriations in excess of available balances. There were not any funds with excess cash appropriations for the year ended June 30, 2013.

NOTE 13. Pension Plan – Public Employees Retirement Association

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

Funding Policy: Plan members are required to contribute the following percentages of their gross salary: 12.35% for law enforcement and fire protection employees; and 9.15% for County employees. The County was required to contribute the following percentages of the gross covered salary: 18.5% for law enforcement and fire protection plan members; and 9.15% for County plan members. The contribution requirements of plan members and Colfax County are established in State Statute under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The County's contributions to PERA for the years ended June 30, 2013, 2012 and 2011 were \$275,301, \$274,882, and \$265,570, respectively, which equal the amount of the required contributions for each fiscal year.

NOTE 14. Post-Employment Benefits – State Retiree Health Care Plan

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

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

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 14. Post-Employment Benefits – State Retiree Health Care Plan (continued)

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

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2013, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

Colfax County's contributions to the RHCA for the years ended June 30, 2013, 2012 and 2011 were \$54,094, \$49,412, and \$42,984, respectively, which equaled the required contribution for each year.

NOTE 15. Concentrations

The County depends on financial resources flowing from, or associated with, property taxes, gross receipts taxes, the Federal Government and the State of New Mexico. Because of this dependency, the County is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State Appropriations; changes in gross receipts tax rates, collections, and property values.

NOTE 16. Commitments

On August 20, 1986, the Commissioners of Colfax County agreed to consolidate Northern Colfax County Hospital (henceforth "NCCH") with Miners Hospital. On that date various agreements were executed between the County Commission and the Board of Trustees of Miners Hospital whereby the NCCH facility and assets were leased to Miners Hospital. At the end of the lease period Miners Hospital had an option to purchase the NCCH facility and assets. The initial lease period was five years and the Board had the ability to renew the lease for another five years. At the end of the lease period the Board exercised its option to purchase the NCCH facility and assets.

STATE OF NEW MEXICO
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Notes to Financial Statements
June 30, 2013

NOTE 16. Commitments (continued)

One million dollars, paid by Miners Hospital, deposited in an escrow account, may become the property of the County if certain events occur. Events that would cause this to occur are: (1) the New Mexico license of the Board to operate the Consolidated Hospital as an acute care hospital is suspended or revoked; (2) the federal Medicare certificate of the Board is terminated, unless that termination is caused by the termination of the Medicare program; (3) the Consolidated Hospital is failing to provide equal quality and nature of medical services to miner and non-miner patients at the Consolidated Hospital; (4) the Board is failing to operate the Consolidated Hospital as, at a minimum, a licensed general acute care hospital open to the public or equivalent; or (5) the Miners Trust is terminated (individually, or an "Event" or collectively, the "Events").

In any event, the investment earnings of the one million dollars placed in escrow became the property of Colfax County on August 20, 2006. At June 30, 2013, the escrow account had a balance of approximately \$1,726,736. All of that amount, up to the amount of \$1,754,828, may only be used to establish a Permanent Health Care Fund. Any additional amounts are subsequent earnings from the "to be established Permanent Health Care Fund" and may only be used for any lawful health care purpose, as determined by the Colfax County. In addition, the continued earnings of the original one million dollars placed in escrow will be paid annually to Colfax County for any lawful health care purposes.

Other commitments for the County as of June 30, 2013 are as follows:

| <u>Contract</u> | <u>Year Ending</u> | <u>Amount</u> |
|---------------------------------|--------------------|---------------|
| Angel Fire Airport Fuel Farm | 2014 | \$ 218,500 |
| Philmont FD Fire Training Bldg. | 2014 | 503,000 |
| AF Airport | 2014 | 1,500,000 |
| NFL Hazardous Fuel Removal | 2014 | 177,500 |
| Miami Lane Bridge Project | 2014 | 281,500 |

NOTE 17. Joint Powers Agreements and Memorandums of Understanding

Housing of Prisoners

| | |
|----------------------|---|
| Participants | Colfax County Quay County |
| Responsible party | Colfax County Quay County |
| Description | The Quay County Detention Center will house prisoners from Colfax County at its facility in Tucumcari, New Mexico on a space available basis. |
| Term of agreement | July 1, 2009 through June 30, 2013 |
| Amount of project | Colfax County will pay \$125 per day and any portion thereof for housing and board and related services. |
| County contributions | Unknown |
| Audit responsibility | Quay County |

STATE OF NEW MEXICO
Colfax County
Notes to Financial Statements
June 30, 2013

NOTE 17. Joint Powers Agreements and Memorandums of Understanding (continued)

Law Enforcement Services

| | |
|----------------------|---|
| Participants | Colfax County Village of Eagle Nest |
| Responsible party | Colfax County Village of Eagle Nest |
| Description | Colfax County will provide limited law enforcement services to the Village of Eagle Nest and the County will utilize the Village's equipment, purchased with a \$20,000 grant, for the support and assistance of their officers, in exchange to the Village for the provision of police protection. |
| Term of agreement | July 1, 2012 through June 30, 2013 |
| Amount of project | None |
| County contributions | Unknown |
| Audit responsibility | Colfax County |

Raton Public Schools

| | |
|----------------------|--|
| Participants | Colfax County Board of Education of the Raton Public Schools |
| Responsible party | Colfax County Board of Education of the Raton Public Schools |
| Description | To increase the educational options and opportunities for high school students in Colfax County by providing students with the specialized education and training programs that will assist students in pursuing health care careers in Colfax County. |
| Term of agreement | July 1, 2012 through June 30, 2013 |
| Amount of project | The County will reimburse the Raton Public Schools for actual expenditures incurred up to a maximum of \$60,000 for the program. |
| County contributions | \$41,873 for the year ended June 30, 2013 |
| Audit responsibility | Raton Public Schools |

NOTE 18. Contingent Liabilities

The County is party to various claims and lawsuits arising in the normal course of business. The County is insured through the New Mexico County Insurance Authority. In the opinion of management, the outcome of these matters will not have a material effect on the financial position of the County.

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NOTE 19. Restricted Net Position

The government-wide statement of net position reports \$5,939,733 of restricted net position, all of which is restricted by enabling legislation. For descriptions of the related enabling legislation for special revenue, debt service, capital projects and the permanent fund see pages 37 and 62-63.

NOTE 20. Subsequent Events

Subsequent to June 30, 2013, the County entered into the following Debt Agreement:

- The County has entered into an NMFA Loan closing on October 4, 2013, for \$307,305. The purpose of the loan shall be used for the purchase of a burn simulator for use by the Philmont Fire Department. The debt payments will be made by intercepting the state fire allotments provided on an annual basis by the State of New Mexico.

The date to which events occurring after June 30, 2013, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosures is November 7, 2013 which is the date on which the financial statements were issued.

NOTE 21. Subsequent Pronouncements

In March 2012, GASB Statement No. 65 *Items Previously Reported as Assets and Liabilities*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The standard will be implemented during fiscal year June 30, 2014.

In March 2012, GASB Statement No. 66 *Technical Corrections-2012—an amendment of GASB Statements No. 10 and No. 62*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012. Earlier application is encouraged. The standard will be implemented during fiscal year June 30, 2014.

In June 2012, GASB Statement No. 67 *Financial Reporting for Pension Plans—an amendment of GASB Statements No. 25*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2013. Earlier application is encouraged. The standard is expected to have no effect on the County in upcoming years.

In June 2012, GASB Statement No. 68 *Accounting and Financial Reporting for Pensions—an amendment of GASB Statements No. 27*, Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2014. Earlier application is encouraged. The County will implement this standard during the fiscal year June 30, 2015.

In January 2013, GASB Statement No. 69 *Government Combinations and Disposals of Government Operations*, Effective Date: The requirements of this Statement are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013. Earlier application is encouraged. The provisions of this Statement generally are required to be applied prospectively. The County is still evaluating how this reporting standard will affect the County.

In April 2013, GASB Statement No. 70 *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, Effective Date: The provisions of this Statement are effective for reporting periods beginning after June 15, 2013. Earlier application is encouraged. Except for disclosures related to cumulative amounts paid or received in relation to a financial guarantee, the provisions of this Statement are required to be applied retroactively. Disclosures related to cumulative amounts paid or received in relation to a financial guarantee may be applied prospectively. The County is still evaluating how this reporting standard will affect the County.

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
Colfax County
Nonmajor Governmental Funds
June 30, 2013

Special Revenue Funds

Corrections – To account for correction fees authorized by Section 35-14-11, NMSA, 1978 Compilation and Court ordered jail fee reimbursements. Funds are used to supplement general funds for the care of prisoners.

Environmental Gross Receipts Tax – To account for a gross receipts tax imposed to fund environmental activities, mainly sanitary landfills, water systems and environmental services. Authority is local ordinance authorized by NMSA 1978 7-20E-17.

Property Valuation – To account for the financing of property re-evaluation. Funds are from property taxes levied on County property owners. This fund was created under the authority of State Statute NMSA 7-38-38.1.

Road - Accounts for revenues and expenditures used to maintain roads for which the County has responsibility. Financing sources include gasoline taxes, motor vehicle registration fees, and the New Mexico Department of Transportation cooperative agreement funds. Expenditures are restricted for construction and maintenance of County roads. Authorization is Section 67-3-1, NMSA 1978 Compilation.

Farm and Range – To account for funds received to finance predator, weed, rodent, and parasite control on County farms and ranges. Funds are generated from the Taylor Grazing Act fees. This fund was created by the authority of State Statute NMSA 6-11-6.

Wild Land Fire Suppression – To account for expenditures related to wild land fire suppression and prevention activities within the County. Funding was provided by transfers from the County's fire districts and reimbursements for services rendered on Federal lands. Fund authority is through Colfax County.

Law Enforcement – To account for revenues and expenditures for maintaining and improving the County's law enforcement department in order to enhance its efficiency and effectiveness. Funding is from the State appropriation authorized by Section 29-13-3f, NMSA.

Recreation – To account for revenues and expenditures related to the County's Youth recreational activities. Funds are provided by the state shared cigarette tax. The fund was created by authority of State Statute (see Section 7-12-15, NMSA 1978 Compilation).

YES Program - To account for grants received from the State of New Mexico Children, Youth and Families Department for the Yes Program and from Optum Health to provide education to alcohol merchants throughout Colfax County. Authority for the establishment of this fund is by Colfax County Commissioners.

Maternal and Child Healthcare – To account for expenditures to provide children's and maternal services and programs to County residents. Funding is provided by a grant from the Department of Health.

NM Transportation Grants – To account for transportation grants received from the State of New Mexico, such as CAAP, Co-op, and School Bus grants. Authority for the establishment of this fund is by Colfax County Commission.

WIPP – To account for funds received from the State Fire Marshal's Office of New Mexico for purpose of the WIPP Project – radiation and hazardous material response. Authority for the establishment of this fund is by Colfax County Commission.

NFL Grant Hazard – To account for grant received from New Mexico State Forestry for hazardous fuel reduction on non-federal lands. Authority for the establishment of this fund is by Colfax County Commission.

NM Department of Homeland Security Grant – To account for a grant received from New Mexico Department of Homeland Security to purchase disaster equipment. Authority for the establishment of this fund is by Colfax County Commission.

Indigent Care – To account for revenues received from state shared gross receipts taxes for hospital service for indigent citizens of the County. The fund was created by authority of State Statute (see Section 7-20E-9, NMSA 1978 Compilation).

Fire Excise Tax – To account for funds received pursuant to the County's Fire Excise Ordinance as authorized by New Mexico Statute 7-20E-15. Fund is used to supplement the County's fire districts and cannot be used to pay salaries, compensation or remuneration to any employee of the State, County or Independent Fire District.

STATE OF NEW MEXICO
Colfax County
Nonmajor Governmental Funds
June 30, 2013

Special Revenue Funds (continued)

DWI Program - To account for various state grants, local funding, and State Farm grants to further combat driving while intoxicated in the community. Authority for the establishment of this fund is by Colfax County Commissioners.

Clerk's Equipment - To account for revenues and expenditures for control of equipment. The fees collected are restricted in that they may only be used for the purchase of equipment associated with the recording, filing, maintaining, or reproducing of documents in the Office of the County Clerk. This fund was created by authority of State Statute (see Section 14-8-2.2, NMSA 1978 Compilation).

CCDC Special Funds – To account for donations from inmates to be used for the purchase of drug and alcohol related equipment. Authority for fund establishment is the Colfax County Commission.

Federal Forfeitures – To account for federal forfeiture money received by the County Sheriff. Authority for the establishment of this fund is by Colfax County Commission.

Tract Fire – To account for revenues and expenditures of fire protection funds for the Tract Fire. Authority for fund establishment is the Colfax County Commission.

Health Care Interest – To account for subsequent earnings from the Health Care Permanent Fund which may only be used for any lawful health care purpose, as determined by Colfax County. Authority for the establishment of this fund is by Colfax County Commission.

Solid Waste – To account for fees generated from charges for trash collection. Authority to establish this fund is from Colfax County Commissioners and the fees generated are to maintain the solid waste collection system.

Angel Fire Operations – To account for the operating expense and revenues earned at Angel Fire Airport. Authority for the establishment of this fund is by Colfax County Commission.

Debt Service Funds

Judicial Bond Center Payment – To account for the required reserves of the Series 2011 Gross Receipts Tax Revenue Bonds. Authority for establishment of this fund is by Colfax County Commission.

Judicial Center Bond Reserve – To account for the required reserves of the Series 2009 Gross Receipts Tax Revenue Bonds. Authority for establishment of this fund is by Colfax County Commission.

NMFA Debt Funds – To account for the payment of three notes used to finance the purchase of two fire pumper trucks and a pre-fabricated steel facility for use as a substation by the Angel Fire Fire District. Funding is provided by intercepted fire allotments and interest income. The intercept is authorized by loan agreements signed with the NM Finance Authority. Authority for establishment of this fund is by Colfax County Commission.

Capital Projects Funds

Courthouse Renovation – To account for monies received from the State of New Mexico to renovate the County Courthouse. Authority for the establishment of this fund is by Colfax County Commission.

Judicial Center – To account for expenditures related to the construction of the judicial center. Authority for the establishment of this fund is by Colfax County Commission.

Angel Fire Road Levy – To account for property taxes levied to be used for the improvement of roads. Authority for the establishment of this fund is by Colfax County Commission.

STATE OF NEW MEXICO
Colfax County
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2013

| | Special Revenue | | | |
|--|-----------------|--|-----------------------|------------|
| | Corrections | Environmental Gross Receipts Tax | Property Valuation | Road |
| <i>Assets</i> | | | | |
| Cash and cash equivalents | \$ 18,867 | \$ 191,042 | \$ 303,634 | \$ 83,425 |
| Receivables: | | | | |
| Property taxes | - | - | 20,151 | - |
| Other taxes | - | 12,853 | - | 55,073 |
| Other receivables | 42,521 | - | - | - |
| <i>Total assets</i> | \$ 61,388 | \$ 203,895 | \$ 323,785 | \$ 138,498 |
| <i>Liabilities</i> | | | | |
| Accounts payable | \$ 27,004 | \$ - | \$ 696 | \$ 6,264 |
| Deferred revenue: | | | | |
| Property taxes | - | - | 18,079 | - |
| <i>Total liabilities</i> | 27,004 | - | 18,775 | 6,264 |
| <i>Fund balances</i> | | | | |
| Spendable | | | | |
| Restricted for: | | | | |
| General county operations | - | 203,895 | 305,010 | - |
| Maintenance of roads | - | - | - | 132,234 |
| Fire departments | - | - | - | - |
| Detention center expenditures | 34,384 | - | - | - |
| Public safety | - | - | - | - |
| Healthcare | - | - | - | - |
| Forest health | - | - | - | - |
| Debt service expenditures | - | - | - | - |
| Committed to: | | | | |
| Fire departments | - | - | - | - |
| County inmate donations | - | - | - | - |
| County roadwork | - | - | - | - |
| WIPP project | - | - | - | - |
| Forfeited funds | - | - | - | - |
| Solid waste | - | - | - | - |
| Community support | - | - | - | - |
| Healthcare | - | - | - | - |
| Capital improvement projects | - | - | - | - |
| Angel Fire airport | - | - | - | - |
| <i>Total fund balances</i> | 34,384 | 203,895 | 305,010 | 132,234 |
| <i>Total liabilities and fund balances</i> | \$ 61,388 | \$ 203,895 | \$ 323,785 | \$ 138,498 |

The accompanying notes are an integral part of these financial statements

Special Revenue

| <u>Farm and Range</u> | <u>Wild Land Fire Suppression</u> | <u>Law Enforcement</u> | <u>Recreation</u> | <u>YES Program</u> |
|-----------------------|---------------------------------------|----------------------------|-------------------|--------------------|
| \$ 526 | \$ 188,180 | \$ 19,867 | \$ 897 | \$ 5,625 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 134,367 | - | - | 10,059 |
| <u>\$ 526</u> | <u>\$ 322,547</u> | <u>\$ 19,867</u> | <u>\$ 897</u> | <u>\$ 15,684</u> |
| \$ - | \$ - | \$ - | \$ - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 526 | - | - | 897 | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | 19,867 | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 322,547 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | 15,684 |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>526</u> | <u>322,547</u> | <u>19,867</u> | <u>897</u> | <u>15,684</u> |
| <u>\$ 526</u> | <u>\$ 322,547</u> | <u>\$ 19,867</u> | <u>\$ 897</u> | <u>\$ 15,684</u> |

STATE OF NEW MEXICO
Colfax County
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2013

| | Special Revenue | | | |
|--|-------------------------------------|--------------------------------|------------------|---------------------|
| | Maternal and Child Healthcare | NM Transportation Grants | WIPP | NFL Grant Hazard |
| <i>Assets</i> | | | | |
| Cash and cash equivalents | \$ 44,539 | \$ 120,397 | \$ 13,443 | \$ 9,525 |
| Receivables: | | | | |
| Property taxes | - | - | - | - |
| Other taxes | - | - | - | - |
| Other receivables | - | - | - | 82,954 |
| <i>Total assets</i> | <u>\$ 44,539</u> | <u>\$ 120,397</u> | <u>\$ 13,443</u> | <u>\$ 92,479</u> |
| <i>Liabilities</i> | | | | |
| Accounts payable | - | - | - | 87,399 |
| Deferred revenue: | | | | |
| Property taxes | - | - | - | - |
| <i>Total liabilities</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>87,399</u> |
| <i>Fund balances</i> | | | | |
| Spendable | | | | |
| Restricted for: | | | | |
| General county operations | - | - | - | - |
| Maintenance of roads | - | - | - | - |
| Fire departments | - | - | - | - |
| Detention center expenditures | - | - | - | - |
| Public safety | - | - | - | - |
| Healthcare | 44,539 | - | - | - |
| Forest health | - | - | - | 5,080 |
| Debt service expenditures | - | - | - | - |
| Committed to: | | | | |
| Fire departments | - | - | - | - |
| County inmate donations | - | - | - | - |
| County roadwork | - | 120,397 | - | - |
| WIPP project | - | - | 13,443 | - |
| Forfeited funds | - | - | - | - |
| Solid waste | - | - | - | - |
| Community support | - | - | - | - |
| Healthcare | - | - | - | - |
| Capital improvement projects | - | - | - | - |
| Angel Fire airport | - | - | - | - |
| <i>Total fund balances</i> | <u>44,539</u> | <u>120,397</u> | <u>13,443</u> | <u>5,080</u> |
| <i>Total liabilities and fund balances</i> | <u>\$ 44,539</u> | <u>\$ 120,397</u> | <u>\$ 13,443</u> | <u>\$ 92,479</u> |

The accompanying notes are an integral part of these financial statements

Special Revenue

| NM Department of Homeland Security Grant | Indigent Care | Fire Excise Tax | DWI Program | Clerk's Equipment |
|--|-------------------|-------------------|------------------|----------------------|
| \$ - | \$ 193,278 | \$ 204,420 | \$ 80,298 | \$ 113,683 |
| - | - | - | - | - |
| - | 54,897 | 25,705 | - | - |
| - | - | - | 10,708 | 154 |
| <u>\$ -</u> | <u>\$ 248,175</u> | <u>\$ 230,125</u> | <u>\$ 91,006</u> | <u>\$ 113,837</u> |
| - | \$ 31,197 | \$ 5,440 | 59 | \$ - |
| - | - | - | - | - |
| <u>-</u> | <u>31,197</u> | <u>5,440</u> | <u>59</u> | <u>-</u> |
| - | - | - | - | 113,837 |
| - | - | - | - | - |
| - | - | 224,685 | - | - |
| - | - | - | - | - |
| - | - | - | 90,947 | - |
| - | 216,978 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>-</u> | <u>216,978</u> | <u>224,685</u> | <u>90,947</u> | <u>113,837</u> |
| <u>\$ -</u> | <u>\$ 248,175</u> | <u>\$ 230,125</u> | <u>\$ 91,006</u> | <u>\$ 113,837</u> |

STATE OF NEW MEXICO
Colfax County
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2013

| | Special Revenue | | | |
|--|-----------------------|------------------------|------------|-------------------------|
| | CCDC Special Funds | Federal Forfeitures | Tract Fire | Health Care Interest |
| <i>Assets</i> | | | | |
| Cash and cash equivalents | \$ 6,210 | \$ 21,140 | \$ - | \$ 229,638 |
| Receivables: | | | | |
| Property taxes | - | - | - | - |
| Other taxes | - | - | - | - |
| Other receivables | - | - | - | 5,347 |
| <i>Total assets</i> | \$ 6,210 | \$ 21,140 | \$ - | \$ 234,985 |
| <i>Liabilities</i> | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Deferred revenue: | | | | |
| Property taxes | - | - | - | - |
| <i>Total liabilities</i> | - | - | - | - |
| <i>Fund balances</i> | | | | |
| Spendable | | | | |
| Restricted for: | | | | |
| General county operations | - | - | - | - |
| Maintenance of roads | - | - | - | - |
| Fire departments | - | - | - | - |
| Detention center expenditures | - | - | - | - |
| Public safety | - | - | - | - |
| Healthcare | - | - | - | - |
| Forest health | - | - | - | - |
| Debt service expenditures | - | - | - | - |
| Committed to: | | | | |
| Fire departments | - | - | - | - |
| County inmate donations | 6,210 | - | - | - |
| County roadwork | - | - | - | - |
| WIPP project | - | - | - | - |
| Forfeited funds | - | 21,140 | - | - |
| Solid waste | - | - | - | - |
| Community support | - | - | - | - |
| Healthcare | - | - | - | 234,985 |
| Capital improvement projects | - | - | - | - |
| Angel Fire airport | - | - | - | - |
| <i>Total fund balances</i> | 6,210 | 21,140 | - | 234,985 |
| <i>Total liabilities and fund balances</i> | \$ 6,210 | \$ 21,140 | \$ - | \$ 234,985 |

The accompanying notes are an integral part of these financial statements

| Special Revenue | | Debt Service | | |
|-------------------|-----------------------|------------------------------|------------------------------|------------------|
| Solid Waste | Angel Fire Operations | Judicial Bond Center Payment | Judicial Center Bond Reserve | NMFA Debt Funds |
| \$ 221,365 | \$ 27,937 | \$ 37,032 | \$ 311,800 | \$ 17,050 |
| - | - | - | - | - |
| - | - | - | - | - |
| 7,048 | 3,005 | - | - | - |
| <u>\$ 228,413</u> | <u>\$ 30,942</u> | <u>\$ 37,032</u> | <u>\$ 311,800</u> | <u>\$ 17,050</u> |
| \$ 19,790 | \$ 1,315 | \$ - | \$ - | \$ - |
| - | - | - | - | - |
| <u>19,790</u> | <u>1,315</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | 37,032 | 311,800 | 17,050 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 208,623 | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 29,627 | - | - | - |
| <u>208,623</u> | <u>29,627</u> | <u>37,032</u> | <u>311,800</u> | <u>17,050</u> |
| <u>\$ 228,413</u> | <u>\$ 30,942</u> | <u>\$ 37,032</u> | <u>\$ 311,800</u> | <u>\$ 17,050</u> |

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STATE OF NEW MEXICO
Colfax County
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2013

Statement A-1
Page 4 of 4

| | Capital Projects | | | Total Nonmajor Governmental Funds |
|--|--------------------------|-----------------|-------------------------|---|
| | Courthouse Renovation | Judicial Center | Angel Fire Road Levy | |
| <i>Assets</i> | | | | |
| Cash and cash equivalents | \$ 116,589 | \$ - | \$ 219 | \$ 2,580,626 |
| Receivables: | | | | |
| Property taxes | - | - | - | 20,151 |
| Other taxes | - | - | - | 148,528 |
| Other receivables | - | - | - | 296,163 |
| <i>Total assets</i> | \$ 116,589 | \$ - | \$ 219 | \$ 3,045,468 |
| <i>Liabilities</i> | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ 179,164 |
| Deferred revenue: | | | | |
| Property taxes | - | - | - | 18,079 |
| <i>Total liabilities</i> | - | - | - | 197,243 |
| <i>Fund balances</i> | | | | |
| Spendable | | | | |
| Restricted for: | | | | |
| General county operations | - | - | - | 624,165 |
| Maintenance of roads | - | - | - | 132,234 |
| Fire departments | - | - | - | 224,685 |
| Detention center expenditures | - | - | - | 34,384 |
| Public safety | - | - | - | 110,814 |
| Healthcare | - | - | - | 261,517 |
| Forest health | - | - | - | 5,080 |
| Debt service expenditures | - | - | - | 365,882 |
| Committed to: | | | | |
| Fire departments | - | - | - | 322,547 |
| County inmate donations | - | - | - | 6,210 |
| County roadwork | - | - | - | 120,397 |
| WIPP project | - | - | - | 13,443 |
| Forfeited funds | - | - | - | 21,140 |
| Solid waste | - | - | - | 208,623 |
| Community support | - | - | - | 15,684 |
| Healthcare | - | - | - | 234,985 |
| Capital improvement projects | 116,589 | - | - | 116,589 |
| Angel Fire airport | - | - | 219 | 29,846 |
| <i>Total fund balances</i> | 116,589 | - | 219 | 2,848,225 |
| <i>Total liabilities and fund balances</i> | \$ 116,589 | \$ - | \$ 219 | \$ 3,045,468 |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Colfax County
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013

| | Special Revenue | | | |
|--|------------------|--|-----------------------|-------------------|
| | Corrections | Environmental Gross Receipts Tax | Property Valuation | Road |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ 145,091 | \$ - |
| Gross receipts | - | 92,657 | - | - |
| Gasoline and motor vehicle | - | - | - | 313,206 |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | 33,536 |
| Federal capital grants | - | - | - | - |
| State operating grants | 147,940 | - | - | 100 |
| State capital grants | - | - | - | - |
| Charges for services | 41,475 | - | - | 1,326 |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>189,415</u> | <u>92,657</u> | <u>145,091</u> | <u>348,168</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | 146,431 | - |
| Public safety | 400,373 | - | - | - |
| Public works | - | - | - | 776,043 |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | 59,447 | 24,233 |
| Debt service: | | | | |
| Principal | - | - | - | 89,757 |
| Interest | - | - | - | 18,092 |
| <i>Total expenditures</i> | <u>400,373</u> | <u>-</u> | <u>205,878</u> | <u>908,125</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(210,958)</u> | <u>92,657</u> | <u>(60,787)</u> | <u>(559,957)</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Transfers in | 165,000 | - | - | 665,000 |
| Transfers (out) | - | (75,000) | - | - |
| <i>Total other financing sources (uses)</i> | <u>165,000</u> | <u>(75,000)</u> | <u>-</u> | <u>665,000</u> |
| <i>Net change in fund balance</i> | (45,958) | 17,657 | (60,787) | 105,043 |
| <i>Fund balance - beginning of year</i> | <u>80,342</u> | <u>186,238</u> | <u>365,797</u> | <u>27,191</u> |
| <i>Fund balance - end of year</i> | <u>\$ 34,384</u> | <u>\$ 203,895</u> | <u>\$ 305,010</u> | <u>\$ 132,234</u> |

The accompanying notes are an integral part of these financial statements

Special Revenue

| <u>Farm and Range</u> | <u>Wild Land Fire Suppression</u> | <u>Law Enforcement</u> | <u>Recreation</u> | <u>YES Program</u> |
|-----------------------|---------------------------------------|----------------------------|-------------------|--------------------|
| \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | 154,237 |
| - | - | - | - | - |
| - | 202,913 | 15,496 | - | - |
| - | - | - | - | - |
| 7 | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>7</u> | <u>202,913</u> | <u>15,496</u> | <u>-</u> | <u>154,237</u> |
| - | - | - | - | - |
| - | 83,215 | 32,133 | - | 172,333 |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 58,198 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>-</u> | <u>141,413</u> | <u>32,133</u> | <u>-</u> | <u>172,333</u> |
| <u>7</u> | <u>61,500</u> | <u>(16,637)</u> | <u>-</u> | <u>(18,096)</u> |
| - | - | - | - | 20,000 |
| - | - | - | - | (20,000) |
| - | - | - | - | - |
| <u>7</u> | <u>61,500</u> | <u>(16,637)</u> | <u>-</u> | <u>(18,096)</u> |
| <u>519</u> | <u>261,047</u> | <u>36,504</u> | <u>897</u> | <u>33,780</u> |
| <u>\$ 526</u> | <u>\$ 322,547</u> | <u>\$ 19,867</u> | <u>\$ 897</u> | <u>\$ 15,684</u> |

STATE OF NEW MEXICO
Colfax County
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013

| | Special Revenue | | | |
|--|-------------------------------------|--------------------------------|------------------|---------------------|
| | Maternal and Child Healthcare | NM Transportation Grants | WIPP | NFL Grant Hazard |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | 7,000 | 87,201 |
| Federal capital grants | - | - | - | - |
| State operating grants | - | 315,802 | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>-</u> | <u>315,802</u> | <u>7,000</u> | <u>87,201</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | 5,695 | - |
| Public works | - | - | - | - |
| Health and welfare | - | - | - | 97,121 |
| Capital outlay | - | 324,371 | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>-</u> | <u>324,371</u> | <u>5,695</u> | <u>97,121</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>(8,569)</u> | <u>1,305</u> | <u>(9,920)</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Net change in fund balance</i> | - | (8,569) | 1,305 | (9,920) |
| <i>Fund balance - beginning of year</i> | <u>44,539</u> | <u>128,966</u> | <u>12,138</u> | <u>15,000</u> |
| <i>Fund balance - end of year</i> | <u>\$ 44,539</u> | <u>\$ 120,397</u> | <u>\$ 13,443</u> | <u>\$ 5,080</u> |

The accompanying notes are an integral part of these financial statements

| Special Revenue | | | | |
|--|-------------------|-------------------|------------------|----------------------|
| NM Department of Homeland Security Grant | Indigent Care | Fire Excise Tax | DWI Program | Clerk's Equipment |
| \$ - | \$ - | \$ - | \$ - | \$ - |
| - | 439,359 | 185,319 | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 23,671 | - | 2,000 | 135,710 | - |
| - | - | - | - | - |
| - | - | - | 18,372 | 28,207 |
| - | - | - | - | - |
| - | - | - | 5,685 | - |
| <u>23,671</u> | <u>439,359</u> | <u>187,319</u> | <u>159,767</u> | <u>28,207</u> |
| - | - | - | - | 2,889 |
| 16,726 | - | 165,890 | 166,231 | - |
| - | - | - | - | - |
| - | 525,451 | - | - | - |
| 6,945 | - | 54,168 | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| <u>23,671</u> | <u>525,451</u> | <u>220,058</u> | <u>166,231</u> | <u>2,889</u> |
| - | (86,092) | (32,739) | (6,464) | 25,318 |
| 24,000 | - | - | - | - |
| (24,000) | - | (605) | - | - |
| - | - | (605) | - | - |
| - | (86,092) | (33,344) | (6,464) | 25,318 |
| - | 303,070 | 258,029 | 97,411 | 88,519 |
| <u>\$ -</u> | <u>\$ 216,978</u> | <u>\$ 224,685</u> | <u>\$ 90,947</u> | <u>\$ 113,837</u> |

STATE OF NEW MEXICO
Colfax County
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013

| | Special Revenue | | | |
|--|-----------------------|------------------------|------------|-------------------------|
| | CCDC Special Funds | Federal Forfeitures | Tract Fire | Health Care Interest |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | 2,169 |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | 1,034 | - | 16,929 |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | - | 1,034 | - | 19,098 |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | 9,365 | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Health and welfare | - | - | - | 41,873 |
| Capital outlay | - | 165,585 | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | - | 174,950 | - | 41,873 |
| <i>Excess (deficiency) of revenues over expenditures</i> | - | (173,916) | - | (22,775) |
| <i>Other financing sources (uses)</i> | | | | |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | (14,652) | - |
| <i>Total other financing sources (uses)</i> | - | - | (14,652) | - |
| <i>Net change in fund balance</i> | - | (173,916) | (14,652) | (22,775) |
| <i>Fund balance - beginning of year</i> | 6,210 | 195,056 | 14,652 | 257,760 |
| <i>Fund balance - end of year</i> | \$ 6,210 | \$ 21,140 | \$ - | \$ 234,985 |

The accompanying notes are an integral part of these financial statements

| Special Revenue | | Debt Service | | |
|-------------------|-----------------------|------------------------------|------------------------------|------------------|
| Solid Waste | Angel Fire Operations | Judicial Bond Center Payment | Judicial Center Bond Reserve | NMFA Debt Funds |
| \$ - | \$ - | \$ - | \$ - | \$ - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| - | 415 | - | - | - |
| - | - | - | - | - |
| - | - | - | - | - |
| 188,411 | 156,914 | - | - | - |
| - | - | - | - | 109 |
| - | - | - | - | - |
| <u>188,411</u> | <u>157,329</u> | <u>-</u> | <u>-</u> | <u>109</u> |
| - | - | - | - | - |
| - | - | - | - | 472 |
| 244,624 | 328,826 | - | - | - |
| - | - | 3,000 | - | - |
| - | - | - | - | - |
| - | - | 105,619 | - | 74,500 |
| - | - | 190,675 | - | 39,774 |
| <u>244,624</u> | <u>328,826</u> | <u>299,294</u> | <u>-</u> | <u>114,746</u> |
| <u>(56,213)</u> | <u>(171,497)</u> | <u>(299,294)</u> | <u>-</u> | <u>(114,637)</u> |
| 75,000 | 145,000 | 334,993 | - | 114,730 |
| - | - | - | - | (176,767) |
| <u>75,000</u> | <u>145,000</u> | <u>334,993</u> | <u>-</u> | <u>(62,037)</u> |
| 18,787 | (26,497) | 35,699 | - | (176,674) |
| <u>189,836</u> | <u>56,124</u> | <u>1,333</u> | <u>311,800</u> | <u>193,724</u> |
| <u>\$ 208,623</u> | <u>\$ 29,627</u> | <u>\$ 37,032</u> | <u>\$ 311,800</u> | <u>\$ 17,050</u> |

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STATE OF NEW MEXICO
Colfax County
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2013

Statement A-2
Page 4 of 4

| | Capital Projects | | | Total Nonmajor Governmental Funds |
|--|--------------------------|-----------------|-------------------------|---|
| | Courthouse Renovation | Judicial Center | Angel Fire Road Levy | |
| <i>Revenues:</i> | | | | |
| <i>Taxes:</i> | | | | |
| Property | \$ - | \$ - | \$ - | \$ 145,091 |
| Gross receipts | - | - | - | 717,335 |
| Gasoline and motor vehicle | - | - | - | 313,206 |
| <i>Intergovernmental:</i> | | | | |
| Federal operating grants | - | - | - | 281,974 |
| Federal capital grants | - | - | - | 415 |
| State operating grants | - | - | - | 845,801 |
| State capital grants | 87,667 | - | - | 87,667 |
| Charges for services | - | - | - | 434,712 |
| Investment income (loss) | - | - | - | 18,072 |
| Miscellaneous | - | - | - | 5,685 |
| <i>Total revenues</i> | 87,667 | - | - | 2,849,958 |
| <i>Expenditures:</i> | | | | |
| <i>Current:</i> | | | | |
| General government | - | - | - | 158,685 |
| Public safety | - | - | - | 1,043,068 |
| Public works | - | - | - | 1,349,493 |
| Health and welfare | - | - | - | 667,445 |
| Capital outlay | 87,666 | - | - | 780,613 |
| <i>Debt service:</i> | | | | |
| Principal | - | - | - | 269,876 |
| Interest | - | - | - | 248,541 |
| <i>Total expenditures</i> | 87,666 | - | - | 4,517,721 |
| <i>Excess (deficiency) of revenues over expenditures</i> | 1 | - | - | (1,667,763) |
| <i>Other financing sources (uses)</i> | | | | |
| Transfers in | - | - | - | 1,543,723 |
| Transfers (out) | - | (100,409) | - | (411,433) |
| <i>Total other financing sources (uses)</i> | - | (100,409) | - | 1,132,290 |
| <i>Net change in fund balance</i> | 1 | (100,409) | - | (535,473) |
| <i>Fund balance - beginning of year</i> | 116,588 | 100,409 | 219 | 3,383,698 |
| <i>Fund balance - end of year</i> | \$ 116,589 | \$ - | \$ 219 | \$ 2,848,225 |

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO

Statement B-1

Colfax County

Corrections Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|------------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | 155,000 | 155,000 | 141,006 | (13,994) |
| State capital grants | - | - | - | - |
| Charges for services | 58,000 | 58,000 | 40,964 | (17,036) |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>213,000</u> | <u>213,000</u> | <u>181,970</u> | <u>(31,030)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | 399,611 | 424,611 | 398,333 | 26,278 |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>399,611</u> | <u>424,611</u> | <u>398,333</u> | <u>26,278</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(186,611)</u> | <u>(211,611)</u> | <u>(216,363)</u> | <u>(4,752)</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 36,611 | 61,611 | - | (61,611) |
| Transfers in | 150,000 | 150,000 | 165,000 | 15,000 |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>186,611</u> | <u>211,611</u> | <u>165,000</u> | <u>(46,611)</u> |
| <i>Net change in fund balance</i> | - | - | (51,363) | (51,363) |
| <i>Fund balance - beginning of year</i> | - | - | 70,230 | 70,230 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 18,867</u> | <u>\$ 18,867</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (51,363) |
| Adjustments to revenues for correction revenue | | | | 7,445 |
| Adjustments to expenditures for supplies expenses | | | | (2,040) |
| Net change in fund balances (GAAP) | | | | <u>\$ (45,958)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-2

Colfax County

Environmental Gross Receipts Tax Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|-----------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | 95,000 | 95,000 | 87,624 | (7,376) |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>95,000</u> | <u>95,000</u> | <u>87,624</u> | <u>(7,376)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>95,000</u> | <u>95,000</u> | <u>87,624</u> | <u>(7,376)</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | (20,000) | (20,000) | - | 20,000 |
| Transfers in | - | - | - | - |
| Transfers (out) | (75,000) | (75,000) | (75,000) | - |
| <i>Total other financing sources (uses)</i> | <u>(95,000)</u> | <u>(95,000)</u> | <u>(75,000)</u> | <u>20,000</u> |
| <i>Net change in fund balance</i> | - | - | 12,624 | 12,624 |
| <i>Fund balance - beginning of year</i> | - | - | 178,418 | 178,418 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 191,042</u> | <u>\$ 191,042</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ 12,624 |
| Adjustments to revenues for gross receipts taxes | | | | 5,033 |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ 17,657</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-3

Colfax County

Property Valuation Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variations Favorable (Unfavorable) |
|---|------------------|-----------------|-------------------------------|--|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ 136,000 | \$ 136,000 | \$ 146,787 | \$ 10,787 |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>136,000</u> | <u>136,000</u> | <u>146,787</u> | <u>10,787</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | 174,402 | 184,402 | 180,531 | 3,871 |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | 24,000 | 24,000 | 24,807 | (807) |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>198,402</u> | <u>208,402</u> | <u>205,338</u> | <u>3,064</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(62,402)</u> | <u>(72,402)</u> | <u>(58,551)</u> | <u>13,851</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 62,402 | 72,402 | - | (72,402) |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>62,402</u> | <u>72,402</u> | <u>-</u> | <u>(72,402)</u> |
| <i>Net change in fund balance</i> | - | - | (58,551) | (58,551) |
| <i>Fund balance - beginning of year</i> | - | - | 362,185 | 362,185 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 303,634</u> | <u>\$ 303,634</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (58,551) |
| Adjustments to revenues for property taxes | | | | (1,696) |
| Adjustments to expenditures for professional service expenditures | | | | (540) |
| Net change in fund balances (GAAP) | | | | <u>\$ (60,787)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-4

Colfax County

Road Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|---|------------------|------------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | 277,000 | 277,000 | 277,173 | 173 |
| Intergovernmental: | | | | |
| Federal operating grants | 40,000 | 40,000 | 33,536 | (6,464) |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | 100 | 100 |
| State capital grants | - | - | - | - |
| Charges for services | 450 | 450 | 1,166 | 716 |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>317,450</u> | <u>317,450</u> | <u>311,975</u> | <u>(5,475)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | 971,916 | 971,916 | 911,524 | 60,392 |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>971,916</u> | <u>971,916</u> | <u>911,524</u> | <u>60,392</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(654,466)</u> | <u>(654,466)</u> | <u>(599,549)</u> | <u>54,917</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | (63,020) | (63,020) | - | 63,020 |
| Transfers in | 717,486 | 717,486 | 665,000 | (52,486) |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>654,466</u> | <u>654,466</u> | <u>665,000</u> | <u>10,534</u> |
| <i>Net change in fund balance</i> | - | - | 65,451 | 65,451 |
| <i>Fund balance - beginning of year</i> | - | - | 17,974 | 17,974 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 83,425</u> | <u>\$ 83,425</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ 65,451 |
| Adjustments to revenues for gasoline taxes and motor vehicle fees | | | | 36,193 |
| Adjustments to expenditures for fuel expenses | | | | 3,399 |
| Net change in fund balances (GAAP) | | | | <u>\$ 105,043</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-5

Colfax County

Farm and Range Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variations Favorable (Unfavorable) |
|--|------------------|-------------|-------------------------------|--|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | 7 | 7 | 7 | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>7</u> | <u>7</u> | <u>7</u> | <u>-</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>7</u> | <u>7</u> | <u>7</u> | <u>-</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | (7) | (7) | - | 7 |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>(7)</u> | <u>(7)</u> | <u>-</u> | <u>7</u> |
| <i>Net change in fund balance</i> | - | - | 7 | 7 |
| <i>Fund balance - beginning of year</i> | - | - | 519 | 519 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 526</u> | <u>\$ 526</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ 7 |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ 7</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-6

Colfax County

Wild Land Suppression Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variations Favorable (Unfavorable) |
|--|------------------|-----------------|-------------------------------|--|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | 52,500 | 133,300 | 130,438 | (2,862) |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>52,500</u> | <u>133,300</u> | <u>130,438</u> | <u>(2,862)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | 120,313 | 170,313 | 85,215 | 85,098 |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | 56,198 | (56,198) |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>120,313</u> | <u>170,313</u> | <u>141,413</u> | <u>28,900</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(67,813)</u> | <u>(37,013)</u> | <u>(10,975)</u> | <u>26,038</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 67,813 | 37,013 | - | (37,013) |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>67,813</u> | <u>37,013</u> | <u>-</u> | <u>(37,013)</u> |
| <i>Net change in fund balance</i> | - | - | (10,975) | (10,975) |
| <i>Fund balance - beginning of year</i> | - | - | 199,155 | 199,155 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 188,180</u> | <u>\$ 188,180</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (10,975) |
| Adjustment to revenues for state grant revenues | | | | 72,475 |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ 61,500</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-7

Colfax County

Law Enforcement Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual | Variations |
|--|------------------|-----------------|------------------|---|
| | Original | Final | (Non-GAAP Basis) | Favorable (Unfavorable) Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | 26,000 | 26,000 | 15,496 | (10,504) |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>26,000</u> | <u>26,000</u> | <u>15,496</u> | <u>(10,504)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | 26,000 | 62,504 | 32,133 | 30,371 |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>26,000</u> | <u>62,504</u> | <u>32,133</u> | <u>30,371</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>(36,504)</u> | <u>(16,637)</u> | <u>19,867</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | - | 36,504 | - | (36,504) |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>36,504</u> | <u>-</u> | <u>(36,504)</u> |
| <i>Net change in fund balance</i> | <u>-</u> | <u>-</u> | <u>(16,637)</u> | <u>(16,637)</u> |
| <i>Fund balance - beginning of year</i> | <u>-</u> | <u>-</u> | <u>36,504</u> | <u>36,504</u> |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 19,867</u> | <u>\$ 19,867</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (16,637) |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ (16,637)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-8

Colfax County

Recreation Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|-------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Net change in fund balance</i> | - | - | - | - |
| <i>Fund balance - beginning of year</i> | - | - | 897 | 897 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 897</u> | <u>\$ 897</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ - |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ -</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-9

Colfax County

YES Program Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|-----------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | 144,568 | 159,568 | 159,643 | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | 469 | 469 |
| <i>Total revenues</i> | <u>144,568</u> | <u>159,568</u> | <u>160,112</u> | <u>469</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | 148,620 | 174,000 | 173,061 | 939 |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>148,620</u> | <u>174,000</u> | <u>173,061</u> | <u>939</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(4,052)</u> | <u>(14,432)</u> | <u>(12,949)</u> | <u>1,408</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 4,052 | 14,432 | - | (14,432) |
| Transfers in | - | - | 20,000 | 20,000 |
| Transfers (out) | - | - | (20,000) | (20,000) |
| <i>Total other financing sources (uses)</i> | <u>4,052</u> | <u>14,432</u> | <u>-</u> | <u>(14,432)</u> |
| <i>Net change in fund balance</i> | - | - | (12,949) | (13,024) |
| <i>Fund balance - beginning of year</i> | - | - | 18,574 | 18,574 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5,625</u> | <u>\$ 5,550</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (12,949) |
| Adjustment to revenues for federal operating grants | | | | (5,875) |
| Adjustments to expenditures for supplies | | | | 728 |
| Net change in fund balances (GAAP) | | | | <u>\$ (18,096)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-10

Colfax County

Maternal and Child Healthcare Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|-------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Net change in fund balance</i> | - | - | - | - |
| <i>Fund balance - beginning of year</i> | - | - | 44,539 | 44,539 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 44,539</u> | <u>\$ 44,539</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ - |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ -</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-11

Colfax County

NM Transportation Grants Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual | Variations |
|--|------------------|-----------------|-------------------|---|
| | Original | Final | (Non-GAAP Basis) | Favorable (Unfavorable) Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | 488,057 | 488,057 | 315,802 | (172,255) |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>488,057</u> | <u>488,057</u> | <u>315,802</u> | <u>(172,255)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | 573,807 | 573,807 | 324,371 | 249,436 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>573,807</u> | <u>573,807</u> | <u>324,371</u> | <u>249,436</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(85,750)</u> | <u>(85,750)</u> | <u>(8,569)</u> | <u>77,181</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 85,750 | 85,750 | - | (85,750) |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>85,750</u> | <u>85,750</u> | <u>-</u> | <u>(85,750)</u> |
| <i>Net change in fund balance</i> | - | - | (8,569) | (8,569) |
| <i>Fund balance - beginning of year</i> | - | - | 128,966 | 128,966 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 120,397</u> | <u>\$ 120,397</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (8,569) |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ (8,569)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-12

Colfax County

WIPP Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|--------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | 7,000 | - |
| Federal capital grants | - | - | - | - |
| State operating grants | 7,000 | 7,000 | - | (7,000) |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>7,000</u> | <u>7,000</u> | <u>7,000</u> | <u>(7,000)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | 7,000 | 7,000 | 5,695 | 1,305 |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>7,000</u> | <u>7,000</u> | <u>5,695</u> | <u>1,305</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>1,305</u> | <u>(5,695)</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Net change in fund balance</i> | <u>-</u> | <u>-</u> | <u>1,305</u> | <u>(5,695)</u> |
| <i>Fund balance - beginning of year</i> | <u>-</u> | <u>-</u> | <u>12,138</u> | <u>12,138</u> |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 13,443</u> | <u>\$ 6,443</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ 1,305 |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ 1,305</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-13

Colfax County

NFL Grant Hazard Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual | Variations |
|--|------------------|----------------|------------------|--|
| | Original | Final | (Non-GAAP Basis) | Favorable (Unfavorable) Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | 264,600 | 264,600 | 4,688 | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>264,600</u> | <u>264,600</u> | <u>4,688</u> | <u>-</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | 264,600 | 264,600 | 9,722 | 254,878 |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>264,600</u> | <u>264,600</u> | <u>9,722</u> | <u>254,878</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>(5,034)</u> | <u>254,878</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Net change in fund balance</i> | <u>-</u> | <u>-</u> | <u>(5,034)</u> | <u>254,878</u> |
| <i>Fund balance - beginning of year</i> | <u>-</u> | <u>-</u> | <u>14,559</u> | <u>14,559</u> |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 9,525</u> | <u>\$ 269,437</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (5,034) |
| Adjustments to revenues for federal grants received | | | | 82,513 |
| Adjustment to expenditures for hazardous fuel removal expenditures | | | | (87,399) |
| Net change in fund balances (GAAP) | | | | <u>\$ (9,920)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-14

Colfax County

NM Department of Homeland Security Grant Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|---------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | 24,000 | 24,000 | 23,671 | (329) |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>24,000</u> | <u>24,000</u> | <u>23,671</u> | <u>(329)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | 4,000 | 4,000 | 16,726 | (12,726) |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | 20,000 | 20,000 | 6,945 | 13,055 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>24,000</u> | <u>24,000</u> | <u>23,671</u> | <u>329</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | - | - | - | - |
| Transfers in | - | - | 24,000 | 24,000 |
| Transfers (out) | - | - | (24,000) | (24,000) |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Net change in fund balance</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Fund balance - beginning of year</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ - |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ -</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-15

Colfax County

Indigent Care Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|---|------------------|------------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | 425,000 | 425,000 | 411,142 | (13,858) |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>425,000</u> | <u>425,000</u> | <u>411,142</u> | <u>(13,858)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | 534,970 | 564,970 | 497,023 | 67,947 |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>534,970</u> | <u>564,970</u> | <u>497,023</u> | <u>67,947</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(109,970)</u> | <u>(139,970)</u> | <u>(85,881)</u> | <u>54,089</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 109,970 | 139,970 | - | (139,970) |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>109,970</u> | <u>139,970</u> | <u>-</u> | <u>(139,970)</u> |
| <i>Net change in fund balance</i> | - | - | (85,881) | (85,881) |
| <i>Fund balance - beginning of year</i> | - | - | 279,159 | 279,159 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 193,278</u> | <u>\$ 193,278</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (85,881) |
| Adjustments to revenues for gross receipts taxes | | | | 28,217 |
| Adjustments to expenditures for indigent health care expenses | | | | (28,428) |
| Net change in fund balances (GAAP) | | | | <u>\$ (86,092)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-16

Colfax County

Fire Excise Tax Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual | Variations |
|---|------------------|------------------|-------------------|--|
| | Original | Final | (Non-GAAP Basis) | Favorable (Unfavorable) Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | 200,000 | 200,000 | 175,253 | (24,747) |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | 2,000 | 2,000 |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>200,000</u> | <u>200,000</u> | <u>177,253</u> | <u>(22,747)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | 139,800 | 139,800 | 160,450 | (20,650) |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | 165,000 | 165,000 | 54,168 | 110,832 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>304,800</u> | <u>304,800</u> | <u>214,618</u> | <u>90,182</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(104,800)</u> | <u>(104,800)</u> | <u>(37,365)</u> | <u>67,435</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 104,800 | 104,800 | - | (104,800) |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | (605) | (605) |
| <i>Total other financing sources (uses)</i> | <u>104,800</u> | <u>104,800</u> | <u>(605)</u> | <u>(105,405)</u> |
| <i>Net change in fund balance</i> | - | - | (37,970) | (37,970) |
| <i>Fund balance - beginning of year</i> | - | - | 242,390 | 242,390 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 204,420</u> | <u>\$ 204,420</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (37,970) |
| Adjustments to revenues for gross receipts taxes | | | | 10,066 |
| Adjustments to expenditures for supplies and small tools expenses | | | | (5,440) |
| Net change in fund balances (GAAP) | | | | <u>\$ (33,344)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-17

Colfax County

DWI Program Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|-----------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | 124,649 | 133,664 | 125,002 | (8,662) |
| State capital grants | - | - | - | - |
| Charges for services | 18,500 | 18,500 | 18,462 | (38) |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | 250 | 250 | 5,685 | 5,435 |
| <i>Total revenues</i> | <u>143,399</u> | <u>152,414</u> | <u>149,149</u> | <u>(3,265)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | 140,810 | 173,325 | 166,182 | 7,143 |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>140,810</u> | <u>173,325</u> | <u>166,182</u> | <u>7,143</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>2,589</u> | <u>(20,911)</u> | <u>(17,033)</u> | <u>3,878</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | (2,589) | 20,911 | - | (20,911) |
| Transfers in | - | - | 2,000 | 2,000 |
| Transfers (out) | - | - | (2,000) | (2,000) |
| <i>Total other financing sources (uses)</i> | <u>(2,589)</u> | <u>20,911</u> | <u>-</u> | <u>(20,911)</u> |
| <i>Net change in fund balance</i> | - | - | (17,033) | (17,033) |
| <i>Fund balance - beginning of year</i> | - | - | 97,331 | 97,331 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 80,298</u> | <u>\$ 80,298</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (17,033) |
| Adjustments to revenue for DWI grant receipts | | | | 10,618 |
| Adjustments to expenditures for program expenses | | | | (49) |
| Net change in fund balances (GAAP) | | | | <u>\$ (6,464)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-18

Colfax County

Clerk's Equipment Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|----------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | 17,000 | 17,000 | 28,060 | 11,060 |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>17,000</u> | <u>17,000</u> | <u>28,060</u> | <u>11,060</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | 10,000 | 10,000 | 2,889 | 7,111 |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | 5,000 | 5,000 | - | 5,000 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>15,000</u> | <u>15,000</u> | <u>2,889</u> | <u>12,111</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>2,000</u> | <u>2,000</u> | <u>25,171</u> | <u>23,171</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | (2,000) | (2,000) | - | 2,000 |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>(2,000)</u> | <u>(2,000)</u> | <u>-</u> | <u>2,000</u> |
| <i>Net change in fund balance</i> | - | - | 25,171 | 25,171 |
| <i>Fund balance - beginning of year</i> | - | - | 88,512 | 88,512 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 113,683</u> | <u>\$ 113,683</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ 25,171 |
| Adjustments to revenues for charges for services | | | | 147 |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ 25,318</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-19

Colfax County

CCDC Special Funds Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual | Variations |
|--|------------------|-------------|---------------------|---|
| | Original | Final | (Non-GAAP Basis) | Favorable (Unfavorable) Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Net change in fund balance</i> | - | - | - | - |
| <i>Fund balance - beginning of year</i> | - | - | 6,210 | 6,210 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 6,210</u> | <u>\$ 6,210</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ - |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ -</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-20

Colfax County

Federal Forfeitures Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|------------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | 4,500 | 4,500 | 1,034 | (3,466) |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>4,500</u> | <u>4,500</u> | <u>1,034</u> | <u>(3,466)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | 14,817 | (14,817) |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | 230,000 | 230,000 | 205,532 | 24,468 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>230,000</u> | <u>230,000</u> | <u>220,349</u> | <u>9,651</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(225,500)</u> | <u>(225,500)</u> | <u>(219,315)</u> | <u>6,185</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 225,500 | 225,500 | - | (225,500) |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>225,500</u> | <u>225,500</u> | <u>-</u> | <u>(225,500)</u> |
| <i>Net change in fund balance</i> | - | - | (219,315) | (219,315) |
| <i>Fund balance - beginning of year</i> | - | - | 240,455 | 240,455 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 21,140</u> | <u>\$ 21,140</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (219,315) |
| No adjustments to revenues | | | | - |
| Adjustments to expenditures for capital outlay | | | | 45,399 |
| Net change in fund balances (GAAP) | | | | <u>\$ (173,916)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-21

Colfax County

Tract Fire Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual | Variations |
|--|------------------|-------------|---------------------|---|
| | Original | Final | (Non-GAAP Basis) | Favorable (Unfavorable) Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 14,652 | 14,652 | - | (14,652) |
| Transfers in | - | - | - | - |
| Transfers (out) | (14,652) | (14,652) | (14,652) | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>(14,652)</u> | <u>(14,652)</u> |
| <i>Net change in fund balance</i> | - | - | (14,652) | (14,652) |
| <i>Fund balance - beginning of year</i> | <u>-</u> | <u>-</u> | <u>14,652</u> | <u>14,652</u> |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (14,652) |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ (14,652)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-22

Colfax County

Health Care Interest Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|-----------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | 25,000 | 25,000 | 16,929 | (8,071) |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>25,000</u> | <u>25,000</u> | <u>16,929</u> | <u>(8,071)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | 60,000 | 60,000 | 41,873 | 18,127 |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>60,000</u> | <u>60,000</u> | <u>41,873</u> | <u>18,127</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(35,000)</u> | <u>(35,000)</u> | <u>(24,944)</u> | <u>10,056</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 35,000 | 35,000 | - | (35,000) |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>35,000</u> | <u>35,000</u> | <u>-</u> | <u>(35,000)</u> |
| <i>Net change in fund balance</i> | - | - | (24,944) | (24,944) |
| <i>Fund balance - beginning of year</i> | - | - | 254,582 | 254,582 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 229,638</u> | <u>\$ 229,638</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (24,944) |
| Adjustments to revenues for investment income | | | | 2,169 |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ (22,775)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-23

Colfax County

Solid Waste Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|---|------------------|------------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | 190,000 | 190,000 | 186,111 | (3,889) |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>190,000</u> | <u>190,000</u> | <u>186,111</u> | <u>(3,889)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | 296,711 | 296,711 | 244,058 | 52,653 |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>296,711</u> | <u>296,711</u> | <u>244,058</u> | <u>52,653</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(106,711)</u> | <u>(106,711)</u> | <u>(57,947)</u> | <u>48,764</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 31,711 | 31,711 | - | (31,711) |
| Transfers in | 75,000 | 75,000 | 75,000 | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>106,711</u> | <u>106,711</u> | <u>75,000</u> | <u>(31,711)</u> |
| <i>Net change in fund balance</i> | - | - | 17,053 | 17,053 |
| <i>Fund balance - beginning of year</i> | - | - | 204,312 | 204,312 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 221,365</u> | <u>\$ 221,365</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ 17,053 |
| Adjustments to revenue for service fee revenue | | | | 2,300 |
| Adjustments to expenditures for solid waste disposal expenses | | | | (566) |
| Net change in fund balances (GAAP) | | | | <u>\$ 18,787</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-24

Colfax County

Angel Fire Operations Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|------------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | 415 | 415 |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | 115,000 | 161,000 | 171,947 | 10,947 |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>115,000</u> | <u>161,000</u> | <u>172,362</u> | <u>11,362</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | 273,393 | 338,393 | 328,583 | 9,810 |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | 500 | 500 | - | 500 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>273,893</u> | <u>338,893</u> | <u>328,583</u> | <u>10,310</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(158,893)</u> | <u>(177,893)</u> | <u>(156,221)</u> | <u>21,672</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 28,893 | 47,893 | - | (47,893) |
| Transfers in | 130,000 | 130,000 | 145,000 | 15,000 |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>158,893</u> | <u>177,893</u> | <u>145,000</u> | <u>(32,893)</u> |
| <i>Net change in fund balance</i> | - | - | (11,221) | (11,221) |
| <i>Fund balance - beginning of year</i> | - | - | 39,158 | 39,158 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 27,937</u> | <u>\$ 27,937</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (11,221) |
| Adjustments to revenues for charges for services | | | | (15,033) |
| Adjustments to expenditures for supplies | | | | (243) |
| Net change in fund balances (GAAP) | | | | <u>\$ (26,497)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-25

Colfax County

Judicial Bond Center Payment Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|------------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | 5,000 | 5,000 | - | (5,000) |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>5,000</u> | <u>5,000</u> | <u>-</u> | <u>(5,000)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | 3,700 | 3,700 | 3,000 | 700 |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | 120,000 | 120,000 | 110,371 | 9,629 |
| Interest | 190,000 | 190,000 | 172,630 | 17,370 |
| <i>Total expenditures</i> | <u>313,700</u> | <u>313,700</u> | <u>286,001</u> | <u>27,699</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(308,700)</u> | <u>(308,700)</u> | <u>(286,001)</u> | <u>22,699</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | (5,000) | (5,000) | - | 5,000 |
| Transfers in | 313,700 | 313,700 | 321,700 | 8,000 |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>308,700</u> | <u>308,700</u> | <u>321,700</u> | <u>13,000</u> |
| <i>Net change in fund balance</i> | - | - | 35,699 | 35,699 |
| <i>Fund balance - beginning of year</i> | - | - | 1,333 | 1,333 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 37,032</u> | <u>\$ 37,032</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ 35,699 |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ 35,699</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-26

Colfax County

Judicial Center Bond Reserve Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variations Favorable (Unfavorable) |
|--|------------------|-------------|-------------------------------|--|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Net change in fund balance</i> | - | - | - | - |
| <i>Fund balance - beginning of year</i> | - | - | 311,800 | 311,800 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 311,800</u> | <u>\$ 311,800</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ - |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ -</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-27

Colfax County

NMFA Debt Funds Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|------------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | 500 | 500 | 109 | (391) |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>500</u> | <u>500</u> | <u>109</u> | <u>(391)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | 472 | 472 | 472 | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | 376,766 | 6 | - | 6 |
| Debt service: | | | | |
| Principal | 74,500 | 74,500 | 74,500 | - |
| Interest | 39,774 | 39,774 | 39,774 | - |
| <i>Total expenditures</i> | <u>491,512</u> | <u>114,752</u> | <u>114,746</u> | <u>6</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(491,012)</u> | <u>(114,252)</u> | <u>(114,637)</u> | <u>(385)</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 176,282 | (478) | - | 478 |
| Loan proceeds | 200,000 | - | - | - |
| Transfers in | 114,730 | 114,730 | 114,730 | - |
| Transfers (out) | - | - | (176,767) | (176,767) |
| <i>Total other financing sources (uses)</i> | <u>491,012</u> | <u>114,252</u> | <u>(62,037)</u> | <u>(176,289)</u> |
| <i>Net change in fund balance</i> | - | - | (176,674) | (176,674) |
| <i>Fund balance - beginning of year</i> | - | - | 193,724 | 193,724 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 17,050</u> | <u>\$ 17,050</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (176,674) |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ (176,674)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-28

Colfax County

Courthouse Renovation Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|---------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | 93,000 | 93,000 | 104,087 | 11,087 |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>93,000</u> | <u>93,000</u> | <u>104,087</u> | <u>11,087</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | 93,000 | 93,000 | 87,666 | 5,334 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>93,000</u> | <u>93,000</u> | <u>87,666</u> | <u>5,334</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>16,421</u> | <u>16,421</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Net change in fund balance</i> | <u>-</u> | <u>-</u> | <u>16,421</u> | <u>16,421</u> |
| <i>Fund balance - beginning of year</i> | <u>-</u> | <u>-</u> | <u>100,168</u> | <u>100,168</u> |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 116,589</u> | <u>\$ 116,589</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ 16,421 |
| Adjustments to revenues for state grant revenue | | | | (16,420) |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ 1</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-29

Colfax County

Judicial Center Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variations Favorable (Unfavorable) |
|--|------------------|-------------|-------------------------------|--|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 100,409 | 100,409 | - | (100,409) |
| Transfers in | - | - | - | - |
| Transfers (out) | (100,409) | (100,409) | (100,409) | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>(100,409)</u> | <u>(100,409)</u> |
| <i>Net change in fund balance</i> | - | - | (100,409) | (100,409) |
| <i>Fund balance - beginning of year</i> | <u>-</u> | <u>-</u> | <u>100,409</u> | <u>100,409</u> |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (100,409) |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ (100,409)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-30

Colfax County

Angel Fire Road Levy Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|-------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Net change in fund balance</i> | - | - | - | - |
| <i>Fund balance - beginning of year</i> | - | - | 219 | 219 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 219</u> | <u>\$ 219</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ - |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ -</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-31

Colfax County

Capital Improvements Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variations Favorable (Unfavorable) |
|---|------------------|------------------|-------------------------------|--|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | 425,000 | 425,000 | 427,096 | 2,096 |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | (3,480) | (3,480) |
| Miscellaneous | 376,766 | - | - | - |
| <i>Total revenues</i> | <u>801,766</u> | <u>425,000</u> | <u>423,616</u> | <u>(1,384)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | 293,000 | 293,000 | - | 293,000 |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | 1,067,766 | 867,766 | 724,399 | 143,367 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>1,360,766</u> | <u>1,160,766</u> | <u>724,399</u> | <u>436,367</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>(559,000)</u> | <u>(735,766)</u> | <u>(300,783)</u> | <u>434,983</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | 880,700 | 940,700 | - | (940,700) |
| Transfers in | - | 176,766 | 176,766 | - |
| Transfers (out) | (321,700) | (381,700) | (381,700) | - |
| <i>Total other financing sources (uses)</i> | <u>559,000</u> | <u>735,766</u> | <u>(204,934)</u> | <u>(940,700)</u> |
| <i>Net change in fund balance</i> | - | - | (505,717) | (505,717) |
| <i>Fund balance - beginning of year</i> | - | - | 1,057,908 | 1,057,908 |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 552,191</u> | <u>\$ 552,191</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ (505,717) |
| Adjustments to revenues for gross receipts taxes | | | | 41,510 |
| Adjustments to expenditures for capital outlay expenditures | | | | 23,134 |
| Net change in fund balances (GAAP) | | | | <u>\$ (441,073)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-32

Colfax County

Angel Fire Airport Improvement Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|---|------------------|----------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | 300,000 | 300,000 | 150,381 | (149,619) |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | - | - |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>300,000</u> | <u>300,000</u> | <u>150,381</u> | <u>(149,619)</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | 15,130 | (15,130) |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | 300,000 | 300,000 | 176,216 | 123,784 |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>300,000</u> | <u>300,000</u> | <u>191,346</u> | <u>108,654</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>(40,965)</u> | <u>(40,965)</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | - | (60,000) | - | 60,000 |
| Transfers in | - | 60,000 | 60,000 | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>60,000</u> | <u>60,000</u> |
| <i>Net change in fund balance</i> | <u>-</u> | <u>-</u> | <u>19,035</u> | <u>19,035</u> |
| <i>Fund balance - beginning of year</i> | <u>-</u> | <u>-</u> | <u>41,601</u> | <u>41,601</u> |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 60,636</u> | <u>\$ 60,636</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ 19,035 |
| Adjustments to revenues for state grant revenues | | | | 119,843 |
| Adjustments to expenditures for capital outlay expenditures | | | | (149,804) |
| Net change in fund balances (GAAP) | | | | <u>\$ (10,926)</u> |

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-33

Colfax County

Health Care Permanent Fund

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2013

| | Budgeted Amounts | | Actual (Non-GAAP Basis) | Variances Favorable (Unfavorable) |
|--|------------------|-------------|-------------------------------|---|
| | Original | Final | | Final to Actual |
| <i>Revenues:</i> | | | | |
| Taxes: | | | | |
| Property | \$ - | \$ - | \$ - | \$ - |
| Gross receipts | - | - | - | - |
| Gasoline and motor vehicle | - | - | - | - |
| Intergovernmental: | | | | |
| Federal operating grants | - | - | - | - |
| Federal capital grants | - | - | - | - |
| State operating grants | - | - | - | - |
| State capital grants | - | - | - | - |
| Charges for services | - | - | - | - |
| Investment income (loss) | - | - | 2,168 | 2,168 |
| Miscellaneous | - | - | - | - |
| <i>Total revenues</i> | <u>-</u> | <u>-</u> | <u>2,168</u> | <u>2,168</u> |
| <i>Expenditures:</i> | | | | |
| Current: | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Public works | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Health and welfare | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service: | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| <i>Total expenditures</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Excess (deficiency) of revenues over expenditures</i> | <u>-</u> | <u>-</u> | <u>2,168</u> | <u>2,168</u> |
| <i>Other financing sources (uses)</i> | | | | |
| Designated cash (budgeted increase in cash) | - | - | - | - |
| Transfers in | - | - | - | - |
| Transfers (out) | - | - | - | - |
| <i>Total other financing sources (uses)</i> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Net change in fund balance</i> | - | - | 2,168 | 2,168 |
| <i>Fund balance - beginning of year</i> | <u>-</u> | <u>-</u> | <u>1,724,568</u> | <u>1,724,568</u> |
| <i>Fund balance - end of year</i> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,726,736</u> | <u>\$ 1,726,736</u> |
| Net change in fund balances (non-GAAP budgetary basis) | | | | \$ 2,168 |
| No adjustments to revenues | | | | - |
| No adjustments to expenditures | | | | - |
| Net change in fund balances (GAAP) | | | | <u>\$ 2,168</u> |

The accompanying notes are an integral part of these financial statements

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SUPPORTING SCHEDULES

STATE OF NEW MEXICO
Colfax County
Schedule of Collateral Pledged by Depository For Public Funds
June 30, 2013

| <u>Name of Depository</u> | <u>Description of Pledged Collateral</u> | <u>Maturity</u> | <u>CUSIP Number</u> | <u>Fair Market Value/ Par Value June 30, 2013</u> |
|----------------------------|---|-----------------|---------------------|---|
| First National Bank | | | | |
| | Dulce NM Indpt Sch Dist No. 21** | 3/1/2019 | 264430HK8 | \$ 150,000 |
| | Albuquerque NM Mun SCD 12** | 8/1/2022 | 013595LM3 | 150,000 |
| | Dulce NM Indpt Sch Dist No. 21** | 6/1/2014 | 264430GQ6 | 100,000 |
| | Hatch VY NM Sch Dist No 11** | 8/1/2017 | 418839CH7 | 150,000 |
| | Pojoaque VY Pub Sch Dist No 1** | 8/1/2016 | 73085PBA6 | 330,000 |
| | Southern Sandoval NM Arroyo** | 8/1/2015 | 843789DU9 | 200,000 |
| | Las Vegas NM City Sch Dist No 2** | 7/15/2015 | 51778FCF4 | 250,000 |
| | Los Lunas NM Sch Dist No 001** | 7/15/2014 | 545562PA2 | 400,000 |
| | Spring Creek Util Dist Tex*** | 10/1/2013 | 849520HY0 | 254,590 |
| | Dulce NM Indpt Sch Dist No. 21** | 6/1/2016 | 264430359 | 95,000 |
| | Horsehoe Bay, TX*** | 2/15/2022 | 440752AL7 | 531,049 |
| | San Juan County NM Central CISD** | 8/1/2023 | 798359JM8 | 500,000 |
| | Catron & Cibola Countys NM ISD** | 8/1/2019 | 149321CN9 | 210,000 |
| | FHLMC - Pool #320129 | 8/1/2027 | 31306XEA7 | 441,458 |
| | FNMA Fixed Rate Note | 10/29/2021 | 3136G02E0 | 949,697 |
| | FNMA Fixed Rate Note | 3/13/2015 | 3133XWX95 | 262,252 |
| | FNMA Fixed Rate Note | 4/30/2021 | 3136G0U58 | 481,624 |
| | GNMA-II - Pool # MA0111 | 5/20/1942 | 36179MDQ0 | 965,348 |
| | Los Alamos NM Pub Sch Dist** | 8/1/2015 | 54422NCE4 | 100,000 |
| | FHLMC ARM - Pool #1N1869 | 12/1/2033 | 3128U6CE7 | 243,957 |
| | FHLMC Pool #E09015 | 12/1/2027 | 31294UAQ6 | 941,796 |
| | FNMA - Pool#C91442 | 4/1/2032 | 3128P7S79 | 438,050 |
| | FFCB Fixed Rate Note | 12/27/2018 | 31331XK87 | 586,370 |
| | Espanola NM Pub Sch Dist** | 9/1/2021 | 29662RAW8 | 250,000 |
| | FHLB Fixed Rate Note | 9/9/2016 | 3133XGJA3 | 580,480 |
| | FHLMC Series 4203 Class DG | 4/15/2033 | 3137B2CH1 | 498,271 |
| | FNMA - Pool # A83956 | 11/1/2026 | 31417AME6 | 328,208 |
| | FHLMC - Pool #320127 | 8/1/2027 | 31306XD83 | 934,113 |
| | Total First National Bank | | | 11,322,263 |
| | Less: unallowed collateral | | | (785,639) |
| | Total First National Bank - allowable collateral | | | 10,536,624 |

Name and location of safekeeper for above pledged collateral:
Federal Home Loan Bank, Dallas, Texas

**As per NMSA 2.2.2.10(N)(4), the value of collateral consisting of obligations of the State of New Mexico, its agencies, institutions, counties, municipalities, or other subdivisions shall be par value.

*** Unallowed Collateral as it is not Federally Backed Securities, State of NM Obligations, or revenue bonds underwritten by a member of FINRA and are rated BAA or above.

See independent auditors' report.

| <u>Name of Depository</u> | <u>Description of Pledged Collateral</u> | <u>Maturity</u> | <u>CUSIP Number</u> | <u>Fair Market Value/ Par Value June 30, 2013</u> |
|--|--|-----------------|---------------------|---|
| International Bank | | | | |
| | FHLB NON CBL | 6/12/2015 | 3133XBTS4 | \$ 946,233 |
| | FNMA CBL 1X2-11W/10STR NT S/U | 8/25/2015 | 3136FPBB2 | 388,659 |
| | FHLB NON CBL | 9/28/2015 | 3133716Z4 | 614,642 |
| | FHLB 1.460 12/13/19*13 | 12/13/2019 | 313381DN2 | 213,345 |
| | Total International Bank | | | 2,162,879 |
| Name and location of safekeeper for above pledged collateral: Federal Reserve Bank, Boston, Massachusetts | | | | |
| | Total Pledged Collateral | | | \$ 12,699,503 |

STATE OF NEW MEXICO
Colfax County
Schedule of Deposit and Investment Accounts
June 30, 2013

Schedule II

| Bank Account Type/Name | First National Bank | International Bank | US Bank | Bank of NY Mellon NMFA | Totals |
|--|---------------------------|-----------------------|-------------------|------------------------------|---------------------|
| Checking - Operational | \$ 773,309 | \$ - | \$ - | \$ - | \$ 773,309 |
| Checking - Airport Operations | 95,503 | - | - | - | 95,503 |
| Sheriff Forfeiture Fund | 21,140 | - | - | - | 21,140 |
| VMDC - Inmate Fund | 24,233 | - | - | - | 24,233 |
| Payroll Tax Clearing Account | 228 | - | - | - | 228 |
| Certificate of Deposit | 500,000 | - | - | - | 500,000 |
| Certificate of Deposit | 300,000 | - | - | - | 300,000 |
| Certificate of Deposit | 1,000,000 | - | - | - | 1,000,000 |
| Certificate of Deposit | 1,000,000 | - | - | - | 1,000,000 |
| Certificate of Deposit | 505,000 | - | - | - | 505,000 |
| Certificate of Deposit | 3,052,000 | - | - | - | 3,052,000 |
| Certificate of Deposit | 1,200,000 | - | - | - | 1,200,000 |
| Certificate of Deposit | 200,000 | - | - | - | 200,000 |
| Certificate of Deposit | 4,803 | - | - | - | 4,803 |
| Certificate of Deposit | 9,900 | - | - | - | 9,900 |
| Certificate of Deposit | 9,718 | - | - | - | 9,718 |
| Certificate of Deposit | 10,166 | - | - | - | 10,166 |
| Permanent Health Care Fund* | - | 1,726,736 | - | - | 1,726,736 |
| Bond Reserve Accounts | - | - | 166,890 | - | 166,890 |
| Certificate of Deposit | - | - | 311,800 | - | 311,800 |
| NMFA Reserve Account** | - | - | - | 17,050 | 17,050 |
| Total deposits and investments | <u>8,706,000</u> | <u>1,726,736</u> | <u>478,690</u> | <u>17,050</u> | <u>10,928,476</u> |
| Reconciling items | <u>(1,048,528)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(1,048,528)</u> |
| Reconciled balance | <u>\$ 7,657,472</u> | <u>\$ 1,726,736</u> | <u>\$ 478,690</u> | <u>\$ 17,050</u> | <u>\$ 9,879,948</u> |
| Add: petty cash | | | | | 547 |
| Less: investments per Exhibit A-1 | | | | | (800,000) |
| Less: agency funds cash per Exhibit D-1 | | | | | (342,380) |
| Less: restricted cash and cash equivalents per Exhibit A-1 | | | | | <u>(2,243,616)</u> |
| Total unrestricted cash and cash equivalents per Exhibit A-1 | | | | | <u>\$ 6,494,499</u> |

*Balance of this account consists of \$1,712,442 in a certificate of deposit and \$14,294 in a savings account.

**Accounts are U.S. Treasury MMA Mutual Funds

See independent auditors' report

STATE OF NEW MEXICO
Colfax County
Tax Roll Reconciliation - Changes in Property Taxes Receivable
June 30, 2013

Schedule III

| | |
|---|----------------------------|
| Property taxes receivable, beginning of year | \$ 3,092,000 |
| Changes to tax roll: | |
| Net tax charges to treasurer for fiscal year | 15,008,984 |
| Adjustments: | |
| Net increase in taxes receivable | <u>235,013</u> |
| Total receivable prior to collections | 18,335,997 |
| Collections for fiscal year ended June 30, 2013 | <u>(14,738,538)</u> |
| Property taxes receivable, end of year | <u><u>\$ 3,597,459</u></u> |
| Property taxes receivable are reported as follows: | |
| Statement of Net Position - Exhibit A-1 | \$ 774,427 |
| Statement of Fiduciary Assets and Liabilities - Exhibit D-1 | <u>2,823,032</u> |
| Total property taxes receivable | <u><u>\$ 3,597,459</u></u> |

Property taxes receivable by year:

| | |
|---------------------------------|----------------------------|
| 2003 | 32,148 |
| 2004 | 15,214 |
| 2005 | 15,426 |
| 2006 | 28,954 |
| 2007 | 57,109 |
| 2008 | 163,620 |
| 2009 | 265,113 |
| 2010 | 504,103 |
| 2011 | 876,603 |
| 2012 | <u>1,639,169</u> |
| Total property taxes receivable | <u><u>\$ 3,597,459</u></u> |

See independent auditors' report

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STATE OF NEW MEXICO
Colfax County
Schedule of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2013

Schedule IV

| | Balance June 30, 2012 | Additions | Deletions | Balance June 30, 2013 |
|------------------------------|--------------------------|----------------------|----------------------|--------------------------|
| <i>Assets</i> | | | | |
| Cash and cash equivalents | \$ 350,413 | \$ 10,340,313 | \$ 10,348,346 | \$ 342,380 |
| Property taxes receivable | 2,377,963 | 10,279,500 | 9,834,431 | 2,823,032 |
| Other taxes receivable | 13,475 | 56,007 | 13,475 | 56,007 |
| <i>Total assets</i> | <u>\$ 2,741,851</u> | <u>\$ 20,675,820</u> | <u>\$ 20,196,252</u> | <u>\$ 3,221,419</u> |
| <i>Liabilities</i> | | | | |
| Deposits held for others | \$ 350,413 | \$ 10,340,313 | \$ 10,348,346 | \$ 342,380 |
| Due to other taxing entities | 2,391,438 | 10,335,507 | 9,847,906 | 2,879,039 |
| <i>Total liabilities</i> | <u>\$ 2,741,851</u> | <u>\$ 20,675,820</u> | <u>\$ 20,196,252</u> | <u>\$ 3,221,419</u> |

See independent auditors' report

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COMPLIANCE SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

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

Independent Auditors' Report

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget
The Colfax County Commissioners
Colfax County
Raton, New Mexico

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue fund of Colfax County (the County) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and the combining and individual funds and related budgetary comparisons of the County, presented as supplementary information, and have issued our report thereon dated November 7, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) 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 the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses as items FS 2013-002 and FS 2013-003 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 did disclose instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items FS 06-04, FS 06-06, FS 09-03, FS 10-02, FS 12-03, FS 2013-001, and FS 2013-004.

County's Response to Findings

The 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 subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
November 7, 2013

STATE OF NEW MEXICO
Colfax County
Schedule of Findings and Responses
June 30, 2013

Section I – Summary or Audit Results:

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors' report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| c. Noncompliance material to the financial statements noted? | Yes |

Section II – Financial Statement Findings

FS 06-04 Property Tax Schedule Not Included (Repeated) – Other Matters

Condition: The property tax outstanding and still receivable, by agency, for the past 10 years was not presented as a supporting schedule of the financial statements.

Criteria: State Auditor Rule 2.2.2 12D requires property tax outstanding and still receivable for the past 10 years to be listed.

Effect: The County may not know the property taxes outstanding and still receivable for the past 10 years by individual agency, including the County's portion. The collection and reporting processes may not be as efficient as it could be if they had the required schedule.

Cause: The County's accounting software provides the information required for the report, however the information is not reconciled to the County's Maintenance Schedule. In addition, the County has not placed alternative procedures in place to capture the information required to complete the schedule.

Auditors' Recommendations: We recommend the County implement a plan to capture this data for inclusion in their annual financial report.

Agency's Response: The County Treasurer has worked to improve this area during the past year. The Property tax Schedule is and has been a top priority for the Treasurer's Office for these past years. The Treasurer will continue to identify and correct errors and ensure that the reconciliation will identify and correct deficiencies.

Section II – Financial Statement Findings (continued)

FS 06-06 Deficiencies in Internal Control Structure Design (Repeated/Modified) – Other Matters

Condition: During our process of gaining an understanding of the County's Internal Control Structure, we noted the following:

- As part of the County's disbursement review process, management reviews the disbursement listing; however, on 3 out of 5 items tested there was not any evidence of review performed by management of the County.
- In 1 out of 5 instances tested the amount on the check was greater than the Purchase Order and Purchase Requisition amount.
- While the County correctly remitted payments of RHC during the year, it was noted that the County incorrectly reported the regular wages for RHC by including enhanced wages as regular wages and then submitted an additional report for enhanced wages as required.

Criteria: The COSO Internal Control Integrated Framework consists of five critical elements that must be present in carrying out the achievement objectives of an organization. These elements are known as the control environment, risk assessment, control activities, information and communication and monitoring. With these elements in place, the County can maximize its potential for achieving its performance targets and reduce the risk of loss of resources.

Effect: Without all of the five elements of the COSO Internal Control Integrated Framework present, the County is exposing itself to the risk of misappropriation of asset.

Cause: The County implemented a new set of policies and procedure during the year, including moving staff positions and responsibilities and it has taken time to get all members of the County acclimated to their new positions and roles.

Auditors' Recommendations: Management should continue to implement and enforce their policies and procedures as well as to provide effective and adequate training and monitoring.

Agency's Response: Management's top priority is implementing formal accounting policies in the upcoming year. Steps have been taken to ensure adequate internal control structure and new procedures have been adopted to improve its review system.

Section II – Financial Statement Findings (continued)

FS 09-03 Pledged Collateral (Repeated/Modified) – Noncompliance

Condition: During our review of the County’s pledged collateral, we noted the following:

- Deposits at US Bank were not collateralized in accordance with State of New Mexico Statutes. The required collateral was \$30,900. The collateral provided by the banks was \$0, resulting in a shortfall of \$30,900.
- As part of the maintaining deposits with First National Bank, the bank pledged collateral as required by NM State Statutes, however, 2 of the pledged collateral bonds, in the total amount of \$785,639, are not determined to be allowable in the State of NM as they are GO bonds of a political subdivision from outside the State of NM.

Criteria: Any bank designated a depositor of public money shall deliver pledged collateral with a value equal to one half the amount of the public money in excess of insurance, to a custodial bank and a joint safekeeping receipt issued by the custodial bank to the County (Section 6-10-17 NMSA 1978). Also, per NMSA 6-10-16, deposits of public money shall be secured by securities of or guaranteed by the United States, securities of or guaranteed by the State of New Mexico, revenue bonds that are underwritten by a member of FINRA and are rated BAA or above, or letters of credit issued by a federal home loan bank.

Effect: Not having proper collateral could lead to the loss of County funds in the event of a bank failure.

Cause: The County has made attempts to obtain collateral for the funds amounts on deposit with US Bank; however, the bank has not allocated any collateral to the CD on deposit. The County was also unaware that GO bonds from an out of state political subdivision were unallowable and had been pledged by First National Bank.

Auditors’ Recommendations: We recommend that the County review collateral for compliance with state statutes on a regular basis as well as to continue to work with US in order to obtain collateral for their funds held in a CD.

Agency’s Response: The County Treasurer is actively researching another type of fund to invest in with US Bank which will meet the State of New Mexico Statute guidelines. The County treasurer will also insist that First National Bank pledges collateral with banks only located within the State of New Mexico.

Section II – Financial Statement Findings (continued)

FS 10-02 Travel and Per Diem (Repeated/Modified) – Other Matters

Condition: In our review of the travel and per diem expenditures, we noted that the County controls over travel and per diem are not working effectively and noted the following:

- In 3 out of 5 instances, the County did not have supporting documentation for in state travel reimbursements.

Criteria: Per NMAC 2.42.2 travel policies and procedures should be in place in order to ensure compliance with the Per Diem and Mileage Act, Sections 10-8-1 through 10-8-8, NMSA 1978, and Department of Finance and Administration (DFA) regulations.

Effect: The County could be unable to verify compliance with the Per Diem and Mileage Act and could be subject to misappropriation by error or fraud.

Cause: The County did not maintain policies and procedures to obtain documentation in order to verify that in state travel reimbursements are for adequate and approved travel expenditures.

Auditors' Recommendations: We recommend the County obtain and review supporting documentation and retain the necessary documents to in order to ensure compliance with NMAC 2.42.2.

Agency's Response: Management recognizes the potential for fraud in this finding. Management will require supporting documentation of all travel to be presented before any travel and per diem disbursement checks can be released to any and all employees.

Section II – Financial Statement Findings (continued)

FS 12-03 Stale Dated Checks (Repeated/Modified) – Other Matters

Condition: The County had 1 check listed as outstanding that was over one year old. The total amount of the stale check was \$34. The County has not reported the payee or turned over the funds to the Unclaimed Property Division of the New Mexico Taxation and Revenue Department.

Criteria: New Mexico Statutes, Section 6-10-57, NMSA, 1978 compilation, requires local public bodies to cancel or void any checks that are unpaid for one year after it is written. The County has not reported the payees or turned over the funds to the Unclaimed Property Division of the New Mexico Taxation and Revenue Department.

Effect: The County is not in compliance with Section 6-10-57, NMSA 1978. The County's cash balance may be misstated by the amount of the stale check.

Cause: The County overlooked this check as part of their reconciling procedures at year end.

Auditors' Recommendation: We recommend that the outstanding checks be voided as soon as possible and that the County follows their procedure to track and void stale dated checks. We also recommend that the County remit the stale-dated check funds to the New Mexico Taxation and Revenue Department.

Agency's Response: The County will initiate procedures to ensure that checks are canceled and voided in a timely manner. Additionally, the County procedures will include steps to ensure that it complies with the Uniform Unclaimed Property Act.

Section II – Financial Statement Findings (continued)

FS 2013-001 Bids – Other Matters

Condition: During our procurement testwork, we noted the following item:

- In one (1) instance out of five (5) tested, the bid was not properly accompanied by an award letter in order to show that the winning bid was properly selected.

Criteria: According to Section 13-1-108 a contract solicited by competitive sealed bids shall be awarded with reasonable promptness by written noted to the lowest responsible bidder.

Effect: It is not evident the winning bid was awarded properly or that the winning bidder was notified in accordance with state statute. .

Cause: The County does not have the appropriate controls in place to verify that all necessary information for the bids is properly completed and that the bids are properly awarded.

Auditors' Recommendations: We recommend the County implement a system of internal controls in order to verify that bid files are complete and are properly awarded.

Agency's Response: The County understands the recommendation and the law. The County has implemented steps to ensure that all bid files are complete and properly awarded.

Section II – Financial Statement Findings (continued)

FS 2013-002 Preparation of Accounts Receivable – Material Weakness

Condition: During our performance of the audit procedures relating to accounts receivable, we noted the following:

- The County incorrectly excluded \$272,477 of accounts receivable from their listing at year end.

Criteria: According to the American Institute of Certified Public Accountants' Statement on Auditing Standards No. 115, a system of internal control over financial reporting does not stop at the general ledger. Well designed systems include controls over financial statement preparation, including GAAP-Basis accruals, and any footnote disclosures. Generally Accepted Accounting Principles (GAAP) state that revenue recognition is recognized in the period in which the revenue is earned.

Effect: Preparing accurate accounts receivable subledgers, as well as properly posting transactions, is essential to the County operational and management decisions. Incorrect preparation of the accounts receivable could lead to misstating the balances and the related revenues in the proper periods of funds.

Cause: The County maintains their general ledger on the cash basis of accounting and prepared their listings of accounts receivable at year end and did not properly review the listing for completeness and incorrectly excluded items from accounts receivable.

Auditors' Recommendations: We recommend the County review all receipts when they are received in order to verify that the revenues are being properly accounted for as accounts receivable or as a revenue of the subsequent period.

Agency's Response: The County understands this finding. The County will review all receipts at year end and properly classify them into proper fiscal years.

Section II – Financial Statement Findings (continued)

FS 2013-003 Capital Assets and Related Debt – Material Weakness

Condition: During our performance of the audit procedures relating to debt, we identified that the County had accounted capital leases for 5 John Deere Motor Graders that had been terminated during the year, however these items had not been included on their capital asset listing at year end. The retirement of these leases during the year resulted in a restatement of \$448,598 to the Statement of Net Position.

Criteria: Section 2.20.1.10 of NMAC classifies equipment obtained through a capital as capital assets. Section 2.20.1.15 of NMAC requires each agency to establish controls over their assets in order to properly record and safeguard capital assets.

Effect: The County understated their Net Investment in Capital Assets on the Statement of Net Position in the prior year.

Cause: The County did not properly record capital leases and the related capital assets as part of their accounting transactions.

Auditors' Recommendations: We recommend that the County implement an internal controls system that includes reviewing leases in order to determine if the leases are classified as capital or operating and to record any related assets accordingly.

Agency's Response: Management will review all leases to determine if they are capital or operating and immediately record them into its fixed asset management system if they are determined to be capital leases.

Section II – Financial Statement Findings (continued)

FS 2013-004 Late Filing of Taxes with IRS – Noncompliance

Condition: During our testwork, we noted that during the year, the County did not timely submit or pay their payroll taxes resulting in penalties of \$7,592.92 paid by the County.

Criteria: Per Internal Revenue Service (IRS), Publication 15 Circular E, Form 941 is to be filed by the end of the month following the end of each quarter or are subject to penalty.

Effect: Failure to timely file Form 941's with the IRS result in penalties that were owed by the County.

Cause: The County implemented a new set of policies and procedure during the year, including moving staff positions and responsibilities, and it has taken time to get all members of the County acclimated to their new positions and roles resulting in the failure to file 2 quarters of Form 941 reports.

Auditors' Recommendations: Management should continue to implement and enforce their policies and procedures as well as to provide effective and adequate training and monitoring in order to determine that the County does not miss filing deadlines with the IRS.

Agency's Response: Management has implemented procedures for monitoring deadlines for IRS semi-monthly deposits. Formal written accounting policies will address this issue as well.

Section III – Prior Year Audit Findings

FS 06-04 – Property Tax Schedule not Included – Repeated

FS 06-06 – Deficiencies in Internal Control Structure Design – Repeated/Modified

FS 09-03 – Pledged Collateral – Repeated/Modified

FS 10-02 – Travel and Per Diem – Repeated/Modified

FS 11-02 – Indigent Health Care Claims – Resolved

FS 12-01 – Maintenance of Capital Assets – Resolved

FS 12-02 – Lack of Internal Controls to Prevent Theft in the Detention Center – Resolved

FS 12-03 – Stale Dated Checks – Repeated/Modified

STATE OF NEW MEXICO

Colfax County
Other Disclosures
June 30, 2013

OTHER DISCLOSURES

Exit Conference

An exit conference was held in closed session on November 7, 2013. In attendance were the following:

Representing Colfax County:

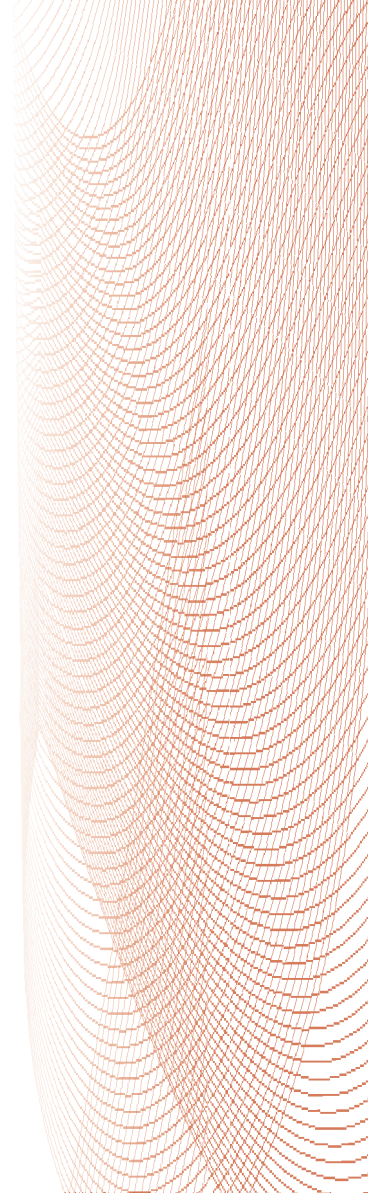
Patricia Gonzales, County Manager
Cheryl Navarette, Assistant County Manager
Kathy Trujillo, County Treasurer
Lydia Garcia, Deputy County Treasurer
Jim Maldonado, County Commissioner – Chairman
William E. Sauble, County Commissioner – Vice Chairman
James L. Newton, County Commissioner

Representing Accounting & Consulting Group, LLP:

Ray Roberts, CPA, Managing Partner

Auditor Prepared Financial Statements

Accounting and Consulting Group, LLP prepared the GAAP-basis financial statements and footnotes of Colfax County from the original books and records provided to them by the management of the County. The responsibility for the financial statements remains with the County.



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