

State of  
New Mexico  
Colfax County

Annual Financial Report  
For the Year Ended June 30, 2017



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## **INTRODUCTORY SECTION**

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**STATE OF NEW MEXICO**

Colfax County

Official Roster

June 30, 2017

**Name**

**Title**

**Elected Officials**

William E. Sauble	County Commissioner – Chairman
James L. Newton	County Commissioner – Vice Chairman
Roy Fernandez	County Commissioner
Rayetta Trujillo	County Clerk
Kathy Trujillo	County Treasurer
Linda Gallegos	County Assessor
Rick Sinclair	County Sheriff
Roy Ackerman	County Probate Judge

**Administrative Officials**

Mary Lou Kern	County Manager
Jonni Valdez-Silva	Assistant County Manager
Lydia Garcia	Deputy County Treasurer

## **FINANCIAL SECTION**

## INDEPENDENT AUDITORS' REPORT

Timothy Keller  
New Mexico State Auditor  
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 comparison for the General Fund of Colfax County (the "County"), as of and for the year ended June 30, 2017, and the related notes to the financial statements which collectively comprise the County's basic financial statements 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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, 2017, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Management has omitted the *Management Discussion and Analysis* that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America requires the Schedules I and II and the Notes to the Required Supplementary Information on pages 60 through 64 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge 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 financial statement that collectively comprise the County's basic financial statements. The introductory section and Supporting Schedules III through VIII 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 combining and individual fund financial statements and Supporting Schedules III through VIII 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 combining and individual fund financial statements and Supporting Schedules III through VIII 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 28, 2017 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.

*RPC CPAs + Consultants LLP*

RPC CPAs + Consultants, LLP  
Albuquerque, New Mexico  
November 28, 2017

**BASIC  
FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**  
Colfax County  
Statement of Net Position  
June 30, 2017

	<b>Governmental Activities</b>
<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ 5,836,203
Investments	5,252,681
Receivables:	
Property taxes	972,830
Other taxes	347,408
Other receivables, net of allowance	235,029
Inventory	57,312
Prepaid expenses	87,401
	12,788,864
Total current assets	
Noncurrent assets	
Restricted cash and cash equivalents	4,009,630
Capital assets	63,071,308
Less: accumulated depreciation	(31,383,985)
	35,696,953
Total noncurrent assets	
Total assets	48,485,817
<b>Deferred outflows of resources</b>	
Deferred loss on bond refunding, net of accumulated amortization of \$163,690	425,594
Changes in proportion	150,041
Changes of assumptions	365,382
Difference between expected and actual experience	338,040
Employer contributions subsequent to the measurement date	308,438
Net difference between projected and actual investment earnings on pension plan investments	1,068,367
	2,655,862
Total deferred outflows of resources	
<i>Total assets and deferred outflows of resources</i>	<i>\$ 51,141,679</i>

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

	<b>Governmental Activities</b>
<b>Liabilities</b>	
Current liabilities	
Accounts payable	\$ 659,174
Accrued interest	99,589
Current portion of accrued compensated absences	319,943
Current portion of long-term debt	632,869
Total current liabilities	<u>1,711,575</u>
Noncurrent liabilities	
Noncurrent portion of accrued compensated absences	24,454
Loans payable	7,527,807
Bonds payable	5,680,000
Bond premium, net of accumulated amortization of \$58,807	431,322
Net pension liability	6,027,339
Total noncurrent liabilities	<u>19,690,922</u>
Total liabilities	<u>21,402,497</u>
<b>Deferred inflows of resources</b>	
Changes in proportion	155,526
Changes of assumptions	29,111
Difference between expected and actual experience	43,471
Total deferred inflows of resources	<u>228,108</u>
<b>Net position</b>	
Net investment in capital assets	22,498,176
Restricted for:	
Debt service	216,636
Capital projects	429,814
Other purposes - special revenue	2,320,196
Permanent health care	1,724,077
Unrestricted	2,322,175
Total net position	<u>29,511,074</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 51,141,679</u>

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

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**STATE OF NEW MEXICO**  
Colfax County  
Statement of Activities  
For the Year Ended June 30, 2017

Exhibit A-2

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Primary Government</b>					
General government	\$ 4,603,922	\$ 128,775	\$ 14,207	\$ -	\$ (4,460,940)
Public safety	3,335,162	70,055	1,354,485	-	(1,910,622)
Public works	2,525,120	566,367	149,044	847,461	(962,248)
Culture and recreation	184,012	10	-	-	(184,002)
Health and welfare	644,565	-	12,447	-	(632,118)
Interest on long-term debt	246,266	-	-	-	(246,266)
<i>Total governmental activities</i>	<u>\$ 11,539,047</u>	<u>\$ 765,207</u>	<u>\$ 1,530,183</u>	<u>\$ 847,461</u>	(8,396,196)

**General Revenues:**

Taxes:	
Property taxes - levied for general purposes	5,499,759
Gross receipts	1,900,722
Gasoline and motor vehicle	793,499
Payment in lieu of taxes	166,163
Investment income	150,248
Miscellaneous income	7,372
Gain on disposal of asset	67,839
Total general revenues	<u>8,585,602</u>
Change in net position	189,406
Net position - beginning	<u>29,321,668</u>
<i>Net position - ending</i>	<u>\$ 29,511,074</u>

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

**STATE OF NEW MEXICO**  
Colfax County  
Governmental Funds  
Balance Sheet  
June 30, 2017

	<u>General Fund</u>	<u>VMDC/NMFA Loan Debt Service Fund</u>	<u>Vigil Moldanado Detention Center Improvement Capital Projects Fund</u>
<i>Assets</i>			
Cash and cash equivalents	\$ 3,188,131	\$ 323,551	\$ 1,632,887
Investments	1,838,000	3,414,681	-
Receivables:			
Property taxes	940,622	-	-
Other taxes	214,273	-	-
Other receivables, net of allowance	31,469	-	-
Inventory	-	-	-
Prepaid expenses	87,074	-	-
<i>Total assets</i>	<u>\$ 6,299,569</u>	<u>\$ 3,738,232</u>	<u>\$ 1,632,887</u>
 <i>Liabilities, deferred inflows of resources, and fund balances</i>			
<i>Liabilities</i>			
Accounts payable	\$ 64,506	\$ -	\$ 478,431
<i>Total liabilities</i>	<u>64,506</u>	<u>-</u>	<u>478,431</u>
 <i>Deferred inflows of resources</i>			
Unavailable revenue:			
Property taxes	820,942	-	-
<i>Total deferred inflows of resources</i>	<u>820,942</u>	<u>-</u>	<u>-</u>
 <i>Fund balances</i>			
Nonspendable	87,074	-	-
Spendable:			
Restricted	1,333,599	3,738,232	1,154,456
Committed	-	-	-
Unassigned	3,993,448	-	-
<i>Total fund balances</i>	<u>5,414,121</u>	<u>3,738,232</u>	<u>1,154,456</u>
 <i>Total liabilities, deferred inflows of resources, and fund balances</i>	 <u>\$ 6,299,569</u>	 <u>\$ 3,738,232</u>	 <u>\$ 1,632,887</u>

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



<b>Health Care Permanent Fund</b>	<b>Other Governmental Funds</b>	<b>Total</b>
\$ 1,724,077	\$ 2,977,187	\$ 9,845,833
-	-	5,252,681
-	32,208	972,830
-	133,135	347,408
-	203,560	235,029
-	57,312	57,312
-	327	87,401
<u>\$ 1,724,077</u>	<u>\$ 3,403,729</u>	<u>\$ 16,798,494</u>
<u>\$ -</u>	<u>\$ 116,237</u>	<u>\$ 659,174</u>
<u>-</u>	<u>116,237</u>	<u>659,174</u>
<u>-</u>	<u>28,110</u>	<u>849,052</u>
<u>-</u>	<u>28,110</u>	<u>849,052</u>
-	57,639	144,713
1,724,077	2,051,396	10,001,760
-	1,150,347	1,150,347
-	-	3,993,448
<u>1,724,077</u>	<u>3,259,382</u>	<u>15,290,268</u>
<u>\$ 1,724,077</u>	<u>\$ 3,403,729</u>	<u>\$ 16,798,494</u>

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

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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, 2017

Exhibit B-1

Page 2 of 2

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

Fund balances - total governmental funds	\$ 15,290,268
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	31,687,323
Bond discounts, premiums, deferred gains and losses are not current financial resources and, therefore, are not reported in the funds:	
Bond premium, net of accumulated amortization	(431,322)
Loss on bond refunding, net of accumulated amortization	425,594
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in funds:	
Deferred outflows of resources related to changes in proportion	150,041
Deferred outflows of resources related to changes of assumption	365,382
Deferred outflows of resources related to the difference between expected and actual experience	338,040
Deferred outflows of resources related to employer contribution subsequent to measurement date	308,438
Deferred outflows of resources related to the net difference between projected and actual investment earnings on pension plan investments	1,068,367
Deferred inflows of resources related to changes in proportion	(155,526)
Deferred inflows of resources related to changes of assumption	(29,111)
Deferred inflows of resources related to the difference between expected and actual experience	(43,471)
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities	849,052
Interest on long-term debt is not accrued in the fund financial statements unless it is due and payable:	
Accrued interest	(99,589)
Some liabilities, including compensated absences, bonds and notes payable, and net pension liability are not due and payable in the current period and, therefore, are not reported in the funds:	
Accrued compensated absences	(344,397)
Loans payable	(7,925,676)
Bonds payable	(5,915,000)
Net pension liability	<u>(6,027,339)</u>
<i>Net position - governmental activities</i>	<u><u>\$ 29,511,074</u></u>

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

**STATE OF NEW MEXICO**  
Colfax County  
Governmental Funds  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2017

	<u>General Fund</u>	<u>VMDC/NMFA Loan Debt Service Fund</u>	<u>Vigil Moldanado Detention Center Improvement Capital Projects Fund</u>
<i>Revenues</i>			
Taxes:			
Property	\$ 5,272,888	\$ -	\$ -
Gross receipts	1,246,126	-	-
Gasoline and motor vehicle	475,970	-	-
Intergovernmental:			
Federal operating grants	-	-	-
Federal capital grants	-	-	-
State operating grants	14,207	-	-
State capital grants	-	-	-
Payment in lieu of taxes	166,163	-	-
Charges for services	125,575	-	-
Investment income	87,917	23,947	-
Miscellaneous	6,419	-	-
<i>Total revenues</i>	<u>7,395,265</u>	<u>23,947</u>	<u>-</u>
<i>Expenditures</i>			
Current:			
General government	3,099,045	-	-
Public safety	1,822,268	-	-
Public works	6,000	-	-
Culture and recreation	184,012	-	-
Health and welfare	184,726	-	-
Capital outlay	38,345	-	4,459,897
Debt service:			
Principal	-	-	-
Interest	-	103,409	-
<i>Total expenditures</i>	<u>5,334,396</u>	<u>103,409</u>	<u>4,459,897</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>2,060,869</u>	<u>(79,462)</u>	<u>(4,459,897)</u>
<i>Other financing sources (uses)</i>			
Proceeds from sale of asset	67,839	-	-
Proceeds from bond and note payables	-	-	-
Transfers in	691,955	391,765	5,500,000
Transfers (out)	(1,482,765)	-	-
<i>Total other financing sources (uses)</i>	<u>(722,971)</u>	<u>391,765</u>	<u>5,500,000</u>
<i>Net change in fund balance</i>	1,337,898	312,303	1,040,103
<i>Fund balance - beginning of year</i>	4,076,223	3,425,929	114,353
<i>Fund balance - end of year</i>	<u>\$ 5,414,121</u>	<u>\$ 3,738,232</u>	<u>\$ 1,154,456</u>

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

<u>Health Care Permanent Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ -	\$ 169,285	\$ 5,442,173
-	654,596	1,900,722
-	317,529	793,499
-	135,250	135,250
-	142,474	142,474
-	1,380,726	1,394,933
-	704,987	704,987
-	-	166,163
-	639,632	765,207
394	37,990	150,248
-	953	7,372
394	4,183,422	11,603,028
-	205,312	3,304,357
-	1,262,113	3,084,381
-	1,537,215	1,543,215
-	-	184,012
-	459,839	644,565
-	1,303,238	5,801,480
-	356,457	356,457
-	272,928	376,337
-	5,397,102	15,294,804
394	(1,213,680)	(3,691,776)
-	-	67,839
-	68,940	68,940
-	2,255,643	8,839,363
-	(7,356,598)	(8,839,363)
-	(5,032,015)	136,779
394	(6,245,695)	(3,554,997)
1,723,683	9,505,077	18,845,265
\$ 1,724,077	\$ 3,259,382	\$ 15,290,268

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

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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, 2017

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

Net change in fund balances - total governmental funds	\$ (3,554,997)
--	----------------

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	5,801,480
Depreciation expense	(1,910,632)

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

Change in deferred inflows for property taxes	57,586
---	--------

Governmental funds report county pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:

County pension contribution	308,438
Pension expense	(724,290)

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	66,820
Increase in accrued interest payable	(3,341)

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 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 premium	24,515
Amortization of loss on bond refunding	(163,690)
Bond and note proceeds	(68,940)
Principal payments on loans payable	131,457
Principal payments on bonds payable	225,000

<i>Change in net position of governmental activities</i>	<u><u>\$ 189,406</u></u>
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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, 2017

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Property	\$ 5,283,975	\$ 5,283,975	\$ 5,246,122	\$ (37,853)
Gross receipts	900,000	900,000	1,225,450	325,450
Gasoline and motor vehicle	442,000	442,000	418,133	(23,867)
Intergovernmental:				
State operating grants	14,500	14,500	7,763	(6,737)
Payment in lieu of taxes	140,000	140,000	166,163	26,163
Charges for services	132,792	132,792	124,493	(8,299)
Investment income (loss)	65,000	65,000	86,189	21,189
Miscellaneous	28,000	28,000	6,518	(21,482)
<i>Total revenues</i>	<u>7,006,267</u>	<u>7,006,267</u>	<u>7,280,831</u>	<u>274,564</u>
<i>Expenditures</i>				
Current:				
General government	3,273,523	3,273,523	3,102,559	170,964
Public safety	1,924,086	1,924,086	1,817,264	106,822
Public works	6,000	6,000	6,000	-
Culture and recreation	191,594	191,594	184,012	7,582
Health and welfare	171,000	171,000	186,270	(15,270)
Capital outlay	12,500	12,500	38,345	(25,845)
Debt service:				
Principal	40,000	40,000	-	40,000
<i>Total expenditures</i>	<u>5,618,703</u>	<u>5,618,703</u>	<u>5,334,450</u>	<u>284,253</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,387,564</u>	<u>1,387,564</u>	<u>1,946,381</u>	<u>558,817</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(435,280)	(435,280)	-	435,280
Proceeds from sale of asset	-	-	67,839	67,839
Transfers in	530,000	530,000	1,283,955	753,955
Transfers (out)	(1,482,284)	(1,482,284)	(2,074,765)	(592,481)
<i>Total other financing sources (uses)</i>	<u>(1,387,564)</u>	<u>(1,387,564)</u>	<u>(722,971)</u>	<u>664,593</u>
<i>Net change in fund balances</i>	-	-	1,223,410	1,223,410
<i>Fund balance - beginning of year</i>	-	-	3,802,721	3,802,721
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,026,131</u>	<u>\$ 5,026,131</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 1,223,410
Adjustments to revenues for taxes and fees				114,434
Adjustments to expenditures for prepaid insurance, utilities, and professional services expenses				54
<i>Net change in fund balance (GAAP)</i>				<u>\$ 1,337,898</u>

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



**STATE OF NEW MEXICO**  
Colfax County  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
June 30, 2017

Exhibit D-1

<i>Assets</i>	
Cash and cash equivalents	\$ 789,883
Property taxes receivable	5,694,681
Other taxes receivable	<u>37,879</u>
<i>Total assets</i>	<u><u>\$ 6,522,443</u></u>
 <i>Liabilities</i>	
Deposits held for others	\$ 789,883
Due to other taxing entities	<u>5,732,560</u>
<i>Total liabilities</i>	<u><u>\$ 6,522,443</u></u>

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

**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 1. Summary of Significant Accounting Policies**

Colfax County (the "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, 2017, the County adopted GASB Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* (partial), No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, No. 77, *Tax Abatement Disclosures*, No. 78 *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*, and No. 82, *Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73*. These six Statements are required to be implemented as of June 30, 2017, if applicable.

The objective of GASB Statement No. 73 establishes accounting and financial reporting standards for defined benefit pensions and defined contribution pensions that are not provided to employees of state and local government employers and are not within the scope of Statement 68. A portion of this pronouncement was effective and was implemented for the June 30, 2016 year end, and a portion is effective for June 30, 2017 year end. Effective for June 30, 2017 are the provisions of the statement that address accounting and financial reporting by employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68. This does not have a material effect on the financial statements of the County, as its pension plan is within the scope of Statement 68.

The objective of GASB Statement No. 74 is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.

**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 1. Summary of Significant Accounting Policies (continued)**

This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement does not affect the County's financial statements directly; however, the effects on the County's OPEB plan, administered through the New Mexico Retiree Health Care Authority, will be seen in future periods.

GASB Statement No. 77 is intended to improve the usefulness of financial statements prepared by state and local governments – which are intended, among other things, to assist users of financial statements in assessing (1) whether a government's current-year revenues were sufficient to pay for current-year services (interperiod equity), (2) whether a government complied with finance-related legal and contractual obligations, (3) where a government's financial resources came from and how it uses them, and (4) a government's financial position and economic condition and how they have changed after time – by including information about certain limitations on a government's ability to raise resources. This includes limitations on revenue-raising capacity resulting from government programs that use tax abatements to induce behavior by individuals and entities that is beneficial to the government or its citizens – such as the encouragement of economic development. For financial reporting purposes, this Statement defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens.

These tax abatements may affect the financial position of the government and its results of operations, including its ability to raise resources in the future. Statement No. 77 requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments that reduce the reporting government's tax revenues.

This Statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements:

- Brief descriptive information, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients;
- The gross dollar amount of taxes abated during the period;
- Commitments made by a government, other than to abate taxes, as part of a tax abatement agreement.

For tax abatement agreements entered into by other governments, the following should be disclosed:

- The names of the governments that entered into the agreements;
- The specific taxes being abated; and
- The gross dollar amount of taxes abated during the period.

This statement does not have a material effect on the financial statements of the County.

**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 1. Summary of Significant Accounting Policies (continued)**

The objective of GASB Statement No. 78 is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. This Statement amends the scope and applicability of Statement 68 to exclude certain pensions provided to employees of state or local governmental employers. The County's pension plan does not meet the criteria for exclusion.

The objective of GASB Statement No. 80 is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.

GASB Statement No. 82 clarified and adjusted several items from GASB 67 and 68, including the definition of covered payroll, the presentation of payroll-related measures in required supplementary information, the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and the classification of payments made by employers to satisfy employee contribution requirements.

*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, GASB Statement No. 61, and GASB Statement No. 80. 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.

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.

**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*A. Financial Reporting Entity (continued)*

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 the Financial Statements  
June 30, 2017

**NOTE 1. Summary of Significant Accounting Policies (continued)**

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

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 taxpayers 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 federal and 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.

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.

**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 1. Summary of Significant Accounting Policies (continued)**

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

The *VMDC/NMFA Loan Debt Service Fund* accounts for payment for the Vigil Maldonado Detention Center remodel and expansion. The intercept is authorized by loan agreements signed with the New Mexico Finance Authority. Authority for establishment of this fund is by Colfax County Commission.

The *Vigil Moldanado Detention Center Improvement Capital Projects Fund* accounts for capital outlay expenditures of bond proceeds received through the 2015 HHGRT Bond Series for capital improvements to the Vigil Maldonado Detention Center Remodel, Gardner Bridge replacement and other improvement and infrastructure projects. Authorization for the establishment of this fund is by Colfax County Commission. These funds are restricted by various agreements.

The *Health Care Permanent Fund* accounts for endowment proceeds and earnings on those proceeds to be used for any lawful health care purpose. Authorization for establishment of this fund 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.

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, 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.

**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)*

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 solid waste fees are recorded as revenue when billed net of estimated refund and uncollectable accounts. Uncollectible accounts are estimated based on prior year collections.

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<sup>st</sup> based on the assessed value of property as listed on the previous January 1<sup>st</sup> and are due in two payments by November 10<sup>th</sup> and April 10<sup>th</sup>. Property taxes uncollected after November 10<sup>th</sup> and April 10<sup>th</sup> 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.

**Inventory:** The County's method of accounting for inventory is the consumption method. Under the consumption approach, the government reports inventories they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories actually are consumed. Inventory is valued at cost and consists of supplies, materials, and fuel. The cost of purchased supplies and materials is recorded as an expenditure at the time individual inventory items are consumed.

**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 debt service purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended.

**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.



**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)*

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). Additionally, the County has elected to include infrastructure assets retroactive to 1980.

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

**Deferred Outflows of Resources:** In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The County has six types of items that qualify for reporting in this category due to implementation of GASB 68 and the related net pension liability, and due to the advanced refunding of bonds in fiscal year 2016. Accordingly, these pension-related items, changes in proportion of \$150,041, changes of assumption of \$365,382, the difference between expected and actual experience of \$338,040, employer contributions subsequent to the measurement date in the amount of \$308,438, and the net difference between projected and actual investment earnings on pension plan investments of \$1,068,367, are reported in the Statement of Net Position. These amounts are deferred and will be recognized as pension expense in the period that the amounts are reported as outflows of resources. In addition, the County presents deferred loss on bond refunding of \$425,594, net of accumulated amortization of \$163,690. This amount is being charged to operations through fiscal year 2019 using the straight line method.

**Accrued Expenses:** Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2017, along with applicable FICA and Medicare payable.

**Deferred Inflows of Resources:** In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized.

**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)*

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 corresponding deferred inflows of resources.

The County has one item which arises under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue – property taxes, is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The County has recorded \$849,052 related to property taxes considered “unavailable.”

The County also has three types of deferred inflows which arise due to the implementation of GASB 68 and the related net pension liability. Accordingly, these items, changes in proportion in the amount of \$155,526, changes of assumption in the amount of \$29,111, and the difference between expected and actuarial experience in the amount of \$43,471, are reported on the Statement of Net Position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

**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 is not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net position.

**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)*

**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 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.

**Nonspendable Fund Balance:** At June 30, 2017, the nonspendable fund balance is made up of inventory and prepaid insurance expenditures in the amount of \$144,713 that is not in spendable form.

**Restricted and Committed Fund Balance:** At June 30, 2017, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$10,001,760 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 \$1,150,347 in order to provide services throughout the County. The details of these fund balance items are located at Note 17 on page 56.

**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)*

**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 3/12<sup>th</sup> the General Fund expenditures and a cash reserve of 1/12<sup>th</sup> the Road Special Revenue Fund expenditures. The County presented minimum fund balance on the governmental funds balance sheet in the amount of \$1,409,578.

See Note 17 for detailed information of fund balance classifications.

**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. The County has \$5,082,851 in unspent bond proceeds as of June 30, 2017.
- 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, permanent fund, and capital projects" are described on pages 30-31 and 69-71.
- 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 collectability of receivables, pension expense and related balances, depreciation on assets over their useful lives, and the current portion of accrued compensated absences.

**NOTE 2. Stewardship, Compliance and Accountability**

*Budgetary Information*

Annual budgets of the County are prepared prior to June 1<sup>st</sup> 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.

**STATE OF NEW MEXICO**  
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**NOTE 2. Stewardship, Compliance and Accountability (continued)**

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:

	<b>Excess (deficiency) of</b>	
	<b>revenues over expenditures</b>	
	<b>Original</b>	<b>Final</b>
	<b>Budget</b>	<b>Budget</b>
Budgeted Funds:		
General Fund	1,387,564	1,387,564
VMDC/NMFA Loan Debt Service Fund	\$ -	\$ (402,213)
Vigil Moldanado Detention Center Improvement		
Capital Projects Fund	\$ (7,728,992)	\$ (7,728,992)
Health Care Permanent Fund	\$ -	\$ -
Other Governmental Funds	\$ (3,006,926)	\$ (3,019,188)

The accompanying Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual presents a comparison 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, 2017 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, 2017.

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.

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.

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**NOTE 3. Deposits and Investments (continued)**

All of the County's accounts at located an insured depository institution, including all noninterest-bearing transaction accounts, which 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, 2017, \$9,947,165 of the County's \$12,447,165 of deposits was exposed to custodial credit risk. \$9,947,165 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the County's name. There were no deposits uninsured and uncollateralized.

	<b>Ally Bank</b>	<b>American Express Bank</b>	<b>BMW Bank</b>	<b>Citi Bank</b>
Amount of Deposits	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
FDIC Coverage	(250,000)	(250,000)	(250,000)	(250,000)
Total uninsured public funds	-	-	-	-
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name	-	-	-	-
Uninsured and uncollateralized	\$ -	\$ -	\$ -	\$ -
Collateral requirement (50%)	\$ -	\$ -	\$ -	\$ -
Pledged Securities	-	-	-	-
Over (under) collateralized	\$ -	\$ -	\$ -	\$ -
	<b>Discover Bank</b>	<b>First National Bank</b>	<b>Goldman Sachs</b>	<b>International Bank</b>
Amount of Deposits	\$ 250,000	\$ 1,499,486	\$ 250,000	\$ 9,197,679
FDIC Coverage	(250,000)	(250,000)	(250,000)	(500,000)
Total uninsured public funds	-	1,249,486	-	8,697,679
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name	-	1,249,486	-	8,697,679
Uninsured and uncollateralized	\$ -	\$ -	\$ -	\$ -
Collateral requirement (50%)	\$ -	\$ 624,743	\$ -	\$ 4,348,840
Pledged Securities	-	2,627,563	-	17,214,449
Over (under) collateralized	\$ -	\$ 2,002,820	\$ -	\$ 12,865,609

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**NOTE 3. Deposits and Investments (continued)**

	<b>Wells Fargo Bank</b>	<b>Totals</b>
Amount of Deposits	\$ 250,000	\$ 12,447,165
FDIC Coverage	(250,000)	(2,500,000)
Total uninsured public funds	-	9,947,165
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name	-	9,947,165
Uninsured and uncollateralized	\$ -	\$ -
Collateral requirement (50%)	\$ -	\$ 4,973,583
Pledged Securities	-	19,842,012
Over (under) collateralized	\$ -	\$ 14,868,429

The collateral pledged is listed on Schedule III 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.

**Investments**

Credit Risk

The New Mexico State Treasurer is authorized to invest the short-term investment funds, with the advice and consent of the State Board of Finance, in accordance with Sections 6-10-10(I) through 6-10-10(P) and Sections 6-10-10.1(A) and (E), NMSA 1978. Per Section 6-10-10.1(F), NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested.

The County's investments at June 30, 2017 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	\$ 3,414,681	Aaa
		<u>\$ 3,414,681</u>	

\*\*Based off Standard & Poor's rating

The investments are listed on Schedule IV 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.

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**NOTE 3. Deposits and Investments (continued)**

*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. 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 \$1,838,000 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**

Cash and cash equivalents per Exhibit A-1	\$ 5,836,203
Restricted cash and cash equivalents per Exhibit A-1	4,009,630
Investments per Exhibit A-1	5,252,681
Agency funds cash per Exhibit D-1	<u>789,883</u>
 Total cash, cash equivalents and investments	 <u>15,888,397</u>
 Add: outstanding checks	 298,781
Less: U.S. Treasury Money Market Mutual Funds	(3,414,681)
Less: NMFA Restricted Cash	(324,782)
Less: petty cash	<u>(550)</u>
 Bank balance of deposits	 <u><u>\$ 12,447,165</u></u>



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**NOTE 4. Receivables**

Receivables as of June 30, 2017, are as follows:

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Current receivables:			
Property taxes	\$ 940,622	\$ 32,208	\$ 972,830
Other taxes:			
Gasoline and motor vehicle	62,776	24,133	86,909
Gross receipts	151,497	109,002	260,499
Other receivables:			
Intergovernmental:			
Federal	-	10,000	10,000
State	6,498	71,442	77,940
Charges for services	21,622	244,218	265,840
Investment income	3,349	-	3,349
Allowance - uncollectible:			
Solid waste fees	-	(122,100)	(122,100)
Totals	<u>\$ 1,186,364</u>	<u>\$ 368,903</u>	<u>\$ 1,555,267</u>

In accordance with GASB No. 33, property tax revenues in the amount of \$849,052 that were not collected within the period of availability have been reclassified as deferred inflow of resources in the governmental fund financial statements.

**STATE OF NEW MEXICO**  
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**NOTE 5. Interfund Receivables, Payables, and Transfers**

There were no interfund balances at June 30, 2017. Net operating transfers, made to close out funds and to supplement other funding sources in the normal course of operations, were as follows:

<b>Transfers Out</b>	<b>Transfers In</b>	<b>Amount</b>
<b>Primary Government</b>		
General Fund	Corrections Special Revenue Fund	\$ 200,000
General Fund	Road Special Revenue Fund	500,000
General Fund	Angel Fire Operations Special Revenue Fund	116,000
NM Transportation Grants	General Fund	25,000
Courthouse Renovation	General Fund	89,000
General Fund	Angel Fire Airport Improvement	275,000
Fire Protection	NMFA Debt Funds	198,632
Angel Fire Airport Improvement	General Fund	275,000
Capital Improvements	General Fund	200,000
Fire Protection	NMFA Debt Funds	22,639
Fire Protection	NMFA Debt Funds	31,988
Fire Protection	NMFA Debt Funds	33,454
Fire Protection	NMFA Debt Funds	77,208
NMFA Debt Funds	Capital Improvements	68,940
NMFA Debt Funds	Capital Improvements	198,632
Angel Fire Airport Improvement	Capital Improvements	100,000
Environmental Gross Receipts Tax	Solid Waste	80,000
Capital Improvements	Judicial Bond Center Payment	182,100
Capital Improvements	Judicial Bond Center Payment	151,050
Fire Protection	General Fund	102,955
General Fund	VMDC/NMFA Loan Debt Service Fund	375,000
General Fund	VMDC/NMFA Loan Debt Service Fund	16,765
Maternal and Child Healthcare	Health Care Interest	20,000
2015 Hold Harmless GRT Revenue Bond Debt Service	Vigil Moldanado Detention Center Improvement Capital Projects Fund	5,500,000
	Total	<u>\$ 8,839,363</u>

**STATE OF NEW MEXICO**  
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**NOTE 6. Capital Assets**

The following is a summary of capital assets and changes occurring during the year ended June 30, 2017. Land and construction in progress are not subject to depreciation.

	<u>Balance June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2017</u>
Capital assets, not depreciated:				
Land	\$ 1,519,275	\$ -	\$ -	\$ 1,519,275
Construction in progress	1,759,545	4,650,092	(68,934)	6,340,703
Total capital assets, not depreciated	<u>3,278,820</u>	<u>4,650,092</u>	<u>(68,934)</u>	<u>7,859,978</u>
Capital assets, depreciated:				
Improvements	1,909,806	435,592	-	2,345,398
Buildings	14,858,574	-	-	14,858,574
Infrastructure	28,691,514	42,568	-	28,734,082
Machinery and equipment	918,063	96,891	-	1,014,954
Vehicles	7,926,789	645,271	(313,738)	8,258,322
Total capital assets, depreciated	<u>54,304,746</u>	<u>1,220,322</u>	<u>(313,738)</u>	<u>55,211,330</u>
Accumulated depreciation:				
Improvements	657,544	72,330	-	729,874
Buildings	4,707,154	376,572	-	5,083,726
Infrastructure	18,355,777	917,789	-	19,273,566
Machinery and equipment	366,321	87,917	-	454,238
Vehicles	5,700,295	456,024	(313,738)	5,842,581
Total accumulated depreciation	<u>29,787,091</u>	<u>1,910,632</u>	<u>(313,738)</u>	<u>31,383,985</u>
Net book value	<u>\$ 27,796,475</u>	<u>\$ 3,959,782</u>	<u>\$ (68,934)</u>	<u>\$ 31,687,323</u>

Depreciation expense for the year ended June 30, 2017 was charged to governmental activities as follows:

General government	\$ 906,243
Public safety	86,600
Public works	<u>917,789</u>
Total	<u>\$ 1,910,632</u>

**STATE OF NEW MEXICO**  
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**NOTE 7. Long-term Debt**

During the year ended June 30, 2017, the following changes occurred in long-term debt reported in the government-wide statement of net position:

	<b>Balance</b>			<b>Balance</b>	<b>Due Within</b>
	<b>June 30, 2016</b>	<b>Additions</b>	<b>Retirements</b>	<b>June 30, 2017</b>	<b>One Year</b>
NMFA Loans	\$ 7,988,193	\$ 68,940	\$ 131,457	\$ 7,925,676	\$ 397,869
Revenue Bonds	6,140,000	-	225,000	5,915,000	235,000
Compensated Absences	411,217	253,123	319,943	344,397	319,943
Total long-term debt	<u>\$ 14,539,410</u>	<u>\$ 322,063</u>	<u>\$ 676,400</u>	<u>\$ 14,185,073</u>	<u>\$ 952,812</u>

NMFA Revenue Notes

The County of Colfax entered into one loan agreements with the New Mexico Finance Authority, wherein the County pledged revenue derived from Law Enforcement Protection Fund distributions to cover debt service. This revenue is subject to intercept agreements. Additionally, a NMFA loan was entered into for the purposes of purchasing and equipping a 4x4 police vehicle. The various NMFA loans are as follows:

<b>Description</b>	<b>Date of Issue</b>	<b>Term</b>	<b>Interest Rate</b>	<b>Original Amount of Issue</b>	<b>Balance June 30, 2017</b>
Moreno Valley Fire - Fire Station	April 2007	15 years	3.65%	\$ 180,000	\$ 72,105
French Tract Fire District - Attack Fire Truck	December 2009	12 years	1.69%	223,300	144,441
Moreno Fire District - New Fire Pumper	December 2009	10 years	1.04%	406,000	133,333
Moreno Fire District - Upgrade Valverde Station	July 2011	20 years	3.09%	304,500	285,600
Philmont Fire District- Burn training Center	October 2013	11 years	2.97%	307,305	222,601
Vermejo Fire - Fire Pumper	October 2015	11 years	2.77%	199,559	182,656
Public Building Improvements	May 2016	24 years	2.00%	6,816,000	6,816,000
Police Vehicles	December 2016	5 years	0.10%	68,940	68,940
					<u>\$ 7,925,676</u>

**STATE OF NEW MEXICO**  
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**NOTE 7. Long-term Debt (continued)**

The annual requirements to amortize the NMFA loans as of June 30, 2017, including interest payments are as follows:

<b>Fiscal Year Ending June 30, 2017</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2018	\$ 397,869	\$ 181,284	\$ 579,153
2019	403,584	175,827	579,411
2020	409,643	169,721	579,364
2021	368,586	162,831	531,417
2022	357,479	156,984	514,463
2023-2027	1,583,542	701,665	2,285,207
2028-2032	1,597,973	532,957	2,130,930
2033-2037	1,671,000	291,763	1,962,763
2038-2040	1,136,000	42,395	1,178,395
	<u>\$ 7,925,676</u>	<u>\$ 2,415,427</u>	<u>\$ 10,341,103</u>

NMFA loans have been liquidated by the respective fire district debt service, VMDC loan debt service, and/or special revenue funds in prior years.

2015 Advanced Bond Refunding

In prior years, the County defeased certain gross receipts tax bonds by placing the proceeds of a new NMFA loan in an escrow account to provide for all future debt service payments on the old bonds. Accordingly, the escrow account assets and the liability for the defeased bonds are not included in the County's financial statements. On June 30, 2017, \$2,980,000 of bonds outstanding are considered defeased.

The revenue bond is as follows:

<b>Description</b>	<b>Date of Issue</b>	<b>Term</b>	<b>Interest Rate</b>	<b>Original Amount of Issue</b>	<b>Balance June 30, 2017</b>
Gross Receipts Tax Revenue Bonds Series 2015	February 2015	20 years	4.00%	6,140,000	\$ 5,915,000
					<u>\$ 5,915,000</u>

**STATE OF NEW MEXICO**  
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**NOTE 7. Long-term Debt (continued)**

The annual requirements to amortize the Revenue Bonds as of June 30, 2017, including interest payments are as follows:

<b>Fiscal Year Ending June 30, 2017</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2018	\$ 235,000	\$ 205,200	\$ 440,200
2019	240,000	200,450	440,450
2020	245,000	195,600	440,600
2021	250,000	189,400	439,400
2022	255,000	181,825	436,825
2023-2027	1,405,000	783,650	2,188,650
2028-2032	1,685,000	493,900	2,178,900
2033-2036	1,600,000	131,400	1,731,400
	<u>\$ 5,915,000</u>	<u>\$ 2,381,425</u>	<u>\$ 8,296,425</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 2009 Bond Series are payable by the County from these "Pledged Revenues," and, in certain instances, from the Reserve Account within the Trust Fund established by the Bond Ordinance.

An additional one-quarter percent increment of the County's future gross receipts tax levied on persons engaging in business in the County have been designated as pledged revenues. Principal and interest due with respect to the 2016 Bond Series are payable by the County from these "Pledged Revenues."

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, 2017, compensated absences decreased by \$66,820 from the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities.

**NOTE 8. Operating Leases**

The County leases equipment under operating leases expiring during the next seven 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.

**STATE OF NEW MEXICO**  
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**NOTE 8. Operating Leases (continued)**

At June 30, 2017, future minimum lease payments applicable to the operating leases are as follows:

	<u>Total</u>
2018	\$ 201,591
2019	157,936
2020	155,557
2021	52,900
2022	25,347
2023-2024	27,459
	<u>\$ 620,790</u>

**NOTE 9. Public Employees Retirement Association (PERA) Pension Plan**

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

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

**Benefits provided.** For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2016 available at [http://www.nmpera.org/assets/uploads/downloads/comprehensive-annual-financial-reports/2016-CAFR\\_12.22.2016\\_FINAL-with-corrections.pdf](http://www.nmpera.org/assets/uploads/downloads/comprehensive-annual-financial-reports/2016-CAFR_12.22.2016_FINAL-with-corrections.pdf).

**Contributions.** The contribution requirements of defined benefit plan members and Colfax County are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY16 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on page 43 of the PERA FY16 annual audit report at [http://www.nmpera.org/assets/uploads/downloads/comprehensive-annual-financial-reports/2016-CAFR\\_12.22.2016\\_FINAL-with-corrections.pdf](http://www.nmpera.org/assets/uploads/downloads/comprehensive-annual-financial-reports/2016-CAFR_12.22.2016_FINAL-with-corrections.pdf).

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**NOTE 9. Public Employees Retirement Association (PERA) Pension Plan (continued)**

The PERA coverage options that apply to Colfax County are the Municipal General Division and the Municipal Police Division. Statutorily required contributions to the pension plan from Colfax County were \$225,068 for Municipal General and \$83,370 for Municipal Police for the year ended June 30, 2017 and there were no employer paid members benefits that were “picked up” by the employer for the year ended June 30, 2017.

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:*** The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2016, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2016.

The assets of the PERA fund are held in one trust, but there are six distinct membership groups (municipal general members, municipal police members, municipal fire members, state general members, state police members and legislative members) for whom separate contribution rates are determined each year pursuant to chapter 10, Article 11 NMSA 1978. Therefore, the calculations of the net pension liability, pension expense and deferred inflows and outflows were performed separately for each of the membership groups: municipal general members; municipal police members; municipal fire members; state general members; state police members and legislative members. Colfax County’s proportion of the net pension liability for each membership group that the employer participates in is based on the employer contributing entity’s percentage of that membership group’s total employer contributions for the fiscal year ended June 30, 2016. Only employer contributions for the pay period end dates that fell within the period of July 1, 2015 to June 30, 2016 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2016 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.



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**NOTE 9. Public Employees Retirement Association (PERA) Pension Plan (continued)**

**For PERA Fund Division Municipal General**, at June 30, 2017, Colfax County reported a liability of \$4,454,286 for its proportionate share of the net pension liability. At June 30, 2016, the County's proportion was 0.2788 percent, which was an decrease of 0.0133 percent from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, Colfax County recognized PERA Fund Division Municipal General pension expense of \$405,745. At June 30, 2017, Colfax County reported PERA Fund Division Municipal General deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes in proportion	\$ 43,505	\$ 105,083
Changes of assumptions	261,192	741
Differences between expected and actual experience	222,554	43,471
Net difference between projected and actual earnings on pension plan investments	819,580	-
Colfax County contributions subsequent to the measurement date	<u>225,068</u>	<u>-</u>
Total	<u><u>\$ 1,571,899</u></u>	<u><u>\$ 149,295</u></u>

For Municipal General, \$225,068 reported as deferred outflows of resources related to pensions resulting from Colfax County contributions subsequent to the measurement date June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2017	(\$260,050)
2018	(260,050)
2019	(473,121)
2020	(204,315)
Thereafter	-

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June 30, 2017

**NOTE 9. Public Employees Retirement Association (PERA) Pension Plan (continued)**

**For PERA Fund Division Municipal Police**, at June 30, 2017, Colfax County reported a liability of \$1,573,053 for its proportionate share of the net pension liability. At June 30, 2016, the County's proportion was 0.2132 percent, which was an increase of 0.0301 percent from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, Colfax County recognized PERA Fund Division Municipal Police pension expense of \$318,545. At June 30, 2017, Colfax County reported PERA Fund Division Municipal Police deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes in proportion	\$ 106,536	\$ 50,443
Changes of assumptions	104,190	28,370
Differences between expected and actual experience	115,486	-
Net difference between projected and actual earnings on pension plan investments	248,787	-
Colfax County contributions subsequent to the measurement date	83,370	-
Total	\$ 658,369	\$ 78,813

For Municipal Police, \$83,370 reported as deferred outflows of resources related to pensions resulting from Colfax County contributions subsequent to the measurement date June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2017	(\$116,906)
2018	(116,906)
2019	(195,621)
2020	(66,753)
Thereafter	-

**Actuarial assumptions.** As described above, the PERA Fund member group pension liabilities and net pension liabilities are based on actuarial valuations performed as of June 30, 2015 for each of the membership groups. Then each PERA Fund member group pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2016 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2015. These actuarial methods and assumptions were adopted by the PERA's Board of Trustees for use in the June 30, 2015 actuarial valuation.

**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 9. Public Employees Retirement Association (PERA) Pension Plan (continued)**

Actuarial valuation date	June 30, 2015
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay, open
Amortization period	Solved for based on statutory rates
Asset valuation method	Fair value
Actuarial assumptions:	
Investment rate of return	7.48% annual rate, net of investment experience
Projected benefit payment	100 years
Payroll growth	2.75% for the first 10 years, then 3.25% all other years
Projected salary increases	2.75% to 14.25% annual rate
Includes inflation at	2.25% annual rate first 10 years, 2.75% all other years
Mortality assumption	RP-2000 Mortality Tables (Combined table for healthy post-retirement, Employee table for active members, and Disabled table for disabled retirees before retirement age) with projection to 2018 using Scale AA.
Experience study dates	July 1, 2008 to June 30, 2013 (demographic) and July 1, 2010 through June 20, 2015 (economic)

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

The target asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<b>ALL FUNDS - Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Global Equity	43.50%	7.39%
Risk Reduction & Mitigation	21.50	1.79
Credit Oriented Fixed Income	15.00	5.77
Real Assets	20.00	7.35
Total	<u>100.0%</u>	

**Discount rate:** The discount rate used to measure the total pension liability was 7.48 percent. The projection of cash flows used to determine the discount rate assumed that future contributions will be made in accordance with statutory rates.

**STATE OF NEW MEXICO**  
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**NOTE 9. Public Employees Retirement Association (PERA) Pension Plan (continued)**

On this basis, the pension plan’s fiduciary net position together with the expected future contributions are sufficient to provide all projected future benefit payments of current plan members as determined in accordance with GASBS 67. Therefore, the 7.48% assumed long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the County’s proportionate share of the net pension liability to changes in the discount rate.** The following tables show the sensitivity of the net pension liability to changes in the discount rate. In particular, the tables present Colfax County’s net pension liability in each PERA Fund Division that Colfax County participates in, under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.48%) or one percentage point higher (8.48%) than the single discount rate.

<b>PERA Fund Municipal General Division</b>	<b>1% Decrease (6.48%)</b>	<b>Current Discount Rate (7.48%)</b>	<b>1% Increase (8.48%)</b>
Colfax’s proportionate share of the net pension liability	\$6,640,944	\$4,454,286	\$2,640,562
<b>PERA Fund Municipal Police Division</b>	<b>1% Decrease (6.75%)</b>	<b>Current Discount Rate (7.48%)</b>	<b>1% Increase (8.75%)</b>
Colfax’s proportionate share of the net pension liability	\$2,314,351	\$1,573,053	\$966,757

**Pension plan fiduciary net position.** Detailed information about the pension plan’s fiduciary net position is available in the separately issued FY16 PERA financial report. The report is available at <http://www.pera.state.nm.us/publications.html>.

**Payables to the pension plan.** At June 30, 2017 there were no contributions due and payable to PERA for the County.

**NOTE 10. 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, 2017, 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.

**STATE OF NEW MEXICO**  
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Notes to the Financial Statements  
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**NOTE 11. 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 no funds with deficit fund balance for the year ended June 30, 2017.
- B. Excess of expenditures over appropriations. The following funds had expenditures in excess of the budgeted appropriations for the year ended June 30, 2017:

Maternal and Child Healthcare Special Revenue Fund	\$	20,663
WIPP Special Revenue Fund		7,000
Angel Fire Airport Improvement Capital Projects Fund		329,776

- C. Designated cash appropriations in excess of available balances. The following funds had designated cash appropriations in excess of available balances for the year ended June 30, 2017:

	<b>Designated Cash</b>	<b>Beginning Year Cash &amp; AR Available</b>	<b>Cash Appriation in Excess of Available Balance</b>
Judicial Bond Center Payment Debt Service Fund	\$ 33,143	\$ -	\$ (33,143)
VMDC/NMFA Loan Debt Service Fund	8,402,213	3,425,929	(4,976,284)
Capital Improvements Fund	590,962	170,146	(420,816)

**NOTE 12. 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.

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.

**STATE OF NEW MEXICO**  
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Notes to the Financial Statements  
June 30, 2017

**NOTE 12. Post-Employment Benefits – State Retiree Health Care Plan (continued)**

*Funding Policy.* The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at <http://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, 2015, 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, 2015, 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, 2017, 2016 and 2015 were \$58,123, \$58,364, and \$57,425, respectively, which equaled the required contribution for each year.

**NOTE 13. 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 14. 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.

**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 14. Commitments (continued)**

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.

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, 2017, the escrow account had a balance of approximately \$1,724,077. All of that amount, up to the amount of \$1,724,077, 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, 2017 are as follows:

<u>Contract</u>	<u>Year Ending</u>	<u>Amount</u>
VMDC Renovation & Addition	2017	<u>\$ 1,474,922</u>
Total commitments		<u>\$ 1,474,922</u>

**NOTE 15. 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.

**NOTE 16. Restricted Net Position**

The government-wide statement of net position reports \$4,690,723 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 30-31 and 69-71.

**STATE OF NEW MEXICO**  
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Notes to the Financial Statements  
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**NOTE 17. Fund Balance Detail**

In accordance with GASB Statement No. 54 below is detail of fund balances for the year end June 30, 2017.

	<u>General Fund</u>	<u>VMDC/NMFA Loan Debt Service Fund</u>	<u>Vigil Moldanado Detention Center Improvement Capital Projects</u>
Nonspendable			
Prepaid expenses	\$ 87,074	\$ -	\$ -
Spendable			
Restricted:			
Capital improvement projects	-	3,738,232	1,154,456
Minimum fund balance	1,333,599	-	-
Unassigned	3,993,448	-	-
Total fund balances	<u>\$ 5,414,121</u>	<u>\$ 3,738,232</u>	<u>\$ 1,154,456</u>
		<b>Other</b>	
	<b>Health Care</b>	<b>Governmental</b>	
	<b>Permanent Fund</b>	<b>Funds</b>	<b>Total</b>
Nonspendable			
Inventory	\$ -	\$ 57,312	\$ 57,312
Prepaid expenses	-	327	87,401
Spendable			
Restricted:			
General county operations	-	607,627	607,627
Maintenance of roads	-	6,151	6,151
Fire departments	-	617,146	617,146
Public safety	-	69,754	69,754
Healthcare	1,724,077	255,113	1,979,190
Debt service expenditures	-	329,107	329,107
Capital improvement projects	-	90,542	4,983,230
Minimum fund balance	-	75,956	1,409,555
Committed:			
Fire departments	-	343,620	343,620
County fire marshal office	-	24,497	24,497
County inmate donations	-	6,210	6,210
County roadwork	-	7,439	7,439
WIPP project	-	540	540
Forfeited funds	-	10	10
Solid waste	-	253,794	253,794
Community support	-	362,750	362,750
Healthcare	-	3,623	3,623
Angel Fire airport	-	147,864	147,864
Unassigned	-	-	3,993,448
Total fund balances	<u>\$ 1,724,077</u>	<u>\$ 3,259,382</u>	<u>\$ 15,290,268</u>



**STATE OF NEW MEXICO**  
Colfax County  
Notes to the Financial Statements  
June 30, 2017

**NOTE 18. Subsequent Events**

The date to which events occurring after June 30, 2017, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosure is November 28, 2017, which is the date the financial statements were issued.

**NOTE 19. Subsequent Pronouncements**

In June 2015, GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued. Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2017. The standard will be implemented during the fiscal year ended June 30, 2018. The County expects this pronouncement to have a material effect on the financial statements.

In December 2015, GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plan* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

In March 2016, GASB Statement No. 81 *Irrevocable Split-Interest Agreements*, was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2016. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

In November 2016, GASB Statement No. 83, *Certain Asset Retirement Obligations* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

In January 2017, GASB Statement No. 84 *Fiduciary Activities* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

In March 2017, GASB Statement No. 85 *Omnibus 2017* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The County is still evaluating how this pronouncement will affect the financial statements.

In May 2017, GASB Statement No. 86 *Certain Debt Extinguishment Issues* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

In June 2017, GASB Statement No. 87 *Leases* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

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**REQUIRED SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO**

Colfax County

Schedule I

Page 1 of 2

Schedule of the County's Proportionate Share of the Net Pension Liability  
of PERA Fund Municipal General Division  
Public Employees Retirement Association (PERA) Plan  
Last 10 Fiscal Years\*

	<b>2017 Measurement Date (As of and for the year ended June 30, 2016)</b>	<b>2016 Measurement Date (As of and for the year ended June 30, 2015)</b>	<b>2015 Measurement Date (As of and for the year ended June 30, 2014)</b>
Colfax County's proportion of the net pension liability	0.2788%	0.2921%	0.2845%
Colfax County's proportionate share of the net pension liability	\$ 4,454,286	\$ 2,978,213	\$ 2,219,405
Colfax County's covered-employee	\$ 2,388,173	\$ 2,422,720	\$ 2,310,908
Colfax County's proportionate share of the net pension liability as a percentage of its covered-employee	186.51%	122.93%	96.04%
Plan fiduciary net position as a percentage of the total pension liability	69.18%	76.99%	81.29%

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

See independent auditors' report.  
See notes to required supplementary information.

**STATE OF NEW MEXICO**

Colfax County

Schedule I

Page 2 of 2

Schedule of the County's Proportionate Share of the Net Pension Liability  
of PERA Fund Municipal Police Division  
Public Employees Retirement Association (PERA) Plan  
Last 10 Fiscal Years\*

	<b>2017 Measurement Date (As of and for the year ended June 30, 2016)</b>	<b>2016 Measurement Date (As of and for the year ended June 30, 2015)</b>	<b>2015 Measurement Date (As of and for the year ended June 30, 2014)</b>
Colfax County's proportion of the net pension liability	0.2132%	0.1831%	0.2033%
Colfax County's proportionate share of the net pension liability	\$ 1,573,053	\$ 880,447	\$ 662,736
Colfax County's covered-employee	\$ 424,186	\$ 358,825	\$ 391,614
Colfax County's proportionate share of the net pension liability as a percentage of its covered-employee	370.84%	245.37%	169.23%
Plan fiduciary net position as a percentage of the total pension liability	69.18%	76.99%	81.29%

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

See independent auditors' report.  
See notes to required supplementary information.

**STATE OF NEW MEXICO**  
Colfax County  
Schedule of the County's Contributions  
Public Employees Retirement Association (PERA) Plan  
PERA Fund Municipal General Division  
Last 10 Fiscal Years\*

	<b>As of and for the Year Ended June 30, 2017</b>	<b>As of and for the Year Ended June 30, 2016</b>	<b>As of and for the Year Ended June 30, 2015</b>
Contractually required contribution	\$ 225,068	\$ 228,071	\$ 230,962
Contributions in relation to the contractually required contribution	<u>(225,068)</u>	<u>(228,071)</u>	<u>(230,962)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Colfax County's covered-employee	\$ 2,356,733	\$ 2,388,173	\$ 2,422,720
Contributions as a percentage of covered-employee	9.55%	9.55%	9.53%

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

See independent auditors' report.  
See notes to required supplementary information.

**STATE OF NEW MEXICO**  
Colfax County  
Schedule of the County's Contributions  
Public Employees Retirement Association (PERA) Plan  
PERA Fund Municipal Police Division  
Last 10 Fiscal Years\*

	<b>As of and for the Year Ended June 30, 2017</b>	<b>As of and for the Year Ended June 30, 2016</b>	<b>As of and for the Year Ended June 30, 2015</b>
Contractually required contribution	\$ 83,370	\$ 80,169	\$ 67,816
Contributions in relation to the contractually required contribution	<u>(83,370)</u>	<u>(80,169)</u>	<u>(67,816)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Colfax County's covered-employee	\$ 441,119	\$ 424,186	\$ 358,825
Contributions as a percentage of covered-employee	18.90%	18.90%	18.90%

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

See independent auditors' report.  
See notes to required supplementary information.

**STATE OF NEW MEXICO**  
Colfax County  
Notes to Required Supplementary Information  
For the Year Ended June 30, 2017

***Changes of benefit terms.*** The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY16 audit available at <http://www.nmpera.org/financial-overview/comprehensive-annual-financial-report>.

***Changes of assumptions.*** The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2016 report is available at <http://s3.amazonaws.com/boardaudio/Final-Version-2016-PERA-GASB-68-Report.pdf> See the notes to the financial statements on the CAFR pages 74-76 which summarizes actuarial assumptions and methods effective with the June 30, 2016 valuation.

See independent auditors' report.  
See notes to required supplementary information.



## **SUPPLEMENTARY INFORMATION**

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**NONMAJOR GOVERNMENTAL FUNDS**

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**STATE OF NEW MEXICO**  
Colfax County  
Nonmajor Governmental Fund Descriptions  
June 30, 2017

**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 valuation. 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.

**Fire Protection** – To account 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 Northeast District #8. 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.

**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. These funds are restricted by various grant agreements.

**STATE OF NEW MEXICO**  
Colfax County  
Nonmajor Governmental Fund Descriptions  
June 30, 2017

**Special Revenue Funds (continued)**

**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. These funds are restricted by various grant agreements.

**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 re-numeration to any employee of the State, County or Independent Fire District.

**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. These funds are restricted by various grant agreements

**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.

**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 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.

**2015 Hold Harmless Gross Receipts Tax (HHGRT)** – To account for both bond proceeds received from the 2015 Hold Harmless GRT Revenue Bond Series and future debt service payments. Authority for establishment of this fund is by Colfax County Commission.

**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.

**STATE OF NEW MEXICO**  
Colfax County  
Nonmajor Governmental Fund Descriptions  
June 30, 2017

**Debt Service Funds (continued)**

**NMFA Debt Funds** – To account for the debt service payments on the County’s NMFA loans. 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. These funds are restricted by various agreements.

**Capital Improvements** – To account 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. These funds are restricted by various agreements.

**Angel Fire Airport Improvement** – To account for the acquisition of capital outlay for the Angel Fire Airport. Authority for the establishment of this fund is by Colfax County Commission. These funds are restricted by various agreements.

**FAA Angel Fire Airport Grant** – To account for the acquisition of a capital outlay grant from the FAA for the Angel Fire Airport. Authorization for the establishment of this fund is by Colfax County Commission. These funds are restricted by various agreements.

**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. These funds are restricted by various agreements.

**STATE OF NEW MEXICO**  
Colfax County  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2017

	<b>Special Revenue</b>			
	<b>Corrections</b>	<b>Environmental Gross Receipts Tax</b>	<b>Property Valuation</b>	<b>Road</b>
<i>Assets</i>				
Cash and cash equivalents	\$ 37,355	\$ 160,381	\$ 301,339	\$ 33,526
Receivables:				
Property taxes	-	-	32,208	-
Other taxes	-	16,104	-	24,133
Other receivables, net of allowance	2,963	-	-	31,820
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total assets</i>	<u>\$ 40,318</u>	<u>\$ 176,485</u>	<u>\$ 333,547</u>	<u>\$ 89,479</u>
 <i>Liabilities, deferred inflows of resources, and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ 29,898	\$ -	\$ 299	\$ 7,372
<i>Total liabilities</i>	<u>29,898</u>	<u>-</u>	<u>299</u>	<u>7,372</u>
 <i>Deferred inflows of resources</i>				
Unavailable revenue:				
Property taxes	-	-	28,110	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>28,110</u>	<u>-</u>
 <i>Fund balances</i>				
Nonspendable	-	-	-	-
Spendable:				
Restricted	10,420	176,485	305,138	82,107
Committed	-	-	-	-
<i>Total fund balances</i>	<u>10,420</u>	<u>176,485</u>	<u>305,138</u>	<u>82,107</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 40,318</u>	<u>\$ 176,485</u>	<u>\$ 333,547</u>	<u>\$ 89,479</u>

See independent auditors' report.



**Special Revenue**

<u>Farm and Range</u>	<u>Fire Protection</u>	<u>Wild Land Fire Suppression</u>	<u>Law Enforcement</u>	<u>Recreation</u>	<u>YES Program</u>
\$ 555	\$ 547,596	\$ 343,985	\$ -	\$ 897	\$ 156,068
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	10,711
-	-	-	-	-	-
-	327	-	-	-	-
<u>\$ 555</u>	<u>\$ 547,923</u>	<u>\$ 343,985</u>	<u>\$ -</u>	<u>\$ 897</u>	<u>\$ 166,779</u>
<u>\$ -</u>	<u>\$ 4,289</u>	<u>\$ 365</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,114</u>
<u>-</u>	<u>4,289</u>	<u>365</u>	<u>-</u>	<u>-</u>	<u>1,114</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	327	-	-	-	-
555	518,810	-	-	897	-
-	24,497	343,620	-	-	165,665
<u>555</u>	<u>543,634</u>	<u>343,620</u>	<u>-</u>	<u>897</u>	<u>165,665</u>
<u>\$ 555</u>	<u>\$ 547,923</u>	<u>\$ 343,985</u>	<u>\$ -</u>	<u>\$ 897</u>	<u>\$ 166,779</u>

See independent auditors' report.

**STATE OF NEW MEXICO**  
Colfax County  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2017

	<b>Special Revenue</b>			
	<b>Maternal and Child Healthcare</b>	<b>NM Transportation Grants</b>	<b>WIPP</b>	<b>Indigent Care</b>
<i>Assets</i>				
Cash and cash equivalents	\$ 24,539	\$ 7,439	\$ 540	\$ 170,014
Receivables:				
Property taxes	-	-	-	-
Other taxes	-	-	-	60,686
Other receivables, net of allowance	-	-	-	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total assets</i>	<u>\$ 24,539</u>	<u>\$ 7,439</u>	<u>\$ 540</u>	<u>\$ 230,700</u>
 <i>Liabilities, deferred inflows of resources, and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ 126
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>126</u>
 <i>Deferred inflows of resources</i>				
Unavailable revenue:				
Property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <i>Fund balances</i>				
Nonspendable	-	-	-	-
Spendable:				
Restricted	24,539	-	-	230,574
Committed	-	7,439	540	-
<i>Total fund balances</i>	<u>24,539</u>	<u>7,439</u>	<u>540</u>	<u>230,574</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 24,539</u>	<u>\$ 7,439</u>	<u>\$ 540</u>	<u>\$ 230,700</u>

See independent auditors' report.

**Special Revenue**

<b>Fire Excise Tax</b>	<b>DWI Program</b>	<b>Clerk's Equipment</b>	<b>CCDC Special Funds</b>	<b>Federal Forfeitures</b>	<b>Health Care Interest</b>
\$ 67,426	\$ 38,755	\$ 124,364	\$ 6,210	\$ 10	\$ 2,061
-	-	-	-	-	-
32,212	-	-	-	-	-
-	20,933	175	-	-	2,687
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 99,638</u>	<u>\$ 59,688</u>	<u>\$ 124,539</u>	<u>\$ 6,210</u>	<u>\$ 10</u>	<u>\$ 4,748</u>
\$ 1,302	\$ 354	\$ -	\$ -	\$ -	\$ 1,125
<u>1,302</u>	<u>354</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,125</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
98,336	59,334	124,539	-	-	-
-	-	-	6,210	10	3,623
<u>98,336</u>	<u>59,334</u>	<u>124,539</u>	<u>6,210</u>	<u>10</u>	<u>3,623</u>
<u>\$ 99,638</u>	<u>\$ 59,688</u>	<u>\$ 124,539</u>	<u>\$ 6,210</u>	<u>\$ 10</u>	<u>\$ 4,748</u>

See independent auditors' report.

**STATE OF NEW MEXICO**  
Colfax County  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2017

	<u>Special Revenue</u>		<u>Debt Service</u>	
	<u>Solid Waste</u>	<u>Angel Fire Operations</u>	<u>Judicial Center Bond Reserve</u>	<u>2015 Hold Harmless GRT Revenue Bond</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 193,301	\$ 11,386	\$ -	\$ 328,241
Receivables:				
Property taxes	-	-	-	-
Other taxes	-	-	-	-
Other receivables, net of allowance	122,118	12,153	-	-
Inventory	-	57,312	-	-
Prepaid expenses	-	-	-	-
<i>Total assets</i>	<u>\$ 315,419</u>	<u>\$ 80,851</u>	<u>\$ -</u>	<u>\$ 328,241</u>
 <i>Liabilities, deferred inflows of resources, and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ 61,625	\$ 8,368	\$ -	\$ -
<i>Total liabilities</i>	<u>61,625</u>	<u>8,368</u>	<u>-</u>	<u>-</u>
 <i>Deferred inflows of resources</i>				
Unavailable revenue:				
Property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <i>Fund balances</i>				
Nonspendable	-	57,312	-	
Spendable:				
Restricted	-	-	-	328,241
Committed	253,794	15,171	-	
<i>Total fund balances</i>	<u>253,794</u>	<u>72,483</u>	<u>-</u>	<u>328,241</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 315,419</u>	<u>\$ 80,851</u>	<u>\$ -</u>	<u>\$ 328,241</u>

See independent auditors' report.

Debt Service		Capital Projects			
Judicial Bond Center Payment	NMFA Debt Funds	Courthouse Renovation	Capital Improvements	Angel Fire Airport Improvement	FAA Angel Fire Airport Grant
\$ 13	\$ 866	\$ 10,318	\$ 96	\$ 80,128	\$ 329,559
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 13</u>	<u>\$ 866</u>	<u>\$ 10,318</u>	<u>\$ 96</u>	<u>\$ 80,128</u>	<u>\$ 329,559</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>13</u>	<u>866</u>	<u>10,318</u>	<u>96</u>	<u>80,128</u>	<u>-</u>
<u>13</u>	<u>866</u>	<u>10,318</u>	<u>96</u>	<u>80,128</u>	<u>329,559</u>
<u>\$ 13</u>	<u>\$ 866</u>	<u>\$ 10,318</u>	<u>\$ 96</u>	<u>\$ 80,128</u>	<u>\$ 329,559</u>

See independent auditors' report.

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**STATE OF NEW MEXICO**  
Colfax County  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2017

	<b>Capital Projects</b>	
	<b>Angel Fire Road Levy</b>	<b>Total Nonmajor Governmental Funds</b>
<i>Assets</i>		
Cash and cash equivalents	\$ 219	\$ 2,977,187
Receivables:		
Property taxes	-	32,208
Other taxes	-	133,135
Other receivables, net of allowance	-	203,560
Inventory	-	57,312
Prepaid expenses	-	327
	<u>\$ 219</u>	<u>\$ 3,403,729</u>
 <i>Liabilities, deferred inflows of resources, and fund balances</i>		
<i>Liabilities</i>		
Accounts payable	\$ -	\$ 116,237
	<u>-</u>	<u>116,237</u>
 <i>Deferred inflows of resources</i>		
Unavailable revenue:		
Property taxes	-	28,110
	<u>-</u>	<u>28,110</u>
 <i>Fund balances</i>		
Nonspendable	-	57,639
Spendable:		
Restricted	-	2,051,396
Committed	219	1,150,347
	<u>219</u>	<u>3,259,382</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 219</u>	<u>\$ 3,403,729</u>

See independent auditors' report.

**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, 2017

	<b>Special Revenue</b>			
	<b>Corrections</b>	<b>Environmental Gross Receipts Tax</b>	<b>Property Valuation</b>	<b>Road</b>
<i>Revenues</i>				
Taxes:				
Property	\$ -	\$ -	\$ 169,285	\$ -
Gross receipts	-	77,736	-	-
Gasoline and motor vehicle	-	-	-	317,529
Intergovernmental:				
Federal operating grants	-	-	-	3,707
Federal capital grants	-	-	-	-
State operating grants	200,539	-	-	-
State capital grants	-	-	-	-
Charges for services	43,780	-	-	3,361
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>244,319</u>	<u>77,736</u>	<u>169,285</u>	<u>324,597</u>
<i>Expenditures</i>				
Current:				
General government	-	-	160,966	-
Public safety	447,450	-	-	-
Public works	-	-	-	911,472
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>447,450</u>	<u>-</u>	<u>160,966</u>	<u>911,472</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(203,131)</u>	<u>77,736</u>	<u>8,319</u>	<u>(586,875)</u>
<i>Other financing sources (uses)</i>				
Proceeds from bonds and note payables	-	-	-	-
Transfers in	200,000	-	-	500,000
Transfers (out)	-	(80,000)	-	-
<i>Total other financing sources (uses)</i>	<u>200,000</u>	<u>(80,000)</u>	<u>-</u>	<u>500,000</u>
<i>Net change in fund balance</i>	(3,131)	(2,264)	8,319	(86,875)
<i>Fund balance - beginning of year</i>	<u>13,551</u>	<u>178,749</u>	<u>296,819</u>	<u>168,982</u>
<i>Fund balance - end of year</i>	<u>\$ 10,420</u>	<u>\$ 176,485</u>	<u>\$ 305,138</u>	<u>\$ 82,107</u>

See independent auditors' report.



Special Revenue

<u>Farm and Range</u>	<u>Fire Protection Special Revenue Fund</u>	<u>Wild Land Fire Suppression</u>	<u>Law Enforcement</u>	<u>Recreation</u>	<u>YES Program</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	131,543
-	762,046	118,749	26,600	-	-
10	-	-	-	-	-
-	-	-	-	-	-
-	163	-	-	-	-
<u>10</u>	<u>762,209</u>	<u>118,749</u>	<u>26,600</u>	<u>-</u>	<u>131,543</u>
-	-	-	-	-	-
-	367,133	74,101	1,686	-	117,824
-	-	-	-	-	-
-	258,182	-	29,230	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>625,315</u>	<u>74,101</u>	<u>30,916</u>	<u>-</u>	<u>117,824</u>
<u>10</u>	<u>136,894</u>	<u>44,648</u>	<u>(4,316)</u>	<u>-</u>	<u>13,719</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	(466,876)	-	-	-	-
-	(466,876)	-	-	-	-
<u>10</u>	<u>(329,982)</u>	<u>44,648</u>	<u>(4,316)</u>	<u>-</u>	<u>13,719</u>
<u>545</u>	<u>873,616</u>	<u>298,972</u>	<u>4,316</u>	<u>897</u>	<u>151,946</u>
<u>\$ 555</u>	<u>\$ 543,634</u>	<u>\$ 343,620</u>	<u>\$ -</u>	<u>\$ 897</u>	<u>\$ 165,665</u>

See independent auditors' report.

**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, 2017

	<b>Special Revenue</b>			
	<b>Maternal and Child Healthcare</b>	<b>NM Transportation Grants</b>	<b>WIPP</b>	<b>Indigent Care</b>
<i>Revenues</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	356,383
Gasoline and motor vehicle	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	145,337	7,000	-
State capital grants	-	117,761	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>263,098</u>	<u>7,000</u>	<u>356,383</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	15,663	-
Public works	-	-	-	-
Health and welfare	-	-	-	404,836
Capital outlay	-	339,284	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>339,284</u>	<u>15,663</u>	<u>404,836</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(76,186)</u>	<u>(8,663)</u>	<u>(48,453)</u>
<i>Other financing sources (uses)</i>				
Proceeds from bonds and note payables	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(20,000)	(25,000)	-	-
<i>Total other financing sources (uses)</i>	<u>(20,000)</u>	<u>(25,000)</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	(20,000)	(101,186)	(8,663)	(48,453)
<i>Fund balance - beginning of year</i>	<u>44,539</u>	<u>108,625</u>	<u>9,203</u>	<u>279,027</u>
<i>Fund balance - end of year</i>	<u>\$ 24,539</u>	<u>\$ 7,439</u>	<u>\$ 540</u>	<u>\$ 230,574</u>

See independent auditors' report.

**Special Revenue**

<u>Fire Excise Tax</u>	<u>DWI Program</u>	<u>Clerk's Equipment</u>	<u>CCDC Special Funds</u>	<u>Federal Forfeitures</u>	<u>Health Care Interest</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
155,496	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	108,008	-	-	-	12,447
-	-	-	-	-	-
-	26,275	22,811	-	-	-
-	-	-	-	-	-
-	790	-	-	-	-
<u>155,496</u>	<u>135,073</u>	<u>22,811</u>	<u>-</u>	<u>-</u>	<u>12,447</u>
-	-	20,321	-	-	-
100,797	137,206	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	52,885
-	-	8,250	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>100,797</u>	<u>137,206</u>	<u>28,571</u>	<u>-</u>	<u>-</u>	<u>52,885</u>
<u>54,699</u>	<u>(2,133)</u>	<u>(5,760)</u>	<u>-</u>	<u>-</u>	<u>(40,438)</u>
-	-	-	-	-	-
-	-	-	-	-	20,000
-	-	-	-	-	-
-	-	-	-	-	20,000
54,699	(2,133)	(5,760)	-	-	(20,438)
<u>43,637</u>	<u>61,467</u>	<u>130,299</u>	<u>6,210</u>	<u>10</u>	<u>24,061</u>
<u>\$ 98,336</u>	<u>\$ 59,334</u>	<u>\$ 124,539</u>	<u>\$ 6,210</u>	<u>\$ 10</u>	<u>\$ 3,623</u>

See independent auditors' report.

**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, 2017

	<u>Special Revenue</u>		<u>Debt Service</u>	
	<u>Solid Waste</u>	<u>Angel Fire Operations</u>	<u>Judicial Center Bond Reserve</u>	<u>2015 Hold Harmless GRT Revenue Bond</u>
<i>Revenues</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	10,000	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	450,308	93,087	-	-
Investment income	-	1,635	-	36,052
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>450,308</u>	<u>104,722</u>	<u>-</u>	<u>36,052</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	389,915	234,770	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	133,412
<i>Total expenditures</i>	<u>389,915</u>	<u>234,770</u>	<u>-</u>	<u>133,412</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>60,393</u>	<u>(130,048)</u>	<u>-</u>	<u>(97,360)</u>
<i>Other financing sources (uses)</i>				
Proceeds from bonds and note payables	-	-	-	-
Transfers in	80,000	116,000	-	-
Transfers (out)	-	-	-	(5,500,000)
<i>Total other financing sources (uses)</i>	<u>80,000</u>	<u>116,000</u>	<u>-</u>	<u>(5,500,000)</u>
<i>Net change in fund balance</i>	140,393	(14,048)	-	(5,597,360)
<i>Fund balance - beginning of year</i>	<u>113,401</u>	<u>86,531</u>	<u>-</u>	<u>5,925,601</u>
<i>Fund balance - end of year</i>	<u>\$ 253,794</u>	<u>\$ 72,483</u>	<u>\$ -</u>	<u>\$ 328,241</u>

See independent auditors' report.

Debt Service		Capital Projects			
Judicial Bond Center Payment	NMFA Debt Funds	Courthouse Renovation	Capital Improvements	Angel Fire Airport Improvement	FAA Angel Fire Airport Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	64,981	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	132,474
-	-	76,384	-	510,842	-
-	-	-	-	-	-
6	297	-	-	-	-
-	-	-	-	-	-
<u>6</u>	<u>297</u>	<u>76,384</u>	<u>64,981</u>	<u>510,842</u>	<u>132,474</u>
-	-	-	-	24,025	-
-	253	-	-	-	-
-	-	-	1,058	-	-
2,118	-	-	-	-	-
-	-	5,809	346,732	315,751	-
225,000	131,457	-	-	-	-
106,025	33,491	-	-	-	-
<u>333,143</u>	<u>165,201</u>	<u>5,809</u>	<u>347,790</u>	<u>339,776</u>	<u>-</u>
<u>(333,137)</u>	<u>(164,904)</u>	<u>70,575</u>	<u>(282,809)</u>	<u>171,066</u>	<u>132,474</u>
333,150	68,940	-	-	-	-
-	363,921	-	367,572	275,000	-
-	(267,572)	(89,000)	(533,150)	(375,000)	-
<u>333,150</u>	<u>165,289</u>	<u>(89,000)</u>	<u>(165,578)</u>	<u>(100,000)</u>	<u>-</u>
13	385	(18,425)	(448,387)	71,066	132,474
-	481	28,743	448,483	9,062	197,085
<u>\$ 13</u>	<u>\$ 866</u>	<u>\$ 10,318</u>	<u>\$ 96</u>	<u>\$ 80,128</u>	<u>\$ 329,559</u>

See independent auditors' report.

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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, 2017

	<b>Capital Projects</b>	<b>Total Nonmajor</b>
	<b>Angel Fire Road</b>	<b>Governmental</b>
	<b>Levy</b>	<b>Funds</b>
<i>Revenues</i>		
Taxes:		
Property	\$ -	\$ 169,285
Gross receipts	-	654,596
Gasoline and motor vehicle	-	317,529
Intergovernmental:		
Federal operating grants	-	135,250
Federal capital grants	-	142,474
State operating grants	-	1,380,726
State capital grants	-	704,987
Charges for services	-	639,632
Investment income	-	37,990
Miscellaneous	-	953
<i>Total revenues</i>	-	4,183,422
<i>Expenditures</i>		
Current:		
General government	-	205,312
Public safety	-	1,262,113
Public works	-	1,537,215
Health and welfare	-	459,839
Capital outlay	-	1,303,238
Debt service:		
Principal	-	356,457
Interest	-	272,928
<i>Total expenditures</i>	-	5,397,102
<i>Excess (deficiency) of revenues over expenditures</i>	-	(1,213,680)
<i>Other financing sources (uses)</i>		
Proceeds from bonds and note payables	-	68,940
Transfers in	-	2,255,643
Transfers (out)	-	(7,356,598)
<i>Total other financing sources (uses)</i>	-	(5,032,015)
<i>Net change in fund balance</i>	-	(6,245,695)
<i>Fund balance - beginning of year</i>	219	9,505,077
<i>Fund balance - end of year</i>	\$ 219	\$ 3,259,382

See independent auditors' report.

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## **SUPPORTING SCHEDULES**

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**STATE OF NEW MEXICO**  
 Colfax County  
 Schedule of Collateral Pledged by Depository For Public Funds  
 June 30, 2017

Schedule III

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2017</u>
<b>First National Bank</b>				
	FHLMC - Pool #C91761	5/1/2034	3128P75W9	\$ 809,146
	FNMA Pool #MA2531	2/1/2036	31418BY59	879,777
	FNR 2011-47 LK	12/25/2037	31397UEF2	81,155
	SBIC 2016-10A 1	3/10/2026	831641FF7	857,485
	<b>Total First National Bank</b>			<u>2,627,563</u>
Name and location of safekeeper for above pledged collateral: Federal Home Loan Bank, Dallas, Texas				
<b>International Bank</b>				
	FNMA 1.625 11/27/18	11/27/2018	3135G0YT4	6,625,370
	FNMA 1.200 12/20/18*13	12/20/2018	3136G12K4	299,011
	FNMA 1.400 11/25/19*17	11/25/2019	3136G4U1	2,289,675
	FNLB 2.375 12/13/19	12/13/2019	3130A0JR2	5,106,845
	FNLB 1.250 11/08/21*17	11/8/2021	3130A9TV3	2,893,547
	<b>Total International Bank</b>			<u>17,214,449</u>
Name and location of safekeeper for above pledged collateral: Federal Reserve Bank, Boston, Massachusetts				
	<i>Total Pledged Collateral</i>			<u>\$ 19,842,012</u>

See independent auditors' report.

**STATE OF NEW MEXICO**  
Colfax County  
Schedule of Deposit and Investment Accounts  
June 30, 2017

<u>Bank Account Type/Name</u>	<u>Ally Bank</u>	<u>American Express Bank</u>	<u>BMW Bank</u>	<u>Citi Bank</u>	<u>Discover Bank</u>
Certificate of Deposit	\$ 250,000	\$ -	\$ -	\$ -	\$ -
Certificate of Deposit	-	250,000	-	-	-
Certificate of Deposit	-	-	250,000	-	-
Certificate of Deposit	-	-	-	250,000	-
Certificate of Deposit	-	-	-	-	-
Certificate of Deposit	-	-	-	-	250,000
Certificate of Deposit	-	-	-	-	-
Certificate of Deposit	-	-	-	-	-
Certificate of Deposit	-	-	-	-	-
Certificate of Deposit	-	-	-	-	-
Checking - Operational	-	-	-	-	-
Checking - FAA Angel Fire Airport	-	-	-	-	-
Checking - Airport Operations	-	-	-	-	-
Sheriff Forfeiture Fund	-	-	-	-	-
VMDC - Inmate Fund	-	-	-	-	-
Improvement Bonds Series 2015	-	-	-	-	-
Federal Tax Deposit	-	-	-	-	-
Certificate of Deposit	-	-	-	-	-
Certificate of Deposit	-	-	-	-	-
Permanent Health Care Fund*	-	-	-	-	-
NMFA Reserve Account**	-	-	-	-	-
Total deposits and investments	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>	<u>250,000</u>
Reconciling items	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciled balance</i>	<u><u>\$ 250,000</u></u>	<u><u>\$ 250,000</u></u>	<u><u>\$ 250,000</u></u>	<u><u>\$ 250,000</u></u>	<u><u>\$ 250,000</u></u>

\*Balance of this account consists of \$1,695,129 in a certificate of deposit and \$28,948 in a savings account.

\*\*Accounts are U.S. Treasury MMA Mutual Funds totalling \$3,414,681 and cash equivalents of \$324,782.

See independent auditors' report.

<b>First National Bank</b>	<b>Goldman Sachs</b>	<b>International Bank</b>	<b>Wells Fargo Bank</b>	<b>Bank of NY Mellon NMFA</b>	<b>Totals</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,000
-	-	-	-	-	250,000
-	-	-	-	-	250,000
-	-	-	-	-	250,000
-	250,000	-	-	-	250,000
-	-	-	-	-	250,000
-	-	-	250,000	-	250,000
957,000	-	-	-	-	957,000
233,086	-	-	-	-	233,086
221,400	-	-	-	-	221,400
-	-	3,964,982	-	-	3,964,982
-	-	229,559	-	-	229,559
-	-	163,003	-	-	163,003
-	-	10	-	-	10
-	-	31,391	-	-	31,391
-	-	2,500,816	-	-	2,500,816
-	-	24,927	-	-	24,927
88,000	-	-	-	-	88,000
-	-	558,914	-	-	558,914
-	-	1,724,077	-	-	1,724,077
-	-	-	-	3,739,463	3,739,463
<u>1,499,486</u>	<u>250,000</u>	<u>9,197,679</u>	<u>250,000</u>	<u>3,739,463</u>	<u>16,186,628</u>
-	-	(298,781)	-	-	(298,781)
<u>\$ 1,499,486</u>	<u>\$ 250,000</u>	<u>\$ 8,898,898</u>	<u>\$ 250,000</u>	<u>\$ 3,739,463</u>	<u>\$ 15,887,847</u>

Add: petty cash	550
Less: investments per Exhibit A-1	(5,252,681)
Less: agency funds cash per Exhibit D-1	(789,883)
Less: restricted cash and cash equivalents per Exhibit A-1	(4,009,630)
<i>Total unrestricted cash and cash equivalents per Exhibit A-1</i>	<u>\$ 5,836,203</u>

See independent auditors' report.

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**STATE OF NEW MEXICO**

Schedule V

Colfax County

Tax Roll Reconciliation - Changes in Property Taxes Receivable

June 30, 2017

Property taxes receivable - beginning of year	\$ 5,701,729
Changes to tax roll:	
Net tax charged to treasurer for fiscal year	17,791,439
Adjustments:	
Net increase in taxes receivable	<u>(15,108)</u>
Total receivable prior to collections	23,478,060
Collections for fiscal year ended June 30, 2017	<u>(16,810,549)</u>
 <i>Property taxes receivable, end of year</i>	 <u><u>\$ 6,667,511</u></u>
 Property taxes receivable are reported as follows:	
Statement of Net Position - Exhibit A-1	\$ 972,830
Statement of Fiduciary Assets and Liabilities - Exhibit D-1	<u>5,694,681</u>
 <i>Total property taxes receivable</i>	 <u><u>\$ 6,667,511</u></u>

Property taxes receivable by year:

2007	\$ 32,749
2008	188,628
2009	283,055
2010	387,622
2011	501,747
2012	633,257
2013	734,514
2014	857,647
2015	1,105,242
2016	<u>1,943,050</u>
 <i>Total property taxes receivable</i>	 <u><u>\$ 6,667,511</u></u>

See independent auditors' report.

**STATE OF NEW MEXICO**  
 Colfax County  
 County Treasurer's Property Tax Schedule  
 For the Year Ended June 30, 2017

	<b>Property Taxes Levied</b>		<b>Adjustments to Taxes Collected to Date</b>		<b>Taxes Collected Current Year</b>
<b>New Mexico Debt Service</b>					
2007	\$ 645,168	\$	(3,880)	\$	132
2008	693,249		(1,631)		157
2009	648,579		(3,870)		261
2010	891,409		132		355
2011	793,572		635		822
2012	804,442		1,056		1,652
2013	801,038		961		2,986
2014	813,002		(207)		9,789
2015	835,298		(4,634)		36,747
2016	843,460		(322)		780,520
	<b>\$ 7,769,217</b>	\$	<b>(11,760)</b>	\$	<b>833,421</b>
<b>County Operation</b>					
2007	\$ 3,660,272	\$	(26,102)	\$	695
2008	3,976,585		(11,007)		849
2009	4,332,406		(33,122)		1,454
2010	4,487,653		245		1,487
2011	4,711,323		(899)		4,298
2012	4,874,914		4,034		9,493
2013	4,901,551		3,368		17,597
2014	4,973,634		(3,074)		58,492
2015	5,153,860		(36,732)		223,113
2016	5,202,494		(4,470)		4,798,964
	<b>\$ 46,274,692</b>	\$	<b>(107,759)</b>	\$	<b>5,116,442</b>
<b>Municipal Operation</b>					
2007	\$ 1,600,785	\$	(3,183)	\$	690
2008	1,728,804		(5,985)		765
2009	1,846,773		(141)		870
2010	1,901,298		(4,895)		873
2011	2,065,176		122		2,448
2012	2,263,134		3,163		4,072
2013	2,273,987		3,780		9,738
2014	2,315,668		(2,365)		29,882
2015	2,360,918		(8,070)		110,165
2016	2,355,313		1,317		2,146,416
	<b>\$ 20,711,856</b>	\$	<b>(16,257)</b>	\$	<b>2,305,919</b>

See independent auditors' report.



<b>Taxes Collected to Date</b>	<b>Taxes Distributed Current Year</b>	<b>Taxes Distributed To Date</b>	<b>County Taxes Receivable at Year End</b>
\$ 639,372	\$ 132	\$ 639,372	\$ 1,916
688,638	157	688,638	2,980
641,672	261	641,672	3,037
886,314	355	886,314	5,227
787,667	822	787,667	6,540
796,571	1,652	796,571	8,927
790,180	2,986	790,180	11,819
796,637	9,789	796,637	16,158
804,453	36,747	804,453	26,211
780,520	780,520	780,520	62,618
<b>\$ 7,612,024</b>	<b>\$ 833,421</b>	<b>\$ 7,612,024</b>	<b>\$ 145,433</b>
\$ 3,621,937	\$ 695	\$ 3,621,937	\$ 12,233
3,945,595	849	3,622,091	19,983
4,274,439	1,454	3,946,200	24,845
4,454,690	1,487	4,274,472	33,208
4,662,613	4,298	4,457,501	47,811
4,813,911	9,493	4,667,808	65,037
4,820,139	17,597	4,822,015	84,780
4,858,377	58,492	4,861,034	112,183
4,943,438	223,113	5,022,998	173,690
4,798,964	4,798,964	9,519,289	399,060
<b>\$ 45,194,103</b>	<b>\$ 5,116,442</b>	<b>\$ 48,815,345</b>	<b>\$ 972,830</b>
\$ 1,592,343	\$ 690	\$ 1,592,343	\$ 5,259
1,713,721	765	1,713,721	9,098
1,834,797	870	1,834,797	11,835
1,878,653	873	1,878,653	17,750
2,037,935	2,448	2,037,935	27,363
2,229,167	4,072	2,229,167	37,130
2,228,311	9,738	2,228,311	49,456
2,248,312	29,882	2,248,312	64,991
2,254,677	110,165	2,254,677	98,171
2,146,416	2,146,416	2,146,416	210,214
<b>\$ 20,164,332</b>	<b>\$ 2,305,919</b>	<b>\$ 18,017,916</b>	<b>\$ 531,267</b>

See independent auditors' report.

**STATE OF NEW MEXICO**  
 Colfax County  
 County Treasurer's Property Tax Schedule  
 For the Year Ended June 30, 2017

	<b>Property Taxes Levied</b>		<b>Adjustments to Taxes Collected to Date</b>		<b>Taxes Collected Current Year</b>
<b>Municipal Debt Services</b>					
2007	\$ 53,792	\$	3	\$	16
2008	86,553		(50)		25
2009	46,870		(40)		15
2010	49,283		(66)		17
2011	58,552		162		46
2012	-		-		-
2013	-		-		-
2014	-		-		-
2015	-		-		-
2016	964,687		(90)		894,201
	<b>\$ 1,259,737</b>	<b>\$</b>	<b>(81)</b>	<b>\$</b>	<b>894,320</b>

**School Levy**

2007	\$ 165,837	\$	(1,606)	\$	41
2008	178,209		(553)		46
2009	191,470		(1,240)		75
2010	197,682		26		74
2011	211,922		(57)		203
2012	227,939		175		430
2013	228,971		143		794
2014	232,329		(107)		2,661
2015	240,442		(1,757)		10,319
2016	241,303		(205)		222,548
	<b>\$ 2,116,104</b>	<b>\$</b>	<b>(5,181)</b>	<b>\$</b>	<b>237,191</b>

**School Debt Service**

2007	\$ 188,200	\$	(3,317)	\$	251
2008	452,014		(2,934)		315
2009	530,071		831		464
2010	586,644		1,580		482
2011	470,936		(286)		707
2012	485,577		(226)		1,654
2013	489,115		(303)		3,256
2014	1,129,876		675		14,559
2015	1,141,983		(6,030)		50,005
2016	815,562		(1,977)		754,164
	<b>\$ 6,289,978</b>	<b>\$</b>	<b>(11,987)</b>	<b>\$</b>	<b>825,857</b>

See independent auditors' report.

Taxes Collected to Date		Taxes Distributed Current Year		Taxes Distributed To Date		County Taxes Receivable at Year End	
\$	53,523	\$	16	\$	53,523	\$	272
	85,788		25		85,788		715
	46,417		15		46,417		413
	48,741		17		48,741		476
	57,989		46		57,989		725
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	894,201		894,201		894,201		70,396
<b>\$</b>	<b>1,186,659</b>	<b>\$</b>	<b>894,320</b>	<b>\$</b>	<b>292,458</b>	<b>\$</b>	<b>72,997</b>
\$	163,739	\$	41	\$	163,739	\$	492
	176,895		46		176,895		761
	189,257		75		189,257		973
	196,330		74		196,330		1,378
	209,773		203		209,773		2,092
	225,012		430		225,012		3,102
	225,093		794		225,093		4,021
	226,933		2,661		226,933		5,289
	230,580		10,319		230,580		8,105
	222,548		222,548		222,548		18,550
<b>\$</b>	<b>2,066,160</b>	<b>\$</b>	<b>237,191</b>	<b>\$</b>	<b>1,843,612</b>	<b>\$</b>	<b>44,763</b>
\$	184,613	\$	251	\$	184,613	\$	270
	448,693		315		448,693		387
	529,719		464		529,719		1,183
	586,192		482		586,192		2,032
	467,474		707		467,474		3,176
	480,331		1,654		480,331		5,020
	481,985		3,256		481,985		6,827
	1,108,699		14,559		1,108,699		21,852
	1,100,577		50,005		1,100,577		35,376
	754,164		754,164		754,164		59,421
<b>\$</b>	<b>6,142,447</b>	<b>\$</b>	<b>825,857</b>	<b>\$</b>	<b>6,142,447</b>	<b>\$</b>	<b>135,544</b>

See independent auditors' report.

**STATE OF NEW MEXICO**  
 Colfax County  
 County Treasurer's Property Tax Schedule  
 For the Year Ended June 30, 2017

		<b>Property Taxes Levied</b>		<b>Adjustments to Taxes Collected to Date</b>		<b>Taxes Collected Current Year</b>
<b>School Capital Improvement</b>						
2007	\$	953,121	\$	(6,039)	\$	237
2008		1,019,264		(2,316)		262
2009		1,127,903		(6,731)		454
2010		1,137,226		176		454
2011		1,165,208		933		1,207
2012		1,182,961		1,553		2,429
2013		1,177,957		1,412		4,391
2014		1,192,827		(279)		14,355
2015		1,225,518		(6,793)		53,960
2016		1,239,003		(468)		1,146,498
	<b>\$</b>	<b>11,420,988</b>	<b>\$</b>	<b>(18,552)</b>	<b>\$</b>	<b>1,224,247</b>

**School Educational Technology**

2007	\$	739,567	\$	(106)	\$	116
2008		826,981		(1,254)		126
2009		973,907		(9,237)		364
2010		1,088,389		(574)		428
2011		-				-
2012		-				-
2013		-				-
2014		-				-
2015		628,609		(3,435)		26,609
2016		1,023,675		(419)		948,649
	<b>\$</b>	<b>5,281,128</b>	<b>\$</b>	<b>(15,025)</b>	<b>\$</b>	<b>976,292</b>

**School SB/HB-33**

2007	\$	462,684	\$	(1,874)	\$	123
2008		489,510		(1,576)		182
2009		912,817		(8,463)		472
2010		665,168		(136)		482
2011		345,909		1,345		743
2012		322,851		566		1,136
2013		390,357		2,813		4,100
2014		393,815		14,598		18,611
2015		-				-
2016		-				-
	<b>\$</b>	<b>3,983,111</b>	<b>\$</b>	<b>7,273</b>	<b>\$</b>	<b>25,849</b>

See independent auditors' report.

<b>Taxes Collected to Date</b>	<b>Taxes Distributed Current Year</b>	<b>Taxes Distributed To Date</b>	<b>County Taxes Receivable at Year End</b>
\$ 944,819	\$ 237	\$ 944,819	\$ 2,263
1,013,462	262	1,013,462	3,486
1,115,891	454	1,115,891	5,281
1,130,696	454	1,130,696	6,706
1,156,538	1,207	1,156,538	9,603
1,171,386	2,429	1,171,386	13,128
1,161,990	4,391	1,161,990	17,379
1,168,812	14,355	1,168,812	23,736
1,180,217	53,960	1,180,217	38,508
1,146,498	1,146,498	1,146,498	92,037
<b>\$ 11,190,309</b>	<b>\$ 1,224,247</b>	<b>\$ 11,190,309</b>	<b>\$ 212,127</b>
\$ 736,768	\$ 116	\$ 736,768	\$ 2,693
820,914	126	820,914	4,813
958,646	364	958,646	6,024
1,080,430	428	1,080,430	7,385
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
606,299	26,609	606,299	18,875
948,649	948,649	948,649	74,607
<b>\$ 5,151,706</b>	<b>\$ 976,292</b>	<b>\$ 5,151,706</b>	<b>\$ 114,397</b>
\$ 459,262	\$ 123	\$ 459,262	\$ 1,548
485,402	182	485,402	2,532
898,707	472	898,707	5,647
660,510	482	660,510	4,522
344,187	743	344,187	3,067
319,941	1,136	319,941	3,476
387,771	4,100	387,771	5,399
401,694	18,611	401,694	6,719
-	-	-	-
-	-	-	-
<b>\$ 3,957,474</b>	<b>\$ 25,849</b>	<b>\$ 3,957,474</b>	<b>\$ 32,910</b>

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**STATE OF NEW MEXICO**  
Colfax County  
County Treasurer's Property Tax Schedule  
For the Year Ended June 30, 2017

	<b>Property Taxes Levied</b>		<b>Adjustments to Taxes Collected to Date</b>		<b>Taxes Collected Current Year</b>
<b>Cattle Levy</b>					
2007	\$ 64,162	\$	(2,722)	\$	-
2008	54,599		(2,744)		-
2009	49,199		(268)		-
2010	32,773		1,457		-
2011	42,528		(501)		-
2012	51,426		(3,404)		-
2013	37,765		(2,965)		11
2014	53,827		(833)		63
2015	74,198		(3,020)		1,281
2016	106,922		(6,090)		89,889
	<b>\$ 567,399</b>	<b>\$</b>	<b>(21,090)</b>	<b>\$</b>	<b>91,244</b>

**Sheep Levy**

2007	\$ 31	\$	-	\$	-
2008	21		-		-
2009	15		-		-
2010	11		-		-
2011	16		-		-
2012	36		-		-
2013	39		-		-
2014	16		-		-
2015	191		-		7
2016	312		-		309
	<b>\$ 688</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>316</b>

**Goats Levy**

2007	\$ 12	\$	-	\$	-
2008	11		(1)		-
2009	9		-		-
2010	19		-		-
2011	22		-		-
2012	29		-		-
2013	32		-		-
2014	28		-		-
2015	39		-		1
2016	54		-		50
	<b>\$ 255</b>	<b>\$</b>	<b>(1)</b>	<b>\$</b>	<b>51</b>

See independent auditors' report.

<b>Taxes Collected to Date</b>	<b>Taxes Distributed Current Year</b>	<b>Taxes Distributed To Date</b>	<b>County Taxes Receivable at Year End</b>
\$ 60,380	\$ -	\$ 60,380	\$ 1,060
51,844	-	51,844	11
48,168	-	48,168	763
34,067	-	34,067	163
41,907	-	41,907	120
46,851	-	46,851	1,171
34,378	11	34,378	422
50,372	63	50,372	2,622
67,400	1,281	67,400	3,778
89,889	89,889	89,889	10,943
<b>\$ 525,256</b>	<b>\$ 91,244</b>	<b>\$ 525,256</b>	<b>\$ 21,053</b>

\$ 31	\$ -	\$ 31	\$ -
21	-	21	-
14	-	14	1
10	-	10	1
16	-	16	-
36	-	36	-
39	-	39	-
16	-	16	-
191	7	191	-
309	309	309	3
<b>\$ 683</b>	<b>\$ 316</b>	<b>\$ 683</b>	<b>\$ 5</b>

\$ 12	\$ -	\$ 12	\$ -
9	-	9	1
8	-	8	1
14	-	14	5
20	-	20	2
27	-	27	2
29	-	29	3
26	-	26	2
38	1	38	1
50	50	50	4
<b>\$ 233</b>	<b>\$ 51</b>	<b>\$ 233</b>	<b>\$ 21</b>

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	<b>Property Taxes Levied</b>		<b>Adjustments to Taxes Collected to Date</b>		<b>Taxes Collected Current Year</b>
<b>Equine Levy</b>					
2007	\$ 3,093	\$	697	\$	-
2008	-		-		-
2009	1,626		(4)		-
2010	1,685		9		-
2011	1,743		(28)		-
2012	1,711		(2)		3
2013	1,569		(6)		-
2014	1,445		(1)		42
2015	1,677		2		157
2016	1,708		(5)		1,534
	<b>\$ 16,257</b>	<b>\$</b>	<b>662</b>	<b>\$</b>	<b>1,736</b>

**Dairy Cattle Levy**

2007	\$ 30	\$	-	\$	-
2008	16		-		-
2009	32		-		-
2010	16		-		-
2011	31		-		-
2012	7		-		-
2013	15		-		-
2014	97		-		-
2015	29		-		-
2016	23		-		23
	<b>\$ 296</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>23</b>

**Swine Levy**

2007	\$ -	\$	-	\$	-
2008	-		-		-
2009	-		-		-
2010	-		-		-
2011	-		-		-
2012	1		-		-
2013	1		-		-
2014	1		-		-
2015	-		-		-
2016	1		-		1
	<b>\$ 4</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>1</b>

See independent auditors' report.



<b>Taxes Collected to Date</b>	<b>Taxes Distributed Current Year</b>	<b>Taxes Distributed To Date</b>	<b>County Taxes Receivable at Year End</b>
\$ 3,776	\$ -	\$ 3,776	\$ 14
-	-	-	-
1,610	-	1,610	12
1,668	-	1,668	26
1,673	-	1,673	42
1,683	3	1,683	26
1,532	-	1,532	31
1,391	42	1,391	53
1,618	157	1,618	61
1,534	1,534	1,534	169
<b>\$ 16,485</b>	<b>\$ 1,736</b>	<b>\$ 16,485</b>	<b>\$ 434</b>
\$ 30	\$ -	\$ 30	\$ -
16	-	16	-
32	-	32	-
16	-	16	-
31	-	31	-
7	-	7	-
15	-	15	-
97	-	97	-
29	-	29	-
23	23	23	-
<b>\$ 296</b>	<b>\$ 23</b>	<b>\$ 296</b>	<b>\$ -</b>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
1	-	1	-
1	-	1	-
1	-	1	-
-	-	-	-
1	1	1	-
<b>\$ 4</b>	<b>\$ 1</b>	<b>\$ 4</b>	<b>\$ -</b>

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	<b>Property Taxes Levied</b>	<b>Adjustments to Taxes Collected to Date</b>	<b>Taxes Collected Current Year</b>
<b>Bison/Alpaca</b>			
2007	\$ 3,003	\$ 625	\$ -
2008	3,151	-	-
2009	2,487	-	-
2010	3,681	-	-
2011	3,995	-	-
2012	7,350	(141)	-
2013	6,886	(75)	-
2014	4,809	(9)	-
2015	7,811	-	-
2016	10,077	-	10,077
	<b>\$ 53,250</b>	<b>\$ 400</b>	<b>\$ 10,077</b>
<b>Hospital</b>			
2007	\$ 1,143,687	\$ (1,864)	\$ 276
2008	1,245,406	(3,424)	303
2009	1,344,960	(14,775)	508
2010	1,363,602	(195)	529
2011	1,432,035	3,377	1,019
2012	1,851,264	2,492	3,652
2013	1,871,102	2,326	5,733
2014	1,897,700	231	19,385
2015	1,961,242	(11,155)	87,168
2016	1,983,151	248	1,840,780
	<b>\$ 16,094,149</b>	<b>\$ (22,739)</b>	<b>\$ 1,959,353</b>
<b>VOC TECH</b>			
2007	\$ 97,707	\$ (1,240)	\$ 135
2008	108,905	(1,241)	145
2009	108,610	(24)	153
2010	112,724	443	145
2011	114,768	394	152
2012	120,423	(505)	410
2013	120,899	(424)	676
2014	129,095	(509)	1,824
2015	147,448	(648)	4,785
2016	160,626	(1,331)	151,352
	<b>\$ 1,221,205</b>	<b>\$ (5,085)</b>	<b>\$ 159,777</b>

See independent auditors' report.

Taxes Collected to Date	Taxes Distributed Current Year	Taxes Distributed To Date	County Taxes Receivable at Year End
\$ 3,628	\$ -	\$ 3,628	\$ -
3,151	-	3,151	-
2,487	-	2,487	-
3,681	-	3,681	-
3,995	-	3,995	-
7,209	-	7,209	-
6,801	-	6,801	10
4,798	-	4,798	2
7,811	-	7,811	-
10,077	10,077	10,077	-
<b>\$ 53,638</b>	<b>\$ 10,077</b>	<b>\$ 53,638</b>	<b>\$ 12</b>
\$ 1,137,353	\$ 276	\$ 1,137,353	\$ 4,470
1,234,052	303	1,234,052	7,930
1,320,258	508	1,320,258	9,927
1,352,251	529	1,352,251	11,156
1,420,479	1,019	1,420,479	14,933
1,833,433	3,652	1,833,433	20,323
1,846,910	5,733	1,846,910	26,518
1,864,264	19,385	1,864,264	33,667
1,894,024	87,168	1,894,024	56,063
1,840,780	1,840,780	1,840,780	142,619
<b>\$ 15,743,804</b>	<b>\$ 1,959,353</b>	<b>\$ 15,743,804</b>	<b>\$ 327,606</b>
\$ 96,330	\$ 135	\$ 96,330	\$ 137
107,543	145	107,543	121
108,197	153	108,197	389
112,928	145	112,928	239
114,782	152	114,782	380
119,140	410	119,140	778
119,613	676	119,613	862
127,397	1,824	127,397	1,189
144,262	4,785	144,262	2,538
151,352	151,352	151,352	7,943
<b>\$ 1,201,544</b>	<b>\$ 159,777</b>	<b>\$ 1,201,544</b>	<b>\$ 14,576</b>

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 Colfax County  
 County Treasurer's Property Tax Schedule  
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	<b>Property Taxes Levied</b>		<b>Adjustments to Taxes Collected to Date</b>		<b>Taxes Collected Current Year</b>
<b>Road Levy</b>					
2007	\$ 40,000	\$	(431)	\$	-
2008	40,003		-		-
2009	60,001		-		-
2010	60,005		(22)		-
2011	59,649		-		-
2012	67,940		-		1,004
2013	59,997		-		-
2014	59,645		(601)		375
2015	99,998		-		948
2016	99,992		1		92,706
	<b>\$ 647,230</b>	<b>\$</b>	<b>(1,053)</b>	<b>\$</b>	<b>95,033</b>

**Angel Fire Pid**

2007	-	\$	-	\$	-
2008	2,553,868		(27,304)		-
2009	2,545,271		135,364		597
2010	2,569,908		188,961		1,958
2011	2,558,387		383,544		-
2012	2,605,518		(22,649)		-
2013	2,594,808		(23,102)		2,934
2014	2,580,520		(23,103)		11,162
2015	2,594,494		(75)		92,184
2016	2,576,368		(3,708)		1,794,525
	<b>\$ 23,179,142</b>	<b>\$</b>	<b>607,928</b>	<b>\$</b>	<b>1,903,360</b>

**Non-Rendition**

2007	\$ 5,406	\$	(241)	\$	1
2008	16,539		(373)		84
2009	8,513		(260)		34
2010	15,692		(28)		10
2011	9,299		(225)		125
2012	23,252		(159)		476
2013	9,816		(936)		163
2014	10,556		(342)		476
2015	4,149		2,968		3,292
2016	14,553		(12,089)		
	<b>\$ 117,775</b>	<b>\$</b>	<b>(11,685)</b>	<b>\$</b>	<b>4,661</b>

See independent auditors' report.

<b>Taxes Collected to Date</b>		<b>Taxes Distributed Current Year</b>		<b>Taxes Distributed To Date</b>		<b>County Taxes Receivable at Year End</b>	
\$	39,569	\$	-	\$	39,569	\$	-
	40,003		-		40,003		-
	60,001		-		60,001		-
	59,983		-		59,983		-
	59,649		-		59,649		-
	67,285		1,004		67,285		655
	58,553		-		58,553		1,444
	57,597		375		57,597		1,447
	96,763		948		96,763		3,235
	92,706		92,706		92,706		7,287
<b>\$</b>	<b>632,109</b>	<b>\$</b>	<b>95,033</b>	<b>\$</b>	<b>632,109</b>	<b>\$</b>	<b>14,068</b>

\$	-	\$	-	\$	-	\$	-
	2,390,989		-		2,390,989		135,575
	2,468,169		597		2,468,169		212,466
	2,461,854		1,958		2,461,854		297,015
	2,556,339		-		2,556,339		385,592
	2,108,823		-		2,108,823		474,046
	2,046,931		2,934		2,046,931		524,775
	1,994,800		11,162		1,994,800		562,617
	1,959,751		92,184		1,959,751		634,668
	1,794,525		1,794,525		1,794,525		778,135
<b>\$</b>	<b>19,782,181</b>	<b>\$</b>	<b>1,903,360</b>	<b>\$</b>	<b>19,782,181</b>	<b>\$</b>	<b>4,004,889</b>

\$	5,089	\$	1	\$	5,089	\$	76
	15,987		84		15,987		179
	8,057		34		8,057		196
	15,393		10		15,393		271
	8,828		125		8,828		246
	22,761		476		22,761		332
	8,312		163		8,312		568
	9,317		476		9,317		897
	6,584		3,292		6,584		533
	-		-		-		2,464
<b>\$</b>	<b>100,328</b>	<b>\$</b>	<b>4,661</b>	<b>\$</b>	<b>100,328</b>	<b>\$</b>	<b>5,762</b>

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County Treasurer's Property Tax Schedule  
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	<b>Property Taxes Levied</b>		<b>Adjustments to Taxes Collected to Date</b>		<b>Taxes Collected Current Year</b>
<b>A.V.I.D. CONSV</b>					
2007	\$ 45,450	\$	-	\$	-
2008	45,486		-		-
2009	45,486		-		-
2010	45,486		-		-
2011	44,928		558		-
2012	45,486		(612)		-
2013	44,681		-		-
2014	6,215		-		-
2015	47,346		(2,242)		3,064
2016	62,868		(2,940)		57,672
	<b>\$ 433,432</b>	<b>\$</b>	<b>(5,236)</b>	<b>\$</b>	<b>60,736</b>

<b>Cimarron Consv</b>					
2007	\$ 58,138	\$	87	\$	-
2008	58,173		47		-
2009	57,998		-		454
2010	58,427		-		-
2011	50,176		6,447		-
2012	58,215		(157)		-
2013	58,221		-		100
2014	58,224		-		249
2015	58,224		1		6,715
2016	58,221		1		55,864
	<b>\$ 574,017</b>	<b>\$</b>	<b>6,426</b>	<b>\$</b>	<b>63,382</b>

<b>Rayado Consv</b>					
2007	\$ 12,781	\$	-	\$	-
2008	12,777		-		-
2009	12,779		-		-
2010	12,580		-		-
2011	7,350		5,430		-
2012	12,780		-		-
2013	12,778		-		-
2014	12,775		-		-
2015	12,777		-		7
2016	12,780		-		12,768
	<b>\$ 122,157</b>	<b>\$</b>	<b>5,430</b>	<b>\$</b>	<b>12,775</b>

See independent auditors' report.

Taxes Collected to Date	Taxes Distributed Current Year	Taxes Distributed To Date	County Taxes Receivable at Year End
\$ 45,450	\$ -	\$ 45,450	\$ -
45,486	-	45,486	-
45,486	-	45,486	-
45,486	-	45,486	-
45,486	-	45,486	-
44,874	-	44,874	-
44,681	-	44,681	-
6,215	-	6,215	-
44,113	3,064	44,113	991
57,672	57,672	57,672	2,256
<b>\$ 424,949</b>	<b>\$ 60,736</b>	<b>\$ 424,949</b>	<b>\$ 3,247</b>
\$ 58,225	\$ -	\$ 58,225	\$ -
58,220	-	58,220	-
57,998	454	57,998	-
58,427	-	58,427	-
56,623	-	56,623	-
58,058	-	58,058	-
58,221	100	58,221	-
54,408	249	54,408	3,816
54,527	6,715	54,527	3,698
55,864	55,864	55,864	2,358
<b>\$ 570,571</b>	<b>\$ 63,382</b>	<b>\$ 570,571</b>	<b>\$ 9,872</b>
\$ 12,781	\$ -	\$ 12,781	\$ -
12,777	-	12,777	-
12,779	-	12,779	-
12,580	-	12,580	-
12,780	-	12,780	-
12,780	-	12,780	-
12,778	-	12,778	-
12,775	-	12,775	-
12,777	7	12,777	-
12,768	12,768	12,768	12
<b>\$ 127,575</b>	<b>\$ 12,775</b>	<b>\$ 127,575</b>	<b>\$ 12</b>

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	<b>Property Taxes Levied</b>	<b>Adjustments to Taxes Collected to Date</b>	<b>Taxes Collected Current Year</b>
<b>VERM.CONSV-B</b>			
2007	\$ 16,448	\$ (16,402)	\$ 1
2008	20,309	(20,253)	2
2009	22,061	(21,999)	2
2010	20,108	(20,046)	2
2011	17,677	(17,605)	2
2012	16,203	(16,092)	43
2013	20,225	(20,013)	290
2014	21,800	(20,747)	1,105
2015	18,416	(15,983)	15,983
2016	18,284	-	-
	<b>\$ 191,531</b>	<b>\$ (169,140)</b>	<b>\$ 17,430</b>
<b>Grand Total</b>			
2007	\$ 9,959,374	\$ (67,595)	\$ 2,714
2008	13,610,433	(82,599)	3,261
2009	14,869,843	36,021	6,177
2010	15,301,469	167,067	7,296
2011	14,165,202	383,346	11,772
2012	15,023,459	(30,908)	26,454
2013	15,101,810	(33,021)	52,769
2014	15,887,904	(36,673)	183,030
2015	16,614,667	(97,603)	726,510
2016	17,791,437	(32,547)	15,799,510
<b>Grand Total</b>	<b>\$ 148,325,598</b>	<b>\$ 205,488</b>	<b>\$ 16,819,493</b>

See independent auditors' report.



<b>Taxes Collected to Date</b>	<b>Taxes Distributed Current Year</b>	<b>Taxes Distributed To Date</b>	<b>County Taxes Receivable at Year End</b>
\$ -	\$ 1	\$ 16,399	\$ 46
-	2	20,248	56
-	2	22,001	62
-	2	20,066	62
17	2	17,632	55
7	43	16,135	104
12	290	20,198	200
646	1,105	21,839	407
1,693	15,983	31,966	740
16,330	-	-	1,954
<b>\$ 18,705</b>	<b>\$ 17,430</b>	<b>\$ 186,484</b>	<b>\$ 3,686</b>
\$ 9,859,030	\$ 2,714	\$ 9,875,429	\$ 32,749
13,339,206	3,261	13,035,950	188,628
14,622,809	6,177	14,316,571	283,055
15,080,914	7,296	14,920,762	387,622
14,046,801	11,772	13,859,304	501,747
14,359,294	26,454	14,229,319	633,257
14,334,275	52,769	14,356,337	734,514
14,993,584	183,030	15,017,434	857,647
15,411,822	726,510	15,521,655	1,105,242
15,815,840	15,799,510	20,519,835	1,943,050
<b>\$ 141,863,575</b>	<b>\$ 16,819,493</b>	<b>\$ 145,652,596</b>	<b>\$ 6,667,511</b>

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, 2017

Schedule VII

	<b>Balance June 30, 2016</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2016</b>
<i>Assets</i>				
Cash and cash equivalents	\$ 388,455	\$ 13,195,465	\$ 12,794,037	\$ 789,883
Property taxes receivable	4,814,549	12,588,945	11,708,813	5,694,681
Other taxes receivable	10,960	37,879	10,960	37,879
<i>Total assets</i>	<u>\$ 5,213,964</u>	<u>\$ 25,822,289</u>	<u>\$ 24,513,810</u>	<u>\$ 6,522,443</u>
<i>Liabilities</i>				
Deposits held for others	\$ 388,455	\$ 13,195,465	\$ 12,794,037	\$ 789,883
Due to other taxing entities	4,825,509	12,626,824	11,719,773	5,732,560
<i>Total liabilities</i>	<u>\$ 5,213,964</u>	<u>\$ 25,822,289</u>	<u>\$ 24,513,810</u>	<u>\$ 6,522,443</u>

See independent auditors' report.

**STATE OF NEW MEXICO**  
 Colfax County  
 Schedule of Joint Power Agreements  
 For the Year Ended June 30, 2017

<b>Participants</b>	<b>Responsible Party</b>	<b>Description</b>	<b>Beginning Date</b>	<b>End Date</b>
Quay County Colfax County	All parties	Agreement with Quay County to house primarily its juvenile prisoners but also its adult prisoners.	7/1/2009	1/1/2018
Village of Eagles Nest Colfax County	All parties	Village seeking money in state of NM law enforcement (LEP) fund monies for the purchase of qualified law enforcement property, etc.	7/1/2014	6/30/2017
Village of Angel Fire Colfax County	All parties	Agreement between Colfax County, the County Sheriff, and the Village of Angel Fire establishing law enforcement powers of the County Sheriff in Angel Fire.	3/22/2016	Indefinite
Village of Cimarron Colfax County	All parties	Agreement between Colfax County, the County Sheriff, and the Village of Cimarron establishing law enforcement powers of the County Sheriff in Angel Fire.	4/12/2016	Indefinite
Greater Raton Economic Development Corporation Colfax County	All parties	Agreement is to define and clarify the responsibilities of the parties involved regarding the economic development efforts of Colfax County.	9/8/2016	6/30/2017

See independent auditors' report.

<b>Project Amount</b>	<b>County Portion</b>	<b>Current Year Contributions</b>	<b>Audit Responsibility</b>	<b>Fiscal Agent</b>	<b>Type of Agreement</b>
\$125.00 per day and any portion thereof for housing and board and related services	\$125.00 per day and any portion thereof for housing and board and related services	Not specified	All parties	None specified	JPA
\$ 20,000	\$ -	Not specified	All parties	None specified	JPA
None specified	None specified	Not specified	All parties	None specified	JPA
None specified	None specified	None specified	All parties	None specified	JPA
None specified	None specified	None specified	All parties	None specified	JPA

See independent auditors' report.

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## **COMPLIANCE SECTION**

**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**

Timothy Keller  
New Mexico State Auditor  
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, and the budgetary comparison of the general fund of Colfax County (the "County") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 28, 2017.

**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.

*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 governances.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and responses as item FS 2016-003, that we consider to be significant deficiency.



## **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 not disclose instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

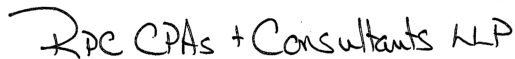
We noted certain matters that are required to be reported per section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of Section 12-6-5 NMSA 1978 Findings as items FS 2017-001 and FS 2017-002.

## **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.



RPC CPAs + Consultants, LLP  
Albuquerque, New Mexico  
November 28, 2017

**STATE OF NEW MEXICO**  
Colfax County  
Schedule of Findings and Responses  
June 30, 2017

**Section I – Summary of Auditors’ Results**

*Financial Statements:*

- |  |            |
|--|------------|
| 1. Type of auditors’ report issued   | Unmodified |
| 2. Internal control over financial reporting:                                    |            |
| a. Material weaknesses identified?   | None noted |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes        |
| c. Noncompliance material to the financial statements noted?                     | None noted |

**Section II – Financial Statement Findings**

**FS 2016-003 Capital Assets (Repeated/Modified) – Significant Deficiency**

*Condition:* The County is maintaining a capital assets listing, however, the capital asset inventory system was not reconciled to the beginning balances per the prior year financial statements. The ending capital asset balances at prior year end did not agree with current year beginning balance per the County's capital asset software.

The County did not provide the auditors with a list of their capital assets at historical cost showing when each item was purchased, asset useful lives, and depreciation methods. Additionally, a detail was not provided listing prior accumulated depreciation current year depreciation additions for all assets.

Over the course of the fiscal year, the County updated the capital asset database for asset additions, disposals, and worked to reconcile back to the fiscal year 2015 capital asset listing. However, the beginning balances were not reconciled to the County's asset list at June 30, 2017 and the County was unable to provide a full listing of capital assets.

*Criteria:* Per NMAC 6.20.2.22, capital assets shall be acquired and accounted for through the development and implementation of a complete property control system.

*Effect:* Without proper accounting for and reconciling of the ending capital assets balance at prior year end with current year beginning balance, the financial statements of the County could be misstated. The users of the financial statement, including the County Commission, may not be provided with timely or accurate capital assets information. Without a historical list of assets being depreciated, depreciation expense and asset net book values may not be accurate.

*Cause:* The capital asset tracking software contains purchases below the County's capitalization threshold from previous years. Additionally, assets in the capital asset tracking software are divided into individual purchases causing difficulty identifying previous assets purchased. This ultimately resulted in the County not being able to reconcile prior year data to the financial statement beginning balances.

*Auditors' Recommendation:* We recommend that the County implement a system in which the capital asset listing is maintained in accordance with NMAC 6.20.2.22. It is also advised that the County use prior year's asset listings to verify the input of all assets into the tracking system to ensure that the historical cost, accumulated depreciation, depreciable lives, and net book values are accurate as of June 30, 2017, for all assets.

*Views of Responsible Officials and Planned Corrective Action:* Colfax County is in the process of working with County Financial Software to properly track and maintain County Capital Assets. Colfax County is also actively seeking an independent consultant to assist in employee training, utilize current Financial Software, and assist with the implementation of internal procedures. Colfax County Chief Procurement Officer will be responsible for maintaining the Capital Assets Program and County Manager will conduct quarterly audits to ensure Capital Assets are in balance. Colfax County is taking immediate action and intends to have the Capital Asset program balanced by the end of fiscal year 2018.

STATE OF NEW MEXICO  
Colfax County  
Schedule of Findings and Responses  
June 30, 2017

**Section III – Section 12-6-5 NMSA 1978 Findings**

**NM 2017-001 Cash Appropriations in Excess of Available Cash Balances – (Other noncompliance)**

*Condition:* The funds below displayed cash appropriations in excess of available cash balances.

	<b>Designated Cash</b>	<b>Beginning Year Cash &amp; AR Available</b>	<b>Cash Appriiation in Excess of Available Balance</b>
Judicial Bond Center Payment Debt Service Fund	\$ 33,143	\$ -	\$ (33,143)
VMDC/NMFA Loan Debt Service Fund	8,402,213	3,425,929	(4,976,284)
Capital Improvements Fund	590,962	170,146	(420,816)

*Criteria:* Section 2.2.2.10. (R) (1), NMAC, states that the deficit created when budgeted revenues do not cover the budgeted expenditures cannot exceed the actual cash balance available at the end of the prior year.

*Effect:* The effect of a budget with inadequate designated cash available to cover the excess of budgeted expenditures over budgeted revenue could result in the County incurring debt to pay for current year budgeted expenditures.

*Cause:* The cash appropriation in excess of the beginning year cash and accounts receivable was not identified by the County.

*Auditors' Recommendation:* The County should have a process in place to review budgeted deficit balances in comparison to prior year cash balances to ensure compliance throughout the year.

*Views of Responsible Officials and Planned Corrective Action:* The Colfax County Manager and Financial Specialist will work to implement internal procedures to verify prior year cash balances and will monitor compliance throughout the year. Colfax County will prepare and implement internal procedures effective the first of year 2018.

STATE OF NEW MEXICO  
Colfax County  
Schedule of Findings and Responses  
June 30, 2017

**Section III – Section 12-6-5 NMSA 1978 Findings (continued)**

**NM 2017-002 Budgetary Noncompliance – (Other noncompliance)**

*Condition:* The County has over expended its budget in the following funds:

Maternal and Child Healthcare Special Revenue Fund	\$	20,663
WIPP Special Revenue Fund		7,000
Angel Fire Airport Improvement Capital Projects Fund		329,776

*Criteria:* A budget is a proposed plan of financial operations for a given period of time. The annual budget authorizes and provides the basis for control of financial operations during the fiscal year. The County cannot exceed its budget as required by NMSA 1978 Section 6-6-1 to 6-6-19.

*Effect:* The County could expend funds in excess of available resources.

*Cause:* The County monitored some fund expenditures in the aggregate as opposed to at the fund level.

*Auditors' Recommendations:* We recommend the County monitor its budgets closely at the individual fund level and prepare budget adjustments as necessary as the year end comes to a close.

*Views of Responsible Officials and Planned Corrective Action:* Effective immediately Colfax County Financial Specialist along with County Commission will monitor budget monthly in Regular Commission Meeting. County Financial Specialist will prepare budget adjustments throughout the fiscal year and County Commission will review and approve all such adjustments in accordance with NM Dept. of Finance.

**Section IV – Prior Year Audit Findings**

FS 2015-003 Procurement Code – Finding that does not rise to the level of a significant deficiency – Resolved

FS 2016-001 Recording of Debt and Related Cash – Material Weakness – Resolved

FS 2016-002 Preparation of Accounts Receivable and Accounts Payable – Significant Deficiency - Resolved

FS 2016-003 Capital Assets – Significant Deficiency – Repeated/Modified

**STATE OF NEW MEXICO**

Colfax County  
Other Disclosures  
June 30, 2017

**Exit Conference**

An exit conference was held on November 29, 2017 in a closed executive session in compliance with the Open Meetings Act. In attendance were the following:

**Representing Colfax County:**

William E. Sauble, County Commissioner  
James L. Newton, County Commissioner  
Roy Fernandez, County Commissioner  
Rayetta M. Trujillo, County Clerk  
Kathy Trujillo, County Treasurer  
Lydia Garcia, Chief Deputy Treasurer  
Mary Lou Kern, County Manager  
Joana Apodaca, Financial Specialist

**Representing RPC CPAs + Consultants, LLP:**

Eric O. Spurlin, CPA, Supervisor

**Auditor Prepared Financial Statements**

RPC CPAs + Consultants, 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.