

STATE OF NEW MEXICO
GUADALUPE COUNTY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2014



INTRODUCTORY SECTION

STATE OF NEW MEXICO
GUADALUPE COUNTY
OFFICIAL ROSTER
JUNE 30, 2014

<u>Name</u>	<u>Board of County Commissioners</u>	<u>Title</u>
Alvin V. Maestas, Sr.		Commission Chairman
Ernest S. Tapia		Commission Vice-Chairman
Vincent R. Cordova		Commission Member
	<u>Elected Officials</u>	
Roberta Chavez		County Assessor
Patrick Martinez		County Clerk
Michael Lucero		County Sheriff
Diana Urban		County Treasurer
Gilbert Gomez		Probate Judge
	<u>Administrative Officials</u>	
George Dodge Jr.		County Manager
Rose Fernandez		Finance Director
Gloria Jean Chavez		Finance Officer
Susan A. Bailey		Chief Deputy Treasurer
Jesus L. Lopez		County Attorney

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 GUADALUPE COUNTY
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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To Hector H. Balderas
New Mexico State Auditor
The Board of County Commissioners
Guadalupe County
Santa Rosa, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Guadalupe County, New Mexico (the "County"), as of and for the year ended June 30, 2014, and the related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the County's nonmajor governmental and fiduciary funds, and the budgetary comparisons for the major capital project fund, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Guadalupe County Hospital, which represent 100 percent of the assets, net position, and revenues of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Guadalupe County Hospital, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's

preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental and fiduciary fund of the County as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparisons for the major capital project fund and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The other schedules required by Section 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in

the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and 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 other schedules required by Section 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Change in Accounting Principle

As discussed in Note 17 to the financial statements, in 2014 the County adopted new accounting guidance, *GASB Statement No. 65, Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2014 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.

The logo for Axiom, featuring the word "Axiom" in a blue, cursive script font.

Axiom CPAs and Business Advisors, LLC

Albuquerque, New Mexico

November 14, 2014

State of New Mexico
Guadalupe County
Management's Discussion and Analysis
June 30, 2014

This discussion and analysis presents the highlights of financial activities and financial position for Guadalupe County. The analysis focuses on significant financial issues, major financial activities, resulting changes in financial position, budget changes and variances from the budget, and identifies individual fund issues or concerns. It is designed to focus on the current year's activities and should be read in conjunction with the County's financial statements.

Overview of the Financial Statements

The County's basic financial statements have three components: government-wide financial statements, fund financial statements, and the notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements. Guadalupe County has five major funds: General Fund, Road Fund, Indigent Fund, Windmill Fund, and Capital Projects Fund. The Nonmajor Governmental Funds are comprised of 21 individual governmental funds and are described beginning on page 70 of this report. Additionally, Guadalupe County has one fiduciary fund for collection and disbursement of property taxes and one component unit (Guadalupe County Hospital).

The government-wide financial statements are designed to provide readers with a broad overview of County finances as a whole in a manner similar to a private sector business. The statement of net position presents information on all the County's assets and liabilities, with the difference between the two reported as net assets. Increases or decreases in net assets, over time, are an indicator of whether the financial position of the County is improving or declining.

The statement of activities presents information showing how the County's assets changed during the past fiscal year. All changes in net assets are reported when the underlying event or transaction occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in a future fiscal period such as uncollected property taxes and earned but unused, vacation leave.

Financial Highlights

- ◆ *Net Income* —In 2014 the County experienced an increase in net assets (net income) of \$887,000 (Exhibit A-2). This compares favorably with the loss of \$(283,000) reported for the prior year.

State of New Mexico
Guadalupe County
Management's Discussion and Analysis
June 30, 2014

- ◆ *Net Assets*—The assets of the County exceeded its liabilities at the close of FY 2014 by \$20,839,000. Of this amount, \$2,072,000 (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors (Exhibit A-2).
- ◆ *Revenues*—Revenues increased \$1,091,000 from FY 2013 (Table II). Capital grants and contributions fell to zero during the year. There were revenue increases in Operating Grants & Contributions and in Taxes and Other.
- ◆ *Expenditures*—There is a decrease in expenditures from the prior year in the amount of \$2,639,000. The decrease in expenditures is because in the prior year the County built a Dental Clinic costing approximately \$1.3 million. That expenditure was not repeated in the current year.
- ◆ *Intergovernmental Transfers*—The County supports several of its special revenue funds with transfers from the general fund. The funds transfers during the year were consistent with prior years and established practice.
- ◆ *Overall Financial Condition of Guadalupe County*—During the year the County improved its financial results substantially in comparison to the prior year. In FY 2013 the County's expenses exceeded its revenues by \$(2,853,031). For County's revenues exceeded its expenses by \$877,892 (Table II).

State of New Mexico
Guadalupe County
Management's Discussion and Analysis
June 30, 2014

Financial Statements

The County's government-wide statement of net assets and statement of activities are presented in the following tables:

Table I

Guadalupe County
Condensed Statement of Net Position—Governmental Activities
June 30, 2014 and 2013

	2014	2013
Assets		
Cash	\$ 2,852,666	\$ 2,765,046
Receivables	637,274	399,562
Prepaid Insurance	53,542	37,127
Investments	-	
Capital assets	19,128,601	19,085,149
Total assets	\$ 22,672,083	\$ 22,286,884
Liabilities and net position		
Current and other liabilities	\$ 305,047	\$ 650,678
Long-term liabilities	1,527,466	1,684,528
Total liabilities	1,832,513	2,335,206
Invested in capital assets, net of related debt	17,596,200	17,563,711
Restricted net position	1,171,059	1,440,290
Unrestricted net position	2,072,311	1,216,908
Total net position	20,839,570	19,951,678
Total liabilities and net position	\$ 22,672,083	\$ 22,286,884

State of New Mexico
Guadalupe County
Management's Discussion and Analysis
June 30, 2014

Table II

Guadalupe County
Government-Wide
Condensed Statement of Activities - Governmental Activities
Fiscal Year Ended June 30, 2014 and 2013

	2014	2013
Program Revenues		
Charges for services	\$ 977,846	\$ 938,872
Operating grants and contributions	3,758,486	2,728,648
Capital grants and contributions		1,137,637
General revenues		
Taxes	2,455,801	1,892,410
Investment	2,515	2,073
Other	822,099	216,060
	8,006,747	6,915,700
Expenditures		
General government	1,636,877	1,664,904
Public Works	1,807,786	3,923,165
Health and welfare	2,197,955	2,173,860
Public safety	1,342,397	1,417,029
Culture and recreation	13,289	13,116
Interest and asset disposal	130,551	576,654
Total expenditures	7,128,855	9,768,731
Increase in net position	877,892	(2,853,031)
Net position, beginning	19,951,678	\$ 22,807,709
Net position, ending	\$ 20,839,570	\$ 19,951,678

State of New Mexico
Guadalupe County
Management's Discussion and Analysis
June 30, 2014

Analysis of Variations From the Actual and Final Amended Budget for the General Fund

- ◆ Significant *revenue variances* in actual results vs. budget—Actual general fund revenues are \$448,000 more than budgeted revenues. The most significant variance is \$251,000 in actual tax revenue above budgeted tax revenue. There was also more Miscellaneous revenue than budgeted by \$92,000. The Miscellaneous revenue was in large part due to insurance recoveries for hail damage.
- ◆ Significant *expenditure variances* in actual results vs. budget—Actual general fund expenditures are \$482,000 less than budgeted expenditures. Almost all categories of actual expenditures were below the budgeted amounts with the most significant variances being Public works where expenses were \$186,000 less than budgeted because the project construction was not yet completed at year end.
- ◆ The following table summarizes the general fund results versus the final budget. Please note that this table is based on the traditional governmental funds accounting and therefore it has some differences from the government-wide statement of revenue, expenditures, and changes in fund balance shown in Table II.

State of New Mexico
Guadalupe County
Management's Discussion and Analysis
June 30, 2014

Table III

Guadalupe County
Statement of Revenues and Expenditures-
Budget and Actual - General Fund
Fiscal Year Ended June 30, 2014

	Final Budget	Actual	Variance
Revenues			
Taxes	\$ 1,393,673	\$ 1,645,596	\$ 251,923
Intergovernmental	644,308	730,516	86,208
Other	549,048	659,536	110,488
	<u>2,587,029</u>	<u>3,035,648</u>	<u>448,619</u>
Expenditures			
General Government	1,522,418	1,335,958	186,460
Public safety	530,243	519,318	10,925
Public works	683,901	511,507	172,394
Debt Service	200,000	140,364	59,636
Capital outlay	110,077	57,193	52,844
Total expenditures	<u>3,046,639</u>	<u>2,564,340</u>	<u>482,299</u>
Revenues over expenditures	<u>(459,610)</u>	<u>471,308</u>	<u>930,918</u>
Other financing sources (uses)			
Transfers, net	(135,034)	(149,044)	14,010
Designated Cash	594,644	-	(594,644)
Total other financing sources	<u>459,610</u>	<u>(149,044)</u>	<u>(580,634)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 322,264</u>	<u>\$ 350,284</u>

State of New Mexico
Guadalupe County
Management's Discussion and Analysis
June 30, 2014

Table III — continued

Guadalupe County
Statement of Revenues and Expenditures-
Budget and Actual - General Fund
Fiscal Year Ended June 30, 2013

	Final Budget	Actual	Variance
Revenues			
Taxes	\$ 1,357,933	\$ 1,384,924	\$ 26,991
Intergovernmental	650,225	698,017	47,792
Investment	3,000	2,073	(927)
Other	103,927	93,885	(10,042)
	<u>2,115,085</u>	<u>2,178,899</u>	<u>63,814</u>
Expenditures			
General Government	1,302,110	1,302,734	(624)
Public safety	473,378	450,807	22,571
Public works	449,377	210,136	239,241
Debt service	65,000	65,000	-
Capital outlay	290,168	19,443	270,725
Total expenditures	<u>2,580,033</u>	<u>2,048,120</u>	<u>531,913</u>
Revenues over expenditures	<u>(464,948)</u>	<u>130,779</u>	<u>595,727</u>
Other financing sources (uses)			
Transfers, net	(181,818)	(181,818)	-
Proceeds of debt	-	150,000	150,000
Designated Cash	646,766	-	(646,766)
Total other financing sources	<u>464,948</u>	<u>(31,818)</u>	<u>(496,766)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ 98,961</u>	<u>\$ 98,961</u>

State of New Mexico
Guadalupe County
Management's Discussion and Analysis
June 30, 2014

Component Unit

The County has one component unit, which is the Guadalupe County Hospital. This is a 10-bed acute care facility that provides emergency and limited inpatient and outpatient services. It is more fully described in Note 19 to the financial statements.

Significant Capital Asset and Long-Term Debt Activity

- ◆ *Significant Capital Asset Additions*—Capital asset additions for FY 2014 total \$1,546,143 (Note 7). The only significant capital project during the year was the completion of the Dental clinic. The majority of the capital additions during the year were for the Dental clinic.

- ◆ *Long-Term Debt Activity*—Note 8 to the financial statements describes all of the County's long-term debt including terms and maturities. There was a net addition to Long term debt of \$70,039.

BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 STATEMENT OF NET POSITION
 JUNE 30, 2014

Exhibit A-1

	Governmental Activities	Component Unit
ASSETS		
<i>Current:</i>		
Cash and cash equivalents and temporary investments	\$ 2,852,666	\$ 5,970,872
Receivables (net of allowance for uncollectible)	537,152	1,137,637
Hospital receivables other than patient accounts	-	599,744
Prepaid expenses	53,542	26,410
Supplies inventory and other assets	-	338,029
<i>Total current assets</i>	<u>3,443,360</u>	<u>8,072,692</u>
<i>Noncurrent assets:</i>		
Restricted cash	-	50,000
Capital assets	45,008,423	14,985,978
Less: accumulated depreciation	(25,879,822)	(2,099,231)
Total capital assets	<u>19,128,601</u>	<u>12,886,747</u>
<i>Total noncurrent assets</i>	<u>19,128,601</u>	<u>12,936,747</u>
Total assets	<u>22,571,961</u>	<u>21,009,439</u>
LIABILITIES		
<i>Current liabilities:</i>		
Accounts payable	165,707	313,675
Accrued payroll liabilities	39,381	80,550
Accrued expenses	6,130	20,355
Accrued expenses	31,129	-
Current portion of compensated absences	14,441	53,912
Current portion of long-term debt	48,259	114,679
<i>Total current liabilities</i>	<u>305,047</u>	<u>583,171</u>
<i>Noncurrent liabilities:</i>		
Compensated absences	43,324	-
Noncurrent portion of long-term debt	1,484,142	1,060,736
<i>Total noncurrent liabilities</i>	<u>1,527,466</u>	<u>1,060,736</u>
<i>Total Liabilities</i>	<u>1,832,513</u>	<u>1,643,907</u>
<i>Net position:</i>		
Net investment in capital assets	17,596,200	11,690,977
Restricted for:		
Special revenues	583,392	-
Capital projects	587,667	50,000
Unrestricted	1,972,189	7,624,555
<i>Total net position</i>	<u>\$ 20,739,448</u>	<u>\$ 19,365,532</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2014

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 1,636,877	\$ 105,916	\$ 730,516	\$ -
Public safety	1,342,397	114,534	624,162	-
Culture and recreation	13,289	-	-	-
Health and welfare	2,197,955	15,605	1,950,976	-
Public works	1,807,786	741,791	452,832	-
Loss on disposition of assets	77,545	-	-	-
Interest relating to long-term debt	53,006	-	-	-
<i>Total primary government</i>	<u>7,128,855</u>	<u>977,846</u>	<u>3,758,486</u>	<u>-</u>
Component unit:				
Guadalupe County Hospital	<u>6,984,156</u>	<u>5,297,806</u>	<u>2,564,180</u>	<u>-</u>
<i>Total component unit</i>	<u>\$ 6,984,156</u>	<u>\$ 5,297,806</u>	<u>\$ 2,564,180</u>	<u>\$ -</u>

General Revenues:

Property taxes
 Gross receipts taxes
 Motor vehicle and fuel taxes
 Mill levy
 Other taxes
 Miscellaneous revenue
 Unrestricted investment earnings (loss)

Total general revenues and transfers

Change in net position

Beginning net position

Ending net position

See Notes to Financial Statements

Exhibit A-2

Net (Expenses) Revenues and Changes in Net Position	
Governmental Activities	Component Unit
\$ (800,445)	\$ -
(603,701)	-
(13,289)	-
(231,374)	-
(613,163)	-
(77,545)	-
<u>(53,006)</u>	<u>(48,768)</u>
<u>(2,392,523)</u>	<u>(48,768)</u>
-	877,830
-	829,062
1,440,338	-
891,451	-
23,890	-
-	508,982
-	-
822,099	62,892
2,515	21,257
<u>3,180,293</u>	<u>593,131</u>
787,770	1,422,193
<u>19,951,678</u>	<u>17,943,339</u>
<u>\$ 20,739,448</u>	<u>\$ 19,365,532</u>

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2014

	General Fund 101	Road Fund 204	Indigent Fund 220	Windmill Fund 2993
ASSETS				
<i>Current:</i>				
Cash and cash equivalents	\$ 1,484,776	\$ 85,119	\$ 81,772	329,357
Accounts receivable				
Property taxes	218,515	-	-	-
Intergovernmental	-	34,102	41,205	-
Other receivables	52,123	-	-	-
Prepaid expenses	27,346	26,196	-	-
Interfund balances	21,379	-	-	-
<i>Total current assets</i>	<u>\$ 1,804,139</u>	<u>\$ 145,417</u>	<u>\$ 122,977</u>	<u>329,357</u>
LIABILITIES AND FUND BALANCE				
<i>Current liabilities:</i>				
Accounts payable	42,566	549	34,052	-
Accrued payroll liabilities	24,831	6,466	-	-
Accrued expenses	4,115	1,173	-	-
Interfund balances	-	-	-	-
<i>Total current liabilities</i>	<u>71,512</u>	<u>8,188</u>	<u>34,052</u>	<u>-</u>
DEFERRED INFLOWS				
Property taxes	116,420	-	-	-
<i>Total deferred inflows</i>	<u>116,420</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE				
Nonspendable	27,346	26,196	-	-
Restricted	-	111,033	88,925	-
Committed	-	-	-	-
Assigned	-	-	-	329,357
Unassigned	1,588,861	-	-	-
<i>Total fund balance (deficit)</i>	<u>1,616,207</u>	<u>137,229</u>	<u>88,925</u>	<u>329,357</u>
<i>Total liabilities, deferred inflows, and fund balance</i>	<u>\$ 1,804,139</u>	<u>\$ 145,417</u>	<u>\$ 122,977</u>	<u>\$ 329,357</u>

See Notes to Financial Statements

Exhibit B-1
(Page 1 of 2)

Capital Projects Funds 300	Nonmajor Governmental Funds	Total Governmental Funds
\$ 428,755	\$ 442,887	\$ 2,852,666
-	-	218,515
83,078	98,462	256,847
-	9,667	61,790
-	-	53,542
-	-	21,379
<u>\$ 511,833</u>	<u>\$ 551,016</u>	<u>\$ 3,464,739</u>
17,282	71,258	165,707
-	8,084	39,381
-	842	6,130
-	21,379	21,379
<u>17,282</u>	<u>101,563</u>	<u>232,597</u>
-	-	116,420
-	-	116,420
-	-	53,542
494,551	465,418	1,159,927
-	-	-
-	-	329,357
-	(15,965)	1,572,896
<u>494,551</u>	<u>449,453</u>	<u>3,115,722</u>
<u>\$ 511,833</u>	<u>\$ 551,016</u>	<u>\$ 3,464,739</u>

STATE OF NEW MEXICO
GUADALUPE COUNTY
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014

Exhibit B-1
 (Page 2 of 2)

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

Fund balances - total governmental funds	\$ 3,115,722
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	19,128,601
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds:	
Property taxes	116,420
Accrued interest expense	(31,129)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Notes payable	(1,532,401)
Compensated absences	<u>(57,765)</u>
Total net position	<u>\$ 20,739,448</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2014

	General Fund 101	Road Fund 204	Indigent Fund 220	Windmill Fund 2993
<i>Revenues:</i>				
Property taxes	\$ 1,497,010	\$ -	\$ -	-
Gross receipts taxes	108,182	160,479	108,182	-
Other taxes	-	23,890	-	-
State grants	730,516	372,771	1,644,566	-
Federal grants	-	-	-	-
Licenses and fees	12,367	-	-	-
Charges for services	52,406	225,089	-	-
Investment income	2,512	-	-	-
Miscellaneous	592,251	85,962	-	136,568
<i>Total revenues</i>	<u>2,995,244</u>	<u>868,191</u>	<u>1,752,748</u>	<u>136,568</u>
<i>Expenditures:</i>				
Current				
General government	1,373,851	-	-	-
Public safety	519,318	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	28,460	-	1,758,774	-
Public works	483,047	694,673	-	66,603
Capital outlay	57,193	57,456	-	-
Debt service				
Principal	140,364	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,602,233</u>	<u>752,129</u>	<u>1,758,774</u>	<u>66,603</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>393,011</u>	<u>116,062</u>	<u>(6,026)</u>	<u>69,965</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	122,000
Operating transfers (out)	(149,044)	-	-	-
Proceeds from issuance of debt	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(149,044)</u>	<u>-</u>	<u>-</u>	<u>122,000</u>
<i>Net change in fund balances</i>	243,967	116,062	(6,026)	191,965
<i>Fund balances (deficits) - beginning of year</i>	<u>1,372,240</u>	<u>21,167</u>	<u>94,951</u>	<u>137,392</u>
<i>Fund balances (deficits) - end of year</i>	<u>\$ 1,616,207</u>	<u>\$ 137,229</u>	<u>\$ 88,925</u>	<u>\$ 329,357</u>

See Notes to Financial Statements

Capital Project Fund 300	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 1,497,010
378,718	135,890	891,451
-	-	23,890
27,684	750,641	3,526,178
52,377	179,931	232,308
-	52,302	64,669
359,460	276,222	913,177
-	3	2,515
-	7,318	822,099
<u>818,239</u>	<u>1,402,307</u>	<u>7,973,297</u>
-	17,706	1,391,557
-	737,570	1,256,888
-	13,289	13,289
-	396,470	2,183,704
356,405	272,700	1,873,428
65,553	145,931	326,133
142,220	42,588	325,172
53,006	-	53,006
<u>617,184</u>	<u>1,626,254</u>	<u>7,423,177</u>
<u>201,055</u>	<u>(223,947)</u>	<u>550,120</u>
35,301	321,215	478,516
(329,472)	-	(478,516)
-	66,499	66,499
<u>(294,171)</u>	<u>387,714</u>	<u>66,499</u>
(93,116)	163,767	616,619
<u>587,667</u>	<u>285,686</u>	<u>2,499,103</u>
<u>\$ 494,551</u>	<u>\$ 449,453</u>	<u>\$ 3,115,722</u>

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 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, 2014

Exhibit B-2
 (Page 2 of 2)

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

Net change in fund balances - total governmental funds	\$ 616,619
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Governmental fund 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	1,546,143
Depreciation expense	(1,425,146)

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

Change in unearned revenue related to the property taxes receivable	43,450
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The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Increase in accrued compensated absences	(2,042)
Note Proceeds	(72,039)
Principal payments on notes	258,452

Loss on the disposition of fixed assets	<u>(77,545)</u>
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Change in net position	<u><u>\$ 887,892</u></u>
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See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Exhibit C-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 1,393,673	\$ 1,393,673	\$ 1,645,596	\$ 251,923
Intergovernmental	408,163	644,308	730,516	86,208
Licenses and fees	7,500	7,500	12,367	4,867
Charges for services	16,276	42,078	52,406	10,328
Investment income	-	-	2,512	2,512
Miscellaneous	202,000	499,470	592,251	92,781
Total revenues	2,027,612	2,587,029	3,035,648	448,619
<i>Expenditures:</i>				
Current				
General government	1,526,157	1,522,418	1,335,958	186,460
Public safety	495,432	530,243	519,318	10,925
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	406,233	683,901	511,507	172,394
Capital outlay	59,400	110,077	57,193	52,884
Debt service				
Principal	-	200,000	140,364	59,636
Interest	-	-	-	-
Total expenditures	2,487,222	3,046,639	2,564,340	482,299
<i>Excess (deficiency) of revenues over expenditures</i>	(459,610)	(459,610)	471,308	930,918
<i>Other financing sources (uses):</i>				
Operating transfers in	5,305	5,305	-	(5,305)
Operating transfers (out)	(140,339)	(140,339)	(149,044)	(8,705)
Proceeds from issuance of debt	-	-	-	-
Designated cash	594,644	594,644	-	(594,644)
Total other financing sources (uses)	459,610	459,610	(149,044)	(608,654)
Net change in fund balances	\$ -	\$ -	322,264	\$ 322,264
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			(39,325)	
Changes in prepaids			(1,079)	
Changes in accounts payable			(32,900)	
Changes in accrued liabilities			(4,993)	
Net Change in Fund Balances (GAAP Basis)			\$ 243,967	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 ROAD - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Exhibit C-2

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 143,000	\$ 143,000	\$ 153,588	\$ 10,588
Intergovernmental	269,476	334,444	372,771	38,327
Licenses and fees	-	-	-	-
Charges for services	220,000	220,000	225,089	5,089
Investment income	-	-	-	-
Miscellaneous	-	80,428	85,962	5,534
<i>Total revenues</i>	<u>632,476</u>	<u>777,872</u>	<u>837,410</u>	<u>59,538</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	802,623	797,759	694,673	103,086
Capital outlay	52,000	198,201	61,198	137,003
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>854,623</u>	<u>995,960</u>	<u>755,871</u>	<u>240,089</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(222,147)</u>	<u>(218,088)</u>	<u>81,539</u>	<u>299,627</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	222,147	218,088	-	(218,088)
<i>Total other financing sources (uses)</i>	<u>222,147</u>	<u>218,088</u>	<u>-</u>	<u>(218,088)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	81,539	<u>\$ 81,539</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			4,585	
Changes in prepaids			26,196	
Changes in accounts payable			1,663	
Changes in accrued liabilities			2,079	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 116,062</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 INDIGENT - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Exhibit C-3

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 85,800	\$ 85,800	\$ 108,182	\$ 22,382
Intergovernmental	-	1,617,969	1,621,574	3,605
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	85,800	1,703,769	1,729,756	25,987
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	160,000	1,777,969	1,725,114	52,855
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	160,000	1,777,969	1,725,114	52,855
<i>Excess (deficiency) of revenues over expenditures</i>	(74,200)	(74,200)	4,642	78,842
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	74,200	74,200	-	(74,200)
Total other financing sources (uses)	74,200	74,200	-	(74,200)
Net change in fund balances	\$ -	\$ -	4,642	\$ 4,642
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			22,992	
Changes in prepaids			-	
Changes in accounts payable			(33,660)	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			\$ (6,026)	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 WINDMILL PROGRAM - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Exhibit C-4

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	136,568	136,568	136,568	-
Total revenues	136,568	136,568	136,568	-
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	354,798	354,798	66,603	288,195
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	354,798	354,798	66,603	288,195
<i>Excess (deficiency) of revenues over expenditures</i>	(218,230)	(218,230)	69,965	288,195
<i>Other financing sources (uses):</i>				
Operating transfers in	122,000	122,000	122,000	-
Operating transfers (out)	-	-	-	-
Designated cash	96,230	96,230	-	(96,230)
Total other financing sources (uses)	218,230	218,230	122,000	(96,230)
Net change in fund balances	\$ -	\$ -	191,965	\$ 191,965
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			-	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			\$ 191,965	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 CAPITAL PROJECT FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement C-5

	Budgeted Amounts		Actual Amounts	Variance with Final Budget-
	Original	Final		Positive (Negative)
<i>Revenues:</i>				
Taxes	\$ 312,000	\$ 352,445	\$ 378,718	\$ 26,273
Intergovernmental	70,500	189,532	101,067	(88,465)
Licenses and fees	-	-	-	-
Charges for services	230,100	343,100	359,460	16,360
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	612,600	885,077	839,245	(45,832)
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	564,132	631,630	450,157	181,473
Capital outlay	150,296	279,343	65,553	213,790
Debt service				
Principal	162,145	162,145	142,220	19,925
Interest	63,371	63,371	53,006	10,365
Total expenditures	939,944	1,136,489	710,936	425,553
<i>Excess (deficiency) of revenues over expenditures</i>	(327,344)	(251,412)	128,309	379,721
<i>Other financing sources (uses):</i>				
Operating transfers in	35,301	35,301	35,301	-
Operating transfers (out)	(240,540)	(173,040)	(329,472)	(156,432)
Designated cash	-	-	-	-
Proceeds from issuance of debt	532,583	389,151	-	(389,151)
Total other financing sources (uses)	327,344	251,412	(294,171)	(545,583)
Net change in fund balances	\$ -	\$ -	(165,862)	\$ (165,862)
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			(21,006)	
Changes in prepaids			-	
Changes in accounts payable			93,752	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			\$ (93,116)	

See Notes to Financial Statements

STATE OF NEW MEXICO
GUADALUPE COUNTY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2014

Exhibit D-1

	<u>Balance June 30, 2013</u>
ASSETS	
Cash on deposit	\$ 500,723
Property taxes receivable	<u>404,230</u>
<i>Total assets</i>	<u><u>\$ 904,953</u></u>
LIABILITIES	
Due to other taxing units	<u>\$ 904,953</u>
<i>Total liabilities</i>	<u><u>\$ 904,953</u></u>

See Notes to Financial Statements

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Guadalupe County is a political sub-division of the State of New Mexico established and regulated by the constitution of the State of New Mexico. The County operates under a commission-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.

The financial statements of Guadalupe County (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes US GAAP for governmental units. The more significant of the County's accounting policies are described below.

In June 1999, the GASB unanimously approved Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*. In June 2011, the GASB approved Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments: Omnibus* and Statement No. 38, *Certain Financial Statement Note Disclosures*. Statement No. 37 clarifies and modifies Statement No. 34 and should be implemented simultaneously with Statement No. 34. Statement No. 38 modifies, establishes and rescinds certain financial statement disclosure requirements.

The County implemented the provisions of GASB No.'s 34, 37 and 38 effective July 1, 2002.

A. *Financial Reporting Entity*

GASB Statement No. 61 established criteria for determining the government reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the County is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 61, fiscally independent means that the County may, without the approval or consent of another government entity, determine or modify its own

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. *Financial Reporting Entity (Continued)*

budget, levy its own taxes or set rates or change, and issue bonded debt. The County also has one *component unit*, as defined by GASB Statement No. 61. The component unit which the County is financially accountable for is the Guadalupe County Hospital (“Hospital”). The County Commission is responsible for approving all of the Hospital’s governing board members. Separate financial statements for the Hospital may be obtained by contacting Guadalupe County Hospital, 117 Camino de Vida, Santa Rosa, NM 88435. There are no other primary governments with which the County Commissioners are financially accountable. There are no other primary governments with which the County has a significant relationship.

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 the primary government, not including fiduciary funds. 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 revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The County had no business-type activities.

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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. 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.

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 proprietary fund and 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 imposed by the provider have been met.

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 60 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, franchise 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. Ad valorem taxes (property taxes), 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. 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. 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The *agency funds* are custodial in nature (assets and liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the County holds for others in an agency capacity.

Governmental funds are used to account for the County's general governmental activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets and the servicing of general long-term debt. Governmental funds include:

The *General Fund* is the primary operating fund of the County, and accounts for all financial resources, except those required to be accounted for in other funds.

The *Special Revenue Funds* account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The *Capital Projects Funds* account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

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 (in addition to the General Fund), which includes funds that were not required to be presented as major but were at the discretion of management:

The *Road Special Revenue Fund* accounts for the activities of the County's road and highways, which provides service to the residents of the County. Authorized by sections 6-623, 7-1-6.19, 67-3-82.2, and Chapter 113, Laws of 1992, NMSA. To account for funds used to maintain County roads, including but not limited to administration, operation, maintenance, and capital outlay. Revenues are provided by motor vehicle fees, gas taxes, State appropriations, and State severance tax bonds.

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The *Indigent Special Revenue Fund* is 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).

The *Windmill Program Special Revenue fund* is used to account for revenues received from Aragonne Wind, LLC on an annual basis. The company makes annual payments to the County in an amount equal to \$1,517 per megawatt of installed capacity. This results in a total annual PILOT payment to the County of \$136,567 for the life of the bonds (Taxable Industrial Revenue Bonds).

The *Capital Projects Fund* accounts for the construction activities related to the County's construction projects.

Additionally, the government reports the following fund types:

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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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, because elimination of these charges would distort the direct costs and program revenues reported in the Statement of Activities.

Program revenues included in the Statement of activities derive directly from the program itself or from parties outside the County's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the County's general revenues. Program revenues are categorized as (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, (b) program-specific operating grants, which includes revenues received from federal and state sources to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues 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 and other items not properly included among program revenues.

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.

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, except for that portion of depreciation that is identified as unallocated on the Statement of Activities. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. Also, in addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

resources. This separate financial statement element, *deferred inflows of resources*, 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. The County reports deferred inflows are in the governmental funds regarding property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

D. *Assets, Liabilities and Net Position or Equity*

Cash and Temporary 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. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. 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: Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as "internal balances".

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

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, delinquent property taxes are recorded when levied.

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Assets or Equity (Continued)

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

Certain Special Revenue funds are administered on a reimbursement method of funding; other funds are operated on a cash advance method of funding. The funds incurred the costs and submitted the necessary request for reimbursement or advance, respectively.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and proprietary financial statements.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column 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, per Section 12-60-10 NMSA 1978 and an estimate useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government-wide statements. Information technology equipment, including software, is being capitalized and included in furniture and equipment as the County did not maintain internally developed software. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2014.

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Assets or Equity (Continued)

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

Assets	Years
Infrastructure	30-50
Building & Improvements	30-50
Vehicles	4-12
Computer equipment	3-10
Other furniture and equipment	3-10

Deferred Outflows/Inflows of Resources. In addition to assets, the statement of financial position will sometimes report a separate section for *deferred outflows* of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. Also, in addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, 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. The County reports have no deferred outflows. Deferred inflows are reported in the governmental funds regarding property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences: The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated annual leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expecting to become eligible in the future to receive such payments upon termination are included.

Long-term Obligations: In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method.

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Assets or Equity (Continued)

For fund financial reporting, bond premiums, 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 Equity: Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of the County's fund balances is presented in Note 16.

Equity Classifications: In the government-wide financial statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position consist of net positions 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.
- c. Unrestricted Net Position are all other net positions that do not meet the definition of "restricted" or "net investment in capital assets."

The Government-wide Statement of Net Position reports \$1,143,428 of restricted net position of which \$438,204 is restricted by enabling legislation. The County's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

Accrued Employee Benefits: County employees may accumulate limited amounts of annual leave, personal leave and comp time which are payable to the employee upon termination or retirement. For governmental funds, expenditures are recognized

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Assets or Equity (Continued)

during the period in which vacation costs become payable from available, expendable resources. A liability for amounts earned but not payable from available expendable resources is recorded in the statement of net position.

Interfund Transactions: Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

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 affecting the County's financial statements include management's estimate of the useful lives of capital assets.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets of the County are prepared prior to June 1 and must be approved by resolution of the Board of 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 in total.

**STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

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

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

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and Capital Projects Funds.

The County is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

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

Since accounting principles applied for purposes of developing revenues and expenditures on the 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 net change in fund balances is presented for the year ended June 30, 2013. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on the individual comparison statements.

NOTE 3. CASH AND TEMPORARY 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, 2014.

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

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 3. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

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 of 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.

The collateral pledged is listed on Schedule I of this report. The types of collateral allowed 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.

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 per respective institution.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2014, \$1,046,744 of the County's bank balance of \$3,476,562 was exposed to custodial credit risk.

The County utilizes pooled accounts for their funds. The General, Special Revenue, Capital Projects, and Agency Funds are all in multiple accounts.

As of June 30, 2014, the County's investment of \$49 in the State Treasurer Local Government Investment Pool – Reserve Contingency Fund was unrated.

Credit risk – Investments. With respect to credit risk, the LGIP is rated AAAM by Standard & Poor's. Therefore, the LGIP reports AAAM for credit risk. Public funds are not required to disclose custodial credit risk for external investment pools. Therefore, the LGIP is exempt from this requirement.

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014

NOTE 3. CASH AND TEMPORARY INVESTMENTS (CONTINUED)

As of June 30, 2014, the County had the following investments and maturities:

<u>Investment Type</u>	<u>Rating</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (WAM)</u>
New MexiGROW LGIP	AAAm	\$ 93	48.6 days
LGIP Reserve Contingency Fund	Unrated	\$ 49	Non-Performing Asset
NMFA Treasury Fund	Unrated	\$ 90,817	< 1 year
Certificates of Deposit	Unrated	\$ 1,318,469	< 1 year

Interest rate risk. GASB Statement No. 40 defines interest rate risk as the risk that interest variations may adversely affect the fair value of an investment. According to the Statement, an acceptable method of reporting interest rate risk is weighted average maturity (“WAM”). The State Treasurer’s Office uses this method for reporting purposes for the Local Government Investment Pool (LGIP). The WAM of the LGIP is identified on the monthly LGIP investment report found on the State Treasurer’s Office website at www.nmsto.gov. As of June 30, 2014, the LGIP had a credit risk rating of AAAm and a WAM(R) of 48.6 days and a WAM(F) of 116.2 days.

Concentration of credit risk – Investments. The County places no limit on the amount the County may invest in any one issuer. The County is invested only in Wells Fargo Certificates of Deposit, Community 1st Bank of Las Vegas Certificates of Deposit, U.S. Treasury Fund (NMFA Trust Account), and the State Treasurer’s New MexiGROW LGIP.

The State Treasurer Local Government Investment Pool is not SEC Registered. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment funds in securities that are issued by the United States government or by its departments or agencies and are either backed by the full faith and credit of the United States government or are agencies sponsored by the United States government with rating A to AAA by Moody’s Investors Service and S&P. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares; 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 that amounts of the fund were invested. Any unrealized gain or loss on the portfolio is distributed through the investment yield on distribution dates. The carrying amount of the portfolio approximates the fair value of all investments at June 30, 2014. The State of New Mexico is the regulatory oversight entity and participation in the pool is voluntary.

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014

NOTE 4. RECEIVABLES

Receivables as of June 30, 2014 are as follows:

Fund	Property Taxes	Intergovernmental and other	Total
General	\$ 218,515	\$ 52,123	\$ 52,123
Road	-	34,102	34,102
Indigent	-	41,205	41,205
Windmill	-	-	-
Capital Projects	-	83,078	83,078
Nonmajor Governmental	-	108,129	108,129
Total	\$ 218,515	\$ 318,637	\$ 318,637

The above receivables are deemed 100% collectible. In accordance with GASB Statement No. 33, property tax receivables are presented net of deferred inflows in the governmental balance sheet. Deferred inflow – property taxes totaled \$116,420 as presented in the general fund.

NOTE 5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Net operating transfers made to close out funds, to supplement other funding sources, and to repay previous transfers were as follows:

Governmental Funds	Transfers In	Transfers Out
General Fund	\$ -	\$ 149,044
Windmill	122,000	-
Capital Projects	35,301	329,472
Environmental GRT	135,000	-
Farm and Range	24,617	-
Recreation	12,366	-
Senior Center	81,334	-
Emergency Management	33,866	-
Homeland Security	31,032	-
Pecos Valley Water	3,000	-
Totals	\$ 478,516	\$ 478,516

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014

NOTE 5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

The County has interfund loans for the purpose of providing cash to grant funds that must expend funds in order to get reimbursements. There were no interfund balances as of June 30, 2014.

NOTE 6. LEASES

The County leases various equipment for the purpose of providing public works services to the residents of the County. The leases are generally for 5 or 7 year terms. The leases began in fiscal years 2012 through 2014 and expire in fiscal years 2016 through 2021.

The future minimum lease payments under the operating equipment leases are as follows:

Year Ending June 30,

2015	\$	186,537
2016		186,537
2017		173,486
2018		160,434
2019		104,880
Thereafter		<u>53,435</u>
Totals	\$	<u>865,309</u>

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014

NOTE 7. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2014, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land and Construction in Progress are not subject to depreciation.

Governmental Activities:

	<u>Balance June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2014</u>
Capital Assets Used in Governmental Activities:				
Capital Assets, not depreciated:				
Construction in Progress	35,652	-	(35,652)	-
Land	273,711	-	-	273,711
Total not depreciated	<u>309,363</u>	<u>-</u>	<u>(35,652)</u>	<u>273,711</u>
Capital Assets, depreciated				
Buildings	7,469,335	160,980	(43,828)	7,586,487
Machinery and Equipment	5,910,167	756,436	(219,004)	6,447,599
Furniture and Fixtures	389,065	24,185	(2,840)	410,410
Infrastructure	30,073,524	604,542	(387,850)	30,290,216
Total depreciated	<u>43,842,091</u>	<u>1,546,143</u>	<u>(653,522)</u>	<u>44,734,712</u>
Total Capital Assets	<u>44,151,454</u>	<u>1,546,143</u>	<u>(689,174)</u>	<u>45,008,423</u>
Less Accumulated Depreciation:				
Buildings	2,967,021	152,073	-	3,119,094
Machinery & Equipment	5,371,103	365,724	(576,514)	5,160,313
Furniture & Fixtures	208,064	87,090	(35,115)	260,039
Infrastructure	16,520,117	820,259	-	17,340,376
Total accumulated depreciation	<u>25,066,305</u>	<u>1,425,146</u>	<u>(611,629)</u>	<u>25,879,822</u>
Net Capital Assets	<u>19,085,149</u>			<u>19,128,601</u>

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014

NOTE 7. CAPITAL ASSETS (CONTINUED)

Depreciation expense for the year ended June 30, 2014 was charged to the following functions and funds:

General Government	\$	171,018
Public Works		1,154,368
Health and Welfare		14,251
Public Safety		<u>85,509</u>
Total depreciation expense: governmental activities	<u>\$</u>	<u>1,425,146</u>

NOTE 8. LONG-TERM DEBT

During the year ended June 30, 2014, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	<u>Balance June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2014</u>	<u>Due Within One Year</u>
<i>Governmental Activities:</i>					
Notes Payable	\$ 1,718,814	72,039	(258,452)	1,532,401	48,259
Compensated Absences	<u>55,723</u>	<u>57,572</u>	<u>(55,530)</u>	<u>57,765</u>	<u>14,441</u>
Total Long Term Debt	<u>\$ 1,774,537</u>	<u>127,611</u>	<u>(313,982)</u>	<u>1,590,166</u>	<u>62,700</u>

Interest expense paid on long-term debt totaled \$53,006 for the year ended June 30, 2014 as indicated on the Statement of Activities.

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014

NOTE 8. LONG-TERM DEBT (CONTINUED)

The annual requirement to amortize the bond and notes payable as of June 30, 2014, including interest payments are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2015	\$ 88,344	\$ 47,503	\$ 135,847
2016	90,147	45,401	135,548
2017	92,029	43,219	135,248
2018	95,013	40,937	135,950
2019	80,432	38,515	118,947
2020-2024	444,029	152,512	596,541
2025-2029	233,899	87,020	320,919
2030-2034	79,000	63,773	142,773
2035-2039	92,000	49,631	141,631
2040-2044	108,000	33,026	141,026
2045-2049	129,508	13,417	142,925
Totals	<u>\$ 1,532,401</u>	<u>\$ 614,954</u>	<u>\$ 2,147,355</u>

Notes Payable – The County maintains multiple loans through the New Mexico Finance Authority (NMFA). These loans are for multiple purposes including corrections improvements, police units, fire department equipment, solid waste improvements, and historical courthouse restorations. Loan payments are payable from the fund associated with the loan (corrections, fire, capital projects, etc.)

Loan principal and interest payments are made on a monthly basis to the NMFA as is required per the loan’s debt schedules. Interest rates on the loans vary from 0% to 3.375% and loan payments are scheduled through 2049.

The County maintains multiple loans through the New Mexico Taxation and Revenue Department (NMTRD). These loans are for the purpose of repaying the overpayment of gross receipts tax to the County by the State. Loan payments are payable from the fund associated with the loan (general). Loan principal payments are made on a monthly basis to NMTRD as is required per the loan’s debt schedules. The loans are non-interest bearing and the loans were paid off during the current fiscal year.

The County has a loan from United States of America. This loan was for the construction/renovation of the Dental Facility. Loan payments are payable from the related fund associated with the loan (general).

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 8. LONG-TERM DEBT (CONTINUED)

Loan principal and interest payments are made on an annual basis as is required per the debt schedules. Interest rate on the loan is 3.375% and loan payments are scheduled through 2053.

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 ended June 30, 2014, compensated absences increased \$2,042 over the prior year accrual. See Note 1 for more details.

NOTE 9. DEFERRED REVENUE

In accordance with the terms of the various grant agreements within the Special Revenue Funds, revenues received in excess of expenditures carry over to subsequent years, unless such excess revenues are requested to be returned to the grantor. As of June 30, 2014, Guadalupe County had no deferred revenues related to grant revenues received in excess of expenditures.

NOTE 10. RISK MANAGEMENT

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

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NOTE 11. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosures as part of the Combined Statements – Overview of certain information concerning individual funds including:

- A. *Deficit fund balance of individual funds:* The following funds reflected a deficit fund balance as of June 30, 2014:

<u>Fund</u>	<u>Deficit Balance</u>
Guadalupe County Fire	\$ (15)
Rural Primary Health Care Act	(333)
La Loma Senior Center	<u>(19,081)</u>
Total	<u>\$ (19,429)</u>

These deficits are expected to be funded by additional grants and charges for services. The County anticipates these fund balances will not be in the deficit state in subsequent years.

- B. *Excess expenditures over appropriations:* Budgetary authority is at the fund level. There were no funds with expenditures in excess of appropriations for the year ended June 30, 2014.
- C. *Designated cash appropriation in excess of available balances:* There were no funds with designated cash in appropriations in excess of available balances for the year ended June 30, 2014.

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NOTE 12. PERA PENSION PLAN

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

Funding Policy. Plan members are required to contribute 10.65% (regular) and 17.80% (law enforcement) of their gross salary. The County is required to contribute 9.15% (regular) and 18.5% (law enforcement) of the gross covered salary. The contribution requirements of plan members and Guadalupe County are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature.

The County's contributions to PERA for the fiscal years ending June 30, 2014, 2013 and 2012 were \$164,344, \$163,748, and \$157,416 respectively, which equal the amount of the required contributions for each fiscal year.

NOTE 13. POST EMPLOYMENT BENEFITS—STATE RETIREE HEALTH CARE PLANS

The County has not elected to participate in the New Mexico Retiree Health Care Plan and there are no required contributions for fiscal year ending June 30, 2014.

NOTE 14. CONTINGENT LIABILITIES

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

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NOTE 15. FEDERAL AND STATE GRANTS

In the normal course of operations, the County receives grant funds from various federal and state agencies. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

NOTE 16. GOVERNMENTAL FUND BALANCE

Fund Balance: In the fund financial statements, governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Some governments may not have policies or procedures that are comparable to those policies that underlie the classifications and therefore would not report amounts in all possible fund balance classifications.

In the governmental financial statements, fund balance is classified and is displayed in five components:

Nonspendable: Consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted: Consists of amounts that are restricted to specific purposes as a result of (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed: Consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of actions (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

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NOTE 16. GOVERNMENTAL FUND BALANCE (CONTINUED)

Assigned: Consists of amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned: Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Detail relating to the fund balance classifications is displayed below:

	General Fund 101	Road Fund 204	Indigent Fund 220	Windmill Fund 2993	Capital Project 300	Total Nonmajor Governmental Funds
Fund balances:						
Nonspendable:	27,346	26,196				
Prepaid insurance	\$ -	-	-	-	-	-
Restricted for:						
Housing of prisoners	-	-	-	-	-	65,424
Roads and highways	-	111,033	-	-	-	-
Care of indigent citizens	-	-	88,925	-	-	-
Capital projects	-	-	-	-	494,551	-
Emergency services	-	-	-	-	-	8,122
Fire departments	-	-	-	-	-	96,621
Law enforcement	-	-	-	-	-	5,805
Solid waste services	-	-	-	-	-	150,971
Valuation services	-	-	-	-	-	90,219
Soil conservation	-	-	-	-	-	1
Recreation	-	-	-	-	-	4,449
Homeland security	-	-	-	-	-	17,630
County clerk	-	-	-	-	-	22,600
Emergency mgmt	-	-	-	-	-	490
Senior citizens	-	-	-	-	-	(15,617)
Rural health care	-	-	-	-	-	(333)
Water rights	-	-	-	-	-	3,071
Committed:	-	-	-	-	-	-
Assigned to:						
Law enforcement	-	-	-	-	-	-
Hospital construction	-	-	-	329,357	-	-
Unassigned:	1,588,861	-	-	-	-	-
 Total fund balances	 <u>\$ 1,616,207</u>	 <u>137,229</u>	 <u>88,925</u>	 <u>329,357</u>	 <u>494,551</u>	 <u>449,453</u>

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NOTE 17. RECENT ACCOUNTING PRONOUNCEMENTS

In March 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This statement, which is effective for financial statements for periods beginning after December 15, 2012, establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The requirements of this Statement will improve financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The County adopted GASB Statement No. 65 during fiscal year 2014. The County currently has no deferred outflows. Deferred inflows are reported regarding property taxes.

In March 2012, the GASB issued Statement No. 66, *Technical Corrections – 2012 - an amendment of GASB Statements No. 10 and No. 62*. This statement, which is effective for financial statements for periods beginning after December 15, 2012, amends Statement No. 10, Accounting and Financial Reporting for Risk Financing and Related Insurance Issues, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. This Statement also amends Statement 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate. The requirements of this Statement resolve conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting and thereby enhance the usefulness of the financial reports. The adoption of GASB Statement No. 66 had no effect on the County's financial statements.

In June 2012, the GASB issued Statement No. 67, *Financial Reporting for Pension Plans—an amendment of GASB Statement No. 25*. This statement, which is effective for financial statements for periods beginning after June 15, 2013, replaces the requirements of Statements No. 25, Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, and No. 50, Pension Disclosures, as they relate to pension plans that are administered through trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The requirements of this Statement will improve financial reporting primarily through enhanced note disclosures and schedules of required supplementary information that will be presented by the pension plans that are within its scope. The County is a participant in the State of New Mexico's Public Employee Retirement Association (PERA). PERA as the plan's administrator, implemented this new pronouncement during fiscal year 2014.

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NOTE 17. RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

In April 2013, the GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. This statement, which is effective for financial statements for periods beginning after June 15, 2013, requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This Statement requires a government that has issued an obligation guaranteed in a nonexchange transaction to recognize revenue to the extent of the reduction in its guaranteed liabilities. The requirements of this Statement will enhance comparability of financial statements among governments by requiring consistent reporting by those governments that extend nonexchange financial guarantees and by those governments that receive nonexchange financial guarantees. The adoption of this pronouncement had no effect on the County's financial statements.

NOTE 18. NEW ACCOUNTING PRONOUNCEMENTS

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2014.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. Upon adoption of this statement for the year ended June 30, 2015, the Statement of Net Position will include a material liability for pension participation in fiscal year 2015.

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations*

GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*

The County will implement the new GASB pronouncements in the fiscal year no later than the required effective date. The County believes that the above listed new GASB pronouncements will not have a significant financial impact to the County or in issuing its financial statements.

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NOTE 19. GUADALUPE COUNTY HOSPITAL

HOSPITAL NOTE 1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES:

a. Reporting Entity

Guadalupe County Hospital (the Hospital) is a 10-bed county-owned acute care hospital located in Santa Rosa, New Mexico. The Hospital provides inpatient, outpatient, and emergency medical care services for residents of Guadalupe County (the County). The Board of County Commissioners of the County affirms the Hospital Board of Directors, and the Hospital may not issue debt without the County's approval. For this reason, the Hospital is considered to be a component unit of Guadalupe County, New Mexico. As organized, the Hospital is exempt from federal and state income taxes. There are no component units of the Hospital.

The Hospital has a management agreement with New Mexicare, Inc. (New Mexicare), a nonprofit health care management company, to supervise and direct the Hospital's daily operations. According to the agreement, the Hospital is to maintain a \$500,000 cash reserve for Hospital operations and to reimburse New Mexicare for all costs related to the operations and maintenance of the Hospital. The management agreement in effect through December 31, 2016, stipulates that the Hospital pay New Mexicare a flat monthly fee of \$12,000 for management and pays the County \$8,000 per month for administrative services.

b. Summary of Significant Accounting Policies

Use of estimates – The Hospital's accounting policies conform to accounting principles generally accepted in the United States of America as applicable to proprietary funds of governments. 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES: (CONTINUED)

b. Summary of Significant Accounting Policies (Continued)

Enterprise fund accounting – The Hospital’s accounting policies conform to accounting principles generally accepted in the United States of America as applicable to proprietary funds of governments. The Hospital uses enterprise fund accounting. Revenue and expenses are recognized on the accrual basis using the economic resources measurement focus.

Cash and cash equivalents – Cash and cash equivalents include business checking accounts maintained with local financial institutions, cash on hand, and investments in highly liquid debt instruments with an original maturity of three months or less. Deposits that are held by the County are not included in the Hospital’s cash and cash equivalents.

Inventories – Inventories consist of medical, pharmaceutical, and laboratory supplies and are stated at the lower of costs (using the first-in, first-out method) or market value.

Prepaid expenses – Prepaid expenses are expenses paid during the year relating to expenses incurred in future periods. Prepaid expenses are amortized over the expected benefit period of the related expense.

Certificates of deposit held at County – The management agreement between the Hospital and New Mexicare requires the County to maintain a reserve in the amount of \$500,000 for Hospital operations.

Cash and cash equivalents restricted by USDA loan agreement – The Hospital’s revenue bonds with the United States Department of Agriculture require the Hospital to establish a reserve account, and each year set aside into that account an amount at least equal to one-tenth of one yearly payment. Written approval must be obtained from Rural Development, Community Programs to utilize any of the reserve.

NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES: (CONTINUED)

b. Summary of Significant Accounting Policies (Continued)

Compensated absences – The liability for compensated absences consist of unpaid, accumulated annual personal leave balances. The liability has been calculated using the vesting method, whereby leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Employees can accumulate as many hours as they wish throughout the year and upon termination they will be paid out all vacation hours earned to date regardless of balance, until calendar year-end when any excess over 120 hours is forfeited.

Restricted resources – When the Hospital has both restricted and unrestricted resources available to finance a particular program, it is the Hospital's policy to use restricted resources before unrestricted resources.

Net position – Net position of the Hospital is classified in four components. *Net investment in capital assets* consists of capital assets net of accumulated depreciation and reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. *Restricted expendable net position* is noncapital net position that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the Hospital, including amounts deposited with trustees as required by revenue bond indentures. *Restricted nonexpendable net position* equals the principal portion of permanent endowments. *Unrestricted net position* is remaining net position that does not meet the definition of *net investment in capital assets or restricted*.

Operating revenues and expenses – The Hospital's statements of revenues, expenses, and changes in net position distinguish between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions, including grants for specific operating activities associated with providing health care services – the Hospital's principal activity. Nonexchange revenues, including taxes and contributions received for purposes other than capital asset acquisition, are reported as nonoperating revenues. Operating

NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES: (CONTINUED)

b. Summary of Significant Accounting Policies (Continued)

Operating revenues and expenses (continued) -expenses are all expenses incurred to provide health care services, other than financing costs.

Sole community provider – The Hospital qualifies as a sole community provider (SCP) hospital based on the Indigent Hospital and County Health Care Act (the Act). The Sole Community Provider Fund (Fund) was established under this Act. The Fund is administered by the New Mexico Human Services Department and consists of funds provided by counties to match federal funds for Medicaid Sole Community Provider hospital payments. Money in the Fund is used to make SCP hospital payments pursuant to the State Medicaid Program. The SCP has been restructured to provide New Mexico Hospitals with less favorable rates than in past years. As the program continues to undergo changes the Hospital will receive less favorable rates on return for their matches than in past years.

Grants and contributions – From time to time, the Hospital receives grants from the state of New Mexico and others, as well as contributions from individuals and private organizations. Revenues from grants and contributions (including contributions of capital assets) are recognized when all eligibility requirements are met. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are restricted to specific capital acquisitions are reported after nonoperating revenues and expenses. Grants that are for specific projects or purposes related to the Hospital's operating activities are reported as operating revenue. Grants that are used to subsidize operating deficits are reported as nonoperating revenue. Contributions, except for capital contributions, are reported as nonoperating revenue.

Budgets and budgetary accounting – Prior to the beginning of each fiscal year, an accrual basis budget for the Hospital is prepared by the Hospital's management and is presented to the Board of Directors and the County Commissioners for approval. Upon approval, the budget is sent to the State of New Mexico Department of Finance and Administration (DFA) for tentative approval. Final approval is granted after the beginning of the fiscal year when the fund balances for the prior year are known. Expenditures cannot legally exceed the total fund

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NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES: (CONTINUED)

b. Summary of Significant Accounting Policies (Continued)

Budgets and budgetary accounting (continued) - budget. Any budget amendments are approved by the Board of Directors and County Commissioners and sent to the DFA for approval. Budgeted amounts may be transferred between departments within a fund; however, any revisions that alter the total expenditures of a fund must be approved by the DFA.

Recent accounting pronouncements – In November 2010, the Governmental Accounting Standards Board (GASB) issued Statement No. 61, *The Financial Reporting Entity: Omnibus*. This statement, which is effective for financial statements for periods beginning after June 15, 2012, provides, among other things, additional guidance to primary governments that are business-type activities reporting financial information in a single column. New guidance, which includes reporting a blended component unit, allows users to better distinguish between the primary government and its component unit by requiring condensed combining information in the notes to the financial statements. The Hospital adopted GASB Statement No. 61 during fiscal year 2013, with no effect on the Hospital's financial statements.

In December 2010, the GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This statement, which is effective for financial statements for periods beginning after December 15, 2011, supersedes GASB Statement No. 20. The Hospital adopted GASB Statement No. 62 during fiscal year 2013, and its provisions were applied retroactively for all periods presented. Adoption of GASB Statement No. 62 did not materially affect the Hospital's financial statements.

In June 2012, the GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which establishes standards for reporting deferred outflows and deferred inflows of resources and net position. The statement requires reporting of deferred outflows of resources (consumption of net position applicable to future periods) and deferred inflows of resources (acquisition of net position applicable to future periods) in separate sections of the balance sheet following assets and liabilities.

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NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 1. REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES: (CONTINUED)

b. Summary of Significant Accounting Policies (Continued)

Recent accounting pronouncements (continued) - The difference between assets plus deferred outflows of resources less liabilities plus deferred inflows of resources equals net position and net position should be displayed in three components as: net investment in capital assets, restricted, and unrestricted. GASB Statement No. 63 is effective for financial statement periods beginning after December 15, 2011. The Hospital adopted the provisions of the statement in fiscal year 2013. The adoption of GASB Statement No. 63 did not materially affect the Hospital's financial statements.

In March 2011, the GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. GASB Statement No. 65, which is effective for financial statements for periods beginning after December 15, 2012, amends or supersedes accounting and financial reporting guidance for certain items previously reported as assets or liabilities. The Hospital will adopt GASB Statement No. 65 in fiscal year 2014 by retroactively restating financial statements for all periods presented. Debt issuance costs will need to be expenses as incurred when this standard is implemented.

Subsequent events – The Hospital has evaluated subsequent events through October 9, 2013, the date on which the financial statements were available to be issued.

HOSPITAL NOTE 2. DEPOSITS AND INVESTMENTS:

Custodial credit risk is the risk that in the event of a bank failure, the Hospital's deposits may not be returned to it.

The Hospital's deposits are covered by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each financial institution. In accordance with Section 6-10-17, NMSA, 1978 Compilation, the Hospital is required to collateralize an amount equal to one-half of the public money in excess of \$250,000 at each financial institution.

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NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 2. DEPOSITS AND INVESTMENTS: (CONTINUED)

Of the Hospital's total deposits of \$6,022,756 at June 30, 2014, a total of \$2,573,705, was uninsured and uncollateralized, and therefore subject to custodial credit risk.

Statutes authorize the Hospital to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, commercial paper, and bankers' acceptances.

The Hospital's investments for the year ended June 30, 2014 are as follows:

<u>Investment Type</u>	<u>Rating</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (WAM)</u>
Certificates of Deposit	Unrated	\$ 500,000	< 1 year

HOSPITAL NOTE 3. PATIENT ACCOUNTS RECEIVABLE:

Patient accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectability of accounts receivable, the Hospital analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for uncollectible accounts. For receivables associated with services provided to patients who have third-party coverage, the Hospital analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely. For receivables associated with self-pay patients (which include both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Hospital records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for uncollectible accounts.

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 GUADALUPE COUNTY
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NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 3. PATIENT ACCOUNTS RECEIVABLE: (CONTINUED)

The Hospital's allowance for uncollectible accounts for self-pay patients decreased 38% as of December 31, 2014, as compared to December 31, 2013. This decrease was due primarily to more patients being covered by Medicaid as a result of the expansion of the state of New Mexico's Medicaid Program. The Hospital's provisions for bad debts and write-offs have not changed significantly from the prior year. The Hospital has not changed its charity care or uninsured discount policies during fiscal year 2014. The Hospital does not maintain a material allowance for uncollectible accounts from third-party payors, nor did it have significant write-offs from third party payors.

Patient accounts receivable reported as current assets by the Hospital at June 30, 2014 consisted of these amounts:

	2014
Receivable from patients and their insurance carriers	\$ 869,454
Receivable from Medicare	420,469
Receivable from Medicaid	116,110
Total patient accounts receivable	<u>1,406,033</u>
Less allowance for uncollectible accounts	<u>268,396</u>
Net patient accounts receivable	<u>\$ 1,137,637</u>

HOSPITAL NOTE 4. CAPITAL ASSETS:

In accordance with Section 12-6-10 NMSA 1987, the Hospital capitalizes assets whose costs exceed \$5,000 and with an estimated useful life of at least one year. Capital assets acquisitions are recorded at historical cost. Contributed capital assets are reported at their estimated fair value at the time of their donation.

All capital assets other than land and construction in progress are depreciated or amortized (in the case of capital leases) by the straight-line method of depreciation using these asset lives:

Assets	Years
<u>Land Improvements</u>	<u>10</u>
Buildings and improvements	40
Equipment	3-20

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NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 4. CAPITAL ASSETS: (CONTINUED)

Capital asset additions, retirements, transfers, and balances for the year ended June 30, 2014 were as follows:

	<u>Balance June 30, 2012</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Balance June 30, 2013</u>
Capital Assets not being depreciated:					
Land	187,363	-	-	-	187,363
Subtotal	<u>187,363</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,363</u>
Capital Assets being Depreciated:					
Land improvements	227,803	-	-	-	227,803
Buildings and improvements	12,369,911	-	-	-	12,369,911
Equipment	2,120,189	80,712	-	-	2,200,901
Subtotal	<u>14,717,903</u>	<u>80,712</u>	<u>-</u>	<u>-</u>	<u>14,798,615</u>
Total Capital Assets	<u>14,905,266</u>	<u>80,712</u>	<u>-</u>	<u>-</u>	<u>14,985,978</u>
Less Accumulated Depreciation For:					
Land improvements	39,260	21,493	-	-	60,753
Buildings and improvements	616,653	311,928	-	-	928,581
Equipment	789,825	320,072	-	-	1,109,897
Total Accumulated Depreciation	<u>1,445,738</u>	<u>653,493</u>	<u>-</u>	<u>-</u>	<u>2,099,231</u>
Total Capital Assets Being Depreciated, Net	<u>13,272,165</u>	<u>(572,781)</u>	<u>-</u>	<u>-</u>	<u>12,699,384</u>
Capital Assets, Net of Accumulated Depreciating	<u>13,459,528</u>	<u>(572,781)</u>	<u>-</u>	<u>-</u>	<u>12,886,747</u>

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 NOTES TO FINANCIAL STATEMENTS
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NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 5. NONCURRENT LIABILITIES:

A schedule of changes in the Hospital's noncurrent liabilities for the year ended June 30, 2014 is as follows:

	<u>Balance June 30, 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2014</u>	<u>Due Within One Year</u>
Revenue bonds payable	\$ 1,266,914	-	(103,089)	1,163,825	103,089
Capital lease obligation	30,728	-	(19,138)	11,590	11,590
Compensated absences	<u>50,414</u>	<u>74,331</u>	<u>(70,833)</u>	<u>53,912</u>	<u>53,912</u>
Total Long-Term Debt and Capital Lease Obligations	<u>\$ 1,348,056</u>	<u>74,331</u>	<u>(193,060)</u>	<u>1,229,327</u>	<u>165,591</u>

Long-term Debt – The terms and due dates of the Hospital's long-term debt at June 30, 2013 are as follows:

Guadalupe County, New Mexico Hospital Improvement Revenue Bonds, dated December 28, 2011, in the original amount of \$3,550,000, for the purpose of improvements and expansion of the Hospital's facilities. The bonds are payable annually on December 28 in the remaining principal amounts ranging from \$13,868 to \$103,089 through 2049. Interest is payable annually on December 28 at an interest rate of 4.375%. The bonds were purchased by the United States Department of Agriculture under the provisions of the Consolidated Farm and Rural Development Act. The bonds are secured by Hospital net revenues and payments of bond principal are also secured by an insurance policy issued by a commercial insurer.

The bond indenture agreement requires the Hospital to maintain certain financial ratios and other financial covenants. The Hospital was in compliance with all related covenants at June 30, 2014.

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014

NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 5. NONCURRENT LIABILITIES: (CONTINUED)

Annual principal and interest payments over the terms of long-term debt are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Payments</u>
2015	\$ 103,089	\$ 51,951	\$ 155,040
2016	13,069	47,194	60,263
2017	13,653	46,611	60,264
2018	14,262	46,001	60,263
2019	14,899	45,365	60,264
2020-2024	85,083	216,233	301,316
2025-2029	105,845	195,471	301,316
2030-2034	131,674	169,642	301,316
2035-2039	163,805	137,510	301,316
2040-2044	203,778	97,538	301,316
2045-2049	253,505	47,811	301,316
2050-2051	61,163	8,033	63,738
Totals	<u>\$ 1,163,825</u>	<u>\$ 1,103,902</u>	<u>\$ 2,267,727</u>

The Hospital leases certain equipment under a capital lease obligation. The following is a schedule of equipment and accumulated amortization:

	<u>Cost</u>	<u>Accumulated Amortization</u>
Laboratory equipment	<u>\$ 89,674</u>	<u>\$ 57,648</u>

Amortization of equipment under capital lease obligations was \$12,811 for 2014.

Year Ending June 30,	
2015	\$ 11,774
Total future minimum lease payments	11,774
Less amount representing interest	(184)
Present value of future minimum lease payments	11,590
Less current portion	(11,590)
Total capital lease obligation, net of current portion	<u>\$ -</u>

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014

NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 6. NET PATIENT SERVICE REVENUE:

The Hospital recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for charity care, the Hospital recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). On the basis of historical experience, a significant portion of the Hospital's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Hospital records a significant provision for bad debts related to uninsured patients in the period the services are provided. Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized in the period from these major payor sources, is as follows:

	Year Ending June 30, 2014
Patient service revenue (net of contractual Adjustments and discounts):	
Medicare	\$ 2,595,811
Medicaid	419,607
Other third-party payors	1,950,993
Patients	875,993
Subtotal	<u>5,842,404</u>
Less:	
Charity care	44,755
Provision for bad debts	<u>499,843</u>
Net patient service revenue	<u>\$ 5,297,806</u>

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

- *Medicare* – Inpatient acute care services and outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. The Hospital is reimbursed for some items at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare administrative contractor.

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 6. NET PATIENT SERVICE REVENUE: (CONTINUED)

- *Medicaid/SALUD!* – The State of New Mexico (the “State”) administers its Medicaid program through contracts with several Managed Care Organizations (MCOs). Medicaid beneficiaries are required to enroll with one of the MCOs. The State pays each MCO a per member, per month rate based on their current enrollment. These amounts are allocated by each MCO to separate pools for the hospital, physicians, and ancillary providers. As a result, the MCOs assume the financial risk of providing health care to its members.

The Hospital also has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Hospital under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. The net patient service revenue increased approximately \$173,000 in 2014, due to differences between original estimates and final settlements or revised estimates.

The Hospital provides charity care to patients who are financially unable to pay for the health care services they receive. The Hospital’s policy is not to pursue collection of amounts determined to qualify as charity care. Accordingly, the Hospital does not report these amounts in the net operating revenues or in the allowance for uncollectible accounts. The Hospital determines the costs associated with providing charity care by aggregating the applicable direct and indirect costs, including salaries, wages and benefits, supplies, and other operating expenses, based on data from its costing system. The costs of caring for charity care patients for the year ended June 30, 2014 were approximately \$38,000.

HOSPITAL NOTE 7. ELECTRONIC HEALTH RECORDS INCENTIVE PAYROLL:

The Hospital recognized Medicare and Medicaid electronic health records (HER) incentive payments during the year ended June 30, 2014. The EHR incentive payments are provided to invent hospitals and eligible providers to become meaningful users of EHR technology, not to reimburse providers for the cost of acquiring EHR assets. EHR incentive payments are therefore reported as operating revenue.

**STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 7. ELECTRONIC HEALTH RECORDS INCENTIVE PAYROLL: (CONTINUED)

The Hospital recognizes the Medicare incentive payment on the date that the Hospital has successfully complied with meaningful use criteria during the entire EHR reporting period. The Hospital attested to meaningful use with Centers for Medicare and Medicaid Services (CMS) in fiscal year 2014. The Medicare EHR reporting period is through September 30 of each year.

The Medicare incentive payment recognized is an estimate and subject to audit by CMS. The Medicare EHR incentive payment is based on the patient days and charity care reported in the Medicare cost report. Medicare incentive revenue of \$936,917 was recognized in 2014.

The Hospital recognizes the first of its three Medicaid incentive payments in the year that certified EHR technology is adopted, implemented, or upgraded or when such technology is meaningfully used under the Medicare EHR incentive program. The subsequent two payments will be issued when meaningful use is demonstrated under Medicare. A Medicaid incentive payment \$0 was recognized as revenue in 2014. Subsequent payments will be recognized when the Hospital has successfully complied with future meaningful use criteria.

HOSPITAL NOTE 8. MILL LEVY TAX:

A New Mexico law adopted in 1980 and amended in 1981, allows counties to provide expanded tax support to qualified hospitals. The Hospital received mill levy proceeds from the County approximating \$509,000 in 2014. Mill levies were used in accordance with the provisions of the 1980 Hospital Funding Act, as amended.

HOSPITAL NOTE 9. RETIREMENT PLANS:

The Hospital has a deferred compensation plan created in accordance with Internal Revenue Code §457. The name of the plan is Guadalupe County Hospital 457(b) Governmental Deferred Compensation Plan (the Compensation Plan). The Compensation Plan is available to all employees with at least 90 days of service and permits them to defer a portion of their salary until withdrawn in future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Employee contributions to the Compensation Plan totaled \$67,000 for the year ended June 30, 2014.

STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 9. RETIREMENT PLANS: (CONTINUED)

The Hospital provides a 401(a) profit-sharing pension plan for all employees with at least 90 days of service. The name of the plan is Guadalupe County Hospital 401(a) Plan (the Plan). The Hospital makes a contribution match of up to 3% of the employee's base wage. Employer contributions to the Plan are discretionary and are fully vested once the employee is eligible to participate in the 401(a) plan. The Hospital funds all retirement contributions and employees are not allowed to contribute to the Plan. Employer contributions to the Plan totaled approximately \$35,000 for the year ended June 30, 2014.

The plans are administered by the Hospital.

HOSPITAL NOTE 10. RISK MANAGEMENT AND CONTINGENCIES:

Medical malpractice claims – The Hospital has professional liability insurance coverage with Lexington Insurance Company. The policy provides protection on a "claims-made" basis whereby claims filed in the current year are covered by the current policy. If there are occurrences in the current year, these will only be covered in the year the claim is filed if claims-made coverage is obtained in that year or if the Hospital purchases insurance to cover prior acts. The current professional liability insurance provides \$3,000,000 per claim of primary coverage with an annual aggregate limit of \$3,000,000. The policy has a \$2,500 deductible per claim.

Industry regulations – The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditations, and government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity continues with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that the Hospital is in compliance with fraud and abuse statutes, as well as other applicable government laws and regulations.

While no regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions known or asserted at this time.

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 2014

NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 10. RISK MANAGEMENT AND CONTINGENCIES: (CONTINUED)

Health care reform – As a result of recently enacted federal health care reform legislation, substantial changes are anticipated in the United States of America’s health care system. Such legislation includes numerous provisions affecting the delivery of health care services, the financing of health care costs, reimbursement of health care providers, and the legal obligations of health insurers, providers, and employers. These provisions are currently slated to take effect at specified times over approximately the next decade. The federal health care reform legislation does not affect the 2014 financial statements.

HOSPITAL NOTE 11. CONCENTRATION OF RISK:

Receivables – The Hospital grants credit without collateral to its patients, most of who are local residents, and are insured under third-party payor agreements. The majority of these patients are geographically concentrated in and around Guadalupe County.

The mix of receivables from patients and third-party payors at June 30, 2014, was as follows:

	<u>Percentage</u>
Medicare	24
Medicaid	23
Patients	11
Commercial and Other	<u>40</u>
Total	<u>100</u>

Physicians – The Hospital is dependent on local physicians practicing in its service area to provide admissions and utilize hospital services on an outpatient basis. A decrease in the number of physicians providing these services or changes in their utilization patterns may have an adverse effect on hospital operations.

**STATE OF NEW MEXICO
GUADALUPE COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014**

NOTE 19. GUADALUPE COUNTY HOSPITAL (CONTINUED)

HOSPITAL NOTE 12. RELATED-PARTY TRANSACTIONS:

The Hospital entered into the following related-party transactions during the year ended June 30, 2014:

- The Hospital paid the lodging expenses of the Techttime Software Associates that helped install the new accounting and billing system. The amount paid to Travelodge Motel and Comfort Inn, both owned by one of the Hospital's board members during fiscal year 2014 for these expenses was \$4,513.

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

STATE OF NEW MEXICO
GUADALUPE COUNTY
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS
JUNE 30, 2014

SPECIAL REVENUE FUNDS

Correction Fee Fund – To account for funds that are used to defray expense of housing prisoners. Authorized by section 33-3-25, NMSA as amended by Chapter 27, Laws of 1985. Revenue source is from costs assessed in traffic offences committed within the County.

Environmental Gross Receipts Tax Fund – Authorized by section 7-20E-17, NMSA to account for a County environmental services gross receipts tax. The County is required to dedicate the entire revenue produced by the tax for the acquisition, construction, operation and maintenance of solid waste facilities, water facilities, sewer systems, and related facilities.

County Property Valuation Fund – To account for funds used to provide valuation services to the County and other local entities. This fund was created by authority of state statute (see Section 7-38-38.1, NMSA 1978 Compilation).

Emergency Medical Service (EMS) Fund – To account for revenues and expenditures for Emergency Medical Services in Guadalupe County. These funds were created by the authority of state statute (see Section 59A-53-5, NMSA 1978 Compilation).

E-911 Enhanced Fund – A grant from the State of New Mexico Department of Finance and Administration for the upkeep and maintenance of the communications equipment at the County's 911 dispatch center.

Farm and Range Fund – Authorized by the Federal Taylor Grazing Act. Expenditures are restricted to soil conservation, rodent control, and related activities.

Anton Chico Fire Fund – Authorized by section 59a-53-3, NMSA. To account for the provision of fire and ambulance protection to residents of the Anton Chico area. Financing provided by the allotments from the State.

Puerto De Luna Fire Fund – Authorized by section 59a-53-3, NMSA. To account for the provision of fire and ambulance protection to the residents of Arch area. Financing is provided by allotments from the State.

Guadalupe County Fire Fund – Authorized by section 59a-53-3, NMSA. To account for the provision of fire and ambulance protection to the residents of County. Financing is provided by allotments from the State.

STATE OF NEW MEXICO
GUADALUPE COUNTY
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS
JUNE 30, 2014

SPECIAL REVENUE FUNDS (CONTINUED)

Law Enforcement Fund – 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 Fund – Authorized by section 7-1-6.11, NMSA. To account for the provision of recreation to juvenile groups within the County. Revenues are provided by the County's allocation of State cigarette tax.

Rural Primary Health Care Act Fund – To account for state funds relating to the improvement of health care services in the County. The authority to create this fund was given by New Mexico Statute, Chapter 113.

La Loma Senior Center Fund – Grant from New Mexico Long Term Agency on Aging is to be used for renovations at the La Loma Senior Center.

DWI Grant – To account for grant funds from the Department of Finance and Administration to provide quality substance abuse treatment, community education, outreach and primary prevention services to citizens of Guadalupe County. This fund was created by authority of state statute (See Section 31-12-7 of NMSA).

DWI Distribution Fund – Authorized by NMSA 1978 sections 11-6A-1-6. To account for monies from the State to conduct DWI checkpoints across the State in an effort to reduce the number of people who are driving while under the influence of alcohol.

DWI Screening Fund – Referrals come from Magistrate and Municipal courts and also from the Juvenile Probation office. DWI offenders are normally screened after conviction. We screen at the courthouse and at the sheriff's office. The County charges \$100.00 for the screening fee. These fees are dependent on annual DWI convictions which have been decreasing in Guadalupe County. Costs attributed to screening include court attendance, telephone, internet, copy machine lease, supplies.

DWI Donation Fund – Funding is a donation that comes from Juvenile Probation Office from minors in possession fines in lieu of jail time.

STATE OF NEW MEXICO
GUADALUPE COUNTY
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS
JUNE 30, 2014

SPECIAL REVENUE FUNDS (CONTINUED)

Recording and Filing Program Fund – To account for monies collected by the County Clerk’s office for each instrument recorded and when the instrument is photocopied, in addition to any other fees authorized by law, the County Clerk may charge an equipment recording fee. The equipment recording fee revenues are expected to be expended only to rent, purchase, lease or lease-purchase equipment associated with recording, filing, maintaining or reproducing documents in the County Clerk’s office and for staff training on office procedures and equipment. Authorized by NMSA 14-8-12.2.

Emergency Management Fund – A federally funded grant from the Office of Emergency Management used to employ an emergency manager plus fringe benefits.

Homeland Security Fund – State grant issued by New Mexico Department of Homeland Security and Emergency Management. The monies are used for communications, emergency alert system and repeater sites, bay stations and backup batteries for repeaters. LETPP is also part of the grant and is used for Law Enforcement training.

Pecos Valley Water Fund – To account for fees used for the operation of the Pecos Valley Water.

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2014

	Corrections Fund 201	Environmental Gross Receipts Fund 202	County Property Valuation Fund 203	EMS Fund 206	E-911 Enhanced Fund 207
ASSETS					
<i>Current:</i>					
Cash and temporary investments	\$ 70,543	\$ 120,616	\$ 90,081	\$ 8,132	\$ -
Accounts receivable					
Property taxes	-	-	-	-	-
Intergovernmental	14,610	38,933	735	-	29,216
Other receivables	-	-	-	-	-
Prepaid insurance	-	-	-	-	-
Interfund balances	-	-	-	-	-
<i>Total current assets</i>	<u>\$ 85,153</u>	<u>\$ 159,549</u>	<u>\$ 90,816</u>	<u>\$ 8,132</u>	<u>\$ 29,216</u>
LIABILITIES AND FUND BALANCE					
<i>Current Liabilities:</i>					
Accounts payable	19,729	5,688	597	10	29,216
Accrued payroll liabilities	-	2,890	-	-	-
Accrued expenses	-	-	-	-	-
Interfund balances	-	-	-	-	-
<i>Total current liabilities</i>	<u>19,729</u>	<u>8,578</u>	<u>597</u>	<u>10</u>	<u>29,216</u>
DEFERRED INFLOWS					
Property taxes	-	-	-	-	-
<i>Total deferred inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE					
Nonspendable	-	-	-	-	-
Restricted	65,424	150,971	90,219	8,122	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total fund balance</i>	<u>65,424</u>	<u>150,971</u>	<u>90,219</u>	<u>8,122</u>	<u>-</u>
<i>Total liabilities, deferred inflows, and fund balance</i>	<u>\$ 85,153</u>	<u>\$ 159,549</u>	<u>\$ 90,816</u>	<u>\$ 8,132</u>	<u>\$ 29,216</u>

Farm and Range Fund 208	Anton Chico Fire Fund 2091	Puerto del Luna Fire Fund 2092	Guadalupe County Fire Fund 2093	Law Enforcement Fund 2110	Recreation Fund 217	Rural Primary Health Care Act Fund 2186
\$ 1	\$ 46,985	\$ 50,745	\$ 570	\$ -	\$ 4,449	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	9,667
-	-	-	-	-	-	-
<u>\$ 1</u>	<u>\$ 46,985</u>	<u>\$ 50,745</u>	<u>\$ 570</u>	<u>\$ -</u>	<u>\$ 4,449</u>	<u>\$ 9,667</u>
-	618	476	585	-	-	10,000
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>618</u>	<u>476</u>	<u>585</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1	46,367	50,269	-	-	4,449	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	(15)	-	-	(333)
<u>1</u>	<u>46,367</u>	<u>50,269</u>	<u>(15)</u>	<u>-</u>	<u>4,449</u>	<u>(333)</u>
<u>\$ 1</u>	<u>\$ 46,985</u>	<u>\$ 50,745</u>	<u>\$ 570</u>	<u>\$ -</u>	<u>\$ 4,449</u>	<u>\$ 9,667</u>

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2014

	La Loma Senior Center Fund 2191	DWI Grant Fund 2231	DWI Distribution Fund 2232	DWI Screening Fund 2233
ASSETS				
<i>Current:</i>				
Cash and temporary investments	\$ -	\$ -	\$ 1,702	\$ 1,686
Accounts receivable				
Property taxes	-	-	-	-
Intergovernmental	5,939	6,992	-	-
Other receivables	-	-	-	-
Prepaid insurance	-	-	-	-
Interfund balances	-	-	-	-
<i>Total current assets</i>	<u>\$ 5,939</u>	<u>\$ 6,992</u>	<u>\$ 1,702</u>	<u>\$ 1,686</u>
LIABILITIES AND FUND BALANCE				
<i>Current Liabilities:</i>				
Accounts payable	3,598	-	-	-
Accrued payroll liabilities	2,032	1,050	1,056	-
Accrued expenses	312	176	177	-
Interfund balances	15,614	5,765	-	-
<i>Total current liabilities</i>	<u>21,556</u>	<u>6,991</u>	<u>1,233</u>	<u>-</u>
DEFERRED INFLOWS				
Property taxes	-	-	-	-
<i>Total deferred inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balance:</i>				
Nonspendable	-	-	-	-
Restricted	-	1	469	1,686
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(15,617)	-	-	-
<i>Total fund balance</i>	<u>(15,617)</u>	<u>1</u>	<u>469</u>	<u>1,686</u>
<i>Total liabilities, deferred inflows, and fund balance</i>	<u>\$ 5,939</u>	<u>\$ 6,992</u>	<u>\$ 1,702</u>	<u>\$ 1,686</u>

DWI Donation Fund 2234	Recording and Filing Fund 225	Emergency Management Fund 2991	Homeland Security Fund 2992	Pecos Valley Water Fund 2994	Total
\$ 4,072	\$ 22,600	\$ 4	\$ 17,630	\$ 3,071	\$ 442,887
-	-	-	-	-	-
-	-	2,037	-	-	98,462
-	-	-	-	-	9,667
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 4,072</u>	<u>\$ 22,600</u>	<u>\$ 2,041</u>	<u>\$ 17,630</u>	<u>\$ 3,071</u>	<u>\$ 551,016</u>
423	-	318	-	-	71,258
-	-	1,056	-	-	8,084
-	-	177	-	-	842
-	-	-	-	-	21,379
<u>423</u>	<u>-</u>	<u>1,551</u>	<u>-</u>	<u>-</u>	<u>101,563</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>
-	-	-	-	-	-
3,649	22,600	490	17,630	3,071	465,418
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	(15,965)
<u>3,649</u>	<u>22,600</u>	<u>490</u>	<u>17,630</u>	<u>3,071</u>	<u>449,453</u>
<u>\$ 4,072</u>	<u>\$ 22,600</u>	<u>\$ 2,041</u>	<u>\$ 17,630</u>	<u>\$ 3,071</u>	<u>\$ 551,016</u>

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2014

	Corrections Fund 201	Environmental Gross Receipts Fund 202	County Property Valuation Fund 203	EMS Fund 206	E-911 Enhanced Fund 207
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	108,207	27,683	-	-	-
Other taxes	-	-	-	-	-
State grants	14,054	-	-	5,914	202,982
Federal grants	-	-	-	-	-
Licenses and fees	-	-	35,214	-	-
Charges for services	110,578	146,071	12	-	-
Miscellaneous	-	-	-	-	-
Contributions and donations	-	-	-	-	-
<i>Total revenues</i>	<u>232,839</u>	<u>173,754</u>	<u>35,226</u>	<u>5,914</u>	<u>202,982</u>
<i>Expenditures:</i>					
Current					
General government	-	-	13,199	-	-
Public safety	168,895	-	-	3,970	185,741
Culture and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Public works	-	272,700	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	13,571	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>182,466</u>	<u>272,700</u>	<u>13,199</u>	<u>3,970</u>	<u>185,741</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>50,373</u>	<u>(98,946)</u>	<u>22,027</u>	<u>1,944</u>	<u>17,241</u>
<i>Other financing sources (uses):</i>					
Operating transfers in	-	135,000	-	-	-
Proceeds from long-term debt	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>135,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	50,373	36,054	22,027	1,944	17,241
<i>Fund balances - beginning of year</i>	<u>15,051</u>	<u>114,917</u>	<u>68,192</u>	<u>6,178</u>	<u>(17,241)</u>
<i>Fund balances - end of year</i>	<u>\$ 65,424</u>	<u>\$ 150,971</u>	<u>\$ 90,219</u>	<u>\$ 8,122</u>	<u>\$ -</u>

Farm and Range Fund 208	Anton Chico Fire Fund 2091	Puerto del Luna Fire Fund 2092	Guadalupe County Fire Fund 2093	Law Enforcement Fund 2110	Recreation Fund 217	Rural Primary Health Care Act Fund 2186
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	47,241	47,242	-	23,000	-	144,667
5,991	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	1,800	-	-	-	-
-	-	3	-	-	-	-
-	-	-	5,000	-	-	-
<u>5,991</u>	<u>47,241</u>	<u>49,045</u>	<u>5,000</u>	<u>23,000</u>	<u>-</u>	<u>144,667</u>
-	-	-	-	-	-	-
-	32,979	36,726	6,980	6,411	-	-
-	-	-	-	-	9,551	-
33,500	-	-	-	-	-	135,000
-	-	-	-	-	-	-
-	-	-	-	66,499	-	-
-	-	12,143	-	16,874	-	-
-	-	-	-	-	-	-
<u>33,500</u>	<u>32,979</u>	<u>48,869</u>	<u>6,980</u>	<u>89,784</u>	<u>9,551</u>	<u>135,000</u>
(27,509)	14,262	176	(1,980)	(66,784)	(9,551)	9,667
24,617	-	-	-	-	12,366	-
-	-	-	-	66,499	-	-
<u>24,617</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,499</u>	<u>12,366</u>	<u>-</u>
(2,892)	14,262	176	(1,980)	(285)	2,815	9,667
<u>2,893</u>	<u>32,105</u>	<u>50,093</u>	<u>1,965</u>	<u>285</u>	<u>1,634</u>	<u>(10,000)</u>
\$ <u>1</u>	\$ <u>46,367</u>	\$ <u>50,269</u>	\$ <u>(15)</u>	\$ <u>-</u>	\$ <u>4,449</u>	\$ <u>(333)</u>

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2014

	La Loma Senior Center Fund 2191	DWI Grant Fund 2231	DWI Distribution Fund 2232	DWI Screening Fund 2233
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	-	-	-	-
Other taxes	-	-	-	-
State Grants	124,377	54,870	63,144	-
Federal Grants	31,375	-	-	-
Licenses and fees	-	-	-	-
Charges for services	15,605	-	-	2,156
Investment income	-	-	-	-
Miscellaneous	-	-	173	-
<i>Total revenues</i>	<u>171,357</u>	<u>54,870</u>	<u>63,317</u>	<u>2,156</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	54,367	64,931	2,589
Culture and recreation	-	-	-	-
Health and welfare	227,970	-	-	-
Public works	-	-	-	-
Capital outlay	24,516	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>252,486</u>	<u>54,367</u>	<u>64,931</u>	<u>2,589</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(81,129)</u>	<u>503</u>	<u>(1,614)</u>	<u>(433)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	81,334	-	-	-
Proceeds from long-term debt	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>81,334</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	205	503	(1,614)	(433)
<i>Fund balances - beginning of year</i>	<u>(15,822)</u>	<u>(502)</u>	<u>2,083</u>	<u>2,119</u>
<i>Fund balances - end of year</i>	<u>\$ (15,617)</u>	<u>\$ 1</u>	<u>\$ 469</u>	<u>\$ 1,686</u>

DWI Donation Fund 2234	Recording and Filing Fund 225	Emergency Management Fund 2991	Homeland Security Fund 2992	Pecos Valley Water Fund 2994	Total
\$ -	\$ -	\$ -	\$ -	-	\$ -
-	-	-	-	-	135,890
-	-	-	-	-	-
-	-	23,150	-	-	750,641
-	-	10,300	132,265	-	179,931
-	5,917	-	-	11,171	52,302
-	-	-	-	-	276,222
-	-	-	-	-	3
2,145	-	-	-	-	7,318
<u>2,145</u>	<u>5,917</u>	<u>33,450</u>	<u>132,265</u>	<u>11,171</u>	<u>1,402,307</u>
-	4,507	-	-	-	17,706
2,002	-	66,195	98,422	7,362	737,570
-	-	-	-	3,738	13,289
-	-	-	-	-	396,470
-	-	-	-	-	272,700
-	-	-	54,916	-	145,931
-	-	-	-	-	-
-	-	-	-	-	42,588
-	-	-	-	-	-
<u>2,002</u>	<u>4,507</u>	<u>66,195</u>	<u>153,338</u>	<u>11,100</u>	<u>1,626,254</u>
143	1,410	(32,745)	(21,073)	71	(223,947)
-	-	33,866	31,032	3,000	321,215
-	-	-	-	-	66,499
-	-	<u>33,866</u>	<u>31,032</u>	<u>3,000</u>	<u>387,714</u>
143	1,410	1,121	9,959	3,071	163,767
<u>3,506</u>	<u>21,190</u>	<u>(631)</u>	<u>7,671</u>	<u>-</u>	<u>285,686</u>
<u>\$ 3,649</u>	<u>\$ 22,600</u>	<u>\$ 490</u>	<u>\$ 17,630</u>	<u>\$ 3,071</u>	<u>\$ 449,453</u>

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 CORRECTIONS - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-3

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 98,000	\$ 98,000	\$ 108,207	\$ 10,207
Intergovernmental	20,000	20,000	17,655	(2,345)
Licenses and fees	-	-	-	-
Charges for services	200,000	200,000	110,578	(89,422)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	318,000	318,000	236,440	(81,560)
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	330,000	330,000	180,953	149,047
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	13,572	13,572	13,571	1
Interest	-	-	-	-
Total expenditures	343,572	343,572	194,524	149,048
<i>Excess (deficiency) of revenues over expenditures</i>	(25,572)	(25,572)	41,916	67,488
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	25,572	25,572	-	(25,572)
Total other financing sources (uses)	25,572	25,572	-	(25,572)
Net change in fund balances	\$ -	\$ -	41,916	\$ 41,916
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			(3,601)	
Changes in prepaids			-	
Changes in accounts payable			12,058	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			\$ 50,373	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 ENVIRONMENTAL GROSS RECEIPTS TAX - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-4

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 20,500	\$ 30,907	\$ 27,683	\$ (3,224)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	108,000	108,000	111,446	3,446
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>128,500</u>	<u>138,907</u>	<u>139,129</u>	<u>222</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	270,489	280,896	273,470	7,426
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>270,489</u>	<u>280,896</u>	<u>273,470</u>	<u>7,426</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(141,989)</u>	<u>(141,989)</u>	<u>(134,341)</u>	<u>7,648</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	135,000	135,000	135,000	-
Operating transfers (out)	-	-	-	-
Designated cash	6,989	6,989	-	(6,989)
<i>Total other financing sources (uses)</i>	<u>141,989</u>	<u>141,989</u>	<u>135,000</u>	<u>(6,989)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	659	<u>\$ 659</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			34,625	
Changes in prepaids			-	
Changes in accounts payable			137	
Changes in accrued liabilities			633	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 36,054</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 COUNTY PROPERTY VALUATION - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-5

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	25,000	25,000	34,479	9,479
Charges for services	-	-	12	12
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>25,000</u>	<u>25,000</u>	<u>34,491</u>	<u>9,491</u>
<i>Expenditures:</i>				
Current				
General government	53,729	53,729	12,602	41,127
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	5,000	5,000	-	5,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>58,729</u>	<u>58,729</u>	<u>12,602</u>	<u>46,127</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(33,729)</u>	<u>(33,729)</u>	<u>21,889</u>	<u>55,618</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	33,729	33,729	-	(33,729)
<i>Total other financing sources (uses)</i>	<u>33,729</u>	<u>33,729</u>	<u>-</u>	<u>(33,729)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>21,889</u>	<u>\$ 21,889</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			735	
Changes in prepaids			-	
Changes in accounts payable			(597)	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 22,027</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 EMS - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-6

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,010	6,010	5,914	(96)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>6,010</u>	<u>6,010</u>	<u>5,914</u>	<u>(96)</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	12,198	12,198	3,970	8,228
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,198</u>	<u>12,198</u>	<u>3,970</u>	<u>8,228</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(6,188)</u>	<u>(6,188)</u>	<u>1,944</u>	<u>8,132</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	6,188	6,188	-	(6,188)
<i>Total other financing sources (uses)</i>	<u>6,188</u>	<u>6,188</u>	<u>-</u>	<u>(6,188)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>1,944</u>	<u>\$ 1,944</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			-	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 1,944</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 E-911 ENHANCED - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-7

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	405,417	719,242	173,766	(545,476)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>405,417</u>	<u>719,242</u>	<u>173,766</u>	<u>(545,476)</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	405,417	719,242	173,766	545,476
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>405,417</u>	<u>719,242</u>	<u>173,766</u>	<u>545,476</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			29,216	
Changes in prepaids			-	
Changes in accounts payable			(11,975)	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 17,241</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 FARM AND RANGE - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-8

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	7,000	7,000	5,991	(1,009)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>7,000</u>	<u>7,000</u>	<u>5,991</u>	<u>(1,009)</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	33,500	33,500	33,500	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>33,500</u>	<u>33,500</u>	<u>33,500</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(26,500)</u>	<u>(26,500)</u>	<u>(27,509)</u>	<u>(1,009)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	23,607	23,607	24,617	1,010
Operating transfers (out)	-	-	-	-
Designated cash	2,893	2,893	-	(2,893)
<i>Total other financing sources (uses)</i>	<u>26,500</u>	<u>26,500</u>	<u>24,617</u>	<u>(1,883)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>(2,892)</u>	<u>\$ (2,892)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			-	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (2,892)</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 ANTON CHICO FIRE - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-9

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	47,241	47,241	51,592	4,351
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>47,241</u>	<u>47,241</u>	<u>51,592</u>	<u>4,351</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	54,077	54,077	32,660	21,417
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	10,000	10,000	-	10,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>64,077</u>	<u>64,077</u>	<u>32,660</u>	<u>31,417</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(16,836)</u>	<u>(16,836)</u>	<u>18,932</u>	<u>35,768</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	16,836	16,836	-	(16,836)
<i>Total other financing sources (uses)</i>	<u>16,836</u>	<u>16,836</u>	<u>-</u>	<u>(16,836)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>18,932</u>	<u>\$ 18,932</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			(4,351)	
Changes in accounts payable			(319)	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 14,262</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 PUERTO DE LUNA FIRE - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-10

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	47,241	47,241	51,593	4,352
Licenses and fees	-	-	-	-
Charges for services	1,800	1,800	1,800	-
Investment income	-	-	3	3
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>49,041</u>	<u>49,041</u>	<u>53,396</u>	<u>4,355</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	58,302	59,102	36,373	22,729
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	15,000	14,200	-	14,200
Debt service				
Principal	12,143	12,143	12,143	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>85,445</u>	<u>85,445</u>	<u>48,516</u>	<u>36,929</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(36,404)</u>	<u>(36,404)</u>	<u>4,880</u>	<u>41,284</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	36,404	36,404	-	(36,404)
<i>Total other financing sources (uses)</i>	<u>36,404</u>	<u>36,404</u>	<u>-</u>	<u>(36,404)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>4,880</u>	<u>\$ 4,880</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			(4,351)	
Changes in accounts payable			(353)	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 176</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 GUADALUPE COUNTY FIRE - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-11

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	5,000	5,000	-
Total revenues	-	5,000	5,000	-
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	1,964	6,964	6,395	569
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,964	6,964	6,395	569
<i>Excess (deficiency) of revenues over expenditures</i>	(1,964)	(1,964)	(1,395)	569
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	1,964	1,964	-	(1,964)
Total other financing sources (uses)	1,964	1,964	-	(1,964)
Net change in fund balances	\$ -	\$ -	(1,395)	\$ (1,395)
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			-	
Changes in accounts payable			(585)	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			\$ (1,980)	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 LAW ENFORCEMENT - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-12

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	23,000	23,000	23,000	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	23,000	23,000	23,000	-
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	6,411	6,411	6,411	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	66,499	66,499	-
Debt service				
Principal	16,874	16,874	16,874	-
Interest	-	-	-	-
Total expenditures	23,285	89,784	89,784	-
<i>Excess (deficiency) of revenues over expenditures</i>	(285)	(66,784)	(66,784)	-
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Proceeds from long term debt	-	66,499	66,499	-
Proceeds from long term debt	285	285	-	(285)
Total other financing sources (uses)	285	66,784	66,499	(285)
Net change in fund balances	\$ -	\$ -	(285)	\$ (285)
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			-	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			\$ (285)	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 RECREATION - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-13

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	14,000	14,000	9,551	4,449
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	14,000	14,000	9,551	4,449
<i>Excess (deficiency) of revenues over expenditures</i>	(14,000)	(14,000)	(9,551)	4,449
<i>Other financing sources (uses):</i>				
Operating transfers in	12,366	12,366	12,366	-
Operating transfers (out)	-	-	-	-
Designated cash	1,634	1,634	-	(1,634)
Total other financing sources (uses)	14,000	14,000	12,366	(1,634)
Net change in fund balances	\$ -	\$ -	2,815	\$ 2,815
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			-	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			\$ 2,815	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 RURAL PRIMARY HEALTH CARE ACT - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-14

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	154,333	154,333	144,667	(9,666)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	154,333	154,333	144,667	(9,666)
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	144,666	144,666	135,000	9,666
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	144,666	144,666	135,000	9,666
<i>Excess (deficiency) of revenues over expenditures</i>	9,667	9,667	9,667	-
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	\$ 9,667	\$ 9,667	9,667	\$ -
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			-	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			\$ 9,667	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 LA LOMA SENIOR CENTER - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-15

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	134,179	233,748	157,449	(76,299)
Licenses and fees	-	-	-	-
Charges for services	95,737	95,737	15,605	(80,132)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	229,916	329,485	173,054	(156,431)
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	220,956	227,574	225,826	1,748
Public works	-	-	-	-
Capital outlay	0.00	94,875	9,473	85,402
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	220,956	322,449	235,299	87,150
<i>Excess (deficiency) of revenues over expenditures</i>	8,960	7,036	(62,245)	(69,281)
<i>Other financing sources (uses):</i>				
Operating transfers in	10,434	10,434	81,334	70,900
Operating transfers (out)	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	10,434	10,434	81,334	70,900
Net change in fund balances	\$ 19,394	\$ 17,470	19,089	\$ 1,619
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			(1,697)	
Changes in prepaids			-	
Changes in accounts payable			(2,144)	
Changes in accrued liabilities			(15,043)	
Net Change in Fund Balances (GAAP Basis)			\$ 205	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 DWI GRANT - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-16

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	67,107	69,191	61,513	(7,678)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	67,107	69,191	61,513	(7,678)
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	53,472	55,556	53,819	1,737
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	53,472	55,556	53,819	1,737
<i>Excess (deficiency) of revenues over expenditures</i>	13,635	13,635	7,694	(5,941)
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	\$ 13,635	\$ 13,635	7,694	\$ (5,941)
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			(6,643)	
Changes in prepaids			-	
Changes in accounts payable			-	
Changes in accrued liabilities			(548)	
Net Change in Fund Balances (GAAP Basis)			\$ 503	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 DWI DISTRIBUTION - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-17

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	63,000	63,000	63,144	144
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	173	173	-
Total revenues	63,000	63,173	63,317	144
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	66,112	66,112	64,377	1,735
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	66,112	66,112	64,377	1,735
<i>Excess (deficiency) of revenues over expenditures</i>	(3,112)	(2,939)	(1,060)	1,879
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	3,112	2,939	-	(2,939)
Total other financing sources (uses)	3,112	2,939	-	(2,939)
Net change in fund balances	\$ -	\$ -	(1,060)	\$ (1,060)
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			-	
Changes in accounts payable			-	
Changes in accrued liabilities			(554)	
Net Change in Fund Balances (GAAP Basis)			\$ (1,614)	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 DWI SCREENING - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-18

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	2,500	2,500	2,156	(344)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,500</u>	<u>2,500</u>	<u>2,156</u>	<u>(344)</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	4,642	4,642	2,612	2,030
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,642</u>	<u>4,642</u>	<u>2,612</u>	<u>2,030</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,142)</u>	<u>(2,142)</u>	<u>(456)</u>	<u>1,686</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	2,142	2,142	-	(2,142)
<i>Total other financing sources (uses)</i>	<u>2,142</u>	<u>2,142</u>	<u>-</u>	<u>(2,142)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	(456)	<u>\$ (456)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			-	
Changes in accounts payable			23	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (433)</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 DWI DONATION - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-19

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	2,000	2,000	2,145	145
Total revenues	2,000	2,000	2,145	145
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	5,506	5,506	1,579	3,927
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	5,506	5,506	1,579	3,927
<i>Excess (deficiency) of revenues over expenditures</i>	(3,506)	(3,506)	566	4,072
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	3,506	3,506	-	(3,506)
Total other financing sources (uses)	3,506	3,506	-	(3,506)
Net change in fund balances	\$ -	\$ -	566	\$ 566
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			-	
Changes in accounts payable			(423)	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			\$ 143	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 RECORDING AND FILING - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-20

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	5,000	5,000	5,917	917
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,000</u>	<u>5,000</u>	<u>5,917</u>	<u>917</u>
<i>Expenditures:</i>				
Current				
General government	19,000	19,000	4,507	14,493
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	2,000	2,000	-	2,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>21,000</u>	<u>21,000</u>	<u>4,507</u>	<u>16,493</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(16,000)</u>	<u>(16,000)</u>	<u>1,410</u>	<u>17,410</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Designated cash	16,000	16,000	-	(16,000)
<i>Total other financing sources (uses)</i>	<u>16,000</u>	<u>16,000</u>	<u>-</u>	<u>(16,000)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>1,410</u>	<u>\$ 1,410</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			-	
Changes in prepaids			-	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 1,410</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 EMERGENCY MANAGEMENT - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-21

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	42,128	49,523	31,413	(18,110)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>42,128</u>	<u>49,523</u>	<u>31,413</u>	<u>(18,110)</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	67,731	74,952	65,939	9,013
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>67,731</u>	<u>74,952</u>	<u>65,939</u>	<u>9,013</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(25,603)</u>	<u>(25,429)</u>	<u>(34,526)</u>	<u>(9,097)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	33,866	33,866	33,866	-
Operating transfers (out)	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>33,866</u>	<u>33,866</u>	<u>33,866</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ 8,263</u>	<u>\$ 8,437</u>	(660)	<u>\$ (9,097)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			2,037	
Changes in prepaids			-	
Changes in accounts payable			(318)	
Changes in accrued liabilities			62	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 1,121</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 HOMELAND SECURITY - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-22

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	89,399	243,193	132,993	(110,200)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>89,399</u>	<u>243,193</u>	<u>132,993</u>	<u>(110,200)</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	91,069	220,169	98,422	121,747
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	5,273	60,999	54,916	6,083
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>96,342</u>	<u>281,168</u>	<u>153,338</u>	<u>127,830</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(6,943)</u>	<u>(37,975)</u>	<u>(20,345)</u>	<u>17,630</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	31,032	31,032
Operating transfers (out)	-	-	-	-
Designated cash	6,943	37,975	-	(37,975)
<i>Total other financing sources (uses)</i>	<u>6,943</u>	<u>37,975</u>	<u>31,032</u>	<u>(6,943)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>10,687</u>	<u>\$ 10,687</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			(728)	
Changes in prepaids			-	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 9,959</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 PECOS VALLEY WATER MASTERS - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2014

Statement B-23

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	10,000	10,000	11,171	1,171
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>10,000</u>	<u>10,000</u>	<u>11,171</u>	<u>1,171</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	10,000	10,000	7,362	2,638
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>10,000</u>	<u>10,000</u>	<u>7,362</u>	<u>2,638</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>3,809</u>	<u>3,809</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	3,000	3,000	3,000	-
Operating transfers (out)	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>6,809</u>	<u>\$ 3,809</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in receivables			(3,738)	
Changes in prepaids			-	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 3,071</u>	

See Notes to Financial Statements

FIDUCIARY FUNDS

**STATE OF NEW MEXICO
GUADALUPE COUNTY
FIDUCIARY FUNDS DESCRIPTIONS
JUNE 30, 2014**

FIDUCIARY FUNDS

AGENCY FUNDS

Agency Funds – To account for the collection and payment of property taxes and special fees to other governmental agencies. Agency funds are purely custodial and do not involve measurement of results of operations.

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 YEAR ENDED JUNE 30, 2014

Statement D-1

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
ASSETS				
Cash	\$ 500,312	\$ 14,728	\$ -	\$ 515,040
Property taxes receivable	404,758	1,958,146	1,917,256	445,648
<i>Total assets</i>	<u>\$ 905,070</u>	<u>\$ 1,972,874</u>	<u>\$ 1,917,256</u>	<u>\$ 960,688</u>
LIABILITIES				
Due to other taxing units	\$ 905,070	\$ 1,972,874	\$ 1,917,256	\$ 960,688
<i>Total liabilities</i>	<u>\$ 905,070</u>	<u>\$ 1,972,874</u>	<u>\$ 1,917,256</u>	<u>\$ 960,688</u>

See Notes to Financial Statements

SUPPORTING SCHEDULES

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY FOR PUBLIC FUNDS
 FOR THE YEAR ENDED JUNE 30, 2014

Schedule I

	Wells Fargo	FNB of New Mexico	Community First Bank	Total
Funds on Deposit				
Interest bearing deposits	\$ 8,077	143,835	218,889	370,801
Non-interest bearing deposits	1,696,332	-	-	1,696,332
Certificates of deposit	1,215,279	-	103,190	1,318,469
<i>Total on deposit:</i>	2,919,688	143,835	322,079	3,385,602
Less: FDIC insurance	500,000	143,835	322,079	965,914
Total uninsured public funds:	2,419,688	-	-	2,419,688
Pledged Collateral Required:				
50% on deposits	1,209,844	-	-	1,209,844
Pledged Collateral at June 30, 2014	1,267,124	-	105,820	1,372,944
Excess (Deficiency):	\$ 57,280	-	105,820	163,100
Pledged Collateral				
Broker	Type of Security			
BNY Mellon - New York, NY				
	FNMA 09/01/43 CUSIP# 3138X3XU1	\$ 1,199,054	-	-
	FNMA 01/01/43 CUSIP# 31417EKV2	68,070	-	-
Vining Sparks - Memphis, TN				
	FHLB 09/01/18 CUSIP# 311441HZ5	-	-	105,820
Totals:	\$ 1,267,124	-	105,820	1,372,944

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
 JUNE 30, 2014

Schedule II

Bank Account Type/Name	Wells Fargo Bank	Community 1st Bank of Las Vegas	First National Bank of New Mexico	NMFA Bank	NM State Treasurer	Totals
Checking - Operational Accounts	\$ 1,696,332	\$ 218,889	\$ 143,835	\$ -	\$ -	\$ 2,059,056
Checking - USDA/Dental Building	8,077	-	-	-	-	8,077
Trust - Courthouse Reserve	-	-	-	31,087	-	31,087
Trust - Guadalupe County PG Reserve	-	-	-	59,731	-	59,731
Hospital Med Account	-	-	-	-	-	-
Certificates of Deposit	1,215,279	103,190	-	-	-	1,318,469
State Treasurer Investments	-	-	-	-	142	142
Total on Deposit	2,919,688	322,079	143,835	90,818	142	3,476,562
Reconciling Items	(123,618)	-	-	-	-	(123,618)
Reconciled Balance June 30, 2014	<u>\$ 2,796,070</u>	<u>\$ 322,079</u>	<u>\$ 143,835</u>	<u>\$ 90,818</u>	<u>\$ 142</u>	3,352,944
Petty Cash						<u>445</u>
Combined Balance Sheet Total June 30, 2013						<u>\$ 3,353,389</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
GUADALUPE COUNTY
TAX ROLL RECONCILIATION - CHANGES IN PROPERTY TAXES RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2014

Schedule III

Property taxes receivable, beginning of year	\$ 618,740
Changes to Tax Roll:	
Net taxes charged to treasurer for fiscal year	3,488,990
Adjustments:	
Increases in taxes receivables	35,013
Charge off of taxes receivables	<u>(8,032)</u>
Total receivables prior to collections	4,134,711
Collections for fiscal year ended June 30, 2014	<u>(3,512,266)</u>
Property taxes receivable at June 30, 2014	<u>\$ 622,445</u>
Property taxes are reported as follows	
Governmental Funds:	
County portion	218,215
Agency portion	<u>404,230</u>
Total property taxes receivable	<u>\$ 622,445</u>
Property taxes receivable by years:	
2004	42,744
2005	70,059
2006	11,277
2007	9,412
2008	17,384
2009	23,771
2010	56,853
2011	71,638
2012	110,933
2013	<u>208,374</u>
Total property taxes receivable	<u>\$ 622,445</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 TREASURER'S PROPERTY TAX SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2014

Schedule IV
 (Page 1 of 4)

	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Current Amount Uncollectible	To-Date Amount Uncollectible	Undistributed at Year-End	County Receivable at Year-End
Guadalupe County									
Guadalupe County 2004	1,009,603	99	991,389	99	991,389	-	-	-	18,214
Guadalupe County 2005	1,050,858	133	1,027,741	133	1,027,741	-	-	-	23,117
Guadalupe County 2006	983,467	692	980,334	692	980,334	-	-	-	3,133
Guadalupe County 2007	1,051,951	1,776	1,049,095	1,776	1,049,095	-	-	-	2,856
Guadalupe County 2008	1,064,314	282	1,058,183	282	1,058,183	-	-	-	6,131
Guadalupe County 2009	1,175,227	876	1,167,705	876	1,167,705	-	-	-	7,522
Guadalupe County 2010	1,181,011	7,301	1,162,320	7,301	1,162,320	-	-	-	18,691
Guadalupe County 2011	1,251,137	13,928	1,226,225	13,928	1,226,225	-	-	-	24,912
Guadalupe County 2012	1,274,799	32,806	1,234,720	32,806	1,234,720	-	-	-	40,079
Guadalupe County 2013	1,360,953	1,287,416	1,287,416	1,287,416	1,287,416	-	-	-	73,537
Total Guadalupe County	<u>11,403,320</u>	<u>1,345,309</u>	<u>11,185,128</u>	<u>1,345,309</u>	<u>11,185,128</u>	-	-	-	<u>218,192</u>
Administrative Fees 2004	284	-	284	-	284	-	-	-	-
Administrative Fees 2005	263	-	259	-	259	-	-	-	4
Administrative Fees 2006	263	-	261	-	261	-	-	-	2
Administrative Fees 2007	288	-	282	-	282	-	-	-	6
Administrative Fees 2008	301	-	286	-	286	-	-	-	15
Administrative Fees 2009	269	-	256	-	256	-	-	-	13
Administrative Fees 2010	272	-	254	-	254	-	-	-	18
Administrative Fees 2011	292	2	281	2	281	-	-	-	11
Administrative Fees 2012	326	22	311	22	311	-	-	-	15
Administrative Fees 2013	361	335	335	335	335	-	-	-	26
Total Administrative Fees	<u>2,919</u>	<u>359</u>	<u>2,809</u>	<u>359</u>	<u>2,809</u>	-	-	-	<u>110</u>
Omitted Assessments Fee 2004	740	-	633	-	633	-	-	-	107
Omitted Assessments Fee 2005	50	-	50	-	50	-	-	-	-
Omitted Assessments Fee 2006	162	-	162	-	162	-	-	-	-
Omitted Assessments Fee 2007	369	-	327	-	327	-	-	-	42
Omitted Assessments Fee 2008	3,677	-	3,644	-	3,644	-	-	-	33
Omitted Assessments Fee 2009	26	-	20	-	20	-	-	-	6
Omitted Assessments Fee 2010	25	-	25	-	25	-	-	-	-
Omitted Assessments Fee 2011	945	16	945	16	945	-	-	-	-
Omitted Assessments Fee 2012	901	-	879	-	879	-	-	-	22
Omitted Assessments Fee 2013	1,030	1,027	1,027	1,027	1,027	-	-	-	3
Total Omitted Assessments Fee	<u>7,925</u>	<u>1,043</u>	<u>7,712</u>	<u>1,043</u>	<u>7,712</u>	-	-	-	<u>213</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 TREASURER'S PROPERTY TAX SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2013

Schedule IV
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Guadalupe County Hospital 2004	395,792	47	389,003	47	389,003	-	-	-	6,789
Guadalupe County Hospital 2005	412,145	75	403,601	75	403,601	-	-	-	8,544
Guadalupe County Hospital 2006	386,745	40	385,299	40	385,299	-	-	-	1,446
Guadalupe County Hospital 2007	411,873	162	410,468	162	410,468	-	-	-	1,405
Guadalupe County Hospital 2008	412,793	161	410,173	161	410,173	-	-	-	2,620
Guadalupe County Hospital 2009	455,385	399	452,160	399	452,160	-	-	-	3,225
Guadalupe County Hospital 2010	455,036	2,938	447,729	2,938	447,729	-	-	-	7,307
Guadalupe County Hospital 2011	481,486	17,966	471,415	17,966	471,415	-	-	-	10,071
Guadalupe County Hospital 2012	490,101	14,290	473,693	14,290	473,693	-	-	-	16,408
Guadalupe County Hospital 2013	519,814	489,515	489,515	489,515	489,515	-	-	-	30,299
Total Guadalupe County Hospital	<u>4,421,170</u>	<u>525,593</u>	<u>4,333,056</u>	<u>525,593</u>	<u>4,333,056</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,114</u>
Total Guadalupe County	<u>15,835,334</u>	<u>1,872,304</u>	<u>15,528,705</u>	<u>1,872,304</u>	<u>15,528,705</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>306,629</u>
State of New Mexico									
New Mexico State Treasurer 2004	127,807	1,583	126,143	1,583	126,143	-	-	-	1,664
New Mexico State Treasurer 2005	162,228	457	159,420	457	159,420	-	-	-	2,808
New Mexico State Treasurer 2006	159,570	874	158,211	874	158,211	-	-	-	1,359
New Mexico State Treasurer 2007	167,113	1,562	166,686	1,562	166,686	-	-	-	427
New Mexico State Treasurer 2008	158,496	456	157,568	456	157,568	-	-	-	928
New Mexico State Treasurer 2009	159,369	878	158,277	878	158,277	-	-	-	1,092
New Mexico State Treasurer 2010	198,680	1,571	195,723	1,571	195,723	-	-	-	2,957
New Mexico State Treasurer 2011	197,535	2,977	193,712	2,977	193,712	-	-	-	3,823
New Mexico State Treasurer 2012	199,888	7,527	193,620	7,527	193,620	-	-	-	6,268
New Mexico State Treasurer 2013	212,738	200,836	200,836	200,836	200,836	-	-	-	11,902
Total New Mexico State Treasurer	<u>1,743,424</u>	<u>218,721</u>	<u>1,710,196</u>	<u>218,721</u>	<u>1,710,196</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,228</u>
Total State of New Mexico	<u>1,743,424</u>	<u>218,721</u>	<u>1,710,196</u>	<u>218,721</u>	<u>1,710,196</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,228</u>
Municipalities									
Municipality of Santa Rosa 2004	179,892	779	179,512	779	179,512	-	-	-	380
Municipality of Santa Rosa 2005	197,602	1,579	188,450	1,579	188,450	-	-	-	9,152
Municipality of Santa Rosa 2006	177,615	14	177,223	14	177,223	-	-	-	392
Municipality of Santa Rosa 2007	183,574	6	183,532	6	183,532	-	-	-	42
Municipality of Santa Rosa 2008	191,814	8	191,740	8	191,740	-	-	-	74
Municipality of Santa Rosa 2009	207,894	221	206,157	221	206,157	-	-	-	1,737
Municipality of Santa Rosa 2010	206,069	685	200,586	685	200,586	-	-	-	5,483
Municipality of Santa Rosa 2011	213,472	4,668	204,679	4,668	204,679	-	-	-	8,793
Municipality of Santa Rosa 2012	216,989	12,362	204,442	12,362	204,442	-	-	-	12,547
Municipality of Santa Rosa 2013	217,200	196,101	196,101	196,101	196,101	-	-	-	21,099
Total Municipality of Santa Rosa	<u>1,992,121</u>	<u>216,423</u>	<u>1,932,422</u>	<u>216,423</u>	<u>1,932,422</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>59,699</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 TREASURER'S PROPERTY TAX SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2013

Schedule IV
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Municipality of Vaughn 2004	46,998	10	46,973	10	46,973	-	-	-	25
Municipality of Vaughn 2005	48,142	10	48,106	10	48,106	-	-	-	36
Municipality of Vaughn 2006	47,236	8	47,132	8	47,132	-	-	-	104
Municipality of Vaughn 2007	46,892	350	46,400	350	46,400	-	-	-	492
Municipality of Vaughn 2008	46,890	110	45,107	110	45,107	-	-	-	1,783
Municipality of Vaughn 2009	48,101	14	47,479	14	47,479	-	-	-	622
Municipality of Vaughn 2010	46,920	183	45,411	183	45,411	-	-	-	1,509
Municipality of Vaughn 2011	49,516	2	49,505	2	49,505	-	-	-	11
Municipality of Vaughn 2012	50,332	401	48,421	401	48,421	-	-	-	1,911
Municipality of Vaughn 2013	57,737	52,128	52,128	52,128	52,128	-	-	-	5,609
Total Municipality of Vaughn	488,764	53,216	476,662	53,216	476,662	-	-	-	12,102
Total Municipalities	2,480,885	269,639	2,409,084	269,639	2,409,084	-	-	-	71,801

School District

Santa Rosa Consolidated School #8 2004	721,332	82	716,734	82	716,734	-	-	-	4,598
Santa Rosa Consolidated School #8 2005	783,498	2,062	762,989	2,062	762,989	-	-	-	20,509
Santa Rosa Consolidated School #8 2006	845,524	1,040	841,510	1,040	841,510	-	-	-	4,014
Santa Rosa Consolidated School #8 2007	799,040	8,166	795,688	8,166	795,688	-	-	-	3,352
Santa Rosa Consolidated School #8 2008	512,691	1,122	508,493	1,122	508,493	-	-	-	4,198
Santa Rosa Consolidated School #8 2009	849,315	7,034	841,740	7,034	841,740	-	-	-	7,575
Santa Rosa Consolidated School #8 2010	791,257	7,405	775,215	7,405	775,215	-	-	-	16,042
Santa Rosa Consolidated School #8 2011	648,557	7,991	635,053	7,991	635,053	-	-	-	13,504
Santa Rosa Consolidated School #8 2012	545,427	15,386	527,590	15,386	527,590	-	-	-	17,837
Santa Rosa Consolidated School #8 2013	619,164	583,429	583,429	583,429	583,429	-	-	-	35,735
Total Santa Rosa Consolidated School #8	7,115,805	633,717	6,988,441	633,717	6,988,441	-	-	-	127,364

Vaughn Municipal School #33 2004	182,467	21,243	173,448	21,243	173,448	-	-	-	9,019
Vaughn Municipal School #33 2005	169,746	10	169,736	10	169,736	-	-	-	10
Vaughn Municipal School #33 2006	186,154	2	186,147	2	186,147	-	-	-	7
Vaughn Municipal School #33 2007	127,567	8	127,535	8	127,535	-	-	-	32
Vaughn Municipal School #33 2008	172,585	9	172,552	9	172,552	-	-	-	33
Vaughn Municipal School #33 2009	176,320	3	176,304	3	176,304	-	-	-	16
Vaughn Municipal School #33 2010	179,046	3	179,020	3	179,020	-	-	-	26
Vaughn Municipal School #33 2011	197,799	2,452	193,688	2,452	193,688	-	-	-	4,111
Vaughn Municipal School #33 2012	166,340	4,701	160,909	4,701	160,909	-	-	-	5,431
Vaughn Municipal School #33 2013	188,511	177,632	177,632	177,632	177,632	-	-	-	10,879
Total Vaughn Municipal School #33	1,746,535	206,063	1,716,971	206,063	1,716,971	-	-	-	29,564
Total School District	8,862,340	839,780	8,705,412	839,780	8,705,412	-	-	-	156,928

See Notes to Financial Statements

STATE OF NEW MEXICO
 GUADALUPE COUNTY
 TREASURER'S PROPERTY TAX SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2013

Schedule IV
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Special District

Luna Vocational Technical institute 2004	204,010	590	203,319	590	203,319	-	-	-	691
Luna Community College 2005	212,250	234	206,392	234	206,392	-	-	-	5,858
Luna Community College 2006	193,819	287	193,022	287	193,022	-	-	-	797
Luna Community College 2007	206,470	1,051	205,738	1,051	205,738	-	-	-	732
Luna Community College 2008	208,998	232	207,458	232	207,458	-	-	-	1,540
Luna Community College 2009	233,886	1,859	231,965	1,859	231,965	-	-	-	1,921
Luna Community College 2010	233,968	898	229,595	898	229,595	-	-	-	4,373
Luna Community College 2011	247,099	2,679	241,180	2,679	241,180	-	-	-	5,919
Luna Community College 2012	247,385	8,444	237,868	8,444	237,868	-	-	-	9,517
Luna Community College 2013	256,011	239,183	239,183	239,183	239,183	-	-	-	16,828
Total Luna Community College	2,243,896	255,457	2,195,720	255,457	2,195,720	-	-	-	48,176
Watermaster 2004	5,515	1	5,515	1	5,515	-	-	-	-
Watermaster 2005	3,296	4	3,296	4	3,296	-	-	-	-
Watermaster 2006	3,873	144	3,873	144	3,873	-	-	-	-
Watermaster 2007	3,762	138	3,762	138	3,762	-	-	-	-
Watermaster 2008	2,767	156	2,767	156	2,767	-	-	-	-
Watermaster 2009	2,384	178	2,382	178	2,382	-	-	-	2
Watermaster 2010	4,350	-	3,974	-	3,974	-	-	-	376
Watermaster 2011	3,817	652	3,432	652	3,432	-	-	-	385
Watermaster 2012	7,447	1,662	6,685	1,662	6,685	-	-	-	762
Watermaster 2013	11,836	10,273	10,273	10,273	10,273	-	-	-	1,563
Total Watermaster	49,047	13,208	45,959	13,208	45,959	-	-	-	3,088
Guadalupe Soil and Water 2004	23,264	-	22,007	-	22,007	-	-	-	1,257
Guadalupe Soil and Water 2005	25,673	-	25,652	-	25,652	-	-	-	21
Guadalupe Soil and Water 2006	24,742	2	24,719	2	24,719	-	-	-	23
Guadalupe Soil and Water 2007	24,406	-	24,380	-	24,380	-	-	-	26
Guadalupe Soil and Water 2008	23,854	2	23,825	2	23,825	-	-	-	29
Guadalupe Soil and Water 2009	27,601	22	27,561	22	27,561	-	-	-	40
Guadalupe Soil and Water 2010	31,016	37	30,945	37	30,945	-	-	-	71
Guadalupe Soil and Water 2011	33,170	124	33,072	124	33,072	-	-	-	98
Guadalupe Soil and Water 2012	34,471	229	34,335	229	34,335	-	-	-	136
Guadalupe Soil and Water 2013	43,635	42,741	42,741	42,741	42,741	-	-	-	894
Total Guadalupe Soil and Water	291,832	43,157	289,237	43,157	289,237	-	-	-	2,595
Total Special District	2,584,775	311,822	2,530,916	311,822	2,530,916	-	-	-	53,859
Grand Total	31,506,758	3,512,266	30,884,313	3,512,266	30,884,313	-	-	-	622,445

See Notes to Financial Statements

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 AUDITOR'S REPORT

To Hector H. Balderas
New Mexico State Auditor
The Board of County Commissioners
Guadalupe County
Santa Rosa, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, of Guadalupe County, New Mexico (the "County") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and the combining and individual funds and related budgetary comparisons of the County, presented as supplementary information, and have issued our report thereon dated November 14, 2014. Our report includes a reference to other auditors who audited the financial statements of Guadalupe County Hospital, as described in our report on Guadalupe County, New Mexico's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.

Compliance and Other Matters

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

The County's Responses 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The logo for Axiom, featuring the word "Axiom" in a blue, cursive script font.

Axiom CPAs and Business Advisors, LLC

Albuquerque, New Mexico

November 14, 2014

SECTION I – COMMENTS INCLUDED IN ACCORDANCE WITH NEW MEXICO STATE AUDIT RULE

2014-001 – PERA Compliance (Other Matter)

Condition: During our testwork of compliance with New Mexico Office of the State Auditor Rule 2.2.2.10.G.7, it was noted that in 2 of 26 pay periods tested, contribution percentages remitted to PERA for Law Enforcement employees did not comply with statutory contribution percentage requirements.

Criteria: Sections 10-11-15 through 10-11-115.7 NMSA 1978 set forth required contribution percentages for the employee for various retirement plans.

Effect: The County over-withheld PERA contributions from law enforcement employees for two pay periods, resulting in an underpayment of wages to these employees.

Cause: The incorrect PERA percentage was input into the accounting system at the beginning of the fiscal year for law enforcement employees.

Auditor's Recommendations: The County should request reimbursement from PERA for the over-contributions by law enforcement employees. Further, the County should reimburse law enforcement employees for the amount of PERA contributions that were over-withheld from these employees' paychecks. Finally, the County should implement a control to ensure that PERA rates are correctly input into the accounting system and are verified at the beginning of the fiscal year.

Management's Response: Management concurs with the auditor's recommendation and will request reimbursement from PERA, reimburse employees for the amounts that were over-withheld, and implement a control to ensure that PERA percentages are input correctly into the accounting system at the beginning of each fiscal year.

SECTION II – PRIOR YEAR AUDIT FINDINGS

FS 2013-01 – Cash Disbursements Control Deficiency (Significant Deficiency) (Resolved)

FS 2013-02 – Segregation of Duties in Cash Receipts Process (Significant Deficiency) (Resolved)

FS 2013-03 – Travel and Per Diem (Other Matters) (Resolved)

FA 2013-01 – Reporting (Other Compliance Matter) (Resolved)

FS 13-01 – Filing of Document with the State Auditor’s Office (Guadalupe County Hospital SA 13-01)
(Resolved)

**STATE OF NEW MEXICO
GUADALUPE COUNTY
EXIT CONFERENCE
JUNE 30, 2014**

Exit Conference

An exit conference was conducted on November 5, 2014, with the following individuals:

Guadalupe County

Alvin V. Maestas, Sr., Commission Chairman
George Dodge Jr., County Manager
Rose Fernandez, Finance Director
Monica Abeyta, Projects Manager
Gloria Jean Chavez, Finance Officer
Diana Urban, Treasurer
Faye Rogers, Senior Citizens Program Director

Axiom Certified Public Accountants and Business Advisors, LLC

Chris Garner, CPA, Partner

Auditor Prepared Financial Statements

Axiom Certified Public Accountants and Business Advisors, LLC prepared the GAAP-basis financial statements, related footnotes and supporting schedules from the original books and records provided to them by the management of the County. The County's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements, and the County accepts responsibility for the financial statements.