

STATE OF NEW MEXICO  
GUADALUPE COUNTY  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2016



## **INTRODUCTORY SECTION**

STATE OF NEW MEXICO  
GUADALUPE COUNTY  
OFFICIAL ROSTER  
JUNE 30, 2016

<u>Name</u>		<u>Title</u>
	<b><u>Board of County Commissioners</u></b>	
Albert E. Campos, Jr.		Commission Chairman
Ernest S. Tapia		Commission Vice-Chairman
James Eloy Moncayo		Commission Member
	<b><u>Elected Officials</u></b>	
Roberta Chavez		County Assessor
Patrick Martinez		County Clerk
Michael Lucero		County Sheriff
L. Diana Urban		County Treasurer
Adam J. Gallegos		Probate Judge
	<b><u>Administrative Officials</u></b>	
George Dodge Jr.		County Manager
Rose Fernandez		Finance Director
Susan A. Bailey		Chief Deputy Treasurer
Jesus L. Lopez		County Attorney

**STATE OF NEW MEXICO  
GUADALUPE COUNTY  
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JUNE 30, 2016**

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**FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

To Timothy Keller  
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, 2016, 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, debt service 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, 2016, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Guadalupe County Hospital, which represents 100 percent of the assets, net position, and revenues of the discretely presented component unit. 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, 2016, 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, 2016, and the respective changes in financial position and the respective budgetary comparisons for the major capital project fund, debt service 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, Schedule of the County's Proportionate Share of the Net Pension Liability on page 62, and Schedules of County Contributions on pages 63-65 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.

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

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2016 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.



Axiom CPAs and Business Advisors, LLC  
Albuquerque, New Mexico  
October 26, 2016

**STATE OF NEW MEXICO  
GUADALUPE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

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 four major funds: General Fund, Road Fund, Capital Projects Fund, and the Debt Service Fund. The Nonmajor Governmental Funds are comprised of 26 individual governmental funds and are described beginning on page 71 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 assets 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 2016 the County experienced an increase in net assets (net income) of \$654,738 (Exhibit B-2). This compares most favorably with the increase of \$576,012 reported for the prior year. This result comes from gains in the major governmental funds and in the nonmajor governmental funds.
- ◆ *Net Assets*—The assets and deferred outflows of the County exceeded its liabilities and deferred inflows at the close of FY 2016 by \$19,231,171 (Table I). The balance sheet has over 82% equity and less than 18% liability.

**STATE OF NEW MEXICO  
GUADALUPE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016**

- ◆ *Revenues*—Revenues decreased \$(252,144) from FY 2015 (Table II). Operating grants and contributions fell \$(181,567) during the year due to changes in the Sole Community Provider program. There is a corresponding decrease in expenditures related to the same program. There were revenue increases in General Tax revenue.
- ◆ *Expenditures*—There is a decrease in expenditures from the prior year in the amount of \$(828,156). The largest decrease in expenditures is in Public Safety where expenditures decreased by \$(217,074) because of the shortage of officers and vehicles were also not purchased this 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 position with positive net income. Additionally the cash in banks increased by \$372,996 or just over a 10% increase as of year-end.

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 JUNE 30, 2016

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, 2015 and 2016**

	2016	2015
Assets		
Cash	\$ 3,945,123	3,572,127
Receivables	362,164	528,997
Prepaid Insurance	72,345	56,891
Investments	-	
Capital assets	18,859,832	18,647,065
Total assets	\$ 23,239,464	22,805,080
Deferred outflows	\$ 209,980	169,982
Liabilities and net assets		
Current and other liabilities	\$ 289,854	286,489
Long-term liabilities	3,858,577	3,454,865
Total liabilities	\$ 4,148,431	3,741,354
Deferred inflows	\$ 87,842	675,275
Invested in capital assets, net of related debt	17,539,392	18,647,065
Restricted net assets	2,386,755	1,520,032
Unrestricted net assets	(712,976)	(1,608,644)
Total fund balance	\$ 19,213,171	18,558,433

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 JUNE 30, 2016

Table II

<b>Guadalupe County Government-Wide</b>		
<b>Condensed Statement of Activities - Governmental Activities</b>		
<b>Fiscal Year Ended June 30, 2016 and 2015</b>		
	2016	2015
Program Revenues		
Charges for services	\$ 904,618	882,916
Operating grants and contributions	2,311,877	2,493,444
General revenues		
Taxes	2,421,082	2,534,130
Investment	21,020	2,767
Other	452,695	450,179
Total Revenues	6,111,292	6,363,436
Expenditures		
General government	1,529,399	1,577,991
Public Works	1,895,466	2,493,152
Health and welfare	616,017	558,023
Public Safety	1,359,339	1,576,413
Culture and recreation	31,282	24,260
Interest and asset disposal	25,201	54,874
Total expenditures	5,456,554	6,284,710
Increase in net assets	654,738	78,726
Net Position, beginning	18,558,433	20,739,448
Restatement for GASB 68	-	(2,259,741)
Net Position, ending	\$ 19,213,171	18,558,433

STATE OF NEW MEXICO  
GUADALUPE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016

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 \$248,269 more than budgeted revenues. The most significant variance is in Property Taxes and state grants where the actual tax revenue exceeded budgeted tax revenue by \$68,983 and \$70,864 respectively. In every General Fund revenue category the actual revenues exceeded the budgeted revenues.
- ◆ Significant *expenditure variances* in actual results vs. budget—Actual general fund expenditures are \$1,041,101 less than budgeted expenditures. All categories of actual expenditures were below the budgeted amounts with the most significant variances being Public works where expenses were \$478,124 less than budgeted because of vacancies in personnel positions.
- ◆ 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, 2016

Table III

Guadalupe County  
 Statement of Revenues and Expenditures-  
 Budget and Actual - General Fund  
 Fiscal Year Ended June 30, 2016

	Final Budget	Actual	Variance
Revenues			
Taxes	\$ 1,586,280	1,655,263	68,983
Intergovernmental	674,165	745,029	70,864
Other	260,151	368,573	108,422
	<u>2,520,596</u>	<u>2,768,865</u>	<u>248,269</u>
Expenditures			
General Government	1,742,240	1,413,887	328,353
Public safety	522,386	497,130	25,256
Public works	647,620	169,496	478,124
Capital outlay	308,030	98,662	209,368
	<u>3,220,276</u>	<u>2,179,175</u>	<u>1,041,101</u>
Revenues over expenditures	<u>(699,680)</u>	<u>589,690</u>	<u>1,289,370</u>
Other financing sources (uses)			
Transfers, net	(272,744)	(503,376)	(230,632)
Designated Cash	643,566	-	(643,566)
Total other financing sources	<u>370,822</u>	<u>(503,376)</u>	<u>(874,198)</u>
GAAP Adjustments	<u>-</u>	<u>(12,170)</u>	<u>(12,170)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>74,144</u>	<u>74,144</u>



STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 JUNE 30, 2016

Table III — continued

<b>Guadalupe County</b>			
<b>Statement of Revenues and Expenditures-</b>			
<b>Budget and Actual - General Fund</b>			
<b>Fiscal Year Ended June 30, 2015</b>			
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues</b>			
Taxes	\$ 1,475,314	1,682,501	207,187
Intergovernmental	676,264	813,831	137,567
Investment	-	-	-
Other	243,704	356,750	113,046
	<u>2,395,282</u>	<u>2,853,082</u>	<u>457,800</u>
<b>Expenditures</b>			
General Government	1,654,808	1,442,593	212,215
Public safety	529,614	455,443	74,171
Public works	531,593	239,427	292,166
Debt service	-	-	-
Capital outlay	181,000	108,301	72,699
Total expenditures	<u>2,897,015</u>	<u>2,245,764</u>	<u>651,251</u>
Revenues over expenditures	<u>(501,733)</u>	<u>607,318</u>	<u>1,109,051</u>
<b>Other financing sources (uses)</b>			
Transfers, net	(141,833)	(195,839)	(54,006)
Proceeds of debt	-	-	-
Designated Cash	643,566	-	(643,566)
Total other financing sources	<u>501,733</u>	<u>(195,839)</u>	<u>(697,572)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>411,479</u>	<u>411,479</u>

STATE OF NEW MEXICO  
GUADALUPE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2016

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 20 to the financial statements.

Significant Capital Asset and Long-Term Debt Activity

- ◆ *Significant Capital Asset Additions*—Capital asset additions for FY 2016 total \$1,072,856 (Note 7). There was also \$378,039 of capital assets retired.
- ◆ *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 small decrease to Long-Term Debt.

## **BASIC FINANCIAL STATEMENTS**

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 STATEMENT OF NET POSITION  
 JUNE 30, 2016

Exhibit A-1  
 (Page 1 of 2)

	<u>Governmental Activities</u>	<u>Component Unit</u>
<b>ASSETS</b>		
<i>Current:</i>		
Cash and cash equivalents and temporary investments	\$ 3,945,123	503,060
Investments	-	7,122,500
Receivables (net of allowance for uncollectible)	362,164	1,029,676
Hospital receivables other than patient accounts	-	68,844
Prepaid expenses	72,345	44,766
Supplies inventory and other assets	-	386,398
<i>Total current assets</i>	<u>4,379,632</u>	<u>9,155,244</u>
<i>Noncurrent assets:</i>		
Restricted cash	-	582,000
Capital assets	46,368,591	15,023,891
Less: accumulated depreciation	<u>(27,508,759)</u>	<u>(3,409,565)</u>
Total capital assets	<u>18,859,832</u>	<u>11,614,326</u>
<i>Total noncurrent assets</i>	<u>18,859,832</u>	<u>12,196,326</u>
<i>Total assets</i>	<u>23,239,464</u>	<u>21,351,570</u>
<b>DEFERRED OUTFLOWS</b>		
Pension related	<u>209,980</u>	-
<i>Total deferred outflows</i>	<u>209,980</u>	-
<b>LIABILITIES</b>		
<i>Current liabilities:</i>		
Accounts payable	117,814	316,856
Accrued payroll liabilities	70,822	146,552
Estimated third-party payor settlements	-	-
Accrued expenses	8,390	20,917
Current portion of compensated absences	17,436	-
Current portion of long-term debt	<u>75,392</u>	<u>116,166</u>
<i>Total current liabilities</i>	<u>\$ 289,854</u>	<u>600,491</u>

See Notes to Financial Statements

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 STATEMENT OF NET POSITION  
 JUNE 30, 2016

Exhibit A-1  
 (Page 2 of 2)

	<u>Governmental Activities</u>	<u>Component Unit</u>
<i>Noncurrent liabilities:</i>		
Compensated absences	\$ 52,306	-
Unearned grant revenue	387,590	-
Noncurrent portion of long-term debt	1,245,048	827,753
Net pension liability	<u>2,173,633</u>	<u>-</u>
<i>Total noncurrent liabilities</i>	<u>3,858,577</u>	<u>827,753</u>
<i>Total liabilities</i>	<u>4,148,431</u>	<u>1,428,244</u>
<b>DEFERRED INFLOWS</b>		
Pension related	<u>87,842</u>	<u>-</u>
<i>Total deferred inflows</i>	<u>87,842</u>	<u>-</u>
<b>NET POSITION</b>		
Net investment in capital assets	17,539,392	10,649,490
Restricted for:		
Special revenues	1,785,655	-
Capital projects	601,100	582,000
Unrestricted	<u>(712,976)</u>	<u>8,691,836</u>
<i>Total net position</i>	<u>\$ 19,213,171</u>	<u>19,923,326</u>

See Notes to Financial Statements

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2016

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 1,529,399	119,751	745,029	-
Public safety	1,359,339	92,958	551,356	-
Culture and recreation	31,282	-	-	-
Health and welfare	616,017	356	491,293	-
Public works	1,895,466	691,553	524,199	-
Loss on disposition of assets	-	-	-	-
Interest relating to long-term debt	25,051	-	-	-
<b>Total primary government</b>	<b>5,456,554</b>	<b>904,618</b>	<b>2,311,877</b>	<b>-</b>
<b>Component unit:</b>				
Guadalupe County Hospital	10,001,489	8,828,852	727,842	-
<b>Total component unit</b>	<b>\$ 10,001,489</b>	<b>8,828,852</b>	<b>727,842</b>	<b>-</b>

**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

<b>Net (Expenses) Revenues and Changes in Net Position</b>	
<b>Governmental Activities</b>	<b>Component Unit</b>
(664,619)	-
(715,025)	-
(31,282)	-
(124,368)	-
(679,714)	-
-	-
<u>(25,051)</u>	<u>(43,706)</u>
<u>(2,240,059)</u>	<u>(43,706)</u>
<u>-</u>	<u>(444,795)</u>
<u>-</u>	<u>(488,501)</u>
1,593,170	-
794,432	-
33,480	-
-	589,919
-	-
452,695	64,740
21,020	185,211
<u>2,894,797</u>	<u>839,870</u>
654,738	351,369
<u>18,558,433</u>	<u>19,571,957</u>
<u>\$ 19,213,171</u>	<u>19,923,326</u>

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED JUNE 30, 2016

Exhibit B-1  
 (Page 1 of 2)

	General Fund 101	Road Fund 204	Capital Projects Funds 300	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
<i>Current:</i>					
Cash and temporary investments	\$ 2,023,511	557,336	594,653	769,623	3,945,123
Accounts receivable					
Property taxes	153,921	-	-	-	153,921
Intergovernmental	27,757	36,592	53,214	90,680	208,243
Other receivables	-	-	-	-	-
Prepaid expenses	40,012	10,779	-	21,554	72,345
Interfund receivables	-	-	-	-	-
<i>Total current assets</i>	<u>\$ 2,245,201</u>	<u>604,707</u>	<u>647,867</u>	<u>881,857</u>	<u>4,379,632</u>
<b>LIABILITIES AND FUND BALANCE</b>					
<i>Current liabilities:</i>					
Accounts payable	\$ 11,437	3,060	46,767	56,550	117,814
Accrued payroll liabilities	44,377	14,739	-	11,706	70,822
Accrued expenses	-	-	-	-	-
Interfund payables	-	-	-	-	-
<i>Total current liabilities</i>	<u>55,814</u>	<u>17,799</u>	<u>46,767</u>	<u>68,256</u>	<u>188,636</u>
<b>DEFERRED INFLOWS</b>					
Property taxes	118,009	-	-	-	118,009
Unspent grant revenues	-	387,590	-	-	387,590
<i>Total deferred inflows</i>	<u>118,009</u>	<u>387,590</u>	<u>-</u>	<u>-</u>	<u>505,599</u>
<b>FUND BALANCE (DEFICIT)</b>					
Nonspendable	40,012	10,779	-	21,554	72,345
Restricted	805,069	188,539	601,100	792,047	2,386,755
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	1,226,297	-	-	-	1,226,297
<i>Total fund balance (deficit)</i>	<u>2,071,378</u>	<u>199,318</u>	<u>601,100</u>	<u>813,601</u>	<u>3,685,397</u>
<i>Total liabilities, deferred inflows, and fund balance (deficit)</i>	<u>\$ 2,245,201</u>	<u>604,707</u>	<u>647,867</u>	<u>881,857</u>	<u>4,379,632</u>

See Notes to Financial Statements



**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, 2016**

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	\$ 3,685,397
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	18,859,832
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds.	209,980
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds:	
Property taxes	118,009
Accrued interest expense	(8,390)
Long-term liabilities, are not due in the current period and, therefore, are not reported in the funds	
Net pension liability	(2,173,633)
Notes payable	(1,320,440)
Compensated absences	(69,742)
Defined benefit pension plan deferred inflows are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(87,842)</u>
Total net position	<u>\$ 19,213,171</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, 2016

Exhibit B-2  
 (Page 1 of 2)

	General Fund 101	Road Fund 204	Capital Project Fund 300	Nonmajor Governmental Funds	Total Governmental Funds
<i>Revenues:</i>					
Property taxes	\$ 1,564,009	-	-	-	1,564,009
Gross receipts taxes	97,578	143,724	341,548	211,582	794,432
Other taxes	-	33,480	-	-	33,480
State grants	745,029	385,664	16,424	965,212	2,112,329
Federal grants	-	100,103	1,000	98,445	199,548
Licenses and fees	18,642	-	-	52,614	71,256
Charges for services	52,642	263,039	318,764	198,917	833,362
Miscellaneous	296,189	3,189	-	153,317	452,695
Contributions and donations	1,100	-	-	19,920	21,020
<b>Total revenues</b>	<b>2,775,189</b>	<b>929,199</b>	<b>677,736</b>	<b>1,700,007</b>	<b>6,082,131</b>
<i>Expenditures:</i>					
Current					
General government	1,432,381	-	-	31,350	1,463,731
Public safety	497,130	-	-	854,740	1,351,870
Culture and recreation	-	-	-	31,282	31,282
Health and welfare	-	-	-	614,045	614,045
Public works	169,496	837,538	24,156	195,998	1,227,188
Capital outlay	98,662	116,107	653,344	204,743	1,072,856
Debt service					
Principal	-	-	-	123,529	123,529
Interest	-	-	-	24,219	24,219
<b>Total expenditures</b>	<b>2,197,669</b>	<b>953,645</b>	<b>677,500</b>	<b>2,079,906</b>	<b>5,908,720</b>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>577,520</u>	<u>(24,446)</u>	<u>236</u>	<u>(379,899)</u>	<u>173,411</u>
<i>Other financing sources (uses):</i>					
Operating transfers	(503,376)	181,000	(141,140)	463,516	-
Proceeds from long-term debt	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(503,376)</b>	<b>181,000</b>	<b>(141,140)</b>	<b>463,516</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>74,144</b>	<b>156,554</b>	<b>(140,904)</b>	<b>83,617</b>	<b>173,411</b>
<b>Fund balances - beginning of year</b>	<u>1,997,234</u>	<u>42,764</u>	<u>742,004</u>	<u>729,984</u>	<u>3,511,986</u>
<b>Fund balances - end of year</b>	<u>\$ 2,071,378</u>	<u>199,318</u>	<u>601,100</u>	<u>813,601</u>	<u>3,685,397</u>

See Notes to Financial Statements

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, 2016

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	\$ 173,411
Change in net pension liability	117,375

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

Capital expenditures	1,072,856
Depreciation expense	(860,089)

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	29,161
---	--------

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	(673)
Note Proceeds	-
Principal payments on notes	123,529
Change in accrued interest on long-term debt	<u>(832)</u>
Change in net position	<u>\$ 654,738</u>

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, 2016

Exhibit C-1

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property taxes	\$ 1,493,280	1,493,280	1,557,685	64,405
Gross receipts taxes	93,000	93,000	97,578	4,578
State grants	664,005	674,165	745,029	70,864
Licenses and fees	10,800	10,800	18,642	7,842
Charges for services	28,104	28,104	52,642	24,538
Miscellaneous	202,000	221,247	296,189	74,942
Contributions and donations	-	-	1,100	1,100
<i>Total revenues</i>	<u>2,491,189</u>	<u>2,520,596</u>	<u>2,768,865</u>	<u>248,269</u>
<b>Expenditures</b>				
Current				
General government	1,742,240	1,742,240	1,413,887	328,353
Public safety	502,227	522,386	497,130	25,256
Public works	647,620	647,620	169,496	478,124
Capital outlay	298,782	308,030	98,662	209,368
<i>Total expenditures</i>	<u>3,190,869</u>	<u>3,220,276</u>	<u>2,179,175</u>	<u>1,041,101</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(699,680)</u>	<u>(699,680)</u>	<u>589,690</u>	<u>1,289,370</u>
<b>Other financing sources (uses):</b>				
Operating transfers	(272,744)	(272,744)	(503,376)	(230,632)
Proceeds from long-term debt	-	-	-	-
Designated cash	643,566	643,566	-	(643,566)
<i>Total other financing sources (uses)</i>	<u>370,822</u>	<u>370,822</u>	<u>(503,376)</u>	<u>(874,198)</u>
<b>Net changes in fund balances</b>	\$ <u>(328,858)</u>	<u>(328,858)</u>	86,314	<u>415,172</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			6,324	
Adjustments to expenditures			(18,494)	
Net Change in Fund Balances (GAAP Basis)			\$ <u>74,144</u>	

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, 2016

Exhibit C-2

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Gross receipts taxes	\$ 130,000	130,000	141,660	11,660
Other taxes	20,000	20,000	33,480	13,480
State grants	313,449	313,449	385,664	72,215
Federal grants	-	100,103	100,103	-
Charges for services	220,000	220,000	263,039	43,039
Miscellaneous	3,000	3,000	3,189	189
<i>Total revenues</i>	<u>686,449</u>	<u>786,552</u>	<u>927,135</u>	<u>140,583</u>
<b>Expenditures</b>				
Current				
Public works	883,112	918,629	831,918	86,711
Capital outlay	115,000	179,586	116,107	63,479
<i>Total expenditures</i>	<u>998,112</u>	<u>1,098,215</u>	<u>948,025</u>	<u>150,190</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(311,663)</u>	<u>(311,663)</u>	<u>(20,890)</u>	<u>290,773</u>
<b>Other financing sources (uses):</b>				
Operating transfers	-	-	181,000	181,000
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>181,000</u>	<u>181,000</u>
<b>Net changes in fund balances</b>	\$ <u><u>(311,663)</u></u>	<u><u>(311,663)</u></u>	160,110	<u><u>471,773</u></u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			2,064	
Adjustments to expenditures			<u>(5,620)</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u><u>156,554</u></u>	

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, 2016

Exhibit C-3

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Gross receipts taxes	\$ 380,000	380,000	266,068	(113,932)
State grants	20,000	145,000	16,424	(128,576)
Federal grants	500,000	500,000	1,000	(499,000)
Charges for services	221,600	247,100	318,764	71,664
<i>Total revenues</i>	<u>1,121,600</u>	<u>1,272,100</u>	<u>602,256</u>	<u>(669,844)</u>
<b>Expenditures</b>				
Current				
Public works	805,333	958,833	16,587	942,246
Capital outlay	788,880	788,880	653,344	135,536
<i>Total expenditures</i>	<u>1,594,213</u>	<u>1,747,713</u>	<u>669,931</u>	<u>1,077,782</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(472,613)</u>	<u>(475,613)</u>	<u>(67,675)</u>	<u>407,938</u>
<b>Other financing sources (uses):</b>				
Operating transfers	(144,140)	(144,140)	(141,140)	3,000
Designated cash	355,588	428,755	-	(428,755)
<i>Total other financing sources (uses)</i>	<u>211,448</u>	<u>284,615</u>	<u>(141,140)</u>	<u>(425,755)</u>
<b>Net changes in fund balances</b>	\$ <u>(261,165)</u>	<u>(190,998)</u>	(208,815)	<u>(17,817)</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			75,480	
Adjustments to expenditures			(7,569)	
Net Change in Fund Balances (GAAP Basis)			\$ <u>(140,904)</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2016

Exhibit D-1

	<u>Balance June 30, 2016</u>
<b>ASSETS</b>	
Cash on deposit	\$ 502,947
Property taxes receivable	<u>289,602</u>
<i>Total assets</i>	<u>\$ 792,549</u>
<b>LIABILITIES</b>	
Due to other taxing units	<u>\$ 792,549</u>
<i>Total liabilities</i>	<u>\$ 792,549</u>

See Notes to Financial Statements

**STATE OF NEW MEXICO  
GUADALUPE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**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.

**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 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 for which the County Commissioners are financially accountable. There are no other primary governments with which the County has a significant relationship.



STATE OF NEW MEXICO  
GUADALUPE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

**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.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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.

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, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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.

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.

STATE OF NEW MEXICO  
GUADALUPE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

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 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.

**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  
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 JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Assets, Liabilities and Net Position 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 10<sup>th</sup> and April 10<sup>th</sup>. Property taxes uncollected after November 10<sup>th</sup> and April 10<sup>th</sup> are considered delinquent and the County may assess penalties and interest. The taxes attach as an enforceable lien on 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, 2016.

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
Buildings	30-50
Building Improvements	4-20
Vehicles	4-12
Computer equipment	3-10
Other furniture and equipment	3-10

STATE OF NEW MEXICO  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Assets, Liabilities and Net Position or Equity (Continued)**

**Deferred Revenues:** The County recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as deferred revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be “available” under the current financial resources measurement focus are reported as deferred revenues in the governmental fund financial statements.

**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.

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.

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

**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.

STATE OF NEW MEXICO  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Assets, Liabilities and Net Position or Equity (Continued)**

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

*Net investment in capital assets:* Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted Net Position:* Consists 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.

*Unrestricted Net Position:* 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 \$2,386,755 of restricted net position of which \$896,587 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.

**Fund Balance for Subsequent Years Expenditures.** According to New Mexico State Statute and the New Mexico Department of Finance and Administration (DFA), Guadalupe County is required to reserve 3/12<sup>ths</sup> of the General Fund’s budgeted expenditures (\$805,069) for subsequent year expenditures to maintain an adequate cash flow until the next significant property tax collection. The DFA also requires that 1/12<sup>th</sup> of the Road Fund budgeted expenditures be reserved (\$91,518). The County has incorporated this reserve requirement within its financial policies approved by the County Commission. These balances are reported as assigned to subsequent years expenditures in the General Fund. The County is in compliance with these DFA requirements.

**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 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.

**STATE OF NEW MEXICO  
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JUNE 30, 2016**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Assets, Liabilities and Net Position or Equity (Continued)**

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.

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.



## **NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

### **Budgetary Information (Continued)**

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, 2016. 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, 2016.

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

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

Excess 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).

**STATE OF NEW MEXICO  
GUADALUPE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE 3. CASH AND TEMPORARY INVESTMENTS (CONTINUED)**

At June 30, 2016, \$1,412,715 of the County’s bank balance of \$4,611,581 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, 2016, the County’s investment of \$- 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.

As of June 30, 2016, 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	\$ 123	44 days
LGIP Reserve Contingency Fund	Unrated	\$ -	Non-Performing Asset
NMFA Treasury Fund	Unrated	\$ 91,329	< 1 year
Certificates of Deposit	Unrated	\$ 878,041	< 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](http://www.nmsto.gov). As of June 30, 2016, the LGIP had a credit risk rating of AAAM and a WAM(R) of 44 days and a WAM(F) of 77 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 1<sup>st</sup> Bank of Las Vegas Certificates of Deposit, First National Bank of New Mexico 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

STATE OF NEW MEXICO  
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**NOTE 3. CASH AND TEMPORARY INVESTMENTS (CONTINUED)**

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, 2016. The State of New Mexico is the regulatory oversight entity and participation in the pool is voluntary.

**NOTE 4. RECEIVABLES**

Receivables as of June 30, 2016 are as follows:

Fund	Property Taxes	Intergovernmental	Total
General	\$ 153,921	27,757	181,678
Road	-	36,592	36,592
Capital Projects	-	53,214	53,214
Nonmajor Governmental	-	127,624	127,624
Gross Receivables	153,921	245,187	399,108
Less: Allowance for Uncollectibles	-	36,944	36,944
Net Receivables	\$ 153,921	208,243	362,164

Receivables include amounts due from other governments, property taxes, and solid waste billings. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts. Allowances are reported when accounts are proven to be uncollectible. Allowances for uncollectible accounts netted with accounts receivable were \$36,944 for the year ended June 30, 2016. In accordance with GASB Statement No. 33, property tax receivables are presented net of deferred revenues in the governmental balance sheet. Deferred revenue -- property taxes totaled \$118,009 as presented in the general fund.

STATE OF NEW MEXICO  
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**NOTE 5. TRANSFERS**

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

<u>Governmental Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	503,376
Road	181,000	-
Capital Projects	100,000	241,140
Debt Service	137,483	-
Corrections	188,258	-
Farm and Range	27,423	-
Law Enforcement	-	16,671
Recreation	19,811	-
New Mexico Aging	3,955	-
Senior Center	104,636	-
DWI Grant	7,539	-
Emergency Management	41,082	-
Homeland Security	-	15,717
Windmill	-	50,000
Hazard Mitigation	15,717	-
<b>Totals</b>	<u>\$ 826,904</u>	<u>826,904</u>

**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 2017 through 2021.

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

<b>Year Ending June 30,</b>	
2017	\$ 173,486
2018	160,434
2019	104,880
2020	49,325
2021	<u>4,110</u>
Totals	<u>\$ 492,235</u>

STATE OF NEW MEXICO  
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 NOTES TO FINANCIAL STATEMENTS  
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**NOTE 7. CAPITAL ASSETS**

A summary of capital assets and changes occurring during the year ended June 30, 2016, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land and Construction in Progress are not subject to depreciation.

	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance June 30, 2016</u>
<b>Capital Assets Used in Governmental Activities:</b>					
Capital Assets, not depreciated:					
Land	\$ 273,711	-	-	50,000	323,711
Construction in progress	-	201,050	-	-	201,050
Total not depreciated	<u>273,711</u>	<u>201,050</u>	<u>-</u>	<u>50,000</u>	<u>524,761</u>
Capital Assets, depreciated					
Buildings	7,607,912	63,274	(103,494)	(50,000)	7,517,692
Machinery and Equipment	6,519,446	242,356	(224,910)	-	6,536,892
Furniture and Fixtures	634,683	41,841	(49,635)	-	626,889
Infrastructure	30,638,022	524,335	-	-	31,162,357
Total depreciated	<u>45,400,063</u>	<u>871,806</u>	<u>(378,039)</u>	<u>(50,000)</u>	<u>45,843,830</u>
Total Capital Assets	\$ <u>45,673,774</u>	<u>1,072,856</u>	<u>(378,039)</u>	<u>-</u>	<u>46,368,591</u>
<b>Less Accumulated Depreciation:</b>					
Buildings	\$ 3,733,738	112,380	(103,494)	-	3,742,624
Machinery & Equipment	4,896,337	370,839	(224,910)	-	5,042,266
Furniture & Fixtures	319,525	102,468	(49,635)	-	372,358
Infrastructure	18,077,109	274,402	-	-	18,351,511
Total accumulated depreciation	<u>27,026,709</u>	<u>860,089</u>	<u>(378,039)</u>	<u>-</u>	<u>27,508,759</u>
Net Capital Assets	\$ <u>18,647,065</u>				<u>18,859,832</u>

Depreciation expense for the year ended June 30, 2016 was charged to the following functions and funds:

General Government	\$ 103,210
Public Works	696,672
Health and Welfare	8,601
Public Safety	<u>51,606</u>
Total depreciation expense: governmental activities	<u>\$ 860,089</u>

STATE OF NEW MEXICO  
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 JUNE 30, 2016

**NOTE 8. LONG-TERM DEBT**

During the year ended June 30, 2016, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	<b>Balance June 30, 2015</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2016</b>	<b>Due Within One Year</b>
<i>Governmental Activities:</i>					
Notes Payable	\$ 1,443,969	-	(123,529)	1,320,440	75,392
Compensated Absences	69,069	3,741	(3,068)	69,742	17,436
<b>Total Long Term Debt</b>	<b>\$ 1,513,038</b>	<b>3,741</b>	<b>(126,597)</b>	<b>1,390,182</b>	<b>92,828</b>

Interest expense paid on long-term debt totaled \$46,611 for the year ended June 30, 2016 as indicated on the Statement of Activities.

The annual requirement to amortize the bond and notes payable as of June 30, 2016, including interest payments are as follows:

<b>Fiscal Year Ending June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
2017	\$ 75,392	43,252	118,646
2018	78,359	40,969	119,328
2019	80,432	38,547	118,979
2020	82,610	36,022	118,632
2021	85,889	33,394	119,283
2022-2026	410,462	124,043	534,505
2027-2031	128,788	73,157	201,945
2032-2036	84,000	58,373	142,373
2037-2041	98,000	43,320	141,320
2042-2046	116,000	25,601	141,601
2047-2049	80,508	5,485	85,993
<b>Totals</b>	<b>\$ 1,320,440</b>	<b>522,163</b>	<b>1,842,603</b>

**Notes Payable:** The County maintains multiple loans through the New Mexico Finance Authority (NMFA). These loans are for multiple purposes including police units, and historical courthouse restorations. Loan payments are payable from the debt service fund.

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 0.100% to 3.106% and loan payments are scheduled through 2027.

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  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016

**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 2049.

**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, 2016, compensated absences increased \$673 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, 2016, Guadalupe County had \$387,590 of deferred revenues related to Special Revenue Funds classified in the Road Fund.

**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.

**NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT**

**Plan description:** The Public Employees Retirement Fund (PERA Fund) is a cost-sharing, multiple employer defined benefit pension plan. This fund has six divisions of members, including State General, State Police/Adult Correction Officer, Municipal General, Municipal Police/Detention Officers, Municipal fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plan. All assets accumulated may be used to pay benefits, including refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division. Eligibility for membership in the PERA Fund is set forth in the Public

Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-19, NMSA 1978), the Magistrate Retirement Act (10-12C- 1 to 10-12C-18, NMSA 1978), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), and the provisions of Sections 29-4-1 through 29-4-11, NMSA 1978 governing the State Police Pension Fund, each employee and elected official of every affiliated public employer is required to be a member in the PERA Fund.

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**NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)**

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

**Benefits provided:** For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2015 available at <http://www.nmpera.org/assets/uploads/downloads/gasb-67-supplemental-reports/NM-PERA-Employer-Allocation-Report-FINAL-2015.pdf>.

**Contributions:** The contribution requirements of defined benefit plan members and the County are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY15 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY14 annual audit report at <http://osanm.org/media/audits/366-B PERA Schedule of Employer Allocations FY2015.pdf>. The PERA coverage options that apply to County are Municipal Plan 2 and Municipal Police Plan 5. Statutorily required contributions to the pension plan from the County were \$173,725 and employer paid member benefits that were “picked up” by the employer were \$0 for the year ended June 30, 2016.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:** The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2015. The assets of the PERA fund are held in one trust, but there are six distinct membership groups (municipal general members, municipal police members, municipal fire members, state general members, state police members and legislative members) for whom separate contribution rates are determined each year pursuant to chapter 10, Article 11 NMSA 1978. Therefore, the calculations of the net pension liability, pension expense and deferred Inflows and Outflows were performed separately for each of the membership groups: municipal general members; municipal police members; municipal fire members; state general members; state police members and legislative members. The County’s proportion of the net pension liability for each membership group that the employer participates in is based on the employer contributing entity’s percentage of that membership group’s total employer contributions for the fiscal year ended June 30, 2015. Only employer contributions for the pay period end dates that fell within the period of July 1, 2014 to June 30, 2015 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2015 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.



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**NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)**

For PERA Fund Division Municipal Plan 2, at June 30, 2016, the County reported a liability of \$1,654,789 for its proportionate share of the net pension liability. At June 30, 2015, the County's proportion was 0.1623% percent, which decreased 0.0021% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the County recognized PERA Fund Division Municipal Plan 2 pension expense of \$88,176. At June 30, 2016, the County reported PERA Fund Division Municipal Plan 2 deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	36,654
Changes in assumptions	-	645
Net difference between projected and actual earnings on pension plan investments	-	5,235
Changes in proportion and differences between County's contributions and proportionate share of contributions	-	-
County's contributions subsequent to the measurement date	130,120	-
Total	\$ 130,120	42,534

\$130,120 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	(43,829)
2018	(43,829)
2019	(43,829)
2020	88,953
2021	-
Thereafter	-

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**NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)**

For PERA Fund Division Municipal Police Plan 5, at June 30, 2016, the County reported a liability of \$518,844 for its proportionate share of the net pension liability. At June 30, 2016, the County's proportion was 0.1079% percent, which decreased 0.009% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2016, the County recognized PERA Fund Division Municipal Police Plan 5 pension expense of \$29,199. At June 30, 2016, the County reported PERA Fund Division Municipal Police Plan 5 deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 36,255	-
Changes in assumptions	-	21,466
Net difference between projected and actual earnings on pension plan investments	-	1,439
Changes in proportion and differences between County's contributions and proportionate share of contributions	-	22,403
County's contributions subsequent to the measurement date	<u>43,605</u>	<u>-</u>
Total	<u>\$ 79,860</u>	<u>45,308</u>

\$43,605 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	(4,418)
2018	(4,418)
2019	(4,418)
2020	22,307
2021	-
Thereafter	-

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**NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)**

**Actuarial assumptions:** As described above, the PERA Fund member group pension liabilities and net pension liabilities are based on actuarial valuations performed as of June 30, 2014 for each of the membership groups. Then each PERA Fund member group pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2015. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2015 actuarial valuation.

Actuarial valuation date	June 30, 2014
Actuarial cost method	Entry age normal
Amortization method	Level of percentage pay, open
Amortization period	Solved for based on statutory rates
Asset valuation method	Fair value
Actuarial assumptions	
Investment rate of return	7.75% annual rate, net of investment expense
Projected benefit payments	100 years
Payroll growth	3.50% annual rate
Projected salary increases	3.50% to 14.25% annual rate
Includes inflation at	3.00% annual rate
Mortality assumption	RP-2000 mortality tables (combined table for health post-retirements, employee table for active members, and disabled table for disabled retirees before retirement age) with projection to 2018 using Scale AA
Experience study dates	July 1, 2008 to June 30, 2013

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**NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)**

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

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

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

**Sensitivity of the County’s proportionate share of the net pension liability to changes in the discount rate:** The following tables show the sensitivity of the net pension liability to changes in the discount rate. In particular, the tables present the County’s net pension liability in each PERA Fund Division that the County participates in, under the current single rate assumption, as if it were calculated using a discount rate one percentage lower (6.75%) or one percentage point higher (8.75%) that the single discount rate.

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**NOTE 11. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)**

**PERA Fund Division Municipal Plan 2**

	<b>1% Decrease (6.75%)</b>	<b>Current Discount Rate (7.75%)</b>	<b>1% Increase (8.75%)</b>
County's proportionate share of the net pension liability	<u>\$ 2,817,449</u>	<u>1,654,789</u>	<u>668,116</u>

**PERA Fund Division Municipal Police Plan 5**

	<b>1% Decrease (6.75%)</b>	<b>Current Discount Rate (7.75%)</b>	<b>1% Increase (8.75%)</b>
County's proportionate share of the net pension liability	<u>\$ 856,839</u>	<u>518,844</u>	<u>241,573</u>

**Payables to the pension plan:** The County accrued \$5,478 in PERA benefits at June 30, 2016 for the pay period beginning June 20, 2016, and ending July 2, 2016.

**NOTE 12. 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, 2016.

**NOTE 13. CONTINGENT LIABILITIES**

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

**NOTE 14. 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.

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**NOTE 15. 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.

*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.

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**NOTE 15. GOVERNMENTAL FUND BALANCE (CONTINUED)**

Detail relating to the fund balance classifications is displayed below:

	General Fund 101	Road Fund 204	Capital Projects 300	Total Nonmajor Governmental Funds
Fund balances:				
Nonspendable:				
Prepaid insurance	\$ 40,012	10,779	-	21,554
Restricted for:				
Subsequent Years				
Expenditures	805,069	91,518	-	-
Housing of prisoners	-	-	-	40,847
Roads and highways	-	97,021	-	-
Care of indigent citizens	-	-	-	111,278
Capital projects	-	-	601,100	157,330
Emergency services	-	-	-	35,159
Fire departments	-	-	-	115,605
Law enforcement	-	-	-	20,767
Solid waste services	-	-	-	165,382
Valuation services	-	-	-	85,725
Soil conservation	-	-	-	4,635
Recreation	-	-	-	4,718
Homeland security	-	-	-	2,600
County clerk	-	-	-	24,519
Emergency management	-	-	-	4,043
Senior citizens	-	-	-	10,576
Rural health care	-	-	-	-
Water rights	-	-	-	5,329
Hazard mitigations	-	-	-	539
Debt Service	-	-	-	2,995
Committed:	-	-	-	-
Assigned to:				
Law enforcement	-	-	-	-
Hospital construction	-	-	-	-
Unassigned:	1,226,297	-	-	-
 Total fund balances	 \$ 2,071,378	 199,318	 601,100	 813,601

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**NOTE 16. RECENT ACCOUNTING PRONOUNCEMENTS**

In February 2015, the GASB issued statement No. 72, *Fair Value Measurement and Application*. This Statement provides guidance for determining the fair value and applying the fair value to certain investments and note disclosures. GASB Statement No. 72 was effective for periods ending after June 15, 2016. The adoption of GASB Statement No. 72 did not have any effect on the County's Financial Statements.

In June 2015, the GASB issued statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements No. 67 and 68*. This Statement establishes requirements for defined benefit pension plans and other pension plans not addressed under GASB Statement No. 68. This Statement also amends some requirements of GASB Statement No. 67 and GASB Statement No. 68. GASB Statement No. 73 clarifies requirements of GASB Statements No. 67 and 68 regarding the information that must be presented as notes to the required supplemental 10 year schedules, accounting and financial reporting for certain liabilities for individual employers and non-employer contributing entities, and the revenue recognition for non-employer contributing entities that are not in a special funding situation. This statement requires that all pensions under GASB Statement No. 68 that are not administered through trusts and meet the requirements of GASB Statement No. 68 not be classified as pension plan assets. The implementation of GASB No. 73 did not have an impact on the County's Financial Statements.

In June 2015, the GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. Statement No. 76, which supersedes Statement No. 55, aims to identify, in the context of the current governmental financial reporting environment, the hierarchy of U.S. GAAP, which consists of the sources of accounting principles used to prepare the financial statements of state and local governments entities in conformity with U.S. GAAP, as well as the framework for selecting those principles. The County adopted GASB Statement No. 76 during fiscal year 2016, with no significant impact to the County's financial statements.

In December 2015, the GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement establishes criteria that must be met for an external investment pool to be permitted to measure its investments at the amortized cost for financial reporting purposes. This Statement also requires that the pool participants of external investment pools that meet the criteria also report their investments at the amortized cost for financial reporting purposes. External Investment Pools that not meet the requirement are required to follow paragraph 16 of GASB Statement No. 31. GASB Statement No. 79 requires additional note disclosures to be made in qualifying external investment pools financial statements. The additional note disclosures are also required to be made in the pool participants financial statements. The adoption of GASB Statement No. 79 did not have a significant impact on the County's financial statements.



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**NOTE 17. NEW ACCOUNTING PRONOUNCEMENTS**

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2016.

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*

GASB Statement No. 77, *Tax Abatement Disclosures*

GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*

GASB Statement No. 80, *Blending Requirements for Certain Units – an amendment to GASB Statement No. 14*

GASB Statement No. 81, *Irrevocable Split-Interest Agreements*

GASB Statement No. 82, *Pension Issues (an Amendment of GASB Statements No. 67, No. 68, and No. 73)*

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.

**NOTE 18. 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), as well as operates an onsite retail pharmacy.

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.

**NOTE 18. GUADALUPE COUNTY HOSPITAL (CONTINUED)**

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

**a. Reporting Entity (Continued)**

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 in the event of hospital default. The management agreement in effect through December 31, 2016, stipulates that the Hospital pays 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 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 the 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.

***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.

***Investments*** – Investments are recorded at fair value. Fair value is determined using quoted market prices.

***Inventories*** – Inventories consist of medical, pharmaceutical, and laboratory supplies and are stated at cost using the first-in, first-out method.

***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.

**NOTE 18. GUADALUPE COUNTY HOSPITAL (CONTINUED)**

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

**b. Summary of Significant Accounting Policies (Continued)**

***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.

***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 three 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 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. *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 expenses are all expenses incurred to provide health care services, other than financing costs.

**NOTE 18. GUADALUPE COUNTY HOSPITAL (CONTINUED)**

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

**b. Summary of Significant Accounting Policies (Continued)**

**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. Expenditures cannot legally exceed the total fund budget. Any budget amendments are approved by the Board of Directors and County Commissioners. Budgeted amounts may be transferred between

**Budgets and budgetary accounting** – departments within a fund; however, any revisions that alter the total expenditures of a fund must be approved by the County Commissioners.

**Change in accounting policies** – Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurements and Application*, is effective for years beginning after June 15, 2015 (fiscal year ended June 30, 2016, for the Hospital). The statement establishes new requirements on how fair value should be measured, which assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements. The adoption of this statement has no impact on change in net position.

**Reclassifications** – Certain amounts have been reclassified in the 2015 financial statements in order to be consistent with the 2016 financial statements. These reclassifications had no effect on the previously reported change in net position.

**Subsequent events** – The Hospital has evaluated subsequent events through September 26, 2016, the date on which the financial statements were available to be issued.

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**NOTE 18. GUADALUPE COUNTY HOSPITAL (CONTINUED)**

**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.

Of the Hospital's total deposits of \$8,210,385 at June 30, 2016. None of the Hospital's bank balance was uninsured or undercollateralized.

**Fair value** – The Hospital categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Hospital's certificates of deposit are valued using quoted market prices (Level 2 input).

The Hospital's investments are as follows:

	2016					Investment Ratings
	Investment Maturities (in Years)					
	Fair Value	Less than One	One to Five	Six to Ten	More than Ten	
<i>Held at County</i>						
Certificates of deposit	\$ 503,061	503,061	-	-	-	Not applicable
<i>Wells Fargo</i>						
Money market	8,102	8,102	-	-	-	Not applicable
Certificates of deposit	6,611,337	752,123	5,608,521	250,693	-	Not applicable
<b>Total investments</b>	<b>\$ 7,122,500</b>	<b>1,263,286</b>	<b>5,608,521</b>	<b>250,693</b>	<b>-</b>	

**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.

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**NOTE 18. GUADALUPE COUNTY HOSPITAL (CONTINUED)**

**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.

The Hospital's allowance for uncollectible accounts for self-pay patients has not changed significantly from prior years. The Hospital does not maintain a material allowance for uncollectible accounts from third-party payors, nor did it have significant writeoffs from third-party payors.

Patient accounts receivable reported as current assets by the Hospital consisted of these amounts:

	<b>2016</b>
Receivable from patients and their insurance carriers	\$ 1,051,927
Receivable from Medicare	348,422
Receivable from Medicaid	144,714
Total patient accounts receivable	<u>1,545,063</u>
Less allowance for uncollectible accounts	<u>515,387</u>
<b>Net patient accounts receivable</b>	<u><u>\$ 1,029,676</u></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.

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2016

**NOTE 18. GUADALUPE COUNTY HOSPITAL (CONTINUED)**

**HOSPITAL NOTE 4. CAPITAL ASSETS (CONTINUED)**

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:

Land Improvements	10 years
Buildings and improvements	40 years
Equipment	3 to 20 years

Capital asset additions, retirements, transfers, and balances were as follows:

	Balance June 30, 2015	Additions	Retirements	Transfers	Balance June 30, 2016
<i>Capital Assets not being depreciated:</i>					
Land	\$ 187,363	-	-	-	187,363
Total capital assets not being depreciated	<u>187,363</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,363</u>
<i>Capital assets being depreciated:</i>					
Land improvements	227,803	14,845	-	-	242,648
Buildings and improvements	12,375,001	-	-	-	12,375,001
Equipment	2,218,879	-	-	-	2,218,879
Total capital assets being depreciated	<u>14,821,683</u>	<u>14,845</u>	<u>-</u>	<u>-</u>	<u>14,836,528</u>
<i>Less accumulated depreciation for:</i>					
Land improvements	(82,246)	(22,421)	-	-	(104,667)
Buildings and improvements	(1,240,679)	(312,268)	-	-	(1,552,947)
Equipment	(1,435,499)	(316,452)	-	-	(1,751,951)
Total accumulated depreciation	<u>(2,758,424)</u>	<u>(651,141)</u>	<u>-</u>	<u>-</u>	<u>(3,409,565)</u>
Total capital assets being depreciated, net	<u>12,063,259</u>	<u>(636,296)</u>	<u>-</u>	<u>-</u>	<u>11,426,963</u>
<b>Capital assets, net of accumulated depreciation</b>	<u>\$ 12,250,622</u>	<u>(636,296)</u>	<u>-</u>	<u>-</u>	<u>11,614,326</u>

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2016

**NOTE 18. GUADALUPE COUNTY HOSPITAL (CONTINUED)**

**HOSPITAL NOTE 5. NONCURRENT LIABILITIES:**

A schedule of changes in the Hospital's noncurrent liabilities is as follows:

	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Decreases</u>	<u>Balance June 30, 2016</u>	<u>Due Within One Year</u>
Revenue bonds payable	\$ 1,056,226	-	(112,307)	943,919	116,166
Compensated absences	61,047	84,495	(68,695)	76,847	76,847
<b>Total long-term debt and capital lease obligations</b>	<b>\$ 1,117,273</b>	<b>84,495</b>	<b>(181,002)</b>	<b>1,020,766</b>	<b>193,013</b>

**Long-term Debt** – The terms and due dates of the Hospital's long-term debt at June 30, 2016 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. Payments of \$157,463, including 4.375% interest, are payable annually on December 28. 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.

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>
2017	\$ 116,166	41,296	157,462
2018	121,248	36,214	157,462
2019	126,553	30,910	157,462
2020	132,090	25,373	157,462
2021	137,868	19,594	157,462
2022-2023	309,994	20,829	330,823
<b>Totals</b>	<b>\$ 943,919</b>	<b>174,216</b>	<b>1,118,135</b>



STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 NOTES TO FINANCIAL STATEMENTS  
 JUNE 30, 2016

**NOTE 18. 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. The Hospital's provision for bad debts and writeoffs have not changed significantly from the prior year. The Hospital has not changed its charity care or uninsured discount policies during fiscal year 2016. 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:

	<u>Year Ending June 30, 2016</u>
Patient service revenue (net of contractual adjustments and discounts):	
Medicare	\$ 3,815,994
Medicaid/Centennial Care	1,048,925
Other third-party payors	2,777,749
Patients	<u>749,339</u>
	<u>8,392,007</u>
Less:	
Charity care	101,826
Provision for bad debts	<u>799,838</u>
<b>Net patient service revenue</b>	<u>\$ 7,490,343</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, 2016

**NOTE 18. GUADALUPE COUNTY HOSPITAL (CONTINUED)**

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

- *Medicaid/Centennial Care* – 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 healthcare 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 \$420,000 in 2016, 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 and wages, 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, 2016 were approximately \$50,000, respectively. The Hospital did not receive any gifts or grants to subsidize charity care services during 2016. The safety net care pool subsidizes services to uninsured patients and unreimbursed Medicaid costs.

**HOSPITAL NOTE 7. ELECTRONIC HEALTH RECORDS INCENTIVE PAYROLL:**

The Hospital recognized Medicare and Medicaid electronic health records (EHR) incentive payments during the year ended June 30, 2016, and Medicare and Medicaid HER incentive payments during the year ended June 30, 2015. The EHR incentive payments are provided to incent 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, 2016**

**NOTE 18. 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 two meaningful use with Centers for Medicare and Medicaid Services (CMS) for the 90-day period ended December 31, 2015. 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 \$303,131 was recognized in 2016.

**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 \$590,000 in 2016. Mill levies were used in accordance with the provisions of the 1980 Hospital Funding Act, as amended.

**HOSPITAL NOTE 9. RETIREMENT PLAN:**

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 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 approximately \$82,000 for the year ended June 30, 2016.

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 plan. The Hospital funds all retirement contributions and employees are not allowed to contribute to the Plan. Employer contributions to the Plan totaled approximately \$37,000 for the year ended June 30, 2016.

The plans are administered by the Hospital. The Hospital has the authority to amend the plans.

**NOTE 18. GUADALUPE COUNTY HOSPITAL (CONTINUED)**

**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 \$5,000 deductible per claim.

**Risk Management** – The Hospital is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

**Industry regulations** – The healthcare 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 unasserted at this time.

**HOSPITAL NOTE 11. CONCENTRATION OF RISK:**

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

STATE OF NEW MEXICO  
GUADALUPE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2016

**NOTE 18. GUADALUPE COUNTY HOSPITAL (CONTINUED)**

**HOSPITAL NOTE 11. CONCENTRATION OF RISK (CONTINUED):**

The mix of receivables from patients and third-party payors was as follows:

	<b>2016</b>
Medicare	24%
Medicaid/Centennial Care	24%
Patients	16%
Commercial and Other	36%
<b>Total</b>	<b>100%</b>

**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.

**REQUIRED SUPPLEMENTARY INFORMATION**

**STATE OF NEW MEXICO**  
**GUADALUPE COUNTY**  
**SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**June 30, 2016**

Statement A-1

**Public Employees Retirement Association of New Mexico**  
**Schedule of Ten Year Tracking Data\***  
**(Dollars in Thousands)**

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
County's Proportion of the Net Pension Liability (Asset)	0.05%	0.27%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
County's Proportionate Share of Net Pension Liability (Asset)	\$ 1,664	2,174	-	-	-	-	-	-	-	-
County's Covered-Employee Payroll	\$ 1,563	1,593	-	-	-	-	-	-	-	-
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	106.46%	136.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.29%	76.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

\*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 SCHEDULE OF COUNTY CONTRIBUTIONS  
 June 30, 2016

Statement A-2  
 (Page 1 of 3)

Public Employees Retirement Association of New Mexico  
 Schedule of Ten Year Tracking Data  
 General and Police Divisions Combined Summary  
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 164	122	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	164	122	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	0	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods									
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 675	5		\$ 169	169	169	168	-				
2015	34	5			48	48	48	(110)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ 641			\$ 169	217	217	216	(110)	-	-	-	-

\*Excess contributions represent the employee portion covered by the employer



STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 SCHEDULE OF COUNTY CONTRIBUTIONS  
 June 30, 2016

Statement A-2  
 (Page 2 of 3)

Public Employees Retirement Association of New Mexico  
 Schedule of Ten Year Tracking Data  
 General Division  
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 122	128	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	122	128	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods									
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 503	5		\$ 126	126	126	125	-				
2015	43	5			44	44	44	(89)	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	<u>\$ 546</u>			<u>\$ 126</u>	<u>170</u>	<u>170</u>	<u>169</u>	<u>(89)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

\*Excess contributions represent the employee portion covered by the employer

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 SCHEDULE OF COUNTY CONTRIBUTIONS  
 June 30, 2016

Statement A-2  
 (Page 3 of 3)

Public Employees Retirement Association of New Mexico  
 Schedule of Ten Year Tracking Data  
 Police Division  
 (Dollars in Thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 42	40	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	42	40	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods									
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 172	5		\$ 43	43	43	43	-				
2015	(9)	5			4	4	4	(21)	-			
2016	-	5								-		
2017	-	5									-	
2018	-	5										-
2019	-	5										-
2020	-	5										-
2021	-	5										-
2022	-	5										-
2023	-	5										-
	<u>\$ 163</u>			<u>\$ 43</u>	<u>47</u>	<u>47</u>	<u>47</u>	<u>(21)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

\*Excess contributions represent the employee portion covered by the employer

**STATE OF NEW MEXICO  
GUADAUPE COUNTY  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2016**

**Changes of Benefit Terms.** The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2015 report is available at

<http://www.nmpera.org/assets/uploads/downloads/retirement-fund-valuation-reports/6-30-2015-Legislative-Valuation-Report-FINAL.pdf>

The summary of Key Findings for the PERA Fund (on page 2 of the report) states “the funding policy for the Plan determines the employer contribution required to fund the annual normal cost plus an amount to fully amortize the unfunded actuarial accrued liability (UAAL) over 30 years. The Plan has a significant surplus of assets over liabilities and the actuarially determined contribution for the Plan in the fiscal year ending June 30, 2016 (FY 2016) is \$0. This is a decrease from the employer contribution requirement of \$54,474 from the prior valuation”. For details about changes in the actuarial assumptions, see Appendix B on page 18 of the report.

**SUPPLEMENTARY INFORMATION**

**NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

STATE OF NEW MEXICO  
GUADALUPE COUNTY  
FUNDS DESCRIPTION  
JUNE 30, 2016

**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.

**Newkirk 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.

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

**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.

**STATE OF NEW MEXICO  
GUADALUPE COUNTY  
FUNDS DESCRIPTION  
JUNE 30, 2016**

**SPECIAL REVENUE FUNDS (CONTINUED)**

**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.

**New Mexico Aging Fund** – To account for funding received by the County from the North Central New Mexico Economic Development District (NCNMEDD) Non-Metro Area Agency on Aging (Non-Metro AAA), to promote the development of a comprehensive and coordinated service delivery system to meet the needs of older individuals (age 60 and older), in accordance with the Older Americans Act of 1965 (OAA), as amended, as provided by the State of New Mexico Aging and Long Term Services Department.

**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.

**Indigent Fund** – 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 7-2OE-9, NMSA 1978 Compilation).

**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.

**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.



STATE OF NEW MEXICO  
GUADALUPE COUNTY  
FUNDS DESCRIPTION  
JUNE 30, 2016

**SPECIAL REVENUE FUNDS (CONTINUED)**

**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.

**Windmill Program Fund** – 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 PILT payment to the County of \$136,567 for the life of the bonds (Taxable Industrial Revenue Bonds).

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

**Hazard Migration Fund** – To account for revenues received to help communities implement hazard mitigation measures following a Presidential major disaster declaration. Hazard mitigation is any action taken to reduce or eliminate long term risk to people and property from natural hazards. Mitigation planning is a key process used to breaking the cycle of disaster damage, reconstruction, and repeated damage. The HMPG is authorized under Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

**EMW Grant Fund** – To account for revenue received for interoperable communications.

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	Corrections Fund 201	Environmental Gross Receipts Fund 202	County Property Valuation Fund 203
<b>ASSETS</b>			
<i>Current assets:</i>			
Cash and temporary investments	\$ 56,227	162,861	86,428
Accounts receivable			
Property taxes	-	-	-
Intergovernmental	9,430	9,828	286
Other receivables	-	-	-
Prepaid insurance	-	-	924
Interfund receivables	-	-	-
<i>Total current assets</i>	<u>\$ 65,657</u>	<u>172,689</u>	<u>87,638</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>			
<i>Current liabilities:</i>			
Accounts payable	\$ 24,810	5,746	186
Accrued payroll liabilities	-	1,561	803
Accrued expenses	-	-	-
Interfund payables	-	-	-
<i>Total current liabilities</i>	<u>24,810</u>	<u>7,307</u>	<u>989</u>
<i>Deferred inflows:</i>			
Unavailable revenue	-	-	-
<i>Total deferred inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances (deficit)</i>			
Nonspendable	-	-	924
Restricted	40,847	165,382	85,725
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance (deficit)</i>	<u>40,847</u>	<u>165,382</u>	<u>86,649</u>
<i>Total liabilities, deferred inflows, and fund balance (deficit)</i>	<u>\$ 65,657</u>	<u>172,689</u>	<u>87,638</u>

See Notes to Financial Statements

EMS Fund 206	E-911 Enhanced Fund 207	Farm and Range Fund 208	Anton Chico Fire Fund 2091	Puerto del Luna Fire Fund 2092	Newkirk Fire Fund 2093
5,377	-	4,635	41,140	60,367	15,382
-	-	-	-	-	-
-	29,792	-	-	-	-
-	-	-	-	-	-
-	-	-	6,417	6,161	5,683
-	-	-	-	-	-
<u>5,377</u>	<u>29,792</u>	<u>4,635</u>	<u>47,557</u>	<u>66,528</u>	<u>21,065</u>
10	-	-	745	395	144
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>10</u>	<u>-</u>	<u>-</u>	<u>745</u>	<u>395</u>	<u>144</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	6,417	6,161	5,683
5,367	29,792	4,635	40,395	59,972	15,238
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,367</u>	<u>29,792</u>	<u>4,635</u>	<u>46,812</u>	<u>66,133</u>	<u>20,921</u>
<u>5,377</u>	<u>29,792</u>	<u>4,635</u>	<u>47,557</u>	<u>66,528</u>	<u>21,065</u>

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	Law Enforcement Fund 211	Recreation Fund 217	New Mexico Aging Fund 2183
<b>ASSETS</b>			
<i>Current assets:</i>			
Cash and temporary investments	\$ -	4,718	-
Accounts receivable			
Property taxes	-	-	-
Intergovernmental	-	-	-
Other receivables	-	-	-
Prepaid insurance	-	-	-
Interfund receivables	-	-	-
<i>Total current assets</i>	<u>\$ -</u>	<u>4,718</u>	<u>-</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>			
<i>Current liabilities:</i>			
Accounts payable	\$ -	-	-
Accrued payroll liabilities	-	-	-
Accrued expenses	-	-	-
Interfund payables	-	-	-
<i>Total current liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Deferred inflows:</i>			
Unavailable revenue	-	-	-
<i>Total deferred inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances (deficit)</i>			
Nonspendable	-	-	-
Restricted	-	4,718	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balance (deficit)</i>	<u>-</u>	<u>4,718</u>	<u>-</u>
<i>Total liabilities, deferred inflows, and fund balance (deficit)</i>	<u>\$ -</u>	<u>4,718</u>	<u>-</u>

See Notes to Financial Statements

Rural Primary Health Care Act Fund 2186	Senior Center Fund 219	Indigent Fund 220	DWI Grant Fund 2231	DWI Distribution Fund 2232	DWI Screening Fund 2233
-	12,379	105,673	1,994	6,723	1,451
-	-	-	-	-	-
9,667	3,913	9,429	7,539	-	-
-	-	-	-	-	-
-	2,189	-	-	-	-
-	-	-	-	-	-
<u>9,667</u>	<u>18,481</u>	<u>115,102</u>	<u>9,533</u>	<u>6,723</u>	<u>1,451</u>
9,667	2,066	3,824	-	30	87
-	3,650	-	130	3,557	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>9,667</u>	<u>5,716</u>	<u>3,824</u>	<u>130</u>	<u>3,587</u>	<u>87</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	2,189	-	-	-	-
-	10,576	111,278	9,403	3,136	1,364
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>12,765</u>	<u>111,278</u>	<u>9,403</u>	<u>3,136</u>	<u>1,364</u>
<u>9,667</u>	<u>18,481</u>	<u>115,102</u>	<u>9,533</u>	<u>6,723</u>	<u>1,451</u>

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 COMBINING BALANCE SHEET  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2016

	DWI Donation Fund 2234	Recording and Filing Fund 225	Emergency Management Fund 2991	Homeland Security Fund 2992
<b>ASSETS</b>				
<i>Current assets:</i>				
Cash and temporary investments	\$ 6,985	24,519	3,237	2,600
Accounts receivable				
Property taxes	-	-	-	-
Intergovernmental	-	-	10,311	-
Other receivables	-	-	-	-
Prepaid insurance	-	180	-	-
Interfund receivables	-	-	-	-
<i>Total current assets</i>	<u>\$ 6,985</u>	<u>24,699</u>	<u>13,548</u>	<u>2,600</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>				
<i>Current liabilities:</i>				
Accounts payable	\$ 121	-	7,500	-
Accrued payroll liabilities	-	-	2,005	-
Accrued expenses	-	-	-	-
Interfund payables	-	-	-	-
<i>Total current liabilities</i>	<u>121</u>	<u>-</u>	<u>9,505</u>	<u>-</u>
<i>Deferred inflows:</i>				
Unavailable revenue	-	-	-	-
<i>Total deferred inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances (deficit)</i>				
Nonspendable	-	180	-	-
Restricted	6,864	24,519	4,043	2,600
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balance (deficit)</i>	<u>6,864</u>	<u>24,699</u>	<u>4,043</u>	<u>2,600</u>
<i>Total liabilities, deferred inflows, and fund balance (deficit)</i>	<u>\$ 6,985</u>	<u>24,699</u>	<u>13,548</u>	<u>2,600</u>

See Notes to Financial Statements

Windmill Fund 2993	Pecos Valley Water Fund 2994	Hazard Mitigation Fund 2995	2014 EMW Grant Fund 2996	Debt Service Fund 403	Total
157,330	6,063	539	-	2,995	769,623
-	-	-	-	-	-
-	485	-	-	-	90,680
-	-	-	-	-	-
-	-	-	-	-	21,554
-	-	-	-	-	-
<u>157,330</u>	<u>6,548</u>	<u>539</u>	<u>-</u>	<u>2,995</u>	<u>881,857</u>
-	1,219	-	-	-	56,550
-	-	-	-	-	11,706
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>1,219</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,256</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	21,554
157,330	5,329	539	-	2,995	792,047
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>157,330</u>	<u>5,329</u>	<u>539</u>	<u>-</u>	<u>2,995</u>	<u>813,601</u>
<u>157,330</u>	<u>6,548</u>	<u>539</u>	<u>-</u>	<u>2,995</u>	<u>881,857</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, 2016

	Corrections Fund 201	Environmental Gross Receipts Fund 202	County Property Valuation Fund 203
<b>Revenues</b>			
Property taxes	\$ -	-	-
Gross receipts taxes	97,580	16,424	-
Other taxes	-	-	-
State grants	6,067	59	-
Federal grants	-	-	-
Licenses and fees	-	-	39,816
Charges for services	90,058	105,143	460
Miscellaneous	-	-	-
Contributions and donations	-	-	-
<i>Total revenues</i>	<u>193,705</u>	<u>121,626</u>	<u>40,276</u>
<b>Expenditures</b>			
Current			
General government	-	-	27,738
Public safety	341,368	-	-
Culture and recreation	-	-	-
Health and welfare	-	-	-
Public works	-	170,998	-
Capital outlay	-	-	31,511
Debt service			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>341,368</u>	<u>170,998</u>	<u>59,249</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(147,663)</u>	<u>(49,372)</u>	<u>(18,973)</u>
<b>Other financing sources (uses):</b>			
Operating transfers	188,258	-	-
Proceeds from long-term debt	-	-	-
<i>Total other financing sources (uses)</i>	<u>188,258</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	40,595	(49,372)	(18,973)
<b>Fund balances - beginning of year</b>	<u>252</u>	<u>214,754</u>	<u>105,622</u>
<b>Fund balances - end of year</b>	<u>\$ 40,847</u>	<u>165,382</u>	<u>86,649</u>

See Notes to Financial Statements



EMS Fund 206	E-911 Enhanced Fund 207	Farm and Range Fund 208	Anton Chico Fire Fund 2091	Puerto del Luna Fire Fund 2092	Newkirk Fire Fund 2093
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
8,500	126,557	-	49,013	73,960	65,518
-	-	10,634	-	-	1,680
-	-	-	-	-	-
-	-	-	-	1,650	-
-	-	-	-	150	-
-	-	-	2,077	-	-
<u>8,500</u>	<u>126,557</u>	<u>10,634</u>	<u>51,090</u>	<u>75,760</u>	<u>67,198</u>
-	-	-	-	-	-
13,805	102,398	-	32,298	30,472	59,806
-	-	-	-	-	-
-	-	34,500	-	-	-
-	-	-	-	-	-
-	-	-	-	26,370	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>13,805</u>	<u>102,398</u>	<u>34,500</u>	<u>32,298</u>	<u>56,842</u>	<u>59,806</u>
<u>(5,305)</u>	<u>24,159</u>	<u>(23,866)</u>	<u>18,792</u>	<u>18,918</u>	<u>7,392</u>
-	-	27,423	-	-	-
-	-	-	-	-	-
-	-	27,423	-	-	-
(5,305)	24,159	3,557	18,792	18,918	7,392
<u>10,672</u>	<u>5,633</u>	<u>1,078</u>	<u>28,020</u>	<u>47,215</u>	<u>13,529</u>
<u>5,367</u>	<u>29,792</u>	<u>4,635</u>	<u>46,812</u>	<u>66,133</u>	<u>20,921</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, 2016

	Law Enforcement Fund 211	Recreation Fund 217	New Mexico Aging Fund 2183
<b>Revenues</b>			
Property taxes	\$ -	-	-
Gross receipts taxes	-	-	-
Other taxes	-	-	-
State grants	22,400	-	24,412
Federal grants	-	-	-
Licenses and fees	-	-	-
Charges for services	-	-	-
Miscellaneous	-	2,000	-
Contributions and donations	-	-	-
<b>Total revenues</b>	<b>22,400</b>	<b>2,000</b>	<b>24,412</b>
<b>Expenditures</b>			
Current			
General government	-	-	-
Public safety	5,020	-	-
Culture and recreation	-	31,282	-
Health and welfare	-	-	1,809
Public works	-	-	-
Capital outlay	-	-	26,558
Debt service			
Principal	-	-	-
Interest	-	-	-
<b>Total expenditures</b>	<b>5,020</b>	<b>31,282</b>	<b>28,367</b>
<i>Excess (deficiency) of revenues over expenditures</i>	<b>17,380</b>	<b>(29,282)</b>	<b>(3,955)</b>
<b>Other financing sources (uses):</b>			
Operating transfers	(16,671)	19,811	3,955
Proceeds from long-term debt	-	-	-
<b>Total other financing sources (uses)</b>	<b>(16,671)</b>	<b>19,811</b>	<b>3,955</b>
<b>Net changes in fund balances</b>	<b>709</b>	<b>(9,471)</b>	<b>-</b>
<b>Fund balances - beginning of year</b>	<b>(709)</b>	<b>14,189</b>	<b>-</b>
<b>Fund balances - end of year</b>	<b>\$ -</b>	<b>4,718</b>	<b>-</b>

See Notes to Financial Statements

Rural Primary Health Care Act Fund 2186	Senior Center Fund 219	Indigent Fund 220	DWI Grant Fund 2231	DWI Distribution Fund 2232	DWI Screening Fund 2233
-	-	-	-	-	-
-	-	97,578	-	-	-
-	-	-	-	-	-
128,400	219,168	76,308	64,722	77,898	-
-	32,371	-	-	-	-
-	-	-	-	-	-
-	356	-	-	-	1,250
-	1,340	-	-	-	-
-	12,428	-	-	-	-
<u>128,400</u>	<u>265,663</u>	<u>173,886</u>	<u>64,722</u>	<u>77,898</u>	<u>1,250</u>
-	-	-	-	-	-
-	-	-	62,628	75,887	967
-	-	-	-	-	-
128,400	248,417	200,919	-	-	-
-	-	-	-	-	-
-	93,484	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>128,400</u>	<u>341,901</u>	<u>200,919</u>	<u>62,628</u>	<u>75,887</u>	<u>967</u>
-	(76,238)	(27,033)	2,094	2,011	283
-	104,636	-	7,539	-	-
-	-	-	-	-	-
-	104,636	-	7,539	-	-
-	28,398	(27,033)	9,633	2,011	283
-	(15,633)	138,311	(230)	1,125	1,081
-	12,765	111,278	9,403	3,136	1,364

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, 2016

	DWI Donation Fund 2234	Recording and Filing Fund 225	Emergency Management Fund 2991
<b>Revenues</b>			
Property taxes	\$ -	-	-
Gross receipts taxes	-	-	-
Other taxes	-	-	-
State grants	-	-	22,230
Federal grants	-	-	10,311
Licenses and fees	-	8,191	-
Charges for services	-	-	-
Miscellaneous	-	-	-
Contributions and donations	5,415	-	-
<i>Total revenues</i>	<u>5,415</u>	<u>8,191</u>	<u>32,541</u>
<b>Expenditures</b>			
Current			
General government	-	3,612	-
Public safety	1,203	-	79,904
Culture and recreation	-	-	-
Health and welfare	-	-	-
Public works	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>1,203</u>	<u>3,612</u>	<u>79,904</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>4,212</u>	<u>4,579</u>	<u>(47,363)</u>
<b>Other financing sources (uses):</b>			
Operating transfers	-	-	41,082
Proceeds from long-term debt	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>41,082</u>
<b>Net changes in fund balances</b>	4,212	4,579	(6,281)
<b>Fund balances - beginning of year</b>	<u>2,652</u>	<u>20,120</u>	<u>10,324</u>
<b>Fund balances - end of year</b>	<u>\$ 6,864</u>	<u>24,699</u>	<u>4,043</u>

See Notes to Financial Statements

Homeland Security Fund 2992	Windmill Fund 2993	Pecos Valley Water Fund 2994	Hazard Mitigation Fund 2995	2014 EMW Grant Fund 2996	Debt Service Fund 403	Total
-	-	-	-	-	-	-
-	-	-	-	-	-	211,582
-	-	-	-	-	-	-
-	-	-	-	-	-	965,212
22,500	-	-	-	20,949	-	98,445
-	-	4,607	-	-	-	52,614
-	-	-	-	-	-	198,917
-	136,568	-	-	-	13,259	153,317
-	-	-	-	-	-	19,920
<u>22,500</u>	<u>136,568</u>	<u>4,607</u>	<u>-</u>	<u>20,949</u>	<u>13,259</u>	<u>1,700,007</u>
-	-	-	-	-	-	31,350
22,500	-	5,357	178	20,949	-	854,740
-	-	-	-	-	-	31,282
-	-	-	-	-	-	614,045
-	25,000	-	-	-	-	195,998
-	26,820	-	-	-	-	204,743
-	-	-	-	-	-	-
-	-	-	-	-	101,647	101,647
-	-	-	-	-	46,101	46,101
<u>22,500</u>	<u>51,820</u>	<u>5,357</u>	<u>178</u>	<u>20,949</u>	<u>147,748</u>	<u>2,079,906</u>
-	84,748	(750)	(178)	-	(134,489)	(379,899)
(15,717)	(50,000)	-	15,717	-	137,483	463,516
-	-	-	-	-	-	-
<u>(15,717)</u>	<u>(50,000)</u>	<u>-</u>	<u>15,717</u>	<u>-</u>	<u>137,483</u>	<u>463,516</u>
(15,717)	34,748	(750)	15,539	-	2,994	83,617
<u>18,317</u>	<u>122,582</u>	<u>6,079</u>	<u>(15,000)</u>	<u>-</u>	<u>1</u>	<u>729,984</u>
<u>2,600</u>	<u>157,330</u>	<u>5,329</u>	<u>539</u>	<u>-</u>	<u>2,995</u>	<u>813,601</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, 2016

Statement B-3

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Gross receipts taxes	\$ 100,000	100,000	84,559	(15,441)
State grants	15,000	15,000	6,067	(8,933)
Charges for services	90,000	90,000	90,058	58
<i>Total revenues</i>	<u>205,000</u>	<u>205,000</u>	<u>180,684</u>	<u>(24,316)</u>
<b>Expenditures</b>				
Current				
Public safety	400,000	400,000	345,499	54,501
<i>Total expenditures</i>	<u>400,000</u>	<u>400,000</u>	<u>345,499</u>	<u>54,501</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(195,000)</u>	<u>(195,000)</u>	<u>(164,815)</u>	<u>30,185</u>
<b>Other financing sources (uses):</b>				
Operating transfers	188,258	188,258	188,258	-
Proceeds from long-term debt	-	-	-	-
Designated cash	81,000	131,000	-	(131,000)
<i>Total other financing sources (uses)</i>	<u>269,258</u>	<u>319,258</u>	<u>188,258</u>	<u>(131,000)</u>
<b>Net changes in fund balances</b>	\$ <u>74,258</u>	<u>124,258</u>	23,443	<u>(100,815)</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			13,021	
Adjustments to expenditures			<u>4,131</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u>40,595</u>	

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, 2016

Statement B-4

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Gross receipts taxes	\$ 22,000	22,000	(19,250)	(41,250)
State grants	-	-	59	59
Charges for services	111,000	111,000	105,143	(5,857)
<i>Total revenues</i>	<u>133,000</u>	<u>133,000</u>	<u>85,952</u>	<u>(47,048)</u>
<b>Expenditures</b>				
Current				
Public works	198,030	198,030	171,236	26,794
<i>Total expenditures</i>	<u>198,030</u>	<u>198,030</u>	<u>171,236</u>	<u>26,794</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(65,030)</u>	<u>(65,030)</u>	<u>(85,284)</u>	<u>(20,254)</u>
<b>Other financing sources (uses):</b>				
Designated cash	28,000	178,983	-	(178,983)
<i>Total other financing sources (uses)</i>	<u>28,000</u>	<u>178,983</u>	<u>-</u>	<u>(178,983)</u>
<b>Net changes in fund balances</b>	\$ <u>(37,030)</u>	<u>113,953</u>	(85,284)	<u>(199,237)</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			35,674	
Adjustments to expenditures			<u>238</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u>(49,372)</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, 2016

Statement B-5

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Licenses and fees	\$ 29,000	29,000	39,521	10,521
Charges for services	-	-	460	460
<i>Total revenues</i>	<u>29,000</u>	<u>29,000</u>	<u>39,981</u>	<u>10,981</u>
<b>Expenditures</b>				
Current				
General government	62,879	36,368	26,749	9,619
Capital outlay	<u>5,000</u>	<u>31,511</u>	<u>31,511</u>	<u>-</u>
<i>Total expenditures</i>	<u>67,879</u>	<u>67,879</u>	<u>58,260</u>	<u>9,619</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(38,879)</u>	<u>(38,879)</u>	<u>(18,279)</u>	<u>20,600</u>
<b>Other financing sources (uses):</b>				
Designated cash	<u>33,729</u>	<u>33,729</u>	<u>-</u>	<u>(33,729)</u>
<i>Total other financing sources (uses)</i>	<u>33,729</u>	<u>33,729</u>	<u>-</u>	<u>(33,729)</u>
<b>Net changes in fund balances</b>	\$ <u><u>(5,150)</u></u>	<u><u>(5,150)</u></u>	<u>(18,279)</u>	<u><u>(13,129)</u></u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			295	
Adjustments to expenditures			<u>(989)</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u><u>(18,973)</u></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, 2016

Statement B-6

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 5,500	5,500	8,500	3,000
<i>Total revenues</i>	<u>5,500</u>	<u>5,500</u>	<u>8,500</u>	<u>3,000</u>
<b>Expenditures</b>				
Current				
Public safety	16,179	16,179	13,805	2,374
<i>Total expenditures</i>	<u>16,179</u>	<u>16,179</u>	<u>13,805</u>	<u>2,374</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(10,679)</u>	<u>(10,679)</u>	<u>(5,305)</u>	<u>5,374</u>
<b>Other financing sources (uses):</b>				
Designated cash	7,086	7,086	-	(7,086)
<i>Total other financing sources (uses)</i>	<u>7,086</u>	<u>7,086</u>	<u>-</u>	<u>(7,086)</u>
<b>Net changes in fund balances</b>	\$ <u><u>(3,593)</u></u>	<u><u>(3,593)</u></u>	(5,305)	<u><u>(1,712)</u></u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net Change in Fund Balances (GAAP Basis)			\$ <u><u>(5,305)</u></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, 2016

Statement B-7

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 166,326	171,959	150,721	(21,238)
<i>Total revenues</i>	<u>166,326</u>	<u>171,959</u>	<u>150,721</u>	<u>(21,238)</u>
<b>Expenditures</b>				
Current				
Public safety	166,326	171,959	102,398	69,561
<i>Total expenditures</i>	<u>166,326</u>	<u>171,959</u>	<u>102,398</u>	<u>69,561</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>48,323</u>	<u>48,323</u>
<b>Net changes in fund balances</b>	\$ <u>-</u>	<u>-</u>	48,323	<u>48,323</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			(24,164)	
Adjustments to expenditures			<u>-</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u>24,159</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, 2016

Statement B-8

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Federal grants	\$ 6,000	6,000	10,634	4,634
<i>Total revenues</i>	<u>6,000</u>	<u>6,000</u>	<u>10,634</u>	<u>4,634</u>
<b>Expenditures</b>				
Current				
Health and welfare	34,500	37,638	37,637	1
<i>Total expenditures</i>	<u>34,500</u>	<u>37,638</u>	<u>37,637</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(28,500)</u>	<u>(31,638)</u>	<u>(27,003)</u>	<u>4,635</u>
<b>Other financing sources (uses):</b>				
Operating transfers	24,285	24,285	27,423	3,138
<i>Total other financing sources (uses)</i>	<u>24,285</u>	<u>24,285</u>	<u>27,423</u>	<u>3,138</u>
<b>Net changes in fund balances</b>	\$ <u>(4,215)</u>	<u>(7,353)</u>	420	<u>7,773</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			<u>3,137</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u>3,557</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, 2016

Statement B-9

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 39,058	49,309	49,013	(296)
Contributions and donations	-	2,076	2,077	1
<i>Total revenues</i>	<u>39,058</u>	<u>51,385</u>	<u>51,090</u>	<u>(295)</u>
<b>Expenditures</b>				
Current				
Public safety	56,077	72,524	31,710	40,814
Capital outlay	<u>4,900</u>	<u>780</u>	-	<u>780</u>
<i>Total expenditures</i>	<u>60,977</u>	<u>73,304</u>	<u>31,710</u>	<u>41,594</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(21,919)</u>	<u>(21,919)</u>	<u>19,380</u>	<u>41,299</u>
<b>Other financing sources (uses):</b>				
Designated cash	<u>32,753</u>	<u>32,753</u>	-	<u>(32,753)</u>
<i>Total other financing sources (uses)</i>	<u>32,753</u>	<u>32,753</u>	-	<u>(32,753)</u>
<b>Net changes in fund balances</b>	\$ <u><u>10,834</u></u>	<u><u>10,834</u></u>	19,380	<u><u>8,546</u></u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			<u>(588)</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u><u>18,792</u></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, 2016

Statement B-10

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 39,058	73,960	73,960	-
Charges for services	1,800	1,800	1,650	(150)
Miscellaneous	-	-	150	150
<i>Total revenues</i>	<u>40,858</u>	<u>75,760</u>	<u>75,760</u>	<u>-</u>
<b>Expenditures</b>				
Current				
Public safety	56,569	60,569	30,585	29,984
Capital outlay	<u>20,000</u>	<u>50,902</u>	<u>26,370</u>	<u>24,532</u>
<i>Total expenditures</i>	<u>76,569</u>	<u>111,471</u>	<u>56,955</u>	<u>54,516</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(35,711)</u>	<u>(35,711)</u>	<u>18,805</u>	<u>54,516</u>
<b>Other financing sources (uses):</b>				
Designated cash	<u>32,445</u>	<u>32,445</u>	<u>-</u>	<u>(32,445)</u>
<i>Total other financing sources (uses)</i>	<u>32,445</u>	<u>32,445</u>	<u>-</u>	<u>(32,445)</u>
<b>Net changes in fund balances</b>	\$ <u>(3,266)</u>	<u>(3,266)</u>	18,805	<u>22,071</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			<u>113</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u>18,918</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 NEWKIRK 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, 2016

Statement B-11

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 34,944	69,116	65,518	(3,598)
Federal grants	-	1,680	1,680	-
<i>Total revenues</i>	<u>34,944</u>	<u>70,796</u>	<u>67,198</u>	<u>(3,598)</u>
<b>Expenditures</b>				
Current				
Public safety	34,000	74,452	59,637	14,815
Capital outlay	<u>5,000</u>	<u>400</u>	<u>-</u>	<u>400</u>
<i>Total expenditures</i>	<u>39,000</u>	<u>74,852</u>	<u>59,637</u>	<u>15,215</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(4,056)</u>	<u>(4,056)</u>	<u>7,561</u>	<u>11,617</u>
<b>Other financing sources (uses):</b>				
Designated cash	<u>570</u>	<u>4,250</u>	<u>-</u>	<u>(4,250)</u>
<i>Total other financing sources (uses)</i>	<u>570</u>	<u>4,250</u>	<u>-</u>	<u>(4,250)</u>
<b>Net changes in fund balances</b>	\$ <u><u>(3,486)</u></u>	<u><u>194</u></u>	<u>7,561</u>	<u><u>7,367</u></u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			<u>(169)</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u><u>7,392</u></u>	

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, 2016

Statement B-12

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 22,400	22,400	22,400	-
<i>Total revenues</i>	<u>22,400</u>	<u>22,400</u>	<u>22,400</u>	<u>-</u>
<b>Expenditures</b>				
Current				
Public safety	5,730	5,730	5,729	1
<i>Total expenditures</i>	<u>5,730</u>	<u>5,730</u>	<u>5,729</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>16,670</u>	<u>16,670</u>	<u>16,671</u>	<u>1</u>
<b>Other financing sources (uses):</b>				
Operating transfers	(16,670)	(16,670)	(16,671)	(1)
<i>Total other financing sources (uses)</i>	<u>(16,670)</u>	<u>(16,670)</u>	<u>(16,671)</u>	<u>(1)</u>
<b>Net changes in fund balances</b>	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			709	
Net Change in Fund Balances (GAAP Basis)			\$ <u>709</u>	

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, 2016

Statement B-13

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Miscellaneous	\$ -	-	2,000	2,000
<i>Total revenues</i>	-	-	2,000	2,000
<b>Expenditures</b>				
Current				
Culture and recreation	34,000	34,000	31,282	2,718
<i>Total expenditures</i>	34,000	34,000	31,282	2,718
<i>Excess (deficiency) of revenues over expenditures</i>	(34,000)	(34,000)	(29,282)	4,718
<b>Other financing sources (uses):</b>				
Operating transfers	19,811	19,811	19,811	-
Designated cash	4,449	4,449	-	(4,449)
<i>Total other financing sources (uses)</i>	24,260	24,260	19,811	(4,449)
<b>Net changes in fund balances</b>	\$ <u>(9,740)</u>	<u>(9,740)</u>	(9,471)	<u>269</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net Change in Fund Balances (GAAP Basis)			\$ <u>(9,471)</u>	

See Notes to Financial Statements



STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 NEW MEXICO AGING - 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, 2016

Statement B-14

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 32,335	32,335	24,412	(7,923)
<i>Total revenues</i>	<u>32,335</u>	<u>32,335</u>	<u>24,412</u>	<u>(7,923)</u>
<b>Expenditures</b>				
Current				
Health and welfare	750	1,809	1,809	-
Capital outlay	<u>31,585</u>	<u>30,526</u>	<u>26,558</u>	<u>3,968</u>
<i>Total expenditures</i>	<u>32,335</u>	<u>32,335</u>	<u>28,367</u>	<u>3,968</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,955)</u>	<u>(3,955)</u>
<b>Other financing sources (uses):</b>				
Operating transfers	<u>-</u>	<u>-</u>	<u>3,955</u>	<u>3,955</u>
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>3,955</u>	<u>3,955</u>
<b>Net changes in fund balances</b>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			<u>-</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u>-</u>	

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, 2016

Statement B-15

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 142,066	142,066	128,400	(13,666)
<i>Total revenues</i>	<u>142,066</u>	<u>142,066</u>	<u>128,400</u>	<u>(13,666)</u>
<b>Expenditures</b>				
Current				
Health and welfare	142,066	142,066	128,400	13,666
<i>Total expenditures</i>	<u>142,066</u>	<u>142,066</u>	<u>128,400</u>	<u>13,666</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net changes in fund balances</b>	\$ <u>-</u>	<u>-</u>	-	<u>-</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			<u>-</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u>-</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 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, 2016

Statement B-16

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 356,333	643,228	219,329	(423,899)
Federal grants	33,081	33,081	32,371	(710)
Charges for services	-	-	356	356
Miscellaneous	53,000	53,000	1,340	(51,660)
Contributions and donations	14,500	14,500	12,428	(2,072)
<i>Total revenues</i>	<u>456,914</u>	<u>743,809</u>	<u>265,824</u>	<u>(477,985)</u>
<b>Expenditures</b>				
Current				
Health and welfare	256,758	358,853	249,009	109,844
Capital outlay	-	408,284	93,484	314,800
<i>Total expenditures</i>	<u>256,758</u>	<u>767,137</u>	<u>342,493</u>	<u>424,644</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>200,156</u>	<u>(23,328)</u>	<u>(76,669)</u>	<u>(53,341)</u>
<b>Other financing sources (uses):</b>				
Operating transfers	37,636	37,636	104,636	67,000
Designated cash	23,998	23,998	-	(23,998)
<i>Total other financing sources (uses)</i>	<u>61,634</u>	<u>61,634</u>	<u>104,636</u>	<u>43,002</u>
<b>Net changes in fund balances</b>	\$ <u>261,790</u>	<u>38,306</u>	27,967	<u>(10,339)</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			(161)	
Adjustments to expenditures			592	
Net Change in Fund Balances (GAAP Basis)			\$ <u>28,398</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, 2016

Statement B-17

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Gross receipts taxes	\$ 93,000	93,000	84,557	(8,443)
State grants	108,000	108,000	76,308	(31,692)
<i>Total revenues</i>	<u>201,000</u>	<u>201,000</u>	<u>160,865</u>	<u>(40,135)</u>
<b>Expenditures</b>				
Current				
Health and welfare	318,000	318,000	203,304	114,696
<i>Total expenditures</i>	<u>318,000</u>	<u>318,000</u>	<u>203,304</u>	<u>114,696</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(117,000)</u>	<u>(117,000)</u>	<u>(42,439)</u>	<u>74,561</u>
<b>Other financing sources (uses):</b>				
Designated cash	81,772	81,772	-	(81,772)
<i>Total other financing sources (uses)</i>	<u>81,772</u>	<u>81,772</u>	<u>-</u>	<u>(81,772)</u>
<b>Net changes in fund balances</b>	\$ <u>(35,228)</u>	<u>(35,228)</u>	(42,439)	<u>(7,211)</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			13,021	
Adjustments to expenditures			<u>2,385</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u>(27,033)</u>	

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, 2016

Statement B-18

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 65,398	65,398	59,953	(5,445)
<i>Total revenues</i>	<u>65,398</u>	<u>65,398</u>	<u>59,953</u>	<u>(5,445)</u>
<b>Expenditures</b>				
Current				
Public safety	54,296	66,336	63,934	2,402
<i>Total expenditures</i>	<u>54,296</u>	<u>66,336</u>	<u>63,934</u>	<u>2,402</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>11,102</u>	<u>(938)</u>	<u>(3,981)</u>	<u>(3,043)</u>
<b>Other financing sources (uses):</b>				
Operating transfers	-	-	7,539	7,539
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>7,539</u>	<u>7,539</u>
<b>Net changes in fund balances</b>	\$ <u>11,102</u>	<u>(938)</u>	3,558	<u>4,496</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			4,769	
Adjustments to expenditures			<u>1,306</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u>9,633</u>	

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, 2016

Statement B-19

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 93,183	93,183	60,715	(32,468)
<i>Total revenues</i>	<u>93,183</u>	<u>93,183</u>	<u>60,715</u>	<u>(32,468)</u>
<b>Expenditures</b>				
Current				
Public safety	78,569	78,569	73,744	4,825
<i>Total expenditures</i>	<u>78,569</u>	<u>78,569</u>	<u>73,744</u>	<u>4,825</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>14,614</u>	<u>14,614</u>	<u>(13,029)</u>	<u>(27,643)</u>
<b>Other financing sources (uses):</b>				
Designated cash	1,702	1,702	-	(1,702)
<i>Total other financing sources (uses)</i>	<u>1,702</u>	<u>1,702</u>	<u>-</u>	<u>(1,702)</u>
<b>Net changes in fund balances</b>	\$ <u>16,316</u>	<u>16,316</u>	(13,029)	<u>(29,345)</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			17,183	
Adjustments to expenditures			<u>(2,143)</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u>2,011</u>	

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, 2016

Statement B-20

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 2,000	2,000	1,250	(750)
<i>Total revenues</i>	<u>2,000</u>	<u>2,000</u>	<u>1,250</u>	<u>(750)</u>
<b>Expenditures</b>				
Current				
Public safety	3,081	3,081	880	2,201
<i>Total expenditures</i>	<u>3,081</u>	<u>3,081</u>	<u>880</u>	<u>2,201</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,081)</u>	<u>(1,081)</u>	<u>370</u>	<u>1,451</u>
<b>Other financing sources (uses):</b>				
Designated cash	1,500	1,500	-	(1,500)
<i>Total other financing sources (uses)</i>	<u>1,500</u>	<u>1,500</u>	<u>-</u>	<u>(1,500)</u>
<b>Net changes in fund balances</b>	\$ <u>419</u>	<u>419</u>	370	<u>(49)</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			<u>(87)</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u>283</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, 2016

Statement B-21

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Contributions and donations	\$ 2,500	2,500	5,415	2,915
<i>Total revenues</i>	<u>2,500</u>	<u>2,500</u>	<u>5,415</u>	<u>2,915</u>
<b>Expenditures</b>				
Current				
Public safety	4,022	4,022	1,452	2,570
Capital outlay	<u>1,500</u>	<u>1,500</u>	-	<u>1,500</u>
<i>Total expenditures</i>	<u>5,522</u>	<u>5,522</u>	<u>1,452</u>	<u>4,070</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3,022)</u>	<u>(3,022)</u>	<u>3,963</u>	<u>6,985</u>
<b>Other financing sources (uses):</b>				
Designated cash	<u>3,505</u>	<u>3,505</u>	-	<u>(3,505)</u>
<i>Total other financing sources (uses)</i>	<u>3,505</u>	<u>3,505</u>	-	<u>(3,505)</u>
<b>Net changes in fund balances</b>	\$ <u><u>483</u></u>	<u><u>483</u></u>	3,963	<u><u>3,480</u></u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			<u>249</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u><u>4,212</u></u>	

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, 2016

Statement B-22

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Licenses and fees	\$ 5,000	5,000	8,191	3,191
<i>Total revenues</i>	<u>5,000</u>	<u>5,000</u>	<u>8,191</u>	<u>3,191</u>
<b>Expenditures</b>				
Current				
General government	20,000	20,000	3,927	16,073
Capital outlay	<u>5,000</u>	<u>5,000</u>	-	<u>5,000</u>
<i>Total expenditures</i>	<u>25,000</u>	<u>25,000</u>	<u>3,927</u>	<u>21,073</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(20,000)</u>	<u>(20,000)</u>	<u>4,264</u>	<u>24,264</u>
<b>Other financing sources (uses):</b>				
Designated cash	<u>18,000</u>	<u>18,000</u>	-	<u>(18,000)</u>
<i>Total other financing sources (uses)</i>	<u>18,000</u>	<u>18,000</u>	-	<u>(18,000)</u>
<b>Net changes in fund balances</b>	\$ <u><u>(2,000)</u></u>	<u><u>(2,000)</u></u>	4,264	<u><u>6,264</u></u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			<u>315</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u><u>4,579</u></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, 2016

Statement B-23

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 37,336	38,336	22,485	(15,851)
Federal grants	10,056	10,056	10,311	255
<i>Total revenues</i>	<u>47,392</u>	<u>48,392</u>	<u>32,796</u>	<u>(15,596)</u>
<b>Expenditures</b>				
Current				
Public safety	75,301	77,301	71,958	5,343
<i>Total expenditures</i>	<u>75,301</u>	<u>77,301</u>	<u>71,958</u>	<u>5,343</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(27,909)</u>	<u>(28,909)</u>	<u>(39,162)</u>	<u>(10,253)</u>
<b>Other financing sources (uses):</b>				
Operating transfers	26,082	26,082	41,082	15,000
<i>Total other financing sources (uses)</i>	<u>26,082</u>	<u>26,082</u>	<u>41,082</u>	<u>15,000</u>
<b>Net changes in fund balances</b>	\$ <u>(1,827)</u>	<u>(2,827)</u>	1,920	<u>4,747</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			(255)	
Adjustments to expenditures			<u>(7,946)</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u>(6,281)</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, 2016

Statement B-24

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Federal grants	\$ 42,806	65,806	15,000	(50,806)
<i>Total revenues</i>	<u>42,806</u>	<u>65,806</u>	<u>15,000</u>	<u>(50,806)</u>
<b>Expenditures</b>				
Current				
Public safety	35,306	58,306	22,500	35,806
<i>Total expenditures</i>	<u>35,306</u>	<u>58,306</u>	<u>22,500</u>	<u>35,806</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>7,500</u>	<u>7,500</u>	<u>(7,500)</u>	<u>(15,000)</u>
<b>Other financing sources (uses):</b>				
Operating transfers	15,717	15,717	(15,717)	(31,434)
<i>Total other financing sources (uses)</i>	<u>15,717</u>	<u>15,717</u>	<u>(15,717)</u>	<u>(31,434)</u>
<b>Net changes in fund balances</b>	\$ <u>23,217</u>	<u>23,217</u>	(23,217)	<u>(46,434)</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			7,500	
Adjustments to expenditures			-	
Net Change in Fund Balances (GAAP Basis)			\$ <u>(15,717)</u>	

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, 2016

Statement B-25

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Miscellaneous	\$ 136,568	136,568	136,568	-
<i>Total revenues</i>	<u>136,568</u>	<u>136,568</u>	<u>136,568</u>	<u>-</u>
<b>Expenditures</b>				
Current				
Public works	25,000	25,000	25,000	-
Capital outlay	<u>225,000</u>	<u>175,000</u>	<u>26,820</u>	<u>148,180</u>
<i>Total expenditures</i>	<u>250,000</u>	<u>200,000</u>	<u>51,820</u>	<u>148,180</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(113,432)</u>	<u>(63,432)</u>	<u>84,748</u>	<u>148,180</u>
<b>Other financing sources (uses):</b>				
Operating transfers	-	-	(50,000)	(50,000)
Designated cash	<u>301,805</u>	<u>16,836</u>	<u>-</u>	<u>(16,836)</u>
<i>Total other financing sources (uses)</i>	<u>301,805</u>	<u>16,836</u>	<u>(50,000)</u>	<u>(66,836)</u>
<b>Net changes in fund balances</b>	\$ <u><u>188,373</u></u>	<u><u>(46,596)</u></u>	<u>34,748</u>	<u>81,344</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			<u>-</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u><u>34,748</u></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, 2016

Statement B-26

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Licenses and fees	\$ 10,000	10,000	4,960	(5,040)
<i>Total revenues</i>	<u>10,000</u>	<u>10,000</u>	<u>4,960</u>	<u>(5,040)</u>
<b>Expenditures</b>				
Current				
Public safety	15,000	15,000	4,138	10,862
<i>Total expenditures</i>	<u>15,000</u>	<u>15,000</u>	<u>4,138</u>	<u>10,862</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,000)</u>	<u>(5,000)</u>	<u>822</u>	<u>5,822</u>
<b>Other financing sources (uses):</b>				
Designated cash	3,071	3,071	-	(3,071)
<i>Total other financing sources (uses)</i>	<u>3,071</u>	<u>3,071</u>	<u>-</u>	<u>(3,071)</u>
<b>Net changes in fund balances</b>	\$ <u><u>(1,929)</u></u>	<u><u>(1,929)</u></u>	822	<u><u>2,751</u></u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			(353)	
Adjustments to expenditures			<u>(1,219)</u>	
Net Change in Fund Balances (GAAP Basis)			\$ <u><u>(750)</u></u>	

See Notes to Financial Statements

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 HAZARD MITIGATION - 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, 2016

Statement B-27

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
State grants	\$ 16,429	16,429	-	(16,429)
Federal grants	17,393	17,393	-	(17,393)
<i>Total revenues</i>	<u>33,822</u>	<u>33,822</u>	<u>-</u>	<u>(33,822)</u>
<b>Expenditures</b>				
Current				
Public safety	33,110	33,110	178	32,932
<i>Total expenditures</i>	<u>33,110</u>	<u>33,110</u>	<u>178</u>	<u>32,932</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>712</u>	<u>712</u>	<u>(178)</u>	<u>(890)</u>
<b>Other financing sources (uses):</b>				
Operating transfers	15,717	15,717	15,717	-
<i>Total other financing sources (uses)</i>	<u>15,717</u>	<u>15,717</u>	<u>15,717</u>	<u>-</u>
<b>Net changes in fund balances</b>	\$ <u>16,429</u>	<u>16,429</u>	15,539	<u>(890)</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net Change in Fund Balances (GAAP Basis)			\$ <u>15,539</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 2014 EMW 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, 2016

Statement B-28

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Federal grants	\$ 48,970	48,970	4,519	(44,451)
<i>Total revenues</i>	<u>48,970</u>	<u>48,970</u>	<u>4,519</u>	<u>(44,451)</u>
<b>Expenditures</b>				
Current				
Public safety	32,541	32,541	20,949	11,592
<i>Total expenditures</i>	<u>32,541</u>	<u>32,541</u>	<u>20,949</u>	<u>11,592</u>
<i>Excess (deficiency) of revenues     over expenditures</i>	<u>16,429</u>	<u>16,429</u>	<u>(16,430)</u>	<u>(32,859)</u>
<b>Net changes in fund balances</b>	\$ <u>16,429</u>	<u>16,429</u>	(16,430)	<u>(32,859)</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			16,430	
Adjustments to expenditures			-	
Net Change in Fund Balances (GAAP Basis)			\$ <u>-</u>	

See Notes to Financial Statements

**DEBT SERVICE FUNDS**



STATE OF NEW MEXICO  
GUADALUPE COUNTY  
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTIONS  
JUNE 30, 2016

**DEBT SERVICE FUNDS**

**Debt Service Fund** – To account for the payment of principal and interest related to the County's debt.

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 DEBT SERVICE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2016

Statement B-29

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Miscellaneous	\$ -	13,253	13,259	6
<i>Total revenues</i>	<u>-</u>	<u>13,253</u>	<u>13,259</u>	<u>6</u>
<b>Expenditures</b>				
Current				
Capital outlay	-	-	-	-
Debt service				
Principal	88,600	101,853	101,647	206
Interest	48,883	48,883	46,101	2,782
<i>Total expenditures</i>	<u>137,483</u>	<u>150,736</u>	<u>147,748</u>	<u>2,988</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(137,483)</u>	<u>(137,483)</u>	<u>(134,489)</u>	<u>2,994</u>
<b>Other financing sources (uses):</b>				
Operating transfers	137,483	137,483	137,483	-
Proceeds from long-term debt	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>137,483</u>	<u>137,483</u>	<u>137,483</u>	<u>-</u>
<b>Net changes in fund balances</b>	\$ <u>-</u>	\$ <u>-</u>	2,994	<u>2,994</u>
<i>Reconciliation to GAAP basis:</i>				
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net Change in Fund Balances (GAAP Basis)			\$ <u>2,994</u>	

See Notes to Financial Statements

**FIDUCIARY FUNDS**

STATE OF NEW MEXICO  
GUADALUPE COUNTY  
FIDUCIARY FUNDS DESCRIPTIONS  
JUNE 30, 2016

**FIDUCIARY 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, 2016

Statement C-1

	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
<b>ASSETS</b>				
Cash	\$ 507,100	-	4,153	502,947
Property taxes receivable	<u>299,924</u>	<u>2,461,215</u>	<u>2,471,537</u>	<u>289,602</u>
<i>Total assets</i>	<u>\$ 807,024</u>	<u>2,461,215</u>	<u>2,475,690</u>	<u>792,549</u>
<b>LIABILITIES</b>				
Due to other taxing units	\$ <u>807,024</u>	<u>2,461,215</u>	<u>2,475,690</u>	<u>792,549</u>
<i>Total liabilities</i>	<u>\$ 807,024</u>	<u>2,461,215</u>	<u>2,475,690</u>	<u>792,549</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, 2016

Schedule I

	Wells Fargo	FNB of New Mexico	Community First Bank	Total
Funds on Deposit				
Interest bearing deposits	\$ 781,367	44,170	274,916	1,100,453
Non-interest bearing deposits	2,541,634	-	-	2,541,634
Certificates of deposit	144,825	733,216	-	878,041
<i>Total on deposit:</i>	3,467,826	777,386	274,916	4,520,128
Less: FDIC insurance	500,000	250,000	250,000	1,000,000
<b>Total uninsured public funds:</b>	2,967,826	527,386	24,916	3,520,128
Pledged Collateral Required:				
50% on deposits	1,483,913	263,693	12,458	1,760,064
Pledged Collateral at June 30, 2016	1,920,061	291,288	101,894	2,313,243
<b>Excess (Deficiency):</b>	\$ 436,148	27,595	89,436	553,179
<b>Pledged Collateral</b>				
<b>Broker</b>	<b>Type of Security</b>			
BNY Mellon - New York, NY				
	\$ 1,818,518	-	-	1,818,518
FNMA 02/01/27 CUSIP# 3138AWJR5				
	101,543	-	-	101,543
FNMA 07/01/2043 CUSIP# 3138WZXX5				
	-	129,415	-	129,415
FHLB 04/15/17 CUSIP# 541066BA3				
	-	161,873	-	161,873
FHLB 08/01/21 CUSIP# 778550HD8				
	-	-	101,894	101,894
FHLB 09/01/18 CUSIP# 311441HZ5				
<b>Totals:</b>	\$ 1,920,061	291,288	101,894	2,313,243

See Notes to Financial Statements

**STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS  
 JUNE 30, 2016**

Bank Account Type/Name	Wells Fargo Bank	Community 1st Bank of Las Vegas	First National Bank of New Mexico
Checking - Operational Accounts	\$ 2,541,633	19,506	44,170
The GEO Group, Inc.	-	-	-
Checking - USDA/Dental Building	13,075	-	-
Trust - Courthouse Reserve	-	-	-
Trust - Guadalupe County PG Reserve	-	-	-
Hospital Med Account	-	-	-
Certificates of Deposit	913,118	255,410	733,216
State Treasurer Investments	-	-	-
	3,467,826	274,916	777,386
Total on Deposit			
Reconciling Items	(163,510)	-	-
Reconciled Balance			
June 30, 2016	\$ <u>3,304,316</u>	<u>274,916</u>	<u>777,386</u>
Petty Cash			
Total Cash June 30, 2016			
Less Agency Funds			
Combined Balance Sheet Total June 30, 2016			

*See Notes to Financial Statements*



Schedule II

NMFA Bank	NM State Treasurer	Totals
-	-	2,605,309
-	-	-
-	-	13,075
31,262	-	31,262
60,067	-	60,067
-	-	-
-	-	1,901,744
-	123	123
91,329	123	4,611,580
-	-	(163,510)
91,329	123	4,448,070
		-
		4,448,070
		(502,947)
		\$ 3,945,123

Guadalupe County  
 SCHEDULE OF VENDOR INFORMATION for Purchases Exceeding \$60,000 (excluding GRT)  
 For the Year Ended June 30,2016  
 Prepared by Agency Staff Name: Monica Abeyta Title: Projects Coordinator Date: 09/14/2016

Agency Number	Agency Name	Agency Type	RFB#/RFP# (If applicable)	Type of Procurement	Vendor Name	Did Vendor Win Contract?	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Physical address of vendor (City, State)	Did the Vendor provide documentation of eligibility for in-state preference?	Did the Vendor provide documentation of eligibility for veterans' preference?	Brief Description of the Scope of Work	If the procurement is attributable to a Component Unit, Name of Component Unit
5010	Guadalupe County	Counties	RFB 2015-01	Competitive (RFP or RFB)	Agua Enterprises	Winner	\$94,872.17	\$0.00	HWY 54 South Santa Rosa, NM 88435	No	No	Material for Cattle Guards 2015 Road Projects	
5010	Guadalupe County	Counties	RFP 2014-009	Competitive (RFP or RFB)	Artesia Fire Municipal Emergency Service	Winner	\$22,026.00	\$0.00	7011 Husemena Place SW, Albuquerque, NM 87121	No	Yes	Self Contained Breathing Aparatus (SCBA's) Quantity of 4	
5010	Guadalupe County	Counties	RFP 2014-009	Competitive (RFP or RFB)	Lycox Enterprises	Loser	-	\$0.00	808 East University Ave., El Paso, TX 79903	No	No	Self Contained Breathing Aparatus (SCBA's) Quantity of 4	
5010	Guadalupe County	Counties	IFB 2015-15	Competitive (RFP or RFB)	Wagner Equipment	Winner	\$26,820.00	\$0.00	6508 Frontage Road Billings, MT 59101	No	No	WR90 Series 3 Walk n Roll packer/roller with 24" slide with quick attach for	
5010	Guadalupe County	Counties	IFB 2015-15	Competitive (RFP or RFB)	4Rivers Equipment	Loser	-	\$0.00	4000 Osuna Rd NE Albuquerque, NM 87109	No	No	WR90 Series 3 Walk n Roll packer/roller with 24" slide with quick attach for	
5010	Guadalupe County	Counties	IFB 2015-15	Competitive (RFP or RFB)	Jim Sena Construction	Winner	670,568.76	\$0.00	2301 Candelaria Rd. NE Albuquerque, NM 87109	No	No	WR90 Series 3 Walk n Roll packer/roller with 24" slide with quick attach for	
5010	Guadalupe County	Counties	VETERAN/COMM	Competitive (RFP or RFB)	DKG & Assoc. Inc.	Loser	-	\$0.00	Albuquerque, NM	No	No	Demolition/Renovation of Old Hospital	
5010	Guadalupe County	Counties	IFB GC Pecos/Theater	Competitive (RFP or RFB)	JMC Roofing	Winner	\$47,682.00	\$0.00	6920 Huseman Pl. SW Albuquerque, NM 87121	No	No	Rejected bid exceeded 10% of project budget	
5010	Guadalupe County	Counties	IFB Pecos Theater Re-Roof II	Competitive (RFP or RFB)	Everguard Roofing	Loser	-	\$0.00	3555 Rio Grande Blvd. NW Albuquerque, NM 87107	No	No	Awarded contract to JMC Roofing	
5010	Guadalupe County	Counties	IFB Pecos Theater Re-Roof II	Competitive (RFP or RFB)	DKG & Assoc. Inc.	Loser	-	\$0.00	512 Veranda Rd. NW Albuquerque, NM 87107	No	No	Awarded contract to JMC Roofing	
5010	Guadalupe County	Counties	IFB Pecos Theater Re-Roof II	Competitive (RFP or RFB)	DKG & Assoc. Inc.	Loser	-	\$0.00	6920 Huseman Pl. SW Albuquerque, NM 87123	No	No	Awarded contract to JMC Roofing	
5010	Guadalupe County	Counties	RFP 2016-05 Pecos Theater	Competitive (RFP or RFB)	David Viesica	Loser	-	\$0.00	1809 Pigueroa Ct. NE, Albuquerque, NM 88061	No	No	Architect/Engineer/plans spec/construction management	
5010	Guadalupe County	Counties	RFP 2016-05 Pecos Theater	Competitive (RFP or RFB)	Miguel Trujillo & Associates	Loser	-	\$0.00	918 Highway 308 Veguita, NM 87062	No	No	Architect/Engineer/plans spec/construction management	

Guadalupe County  
 SCHEDULE OF VENDOR INFORMATION for Purchases Exceeding \$60,000 (excluding GRT)  
 For the Year Ended June 30,2016  
 Prepared by Agency Staff Name: Monica Abeyta Title: Projects Coordinator Date: 09/14/2016

<i>Agency Number</i>	<i>Agency Name</i>	<i>Agency Type</i>	<i>RFB#/RFP# (If applicable)</i>	<i>Type of Procurement</i>	<i>Vendor Name</i>	<i>Did Vendor Win Contract?</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Physical address of vendor (City, State)</i>	<i>Did the Vendor provide documentation of eligibility for in-state preference?</i>	<i>Did the Vendor provide documentation of eligibility for veterans' preference?</i>	<i>Brief Description of the Scope of Work</i>	<i>If the procurement is attributable to a Component Unit, Name of Component Unit</i>
5010	Guadalupe County	Counties	RFP 2016-05 Pecos Theater	Competitive (RFP or RFB)	Soleil West Axiom CPA's and Business	Loser	-	\$0.00	2625 Pennsylvania St. NE Ste. 600, Albuquerque, NM 87112	No	No	Architect/Engineer/plans spec/construction management	
5010	Guadalupe County	Counties	IFQ- Audit Services	Competitive (RFP or RFB)	Advisors, LLC	Winner	\$35,453	\$0.00	316 Osuna Rd. NE Ste. 401 Albuquerque, NM 87107	No	No	Contract for 3 years	
5010	Guadalupe County	Counties	IFQ- Audit Services	Competitive (RFP or RFB)	Burt & Company	Loser	-	\$0.00	4101 Indian School Rd. Ste. 440, Albuquerque, NM 87110	No	No	Contract for 3 years	

**STATE OF NEW MEXICO**  
**GUADALUPE COUNTY**  
**TAX ROLL RECONCILIATION - CHANGES IN PROPERTY TAXES RECEIVABLE**  
**FOR THE YEAR ENDED JUNE 30, 2016**

Schedule IV

Property taxes receivable, beginning of year	\$ 456,383
Changes to Tax Roll:	
Net taxes charged to treasurer for fiscal year	4,058,694
Adjustments:	
Decreases in taxes receivables	12,899
Charge off of taxes receivables	<u>(82,330)</u>
Total receivables prior to collections	4,445,646
Collections for fiscal year ended June 30, 2016	<u>(4,002,123)</u>
Property taxes receivable at June 30, 2016	<u>\$ 443,523</u>
Property taxes are reported as follows	
Governmental Funds:	
County portion	153,921
Agency portion	<u>289,602</u>
Total property taxes receivable	<u>\$ 443,523</u>
Property taxes receivable by years:	
2006	10,091
2007	7,002
2008	13,636
2009	18,282
2010	17,604
2011	11,875
2012	16,472
2013	37,972
2014	93,223
2015	<u>217,366</u>
Total property taxes receivable	<u>\$ 443,523</u>

*See Notes to Financial Statements*

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 TREASURER'S PROPERTY TAX SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2016

Schedule V  
 (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
<b>Guadalupe County</b>									
Guadalupe County 2006	982,356	39	979,547	39	979,547	-	-	-	2,809
Guadalupe County 2007	1,048,597	363	1,046,506	363	1,046,506	-	-	-	2,091
Guadalupe County 2008	1,063,552	373	1,058,702	373	1,058,702	-	-	-	4,850
Guadalupe County 2009	1,175,715	113	1,169,875	113	1,169,875	-	-	-	5,840
Guadalupe County 2010	1,189,600	110	1,183,875	110	1,183,875	-	-	-	5,725
Guadalupe County 2011	1,247,912	425	1,243,835	425	1,243,835	-	-	-	4,077
Guadalupe County 2012	1,279,286	4,278	1,273,347	4,278	1,273,347	-	-	-	5,939
Guadalupe County 2013	1,361,240	11,855	1,347,904	11,855	1,347,904	-	-	-	13,336
Guadalupe County 2014	1,469,012	38,786	1,436,828	38,786	1,436,828	-	-	-	32,184
Guadalupe County 2015	1,596,990	1,520,386	1,520,386	1,520,386	1,520,386	-	-	-	76,604
Total Guadalupe County	12,414,260	1,576,728	12,260,805	1,576,728	12,260,805	-	-	-	153,455
Administrative Fees 2006	339	-	302	-	302	-	-	-	37
Administrative Fees 2007	341	-	324	-	324	-	-	-	17
Administrative Fees 2008	349	-	334	-	334	-	-	-	15
Administrative Fees 2009	324	-	317	-	317	-	-	-	7
Administrative Fees 2010	291	-	284	-	284	-	-	-	7
Administrative Fees 2011	271	-	263	-	263	-	-	-	8
Administrative Fees 2012	270	-	265	-	265	-	-	-	5
Administrative Fees 2013	300	-	293	-	293	-	-	-	7
Administrative Fees 2014	290	21	287	21	287	-	-	-	3
Administrative Fees 2015	264	302	262	262	262	-	-	-	2
Total Administrative Fees	3,039	323	2,931	283	2,931	-	-	-	108
Omitted Assessments Fee 2006	19	-	19	-	19	-	-	-	-
Omitted Assessments Fee 2007	369	42	369	42	369	-	-	-	-
Omitted Assessments Fee 2008	669	33	669	33	669	-	-	-	-
Omitted Assessments Fee 2009	2,219	-	2,214	-	2,214	-	-	-	5
Omitted Assessments Fee 2010	25	-	25	-	25	-	-	-	-
Omitted Assessments Fee 2011	939	-	939	-	939	-	-	-	-
Omitted Assessments Fee 2012	912	17	896	17	896	-	-	-	16
Omitted Assessments Fee 2013	32	-	32	-	32	-	-	-	-
Omitted Assessments Fee 2014	304	2	193	2	193	-	-	-	111
Omitted Assessments Fee 2015	225	-	-	-	-	-	-	-	225
Total Omitted Assessments Fee	5,713	94	5,356	94	5,356	-	-	-	357

See Notes to Financial Statements

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 TREASURER'S PROPERTY TAX SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2016

Schedule V  
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	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
<b>Guadalupe County (Continued)</b>									
Guadalupe County Hospital 2006	386,364	20	385,089	20	385,089	-	-	-	1,275
Guadalupe County Hospital 2007	410,429	136	409,372	136	409,372	-	-	-	1,057
Guadalupe County Hospital 2008	412,481	146	410,439	146	410,439	-	-	-	2,042
Guadalupe County Hospital 2009	455,492	57	453,017	57	453,017	-	-	-	2,475
Guadalupe County Hospital 2010	458,054	54	455,659	54	455,659	-	-	-	2,395
Guadalupe County Hospital 2011	480,202	193	478,321	193	478,321	-	-	-	1,881
Guadalupe County Hospital 2012	491,677	1,838	488,996	1,838	488,996	-	-	-	2,681
Guadalupe County Hospital 2013	519,921	4,833	514,106	4,833	514,106	-	-	-	5,815
Guadalupe County Hospital 2014	558,105	15,817	544,832	15,817	544,832	-	-	-	13,273
Guadalupe County Hospital 2015	603,791	572,767	572,767	572,767	572,767	-	-	-	31,024
Total Guadalupe County Hospital	<u>4,776,516</u>	<u>595,861</u>	<u>4,712,598</u>	<u>595,861</u>	<u>4,712,598</u>	-	-	-	<u>63,918</u>
<b>Total Guadalupe County</b>	<u>17,199,528</u>	<u>2,173,006</u>	<u>16,981,690</u>	<u>2,172,966</u>	<u>16,981,690</u>	-	-	-	<u>217,838</u>
<b>State of New Mexico</b>									
New Mexico State Treasurer 2006	158,514	6	157,207	6	157,207	-	-	-	1,307
New Mexico State Treasurer 2007	163,490	39	163,163	39	163,163	-	-	-	327
New Mexico State Treasurer 2008	156,877	43	156,236	43	156,236	-	-	-	641
New Mexico State Treasurer 2009	160,507	15	159,655	15	159,655	-	-	-	852
New Mexico State Treasurer 2010	199,240	19	198,288	19	198,288	-	-	-	952
New Mexico State Treasurer 2011	196,747	63	196,010	63	196,010	-	-	-	737
New Mexico State Treasurer 2012	199,722	668	198,544	668	198,544	-	-	-	1,178
New Mexico State Treasurer 2013	211,746	2,026	209,444	2,026	209,444	-	-	-	2,302
New Mexico State Treasurer 2014	227,436	5,973	222,106	5,973	222,106	-	-	-	5,330
New Mexico State Treasurer 2015	256,670	244,075	244,075	244,075	244,075	-	-	-	12,595
Total New Mexico State Treasurer	<u>1,930,949</u>	<u>252,927</u>	<u>1,904,728</u>	<u>252,927</u>	<u>1,904,728</u>	-	-	-	<u>26,221</u>
<b>Total State of New Mexico</b>	<u>1,930,949</u>	<u>252,927</u>	<u>1,904,728</u>	<u>252,927</u>	<u>1,904,728</u>	-	-	-	<u>26,221</u>
<b>Municipalities</b>									
Municipality of Santa Rosa 2006	177,616	3	177,306	3	177,306	-	-	-	310
Municipality of Santa Rosa 2007	181,983	3	181,640	3	181,640	-	-	-	343
Municipality of Santa Rosa 2008	188,432	28	187,218	28	187,218	-	-	-	1,214
Municipality of Santa Rosa 2009	201,884	47	200,506	47	200,506	-	-	-	1,378
Municipality of Santa Rosa 2010	200,024	22	198,634	22	198,634	-	-	-	1,390
Municipality of Santa Rosa 2011	206,409	145	205,763	145	205,763	-	-	-	646
Municipality of Santa Rosa 2012	210,666	1,372	209,594	1,372	209,594	-	-	-	1,072
Municipality of Santa Rosa 2013	217,602	3,591	214,269	3,591	214,269	-	-	-	3,333
Municipality of Santa Rosa 2014	221,860	10,197	213,002	10,197	213,002	-	-	-	8,858
Municipality of Santa Rosa 2015	226,144	204,517	204,517	204,517	204,517	-	-	-	21,627
Total Municipality of Santa Rosa	<u>2,032,620</u>	<u>219,925</u>	<u>1,992,449</u>	<u>219,925</u>	<u>1,992,449</u>	-	-	-	<u>40,171</u>

See Notes to Financial Statements

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 TREASURER'S PROPERTY TAX SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2016

Schedule V  
 (Page 3 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
<b>Municipalities (Continued)</b>									
Municipality of Vaughn 2006	47,215	1	47,132	1	47,132	-	-	-	83
Municipality of Vaughn 2007	48,375	1	48,284	1	48,284	-	-	-	91
Municipality of Vaughn 2008	50,090	8	49,767	8	49,767	-	-	-	323
Municipality of Vaughn 2009	53,665	13	53,299	13	53,299	-	-	-	366
Municipality of Vaughn 2010	53,171	6	52,802	6	52,802	-	-	-	369
Municipality of Vaughn 2011	54,868	38	54,696	38	54,696	-	-	-	172
Municipality of Vaughn 2012	56,000	365	55,715	365	55,715	-	-	-	285
Municipality of Vaughn 2013	57,844	955	56,958	955	56,958	-	-	-	886
Municipality of Vaughn 2014	58,976	2,711	56,621	2,711	56,621	-	-	-	2,355
Municipality of Vaughn 2015	60,114	54,365	54,365	54,365	54,365	-	-	-	5,749
Total Municipality of Vaughn	<u>540,318</u>	<u>58,463</u>	<u>529,639</u>	<u>58,463</u>	<u>529,639</u>	-	-	-	<u>10,679</u>
<b>Total Municipalities</b>	<u>2,572,938</u>	<u>278,388</u>	<u>2,522,088</u>	<u>278,388</u>	<u>2,522,088</u>	-	-	-	<u>50,850</u>
<b>School District</b>									
Santa Rosa Consolidated School #8 2006	790,262	44	787,547	44	787,547	-	-	-	2,715
Santa Rosa Consolidated School #8 2007	708,052	261	706,118	261	706,118	-	-	-	1,934
Santa Rosa Consolidated School #8 2008	524,919	182	522,396	182	522,396	-	-	-	2,524
Santa Rosa Consolidated School #8 2009	786,333	90	781,859	90	781,859	-	-	-	4,474
Santa Rosa Consolidated School #8 2010	748,375	89	744,317	89	744,317	-	-	-	4,058
Santa Rosa Consolidated School #8 2011	647,214	260	644,700	260	644,700	-	-	-	2,514
Santa Rosa Consolidated School #8 2012	547,694	1,992	544,813	1,992	544,813	-	-	-	2,881
Santa Rosa Consolidated School #8 2013	619,291	5,712	612,477	5,712	612,477	-	-	-	6,814
Santa Rosa Consolidated School #8 2014	725,657	20,735	708,254	20,735	708,254	-	-	-	17,403
Santa Rosa Consolidated School #8 2015	748,472	710,032	710,032	710,032	710,032	-	-	-	38,440
Total Santa Rosa Consolidated School #8	<u>6,846,269</u>	<u>739,397</u>	<u>6,762,513</u>	<u>739,397</u>	<u>6,762,513</u>	-	-	-	<u>83,757</u>
Vaughn Municipal School #33 2006	240,604	13	239,778	13	239,778	-	-	-	826
Vaughn Municipal School #33 2007	215,575	80	214,986	80	214,986	-	-	-	589
Vaughn Municipal School #33 2008	159,818	56	159,049	56	159,049	-	-	-	768
Vaughn Municipal School #33 2009	239,408	27	238,046	27	238,046	-	-	-	1,362
Vaughn Municipal School #33 2010	227,851	27	226,616	27	226,616	-	-	-	1,235
Vaughn Municipal School #33 2011	197,052	79	196,286	79	196,286	-	-	-	766
Vaughn Municipal School #33 2012	166,752	607	165,875	607	165,875	-	-	-	877
Vaughn Municipal School #33 2013	188,550	1,739	186,476	1,739	186,476	-	-	-	2,074
Vaughn Municipal School #33 2014	220,934	6,313	215,636	6,313	215,636	-	-	-	5,298
Vaughn Municipal School #33 2015	227,881	216,177	216,177	216,177	216,177	-	-	-	11,704
Total Vaughn Municipal School #33	<u>2,084,425</u>	<u>225,118</u>	<u>2,058,925</u>	<u>225,118</u>	<u>2,058,925</u>	-	-	-	<u>25,499</u>
<b>Total School District</b>	<u>8,930,694</u>	<u>964,515</u>	<u>8,821,438</u>	<u>964,515</u>	<u>8,821,438</u>	-	-	-	<u>109,256</u>

See Notes to Financial Statements

STATE OF NEW MEXICO  
 GUADALUPE COUNTY  
 TREASURER'S PROPERTY TAX SCHEDULE  
 FOR THE YEAR ENDED JUNE 30, 2016

Schedule V  
 (Page 4 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
<b>Special District</b>									
Luna Community College 2006	193,561	11	192,854	11	192,854	-	-	-	707
Luna Community College 2007	205,578	92	205,049	92	205,049	-	-	-	529
Luna Community College 2008	208,920	89	207,686	89	207,686	-	-	-	1,234
Luna Community College 2009	233,872	17	232,381	17	232,381	-	-	-	1,491
Luna Community College 2010	234,899	26	233,466	26	233,466	-	-	-	1,433
Luna Community College 2011	246,290	93	245,258	93	245,258	-	-	-	1,032
Luna Community College 2012	246,787	1,035	245,298	1,035	245,298	-	-	-	1,489
Luna Community College 2013	256,120	2,751	252,918	2,751	252,918	-	-	-	3,202
Luna Community College 2014	266,638	8,712	259,259	8,712	259,259	-	-	-	7,379
Luna Community College 2015	279,076	261,647	261,647	261,647	261,647	-	-	-	17,429
Total Luna Community College	<u>2,178,180</u>	<u>274,462</u>	<u>2,142,962</u>	<u>274,473</u>	<u>2,335,816</u>	-	-	-	<u>35,925</u>
Watermaster 2006	3,883	-	3,883	-	3,883	-	-	-	-
Watermaster 2007	3,761	-	3,761	-	3,761	-	-	-	-
Watermaster 2008	2,767	-	2,767	-	2,767	-	-	-	-
Watermaster 2009	2,375	-	2,375	-	2,375	-	-	-	-
Watermaster 2010	4,350	-	4,350	-	4,350	-	-	-	-
Watermaster 2011	3,817	-	3,817	-	3,817	-	-	-	-
Watermaster 2012	7,447	-	7,447	-	7,447	-	-	-	-
Watermaster 2013	11,836	-	11,836	-	11,836	-	-	-	-
Watermaster 2014	7,737	788	7,016	788	7,016	-	-	-	721
Watermaster 2015	4,917	3,866	3,866	3,866	3,866	-	-	-	1,051
Total Watermaster	<u>52,890</u>	<u>4,654</u>	<u>51,118</u>	<u>4,654</u>	<u>51,118</u>	-	-	-	<u>1,772</u>
Guadalupe Soil and Water 2006	24,741	-	24,719	-	24,719	-	-	-	22
Guadalupe Soil and Water 2007	24,405	1	24,381	1	24,381	-	-	-	24
Guadalupe Soil and Water 2008	23,854	1	23,829	1	23,829	-	-	-	25
Guadalupe Soil and Water 2009	27,600	1	27,568	1	27,568	-	-	-	32
Guadalupe Soil and Water 2010	31,014	1	30,974	1	30,974	-	-	-	40
Guadalupe Soil and Water 2011	33,169	2	33,127	2	33,127	-	-	-	42
Guadalupe Soil and Water 2012	34,467	15	34,418	15	34,418	-	-	-	49
Guadalupe Soil and Water 2013	43,635	116	43,432	116	43,432	-	-	-	203
Guadalupe Soil and Water 2014	46,038	800	45,730	800	45,730	-	-	-	308
Guadalupe Soil and Water 2015	54,150	53,234	53,234	53,234	53,234	-	-	-	916
Total Guadalupe Soil and Water	<u>343,073</u>	<u>54,171</u>	<u>341,412</u>	<u>54,171</u>	<u>341,412</u>	-	-	-	<u>1,661</u>
<b>Total Special District</b>	<u>2,574,143</u>	<u>333,287</u>	<u>2,535,492</u>	<u>333,298</u>	<u>2,728,346</u>	-	-	-	<u>39,358</u>
<b>Grand Total</b>	<u>33,208,252</u>	<u>4,002,123</u>	<u>32,765,436</u>	<u>4,002,094</u>	<u>32,958,290</u>	-	-	-	<u>443,523</u>

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**

To Timothy Keller  
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, 2016, 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 October 26, 2016. 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses, that we consider to be significant deficiencies. 2016-001.

### **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 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  
October 26, 2016

## SECTION I – FINANCIAL STATEMENT FINDINGS

### 2016-001 – Controls over Cash Disbursements (Significant Deficiency)

*Condition:* During our testing of cash disbursements, in one out of 40 transactions tested we noted one instance where an expenditure in the amount of \$8,168 was not supported by three independent quotes for services to be provided to the County.

*Criteria:* According to Section 8.4 of the Guadalupe County Finance Department Policies & Procedures Manual, “when initiating purchases between \$5,000 but less than \$20,000 and the bid threshold, a minimum of three price quotes must be documented and attached to the original requisition”.

*Effect:* The County did not document the receipt of three independent quotes, as specified in the Finance Department Policies & Procedures Manual. The County may have obtained the best price for services rendered, therefore reducing government funds that could be utilized to provide resources for members of the community.

*Cause:* The disbursement appeared to meet the criteria of an emergency; however, the County did not document the emergency at the time of the incident and did not follow its policy for purchases in excess of \$5,000.

*Auditor’s Recommendations:* The County should implement a policy for emergency purchases and ensure all purchases that exceed \$5,000 are supported by three independent quotes.

*Management’s Response:* Management concurs with the auditor’s recommendation and is in the process of preparing an Emergency Purchase Policy which will be presented to our Commissioners at the January 19, 2017 meeting for review and approval. The Finance Director/Chief Procurement Officer will insure that we meet this deadline.

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

No findings were identified.

**SECTION IV – GUADALUPE COUNTY PRIOR YEAR AUDIT FINDINGS**

2015-001 – Controls over Cash Disbursements (Significant Deficiency) – Resolved

2015-002 – Expenditures Exceed Budget (Other Matter) – Resolved

2015-003 – Insufficient Documentation and Use of Credit Cards (Other Matter) -- Resolved

**SECTION V – GUADALUPE COUNTY HOSPITAL PRIOR YEAR AUDIT FINDINGS**

2015-001 – Actual Expenditures Exceeded Budgeted Expenditures (Other Matter) – Resolved

2015-002 – Minimum Pledged Collateral Requirement – Resolved

**EXIT CONFERENCE**

An exit conference was conducted on October 28, 2016, with the following individuals:

Guadalupe County

Ernest S. Tapia, Commission Chairman  
George Dodge, County Manager  
Diana Urban, County Treasurer  
Rose Fernandez, Finance 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.