



State of New Mexico
McKinley County
Annual Financial Report
For the Year Ended June 30, 2015



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INTRODUCTORY SECTION

STATE OF NEW MEXICO

McKinley County
Annual Financial Report
June 30, 2015
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STATE OF NEW MEXICO

McKinley County

Official Roster

June 30, 2015

<u>Name</u>	<u>Elected Officials</u>	<u>Title</u>
Genevive Jackson		County Commissioner - Chairman
Anthony Tanner		County Commissioner
Carol Bowman-Muskett		County Commissioner
Harriett K. Becenti		County Clerk
Ernest Becenti Jr.		County Treasurer
Kathleen Arviso		County Assessor
Ron Silversmith		County Sheriff
Charley Long Sr.		County Probate Judge
	<u>Administrative Officials</u>	
Bill Lee		County Manager
Douglas W. Decker		County Attorney
Sara A. Keeler		Finance Director
Dezirie Gomez		HR Director

FINANCIAL SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Timothy M. Keller
New Mexico State Auditor
The U.S. Office of Management and Budget and
The Board of McKinley County Commissioners
McKinley County
Gallup, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of McKinley County, New Mexico (the County), as of and for the year ended June 30, 2015, and the related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the County's nonmajor governmental funds and the related budgetary comparisons presented as supplementary information as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of McKinley County, as of June 30, 2015, and the respective changes in financial position thereof 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 fund of the County, as of June 30, 2015, and the respective changes in financial position thereof and the respective budgetary comparisons 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 10 through 16 and Schedules I and II and the Notes to the Required Supplementary Information on pages 62 through 66 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 Schedule of Expenditures of Federal Awards as required by Office of Management and Budget *Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations* and Supporting Schedules III through VII required by section 2.2.2 NMAC are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards and Supporting Schedules III through VII 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 auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Award and Supporting Schedules III through VII required by section 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 23, 2015 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the County's internal control over financial reporting and compliance.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
October 23, 2015

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As management of McKinley County (the County), we offer readers of McKinley County financial statements this narrative overview and analysis of the financial activities of McKinley County for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with the financial statements of McKinley County and additional information provided.

Financial Highlights

- The assets and deferred outflows of McKinley County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$108,230,467 (*net position*). Of this amount, \$13,714,190 (*unrestricted net position*) may be used to meet the County's ongoing obligations to citizens and creditors.
- Change in net position from operations for the year end was \$4,015,188. The increase is primarily due to an increase in gross receipts taxes collected, as well as miscellaneous and other income collected. Total change in net position was (\$8,462,600) which included the results of operations and restatements totaling (\$12,477,788) primarily related to the County's implementation of GASB Statement No. 68 and No. 71 for the Net Pension Liability.
- At the end of the current fiscal year, fund balance for the general fund was \$19,909,400, or 156 percent of total general fund expenditures.
- Deferred outflows of resources of \$2,066,094 related to employer contributions subsequent to the measurement date, deferred inflows of resources of \$3,990,169, and a net pension liability of \$9,794,155 related to a pension plan are reported in the Statement of Net Position at June 30, 2015. These items are the result of the implementation of GASB 68 and GASB 71 relating to the County's proportionate share of the Public Employees Retirement Association, a multiple employer cost sharing defined benefit pension plan.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all of McKinley County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the assets and deferred outflows less liabilities and deferred inflows reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of McKinley County is improving or deteriorating.

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

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

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

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

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

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

McKinley County maintains 45 individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the General fund, Indigent Healthcare fund, and Adult Detention Center fund all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

McKinley County adopts an annual appropriated budget for its general fund and all other funds. A budgetary comparison statement has been provided for the general fund and all the special revenue funds to demonstrate compliance with this budget. In addition, the individual financial statements of the non-major governmental funds include budgetary comparison data.

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

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

McKinley County fiduciary funds account for the collection of property taxes and special fees and their remittance to other governmental agencies, and accounts for the Telecommunication program fees collected on behalf of the provider.

The Statement of Fiduciary Assets and Liabilities- Agency Funds can be found at Exhibit D-1 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34-60 of this report.

Other information. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information to the financial statements. Combining and individual fund statements and schedules can be found on pages 70-135 of this report.

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Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of McKinley County assets and deferred outflows exceeded liabilities and deferred inflows by \$108,403,899 and \$116,693,067 at the close of the fiscal years ended June 30, 2015 and June 30, 2014, respectively. The County also had revenues that exceeded expenditures during the year in the amount of \$5,015,188 which increased net position as a result of operations, before considering restatements.

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

A portion (\$37,801,409) of McKinley County's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$13,714,190) may be used to meet the government's ongoing obligations to citizens and creditors.

McKinley County is able to report positive balances in all three categories (Net investment in capital assets, net of related debt, Restricted, and Unrestricted) of net position, for the government as a whole as of June 30, 2015.

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
Current and other assets	\$ 66,885,317	\$ 59,535,346
Capital assets	72,739,868	75,463,916
Deferred outflows of resources	<u>2,066,094</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>141,691,279</u>	<u>134,999,262</u>
Current Liabilities	3,218,954	3,807,474
Non-current liabilities	26,251,689	14,498,721
Deferred inflows of resources	<u>3,990,169</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>33,460,812</u>	<u>18,306,195</u>
Net position:		
Invested in capital assets, net of related debt	56,714,868	61,263,916
Restricted for:		
Debt service	1,665,505	3,011,066
Capital projects	11,252,594	11,091,446
Other Purpose- special revenue	24,883,310	27,413,491
Unrestricted	<u>13,714,190</u>	<u>13,913,148</u>
Total net position	<u>108,230,467</u>	<u>116,693,067</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 141,691,279</u>	<u>\$ 134,999,262</u>

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Changes in Net Position

The County's total revenues of \$42,207,327 and program expenses of \$37,192,139 resulted in a change in net position of \$5,015,188 before restatements or special items. The County incurred an increase in program revenues and a decrease in overall expenditures over the prior year. The County also maintained favorable budget to actual expenditure variances. While comparing balances from current year to the prior year, the accounts may vary due to the prior year auditor grouping accounts differently than the County grouped them in current year.

This section contains a condensed comparison of revenues and expenditures and explanations for significant differences. The table shows the summarized revenues and expenditures for the years ended June 30, 2015 and June 30, 2014.

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
Program revenues:		
Charges for service	\$ 5,322,567	\$ 5,085,362
Operating grants and contributions	5,765,015	5,972,606
Capital grants and contributions	627,040	110,775
General revenues:		
Property taxes, levied for general purposes	8,529,779	8,448,444
Gross receipts taxes	17,474,421	17,246,261
Gasoline and motor vehicle	952,047	1,127,432
Other	964,741	1,169,752
Payments in lieu of taxes	883,741	1,030,747
Interest income	570,847	386,965
Miscellaneous income	512,709	584,561
Proceeds from sale of capital assets	449,124	-
Loss on disposal of capital assets	(107,891)	(41,828)
Net increase (decrease) in the fair value of investments	263,187	595,491
Special item - transfer from/(to) agency fund	-	40,528
Special item - change in landfill liability	-	(672,000)
	<u>42,207,327</u>	<u>41,085,096</u>
Program expenses:		
General government	\$ 10,578,779	\$ 9,729,484
Public safety	17,126,320	14,741,898
Public works	5,808,348	5,973,895
Health and welfare	3,058,016	7,395,302
Interest on long-term debt	620,676	632,914
	<u>37,192,139</u>	<u>38,473,493</u>
Special item- write off of accounts receivable (Note 18)	<u>(1,000,000)</u>	<u>-</u>
Change in net assets	<u>4,015,188</u>	<u>2,611,603</u>
Net position - as restated	<u>(12,477,788)</u>	<u>-</u>
Net Assets - ending	<u>\$ 108,230,467</u>	<u>\$ 109,597,416</u>

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Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, McKinley County's governmental funds reported combined ending fund balances of \$60,689,154, an increase of \$4,871,410 in comparison with the prior year. Approximately 25 percent of this total amount, \$15,564,883, constitutes *unassigned fund balance*, which is available for spending at the government's discretion, and 75 percent of this total amount, \$45,124,272, is *restricted or committed for budgeted items in the major and non-major special revenue funds*.

The general fund is the chief operating fund of McKinley County. At the end of the current fiscal year, *unassigned* fund balance of the general fund was \$17,081,596, *committed for the minimum fund balance* was \$2,827,805 while total fund balance was \$19,909,400. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 176 percent of total general fund expenditures, while total fund balance represents 204 percent of that same amount. Fund balance of McKinley County's general fund increased by \$2,180,278 during the current fiscal year. The increase is due to an increase in the collection of both property taxes and gross receipts taxes.

The Indigent Health Care Fund has a total fund balance of \$3,115,856. At the end of the current fiscal year, *unassigned* fund balance of the Indigent Health Care Fund was \$0. The net increase in fund balance during the current year in the Indigent Health Care Fund was \$188,214. This increase is due primarily to the change of the calculation method of the final payment under the Sole Community Provider calculation method. The State of New Mexico passed legislation to a new calculation method in be placed into a Safety Net Care Pool.

The Adult Detention Center Fund has total fund balance of \$(1,516,393). At the end of the current fiscal year, *unassigned* fund balance of the Adult Detention Center Fund was \$0. The net decrease in fund balance during the current year in the Adult Detention fund was \$(1,225,030). This decrease is due to loss of revenue from outside contracts in the amount of \$1,258,099.

Budgetary Highlights

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

GASB 34 does not require a statement presenting the overall result of the budget for each year; however, all major budgetary funds are required to be reported as a separate statement.

The total variation in budgeted expenditures from the original and final budgets in the general fund was \$621,153. The increase was mainly due to the difference of budgeted expense transfer to assist in funding the following expenditures; raises for elected officials, sheriff's office union negotiations, purchasing a building and holes project to assist Care 66.. Actual expenditures in the general fund were lower than final budgeted expenditures by \$2,395,245.

The following table examines the summary budget performance of the major and aggregate non-major funds for the fiscal year ending June 30, 2015. Detail budget performance is reported in the budgetary comparison statements for each major fund and the statements of revenues and expenditures budget and actual for the non-major funds.

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Fund Budget Performance

	Final Budget	Actual on Cash (Budgetary) Basis	Favorable (Unfavorable) Variance
General Fund	\$ 13,509,040	\$ 11,113,795	\$ 2,395,245
Indigent Health Care Fund	3,230,950	2,286,499	\$ 944,451
Adult Dentation Center Fund	4,239,892	4,112,789	\$ 127,103
Other Governmental Funds	38,791,448	1,295,254	\$ 37,496,194
Total for Governmental Funds	<u>\$ 59,771,330</u>	<u>\$ 18,808,337</u>	<u>\$ 40,962,993</u>

The County amends its budget during the year in response to unexpected changes in its operating environment. The original and final budgets are reported and can be examined in the budgetary comparison statements for each major fund and the statements of revenues and expenditures budget and actual for the non-major funds

Capital Asset and Debt Administration

Capital Assets

McKinley County 's investment in capital assets for its governmental activities as of June 30, 2015, amounts to \$72,739,868 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings and improvements, equipment, infrastructure, and other improvements. The table below shows the summarized capital assets of McKinley County as of June 30, 2015 and June 30, 2014.

**McKinley County's Capital Assets, Net of Depreciation
 June 30, 2015**

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
Property, plan and equipment		
Land	\$ 3,788,082	\$ 3,765,416
Constuction in progress	178,001	2,483,618
Infrastructure	27,766,389	27,766,389
Land improvements	4,080,323	4,080,323
Buildings and improvements	70,034,841	67,507,609
Vehicles and rolling stock	23,019,136	22,488,946
Machinery, equipment, & Other	<u>6,520,821</u>	<u>6,585,768</u>
Total property, plant and equipment	<u>135,387,593</u>	<u>134,678,069</u>
Less: accumulated depreciation	<u>(62,647,725)</u>	<u>(59,214,153)</u>
of accumulated depreciation	<u>\$ 72,739,868</u>	<u>\$ 75,463,916</u>

The County recognized \$4,125,740 in depreciation expense during the year. Additional information on McKinley County 's capital assets can be found in the notes to the financial statements.

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 Management's Discussion and Analysis
 June 30, 2015

The County had several commitments to construction companies at June 30, 2015. Additional information on McKinley County's commitments can be found in Note 13 of the financial statements.

Long-term debt

At June 30, 2015, McKinley County had total gross receipt revenue bonds outstanding of \$16,025,000, which is secured by pledged gross receipts tax revenues. McKinley County also has post-closure debt of \$660,000, which is restricted cash in the EGRT fund.

**McKinley County's Outstanding Debt
 June 30, 2015**

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
Gross Receipts Revenue Bonds	\$ 16,025,000	\$ 14,200,000
Landfill Closure/Post/Closure Costs	660,000	715,000
Compensated Absences	<u>788,622</u>	<u>560,055</u>
Total outstanding debt	<u>\$ 17,473,622</u>	<u>\$ 15,475,055</u>

The County increased bonds payable by \$1,825,000 due to the net of new bond proceeds of \$2,470,000 and their principal payment of \$645,000. Additional information on McKinley County's long-term debt can be found in the notes to the financial statements.

Economic Factor and Next Year's Budgets and Rates

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

This factor was considered in preparing McKinley County's budget for the 2015 fiscal year.

During the current fiscal year, unassigned fund balance in the general fund increased to \$20,082,832. It is intended that the use of this available fund balance will avoid the need to raise taxes or charges during the 2015 fiscal year.

Request for Information

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

**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO

McKinley County

Statement of Net Position

June 30, 2015

	<u>Governmental Activities</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 14,978,044
Investments	44,279,538
Receivables:	
Property taxes	418,087
Other taxes	2,483,030
Other receivables	<u>3,778,940</u>
Total current assets	<u>65,937,639</u>
Noncurrent assets	
Restricted cash and cash equivalents	882,934
Bond underwriter discount (net of accumulated amortization of \$24,693)	64,744
Capital assets	135,387,593
Less: accumulated depreciation	<u>(62,647,725)</u>
Total noncurrent assets	<u>73,687,546</u>
Total assets	<u>139,625,185</u>
Deferred outflows of resources	
Employer contributions subsequent to the measurement date	<u>2,066,094</u>
Total deferred outflows of resources	<u>2,066,094</u>
Total assets and deferred outflows of resources	<u><u>\$ 141,691,279</u></u>

The accompanying notes are an integral part of these financial statements

	<u>Governmental Activities</u>
Liabilities	
Current liabilities	
Accounts payable	\$ 1,303,515
Accrued payroll	691,245
Accrued interest	30,385
Current portion of accrued compensated absences	363,809
Current portion of landfill closure and post closure costs	55,000
Current portion of bonds payable	<u>775,000</u>
Total current liabilities	<u>3,218,954</u>
Noncurrent liabilities	
Accrued compensated absences	424,853
Landfill closure and post closure costs	605,000
Bond underwriter premium (net of accumulated amortization of \$56,139)	177,681
Bonds payable	15,250,000
Net pension liability	<u>9,794,155</u>
Total noncurrent liabilities	<u>26,251,689</u>
Total liabilities	<u>29,470,643</u>
Deferred inflows of resources	
Change in assumptions	206,533
Net difference between projected and actual investment earnings on pension plan investments	<u>3,783,636</u>
Total deferred inflows of resources	<u>3,990,169</u>
Net position	
Net investment in capital assets	56,714,868
Restricted for:	
Debt service	1,665,505
Capital projects	11,252,594
Other purposes - special revenue	24,883,310
Unrestricted	<u>13,714,190</u>
Total net position	<u>108,230,467</u>
Total liabilities, deferred inflows of resources and net position	<u><u>\$ 141,691,279</u></u>

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STATE OF NEW MEXICO
 McKinley County
 Statement of Activities
 For the Year Ended June 30, 2015

Exhibit A-2

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary government					
General government	\$ 10,578,779	\$ 3,198,847	\$ 588,540	\$ 10,915	\$ (6,780,477)
Public safety	17,126,320	17,547	4,744,316	316,125	(12,048,332)
Public works	5,808,348	-	213,686	300,000	(5,294,662)
Health and welfare	3,058,016	2,106,173	218,473	-	(733,370)
Interest on long-term debt	620,676	-	-	-	(620,676)
<i>Total governmental activities</i>	<u>\$ 37,192,139</u>	<u>\$ 5,322,567</u>	<u>\$ 5,765,015</u>	<u>\$ 627,040</u>	<u>(25,477,517)</u>

General revenues:

Taxes:

Property	8,529,779
Gross receipts	17,474,421
Gasoline and motor vehicle	952,047
Other	964,741
Payment in lieu of taxes	883,741
Investment income	570,847
Net increase (decrease) in the fair value of investments	263,187
Miscellaneous income	512,709
Gain from sale of capital assets	341,233
Total general revenues	<u>30,492,705</u>
Special item- write off of accounts receivable (Note 18)	<u>(1,000,000)</u>
Change in net position	<u>4,015,188</u>
Net position - beginning	116,693,067
Net position - restatement (Note 18)	<u>(12,477,788)</u>
Net position - as restated	<u>104,215,279</u>
Net position - ending	<u>\$ 108,230,467</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

McKinley County

Balance Sheet

Governmental Funds

June 30, 2015

	<u>General Fund</u>	<u>Indigent Healthcare</u>	<u>Adult Detention Center</u>
<i>Assets</i>			
Cash and cash equivalents	\$ 3,093,178	\$ 1,044,515	\$ -
Investments	16,749,386	1,571,138	-
Receivables:			
Property taxes	417,008	-	-
Other taxes	1,444,730	129,046	90,290
Other receivables	17,350	1,625,000	900,901
Due from other funds	453,666	-	-
<i>Total assets</i>	<u>\$ 22,175,318</u>	<u>\$ 4,369,699</u>	<u>\$ 991,191</u>
<i>Liabilities, deferred inflows, and fund balances</i>			
<i>Liabilities</i>			
Accounts payable	\$ 463,473	\$ 3,843	\$ 78,022
Accrued payroll	315,378	-	115,394
Due to other funds	-	-	1,578,821
<i>Total liabilities</i>	<u>778,851</u>	<u>3,843</u>	<u>1,772,237</u>
<i>Deferred inflows of resources</i>			
Deferred inflows- grants	1,150,647	-	735,347
Deferred inflows- charges for service	-	1,250,000	-
Deferred inflows- property taxes	336,420	-	-
<i>Total deferred inflows of resources</i>	<u>1,487,067</u>	<u>1,250,000</u>	<u>735,347</u>
<i>Fund balances</i>			
<i>Spendable</i>			
<i>Restricted for:</i>			
General county operations	-	-	-
Maintenance of roads	-	-	-
Fire departments	-	-	-
Public safety	-	-	-
Healthcare	-	3,115,856	-
Capital projects expenditures	-	-	-
Debt service expenditures	-	-	-
<i>Committed for:</i>			
Corrections facility	-	-	-
Senior center	-	-	-
Minimum fund balance	2,827,805	-	-
Unassigned	17,081,596	-	(1,516,393)
<i>Total fund balances</i>	<u>19,909,400</u>	<u>3,115,856</u>	<u>(1,516,393)</u>
<i>Total liabilities, deferred inflows, and fund balances</i>	<u>\$ 22,175,318</u>	<u>\$ 4,369,699</u>	<u>\$ 991,191</u>

The accompanying notes are an integral part of these financial statements

Other Governmental Funds	Total
\$ 11,723,285	\$ 15,860,978
25,959,014	44,279,538
1,079	418,087
818,964	2,483,030
1,235,689	3,778,940
1,578,821	2,032,487
<u>\$ 41,316,852</u>	<u>\$ 68,853,060</u>
\$ 758,177	\$ 1,303,515
260,473	691,245
453,666	2,032,487
<u>1,472,316</u>	<u>4,027,247</u>
663,196	2,549,190
-	1,250,000
1,049	337,469
<u>664,245</u>	<u>4,136,659</u>
8,219,202	8,219,202
330,507	330,507
2,362,278	2,362,278
9,276,190	9,276,190
3,436,116	6,551,972
11,595,913	11,595,913
1,603,239	1,603,239
1,717,791	1,717,791
343,506	343,506
295,869	3,123,674
(320)	15,564,883
<u>39,180,291</u>	<u>60,689,154</u>
<u>\$ 41,316,852</u>	<u>\$ 68,853,060</u>

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STATE OF NEW MEXICO

McKinley County

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2015

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	\$ 60,689,154
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	72,739,868
Revenues not collected within sixty days after year end are considered "available" revenues and are considered to be "unavailable" revenues in the fund financial statements, but are considered revenue in the Statement of Activities	
Delinquent property taxes	337,469
Charges for service	1,250,000
Grant revenues	2,549,190
Other noncurrent assets are not available to pay for current period expenditures and therefore, are deferred in the funds:	
Bond underwriter discount	64,744
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in funds	
Deferred outflows of resources related to employer contributions subsequent to the measurement date	2,066,094
Deferred inflows of resources related to change in assumptions	(206,533)
Deferred inflows of resources related to net difference between projected and actual investment earnings on pension plan investments	(3,783,636)
Other liabilities are not due and payable with current financial resources and, therefore are not reported in the funds:	
Accrued interest payable	(30,385)
Current portion of landfill closure and post closure costs	(55,000)
Certain liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Bonds payable	(15,250,000)
Accrued compensated absences	(424,853)
Bond underwriter premium	(177,681)
Current portion of accrued compensated absences not due and payable at year end	(363,809)
Current portion of bonds payable	(775,000)
Landfill closure and post closure costs	(605,000)
Net pension liability	(9,794,155)
Net position - governmental activities	<u>\$ 108,230,467</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 McKinley County
 Statement of Revenues, Expenditures, and Changes in Fund Balances
 Governmental Funds
 For the Year Ended June 30, 2015

	<u>General Fund</u>	<u>Indigent Healthcare</u>	<u>Adult Detention Center</u>
<i>Revenues:</i>			
Taxes:			
Property	\$ 8,511,518	\$ -	\$ -
Gross receipts	3,353,147	2,194,756	998,497
Gasoline and motor vehicle taxes	360,361	-	-
Other	10,325	-	-
Intergovernmental:			
Federal operating grants	13,141	-	-
State operating grants	-	-	-
State capital grants	-	-	-
Payment in lieu of taxes	883,741	-	-
Charges for services	277,372	375,000	1,287,703
Investment income	569,484	1,191	-
Net increase (decrease) in the fair value of investments	231,494	6,336	-
Miscellaneous	137,034	-	17,566
<i>Total revenues</i>	<u>14,347,617</u>	<u>2,577,283</u>	<u>2,303,766</u>
<i>Expenditures:</i>			
Current:			
General government	6,960,558	-	-
Public safety	3,951,381	-	4,111,522
Public works	-	-	-
Health and welfare	257,154	1,765,497	-
Capital outlay	315,557	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>11,484,650</u>	<u>1,765,497</u>	<u>4,111,522</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>2,862,967</u>	<u>811,786</u>	<u>(1,807,756)</u>
<i>Other financing sources (uses)</i>			
Bond Proceeds	-	-	-
Proceeds from sale of equipment	449,124	-	-
Transfers in	-	-	-
Transfers (out)	(1,305,245)	-	-
<i>Total other financing sources (uses)</i>	<u>(856,121)</u>	<u>-</u>	<u>-</u>
<i>Special item- write off of accounts receivable (Note 18)</i>	<u>-</u>	<u>(1,000,000)</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>2,006,846</u>	<u>(188,214)</u>	<u>(1,807,756)</u>
<i>Fund balance - beginning of year</i>	<u>17,902,554</u>	<u>3,304,070</u>	<u>291,363</u>
<i>Fund balance - end of year</i>	<u>\$ 19,909,400</u>	<u>\$ 3,115,856</u>	<u>\$ (1,516,393)</u>

The accompanying notes are an integral part of these financial statements

<u>Other Governmental Funds</u>	<u>Total</u>
\$ 30	\$ 8,511,548
9,778,758	16,325,158
591,686	952,047
954,416	964,741
2,033,927	2,047,068
3,657,584	3,657,584
627,040	627,040
-	883,741
1,478,074	3,418,149
172	570,847
25,357	263,187
415,124	569,724
<u>19,562,168</u>	<u>38,790,834</u>
2,624,602	9,585,160
7,599,642	15,662,545
4,865,357	4,865,357
897,998	2,920,649
1,194,026	1,509,583
645,000	645,000
650,254	650,254
<u>18,476,879</u>	<u>35,838,548</u>
<u>1,085,289</u>	<u>2,952,286</u>
2,470,000	2,470,000
-	449,124
5,012,869	5,012,869
(3,707,624)	(5,012,869)
<u>3,775,245</u>	<u>2,919,124</u>
<u>-</u>	<u>(1,000,000)</u>
<u>4,860,534</u>	<u>4,871,410</u>
<u>34,319,757</u>	<u>55,817,744</u>
<u>\$ 39,180,291</u>	<u>\$ 60,689,154</u>

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STATE OF NEW MEXICO
 McKinley 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, 2015

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	\$	4,871,410
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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		1,509,583
Depreciation expense		(4,125,740)
Loss on disposal of assets on statement of activities		(107,891)

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

Change in deferred inflows related to property taxes receivable		19,348
Change in deferred inflows related to grants receivable		1,807,948
Change in deferred inflows related to charges for service		1,250,000

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

County pension contributions		2,066,094
Pension expense		(1,306,535)

Expenses in the Statement of Activities that do not consume current financial
 resources are not reported as expenditures in the funds:

Increase in accrued compensated absences		(228,607)
Current year landfill post closure expenses		55,000

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

Decrease in accrued interest payable		21,302
Amortization of bond premium		11,890
Amortization of bond discount		(3,614)
Bond proceeds		(2,470,000)
Principal payments on bonds		645,000

Change in net position of governmental activities	\$	<u>4,015,188</u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-1

McKinley County

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes				
Property	\$ 8,194,009	\$ 8,194,009	\$ 8,524,558	\$ 330,549
Gross receipts	2,940,000	2,940,000	3,451,369	511,369
Gasoline and motor vehicle	330,000	330,000	355,951	25,951
Other	12,000	12,000	9,994	(2,006)
Intergovernmental income:				
Federal operating grants	3,000	3,000	16,711	13,711
State operating grants	-	-	-	-
Payment in lieu of taxes	877,530	877,530	883,741	6,211
Charges for services	317,635	317,635	222,748	(94,887)
Investment income	300,000	300,000	569,484	269,484
Net increase (decrease) in the fair value of investments	-	-	231,494	231,494
Miscellaneous	97,000	97,000	134,922	37,922
<i>Total revenues</i>	<u>13,071,174</u>	<u>13,071,174</u>	<u>14,400,972</u>	<u>1,329,798</u>
<i>Expenditures:</i>				
Current:				
General government	7,730,948	8,126,355	6,763,878	1,362,477
Public safety	4,843,289	4,852,555	3,757,780	1,094,775
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	241,850	301,252	276,580	24,672
Capital outlay	71,800	357,878	315,557	42,321
<i>Total expenditures</i>	<u>12,887,887</u>	<u>13,638,040</u>	<u>11,113,795</u>	<u>2,524,245</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>183,287</u>	<u>(566,866)</u>	<u>3,287,177</u>	<u>3,854,043</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(90,042)	1,086,011	-	(1,086,011)
Proceeds from sale of equipment	12,000	461,100	449,124	(11,976)
Transfers in	-	425,000	-	(425,000)
Transfers (out)	(105,245)	(1,405,245)	(1,305,245)	100,000
<i>Total other financing sources (uses)</i>	<u>(183,287)</u>	<u>566,866</u>	<u>(856,121)</u>	<u>(1,422,987)</u>
<i>Net change in fund balance</i>	-	-	2,431,056	2,431,056
<i>Fund balance - beginning of year</i>	-	-	17,865,174	17,865,174
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,296,230</u>	<u>\$ 20,296,230</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 2,431,056
Adjustments to revenues for property tax and grant revenues				(53,355)
Adjustments to expenditures for insurance, materials, other charges, and payroll expenditures				(370,855)
Net change in fund balance (GAAP)				<u>\$ 2,006,846</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-2

McKinley County

Indigent Healthcare Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	2,350,000	2,350,000	2,303,729	(46,271)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	1,500,000	1,500,000	250,000	(1,250,000)
Investment income	1,000	1,000	7,527	6,527
Miscellaneous	-	-	4,694	4,694
<i>Total revenues</i>	<u>3,851,000</u>	<u>3,851,000</u>	<u>2,565,950</u>	<u>(1,285,050)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	3,230,950	3,230,950	2,286,499	944,451
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>3,230,950</u>	<u>3,230,950</u>	<u>2,286,499</u>	<u>944,451</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>620,050</u>	<u>620,050</u>	<u>279,451</u>	<u>(340,599)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(620,050)	(620,050)	-	620,050
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(620,050)</u>	<u>(620,050)</u>	<u>-</u>	<u>620,050</u>
<i>Net change in fund balance</i>	-	-	279,451	279,451
<i>Fund balance - beginning of year</i>	-	-	2,336,202	2,336,202
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,615,653</u>	<u>\$ 2,615,653</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 279,451
Adjustments to revenues for gross receipts taxes and charges for service				11,333
Adjustments to expenditures for repairs and maintenance and supplies				521,002
Net change in fund balance (GAAP)				<u>\$ 811,786</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-3

McKinley County

Adult Detention Center Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	1,070,000	1,070,000	1,074,784	4,784
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	3,210,000	3,310,000	1,322,190	(1,987,810)
Investment income	-	-	-	-
Miscellaneous	12,000	12,000	12,737	737
<i>Total revenues</i>	<u>4,292,000</u>	<u>4,392,000</u>	<u>2,409,711</u>	<u>(1,982,289)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	4,132,231	4,239,892	4,112,789	127,103
Public Works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>4,132,231</u>	<u>4,239,892</u>	<u>4,112,789</u>	<u>127,103</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>159,769</u>	<u>152,108</u>	<u>(1,703,078)</u>	<u>(1,855,186)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(159,769)	(152,108)	-	152,108
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(159,769)</u>	<u>(152,108)</u>	<u>-</u>	<u>152,108</u>
<i>Net change in fund balance</i>	-	-	(1,703,078)	(1,703,078)
<i>Fund balance - beginning of year</i>	-	-	124,257	124,257
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,578,821)</u>	<u>\$ (1,578,821)</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (1,703,078)
Adjustments to revenues for gross receipts taxes and charges for service				(105,945)
Adjustments to expenditures for repairs and maintenance and supplies				1,267
Net change in fund balance (GAAP)				<u>\$ (1,807,756)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
McKinley County
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2015

Exhibit D-1

<i>Assets</i>	
Cash	\$ 1,008,689
Property taxes receivable	<u>1,302,643</u>
<i>Total assets</i>	<u><u>\$ 2,311,332</u></u>
 <i>Liabilities</i>	
Accounts payable	\$ 16,020
Due to other taxing entities	1,302,643
Deposits held in trust	<u>992,669</u>
<i>Total liabilities</i>	<u><u>\$ 2,311,332</u></u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 1. Summary of Significant Accounting Policies

McKinley County is a political sub-division of the State of New Mexico established under the provisions of Section 14-14-1 of NMSA, 1978 compilation and regulated by the constitution of the State of New Mexico. The County operates under a Board of County Commissions-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, low rent housing assistance, planning and zoning, property assessment, tax collection and general administrative services.

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

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

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

During the year ended June 30, 2015, the County adopted GASB Statements No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement No. 27* ("GASB 68"), and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an Amendment of GASB Statement No. 68* ("GASB 71"). These two Statements are required to be implemented at the same time. GASB 68 addresses accounting and financial reporting for pensions that are provided to the employees of state and local governments through pension plans that are administered through trusts that have the following characteristics:

- Contributions from employers and nonemployer contributing entities to the pension plan and earnings on those contributions are irrevocable.
- Pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms.
- Pension plan assets are legally protected from the creditors of employers, nonemployer contributing entities, and the pension plan administrator. If the plan is a defined benefit plan, plan assets are also legally protected from creditors of the plan members.

GASB 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to pensions. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. As a result of the implementation of GASB 68, the government recognized a net pension liability ("NPL") measured as of a date no later than the end of its prior fiscal year. If the government employer makes a contribution to the pension plan subsequent to the measurement date but prior to the end of the current fiscal year, GASB 68 requires the government to recognize that contribution as a deferred outflow of resources. In addition, GASB 68 requires the recognition of deferred outflows of resources and deferred inflows of resources for changes in the NPL that arise from other types of events, but does not require the government to recognize beginning deferred outflows of resources or deferred inflows of resources if the amounts are not practical to estimate. At transition to Statement 68, Statement 71 requires the employer or nonemployer contributing entity to recognize a beginning deferred outflow of resources for its pension contributions made subsequent to the measurement date of the beginning net pension liability but before the start of the

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 1. Summary of Significant Accounting Policies (continued)

government's fiscal year, thus avoiding possible understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

A. Financial Reporting Entity

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

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

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the County does not have any component units required to be reported under GASB Statements No. 14, as amended by Statements No. 39, and No. 61, and is not a component unit of any other governmental agency.

B. Government-wide and fund financial statements

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

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

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 1. Summary of Significant Accounting Policies (continued)

B. Government-wide and fund financial statements(continued)

function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. 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. 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. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

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

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

The *Indigent Healthcare Special Revenue Fund* is to account for revenues received from state shared gross receipts taxes for hospital service for indigent citizens of the County. The fund was created by authority of state statute (see Section 7-2OE-9, NMSA, 1978 Compilation and McKinley County Ordinance No. 07-88-032.9).

The *Adult Detention Center Fund* is the account for fiscal operation and reporting of the Gallup McKinley Detention Center. The administration is handled by the local Jail Authority Board. The fund was created by authority of state statute (see Section 7-2OE-9, NMSA, 1978 Compilation) and McKinley County Ordinance No. MAY-04-094.

Additionally, the government reports the following agency fund:

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. The agency fund is used to account for collection and disbursement of inmate funds for the McKinley County Detention Center. In addition, the agency fund will track and account for items held for the fire departments located within McKinley County.

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

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

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

State statutes authorize the County to invest in Certificates of Deposit and Federal Home Loan investments.

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

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

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

Property taxes are levied on November 1st based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after May 10th are considered delinquent. The taxes attach as an enforceable lien on property as of January 1st.

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

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. McKinley County was a phase II government for purposes of implementing GASB Statement No. 34. Therefore, the County was required to report its major general infrastructure assets retroactively to June 30, 1980. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5).

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

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

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

<u>Assets</u>	<u>Years</u>
Infrastructure	40
Land improvements	20
Buildings and improvements	45
Vehicles and rolling stock	5-20
Machinery, equipment & other	5-20

Accrued Expenses: Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2015, along with applicable PERA, FICA, and Medicare payable.

Deferred Inflows of Resources: In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, 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. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 1. Summary of Significant Accounting Policies (continued)

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

fiscal period, then the assets must be offset by a corresponding liability for deferred inflows of resources. The County has two types of items, which arises under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the items, unavailable revenue - property taxes and unavailable revenue - grants, are reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The County has recorded \$337,469 related to property taxes, \$1,250,000 related to charges for service, and \$2,549,190 related to grants considered "unavailable." In addition, the County has two types of items present on the Statement of Net Position which arise due to the implementation of GASB 68 and the related net pension liability. Accordingly, these items, change in assumptions in the amount of \$206,533 and net difference between projected and actual investment earnings on pension plan investments in the amount of \$3,783,636, are reported on the Statement of Net Position. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Deferred Outflows of Resources: In addition to assets, the balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time. The County has one type of item that qualify for reporting in this category. Accordingly, the item employer contributions subsequent to the measurement date in the amount of \$2,066,094. These amounts are reported in the Statement of Net Position. These amounts are deferred and will be recognized as pension expense in the next period.

Compensated Absences: Qualified employees are entitled to earn annual leave according to a graduated leave schedule of ten days to twenty days per year, depending on length of service. Employees may accumulate up to 240 hours (thirty days) of annual leave and carry that leave forward from calendar year to calendar year. Upon termination, employees will be paid for up to 240 hours (thirty days) of accrued annual leave.

Qualified employees are entitled to earn sick leave at a rate of thirteen days per year. Sick leave can be carried over from year to year for an unlimited amount of hours. Upon termination, retiring employees who have been with the County at least 25 years, will be paid for up to 120 hours (fifteen days) of accrued sick leave.

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

Long-term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. For bonds issued after GASB Statement No. 34 was implemented, bond premiums and discounts 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 other financing sources, net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Fund Balance Classification Policies and Procedures: For committed fund balance, the County's highest level of decision-making authority is the County Commission. The formal action that is required to be taken to establish a fund balance commitment is the County Commission.

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

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

Nonspendable Fund Balance: At June 30, 2015, the County did not have any nonspendable fund balance categorized in the governmental funds balance sheet as detailed on pages 22-23.

Restricted and Committed Fund Balance: At June 30, 2015, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$26,740,149 for various County operations as restricted by enabling legislation. Also, the County restricted \$11,595,913 for capital projects, and \$1,603,239 for servicing debt. Also, the County has presented committed fund balance in the amount of \$1,717,791 for corrections facilities and \$343,506 for senior centers. The details of these fund balance items are located on the governmental funds balance sheet as detailed on pages 22-23.

Minimum Fund Balance Policy: The County's policy for maintaining a minimum amount of fund balance for operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies. At a minimum, the budget shall ensure that the County holds cash reserves of 3/12th the General Fund expenditures and a cash reserve of 1/12th the Road Special Revenue Fund. At June 30, 2015, the County maintains \$3,123,674 as minimum fund balances.

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

- a. Net investment in capital assets: This component consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position: Net Position is reported as restricted when constraints placed on net position use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for "special revenue, debt service, and capital projects" are described on pages 37 and 72-75.
- c. Unrestricted Net Position: Net position that does not meet the definition of "restricted" or "invested in capital assets, net of related debt."

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

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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 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

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

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

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

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

	Excess (deficiency) of revenues over expenditures	
	Original Budget	Final Budget
Budgeted Funds:		
General Fund	\$ 183,287	\$ (566,866)
Indigent Health Care Special Revenue Fund	\$ 620,050	\$ 620,050
Adult Detention Center Special Revenue Fund	\$ 159,769	\$ 152,108
Other Governmental Funds	\$ (4,454,632)	\$ (6,764,530)

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2015 is presented. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 3. Deposits and Investments

State statutes authorize the investment of County funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the County properly followed State investment requirements as of June 30, 2015.

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

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

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

Beginning January 1, 2013, all of the County's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the standard maximum deposit insurance amount of \$250,000 for all deposit accounts out of state and up to \$250,000 for all time and saving accounts plus up to \$250,000 for all demand deposit accounts held at a single institution in state.

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 deposit policy for custodial credit risk, other than following state statutes as set forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2015, \$23,785,707 of the County's bank balance of \$24,884,925 was exposed to custodial credit risk. Although the \$23,785,707 was uninsured, it was collateralized by collateral held by the pledging bank's trust department, not in the County's name. None of the County's deposits were uninsured and uncollateralized at June 30, 2015.

	<u>Pinnacle Bank</u>	<u>Washington Federal Bank</u>	<u>Wells Fargo Bank</u>	<u>First Financial Credit Union</u>	<u>Total</u>
Amount of deposits	\$ 16,431,199	\$ 2,000,678	\$ 6,353,830	\$ 99,218	\$ 24,884,925
FDIC coverage	(500,000)	(250,000)	(250,000)	(99,218)	(1,099,218)
Total uninsured public funds	<u>15,931,199</u>	<u>1,750,678</u>	<u>6,103,830</u>	<u>-</u>	<u>23,785,707</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name	<u>15,931,199</u>	<u>1,750,678</u>	<u>6,103,830</u>	<u>-</u>	<u>23,785,707</u>
Uninsured and uncollateralized	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Collateral requirement (50%)	7,965,600	875,339	3,051,915	-	11,892,854
Pledged securities	<u>37,527,099</u>	<u>1,813,207</u>	<u>8,027,303</u>	<u>-</u>	<u>47,367,609</u>
Over (under) collateralized	<u>\$ 29,561,499</u>	<u>\$ 937,868</u>	<u>\$ 4,975,388</u>	<u>\$ -</u>	<u>\$ 35,474,755</u>

At June 30, 2015 \$50,000 of NMFA monies were reported as cash at Exhibit A-1. These funds were fully insured by the full faith and credit of the U.S. Government.

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

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 3. Deposits and Investments (continued)

Investments

Credit Risk

The New MexiGROW Local Government Investment Pool's (LGIP) investments are valued at fair value based on quoted market prices as of the valuation date. The LGIP is not SEC registered. The New Mexico State Treasurer is authorized to invest the short-term investment funds, with the advice and consent of the State Board of Finance, in accordance with Sections 6-10-10(I) through 6-10-10(P) and Sections 6-10-10.1(A) and (E), NMSA 1978. The LGIP's investments are monitored by the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per Section 6-10-10.1(F), NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the LGIP is voluntary.

As of June 30, 2015, the County had the following investments and maturities:

<u>Investment Type</u>	<u>Weighted Average Maturities</u>	<u>Fair Value</u>	<u>Rating</u>
Federal Home Loan	<6 year	37,170,809	Aaa*
New MexiGrow LGIP	77.7	8,833	AAA**

*Rating based on Moody's rating

**Based off Standard & Poor's rating

The investments are listed on Schedule IV of this report. At year end June 30, 2015, there was \$7,099,896 of certificates of deposits, classified as investments at Exhibit B-1.

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

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

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

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 3. Deposits and Investments (continued)

Reconciliation of Cash and Cash Equivalents

Primary Government

Reconciliation to the Statement of Net Position

Cash and cash equivalents per Exhibit A-1	\$ 14,978,044
Investments per Exhibit A-1	44,279,538
Restricted cash and cash equivalents per Exhibit A-1	882,934
Cash - Statement of Fiduciary Assets and Liabilities per Exhibit D-1	<u>1,008,689</u>
Total cash, cash equivalents, and investments	61,149,205
Add: outstanding checks	1,039,914
Less: Investments that are not certificates of deposit	(37,170,809)
Less: deposits in transit	(73,575)
Less: State Treasurer's pool (LGIP Fund)	(8,833)
Less: NMFA cash	(50,000)
Less: petty cash	<u>(977)</u>
Bank balance of deposits	<u>\$ 24,884,925</u>

NOTE 4. Receivables

Receivables as of June 30, 2015, are as follows:

	General Fund	Indigent Healthcare	Adult Detention	Other Governmental Funds	Total
Property taxes	\$ 417,008	\$ -	\$ -	\$ 1,079	\$ 418,087
Other taxes:					
Gross receipts taxes	1,407,419	129,046	90,290	818,964	2,445,719
Gasoline and oil taxes	37,311	-	-	-	37,311
Other receivables:					
Charges for services	14,569	1,625,000	681,026	67,551	2,388,146
Intergovernmental:	-				
State	1,375	-	219,845	576,108	797,328
Federal	-	-	-	578,333	578,333
Miscellaneous	1,406	-	30	13,697	15,133
Totals	<u>\$ 1,879,088</u>	<u>\$ 1,754,046</u>	<u>\$ 991,191</u>	<u>\$ 2,055,732</u>	<u>\$ 6,680,057</u>

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$337,469 that were not collected within the period of availability have been reclassified as deferred inflow in the governmental fund financial statements. Also, grant revenues in the amount of \$2,649,927 and charges for service in the amount of \$1,250,000, that were not received within the period of availability, and as required by GASB 65, were classified as deferred inflows

All of the above receivables are deemed to be fully collectible. However, there was \$1,000,000 wrote off during fiscal year 2015, from the hospital. See note 18 for details.

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 5. Interfund Receivables, Payables, and Transfers

The County's fund financial statements include inter-fund receivables and payables to enable the funds to operate until grant monies are received. Interfund receivables as of June 30, 2015 consisted of the following:

<u>Due to</u>	<u>Due from</u>	<u>Amount</u>
227 SHERIFF'S GRANT	101 GENERAL FUND	\$ 74,952
201 CORRECTIONS	101 GENERAL FUND	378,714
231 ADULT DETENTION CENTER	201 CORRECTIONS	1,578,821
		<u>\$ 2,032,487</u>

All funds that maintain interfund balances will be expected to be paid back within one year.

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
201 CORRECTIONS	101 GENERAL FUND	\$ 600,000
204 ROADS FUND	101 GENERAL FUND	600,000
206 EMERGENCY MEDICAL SERVICES	214 EMERGENCY COMMUNICATIONS	696,000
207 METRO DISPATCH	214 EMERGENCY COMMUNICATIONS	2,047,724
208 FARM & RANGE	101 GENERAL FUND	7,600
210 HIGHWAY BEAUTIFICATION	101 GENERAL FUND	12,000
218 INTERGOVERNMENTAL GRANTS	202 ENVIRONMENTAL GRT	57,507
219 SENIOR CITIZENS CENTERS	101 GENERAL FUND	32,000
228 NARCOTIC DRUG CONTROL AND K-9 UNIT	295 RURAL PUBLIC SAFETY	30,000
234 MISDEMEANOR COMPLIANCE	223 DWI PROGRAM	100,000
236 EMERGENCY MANAGEMENT	295 RURAL PUBLIC SAFETY	356,393
240 JSACC CENTER	101 GENERAL FUND	53,645
304 CDBG GAMERCO WATER SYSTEM	202 ENVIRONMENTAL GRT	140,000
307 COUNTY DRAINAGE PROJECT	300 CAPITAL PROJECTS	280,000
		<u>\$ 5,012,869</u>

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 6. Capital Assets

The following is a summary of capital assets and changes occurring during the year ended June 30, 2015. Land and construction in progress are not subject to depreciation.

	Balance June 30, 2014	Additions	Transfers	Deletions	Balance June 30, 2015
Capital assets not being depreciated:					
Land	\$ 3,765,416	\$ 49,210	\$ -	\$ 26,544	\$ 3,788,082
Construction in progress	2,483,618	145,479	-	2,451,096	178,001
Total capital assets not being depreciated	6,249,034	194,689	-	2,477,640	3,966,083
Capital assets being depreciated:					
Infrastructure	27,766,389	-	-	-	27,766,389
Land improvements	4,080,323	-	-	-	4,080,323
Building and improvements	67,507,609	272,002	2,451,096	195,866	70,034,841
Vehicles and rolling stock	22,488,946	576,093	-	45,903	23,019,136
Machinery, equipment & other	6,585,768	466,799	-	531,746	6,520,821
Total capital assets being depreciated	128,429,035	1,314,894	2,451,096	773,515	131,421,510
Less accumulated depreciation:					
Infrastructure	19,634,967	846,348	-	-	20,481,315
Land improvements	3,272,064	133,881	-	-	3,405,945
Building and improvements	17,032,580	1,582,485	-	154,617	18,460,448
Vehicles and rolling stock	14,704,802	1,210,877	-	31,845	15,883,834
Machinery, equipment & other	4,569,740	352,149	-	505,706	4,416,183
Total accumulated depreciation	59,214,153	4,125,740	-	692,168	62,647,725
Total capital assets, net of depreciation	\$ 75,463,916	\$ (2,616,157)	\$ 2,451,096	\$ 2,558,987	\$ 72,739,868

Depreciation expense for the year ended June 30, 2015 was charged to the functions of the governmental activities as follows:

General Government	\$ 1,017,133
Public Safety	1,975,307
Public Works	1,024,300
Health and Welfare	109,000
	<u>\$ 4,125,740</u>

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 7. Long-term Debt

During the year ended June 30, 2015, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2015</u>	<u>Due Within One Year</u>
Gross Receipts Revenue Bonds	\$ 14,200,000	\$ 2,470,000	\$ 645,000	\$ 16,025,000	\$ 775,000
Landfill Closure/Post Closure Costs	715,000	-	55,000	660,000	55,000
Compensated Absences	560,055	592,376	363,809	788,662	363,809
Total long-term debt	<u>\$ 15,475,055</u>	<u>\$ 3,062,376</u>	<u>\$ 1,063,809</u>	<u>\$ 17,473,662</u>	<u>\$ 1,193,809</u>

Gross Receipts Revenue Bonds

Bonds outstanding at June 30, 2015 consisted of the following bonds:

Series 2008, GRT Improvement Revenue Bonds	
Original issue	\$ 10,350,000
Interest due	December 1 and June 1
Principal due	June 1
Maturity Date	June 1, 2030
Interest rates	3.500-5.000%
Series 2010, GRT Improvement Revenue Bonds	
Original issue	\$ 6,445,000
Interest due	December 1 and June 1
Principal due	June 1
Maturity Date	June 1, 2030
Interest rates	2.000-4.000%
Series 2014, GRT Improvement Revenue Bonds	
Original issue	\$ 2,470,000
Interest due	December 1 and June 1
Principal due	June 1
Maturity Date	June 1, 2026
Interest rates	2.700%

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 7. Long-term Debt (continued)

Gross Receipts Revenue Bonds (continued)

The annual requirements to amortize the Bonds Payable as of June 30, 2015, including interest payments are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2016	\$ 775,000	\$ 664,839	\$ 1,439,839
2017	795,000	639,009	1,434,009
2018	825,000	604,344	1,429,344
2019	860,000	573,809	1,433,809
2020	885,000	550,165	1,435,165
2021-2025	4,965,000	2,216,883	7,181,883
2026-2030	5,015,000	1,143,728	6,158,728
2031-2033	<u>1,905,000</u>	<u>193,500</u>	<u>2,098,500</u>
	<u>\$ 16,025,000</u>	<u>\$ 6,586,277</u>	<u>\$ 22,611,277</u>

Operating Leases

The County leases equipment under cancelable operating leases. Total costs for such leases were approximately \$37,438 for the year ended June 30, 2015. The future minimum lease payments for these leases for 2015 are \$3,120.

Landfill Closure and Post-Closure Care Costs

State and Federal laws and regulations require that McKinley County place final covers on its landfills when it is closed and perform certain maintenance and monitoring functions at the landfill sites for thirty years after closure. McKinley County had landfill sites at Smith Lake and Gamerco, which were closed by June 30, 1997.

The estimated total cost of the landfill closure and post closure care is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor and maintain the landfill were acquired as of June 30, 1997. An updated estimate (the fourth estimate) was performed in 2014.

Compensated Absences – Employees of the County are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2015, compensated absences increased \$228,607 over the prior year accrual. In prior years, the general fund was typically used to liquidate such liabilities.

NOTE 8. Risk Management

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

McKinley 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.

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 9. Other Required Individual Fund Disclosures

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

A. Funds that had a deficit fund balance at June 30, 2015 were as follows:

Adult Detention Center	\$ 1,516,393
Law Enforcement Protection	320
	<u>\$ 1,516,713</u>

B. There were no funds that maintained expenditures in excess of the budget for the year ended June 30, 2015.

C. There were no funds that had designated cash appropriations in excess of available budget at June 30, 2015.

NOTE 10. Pension Plan - Public Employees Retirement Association

Summary of Significant Accounting Policies

General Information about the Pension Plan

Plan description. The Public Employees Retirement Fund (PERA Fund) is a **cost-sharing, multiple employer defined benefit pension plan**. This fund has six divisions of members, including State General, State Police/Adult Correction Officer, Municipal General, Municipal Police/Detention Officers, Municipal fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plan. All assets accumulated may be used to pay benefits, including re funds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division. Eligibility for membership in the PERA Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial

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

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

Benefits provided. For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2015 available at [http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366 Public Employees Retirement Association 2014.pdf](http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366%20Public%20Employees%20Retirement%20Association%202014.pdf).

Contributions. The contribution requirements of defined benefit plan members and the McKinley 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 FY14 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 10. Pension Plan - Public Employees Retirement Association (continued)

29 through 31 of the PERA FY14 annual audit report at http://osanm.org/media/audits/366_Public_Employees_Retirement_Association_2014.pdf. The PERA coverage options that apply to McKinley County are: Municipal General Division and Municipal Police Division. Statutorily required contributions to the pension plan from McKinley County were \$2,066,094 and employer paid member benefits that were “picked up” by the employer were \$834,807 for the year ended June 30, 2015.

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, 2013. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2014.

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. McKinley 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, 2014. Only employer contributions for the pay period end dates that fell within the period of July 1, 2013 to June 30, 2014 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2014 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.

For PERA Fund Municipal General Division, at June 30, 2015, McKinley County reported a liability of \$7,312,726 for its proportionate share of the net pension liability. At June 30, 2014, McKinley County’s proportion was 0.9374 percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, McKinley County recognized PERA Fund Municipal General Division pension expense of \$491,101. At June 30, 2015, McKinley County reported PERA Fund Municipal General Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 4,956
Net difference between projected and actual earnings on pension plan investments	-	2,860,931
McKinley County's contributions subsequent to the measurement date	1,793,368	-
Total	\$ 1,793,368	\$ 2,865,887

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 10. Pension Plan - Public Employees Retirement Association (continued)

\$1,793,368 reported as deferred outflows of resources related to pensions resulting from McKinley County 's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (716,466)
2017	(716,466)
2018	(716,466)
2019	(716,466)
2020	(23)
Thereafter	-

For PERA Fund Municipal Police Division, at June 30, 2015, McKinley County reported a liability of \$2,481,429 for its proportionate share of the net pension liability. At June 30, 2014, McKinley County 's proportion was 0.7612 percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, McKinley County recognized PERA Fund Municipal Police Division pension expense of \$815,434. At June 30, 2015, McKinley County reported PERA Fund Municipal Police Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 10. Pension Plan - Public Employees Retirement Association (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 201,577
Net difference between projected and actual earnings on pension plan investments	-	922,705
McKinley County's contributions subsequent to the measurement date	<u>272,726</u>	<u>-</u>
Total	<u>\$ 272,726</u>	<u>\$ 1,124,282</u>

\$272,726 reported as deferred outflows of resources related to pensions resulting from McKinley County 's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (280,820)
2017	(280,820)
2018	(280,820)
2019	(280,820)
2020	(1,002)
Thereafter	-

Actuarial assumptions. As described above, the PERA Fund member group pension liabilities and net pension liabilities are based on actuarial valuations performed as of June 30, 2013 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, 2014 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, 2014. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2014 actuarial valuation.

Actuarial valuation date	June 30, 2013
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay
Amortization period	Solved for based on statutory rates
Asset valuation method	Fair value
Actuarial assumptions:	
Investment rate of return	7.75% annual rate, net of investment expense
Payroll growth	3.50% annual rate
Projected salary increases	3.50 to 14.25% annual rate
Includes inflation at	3.00% annual rate

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 10. Pension Plan - Public Employees Retirement Association (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:

ALL FUNDS - Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	21.10%	5.00%
International Equity	24.80	5.20
Private Equity	7.00	8.20
Core and Global Fixed Ir	26.10	1.85
Fixed Income Plus Secto	5.00	4.80
Real Estate	5.00	5.30
Real Assets	7.00	5.70
Absolute Return	4.00	4.15
Total	100.00%	

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 Employer'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 McKinley County's net pension liability in each PERA Fund Division that McKinley County participates in, under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

STATE OF NEW MEXICO
 McKinley County
 Notes to the Financial Statements
 June 30, 2015

NOTE 10. Pension Plan - Public Employees Retirement Association (continued)

PERA Fund Municipal General Division	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
	<hr/>	<hr/>	<hr/>
McKinley County's proportionate share of the net pension liability	\$ 13,786,133	\$ 7,312,726	\$ 2,311,709
	<hr/>	<hr/>	<hr/>
PERA Fund Municipal Police Division	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
	<hr/>	<hr/>	<hr/>
McKinley County's proportionate share of the net pension liability	\$ 4,732,089	\$ 2,481,429	\$ 800,892
	<hr/>	<hr/>	<hr/>

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FY14 Restated PERA financial report. The report is available at <http://www.pera.state.nm.us/publications.html>.

Payables to the pension plan. At June 30, 2015 there were no contributions due and payable to PERA for the County.

NOTE 11. Post-Employment Benefits – State Retiree Health Care Plan

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

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

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

Funding Policy. The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 11. Post-Employment Benefits – State Retiree Health Care Plan (continued)

basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

McKinley County's contributions to the RHCA for the years ended June 30, 2015, 2014, and 2013 were \$216,949, \$190,595, and \$192,091, respectively, which equal the required contributions for each year.

NOTE 12. 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. The maximum exposure of the County is not estimable as of June 30, 2015 in the remaining cases.

Contingent Debt Obligation

McKinley County entered into a joint powers agreement with the Cities of Gallup and Grants, the Village of Milan and the County of Cibola, to form the Northwest New Mexico Regional Solid Waste Disposal Authority on November 1, 1996.

Ordinance Nov-02-091 was approved on December 12, 2002 by the County Commissioners to authorize the execution and delivery of loan agreement by and between the County, as well as other member entities, and the New Mexico Finance Authority. The loan agreement called for the issuance of debt to consolidate and refund (or pay-off) prior loans. The amount of the obligation authorized by the Ordinance Nov-02-091 was \$5,600,000.

This debt obligation is payable solely from the net revenues of the Northwest New Mexico Regional Solid Waste Disposal Authority, and if needed, Environmental Gross Receipts Tax (EGRT) Revenues from the aforementioned Cities, Counties, and Village including McKinley County. Effective July 30, 2005, an agreement was entered into by the member entities to change the percentage of contribution of monthly EGRT collected from 25% to 50% for operation expenses and equipment replacement.

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 13. Commitments

The County has various construction and purchase commitments (Road & Fire department equipment) totaling approximately \$9,813,652 as of June 30, 2015. The funding to cover the various commitments was grant funding, bond and/or note proceeds, including bonds, grants, and cash reserves.

NOTE 14. Restricted Components of Net Position

The government-wide statement of net position reports \$37,801,409 of restricted net position, all of which is restricted by enabling legislation and other methods. For descriptions of the related enabling legislation for special revenue, debt service and capital project funds, see pages 37, and 72-75.

NOTE 15. Subsequent Events

In 2013, McKinley County entered into a JPA with the City of Gallup to construct the Navajo-Gallup Water Pipeline. The County has agreed to match the City of Gallup's construction monies for the pipeline up to \$1,000,000 per year for the next 35 years.

Due to an audit performed by NHTSA, McKinley County paid NMDOT \$173,431.98 in September 2015 to reimburse them for money they paid on behalf of McKinley County for expenses that were not allowed according to the grant.

McKinley County paid \$185,184.10 for Medical Insurance premiums that the County owed for underpayment of insurance premiums dated back to July 1, 2013.

The date to which events occurring after June 30, 2015, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosures is October 23, 2015 which is the date on which the financial statements were issued.

NOTE 16. Subsequent Pronouncements

In February 2015, GASB Statement No. 72 *Fair Value Measurement and Application*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015. Earlier application is encouraged. The County will implement this standard during the fiscal year ended June 30, 2016. The County is still evaluating how this pronouncement will affect the financial statements.

In June 2015, GASB 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 67 and 68*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2016. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the County.

In June 2015, GASB Statement No. 74 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, was issued. Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2016. This pronouncement will not effect the County's financial statements.

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

In June 2015, GASB Statement No. 76 *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015. Earlier application is encouraged. The County will implement this standard during the fiscal year ended June 30, 2016. The County expects the pronouncement to have a material effect on the financial statements.

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 16. Subsequent Pronouncements (continued)

In August 2015, GASB Statement No. 77 *Tax Abatement Disclosures*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged. The County will implement this standard during the fiscal year ended June 30, 2017. The County is still evaluating how this pronouncement will effect the financial statements.

NOTE 17. 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. The County expects any liability for reimbursement which may arise as a result of these audits to be immaterial.

NOTE 18. Restatements to the Government-Wide and Fund Financial Statements and Special Item

The County has a prior period adjustment of (\$12,477,788) which was required for implementation of GASB Statement No. 68. The adjustment reflects a beginning net pension liability of (\$14,280,070) and a beginning of deferred outflow of resources - employer contributions subsequent to the measurement date of \$1,802,281. These restatements are reported at Exhibit A-2..

The County has a special item of \$(1,000,000), at the governmental fund level, due to a write-off to Rehoboth McKinley Charter Health Care Services. The hospital has a continual lease agreement to pay McKinley County \$125,000 per month for rent. The county wrote off 8 months of past expense for a total of \$1,000,000.

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 19. Joint Powers Agreements and Memos of Understanding

Type	Name of Organization	Description	Party/Audit Responsible	Contract Amount	Current Year Paid	Date
MOU	McKinley County Sheriff's Department	Collective Bargaining agreement	Each participant	N/A	N/A	7/31/11-7/31/15
MOU	New Mexico Tourism Department	To ensure the proper administration of the Ceremonial and to establish the roles of NMTD and the County with regard to the Ceremonial	Each participant	\$ 100,000.00	\$ 100,000.00	8/1/13-6/30/15
MOU	North West Council of Governments	Vehicle usage for COG to take to Santa Fe, During the 2014 and 2015 Legislative Session	Each participant	N/A	N/A	1/15/14-3/30/15
MOU	UNM & City of Gallup	The Development of Community Broadband and other related technology collaborations	Each participant	N/A	N/A	1/17/14
JPA	City of Gallup	Operation of the Local Liquor Excise Tax Committee and the application and approval of programs using Liquor Excise Tax moneys.	Each participant	N/A	N/A	7/1/14-6/30/16
MOU	Eleventh Judicial District Court	JSACC as needed Drug Testing for Court	Each participant	N/A	N/A	6/30/15
MOU	Gallup Express Transit (Community Pantry)	Financially Support GET in their mission to provide transportation services	Each participant	\$ 30,000.00	\$ 30,000.00	7/1/14-6/30/15
MOU	Gallup Community Service Center	Operational Cost to sustain its regional efforts to serve City and County residents and their families who suffer disadvantaged economic, social and family circumstances.	Each participant	\$ 30,000.00	\$ 30,000.00	7/1/14-6/30/15
MOU	Big Brothers Big Sisters	Serve City and County youth and their families	Each participant	\$ 25,000.00	\$ 25,000.00	7/1/14-6/30/15
MOU	Battered Families Services, Inc	To help families in the McKinley county area	Each participant	\$ 50,000.00	\$ 50,000.00	7/1/14-6/30/15
MOU	Boys and Girls Club of Gallup	Serve city and County youth and families	Each participant	\$ 30,000.00	\$ 30,000.00	7/1/14-6/30/15

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 19. Joint Powers Agreements and Memos of Understanding (continued)

Type	Name of Organization	Description	Party/Audit Responsible	Contract Amount	Current Year Paid	Date
MOU	United States Department of Agriculture	Support the local match of a federal grant for USDA	Each participant	\$ 13,000.00	\$ 13,000.00	7/1/14-6/30/15
MOU	McKinley Soil and Water Conservation	Purchase agricultural supplies and/or equipment	Each participant	\$ 8,000.00	\$ 8,000.00	7/1/14-6/30/15
MOU	Rural Bookmobile West	To provide rural residents with books, magazines, music CD's, videos and reference materials	Each participant	\$ 2,800.00	\$ 2,800.00	7/1/14-6/30/15
MOU	Cooperative Extension Service- N	Financially support NMSU's general operations budget	Each participant	\$ 75,077.00	\$ 75,077.00	7/1/14-6/30/15
MOU	Concilio CDS, inc.	Provide senior volunteer services to the Gallup area	Each participant	\$ 15,000.00	\$ 15,000.00	7/1/14-6/30/15
MOU	Gallup-McKinley Veterans Comm	purchase and construct a new Veterans Memorial Pillar	Each participant	\$ 15,000.00	\$ 15,000.00	7/1/14-6/30/15
MOU	Community Area Resource Enterp	To build affordable housing in McKinley County	Each participant	\$ 25,000.00	\$ 25,000.00	7/1/14-6/30/15
MOU	The Coummity Pantry	Acquire, store and distribute nutritious food to children, the elderly and families in need	Each participant	\$ 175,000.00	\$ 175,000.00	7/1/14-6/30/15
MOU	The Gallup Inter-Tribal Ceremoni	Support the 93rd Gallup Inter Tribal Indian Ceremonial	Each participant	\$ 40,000.00	\$ 40,000.00	7/1/14-6/30/15
MOU	Gallup Youth Facilities City of Ga	Provide youth services	Each participant	\$ 50,000.00	\$ 50,000.00	7/1/14-6/30/15
MOU	Youth Conservation corps	Fo Fund YCC General Operating Expenses incurred for the payment of youth wages	Each participant	\$ 35,000.00	\$ 35,000.00	7/1/14-6/30/15
MOU	Gallup Express Transit (Community Pantry)	To support general operational cost to sustain regional efforts to provide public transportation service	Each participant	\$ 20,000.00	\$ 20,000.00	7/1/15-6/30/16
MOU	Native American New Life Ministries, Inc.	General Education Development (GED) Program for residents to obtain their GED so that they can progress in the socioeconomic area of their communities.	Each participant	\$ 47,000.00	\$ 47,000.00	7/1/14-6/30/15
MOU	McKinley County JSACC	Provide comprehensive clinical assessment services utilizing the Behavioral Health Crisis Evaluation	Each participant	\$ 4,166.66	\$ 4,166.66	7/1/14-6/30/15

STATE OF NEW MEXICO
McKinley County
Notes to the Financial Statements
June 30, 2015

NOTE 19. Joint Powers Agreements and Memos of Understanding (continued)

Type	Name of Organization	Description	Party/Audit Responsible	Contract Amount	Current Year Paid	Date
MOU	McKinley County Compliance Monitoring/Pretrial release program	Monitor Defendants compliance with the conditions of probation imposed by District or magistrate court.	Each participant	\$ 282,000.00	\$ 282,000.00	7/1/14-6/30/15
MOU	Gallup Inter-Tribal Ceremonial Association	Operational Funding to support the 93rd Gallup Inter-Tribal Indian Ceremonial Rodeo	Each participant	\$ 13,000.00	\$ 13,000.00	7/1/14-6/30/15
MOU	New Mexico Tourism Department	Support the Ceremonial	Each participant	\$ 164,700.00	\$ 164,700.00	8/5/14-6/30/15
MOU	New Mexico Department of Health	Provide support for the Healthy Kids NM	Each participant	\$ 75,000.00	\$ 75,000.00	8/5/14-9/28/15
MOU	McKinley County Humane Society	To support the purchase of a vehicle for regional efforts	Each participant	\$ 28,000.00	\$ 28,000.00	8/5/14-6/30/15
MOU	McKinley County Humane Society	Support the activities of the McKinley County Animal Control	Each participant	\$ 135,000.00	\$ 135,000.00	8/5/14-6/30/15
MOU	The Department of the Army	Drainage Management Plan	Each participant	\$ 280,000.00	\$ 280,000.00	8/21/14-no ending
MOU	Gallup ARTS	To financially support GA in their mission to provide new trails and maintain existing trails throughout McKinley County	Each participant	\$ 10,000.00	\$ 10,000.00	9/1/14-6/30/15
MOU	Community Area Resource Enterprise/CARE66	Support CARE 66 to construct and provide affordable housing to the residents of the County and families in need.	Each participant	\$ 200,000.00	\$ 200,000.00	11/19/14-6/30/15

REQUIRED SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO

McKinley County

Schedule I

Page 1 of 2

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

McKinley County's proportion of the net pension liability	<u>2015</u> 0.9374%
McKinley County's proportionate share of the net pension liability	\$ 7,312,726
McKinley County's covered-employee payroll	\$ 7,609,080
McKinley County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	96.11%
Plan fiduciary net position as a percentage of the total pension liability	81.29%

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

See independent auditors' report
See notes to required supplementary information

STATE OF NEW MEXICO

McKinley County

Schedule I

Page 2 of 2

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

McKinley County's proportion of the net pension liability	<u>2015</u> 0.7612%
McKinley County's proportionate share of the net pension liability	\$ 2,481,429
McKinley County's covered-employee payroll	\$ 1,465,888
McKinley County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	169.28%
Plan fiduciary net position as a percentage of the total pension liability	81.29%

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

See independent auditors' report
See notes to required supplementary information

STATE OF NEW MEXICO
 McKinley County
 Schedule of Employer Contributions
 Public Employees Retirement Association (PERA) Plan
 PERA Municipal General Division
 Last 10 Fiscal Years*

Schedule II
 Page 1 of 2

	2015
Contractually required contributions	\$ 1,793,368
Contributions in relation to the contractually required contribution	(1,793,368)
Contribution deficiency (excess)	\$ -
McKinley County's covered-employee payroll	\$ 8,740,824
Contributions as a percentage of covered-employee payroll	21%

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

See independent auditors' report
 See notes to required supplementary information

STATE OF NEW MEXICO
 McKinley County
 Schedule of Employer Contributions
 Public Employees Retirement Association (PERA) Plan
 PERA Municipal Police Division
 Last 10 Fiscal Years*

Schedule II
Page 2 of 2

	2015
Contractually required contributions	\$ 272,726
Contributions in relation to the contractually required contribution	(272,726)
Contribution deficiency (excess)	\$ -
McKinley County's covered-employee payroll	\$ 1,444,170
Contributions as a percentage of covered-employee payroll	19%

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

See independent auditors' report
 See notes to required supplementary information

STATE OF NEW MEXICO
McKinley County
Notes to Required Supplementary Information
June 30, 2015

Changes of benefit terms. The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY14 audit available at http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2014.pdf.

Changes of assumptions. The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2014 report is available at http://www.pera.state.nm.us/pdf/Investments/RetirementFundValuationReports/6-30-2014%20PERA%20Valuation%20Report_FINAL.pdf.

The summary of Key Findings for the PERA Fund (on page 2 of the report) states “based on a recent experience study for the five-year period ending June 30, 2013, the economic and demographic assumptions were updated for this valuation. The changes in assumptions resulted in a decrease of \$30.8 million to Fund liabilities and an increase of 0.13% to the funded ratio. For details about changes in the actuarial assumptions, see Appendix B on page 60 of the report.

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
McKinley County
Nonmajor Governmental Fund Descriptions
June 30, 2015

Special Revenue Funds

Corrections – To account for correction fees authorized by Section 66-8-116.3(a). Such revenues are used to supplement general funds for the care of prisoners.

Environmental Gross Receipts Taxes – To account for a gross receipts tax imposed to fund environmental activities, mainly sanitary landfill closure and disposal of solid waste. Authority is local ordinance authorized by NMSA 1978 7-20E-17.

Property Valuation – 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).

Road Fund – This fund is used to account for the distribution of gasoline taxes and motor vehicle registration fees to the County and the expenditure for construction, reconstruction, resurfacing or other improvement or maintenance of public roads as authorized by NMSA 1978 Section 7-24A-5.

Hazardous Material Support Services – To account for funds transferred from the Fire Excise fund utilized for special equipment, uniforms and protective clothing required for hazardous materials handling and disposal. The fund was set up administratively.

EMS – To account for grants from the State of New Mexico Health and Environmental Department to be utilized for capital outlay for fire personnel as paramedics. Funding is authorized by Section 24-10a-6, NMSA, 1978 Compilation.

E911 Metro Dispatch – To account for funds received from the State Funds for E-911 enhancement received from DFA and GRT. The funds are utilized for operational costs and capital outlay. The fund was set up administratively.

Farm & Range – To account for soil conservation and predator control activities within the County. Funding is provided by the Taylor Grazing Act. Expenditures may be made only for the purposes specified in the grant. Funding authorized by Section 6-11-6, NMSA, 1978 Compilation.

Fire Protection District – To account for revenues and expenditures of fire protection funds for the communities of Broadview, Pleasant Hill, and Field. Funding is provided by allotments from the New Mexico State Fire Marshall's Office. The Funds were created under the authority of state statute (see Section 59A-93-5-8 and 5-A-53-5, NMSA, 1978 Compilation).

Highway Beautification Grant - To account for revenues and expenditures for the New Mexico Clean and Beautiful Project. The fund was created by authority of state statute (see Section 67-15-1 through 67-16-4 of NMSA).

Law Enforcement Protection – 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.

Liquor Excise Tax – A locally assessed 5 % tax on retail liquor sales within McKinley County, which was adopted through Ordinance 09-92-048, for the purpose of funding alcohol treatment programs. Local ordinance authorized by Section 7-24-10, NMSA, 1978 Compilation.

Emergency Communication & Medical - To account for gross receipts tax set aside for emergency communications 911 Metro Dispatch and emergency medical services (County Ordinance SEPT-02-089).

Intergovernmental Grants – To account for several of the County's severance tax bonds that the County is a fiscal agent for. This fund was set up administratively by the commission.

Senior Citizens Center - To account for the operations of the County's portion of two Senior Citizen Centers. The sales of ceramics, fees, and dues as well as Federal and State funding relating to the Senior Citizen program are accounted for in this fund. The operations are funded by McKinley County general funds. The fund was set up administratively.

STATE OF NEW MEXICO
McKinley County
Nonmajor Governmental Fund Descriptions
June 30, 2015

Fire Excise Tax – To account for funds received pursuant to the County’s fire protection excise tax ordinance 07-93-053 as authorized by Sections 7-20E-15, NMSA, 1978. Funds are used to supplement the County’s fire districts and cannot be used to pay salaries, compensation or remuneration to any employee of the State, County or independent fire district.

Local DWI Program - To account for various Federal, State and Local funds received by the County to implement the County’s DWI plans as authorized pursuant to state statute (see Section 43-3-15, NMSA, 1978 Compilation).

Public Defenders Building – To account for revenues and expenditures related to the rental operations of the public defenders office building See Section 4-38-13.

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

Magistrate Court - To account for funds received pursuant to a joint powers agreement with the State Administrative Office of Courts for Maintenance and Operation of the Magistrate Court Building.

Sheriff’s Grants – Various law enforcement oriented grants utilized by the Sheriff’s Department to fund personnel and equipment. Fund was created administratively.

Narcotic Drug Control & K-9 Drug Unit - To account for various law enforcement agencies from forfeitures of seized drugs to supplement other funding for uses involving drug interdiction and K-9 unit. Fund was created administratively.

Federal Office of Justice – Law Enforcement Grant- To account for federal grants awarded from the Office of Justice Program and the Federal Vest Program and others if awarded.

Law Enforcement Seizures – To account for monetary seizures made by the McKinley County Sherriff’s Department while cases are pending litigation and disposition.

Emergency Management –A special revenue fund used to account for monies kept as reserves for emergency management.

Forest Reserve – To account for expenditures related to Title II monies received by the County. (see McKinley County Ordinance No. Oct- 12- 54)

JSAAC Center – To account for the expenditures related to the Juvenile Alcohol/Substance Abuse facility.

CDBG Planning – To account for the CDBG and local funds to do major repairs and improvements for the Thoreau Water Project.

Rural Public Safety – To account for gross receipts taxes (1/16%) collected for the public safety expenditures for the citizens of McKinley County. Authorized by Ordinance No. AUG-98-075.

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STATE OF NEW MEXICO
McKinley County
Nonmajor Governmental Fund Descriptions
June 30, 2015

Capital Projects Fund

Capital Projects – To account for the expenditures related to the construction of capital projects.

Federal Grants– To account for the expenditures related to the construction of capital projects funded partly or fully by federal grants.

CDBG/ Gameraico Water System Phase III – To account for the CDBG funds related to the Gameraico Water System Phase III operations.

McKinley County Drainage- To account for monies received for the purpose of master drainage plan and study regarding drainage problems throughout the County.

Infrastructure Gross Receipts– To account for monies received through infrastructure gross receipts tax for the purpose of monitoring County infrastructure and road equipment, July 2009.

State Projects – To account for funding from state sources used for various projects.

Judicial Complex Construction– To account for construction of the Judicial Complex.

Energy Efficiency Project- To account for monies received to conduct an energy efficiency study to determine where items can be replaced throughout the County with more energy efficient items.

Debt Service Funds

General Obligation Bonds– To account for the accumulation of resources, and the payment of, general long-term debt principal, interest and related costs of gross receipts tax bonds. The primary source of revenue is property taxes.

Law Enforcement JDC Bond – To account for funding from sources used for the Law Enforcement JDC Building.

Judicial Complex – To account for monies designated for the retirement of debt associated with the construction of the Judicial Complex.

Energy Efficiency Energy Bond -- To account for the payment of long-term debt principal, interest and related costs of energy efficiency bond related to the energy efficiency project.

STATE OF NEW MEXICO
 McKinley County
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2015

	Special Revenue			
	Corrections	Environmental Gross Receipts Taxes	Property Valuation	Road Fund
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ 1,445,425	\$ 407,143	\$ 402,347
Investments	495,080	1,000,230	-	-
Receivables:				
Property taxes	-	-	-	-
Other taxes	38,696	20,898	-	55,999
Other receivables	32,864	-	-	513,813
Due from other funds	1,578,821	-	-	-
<i>Total assets</i>	\$ 2,145,461	\$ 2,466,553	\$ 407,143	\$ 972,159
<i>Liabilities, deferred inflows, and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ 3,558	\$ 9,533	\$ 2,893	\$ 60,513
Accrued payroll	33,355	-	6,432	71,394
Due to other funds	378,714	-	-	-
<i>Total liabilities</i>	415,627	9,533	9,325	131,907
<i>Deferred inflows of resources</i>				
Deferred inflows- grants	12,043	-	-	244,679
Deferred inflows- property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	12,043	-	-	244,679
<i>Fund balances</i>				
<i>Spendable</i>				
<i>Restricted for:</i>				
General county operations	-	2,457,020	397,818	-
Maintenance of roads	-	-	-	299,704
Fire departments	-	-	-	-
Public safety	-	-	-	-
Healthcare	-	-	-	-
Capital projects expenditures	-	-	-	-
Debt service expenditures	-	-	-	-
<i>Committed for:</i>				
Corrections facility	1,717,791	-	-	-
Senior center	-	-	-	-
Minimum fund balance	-	-	-	295,869
Unassigned	-	-	-	-
<i>Total fund balances</i>	1,717,791	2,457,020	397,818	595,573
<i>Total liabilities, deferred inflows, and fund balances</i>	\$ 2,145,461	\$ 2,466,553	\$ 407,143	\$ 972,159

The accompanying notes are an integral part of these financial statements

Special Revenue

Hazardous Material Support Services	Special Revenue			
	EMS	E911 Metro Dispatch	Farm & Range	Fire Protection District
\$ 39,983	\$ 266,184	\$ 586,356	\$ 10,620	\$ 882,934
-	200,000	300,000	-	1,501,429
-	-	-	-	-
-	-	-	-	-
-	4,126	25	-	-
-	-	-	-	-
<u>\$ 39,983</u>	<u>\$ 470,310</u>	<u>\$ 886,381</u>	<u>\$ 10,620</u>	<u>\$ 2,384,363</u>
\$ -	\$ 40,804	\$ 17,912	\$ 2,732	\$ 22,085
-	23,941	60,887	-	-
-	-	-	-	-
-	64,745	78,799	2,732	22,085
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	2,362,278
39,983	405,565	807,582	-	-
-	-	-	7,888	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>39,983</u>	<u>405,565</u>	<u>807,582</u>	<u>7,888</u>	<u>2,362,278</u>
<u>\$ 39,983</u>	<u>\$ 470,310</u>	<u>\$ 886,381</u>	<u>\$ 10,620</u>	<u>\$ 2,384,363</u>

STATE OF NEW MEXICO
 McKinley County
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2015

Special Revenue

	<u>Highway Beautification Grant</u>	<u>Law Enforcement Protection</u>	<u>Liquor Excise Tax</u>	<u>Emergency Communication & Medical</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 26,753	\$ -	\$ 478,339	\$ 1,175,182
Investments	4,050	-	1,000,000	2,001,760
Receivables:				
Property taxes	-	-	-	-
Other taxes	-	-	-	258,005
Other receivables	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 30,803</u>	<u>\$ -</u>	<u>\$ 1,478,339</u>	<u>\$ 3,434,947</u>
<i>Liabilities, deferred inflows, and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ -	\$ 320	\$ -	\$ 12,317
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>320</u>	<u>-</u>	<u>12,317</u>
<i>Deferred inflows of resources</i>				
Deferred inflows- grants	-	-	-	-
Deferred inflows- property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
<i>Spendable</i>				
<i>Restricted for:</i>				
General county operations	-	-	-	-
Maintenance of roads	30,803	-	-	-
Fire departments	-	-	-	-
Public safety	-	-	1,478,339	-
Healthcare	-	-	-	3,422,630
Capital projects expenditures	-	-	-	-
Debt service expenditures	-	-	-	-
<i>Committed for:</i>				
Corrections facility	-	-	-	-
Senior center	-	-	-	-
Minimum fund balance	-	-	-	-
Unassigned	-	(320)	-	-
<i>Total fund balances</i>	<u>30,803</u>	<u>(320)</u>	<u>1,478,339</u>	<u>3,422,630</u>
<i>Total liabilities, deferred inflows, and fund balances</i>	<u>\$ 30,803</u>	<u>\$ -</u>	<u>\$ 1,478,339</u>	<u>\$ 3,434,947</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Inter- governmental Grants	Senior Citizens Centers	Fire Excise Tax	Local DWI Program	Public Defenders Building
\$ 42,602	\$ 8,764	\$ 528,118	\$ 314,009	\$ 110,784
300,000	-	3,974,160	-	-
-	-	-	-	-
-	-	103,872	-	-
12,500	-	-	6,012	-
-	-	-	-	-
<u>\$ 355,102</u>	<u>\$ 8,764</u>	<u>\$ 4,606,150</u>	<u>\$ 320,021</u>	<u>\$ 110,784</u>
\$ 11,596	\$ 3,166	\$ 10,544	\$ 11,563	\$ 1,297
-	-	-	13,523	67
-	-	-	-	-
<u>11,596</u>	<u>3,166</u>	<u>10,544</u>	<u>25,086</u>	<u>1,364</u>
-	-	-	2,708	-
-	-	-	-	-
-	-	-	2,708	-
-	-	4,595,606	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	292,227	109,420
-	5,598	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
343,506	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>343,506</u>	<u>5,598</u>	<u>4,595,606</u>	<u>292,227</u>	<u>109,420</u>
<u>\$ 355,102</u>	<u>\$ 8,764</u>	<u>\$ 4,606,150</u>	<u>\$ 320,021</u>	<u>\$ 110,784</u>

STATE OF NEW MEXICO
 McKinley County
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2015

	Special Revenue			
	Clerk Recording & Filing	Magistrate Court	Sheriff's Grants	Narcotic Drug Control & K-9 Drug Unit
<i>Assets</i>				
Cash and cash equivalents	\$ 65,007	\$ 350,829	\$ 221,160	\$ 221,388
Investments	-	-	500,000	-
Receivables:				
Property taxes	-	-	-	-
Other taxes	-	-	-	-
Other receivables	-	-	250,709	-
Due from other funds	-	-	-	-
<i>Total assets</i>	\$ 65,007	\$ 350,829	\$ 971,869	\$ 221,388
<i>Liabilities, deferred inflows, and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ -	\$ 4,153	\$ 19,506	\$ -
Accrued payroll	-	278	-	-
Due to other funds	-	-	74,952	-
<i>Total liabilities</i>	-	4,431	94,458	-
<i>Deferred inflows of resources</i>				
Deferred inflows- grants	-	-	240,967	-
Deferred inflows- property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	-	-	240,967	-
<i>Fund balances</i>				
<i>Spendable</i>				
<i>Restricted for:</i>				
General county operations	65,007	346,398	-	-
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Public safety	-	-	636,444	221,388
Healthcare	-	-	-	-
Capital projects expenditures	-	-	-	-
Debt service expenditures	-	-	-	-
<i>Committed for:</i>				
Corrections facility	-	-	-	-
Senior center	-	-	-	-
Minimum fund balance	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	65,007	346,398	636,444	221,388
<i>Total liabilities, deferred inflows, and fund balances</i>	\$ 65,007	\$ 350,829	\$ 971,869	\$ 221,388

The accompanying notes are an integral part of these financial statements

Special Revenue

Federal Office of Justice - Law Enforcement Grant	Law Enforcement Seizures	Misdemeanor Compliance	Emergency Management	Forest Reserve
\$ 23,776 150,000	\$ 47,174 -	\$ 162,239 -	\$ 292,178 1,750,000	\$ 373,125 -
-	-	-	-	-
-	-	-	-	-
-	-	960	176,189	71,575
-	-	-	-	-
<u>\$ 173,776</u>	<u>\$ 47,174</u>	<u>\$ 163,199</u>	<u>\$ 2,218,367</u>	<u>\$ 444,700</u>
\$ -	\$ -	\$ 1,414	\$ 11,261	\$ 66,497
-	-	13,178	15,714	-
-	-	-	-	-
-	-	14,592	26,975	66,497
-	-	-	-	-
-	-	-	5,131	71,575
-	-	-	-	-
-	-	-	5,131	71,575
-	-	-	-	306,628
-	-	-	-	-
173,776	47,174	148,607	2,186,261	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>173,776</u>	<u>47,174</u>	<u>148,607</u>	<u>2,186,261</u>	<u>306,628</u>
<u>\$ 173,776</u>	<u>\$ 47,174</u>	<u>\$ 163,199</u>	<u>\$ 2,218,367</u>	<u>\$ 444,700</u>

STATE OF NEW MEXICO
 McKinley County
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2015

	<u>Special Revenue</u>		<u>Capital Projects</u>	
	<u>JSAAC Center</u>	<u>CDBG Planning</u>	<u>Rural Public Safety</u>	<u>Capital Projects</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 24,870	\$ 45,725	\$ 317,766	\$ 160,454
Investments	295,000	5,000	2,000,000	4,432,305
Receivables:				
Property taxes	-	-	-	-
Other taxes	-	-	64,523	203,019
Other receivables	50,748	-	75	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 370,618</u>	<u>\$ 50,725</u>	<u>\$ 2,382,364</u>	<u>\$ 4,795,778</u>
<i>Liabilities, deferred inflows, and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ 1,746	\$ -	\$ 108	\$ -
Accrued payroll	21,704	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>23,450</u>	<u>-</u>	<u>108</u>	<u>-</u>
<i>Deferred inflows of resources</i>				
Deferred inflows- grants	-	-	-	-
Deferred inflows- property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
<i>Spendable</i>				
<i>Restricted for:</i>				
General county operations	-	50,725	-	-
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Public safety	347,168	-	2,382,256	-
Healthcare	-	-	-	-
Capital projects expenditures	-	-	-	4,795,778
Debt service expenditures	-	-	-	-
<i>Committed for:</i>				
Corrections facility	-	-	-	-
Senior center	-	-	-	-
Minimum fund balance	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>347,168</u>	<u>50,725</u>	<u>2,382,256</u>	<u>4,795,778</u>
<i>Total liabilities, deferred inflows, and fund balances</i>	<u>\$ 370,618</u>	<u>\$ 50,725</u>	<u>\$ 2,382,364</u>	<u>\$ 4,795,778</u>

The accompanying notes are an integral part of these financial statements

Capital Projects

Federal Grants	CDBG/ Gamerico Water System Phase III	McKinley County Drainage	Infrastructure Gross Receipts	State Projects
\$ 90,015	\$ 157,553	\$ 200,384	\$ 202,678	\$ 301,639
300,000	500,000	-	2,250,000	1,500,000
-	-	-	-	-
-	-	-	38,952	-
86,093	-	-	-	-
-	-	-	-	-
<u>\$ 476,108</u>	<u>\$ 657,553</u>	<u>\$ 200,384</u>	<u>\$ 2,491,630</u>	<u>\$ 1,801,639</u>
\$ -	\$ -	\$ 141,722	\$ 15,516	\$ 9,788
-	-	-	-	-
-	-	-	-	-
-	-	141,722	15,516	9,788
86,093	-	-	-	-
-	-	-	-	-
<u>86,093</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
390,015	657,553	58,662	2,476,114	1,791,851
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>390,015</u>	<u>657,553</u>	<u>58,662</u>	<u>2,476,114</u>	<u>1,791,851</u>
<u>\$ 476,108</u>	<u>\$ 657,553</u>	<u>\$ 200,384</u>	<u>\$ 2,491,630</u>	<u>\$ 1,801,639</u>

STATE OF NEW MEXICO
 McKinley County
 Nonmajor Governmental Funds
 Combining Balance Sheet
 June 30, 2015

	<u>Capital Projects</u>		<u>Debt Service</u>	
	<u>Judicial Complex Construction</u>	<u>Energy Efficiency Project</u>	<u>General Obligation Bonds</u>	<u>Law Enforcement JDC Bonds</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 53,589	\$ 147,984	\$ -	\$ 834,618
Investments	250,000	1,250,000	-	-
Receivables:				
Property taxes	-	-	1,079	-
Other taxes	-	-	-	25,000
Other receivables	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 303,589</u>	<u>\$ 1,397,984</u>	<u>\$ 1,079</u>	<u>\$ 859,618</u>
<i>Liabilities, deferred inflows, and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ -	\$ 275,633	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>275,633</u>	<u>-</u>	<u>-</u>
<i>Deferred inflows of resources</i>				
Deferred inflows- grants	-	-	-	-
Deferred inflows- property taxes	-	-	1,049	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>1,049</u>	<u>-</u>
<i>Fund balances</i>				
<i>Spendable</i>				
<i>Restricted for:</i>				
General county operations	-	-	-	-
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Public safety	-	-	-	-
Healthcare	-	-	-	-
Capital projects expenditures	303,589	1,122,351	-	-
Debt service expenditures	-	-	30	859,618
<i>Committed for:</i>				
Corrections facility	-	-	-	-
Senior center	-	-	-	-
Minimum fund balance	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>303,589</u>	<u>1,122,351</u>	<u>30</u>	<u>859,618</u>
<i>Total liabilities, deferred inflows, and fund balances</i>	<u>\$ 303,589</u>	<u>\$ 1,397,984</u>	<u>\$ 1,079</u>	<u>\$ 859,618</u>

The accompanying notes are an integral part of these financial statements

<u>Debt Service</u>		
<u>Judicial Complex</u>	<u>Energy Efficiency Bond</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 578,601	\$ 124,990	\$ 11,723,285
-	-	25,959,014
-	-	1,079
10,000	-	818,964
-	30,000	1,235,689
-	-	1,578,821
<u>\$ 588,601</u>	<u>\$ 154,990</u>	<u>\$ 41,316,852</u>
\$ -	\$ -	\$ 758,177
-	-	260,473
-	-	453,666
<u>-</u>	<u>-</u>	<u>1,472,316</u>
-	-	663,196
-	-	1,049
<u>-</u>	<u>-</u>	<u>664,245</u>
-	-	8,219,202
-	-	330,507
-	-	2,362,278
-	-	9,276,190
-	-	3,436,116
-	-	11,595,913
588,601	154,990	1,603,239
-	-	1,717,791
-	-	343,506
-	-	295,869
-	-	(320)
<u>588,601</u>	<u>154,990</u>	<u>39,180,291</u>
<u>\$ 588,601</u>	<u>\$ 154,990</u>	<u>\$ 41,316,852</u>

STATE OF NEW MEXICO
 McKinley County
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2015

	<u>Special Revenue</u>			
	<u>Corrections</u>	<u>Environmental Gross Receipts Taxes</u>	<u>Property Valuation</u>	<u>Road Fund</u>
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	427,928	652,586	-	621,056
Gasoline and motor vehicle taxes	-	-	-	591,686
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	155,866
State operating grants	-	-	-	417,246
State capital grants	-	-	-	316,125
Charges for services	447,073	-	237,369	-
Investment income	-	-	-	-
Net increase (decrease) in the fair value of investments	1,960	5,373	-	-
Miscellaneous	829	-	73	4,644
<i>Total revenues</i>	<u>877,790</u>	<u>657,959</u>	<u>237,442</u>	<u>2,106,623</u>
<i>Expenditures:</i>				
Current:				
General government	-	363,842	224,834	-
Public safety	924,051	-	-	-
Public works	-	-	-	3,287,435
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>924,051</u>	<u>363,842</u>	<u>224,834</u>	<u>3,287,435</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(46,261)</u>	<u>294,117</u>	<u>12,608</u>	<u>(1,180,812)</u>
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Transfers in	600,000	-	-	600,000
Transfers (out)	-	(197,507)	-	-
<i>Total other financing sources (uses)</i>	<u>600,000</u>	<u>(197,507)</u>	<u>-</u>	<u>600,000</u>
<i>Net change in fund balances</i>	<u>553,739</u>	<u>96,610</u>	<u>12,608</u>	<u>(580,812)</u>
<i>Fund balances - beginning of year</i>	1,164,052	2,360,410	385,210	1,176,385
<i>Fund balances - end of year</i>	<u>\$ 1,717,791</u>	<u>\$ 2,457,020</u>	<u>\$ 397,818</u>	<u>\$ 595,573</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Hazardous Material Support Services	EMS	E911 Metro Dispatch	Farm & Range	Fire Protection District
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	13,213	-
-	149,664	2,107	-	1,320,021
-	-	-	-	300,000
-	72,078	2,500	-	-
-	-	-	-	-
-	-	-	-	5,584
-	2,622	214	-	-
-	<u>224,364</u>	<u>4,821</u>	<u>13,213</u>	<u>1,625,605</u>
-	-	-	-	-
4,810	894,695	1,678,130	-	805,408
-	-	-	-	-
-	-	-	23,698	-
-	22,932	63,139	-	14,955
-	-	-	-	-
-	-	-	-	-
<u>4,810</u>	<u>917,627</u>	<u>1,741,269</u>	<u>23,698</u>	<u>820,363</u>
<u>(4,810)</u>	<u>(693,263)</u>	<u>(1,736,448)</u>	<u>(10,485)</u>	<u>805,242</u>
-	-	-	-	-
-	696,000	2,047,724	7,600	-
-	-	-	-	-
-	<u>696,000</u>	<u>2,047,724</u>	<u>7,600</u>	<u>-</u>
<u>(4,810)</u>	<u>2,737</u>	<u>311,276</u>	<u>(2,885)</u>	<u>805,242</u>
44,793	402,828	496,306	10,773	1,557,036
<u>\$ 39,983</u>	<u>\$ 405,565</u>	<u>\$ 807,582</u>	<u>\$ 7,888</u>	<u>\$ 2,362,278</u>

STATE OF NEW MEXICO
 McKinley County
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2015

	Special Revenue			
	Highway Beautification Grant	Law Enforcement Protection	Liquor Excise Tax	Emergency Communication & Medical
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	2,853,585
Gasoline and motor vehicle taxes	-	-	-	-
Other	-	-	954,416	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	3,500	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Net increase (decrease) in the fair value of investments	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>3,500</u>	<u>-</u>	<u>954,416</u>	<u>2,853,585</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	13,920	-	236,943
Public works	9,961	-	-	-
Health and welfare	-	-	685,840	-
Capital outlay	-	35,000	-	176,356
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>9,961</u>	<u>48,920</u>	<u>685,840</u>	<u>413,299</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(6,461)</u>	<u>(48,920)</u>	<u>268,576</u>	<u>2,440,286</u>
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Transfers in	12,000	-	-	-
Transfers (out)	-	-	-	(2,743,724)
<i>Total other financing sources (uses)</i>	<u>12,000</u>	<u>-</u>	<u>-</u>	<u>(2,743,724)</u>
<i>Net change in fund balances</i>	<u>5,539</u>	<u>(48,920)</u>	<u>268,576</u>	<u>(303,438)</u>
<i>Fund balances - beginning of year</i>	25,264	48,600	1,209,763	3,726,068
<i>Fund balances - end of year</i>	<u>\$ 30,803</u>	<u>\$ (320)</u>	<u>\$ 1,478,339</u>	<u>\$ 3,422,630</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Inter- governmental Grants	Senior Citizens Centers	Fire Excise Tax	Local DWI Program	Public Defenders Building
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	1,163,426	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
110,447	-	-	742,679	-
-	-	-	-	-
-	-	-	116,669	37,740
-	-	-	-	-
-	-	8,472	-	-
-	-	(451)	7,662	-
<u>110,447</u>	<u>-</u>	<u>1,171,447</u>	<u>867,010</u>	<u>37,740</u>
-	-	161,951	-	34,444
-	-	-	913,663	-
-	-	-	-	-
122,042	36,974	-	-	-
-	-	175,647	32,679	-
-	-	-	-	-
-	-	-	-	-
<u>122,042</u>	<u>36,974</u>	<u>337,598</u>	<u>946,342</u>	<u>34,444</u>
<u>(11,595)</u>	<u>(36,974)</u>	<u>833,849</u>	<u>(79,332)</u>	<u>3,296</u>
-	-	-	-	-
57,507	32,000	-	-	-
-	-	-	(100,000)	-
<u>57,507</u>	<u>32,000</u>	<u>-</u>	<u>(100,000)</u>	<u>-</u>
<u>45,912</u>	<u>(4,974)</u>	<u>833,849</u>	<u>(179,332)</u>	<u>3,296</u>
297,594	10,572	3,761,757	471,559	106,124
<u>\$ 343,506</u>	<u>\$ 5,598</u>	<u>\$ 4,595,606</u>	<u>\$ 292,227</u>	<u>\$ 109,420</u>

STATE OF NEW MEXICO
 McKinley County
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2015

	Special Revenue			
	Clerk Recording & Filing	Magistrate Court	Sheriff's Grants	Narcotic Drug Control & K-9 Drug Unit
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle taxes	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	134,205	208,683	-
State capital grants	-	-	-	-
Charges for services	11,828	-	-	17,547
Investment income	-	-	-	-
Net increase (decrease) in the fair value of investments	-	-	-	-
Miscellaneous	-	27	266	-
<i>Total revenues</i>	11,828	134,232	208,949	17,547
<i>Expenditures:</i>				
Current:				
General government	34,309	132,082	-	-
Public safety	-	-	412,620	40,205
Public works	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	34,309	132,082	412,620	40,205
<i>Excess (deficiency) of revenues over expenditures</i>	(22,481)	2,150	(203,671)	(22,658)
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Transfers in	-	-	-	30,000
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	30,000
<i>Net change in fund balances</i>	(22,481)	2,150	(203,671)	7,342
<i>Fund balances - beginning of year</i>	87,488	344,248	840,115	214,046
<i>Fund balances - end of year</i>	\$ 65,007	\$ 346,398	\$ 636,444	\$ 221,388

The accompanying notes are an integral part of these financial statements

Special Revenue

Federal Office of Justice - Law Enforcement Grant	Law Enforcement Seizures	Misdemeanor Compliance	Emergency Management	Forest Reserve
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
27,024	-	-	1,526,646	8,250
-	-	-	-	-
10,915	-	-	-	-
-	37,729	364,504	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	1,489	-
<u>37,939</u>	<u>37,729</u>	<u>364,504</u>	<u>1,528,135</u>	<u>8,250</u>
-	-	-	-	68,697
21,830	-	315,897	596,229	-
-	-	-	-	-
-	-	-	-	-
-	-	-	7,810	-
-	-	-	-	-
-	-	-	-	-
<u>21,830</u>	<u>-</u>	<u>315,897</u>	<u>604,039</u>	<u>68,697</u>
<u>16,109</u>	<u>37,729</u>	<u>48,607</u>	<u>924,096</u>	<u>(60,447)</u>
-	-	-	-	-
-	-	100,000	356,393	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>100,000</u>	<u>356,393</u>	<u>-</u>
<u>16,109</u>	<u>37,729</u>	<u>148,607</u>	<u>1,280,489</u>	<u>(60,447)</u>
157,667	9,445	-	905,772	367,075
<u>\$ 173,776</u>	<u>\$ 47,174</u>	<u>\$ 148,607</u>	<u>\$ 2,186,261</u>	<u>\$ 306,628</u>

STATE OF NEW MEXICO
 McKinley County
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2015

	Special Revenue			Capital Projects
	JSAAC Center	CDBG Planning	Rural Public Safety	Capital Projects
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	713,445	2,040,699
Gasoline and motor vehicle taxes	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	302,928	-	-	-
State operating grants	311,639	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	172	-	-
Net increase (decrease) in the fair value of investments	-	-	-	(11,810)
Miscellaneous	367	-	8,275	-
<i>Total revenues</i>	614,934	172	721,720	2,028,889
<i>Expenditures:</i>				
Current:				
General government	-	-	-	1,428,626
Public safety	652,812	-	88,429	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	391,289	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	652,812	-	479,718	1,428,626
<i>Excess (deficiency) of revenues over expenditures</i>	(37,878)	172	242,002	600,263
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Transfers in	53,645	-	-	-
Transfers (out)	-	-	(386,393)	(280,000)
<i>Total other financing sources (uses)</i>	53,645	-	(386,393)	(280,000)
<i>Net change in fund balances</i>	15,767	172	(144,391)	320,263
<i>Fund balances - beginning of year</i>	331,401	50,553	2,526,647	4,475,515
<i>Fund balances - end of year</i>	\$ 347,168	\$ 50,725	\$ 2,382,256	\$ 4,795,778

The accompanying notes are an integral part of these financial statements

Capital Projects

<u>Federal Grants</u>	<u>CDBG/ Gamerico Water System Phase III</u>	<u>McKinley County Drainage</u>	<u>Infrastructure Gross Receipts</u>	<u>State Projects</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	436,283	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	257,393
-	-	-	-	-
-	-	-	-	-
-	-	-	5,860	9,918
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>442,143</u>	<u>267,311</u>
10,000	-	-	-	164,700
-	-	-	-	-
-	-	221,338	87,462	-
29,444	-	-	-	-
-	-	-	182,141	-
-	-	-	-	-
-	-	-	-	-
<u>39,444</u>	<u>-</u>	<u>221,338</u>	<u>269,603</u>	<u>164,700</u>
<u>(39,444)</u>	<u>-</u>	<u>(221,338)</u>	<u>172,540</u>	<u>102,611</u>
-	-	-	-	-
-	140,000	280,000	-	-
-	-	-	-	-
<u>-</u>	<u>140,000</u>	<u>280,000</u>	<u>-</u>	<u>-</u>
<u>(39,444)</u>	<u>140,000</u>	<u>58,662</u>	<u>172,540</u>	<u>102,611</u>
429,459	517,553	-	2,303,574	1,689,240
<u>\$ 390,015</u>	<u>\$ 657,553</u>	<u>\$ 58,662</u>	<u>\$ 2,476,114</u>	<u>\$ 1,791,851</u>

STATE OF NEW MEXICO
 McKinley County
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 2015

	Capital Projects		Debt Service	
	Judicial Complex Construction	Energy Efficiency Project	General Obligation Bonds	Law Enforcement JDC Bonds
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ 30	\$ -
Gross receipts	-	-	-	543,050
Gasoline and motor vehicle taxes	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	133,037
Investment income	-	-	-	-
Net increase (decrease) in the fair value of investments	-	-	-	-
Miscellaneous	910	3,590	-	-
<i>Total revenues</i>	910	3,590	30	676,087
<i>Expenditures:</i>				
Current:				
General government	-	-	1,117	-
Public safety	-	-	-	-
Public works	-	1,259,161	-	-
Health and welfare	-	-	-	-
Capital outlay	-	92,078	-	-
Debt service:				
Principal	-	-	-	300,000
Interest	-	-	-	398,344
<i>Total expenditures</i>	-	1,351,239	1,117	698,344
<i>Excess (deficiency) of revenues over expenditures</i>	910	(1,347,649)	(1,087)	(22,257)
<i>Other financing sources (uses)</i>				
Loan proceeds	-	2,470,000	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	2,470,000	-	-
<i>Net change in fund balances</i>	910	1,122,351	(1,087)	(22,257)
<i>Fund balances - beginning of year</i>	302,679	-	1,117	881,875
<i>Fund balances - end of year</i>	\$ 303,589	\$ 1,122,351	\$ 30	\$ 859,618

The accompanying notes are an integral part of these financial statements

<u>Debt Service</u>		
<u>Judicial Complex</u>	<u>Energy Efficiency Bond</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ 30
56,700	270,000	9,778,758
-	-	591,686
-	-	954,416
-	-	2,033,927
-	-	3,657,584
-	-	627,040
-	-	1,478,074
-	-	172
-	-	25,357
384,607	-	415,124
<u>441,307</u>	<u>270,000</u>	<u>19,562,168</u>
-	-	2,624,602
-	-	7,599,642
-	-	4,865,357
-	-	897,998
-	-	1,194,026
260,000	85,000	645,000
221,900	30,010	650,254
<u>481,900</u>	<u>115,010</u>	<u>18,476,879</u>
<u>(40,593)</u>	<u>154,990</u>	<u>1,085,289</u>
-	-	2,470,000
-	-	5,012,869
-	-	(3,707,624)
<u>-</u>	<u>-</u>	<u>3,775,245</u>
<u>(40,593)</u>	<u>154,990</u>	<u>4,860,534</u>
629,194	-	34,319,757
<u>\$ 588,601</u>	<u>\$ 154,990</u>	<u>\$ 39,180,291</u>

STATE OF NEW MEXICO

Statement B-1

McKinley County

Corrections Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	450,000	450,000	460,622	10,622
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	515,500	515,500	442,950	(72,550)
Investment income	-	-	1,960	1,960
Miscellaneous	500	500	829	329
<i>Total revenues</i>	<u>966,000</u>	<u>966,000</u>	<u>906,361</u>	<u>(59,639)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	1,200,334	1,301,052	924,859	376,193
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,200,334</u>	<u>1,301,052</u>	<u>924,859</u>	<u>376,193</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(234,334)</u>	<u>(335,052)</u>	<u>(18,498)</u>	<u>316,554</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	234,334	935,052	-	(935,052)
Transfers in	-	(600,000)	600,000	1,200,000
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>234,334</u>	<u>335,052</u>	<u>600,000</u>	<u>264,948</u>
<i>Net change in fund balance</i>	-	-	581,502	581,502
<i>Fund balance - beginning of year</i>	-	-	1,113,685	1,113,685
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,695,187</u>	<u>\$ 1,695,187</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 581,502
Adjustments to revenues for gross receipts taxes				(28,571)
Adjustments to expenditures for charges for service				808
Net change in fund balance (GAAP)				<u>\$ 553,739</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-2

McKinley County

Environmental Gross Receipts Taxes Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	660,000	660,000	653,804	(6,196)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Local sources	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	5,373	5,373
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>660,000</u>	<u>660,000</u>	<u>659,177</u>	<u>(823)</u>
<i>Expenditures:</i>				
Current:				
General government	791,000	791,000	506,411	284,589
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>791,000</u>	<u>791,000</u>	<u>506,411</u>	<u>284,589</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(131,000)</u>	<u>(131,000)</u>	<u>152,766</u>	<u>283,766</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	328,507	328,507	-	(328,507)
Transfers in	-	-	-	-
Transfers (out)	(197,507)	(197,507)	(197,507)	-
<i>Total other financing sources (uses)</i>	<u>131,000</u>	<u>131,000</u>	<u>(197,507)</u>	<u>(328,507)</u>
<i>Net change in fund balance</i>	-	-	(44,741)	(44,741)
<i>Fund balance - beginning of year</i>	-	-	2,490,396	2,490,396
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,445,655</u>	<u>\$ 2,445,655</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (44,741)
Adjustments to revenues for gross receipts taxes				(1,218)
Adjustments to expenditures for other county agencies				142,569
Net change in fund balance (GAAP)				<u>\$ 96,610</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-3

McKinley County

Property Valuation Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	200,000	200,000	237,369	37,369
Miscellaneous	-	-	73	73
<i>Total revenues</i>	<u>200,000</u>	<u>200,000</u>	<u>237,442</u>	<u>37,442</u>
<i>Expenditures:</i>				
Current:				
General government	300,261	360,866	224,041	136,825
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>300,261</u>	<u>360,866</u>	<u>224,041</u>	<u>136,825</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(100,261)</u>	<u>(160,866)</u>	<u>13,401</u>	<u>174,267</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	100,261	160,866	-	(160,866)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>100,261</u>	<u>160,866</u>	<u>-</u>	<u>(160,866)</u>
<i>Net change in fund balance</i>	-	-	13,401	13,401
<i>Fund balance - beginning of year</i>	-	-	393,742	393,742
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 407,143</u>	<u>\$ 407,143</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 13,401
No adjustments to revenues				-
Adjustments to expenditures for non capital equipment				(793)
Net change in fund balance (GAAP)				<u>\$ 12,608</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-4

McKinley County

Road Fund Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	690,000	690,000	669,571	(20,429)
Gasoline and motor vehicle	1,773,075	1,773,075	584,901	(1,188,174)
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	388,056	388,056	155,866	(232,190)
State operating grants	4,087,757	4,589,288	639,363	(3,949,925)
State capital grants	146,759	594,983	110,069	(484,914)
Charges for services	-	-	4,644	4,644
Net increase (decrease) in the fair value of investments	-	-	-	-
Miscellaneous	100	100	-	(100)
<i>Total revenues</i>	<u>7,085,747</u>	<u>8,035,502</u>	<u>2,164,414</u>	<u>(5,871,088)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	6,639,839	7,967,554	3,403,854	4,563,700
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	423,057	425,957	86,295	339,662
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>7,062,896</u>	<u>8,393,511</u>	<u>3,490,149</u>	<u>4,903,362</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>22,851</u>	<u>(358,009)</u>	<u>(1,325,735)</u>	<u>(967,726)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(22,851)	(341,991)	-	341,991
Transfers in	-	700,000	600,000	(100,000)
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(22,851)</u>	<u>358,009</u>	<u>600,000</u>	<u>241,991</u>
<i>Net change in fund balance</i>	-	-	(725,735)	(725,735)
<i>Fund balance - beginning of year</i>	-	-	1,128,082	1,128,082
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 402,347</u>	<u>\$ 402,347</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (725,735)
Adjustments to revenues for gross receipts taxes and charges for service				(57,791)
Adjustments to expenditures for personnel services and repairs and maintenance				202,714
Net change in fund balance (GAAP)				<u>\$ (580,812)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-5

McKinley County

Hazardous Material Support Services Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	100	100	-	(100)
<i>Total revenues</i>	<u>100</u>	<u>100</u>	<u>-</u>	<u>(100)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	36,000	36,000	4,810	31,190
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>36,000</u>	<u>36,000</u>	<u>4,810</u>	<u>31,190</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(35,900)</u>	<u>(35,900)</u>	<u>(4,810)</u>	<u>31,090</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	35,900	35,900	-	(35,900)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>35,900</u>	<u>35,900</u>	<u>-</u>	<u>(35,900)</u>
<i>Net change in fund balance</i>	-	-	(4,810)	(4,810)
<i>Fund balance - beginning of year</i>	-	-	44,793	44,793
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 39,983</u>	<u>\$ 39,983</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (4,810)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (4,810)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-6

McKinley County

EMS Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	140,487	140,487	150,372	9,885
State capital grants	-	-	-	-
Charges for services	71,000	71,000	77,317	6,317
Miscellaneous	1,000	1,000	2,386	1,386
<i>Total revenues</i>	<u>212,487</u>	<u>212,487</u>	<u>230,075</u>	<u>17,588</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	1,012,356	1,067,534	922,910	144,624
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	23,000	23,000	9,707	13,293
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,035,356</u>	<u>1,090,534</u>	<u>932,617</u>	<u>157,917</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(822,869)</u>	<u>(878,047)</u>	<u>(702,542)</u>	<u>175,505</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	126,869	182,047	-	(182,047)
Transfers in	696,000	696,000	696,000	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>822,869</u>	<u>878,047</u>	<u>696,000</u>	<u>(182,047)</u>
<i>Net change in fund balance</i>	-	-	(6,542)	(6,542)
<i>Fund balance - beginning of year</i>	-	-	472,726	472,726
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 466,184</u>	<u>\$ 466,184</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (6,542)
Adjustments to revenue for state operating grants and charges for service				(5,711)
Adjustments to expenditures for supplies, equipment, and other expenditures				14,990
Net change in fund balance (GAAP)				<u>\$ 2,737</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-7

McKinley County

E911 Metro Dispatch Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	25,100	25,100	7,082	(18,018)
State capital grants	-	-	-	-
Charges for services	1,500	1,500	2,500	1,000
Miscellaneous	-	-	189	189
<i>Total revenues</i>	<u>26,600</u>	<u>26,600</u>	<u>9,771</u>	<u>(16,829)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	2,155,491	2,163,991	1,658,986	505,005
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	353,495	445,145	63,139	382,006
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,508,986</u>	<u>2,609,136</u>	<u>1,722,125</u>	<u>887,011</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,482,386)</u>	<u>(2,582,536)</u>	<u>(1,712,354)</u>	<u>870,182</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	382,386	382,536	-	(382,536)
Transfers in	2,100,000	2,200,000	2,047,724	(152,276)
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,482,386</u>	<u>2,582,536</u>	<u>2,047,724</u>	<u>(534,812)</u>
<i>Net change in fund balance</i>	-	-	335,370	335,370
<i>Fund balance - beginning of year</i>	-	-	550,986	550,986
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 886,356</u>	<u>\$ 886,356</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 335,370
Adjustments to revenues for state operating grants				(4,950)
Adjustments to expenditures for repairs and maintenance and professional services				(19,144)
Net change in fund balance (GAAP)				<u>\$ 311,276</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-8

McKinley County

Farm & Range Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	13,400	13,400	13,213	(187)
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>13,400</u>	<u>13,400</u>	<u>13,213</u>	<u>(187)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	21,000	21,000	20,966	34
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>21,000</u>	<u>21,000</u>	<u>20,966</u>	<u>34</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,600)</u>	<u>(7,600)</u>	<u>(7,753)</u>	<u>(153)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	7,600	7,600	7,600	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>7,600</u>	<u>7,600</u>	<u>7,600</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(153)	(153)
<i>Fund balance - beginning of year</i>	-	-	10,773	10,773
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,620</u>	<u>\$ 10,620</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (153)
No adjustments to revenues				-
Adjustments to expenditures for grants				(2,732)
Net change in fund balance (GAAP)				<u>\$ (2,885)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-9

McKinley County

Fire Protection District Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	1,256,500	1,256,500	1,320,021	63,521
State capital grants	-	300,000	300,000	-
Charges for services	-	-	-	-
Net increase (decrease) in the fair value of investments	-	-	5,584	5,584
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,256,500</u>	<u>1,556,500</u>	<u>1,625,605</u>	<u>69,105</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	1,265,700	1,304,274	828,474	475,800
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	338,500	790,500	14,955	775,545
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,604,200</u>	<u>2,094,774</u>	<u>843,429</u>	<u>1,251,345</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(347,700)</u>	<u>(538,274)</u>	<u>782,176</u>	<u>1,320,450</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	347,700	538,274	-	(538,274)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>347,700</u>	<u>538,274</u>	<u>-</u>	<u>(538,274)</u>
<i>Net change in fund balance</i>	-	-	782,176	782,176
<i>Fund balance - beginning of year</i>	-	-	1,602,187	1,602,187
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,384,363</u>	<u>\$ 2,384,363</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 782,176
No adjustments to revenues				-
Adjustments to expenditures for repairs and maintenance				23,066
Net change in fund balance (GAAP)				<u>\$ 805,242</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-10

McKinley County

Highway Beautification Grant Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	3,500	3,500	7,000	3,500
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>3,500</u>	<u>3,500</u>	<u>7,000</u>	<u>3,500</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	15,500	15,500	9,961	5,539
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>15,500</u>	<u>15,500</u>	<u>9,961</u>	<u>5,539</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(12,000)</u>	<u>(12,000)</u>	<u>(2,961)</u>	<u>9,039</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	12,000	12,000	12,000	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	9,039	9,039
<i>Fund balance - beginning of year</i>	-	-	21,764	21,764
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,803</u>	<u>\$ 30,803</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 9,039
Adjustments to revenues for state operating grants				(3,500)
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 5,539</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-11

McKinley County

Law Enforcement Protection Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	48,600	48,600	48,600	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>48,600</u>	<u>48,600</u>	<u>48,600</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	13,600	13,600	13,600	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	35,000	35,000	35,000	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>48,600</u>	<u>48,600</u>	<u>48,600</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ -
Adjustments to revenues for state operating grants				(48,600)
Adjustments to expenditures for travel				(320)
Net change in fund balance (GAAP)				<u>\$ (48,920)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-12

McKinley County

Liquor Excise Tax Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	1,100,000	1,100,000	954,416	(145,584)
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,100,000</u>	<u>1,100,000</u>	<u>954,416</u>	<u>(145,584)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	1,100,000	1,200,000	887,565	312,435
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,100,000</u>	<u>1,200,000</u>	<u>887,565</u>	<u>312,435</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(100,000)</u>	<u>66,851</u>	<u>166,851</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	100,000	-	(100,000)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>66,851</u>	<u>66,851</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,411,488</u>	<u>1,411,488</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,478,339</u>	<u>\$ 1,478,339</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 66,851
No adjustments to revenues				-
Adjustments to expenditures for health services				201,725
Net change in fund balance (GAAP)				<u>\$ 268,576</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-13

McKinley County

Emergency Communication & Medical Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	3,000,000	3,000,000	3,071,586	71,586
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	234,202	-	(234,202)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	50	50	-	(50)
<i>Total revenues</i>	<u>3,000,050</u>	<u>3,234,252</u>	<u>3,071,586</u>	<u>(162,666)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	215,593	540,915	240,388	300,527
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	648,000	560,607	165,579	395,028
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>863,593</u>	<u>1,101,522</u>	<u>405,967</u>	<u>695,555</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>2,136,457</u>	<u>2,132,730</u>	<u>2,665,619</u>	<u>532,889</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	659,543	563,270	-	(563,270)
Transfers in	-	-	-	-
Transfers (out)	(2,796,000)	(2,696,000)	(2,743,724)	(47,724)
<i>Total other financing sources (uses)</i>	<u>(2,136,457)</u>	<u>(2,132,730)</u>	<u>(2,743,724)</u>	<u>(610,994)</u>
<i>Net change in fund balance</i>	-	-	(78,105)	(78,105)
<i>Fund balance - beginning of year</i>	-	-	3,255,047	3,255,047
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,176,942</u>	<u>\$ 3,176,942</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (78,105)
Adjustments to revenues for gross receipts taxes				(218,001)
Adjustments to expenditures for professional services				(7,332)
Net change in fund balance (GAAP)				<u>\$ (303,438)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-14

McKinley County

Intergovernmental Grants Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	140,000	140,000	-	(140,000)
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	233,117	301,617	135,182	(166,435)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	606,234	743,234	135,182	(608,052)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	341,624	413,277	110,446	302,831
Capital outlay	89,000	89,000	-	89,000
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	430,624	502,277	110,446	391,831
<i>Excess (deficiency) of revenues over expenditures</i>	175,610	240,957	24,736	(216,221)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(233,117)	(298,464)	-	298,464
Transfers in	57,507	57,507	57,507	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	(175,610)	(240,957)	57,507	298,464
<i>Net change in fund balance</i>	-	-	82,243	82,243
<i>Fund balance - beginning of year</i>	-	-	260,359	260,359
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 342,602	\$ 342,602
Net change in fund balance (non-GAAP budgetary basis)				\$ 82,243
Adjustments to revenues for state operating grants				(24,735)
Adjustments to expenditures for professional services				(11,596)
Net change in fund balance (GAAP)				\$ 45,912

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-15

McKinley County

Senior Citizens Center Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	43,300	43,300	35,350	7,950
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>43,300</u>	<u>43,300</u>	<u>35,350</u>	<u>7,950</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(43,300)</u>	<u>(43,300)</u>	<u>(35,350)</u>	<u>7,950</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	11,300	11,300	-	(11,300)
Transfers in	32,000	32,000	32,000	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>43,300</u>	<u>43,300</u>	<u>32,000</u>	<u>(11,300)</u>
<i>Net change in fund balance</i>	-	-	(3,350)	(3,350)
<i>Fund balance - beginning of year</i>	-	-	12,114	12,114
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,764</u>	<u>\$ 8,764</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (3,350)
No adjustments to revenues				-
Adjustments to expenditures for repairs and maintenance				(1,624)
Net change in fund balance (GAAP)				<u>\$ (4,974)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-16

McKinley County

Fire Excise Tax Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	1,250,000	1,250,000	1,260,945	10,945
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	8,472	8,472
Miscellaneous	-	-	(451)	(451)
<i>Total revenues</i>	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,268,966</u>	<u>18,966</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	488,500	575,316	205,217	370,099
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	2,652,000	3,077,000	175,647	2,901,353
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,140,500</u>	<u>3,652,316</u>	<u>380,864</u>	<u>3,271,452</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,890,500)</u>	<u>(2,402,316)</u>	<u>888,102</u>	<u>3,290,418</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	1,890,500	2,402,316	-	(2,402,316)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,890,500</u>	<u>2,402,316</u>	<u>-</u>	<u>(2,402,316)</u>
<i>Net change in fund balance</i>	-	-	888,102	888,102
<i>Fund balance - beginning of year</i>	-	-	3,614,176	3,614,176
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,502,278</u>	<u>\$ 4,502,278</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 888,102
Adjustments to revenues for gross receipts taxes				(97,519)
Adjustments to expenditures for repairs and maintenance and capital outlay				43,266
Net change in fund balance (GAAP)				<u>\$ 833,849</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-17

McKinley County

Local DWI Program Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	848,510	875,004	748,860	(126,144)
State capital grants	-	-	-	-
Charges for services	95,854	95,854	116,669	20,815
Miscellaneous	-	-	7,683	7,683
<i>Total revenues</i>	<u>944,364</u>	<u>970,858</u>	<u>873,212</u>	<u>(97,646)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	937,312	973,813	918,515	55,298
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	32,680	32,679	1
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>937,312</u>	<u>1,006,493</u>	<u>951,194</u>	<u>55,299</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>7,052</u>	<u>(35,635)</u>	<u>(77,982)</u>	<u>(42,347)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	92,948	135,635	-	(135,635)
Transfers in	-	-	-	-
Transfers (out)	(100,000)	(100,000)	(100,000)	-
<i>Total other financing sources (uses)</i>	<u>(7,052)</u>	<u>35,635</u>	<u>(100,000)</u>	<u>(135,635)</u>
<i>Net change in fund balance</i>	-	-	(177,982)	(177,982)
<i>Fund balance - beginning of year</i>	-	-	491,991	491,991
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 314,009</u>	<u>\$ 314,009</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (177,982)
Adjustments to revenues for state operating grants				(6,202)
Adjustments to expenditures for repairs and maintenance				4,852
Net change in fund balance (GAAP)				<u>\$ (179,332)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-18

McKinley County

Public Defenders Building Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	37,370	37,370	37,740	370
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>37,370</u>	<u>37,370</u>	<u>37,740</u>	<u>370</u>
<i>Expenditures:</i>				
Current:				
General government	49,099	49,099	33,815	15,284
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>49,099</u>	<u>49,099</u>	<u>33,815</u>	<u>15,284</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(11,729)</u>	<u>(11,729)</u>	<u>3,925</u>	<u>15,654</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	11,729	11,729	-	(11,729)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>11,729</u>	<u>11,729</u>	<u>-</u>	<u>(11,729)</u>
<i>Net change in fund balance</i>	-	-	3,925	3,925
<i>Fund balance - beginning of year</i>	-	-	106,859	106,859
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 110,784</u>	<u>\$ 110,784</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 3,925
No adjustments to revenues				-
Adjustments to expenditures for repairs and maintenance				(629)
Net change in fund balance (GAAP)				<u>\$ 3,296</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-19

McKinley County

Clerk Recording & Filing Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	12,000	12,000	11,828	(172)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>12,000</u>	<u>12,000</u>	<u>11,828</u>	<u>(172)</u>
<i>Expenditures:</i>				
Current:				
General government	65,000	65,000	34,309	30,691
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>65,000</u>	<u>65,000</u>	<u>34,309</u>	<u>30,691</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(53,000)</u>	<u>(53,000)</u>	<u>(22,481)</u>	<u>30,519</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	53,000	53,000	-	(53,000)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>53,000</u>	<u>53,000</u>	<u>-</u>	<u>(53,000)</u>
<i>Net change in fund balance</i>	-	-	(22,481)	(22,481)
<i>Fund balance - beginning of year</i>	-	-	87,488	87,488
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,007</u>	<u>\$ 65,007</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (22,481)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (22,481)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-20

McKinley County

Magistrate Court Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	138,507	138,507	134,205	(4,302)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	27	27
<i>Total revenues</i>	<u>138,507</u>	<u>138,507</u>	<u>134,232</u>	<u>(4,275)</u>
<i>Expenditures:</i>				
Current:				
General government	140,376	140,399	131,397	9,002
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>140,376</u>	<u>140,399</u>	<u>131,397</u>	<u>9,002</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,869)</u>	<u>(1,892)</u>	<u>2,835</u>	<u>4,727</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	1,869	1,892	-	(1,892)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,869</u>	<u>1,892</u>	<u>-</u>	<u>(1,892)</u>
<i>Net change in fund balance</i>	-	-	2,835	2,835
<i>Fund balance - beginning of year</i>	-	-	347,994	347,994
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 350,829</u>	<u>\$ 350,829</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 2,835
No adjustments to revenues				-
Adjustments to expenditures for repairs and maintenance				(685)
Net change in fund balance (GAAP)				<u>\$ 2,150</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-21

McKinley County

Sheriff's Grants Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	482,274	771,844	304,268	(467,576)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	266	266
<i>Total revenues</i>	<u>482,274</u>	<u>771,844</u>	<u>304,534</u>	<u>(467,310)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	494,966	718,848	471,253	247,595
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>494,966</u>	<u>718,848</u>	<u>471,253</u>	<u>247,595</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(12,692)</u>	<u>52,996</u>	<u>(166,719)</u>	<u>(219,715)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	12,692	(677,996)	-	677,996
Transfers in	-	-	-	-
Transfers (out)	-	625,000	-	(625,000)
<i>Total other financing sources (uses)</i>	<u>12,692</u>	<u>(52,996)</u>	<u>-</u>	<u>52,996</u>
<i>Net change in fund balance</i>	-	-	(166,719)	(166,719)
<i>Fund balance - beginning of year</i>	-	-	812,927	812,927
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 646,208</u>	<u>\$ 646,208</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (166,719)
Adjustments to revenues for state and federal operating grants				(95,585)
Adjustments to expenditures for contract services				58,633
Net change in fund balance (GAAP)				<u>\$ (203,671)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-22

McKinley County

Narcotic Drug Control & K-9 Drug Unit Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	5,500	5,500	17,547	12,047
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,500</u>	<u>5,500</u>	<u>17,547</u>	<u>12,047</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	33,300	66,837	40,205	26,632
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>33,300</u>	<u>66,837</u>	<u>40,205</u>	<u>26,632</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(27,800)</u>	<u>(61,337)</u>	<u>(22,658)</u>	<u>38,679</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(2,700)	30,837	-	(30,837)
Loan proceeds	-	-	-	-
Proceeds from sale of equipment	500	500	-	(500)
Transfers in	30,000	30,000	30,000	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>27,800</u>	<u>61,337</u>	<u>30,000</u>	<u>(31,337)</u>
<i>Net change in fund balance</i>	-	-	7,342	7,342
<i>Fund balance - beginning of year</i>	-	-	214,046	214,046
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 221,388</u>	<u>\$ 221,388</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 7,342
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 7,342</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-23

McKinley County

Federal Office of Justice - Law Enforcement Grant Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	57,594	57,594	27,024	(30,570)
Federal capital grants	15,943	15,943	10,915	(5,028)
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>73,537</u>	<u>73,537</u>	<u>37,939</u>	<u>(35,598)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	73,537	73,537	21,830	51,707
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>73,537</u>	<u>73,537</u>	<u>21,830</u>	<u>51,707</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>16,109</u>	<u>16,109</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>16,109</u>	<u>16,109</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>157,667</u>	<u>157,667</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 173,776</u>	<u>\$ 173,776</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 16,109
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 16,109</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-24

McKinley County

Law Enforcement Seizures Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	37,729	37,729
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>37,729</u>	<u>37,729</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>37,729</u>	<u>37,729</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>37,729</u>	<u>37,729</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>9,445</u>	<u>9,445</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,174</u>	<u>\$ 47,174</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 37,729
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 37,729</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-25

McKinley County

Misdemeanor Compliance Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	374,527	374,527	363,544	(10,983)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>374,527</u>	<u>374,527</u>	<u>363,544</u>	<u>(10,983)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	371,727	371,727	301,305	70,422
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>371,727</u>	<u>371,727</u>	<u>301,305</u>	<u>70,422</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>2,800</u>	<u>2,800</u>	<u>62,239</u>	<u>59,439</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(102,800)	(102,800)	-	102,800
Transfers in	100,000	100,000	100,000	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(2,800)</u>	<u>(2,800)</u>	<u>100,000</u>	<u>102,800</u>
<i>Net change in fund balance</i>	-	-	162,239	162,239
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 162,239</u>	<u>\$ 162,239</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 162,239
Adjustments to revenues for charges for service				960
Adjustments to expenditures for equipment				(14,592)
Net change in fund balance (GAAP)				<u>\$ 148,607</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-26

McKinley County

Emergency Management Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	3,212,609	3,212,609	1,308,679	(1,903,930)
State operating grants	92,800	332,561	116,128	(216,433)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	101	101
<i>Total revenues</i>	<u>3,305,409</u>	<u>3,545,170</u>	<u>1,424,908</u>	<u>(2,120,262)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	3,648,970	3,903,667	588,507	3,315,160
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,648,970</u>	<u>3,903,667</u>	<u>588,507</u>	<u>3,315,160</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(343,561)</u>	<u>(358,497)</u>	<u>836,401</u>	<u>1,194,898</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	476	2,104	-	(2,104)
Transfers in	343,085	356,393	356,393	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>343,561</u>	<u>358,497</u>	<u>356,393</u>	<u>(2,104)</u>
<i>Net change in fund balance</i>	-	-	1,192,794	1,192,794
<i>Fund balance - beginning of year</i>	-	-	849,384	849,384
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,042,178</u>	<u>\$ 2,042,178</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 1,192,794
Adjustments to revenues for federal and state operating grants				103,227
Adjustments to expenditures for equipment				(15,532)
Net change in fund balance (GAAP)				<u>\$ 1,280,489</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-27

McKinley County

Forest Reserve Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	76,191	148,894	49,750	(99,144)
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>76,191</u>	<u>148,894</u>	<u>49,750</u>	<u>(99,144)</u>
<i>Expenditures:</i>				
Current:				
General government	51,191	123,894	2,200	121,694
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>51,191</u>	<u>123,894</u>	<u>2,200</u>	<u>121,694</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>25,000</u>	<u>25,000</u>	<u>47,550</u>	<u>22,550</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(25,000)	(265,000)	-	265,000
Transfers in	-	240,000	-	(240,000)
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>	<u>25,000</u>
<i>Net change in fund balance</i>	-	-	47,550	47,550
<i>Fund balance - beginning of year</i>	-	-	325,575	325,575
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 373,125</u>	<u>\$ 373,125</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 47,550
Adjustments to revenues for federal operating grants				(41,500)
Adjustments to expenditures for professional services				(66,497)
Net change in fund balance (GAAP)				<u>\$ (60,447)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-28

McKinley County

JSAAC Center Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	202,929	202,929	285,829	82,900
State operating grants	395,000	395,000	290,604	(104,396)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	395	395
<i>Total revenues</i>	<u>597,929</u>	<u>597,929</u>	<u>576,828</u>	<u>(21,101)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	781,110	785,801	649,840	135,961
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>781,110</u>	<u>785,801</u>	<u>649,840</u>	<u>135,961</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(183,181)</u>	<u>(187,872)</u>	<u>(73,012)</u>	<u>114,860</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	129,536	134,227	-	(134,227)
Transfers in	53,645	53,645	53,645	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>183,181</u>	<u>187,872</u>	<u>53,645</u>	<u>(134,227)</u>
<i>Net change in fund balance</i>	-	-	(19,367)	(19,367)
<i>Fund balance - beginning of year</i>	-	-	339,237	339,237
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 319,870</u>	<u>\$ 319,870</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (19,367)
Adjustments to revenues for state and federal operating grants				38,106
Adjustments to expenditures for salaries and professional services				(2,972)
Net change in fund balance (GAAP)				<u>\$ 15,767</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-29

McKinley County

CDBG Planning Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	172	172
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>172</u>	<u>172</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>172</u>	<u>172</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>172</u>	<u>172</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>50,553</u>	<u>50,553</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,725</u>	<u>\$ 50,725</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 172
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 172</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-30

McKinley County

Rural Public Safety Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	776,000	776,000	767,932	(8,068)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	8,199	8,199
<i>Total revenues</i>	<u>776,000</u>	<u>776,000</u>	<u>776,131</u>	<u>131</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	195,000	265,586	124,832	140,754
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	365,000	746,216	391,289	354,927
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>560,000</u>	<u>1,011,802</u>	<u>516,121</u>	<u>495,681</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>216,000</u>	<u>(235,802)</u>	<u>260,010</u>	<u>495,812</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	157,085	422,195	-	(422,195)
Transfers in	-	200,000	-	(200,000)
Transfers (out)	(373,085)	(386,393)	(386,393)	-
<i>Total other financing sources (uses)</i>	<u>(216,000)</u>	<u>235,802</u>	<u>(386,393)</u>	<u>(622,195)</u>
<i>Net change in fund balance</i>	-	-	(126,383)	(126,383)
<i>Fund balance - beginning of year</i>	-	-	2,444,149	2,444,149
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,317,766</u>	<u>\$ 2,317,766</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (126,383)
Adjustments to revenues for gross receipts taxes				(54,411)
Adjustments to expenditures for capital outlay				36,403
Net change in fund balance (GAAP)				<u>\$ (144,391)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-31

McKinley County

Capital Projects Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	1,700,000	1,700,000	2,134,414	434,414
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	(11,810)	11,810
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,700,000</u>	<u>1,700,000</u>	<u>2,122,604</u>	<u>446,224</u>
<i>Expenditures:</i>				
Current:				
General government	1,342,500	1,711,650	1,428,626	283,024
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	35,000	35,000	-	35,000
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,377,500</u>	<u>1,746,650</u>	<u>1,428,626</u>	<u>318,024</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>322,500</u>	<u>(46,650)</u>	<u>693,978</u>	<u>764,248</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(42,500)	566,650	-	(566,650)
Transfers in	-	-	-	-
Transfers (out)	(280,000)	(520,000)	(280,000)	240,000
<i>Total other financing sources (uses)</i>	<u>(322,500)</u>	<u>46,650</u>	<u>(280,000)</u>	<u>(326,650)</u>
<i>Net change in fund balance</i>	-	-	413,978	413,978
<i>Fund balance - beginning of year</i>	-	-	4,178,781	4,178,781
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,592,759</u>	<u>\$ 4,592,759</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 413,978
Adjustments to revenues for GRT capital projects revenues				(93,715)
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 320,263</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-32

McKinley County

Federal Grants Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	76,093	76,093	-	(76,093)
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>76,093</u>	<u>76,093</u>	<u>-</u>	<u>(76,093)</u>
<i>Expenditures:</i>				
Current:				
General government	76,093	66,093	10,000	56,093
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	30,882	(30,882)
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>76,093</u>	<u>66,093</u>	<u>40,882</u>	<u>25,211</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>10,000</u>	<u>(40,882)</u>	<u>(50,882)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	(10,000)	-	10,000
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(10,000)</u>	<u>-</u>	<u>10,000</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(40,882)</u>	<u>(40,882)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>430,897</u>	<u>430,897</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 390,015</u>	<u>\$ 390,015</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (40,882)
No adjustments to revenues				-
Adjustments to expenditures for professional services				1,438
Net change in fund balance (GAAP)				<u>\$ (39,444)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-33

McKinley County

CDBG/ Gameraico Water System Phase III Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	500,000	500,000	-	(500,000)
Federal capital grants	-	-	-	-
State operating grants	100,000	100,000	-	(100,000)
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>600,000</u>	<u>600,000</u>	<u>-</u>	<u>(600,000)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	757,554	757,554	-	757,554
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>757,554</u>	<u>757,554</u>	<u>-</u>	<u>757,554</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(157,554)</u>	<u>(157,554)</u>	<u>-</u>	<u>157,554</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	17,554	17,554	-	(17,554)
Transfers in	140,000	140,000	140,000	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>157,554</u>	<u>157,554</u>	<u>140,000</u>	<u>(17,554)</u>
<i>Net change in fund balance</i>	-	-	140,000	140,000
<i>Fund balance - beginning of year</i>	-	-	517,553	517,553
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 657,553</u>	<u>\$ 657,553</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 140,000
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 140,000</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-34

McKinley County

McKinley County Drainage Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	280,000	79,616	200,384
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	280,000	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>280,000</u>	<u>280,000</u>	<u>79,616</u>	<u>200,384</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(280,000)</u>	<u>(280,000)</u>	<u>(79,616)</u>	<u>200,384</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	560,000	560,000	-	(560,000)
Transfers in	(280,000)	(280,000)	280,000	560,000
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>280,000</u>	<u>280,000</u>	<u>280,000</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	200,384	200,384
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,384</u>	<u>\$ 200,384</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 200,384
No adjustments to revenues				-
Adjustments to expenditures for repairs and maintenance				(141,722)
Net change in fund balance (GAAP)				<u>\$ 58,662</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-35

McKinley County

Infrastructure Gross Receipts Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	500,000	500,000	472,852	(27,148)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Investment income	-	-	5,860	5,860
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>500,000</u>	<u>500,000</u>	<u>478,712</u>	<u>(21,288)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	316,000	309,952	102,757	207,195
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	455,000	493,295	182,141	311,154
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>771,000</u>	<u>803,247</u>	<u>284,898</u>	<u>518,349</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(271,000)</u>	<u>(303,247)</u>	<u>193,814</u>	<u>497,061</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	271,000	303,247	-	(303,247)
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>271,000</u>	<u>303,247</u>	<u>-</u>	<u>(303,247)</u>
<i>Net change in fund balance</i>	-	-	193,814	193,814
<i>Fund balance - beginning of year</i>	-	-	2,258,864	2,258,864
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,452,678</u>	<u>\$ 2,452,678</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 193,814
Adjustments to revenue for gross receipt taxes				(36,569)
Adjustments to expenditures for repairs and maintenance				15,295
Net change in fund balance (GAAP)				<u>\$ 172,540</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-36

McKinley County

State Projects Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	212,000	212,000	257,393	45,393
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Net increase (decrease) in the fair value of investments	-	-	9,918	(9,918)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>212,000</u>	<u>212,000</u>	<u>267,311</u>	<u>35,475</u>
<i>Expenditures:</i>				
Current:				
General government	212,000	201,230	201,230	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>212,000</u>	<u>201,230</u>	<u>201,230</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>10,770</u>	<u>66,081</u>	<u>35,475</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	(10,770)	-	10,770
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(10,770)</u>	<u>-</u>	<u>10,770</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>66,081</u>	<u>66,081</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,735,558</u>	<u>1,735,558</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,801,639</u>	<u>\$ 1,801,639</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 66,081
No adjustments to revenues				-
Adjustments to expenditures for construction expenditures and general government expenditures				36,530
Net change in fund balance (GAAP)				<u>\$ 102,611</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-37

McKinley County

Judicial Complex Construction Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	147,000	177,850	177,567	283
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>147,000</u>	<u>177,850</u>	<u>177,567</u>	<u>283</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(147,000)</u>	<u>(177,850)</u>	<u>(177,567)</u>	<u>283</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	147,000	177,850	-	(177,850)
Transfers in	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>147,000</u>	<u>177,850</u>	<u>-</u>	<u>(177,850)</u>
<i>Net change in fund balance</i>	-	-	(177,567)	(177,567)
<i>Fund balance - beginning of year</i>	-	-	481,156	481,156
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 303,589</u>	<u>\$ 303,589</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (177,567)
No adjustments to revenues				-
Adjustments to expenditures for capital outlay expenditures and general government expenditures				178,477
Net change in fund balance (GAAP)				<u>\$ 910</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-38

McKinley County

Energy Efficiency Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final		(Unfavorable) Favorable Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	2,405,270	2,470,000	64,730
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	3,590	3,590
<i>Total revenues</i>	<u>-</u>	<u>2,405,270</u>	<u>2,473,590</u>	<u>68,320</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	1,071,300	983,528	87,772
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	1,333,970	92,078	1,241,892
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2,405,270</u>	<u>1,075,606</u>	<u>1,329,664</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,397,984</u>	<u>1,397,984</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>1,397,984</u>	<u>1,397,984</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,397,984</u>	<u>\$ 1,397,984</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 1,397,984
No adjustments to revenues				-
Adjustments to expenditures for capital outlay expenditures and general government expenditures				(275,633)
Net change in fund balance (GAAP)				<u>\$ 1,122,351</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-39

McKinley County

General Obligation Bonds Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ -
Adjustments to revenues for property taxes				(1,087)
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (1,087)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-40

McKinley County

Law Enforcement JDC Bonds Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	379,055	379,055	697,350	318,295
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	319,289	319,289	133,037	(186,252)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>698,344</u>	<u>698,344</u>	<u>830,387</u>	<u>132,043</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	300,000	300,000	300,000	-
Interest	398,344	398,344	398,344	-
<i>Total expenditures</i>	<u>698,344</u>	<u>698,344</u>	<u>698,344</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>132,043</u>	<u>132,043</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>132,043</u>	<u>132,043</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>702,575</u>	<u>702,575</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 834,618</u>	<u>\$ 834,618</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 132,043
Adjustments to revenue for gross receipt taxes				(154,300)
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (22,257)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-41

McKinley County

Judicial Complex Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	88,187	88,187	140,100	51,913
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	393,792	393,792	384,607	(9,185)
<i>Total revenues</i>	<u>481,979</u>	<u>481,979</u>	<u>524,707</u>	<u>42,728</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	260,000	260,000	260,000	-
Interest	221,979	221,979	221,900	79
<i>Total expenditures</i>	<u>481,979</u>	<u>481,979</u>	<u>481,900</u>	<u>79</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>42,807</u>	<u>42,807</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>42,807</u>	<u>42,807</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>535,794</u>	<u>535,794</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 578,601</u>	<u>\$ 578,601</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 42,807
Adjustments to revenue for gross receipt taxes				(83,400)
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (40,593)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-42

McKinley County

Energy Efficiency Revenue Bond Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	240,000	240,000
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>240,000</u>	<u>240,000</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	85,000	85,000	-
Interest	-	30,100	30,010	90
<i>Total expenditures</i>	<u>-</u>	<u>115,100</u>	<u>115,010</u>	<u>90</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(115,100)</u>	<u>124,990</u>	<u>240,090</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	355,100	-	(355,100)
Transfers in	-	(240,000)	-	240,000
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>115,100</u>	<u>-</u>	<u>(115,100)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>124,990</u>	<u>124,990</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 124,990</u>	<u>\$ 124,990</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 124,990
Adjustments to revenue for gross receipt taxes				30,000
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 154,990</u>

The accompanying notes are an integral part of these financial statements

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SUPPORTING SCHEDULES

STATE OF NEW MEXICO
 McKinley County
 Schedule of Collateral Pledged by Depository For Public Funds
 June 30, 2015

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value at June 30, 2015	Location of Safekeeper
Pinnacle Bank					
	FNMA 257504, 5.00%	12/1/2018	31371PAD2	\$ 226,851	Federal Reserve Bank of Kansas City
	FHLMC 3564 LA, 4.00%	8/15/2019	31398JEB5	426,793	Federal Reserve Bank of Kansas City
	FHLB Bonds, 2.00%	9/9/2016	313370TW8	5,086,000	Federal Reserve Bank of Kansas City
	FHLB Bonds, 2.12%	6/10/2016	313373SZ6	2,540,325	Federal Reserve Bank of Kansas City
	FHLB Bonds, 1.87%	6/12/2020	313383HB4	5,018,700	Federal Reserve Bank of Kansas City
	FNMA 238817 ARM, 5.74%	11/1/2024	3137ORG27	121,569	Federal Reserve Bank of Kansas City
	FHLMC G11533, 5.00%	3/1/2019	31283KV21	397,740	Federal Reserve Bank of Kansas City
	FNMA 10 137 BJ, 2.00%	12/25/2025	31398SRD7	3,859,622	Federal Reserve Bank of Kansas City
	FHLMC 3758 CH, 1.50%	9/15/2018	3137A3CE7	1,052,960	Federal Reserve Bank of Kansas City
	FHLMC 3884 DJ, 2.50%	2/15/2025	3137ABVT5	1,538,616	Federal Reserve Bank of Kansas City
	CORRALES NM GO, 3.75%	8/1/2015	22025PBF5	75,206	Federal Reserve Bank of Kansas City
	CORRALES NM GO, 4.00%	8/1/2016	22025PBG3	77,645	Federal Reserve Bank of Kansas City
	FNMA 14 M8, 2.34%	6/25/2024	3136AKQLO	6,192,294	Federal Reserve Bank of Kansas City
	FHLMC 3989 KQ, 2.00%	5/15/2040	313AKHYO	3,438,195	Federal Reserve Bank of Kansas City
	FHHS K028 A1, 2.18%	11/25/2022	3137B2HH5	4,605,403	Federal Reserve Bank of Kansas City
	FHHS K020 A1, 1.57%	1/25/2022	3137ASR97	2,869,180	Federal Reserve Bank of Kansas City
	Total Pinnacle Bank			<u>\$ 37,527,099</u>	
Washington Federal					
	FHLMC GOLD PC A94288, 2.50%	8/20/2061	3620E0NW2	\$ 1,813,207	Federal Home Loan Bank- Seattle WA
	Total Washington Federal			<u>\$ 1,813,207</u>	

See independent auditors' report

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2015	Location of Safekeeper
Wells Fargo					
	FNR 2012-69 DE	1/1/2043	3136A6H23	\$ 2,915	Bank of NY Mellon, New York, NY
	FN AI7609 3.500% 11/1/2041	11/1/2041	3138AMN35	12,806	Bank of NY Mellon, New York, NY
	FN AJ3070 4.000% 11/1/2041	11/1/2041	3138AUMU8	43,415	Bank of NY Mellon, New York, NY
	FN AL3409 3.500% 03/01/2043	3/1/2043	3138EKYF6	19,758	Bank of NY Mellon, New York, NY
	FN AO6780 3.000% 06/01/2042	6/1/2042	3138LXRA9	73,289	Bank of NY Mellon, New York, NY
	FN AQ0440 3.500% 10/01/2042	10/1/2042	3138MFP27	182,465	Bank of NY Mellon, New York, NY
	FN AQ1283 3.000% 02/01/2043	2/1/2043	3138MG93	878,598	Bank of NY Mellon, New York, NY
	FN AQ3288 3.000% 02/01/2043	2/1/2043	3138MJUN7	47,076	Bank of NY Mellon, New York, NY
	FN AQ8996 3.000% 12/01/2042	12/1/2042	3138MQ7J6	2,336	Bank of NY Mellon, New York, NY
	FN AQ9017 3.000% 01/01/2043	1/1/2043	3138MRAT8	211,921	Bank of NY Mellon, New York, NY
	FN AR9199 3.000% 03/01/2043	3/1/2043	3138W7GH1	47,043	Bank of NY Mellon, New York, NY
	FN AS0317 4.000% 08/01/2043	8/1/2043	3138W9K74	741	Bank of NY Mellon, New York, NY
	FN AB7507 3.000% 01/01/2043	1/1/2043	31417EKV2	205,129	Bank of NY Mellon, New York, NY
	FN AB9149 3.500% 04/01/2043	4/1/2043	31417GEX0	6,299,811	Bank of NY Mellon, New York, NY
	Total Wells Fargo			<u>\$ 8,027,303</u>	
	Total Pledged Collateral			<u><u>\$ 47,367,609</u></u>	

STATE OF NEW MEXICO
 McKinley County
 Schedule of Deposit and Investment Accounts
 June 30, 2015

Bank Account Type/Name	US Bank	Pinnacle Bank	Washington Federal Bank	Wells Fargo Bank
Treasury Note, 8.75%	\$ 500,558	\$ -	\$ -	\$ -
Treasury Note, 8.75%	996,083	-	-	-
Checking- Seizure	-	47,142	-	-
Checking- CDBG	-	573,278	-	-
Checking- Operational	-	11,159,930	-	-
Checking- Payroll Warrant Account	-	11,621	-	-
Checking- Accounts Payable Warrant Account	-	(360,772)	-	-
Certificate of Deposit	-	1,000,000	-	-
Certificate of Deposit	-	1,000,000	-	-
Certificate of Deposit	-	1,000,000	1,000,362	-
Certificate of Deposit	-	2,000,000	1,000,316	-
Savings	-	-	-	6,353,830
Certificate of Deposit	-	-	-	-
Federal Home Loan Banks 1.25%	-	-	-	-
Federal Home Loan Banks 1.125%	-	-	-	-
Federal Home Loan Banks 1.125%	-	-	-	-
Federal Home Loan Banks 1.25%	-	-	-	-
Federal Home Loan Banks 1.25%	-	-	-	-
Federal Home Loan Banks 1.00%	-	-	-	-
Federal Home Loan Banks 1.25%	-	-	-	-
Federal Home Loan Banks 0.00%	-	-	-	-
Federal Home Loan Banks 2.48%	-	-	-	-
Federal Home Loan Banks 1.39%	-	-	-	-
Federal Home Loan Banks 1.00%	-	-	-	-
Federal Home Loan Banks 0.70%	-	-	-	-
Federal Home Loan Bank Bond Step, 1.375%	-	-	-	-
Federal Home Loan Bank Bond Step, 1.250%	-	-	-	-
Federal Home Loan Bank Bond Step, 1.500%	-	-	-	-
Federal Home Loan MtG Corp, 1.750%	-	-	-	-
Federal Home Loan MtG Corp, 1.750%	-	-	-	-
Federal Home Loan MtG Corp, 2.000%	-	-	-	-
State Treasurer's Pool (LGIP Fund), .1322%	-	-	-	-
Program Funds New Grant Closing McKinley 4	-	-	-	-
Total	1,496,641	16,431,199	2,000,678	6,353,830
Reconciling items	-	(1,039,914)	-	-
Reconciled balance	\$ 1,496,641	\$ 15,391,285	\$ 2,000,678	\$ 6,353,830
Petty cash				
Returned Checks				
Less: investments per Exhibit A-1				
Less: restricted cash and cash equivalents per Exhibit A-1				
Less: agency funds cash and investments per Exhibit D-1				
Total unrestricted cash and cash equivalents per Exhibit A-1				

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First Financial Credit Union	Financial Services Corp.	Sterne Agree	Shearson Financial Services, LLC	State Treasurer's Pool	NMFA	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,558
-	-	-	-	-	-	996,083
-	-	-	-	-	-	47,142
-	-	-	-	-	-	573,278
-	-	-	-	-	-	11,159,930
-	-	-	-	-	-	11,621
-	-	-	-	-	-	(360,772)
-	-	-	-	-	-	1,000,000
-	-	-	-	-	-	1,000,000
-	-	-	-	-	-	2,000,362
-	-	-	-	-	-	3,000,316
-	-	-	-	-	-	6,353,830
99,218	-	-	-	-	-	99,218
-	3,004,050	-	-	-	-	3,004,050
-	996,910	-	-	-	-	996,910
-	2,001,760	-	-	-	-	2,001,760
-	1,001,250	-	-	-	-	1,001,250
-	4,006,280	-	-	-	-	4,006,280
-	750,630	-	-	-	-	750,630
-	995,080	-	-	-	-	995,080
-	2,996,970	-	-	-	-	2,996,970
-	3,485,335	-	-	-	-	3,485,335
-	1,471,920	-	-	-	-	1,471,920
-	1,991,220	-	-	-	-	1,991,220
-	4,986,500	-	-	-	-	4,986,500
-	-	3,000,900	-	-	-	3,000,900
-	-	996,610	-	-	-	996,610
-	-	991,500	-	-	-	991,500
-	-	-	1,007,883	-	-	1,007,883
-	-	-	989,140	-	-	989,140
-	-	-	1,000,230	-	-	1,000,230
-	-	-	-	8,833	-	8,833
-	-	-	-	-	50,000	50,000
99,218	27,687,905	4,989,010	2,997,253	8,833	50,000	62,114,567
-	73,575	-	-	-	-	(966,339)
<u>\$ 99,218</u>	<u>\$ 27,761,480</u>	<u>\$ 4,989,010</u>	<u>\$ 2,997,253</u>	<u>\$ 8,833</u>	<u>\$ 50,000</u>	<u>61,148,228</u>
						977
						173
						(44,279,538)
						(882,934)
						(1,008,689)
						<u>\$ 14,978,044</u>

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STATE OF NEW MEXICO
 McKinley County
 Reconciliation of Property Tax Rolls
 For the Year Ended June 30, 2015

Schedule V

Property taxes receivable, beginning of year	\$	1,713,883
Changes to tax roll:		
Net tax charges to treasurer for fiscal year		28,439,109
Adjustments:		
Net decrease in taxes receivable		<u>(17,375)</u>
Total receivable prior to collections		30,135,617
Collections and adjustments for fiscal year ended June 30, 2015		<u>(28,414,887)</u>
Property taxes receivable, end of year	\$	<u><u>1,720,730</u></u>
Property taxes receivable are reported as follows:		
General Fund	\$	417,008
Debt Service Fund		1,079
Agency Funds		<u>1,302,643</u>
Total property taxes receivable	\$	<u><u>1,720,730</u></u>
Property taxes receivable by year:		
2005	\$	8,842
2006		7,285
2007		9,715
2008		14,199
2009		59,063
2010		42,233
2011		54,225
2012		93,801
2013		393,167
2014		<u>1,038,200</u>
Total property taxes receivable	\$	<u><u>1,720,730</u></u>

See independent auditors' report

STATE OF NEW MEXICO
 McKinley County
 McKinley County Treasurer Property Tax Schedule
 For the Year Ended June 30, 2015

Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
001 STATE DEBT SERVICE							
STATE DEBT SERVICE 2005	\$ 261,301	\$ 261,250	\$ 45	\$ 261,295	\$ 177	\$ 177	\$ 6
STATE DEBT SERVICE 2006	282,639	282,618	15	282,633	176	176	6
STATE DEBT SERVICE 2007	288,857	288,786	52	288,838	201	201	19
STATE DEBT SERVICE 2008	303,690	303,637	7	303,644	110	110	47
STATE DEBT SERVICE 2009	295,449	295,262	(90)	295,172	315	315	277
STATE DEBT SERVICE 2010	1,125,571	1,123,585	167	1,123,752	1,526	1,526	1,819
STATE DEBT SERVICE 2011	1,038,116	1,033,553	2,386	1,035,939	4,926	4,926	2,178
STATE DEBT SERVICE 2012	1,043,323	1,029,274	10,121	1,039,395	10,712	10,712	3,928
STATE DEBT SERVICE 2013	1,130,031	1,087,814	26,588	1,114,402	32,776	32,776	15,629
STATE DEBT SERVICE 2014	1,135,753		1,093,947	1,093,947	1,080,882	1,080,882	41,806
Total	\$ 6,904,731	\$ 5,705,779	\$ 1,133,237	\$ 6,839,016	\$ 1,131,803	\$ 1,131,803	\$ 65,715
002 COUNTY OPERATIONAL- RES							
COUNTY OPERATIONAL - RES 2005	\$ 1,083,742	\$ 1,083,533	\$ 184	\$ 1,083,717	\$ 233	\$ 233	\$ 25
COUNTY OPERATIONAL - RES 2006	1,151,356	1,151,268	63	1,151,331	1,347	1,347	25
COUNTY OPERATIONAL - RES 2007	1,232,316	1,232,014	219	1,232,233	280	280	83
COUNTY OPERATIONAL - RES 2008	1,302,953	1,302,723	30	1,302,753	474	474	200
COUNTY OPERATIONAL - RES 2009	1,396,059	1,395,177	(427)	1,394,750	1,710	1,710	1,310
COUNTY OPERATIONAL - RES 2010	1,412,704	1,408,926	1,253	1,410,179	3,474	3,474	2,525
COUNTY OPERATIONAL - RES 2011	1,450,582	1,438,952	7,415	1,446,367	15,655	15,655	4,216
COUNTY OPERATIONAL - RES 2012	1,511,691	1,470,767	30,186	1,500,953	29,180	29,180	10,738
COUNTY OPERATIONAL - RES 2013	1,550,362	1,431,703	74,959	1,506,662	88,687	88,687	43,700
COUNTY OPERATIONAL - RES 2014	1,574,691		1,460,192	1,460,192	1,433,169	1,433,169	114,498
Total	\$ 13,666,456	\$ 11,915,063	\$ 1,574,074	\$ 13,489,137	\$ 1,574,209	\$ 1,574,209	\$ 177,319
003 COUNTY DEBT SERVICE							
COUNTY DEBT SERVICE 2005	\$ 248,807	\$ 248,759	\$ 43	\$ 248,802	\$ 169	\$ 169	\$ 5
COUNTY DEBT SERVICE 2006	254,616	254,597	14	254,611	159	159	6
COUNTY DEBT SERVICE 2007	250,532	250,471	44	250,515	175	175	17
COUNTY DEBT SERVICE 2008	197,520	197,485	5	197,490	72	72	30
COUNTY DEBT SERVICE 2009	-	-	-	-	-	-	-
COUNTY DEBT SERVICE 2010	-	-	-	-	-	-	-
COUNTY DEBT SERVICE 2011	-	-	-	-	-	-	-
COUNTY DEBT SERVICE 2012	-	-	-	-	-	-	-
COUNTY DEBT SERVICE 2013	-	-	-	-	-	-	-
COUNTY DEBT SERVICE 2014	-	-	-	-	-	-	-
Total	\$ 951,476	\$ 951,312	\$ 106	\$ 951,418	\$ 574	\$ 574	\$ 58

See independent auditors' report

STATE OF NEW MEXICO
 McKinley County
 McKinley County Treasurer Property Tax Schedule
 For the Year Ended June 30, 2015

Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
004 GALLUP MUNICIPAL OPERATIONAL - RES							
GALLUP MUNICIPAL OPERATIONAL - RES 2005	\$ 789,985	\$ 789,935	\$ 50	\$ 789,985	\$ 75	\$ 75	\$ -
GALLUP MUNICIPAL OPERATIONAL - RES 2006	838,851	838,870	(19)	838,851	56	56	-
GALLUP MUNICIPAL OPERATIONAL - RES 2007	897,372	897,279	61	897,340	78	78	33
GALLUP MUNICIPAL OPERATIONAL - RES 2008	949,675	949,605	23	949,628	265	265	48
GALLUP MUNICIPAL OPERATIONAL - RES 2009	1,018,939	1,018,530	(102)	1,018,428	981	981	511
GALLUP MUNICIPAL OPERATIONAL - RES 2010	1,030,350	1,027,946	1,014	1,028,960	2,726	2,726	1,391
GALLUP MUNICIPAL OPERATIONAL - RES 2011	1,057,483	1,050,641	4,537	1,055,178	9,378	9,378	2,304
GALLUP MUNICIPAL OPERATIONAL - RES 2012	1,102,894	1,078,411	18,743	1,097,154	17,206	17,206	5,739
GALLUP MUNICIPAL OPERATIONAL - RES 2013	1,129,425	1,059,139	44,937	1,104,076	53,192	53,192	25,349
GALLUP MUNICIPAL OPERATIONAL - RES 2014	1,148,554		1,079,127	1,079,127	1,060,209	1,060,209	69,428
Total	\$ 9,963,529	\$ 8,710,356	\$ 1,148,370	\$ 9,858,726	\$ 1,144,164	\$ 1,144,164	\$ 104,803
005 GALLUP MUNICIPAL DEBT SERVICE							
GALLUP MUNICIPAL DEBT SERVICE 2005	\$ 368,052	\$ 368,028	\$ 24	\$ 368,052	\$ 35	\$ 35	\$ -
GALLUP MUNICIPAL DEBT SERVICE 2006	235,762	235,768	(6)	235,762	16	16	-
GALLUP MUNICIPAL DEBT SERVICE 2007	404,798	404,756	27	404,783	99	99	15
GALLUP MUNICIPAL DEBT SERVICE 2008	415,998	415,967	10	415,977	116	116	21
GALLUP MUNICIPAL DEBT SERVICE 2009	440,515	440,338	(44)	440,294	424	424	221
GALLUP MUNICIPAL DEBT SERVICE 2010	441,153	440,124	433	440,557	1,167	1,167	595
GALLUP MUNICIPAL DEBT SERVICE 2011	284,815	282,973	1,222	284,195	2,526	2,526	621
GALLUP MUNICIPAL DEBT SERVICE 2012	348,421	340,687	5,921	346,608	5,436	5,436	1,813
GALLUP MUNICIPAL DEBT SERVICE 2013	303,524	284,635	12,077	296,712	14,295	14,295	6,812
GALLUP MUNICIPAL DEBT SERVICE 2014	228,153		214,362	214,362	210,604	210,604	13,791
Total	\$ 3,471,192	\$ 3,213,276	\$ 234,026	\$ 3,447,302	\$ 234,716	\$ 234,716	\$ 23,890
006 SCHOOL DISTRICT OPERATIONAL - RES							
SCHOOL DISTRICT OPERATIONAL - RES 2005	\$ 49,757	\$ 49,747	\$ 9	\$ 49,756	\$ 11	\$ 11	\$ 1
SCHOOL DISTRICT OPERATIONAL - RES 2006	52,757	52,753	3	52,756	10	10	1
SCHOOL DISTRICT OPERATIONAL - RES 2007	56,537	56,523	10	56,533	13	13	4
SCHOOL DISTRICT OPERATIONAL - RES 2008	59,761	59,751	1	59,752	22	22	9
SCHOOL DISTRICT OPERATIONAL - RES 2009	63,967	63,927	(20)	63,907	68	68	60
SCHOOL DISTRICT OPERATIONAL - RES 2010	64,751	64,578	58	64,636	159	159	116
SCHOOL DISTRICT OPERATIONAL - RES 2011	66,433	65,900	340	66,240	717	717	193
SCHOOL DISTRICT OPERATIONAL - RES 2012	69,250	67,375	1,383	68,758	1,337	1,337	492
SCHOOL DISTRICT OPERATIONAL - RES 2013	70,912	65,487	3,426	68,913	4,053	4,053	1,999
SCHOOL DISTRICT OPERATIONAL - RES 2014	72,118		66,874	66,874	65,637	65,637	5,244
Total	\$ 626,244	\$ 546,041	\$ 72,084	\$ 618,125	\$ 72,026	\$ 72,026	\$ 8,119

See independent auditors' report

STATE OF NEW MEXICO
 McKinley County
 McKinley County Treasurer Property Tax Schedule
 For the Year Ended June 30, 2015

Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
007 SCHOOL DISTRICT DEBT SERVICE							
SCHOOL DISTRICT DEBT SERVICE 2005	\$ 1,718,405	\$ 1,718,073	\$ 293	\$ 1,718,366	\$ 1,164	\$ 1,164	\$ 39
SCHOOL DISTRICT DEBT SERVICE 2006	1,775,365	1,775,230	96	1,775,326	1,108	1,108	39
SCHOOL DISTRICT DEBT SERVICE 2007	1,919,171	1,918,701	341	1,919,042	1,338	1,338	129
SCHOOL DISTRICT DEBT SERVICE 2008	2,028,732	2,028,375	47	2,028,422	738	738	311
SCHOOL DISTRICT DEBT SERVICE 2009	2,146,360	2,145,004	(658)	2,144,346	2,290	2,290	2,013
SCHOOL DISTRICT DEBT SERVICE 2010	2,167,614	2,161,816	1,923	2,163,739	5,331	5,331	3,875
SCHOOL DISTRICT DEBT SERVICE 2011	2,193,860	2,176,270	11,214	2,187,484	23,678	23,678	6,376
SCHOOL DISTRICT DEBT SERVICE 2012	2,206,741	2,146,997	44,068	2,191,065	42,599	42,599	15,676
SCHOOL DISTRICT DEBT SERVICE 2013	2,204,617	2,035,971	106,501	2,142,472	126,005	126,005	62,146
SCHOOL DISTRICT DEBT SERVICE 2014	2,225,255		2,063,443	2,063,443	2,025,253	2,025,253	161,812
Total	\$ 20,586,120	\$ 18,106,437	\$ 2,227,268	\$ 20,333,705	\$ 2,229,504	\$ 2,229,504	\$ 252,416
008 SCHOOL DIST. CAP. IMPROVEMENT - RES							
SCHOOL DIST. CAP. IMPROVEMENT 2005	\$ 415,627	\$ 415,547	\$ 71	\$ 415,618	\$ 196	\$ 196	\$ 9
SCHOOL DIST. CAP. IMPROVEMENT 2006	437,821	437,788	24	437,812	83	83	10
SCHOOL DIST. CAP. IMPROVEMENT 2007	468,616	468,501	83	468,584	107	107	32
SCHOOL DIST. CAP. IMPROVEMENT 2008	485,866	485,780	11	485,791	177	177	74
SCHOOL DIST. CAP. IMPROVEMENT 2009	513,790	513,466	(158)	513,308	548	548	482
SCHOOL DIST. CAP. IMPROVEMENT 2010	518,010	516,625	459	517,084	1,274	1,274	926
SCHOOL DIST. CAP. IMPROVEMENT 2011	525,161	520,950	2,685	523,635	5,668	5,668	1,526
SCHOOL DIST. CAP. IMPROVEMENT 2012	528,624	514,312	10,557	524,869	10,205	10,205	3,755
SCHOOL DIST. CAP. IMPROVEMENT 2013	529,193	488,711	25,565	514,276	30,246	30,246	14,917
SCHOOL DIST. CAP. IMPROVEMENT 2014	534,211		495,365	495,365	486,197	486,197	38,846
Total	\$ 4,956,919	\$ 4,361,680	\$ 534,662	\$ 4,896,342	\$ 534,699	\$ 534,699	\$ 60,577
009 GALLUP BRANCH COLLEGE - RES							
GALLUP BRANCH COLLEGE - RES 2005	\$ 423,502	\$ 423,420	\$ 73	\$ 423,493	\$ 196	\$ 196	\$ 9
GALLUP BRANCH COLLEGE - RES 2006	437,861	437,828	24	437,852	83	83	10
GALLUP BRANCH COLLEGE - RES 2007	468,654	468,539	83	468,622	107	107	32
GALLUP BRANCH COLLEGE - RES 2008	485,904	485,819	11	485,830	177	177	74
GALLUP BRANCH COLLEGE - RES 2009	513,824	513,499	(157)	513,342	548	548	482
GALLUP BRANCH COLLEGE - RES 2010	518,043	516,658	459	517,117	1,274	1,274	926
GALLUP BRANCH COLLEGE - RES 2011	525,193	520,982	2,684	523,666	5,668	5,668	1,526
GALLUP BRANCH COLLEGE - RES 2012	528,656	514,344	10,557	524,901	10,205	10,205	3,755
GALLUP BRANCH COLLEGE - RES 2013	529,224	488,719	25,588	514,307	30,274	30,274	14,917
GALLUP BRANCH COLLEGE - RES 2014	534,246		495,400	495,400	486,232	486,232	38,846
Total	\$ 4,965,107	\$ 4,369,808	\$ 534,722	\$ 4,904,530	\$ 534,762	\$ 534,762	\$ 60,577

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Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
010 GALLUP BRANCH DEBT SERVICE							
GALLUP BRANCH DEBT SERVICE 2005	\$ 635,253	\$ 635,131	\$ 108	\$ 635,239	\$ 430	\$ 430	\$ 14
GALLUP BRANCH DEBT SERVICE 2006	437,861	437,828	24	437,852	273	273	10
GALLUP BRANCH DEBT SERVICE 2007	473,149	473,033	84	473,117	330	330	32
GALLUP BRANCH DEBT SERVICE 2008	485,904	485,819	11	485,830	177	177	74
GALLUP BRANCH DEBT SERVICE 2009	642,280	641,874	(197)	641,677	685	685	602
GALLUP BRANCH DEBT SERVICE 2010	647,554	645,823	574	646,397	1,592	1,592	1,158
GALLUP BRANCH DEBT SERVICE 2011	656,491	651,227	3,356	654,583	7,085	7,085	1,908
GALLUP BRANCH DEBT SERVICE 2012	880,212	856,383	17,576	873,959	16,991	16,991	6,252
GALLUP BRANCH DEBT SERVICE 2013	881,158	813,718	42,603	856,321	50,406	50,406	24,837
GALLUP BRANCH DEBT SERVICE 2014	734,588		681,175	681,175	668,569	668,569	53,413
Total	\$ 6,474,451	\$ 5,640,836	\$ 745,315	\$ 6,386,151	\$ 746,538	\$ 746,538	\$ 88,300
011 REHOBOTH CHRISTIAN HOSPITAL - RES							
REHOBOTH CHRISTIAN HOSPITAL 2005	\$ 423,502	\$ 423,420	\$ 73	\$ 423,493	\$ 196	\$ 196	\$ 10
REHOBOTH CHRISTIAN HOSPITAL 2006	437,861	437,828	24	437,852	83	83	10
REHOBOTH CHRISTIAN HOSPITAL 2007	468,654	468,539	83	468,622	107	107	32
REHOBOTH CHRISTIAN HOSPITAL 2008	485,904	485,819	11	485,830	177	177	74
REHOBOTH CHRISTIAN HOSPITAL 2009	513,824	513,499	(157)	513,342	548	548	482
REHOBOTH CHRISTIAN HOSPITAL 2010	518,043	516,658	459	517,117	1,274	1,274	926
REHOBOTH CHRISTIAN HOSPITAL 2011	525,193	520,982	2,684	523,666	5,668	5,668	1,526
REHOBOTH CHRISTIAN HOSPITAL 2012	528,656	514,344	10,557	524,901	10,205	10,205	3,755
REHOBOTH CHRISTIAN HOSPITAL 2013	793,836	733,079	38,381	771,460	45,410	45,410	22,376
REHOBOTH CHRISTIAN HOSPITAL 2014	801,369		743,100	743,100	729,348	729,348	58,269
Total	\$ 5,496,843	\$ 4,614,168	\$ 795,216	\$ 5,409,384	\$ 793,015	\$ 793,015	\$ 87,460
012 UNM - GALLUP SPECIAL VOCATIONAL - RES							
UNM - GALLUP SPECIAL VOCATIONAL 2005	\$ 211,751	\$ 211,710	\$ 36	\$ 211,746	\$ 98	\$ 98	\$ 5
UNM - GALLUP SPECIAL VOCATIONAL 2006	218,931	218,914	12	218,926	41	41	5
UNM - GALLUP SPECIAL VOCATIONAL 2007	234,445	234,388	41	234,429	53	53	16
UNM - GALLUP SPECIAL VOCATIONAL 2008	242,952	242,909	6	242,915	88	88	37
UNM - GALLUP SPECIAL VOCATIONAL 2009	256,912	256,750	(79)	256,671	274	274	241
UNM - GALLUP SPECIAL VOCATIONAL 2010	259,022	258,329	230	258,559	637	637	463
UNM - GALLUP SPECIAL VOCATIONAL 2011	262,596	260,491	1,342	261,833	2,834	2,834	763
UNM - GALLUP SPECIAL VOCATIONAL 2012	264,328	257,172	5,278	262,450	5,102	5,102	1,878
UNM - GALLUP SPECIAL VOCATIONAL 2013	264,612	244,360	12,793	257,153	15,137	15,137	7,459
UNM - GALLUP SPECIAL VOCATIONAL 2014	267,123		247,700	247,700	243,116	243,116	19,423
Total	\$ 2,482,672	\$ 2,185,023	\$ 267,360	\$ 2,452,383	\$ 267,381	\$ 267,381	\$ 30,289

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Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
013 ZUNI SCHOOL DISTRICT OPERATIONAL - RES							
ZUNI SCHOOL DISTRICT OPERATIONAL 2005	\$ 10	\$ 11	\$ (1)	\$ 10	\$ -	\$ -	\$ -
ZUNI SCHOOL DISTRICT OPERATIONAL 2006	10	10	-	10	-	-	-
ZUNI SCHOOL DISTRICT OPERATIONAL 2007	10	9	1	10	-	-	-
ZUNI SCHOOL DISTRICT OPERATIONAL 2008	10	9	1	10	-	-	-
ZUNI SCHOOL DISTRICT OPERATIONAL 2009	8	9	(1)	8	-	-	-
ZUNI SCHOOL DISTRICT OPERATIONAL 2010	8	9	(1)	8	-	-	-
ZUNI SCHOOL DISTRICT OPERATIONAL 2011	8	8	-	8	-	-	-
ZUNI SCHOOL DISTRICT OPERATIONAL 2012	8	8	-	8	-	-	-
ZUNI SCHOOL DISTRICT OPERATIONAL 2013	8	2	6	8	7	7	-
ZUNI SCHOOL DISTRICT OPERATIONAL 2014	8		8	8	8	8	-
Total	\$ 88	\$ 75	\$ 13	\$ 88	\$ 15	\$ 15	\$ -
014 ZUNI SCHOOL DISTRICT DEBT SERV - RES							
ZUNI SCHOOL DISTRICT DEBT SERVICE 2005	\$ 56	\$ 56	\$ -	\$ 56	\$ -	\$ -	\$ -
ZUNI SCHOOL DISTRICT DEBT SERVICE 2006	59	59	-	59	-	-	-
ZUNI SCHOOL DISTRICT DEBT SERVICE 2007	59	59	-	59	-	-	-
ZUNI SCHOOL DISTRICT DEBT SERVICE 2008	53	53	-	53	-	-	-
ZUNI SCHOOL DISTRICT DEBT SERVICE 2009	83	83	-	83	-	-	-
ZUNI SCHOOL DISTRICT DEBT SERVICE 2010	96	96	-	96	-	-	-
ZUNI SCHOOL DISTRICT DEBT SERVICE 2011	56	56	-	56	-	-	-
ZUNI SCHOOL DISTRICT DEBT SERVICE 2012	72	72	-	72	-	-	-
ZUNI SCHOOL DISTRICT DEBT SERVICE 2013	73	19	54	73	64	64	-
ZUNI SCHOOL DISTRICT DEBT SERVICE 2014	-		-	-	-	-	-
Total	\$ 607	\$ 553	\$ 54	\$ 606	\$ 64	\$ 64	\$ -
015 ZUNI SCHOOL DIST CAP IMPROV - RES							
ZUNI SCHOOL DIST CAPITAL IMPROV. 2005	\$ 41	\$ 41	\$ -	\$ 41	\$ -	\$ -	\$ -
ZUNI SCHOOL DIST CAPITAL IMPROV. 2006	40	40	-	40	-	-	-
ZUNI SCHOOL DIST CAPITAL IMPROV. 2007	39	39	-	39	-	-	-
ZUNI SCHOOL DIST CAPITAL IMPROV. 2008	39	39	-	39	-	-	-
ZUNI SCHOOL DIST CAPITAL IMPROV. 2009	33	33	-	33	-	-	-
ZUNI SCHOOL DIST CAPITAL IMPROV. 2010	33	33	-	33	-	-	-
ZUNI SCHOOL DIST CAPITAL IMPROV. 2011	32	32	-	32	-	-	-
ZUNI SCHOOL DIST CAPITAL IMPROV. 2012	32	32	-	32	-	-	-
ZUNI SCHOOL DIST CAPITAL IMPROV. 2013	31	9	22	31	28	28	-
ZUNI SCHOOL DIST CAPITAL IMPROV. 2014	32		32	32	32	32	-
Total	\$ 352	\$ 298	\$ 54	\$ 351	\$ 59	\$ 59	\$ -

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019 ZUNI SCHOOL DIST EDUC. TECH - RES							
ZUNI SCHOOL DIST EDUC TECH. 2005	\$ 300	\$ 300	\$ -	\$ 300	\$ -	\$ -	\$ -
ZUNI SCHOOL DIST EDUC TECH. 2006	-	-	-	-	-	-	-
ZUNI SCHOOL DIST EDUC TECH. 2007	262	262	-	262	-	-	-
ZUNI SCHOOL DIST EDUC TECH. 2008	172	172	-	172	-	-	-
ZUNI SCHOOL DIST EDUC TECH. 2009	149	149	-	149	-	-	-
ZUNI SCHOOL DIST EDUC TECH. 2010	151	151	-	151	-	-	-
ZUNI SCHOOL DIST EDUC TECH. 2011	382	382	-	382	-	-	-
ZUNI SCHOOL DIST EDUC TECH. 2012	-	-	-	-	-	-	-
ZUNI SCHOOL DIST EDUC TECH. 2013	-	-	-	-	-	-	-
ZUNI SCHOOL DIST EDUC TECH. 2014	-	-	-	-	-	-	-
Total	\$ 1,416	\$ 1,416	\$ -	\$ 1,416	\$ -	\$ -	\$ -
022 COUNTY OPERATIONAL - NON RES							
COUNTY OPERATIONAL - NON RES 2005	\$ 4,842,631	\$ 4,839,011	\$ 1,098	\$ 4,840,109	\$ 1,160	\$ 1,160	\$ 2,522
COUNTY OPERATIONAL - NON RES 2006	4,988,130	4,984,652	1,070	4,985,722	-	-	2,408
COUNTY OPERATIONAL - NON RES 2007	5,389,379	5,385,793	726	5,386,519	1,317	1,317	2,859
COUNTY OPERATIONAL - NON RES 2008	5,287,254	5,282,113	1,067	5,283,180	1,414	1,414	4,074
COUNTY OPERATIONAL - NON RES 2009	5,735,087	5,722,488	(2,843)	5,719,645	2,272	2,272	15,442
COUNTY OPERATIONAL - NON RES 2010	5,648,250	5,641,079	(1,431)	5,639,648	4,270	4,270	8,602
COUNTY OPERATIONAL - NON RES 2011	5,920,303	5,905,548	4,850	5,910,398	9,277	9,277	9,906
COUNTY OPERATIONAL - NON RES 2012	5,958,436	5,920,821	25,637	5,946,458	32,874	32,874	11,978
COUNTY OPERATIONAL - NON RES 2013	6,710,577	6,582,722	80,057	6,662,779	106,214	106,214	47,797
COUNTY OPERATIONAL - NON RES 2014	6,730,673		6,596,571	6,596,571	6,537,057	6,537,057	134,102
Total	\$ 57,210,720	\$ 50,264,227	\$ 6,706,803	\$ 56,971,030	\$ 6,695,855	\$ 6,695,855	\$ 239,690
024 GALLUP MUNICIPAL OPERATIONAL - NON RES							
GALLUP MUNICIPAL OPERATIONAL NON RES 2005	\$ 974,841	\$ 973,966	\$ (33)	\$ 973,933	\$ -	\$ -	\$ 908
GALLUP MUNICIPAL OPERATIONAL NON RES 2006	1,030,860	1,030,170	(33)	1,030,137	-	-	724
GALLUP MUNICIPAL OPERATIONAL NON RES 2007	1,125,210	1,124,489	(127)	1,124,362	211	211	848
GALLUP MUNICIPAL OPERATIONAL NON RES 2008	1,180,752	1,179,078	142	1,179,220	353	353	1,532
GALLUP MUNICIPAL OPERATIONAL NON RES 2009	1,168,592	1,162,530	(2,496)	1,160,034	547	547	8,558
GALLUP MUNICIPAL OPERATIONAL NON RES 2010	1,163,393	1,161,411	(1,936)	1,159,475	1,027	1,027	3,918
GALLUP MUNICIPAL OPERATIONAL NON RES 2011	1,149,062	1,144,409	780	1,145,189	1,692	1,692	3,872
GALLUP MUNICIPAL OPERATIONAL NON RES 2012	1,138,718	1,126,198	8,763	1,134,961	14,047	14,047	3,758
GALLUP MUNICIPAL OPERATIONAL NON RES 2013	1,120,542	1,066,954	34,032	1,100,986	44,882	44,882	19,557
GALLUP MUNICIPAL OPERATIONAL NON RES 2014	1,133,752		1,083,972	1,083,972	1,050,231	1,050,231	49,780
Total	\$ 11,185,722	\$ 9,969,205	\$ 1,123,064	\$ 11,092,269	\$ 1,112,991	\$ 1,112,991	\$ 93,453

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026 SCHOOL DISTRICT OPERATIONAL - NON RES							
SCHOOL DISTRICT OPERATIONAL - NON RES 2005	\$ 20,302	\$ 20,290	\$ 5	\$ 20,295	\$ 5	\$ 5	\$ 8
SCHOOL DISTRICT OPERATIONAL - NON RES 2006	20,918	20,906	5	20,911	5	5	7
SCHOOL DISTRICT OPERATIONAL - NON RES 2007	22,605	22,593	3	22,596	6	6	9
SCHOOL DISTRICT OPERATIONAL - NON RES 2008	221,738	221,550	45	221,595	60	60	142
SCHOOL DISTRICT OPERATIONAL - NON RES 2009	240,693	240,191	(120)	240,071	96	96	622
SCHOOL DISTRICT OPERATIONAL - NON RES 2010	237,041	236,768	(61)	236,707	180	180	333
SCHOOL DISTRICT OPERATIONAL - NON RES 2011	248,609	248,014	205	248,219	391	391	391
SCHOOL DISTRICT OPERATIONAL - NON RES 2012	250,204	248,644	1,082	249,726	1,387	1,387	478
SCHOOL DISTRICT OPERATIONAL - NON RES 2013	282,046	276,675	3,378	280,053	4,482	4,482	1,993
SCHOOL DISTRICT OPERATIONAL - NON RES 2014	282,862		277,228	277,228	274,717	274,717	5,635
Total	\$ 1,827,018	\$ 1,535,631	\$ 281,770	\$ 1,817,401	\$ 281,328	\$ 281,328	\$ 9,619
028 SCHOOL DIST CAP IMPROV - NON RES							
SCHOOL DIST CAP IMPROV - NON RES 2005	\$ 812,096	\$ 811,600	\$ 186	\$ 811,786	\$ 90	\$ 90	\$ 310
SCHOOL DIST CAP IMPROV - NON RES 2006	836,716	836,244	181	836,425	191	191	291
SCHOOL DIST CAP IMPROV - NON RES 2007	904,208	903,720	123	903,843	222	222	365
SCHOOL DIST CAP IMPROV - NON RES 2008	886,951	886,201	180	886,381	239	239	569
SCHOOL DIST CAP IMPROV - NON RES 2009	962,773	960,765	(480)	960,285	383	383	2,488
SCHOOL DIST CAP IMPROV - NON RES 2010	948,163	947,071	(242)	946,829	721	721	1,334
SCHOOL DIST CAP IMPROV - NON RES 2011	994,437	992,056	818	992,874	1,566	1,566	1,563
SCHOOL DIST CAP IMPROV - NON RES 2012	1,000,815	994,575	4,327	998,902	5,548	5,548	1,912
SCHOOL DIST CAP IMPROV - NON RES 2013	1,128,185	1,106,700	13,512	1,120,212	17,926	17,926	7,973
SCHOOL DIST CAP IMPROV - NON RES 2014	1,131,449		1,108,911	1,108,911	1,098,866	1,098,866	22,538
Total	\$ 9,605,793	\$ 8,438,932	\$ 1,127,517	\$ 9,566,449	\$ 1,125,753	\$ 1,125,753	\$ 39,344
029 GALLUP BRANCH COLLEGE - NON RES							
GALLUP BRANCH COLLEGE - NON RES 2005	\$ 817,322	\$ 816,711	\$ 185	\$ 816,896	\$ 91	\$ 91	\$ 426
GALLUP BRANCH COLLEGE - NON RES 2006	841,879	841,291	181	841,472	191	191	406
GALLUP BRANCH COLLEGE - NON RES 2007	909,600	908,994	123	909,117	222	222	483
GALLUP BRANCH COLLEGE - NON RES 2008	892,363	891,496	180	891,676	239	239	688
GALLUP BRANCH COLLEGE - NON RES 2009	967,947	965,821	(480)	965,341	383	383	2,606
GALLUP BRANCH COLLEGE - NON RES 2010	953,291	952,081	(242)	951,839	721	721	1,452
GALLUP BRANCH COLLEGE - NON RES 2011	999,207	996,717	818	997,535	1,566	1,566	1,672
GALLUP BRANCH COLLEGE - NON RES 2012	1,005,643	999,295	4,327	1,003,622	5,548	5,548	2,022
GALLUP BRANCH COLLEGE - NON RES 2013	1,132,587	1,111,008	13,512	1,124,520	17,926	17,926	8,067
GALLUP BRANCH COLLEGE - NON RES 2014	1,135,979		1,113,345	1,113,345	1,103,301	1,103,301	22,633
Total	\$ 9,655,818	\$ 8,483,414	\$ 1,131,950	\$ 9,615,364	\$ 1,130,188	\$ 1,130,188	\$ 40,454

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031 REOBOTH CHRISTIAN HOSPITAL - NON RES							
REHOBOTH CHRISTIAN HOSPITAL - NON RES 2005	\$ 817,322	\$ 816,711	\$ 185	\$ 816,896	\$ 91	\$ 91	\$ 426
REHOBOTH CHRISTIAN HOSPITAL - NON RES 2006	841,879	841,291	181	841,472	191	191	406
REHOBOTH CHRISTIAN HOSPITAL - NON RES 2007	909,600	908,995	122	909,117	222	222	483
REHOBOTH CHRISTIAN HOSPITAL - NON RES 2008	892,363	891,496	180	891,676	239	239	688
REHOBOTH CHRISTIAN HOSPITAL - NON RES 2009	967,947	965,821	(480)	965,341	383	383	2,606
REHOBOTH CHRISTIAN HOSPITAL - NON RES 2010	953,291	952,081	(242)	951,839	721	721	1,452
REHOBOTH CHRISTIAN HOSPITAL - NON RES 2011	999,207	996,717	818	997,535	1,566	1,566	1,672
REHOBOTH CHRISTIAN HOSPITAL - NON RES 2012	1,005,643	999,295	4,327	1,003,622	5,548	5,548	2,022
REHOBOTH CHRISTIAN HOSPITAL - NON RES 2013	1,698,880	1,666,512	20,268	1,686,780	26,890	26,890	12,101
REHOBOTH CHRISTIAN HOSPITAL - NON RES 2014	1,703,968		1,670,018	1,670,018	1,654,951	1,654,951	33,950
Total	\$ 10,790,101	\$ 9,038,919	\$ 1,695,377	\$ 10,734,296	\$ 1,690,802	\$ 1,690,802	\$ 55,805
032 UNM GALLUP SPECIAL VOCATIONAL NON - RES							
UNM GALLUP SPECIAL VOCATIONAL NON-RES 2005	\$ 408,661	\$ 408,355	\$ 93	\$ 408,448	\$ 46	\$ 46	\$ 213
UNM GALLUP SPECIAL VOCATIONAL NON-RES 2006	420,939	420,646	90	420,736	95	95	203
UNM GALLUP SPECIAL VOCATIONAL NON-RES 2007	454,800	454,497	62	454,559	111	111	241
UNM GALLUP SPECIAL VOCATIONAL NON-RES 2008	446,182	445,748	90	445,838	119	119	344
UNM GALLUP SPECIAL VOCATIONAL NON-RES 2009	483,974	482,910	(239)	482,671	192	192	1,303
UNM GALLUP SPECIAL VOCATIONAL NON-RES 2010	476,646	476,040	(120)	475,920	360	360	726
UNM GALLUP SPECIAL VOCATIONAL NON-RES 2011	499,604	498,358	410	498,768	783	783	836
UNM GALLUP SPECIAL VOCATIONAL NON-RES 2012	502,822	499,647	2,164	501,811	2,774	2,774	1,011
UNM GALLUP SPECIAL VOCATIONAL NON-RES 2013	566,293	555,504	6,756	562,260	8,963	8,963	4,034
UNM GALLUP SPECIAL VOCATIONAL NON-RES 2014	567,989		556,673	556,673	551,650	551,650	11,317
Total	\$ 4,827,909	\$ 4,241,705	\$ 565,977	\$ 4,807,682	\$ 565,095	\$ 565,095	\$ 20,227
061 RIO SAN JOSE FLOOD CONTROL - RES							
RIO SAN JOSE FLOOD CONTROL - RES 2005	\$ 1,666	\$ 1,666	\$ -	\$ 1,666	\$ -	\$ -	\$ -
RIO SAN JOSE FLOOD CONTROL - RES 2006	1,751	1,751	-	1,751	-	-	0
RIO SAN JOSE FLOOD CONTROL - RES 2007	2,052	2,052	-	2,052	-	-	0
RIO SAN JOSE FLOOD CONTROL - RES 2008	2,124	2,121	3	2,124	-	-	0
RIO SAN JOSE FLOOD CONTROL - RES 2009	2,258	2,235	-	2,235	-	-	23
RIO SAN JOSE FLOOD CONTROL - RES 2010	2,156	2,133	2	2,135	2	2	22
RIO SAN JOSE FLOOD CONTROL - RES 2011	2,117	2,085	2	2,087	19	19	30
RIO SAN JOSE FLOOD CONTROL - RES 2012	2,225	2,121	54	2,175	63	63	50
RIO SAN JOSE FLOOD CONTROL - RES 2013	2,247	1,933	116	2,049	161	161	198
RIO SAN JOSE FLOOD CONTROL - RES 2014	2,237		1,812	1,812	1,770	1,770	425
Total	\$ 20,834	\$ 18,097	\$ 1,988	\$ 20,086	\$ 2,016	\$ 2,016	\$ 749

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Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
062 RIO SAN JOSE FLOOD CONTROL NON - RES							
RIO SAN JOSE FLOOD CONTROL NON - RES 2005	\$ 23,694	\$ 23,693	\$ -	\$ 23,693	\$ -	\$ -	\$ 1
RIO SAN JOSE FLOOD CONTROL NON - RES 2006	25,117	25,117	-	25,117	-	-	-
RIO SAN JOSE FLOOD CONTROL NON - RES 2007	26,508	26,505	3	26,508	2	2	-
RIO SAN JOSE FLOOD CONTROL NON - RES 2008	26,842	26,836	2	26,838	3	3	4
RIO SAN JOSE FLOOD CONTROL NON - RES 2009	23,078	23,069	4	23,073	8	8	5
RIO SAN JOSE FLOOD CONTROL NON - RES 2010	20,840	20,825	10	20,835	20	20	5
RIO SAN JOSE FLOOD CONTROL NON - RES 2011	21,817	21,771	27	21,798	46	46	19
RIO SAN JOSE FLOOD CONTROL NON - RES 2012	19,716	19,634	41	19,675	40	40	41
RIO SAN JOSE FLOOD CONTROL NON - RES 2013	26,362	26,088	165	26,253	242	242	109
RIO SAN JOSE FLOOD CONTROL NON - RES 2014	26,532		26,217	26,217	26,203	26,203	315
Total	\$ 240,506	\$ 213,538	\$ 26,469	\$ 240,007	\$ 26,566	\$ 26,566	\$ 499
101 STATE DEBT SERVICE							
STATE DEBT SERVICE 2005	\$ 504,287	\$ 503,910	\$ 115	\$ 504,025	\$ -	\$ -	\$ 262
STATE DEBT SERVICE 2006	543,433	543,054	116	543,170	-	-	262
STATE DEBT SERVICE 2007	555,311	554,941	75	555,016	-	-	295
STATE DEBT SERVICE 2008	557,727	557,185	112	557,297	149	149	430
STATE DEBT SERVICE 2009	556,570	555,347	(276)	555,071	-	-	1,499
STATE DEBT SERVICE 2010	-	-	-	-	-	-	-
STATE DEBT SERVICE 2011	-	-	-	-	-	-	-
STATE DEBT SERVICE 2012	-	-	-	-	-	-	-
STATE DEBT SERVICE 2013	-	-	-	-	-	-	-
STATE DEBT SERVICE 2014	-	-	-	-	-	-	-
Total	\$ 2,717,327	\$ 2,714,437	\$ 143	\$ 2,714,580	\$ 149	\$ 149	\$ 2,747
103 COUNTY DEBT SERVICE							
COUNTY DEBT SERVICE 2005	480,176	479,818	108	479,926	-	-	\$ 250
COUNTY DEBT SERVICE 2006	489,552	489,211	105	489,316	-	-	236
COUNTY DEBT SERVICE 2007	481,633	481,313	65	481,378	-	-	256
COUNTY DEBT SERVICE 2008	362,746	362,393	73	362,466	97	97	280
COUNTY DEBT SERVICE 2009	-	-	-	-	-	-	-
COUNTY DEBT SERVICE 2010	-	-	-	-	-	-	-
COUNTY DEBT SERVICE 2011	-	-	-	-	-	-	-
COUNTY DEBT SERVICE 2012	-	-	-	-	-	-	-
COUNTY DEBT SERVICE 2013	-	-	-	-	-	-	-
COUNTY DEBT SERVICE 2014	-	-	-	-	-	-	-
Total	\$ 1,814,107	\$ 1,812,735	\$ 351	\$ 1,813,086	\$ 97	\$ 97	\$ 1,021

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STATE OF NEW MEXICO
 McKinley County
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 For the Year Ended June 30, 2015

Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
105 GALLUP MUNICIPAL DEBT SERVICE							
GALLUP MUNICIPAL DEBT SERVICE 2005	\$ 289,247	\$ 288,988	\$ (10)	\$ 288,978	\$ -	\$ -	\$ 269
GALLUP MUNICIPAL DEBT SERVICE 2006	186,902	186,777	(6)	186,771	-	-	131
GALLUP MUNICIPAL DEBT SERVICE 2007	338,959	338,742	(38)	338,704	-	-	255
GALLUP MUNICIPAL DEBT SERVICE 2008	342,650	342,164	41	342,205	103	103	445
GALLUP MUNICIPAL DEBT SERVICE 2009	339,121	337,362	(725)	336,637	159	159	2,483
GALLUP MUNICIPAL DEBT SERVICE 2010	337,612	337,037	(562)	336,475	298	298	1,137
GALLUP MUNICIPAL DEBT SERVICE 2011	212,389	211,529	144	211,673	313	313	716
GALLUP MUNICIPAL DEBT SERVICE 2012	255,579	252,769	1,967	254,736	3,153	3,153	843
GALLUP MUNICIPAL DEBT SERVICE 2013	220,007	209,486	6,681	216,167	8,812	8,812	3,840
GALLUP MUNICIPAL DEBT SERVICE 2014	164,950		157,707	157,707	152,798	152,798	7,242
Total	\$ 2,687,416	\$ 2,504,854	\$ 165,200	\$ 2,670,054	\$ 165,635	\$ 165,635	\$ 17,362
107 SCHOOL DISTRICT DEBT SERVICE							
SCHOOL DISTRICT DEBT SERVICE 2005	\$ 3,295,487	\$ 3,293,475	\$ 752	\$ 3,294,227	\$ -	\$ -	\$ 1,260
SCHOOL DISTRICT DEBT SERVICE 2006	3,392,881	3,390,969	733	3,391,702	-	-	1,180
SCHOOL DISTRICT DEBT SERVICE 2007	3,667,919	3,665,941	496	3,666,437	-	-	1,482
SCHOOL DISTRICT DEBT SERVICE 2008	3,703,463	3,700,334	751	3,701,085	996	996	2,378
SCHOOL DISTRICT DEBT SERVICE 2009	4,021,986	4,013,595	(2,004)	4,011,591	1,602	1,602	10,395
SCHOOL DISTRICT DEBT SERVICE 2010	3,967,589	3,963,018	(1,010)	3,962,008	3,016	3,016	5,582
SCHOOL DISTRICT DEBT SERVICE 2011	4,154,261	4,144,313	3,420	4,147,733	6,541	6,541	6,528
SCHOOL DISTRICT DEBT SERVICE 2012	4,177,901	4,151,854	18,063	4,169,917	23,162	23,162	7,984
SCHOOL DISTRICT DEBT SERVICE 2013	4,700,018	4,610,512	56,291	4,666,803	74,682	74,682	33,216
SCHOOL DISTRICT DEBT SERVICE 2014	4,713,053		4,619,169	4,619,169	4,577,328	4,577,328	93,883
Total	\$ 39,794,558	\$ 34,934,011	\$ 4,696,661	\$ 39,630,672	\$ 4,687,326	\$ 4,687,326	\$ 163,886
110 GALLUP BRANCH DEBT SERVICE							
GALLUP BRANCH DEBT SERVICE 2005	\$ 1,225,982	\$ 1,225,066	\$ 278	\$ 1,225,344	\$ -	\$ -	\$ 638
GALLUP BRANCH DEBT SERVICE 2006	841,879	841,291	181	841,472	-	-	406
GALLUP BRANCH DEBT SERVICE 2007	909,600	908,995	122	909,117	-	-	483
GALLUP BRANCH DEBT SERVICE 2008	892,363	891,496	180	891,676	239	239	688
GALLUP BRANCH DEBT SERVICE 2009	1,209,934	1,207,276	(600)	1,206,676	479	479	3,258
GALLUP BRANCH DEBT SERVICE 2010	1,191,614	1,190,101	(302)	1,189,799	901	901	1,815
GALLUP BRANCH DEBT SERVICE 2011	1,249,009	1,245,896	1,023	1,246,919	1,957	1,957	2,090
GALLUP BRANCH DEBT SERVICE 2012	1,674,396	1,663,826	7,204	1,671,030	9,238	9,238	3,366
GALLUP BRANCH DEBT SERVICE 2013	1,885,757	1,849,828	22,497	1,872,325	29,848	29,848	13,432
GALLUP BRANCH DEBT SERVICE 2014	1,561,971		1,530,850	1,530,850	1,517,038	1,517,038	31,121
Total	\$ 12,642,504	\$ 11,023,775	\$ 1,561,434	\$ 12,585,209	\$ 1,559,700	\$ 1,559,700	\$ 57,295

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 McKinley County Treasurer Property Tax Schedule
 For the Year Ended June 30, 2015

Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
113 ZUNI SCHOOL DISTRICT OPER NON-RES							
ZUNI SCHOOL DISTRICT OPER NON - RES 2005	\$ 1,306	\$ 1,278	\$ -	\$ 1,278	\$ -	\$ -	\$ 28
ZUNI SCHOOL DISTRICT OPER NON - RES 2006	1,291	1,262	-	1,262	-	-	29
ZUNI SCHOOL DISTRICT OPER NON - RES 2007	1,348	1,319	-	1,319	-	-	29
ZUNI SCHOOL DISTRICT OPER NON - RES 2008	1,353	1,324	-	1,324	-	-	29
ZUNI SCHOOL DISTRICT OPER NON - RES 2009	1,293	1,264	-	1,264	-	-	29
ZUNI SCHOOL DISTRICT OPER NON - RES 2010	1,282	1,252	-	1,252	-	-	30
ZUNI SCHOOL DISTRICT OPER NON - RES 2011	1,193	1,165	-	1,165	-	-	28
ZUNI SCHOOL DISTRICT OPER NON - RES 2012	1,207	1,180	-	1,180	-	-	27
ZUNI SCHOOL DISTRICT OPER NON - RES 2013	1,100	1,077	-	1,077	-	-	23
ZUNI SCHOOL DISTRICT OPER NON - RES 2014	1,128		1,104	1,104	1,104	1,104	24
Total	\$ 12,501	\$ 11,121	\$ 1,104	\$ 12,225	\$ 1,104	\$ 1,104	\$ 276
114 ZUNI SCHOOL DISTRICT DEBT SERV NON-RES							
ZUNI SCHOOL DISTRICT DEBT SERV NON - RES 2005	\$ 7,057	\$ 6,901	\$ -	\$ 6,901	\$ -	\$ -	\$ 156
ZUNI SCHOOL DISTRICT DEBT SERV NON - RES 2006	7,574	7,405	-	7,405	-	-	169
ZUNI SCHOOL DISTRICT DEBT SERV NON - RES 2007	8,223	8,044	-	8,044	-	-	179
ZUNI SCHOOL DISTRICT DEBT SERV NON - RES 2008	7,445	7,283	-	7,283	-	-	162
ZUNI SCHOOL DISTRICT DEBT SERV NON - RES 2009	12,878	12,584	-	12,584	-	-	294
ZUNI SCHOOL DISTRICT DEBT SERV NON - RES 2010	14,827	14,486	-	14,486	-	-	341
ZUNI SCHOOL DISTRICT DEBT SERV NON - RES 2011	8,384	8,192	-	8,192	-	-	192
ZUNI SCHOOL DISTRICT DEBT SERV NON - RES 2012	10,944	10,696	-	10,696	-	-	248
ZUNI SCHOOL DISTRICT DEBT SERV NON - RES 2013	10,226	10,007	-	10,007	-	-	219
ZUNI SCHOOL DISTRICT DEBT SERV NON - RES 2014	-		-	-	-	-	-
Total	\$ 87,557	\$ 85,598	\$ -	\$ 85,598	\$ -	\$ -	\$ 1,959
115 ZUNI SCHOOL DIST CAP IMPROV NON-RES							
ZUNI SCHOOL DIST CAP IMPROV NON - RES 2005	\$ 5,225	\$ 5,110	\$ -	\$ 5,110	\$ -	\$ -	\$ 115
ZUNI SCHOOL DIST CAP IMPROV NON - RES 2006	5,163	5,047	-	5,047	-	-	116
ZUNI SCHOOL DIST CAP IMPROV NON - RES 2007	5,392	5,275	-	5,275	-	-	117
ZUNI SCHOOL DIST CAP IMPROV NON - RES 2008	5,413	5,295	-	5,295	-	-	118
ZUNI SCHOOL DIST CAP IMPROV NON - RES 2009	5,174	5,056	-	5,056	-	-	118
ZUNI SCHOOL DIST CAP IMPROV NON - RES 2010	5,128	5,010	-	5,010	-	-	118
ZUNI SCHOOL DIST CAP IMPROV NON - RES 2011	4,770	4,661	-	4,661	-	-	109
ZUNI SCHOOL DIST CAP IMPROV NON - RES 2012	4,829	4,719	-	4,719	-	-	110
ZUNI SCHOOL DIST CAP IMPROV NON - RES 2013	4,402	4,308	-	4,308	-	-	94
ZUNI SCHOOL DIST CAP IMPROV NON - RES 2014	4,513		4,419	4,419	4,419	4,419	95
Total	\$ 50,008	\$ 44,481	\$ 4,419	\$ 48,900	\$ 4,419	\$ 4,419	\$ 1,109

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STATE OF NEW MEXICO
 McKinley County
 McKinley County Treasurer Property Tax Schedule
 For the Year Ended June 30, 2015

Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
119 ZUNI SCHOOL DIST EDUC TECH NON-RES							
ZUNI SCHOOL DIST EDUC TECH NON - RES 2005	\$ 38,098	\$ 37,259	\$ -	\$ 37,259	\$ -	\$ -	\$ 839
ZUNI SCHOOL DIST EDUC TECH NON - RES 2006	-	-	-	-	-	-	-
ZUNI SCHOOL DIST EDUC TECH NON - RES 2007	36,544	35,748	1	35,749	-	-	795
ZUNI SCHOOL DIST EDUC TECH NON - RES 2008	24,000	23,477	(1)	23,476	-	-	524
ZUNI SCHOOL DIST EDUC TECH NON - RES 2009	23,166	22,637	1	22,638	-	-	528
ZUNI SCHOOL DIST EDUC TECH NON - RES 2010	23,257	22,723	-	22,723	-	-	534
ZUNI SCHOOL DIST EDUC TECH NON - RES 2011	57,540	56,224	-	56,224	-	-	1,316
ZUNI SCHOOL DIST EDUC TECH NON - RES 2012	-	-	-	-	-	-	-
ZUNI SCHOOL DIST EDUC TECH NON - RES 2013	-	-	-	-	-	-	-
ZUNI SCHOOL DIST EDUC TECH NON - RES 2014	-	-	-	-	-	-	-
Total	\$ 202,605	\$ 198,068	\$ 1	\$ 198,068	\$ -	\$ -	\$ 4,536
951 CATTLE INDEMNITY							
CATTLE INDEMNITY 2005	\$ 13,720	\$ 13,659	\$ (27)	\$ 13,632	\$ -	\$ -	\$ 88
CATTLE INDEMNITY 2006	18,645	18,507	(51)	18,456	-	-	189
CATTLE INDEMNITY 2007	18,940	18,865	(20)	18,845	-	-	95
CATTLE INDEMNITY 2008	12,476	12,381	(12)	12,370	-	-	106
CATTLE INDEMNITY 2009	13,328	13,218	-	13,218	-	-	110
CATTLE INDEMNITY 2010	13,495	13,400	-	13,400	-	-	95
CATTLE INDEMNITY 2011	15,328	15,210	-	15,210	-	-	118
CATTLE INDEMNITY 2012	17,980	17,811	23	17,834	10	10	145
CATTLE INDEMNITY 2013	21,190	20,299	543	20,842	496	496	348
CATTLE INDEMNITY 2014	21,379	-	11,715	11,715	11,663	11,663	9,664
Total	\$ 166,480	\$ 143,350	\$ 12,172	\$ 155,522	\$ 12,169	\$ 12,169	\$ 10,958
952 SHEEP							
SHEEP 2005	\$ 281	\$ 282	\$ (1)	\$ 281	\$ -	\$ -	\$ -
SHEEP 2006	176	176	-	176	-	-	-
SHEEP 2007	145	145	-	145	-	-	-
SHEEP 2008	145	145	-	145	-	-	-
SHEEP 2009	94	94	-	94	-	-	-
SHEEP 2010	94	94	-	94	-	-	-
SHEEP 2011	155	153	-	153	-	-	2
SHEEP 2012	180	179	-	179	-	-	1
SHEEP 2013	169	162	7	169	7	7	-
SHEEP 2014	111	-	100	100	100	100	11
Total	\$ 1,550	\$ 1,430	\$ 106	\$ 1,536	\$ 107	\$ 107	\$ 14

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STATE OF NEW MEXICO
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Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
953 GOATS							
GOATS 2005	\$ 32	\$ 32	\$ -	\$ 32	\$ -	\$ -	\$ -
GOATS 2006	16	16	-	16	-	-	-
GOATS 2007	19	19	-	19	-	-	-
GOATS 2008	59	59	-	59	-	-	-
GOATS 2009	16	16	-	16	-	-	-
GOATS 2010	20	20	-	20	-	-	-
GOATS 2011	25	23	-	23	-	-	2
GOATS 2012	84	81	-	81	-	-	3
GOATS 2013	99	95	4	99	4	4	-
GOATS 2014	97		93	93	93	93	4
Total	\$ 467	\$ 361	\$ 97	\$ 457	\$ 96	\$ 96	\$ 9
955 HOGS							
HOGS 2005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HOGS 2006	-	-	-	-	-	-	-
HOGS 2007	-	-	-	-	-	-	-
HOGS 2008	2	2	-	2	-	-	-
HOGS 2009	-	-	-	-	-	-	-
HOGS 2010	-	-	-	-	-	-	-
HOGS 2011	-	-	-	-	-	-	-
HOGS 2012	1	1	-	1	-	-	-
HOGS 2013	-	-	-	-	-	-	-
HOGS 2014	0		0	0	-	-	-
Total	\$ 3	\$ 3	\$ 0	\$ 3	\$ -	\$ -	\$ -
956 DAIRY							
DAIRY 2005	\$ 18	\$ 21	\$ (3)	\$ 18	\$ -	\$ -	\$ -
DAIRY 2006	6	14	(8)	6	-	-	-
DAIRY 2007	3	8	(5)	3	-	-	-
DAIRY 2008	-	-	-	-	-	-	-
DAIRY 2009	-	-	-	-	-	-	-
DAIRY 2010	8	-	-	-	-	-	8
DAIRY 2011	12	2	-	2	-	-	10
DAIRY 2012	3	3	-	3	-	-	-
DAIRY 2013	2	2	-	2	-	-	-
DAIRY 2014	2		2	2	2	2	-
Total	\$ 53	\$ 50	\$ (15)	\$ 35	\$ 2	\$ 2	\$ 18

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Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
957 BISON							
BISON 2005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BISON 2006	-	-	-	-	-	-	-
BISON 2007	-	-	-	-	-	-	-
BISON 2008	-	-	-	-	-	-	-
BISON 2009	-	-	-	-	-	-	-
BISON 2010	-	-	-	-	-	-	-
BISON 2011	-	-	-	-	-	-	-
BISON 2012	-	-	-	-	-	-	-
BISON 2013	-	-	-	-	-	-	-
BISON 2014	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
980 DCLPEN							
DCLPEN 2005	\$ 213	\$ 213	\$ -	\$ 213	\$ -	\$ -	\$ -
DCLPEN 2006	2,987	2,992	(5)	2,987	-	-	-
DCLPEN 2007	351	351	-	351	-	-	-
DCLPEN 2008	42	42	-	42	-	-	-
DCLPEN 2009	-	-	-	-	-	-	-
DCLPEN 2010	-	-	-	-	-	-	-
DCLPEN 2011	-	-	-	-	-	-	-
DCLPEN 2012	-	-	-	-	-	-	-
DCLPEN 2013	-	-	-	-	-	-	-
DCLPEN 2014	-	-	-	-	-	-	-
Total	\$ 3,593	\$ 3,598	\$ (5)	\$ 3,593	\$ -	\$ -	\$ -
990 TREASURER ADMIN FEE							
TREASURER ADMIN FEE 2005	\$ 525	\$ 513	\$ 12	\$ 525	\$ -	\$ -	\$ -
TREASURER ADMIN FEE 2006	416	390	26	416	-	-	-
TREASURER ADMIN FEE 2007	399	340	59	399	-	-	-
TREASURER ADMIN FEE 2008	455	357	98	455	-	-	-
TREASURER ADMIN FEE 2009	-	-	-	-	-	-	-
TREASURER ADMIN FEE 2010	-	-	(0)	(0)	-	-	-
TREASURER ADMIN FEE 2011	-	-	-	-	-	-	-
TREASURER ADMIN FEE 2012	-	-	-	-	-	-	-
TREASURER ADMIN FEE 2013	-	-	-	-	-	-	-
TREASURER ADMIN FEE 2014	-	-	-	-	-	-	-
Total	\$ 1,795	\$ 1,600	\$ 195	\$ 1,795	\$ -	\$ -	\$ -

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 McKinley County Treasurer Property Tax Schedule
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Assessor Special Assessment

Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
954 HORSES, MULES, & ASSES							
HORSES, MULES & ASSES 2005	\$ 891	\$ -	891	\$ 891	\$ -	\$ -	\$ -
HORSES, MULES & ASSES 2006	929	-	929	929	-	-	-
HORSES, MULES & ASSES 2007	776	-	776	776	-	-	-
HORSES, MULES & ASSES 2008	-	-	-	-	-	-	-
HORSES, MULES & ASSES 2009	377	364	(1)	363	\$ -	\$ -	14
HORSES, MULES & ASSES 2010	401	396	(6)	391	-	-	11
HORSES, MULES & ASSES 2011	443	427	(3)	425	-	-	19
HORSES, MULES & ASSES 2012	467	400	45	445	37	37	22
HORSES, MULES & ASSES 2013	353	276	51	328	61	61	26
HORSES, MULES & ASSES 2014	354		268	299	299	299	86
Total	\$ 4,991	\$ 1,863	\$ 2,950	\$ 4,847	\$ 397	\$ 397	\$ 178
958 ALPACA & LLAMA							
ALPACAS & LLAMAS 2010	\$ 3	\$ 3	-	\$ 3	\$ -	\$ -	\$ -
ALPACAS & LLAMAS 2011	3	3	-	3	-	-	-
ALPACAS & LLAMAS 2012	5	5	-	5	-	-	-
ALPACAS & LLAMAS 2013	6	6	-	6	6	6	-
ALPACAS & LLAMAS 2014	8		2	2	2	2	-
Total	\$ 25	\$ 17	\$ 2	\$ 19	\$ 8	\$ 8	\$ -
959 RATITIES							
RATITES 2010	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -
RATITES 2011	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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 McKinley County
 McKinley County Treasurer Property Tax Schedule
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Agency	Property Taxes Levied	Previous Amount Collected	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
GRAND TOTALS	\$ 246,100,165	\$ 216,007,141	\$ 28,372,289	\$ 244,379,461	\$ 28,325,335	\$ 28,325,335	\$ 1,720,730
2005	\$ 21,210,280	\$ 21,197,489	\$ 3,951	\$ 21,201,440	\$ 4,463	\$ 4,463	\$ 8,842
2006	21,060,902	21,050,578	3,039	21,053,616	4,108	4,108	7,285
2007	22,932,217	22,919,583	2,920	22,922,501	5,200	5,200	9,715
2008	23,192,043	23,174,538	3,306	23,177,843	6,840	6,840	14,199
2009	24,538,102	24,491,879	(12,826)	24,479,052	14,896	14,896	59,063
2010	24,661,994	24,617,987	1,784	24,619,772	32,672	32,672	42,233
2011	25,124,761	25,016,445	54,110	25,070,554	109,521	109,521	54,225
2012	26,041,009	25,703,530	243,700	25,947,231	262,569	262,569	93,801
2013	28,897,701	27,833,243	671,317	28,504,560	832,115	832,115	393,167
2014	28,439,130	370	27,400,633	27,401,002	27,052,553	27,052,553	1,038,200
	<u>\$ 246,098,139</u>	<u>\$ 216,005,642</u>	<u>\$ 28,371,933</u>	<u>\$ 244,377,571</u>	<u>\$ 28,324,936</u>	<u>\$ 28,324,936</u>	<u>\$ 1,720,730</u>

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STATE OF NEW MEXICO
 McKinley County
 Schedule of Changes in Fiduciary Assets and Liabilities - Agency Funds
 For the Year Ended June 30, 2015

Schedule VII

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
<i>Assets</i>				
Cash	\$ 309,243	\$ 20,390,808	\$ 19,691,362	\$ 1,008,689
Investments	502,736	-	502,736	-
Property taxes receivable	1,301,017	28,326,959	28,325,333	1,302,643
<i>Total assets</i>	<u>\$ 2,112,996</u>	<u>\$ 48,717,767</u>	<u>\$ 48,519,431</u>	<u>\$ 2,311,332</u>
 <i>Liabilities</i>				
Accounts payable	\$ 11,216	\$ 16,020	\$ 11,216	\$ 16,020
Due to other taxing entities	1,301,017	29,020,493	29,018,867	1,302,643
Deposits held in trust	800,763	20,374,788	20,182,882	992,669
<i>Total liabilities</i>	<u>\$ 2,112,996</u>	<u>\$ 49,411,301</u>	<u>\$ 49,212,965</u>	<u>\$ 2,311,332</u>

See independent auditors' report

STATE OF NEW MEXICO

McKinley County

Schedule of Vendor Information for Purchases Exceeding \$60,000 (excluding GRT)

For the Year Ended June 30, 2015

Schedule VIII

Prepared by: Sara Keeler

Title: Finance Director Date: October 13, 2015

RFP#/ RFB#	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Name and Physical Address per the Procurement Documentation, of <u>ALL</u> Vendors that Responded	In-State/Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N) For Federal Funds Answer N/A	Brief Description of the Scope of Work
					Trane US, 800-E Beaty Street, Davidson, NM 28036	Y		
NWNMCOG 2010-05	RFP	Energy Control Inc.	\$1,010,876	N/A	Energy Control Inc., 2600 Pan American Road SE, Suite 360 Rio Rancho NM 87124	Y		
14 IF 00245	BID	I-Con Systems Inc.	85,495	N/A	Johnson Controls, 3021 West Bend Drive, Irving Texas 75063	N	N	Energy Efficient Project Toilet/Shower Control for ADC
2015-01	RFP	Dr. Andrade	90,000	N/A	I-Con Systems, Inc., 302 S 4th Street, Suite 500, Manhattan, KS 66502	N	N	Medical Services for ADC
					Dr. Lawrance Adrade, 517Nizhoni Blvd, Gallup, NM 87301	Y	N	
					Gurley Motor Co, 701 West Coal Ave, Gallup, NM 87301	Y		
					Tate's Auto, 1001 Navajo Blvd, Holbrook, AZ 86025	N		
2014-20	BID	Gurley Motor Company	94,546	N/A	Rico Auto Complex, 220 S. 5th St, Gallup, NM 87301	Y		
					Amigo Chevrolet, 1900 S. 2nd St, Gallup, NM 87301	Y	N	Fleet Vehicles

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COMPLIANCE SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

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

INDEPENDENT AUDITORS' REPORT

Timothy M. Keller
New Mexico State Auditor
The Office of Management and Budget
The McKinley County Commissioners
McKinley County
Gallup, New Mexico

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and major special revenue funds of McKinley County (the "County") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and the combining and individual fund statements and related budgetary comparisons of the County, presented as supplementary information, and have issued our report thereon dated October 23, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as FS 2015-003 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as FS 2015-002 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item FS 2015-001.

County's Response to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
October 23, 2015

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FEDERAL FINANCIAL ASSISTANCE



Accounting & Consulting Group, LLP
Certified Public Accountants

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE

INDEPENDENT AUDITORS' REPORT

Timothy M. Keller
New Mexico State Auditor
The Office of Management and Budget
The McKinley County Commissioners
McKinley County
Gallup, New Mexico

Report on Compliance for Each Major Federal Program

We have audited McKinley County's (the County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2015. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
October 23, 2015

STATE OF NEW MEXICO
 McKinley County
 Schedule of Expenditures of Federal Awards
 For the year ended June 30, 2015

Federal Grantor/Passthrough Grantor/Program Title	Grant Number	Federal C.F.D.A. Number	Federal Expenditures
U.S. Department of Agriculture			
Schools and Roads- Grants to States- Title I		10.665* (1)	154,978
Schools and Roads- Grants to States- RAC III- Title II	12-DG-11030300-017	10.665* (1)	<u>2,200</u>
Total U.S. Department of Agriculture			<u>157,178</u>
U.S. Department of Health & Human Services			
PPHF-Community Transformation Grants & National Dissemination	MOA 17945	93.531	<u>78,750</u>
(Passed through New Mexico Behavioral Health Department)			
Substance Abuse and Mental Health Services	FY14 Optimum Health NM BHSD	93.243*	\$ 118,758
(Passed through New Mexico Children, Youth and Families Department)			
Affordable Care Act (ACA)	A 14-690-16311/ 14-690-17079-1	93.505	<u>31,697</u>
Total U.S. Department of Health & Human Services			<u>150,455</u>
U.S. Department of Justice			
Tribal Youth Program	2010-TY-FX-0005	16.731	<u>27,935</u>
Total U.S. Department of Justice			<u>27,935</u>
U.S. Department of Transportation			
(Passed through New Mexico Traffic Safety Division)			
Highway Planning and Construction Minimum Penalties for Repeat Offenders for Driving While Intoxicated-	CN6100441	20.205	69,036
Reginal DWI Task Force Minimum Penalties for Repeat Offenders for Driving While Intoxicated-	15-AL-64-P02	20.608 * (2)	397,294
Full Time Law Enforcement DWI Officers	14-AL-FTE-062	20.608 * (2)	2,737
Minimum Penalties for Repeat Offenders for Driving While Intoxicated-			
End Driving While Impaired (ENDWI)	15-AL-64-062	20.608 * (2)	22,105
(Passed through New Mexico Department of Homeland Security and Emergency Management)			
Interagency Hazardous Materials Public Sector Training- 2014 Hazardous Mitigation Emergency Program (HMEP)	HM-HMP-0409-14-01-00	20.703 (3)	51,752
Interagency Hazardous Materials Public Sector Training- 2013 Hazardous Materials Emergency Preparedness Grant Program	DOT/HMP-0409-14-01-MCKINLEY	20.703 (3)	<u>18,088</u>
Total U.S. Department of Transportation			<u>561,012</u>

* Major program
 () Cluster

See independent auditors' report
 See accompanying notes to schedule of expenditures of federal awards

Federal Grantor/Passthrough Grantor/Program Title	Grant Number	Federal C.F.D.A. Number	Federal Expenditures
Department of Homeland Security			
(Passed through New Mexico Department of Homeland Security and Emergency Management)			
Pre-Disaster Mitigation Emergency Management Performance Grants	PDMC-PL-06-NM-2012-002-MCKINLEY COUNTY	97.047	1,067
Homeland Security Grant Program	EMW-2014-EP-00047-S01	97.042	56,255
Homeland Security Grant Program	EMW-2014-SS-00030-S01-McKinley County Comp	97.067 (4)	100,000
Homeland Security Grant Program	EMW-2013-SS-001452-S01	97.067 (4)	890
Homeland Security Grant Program	EMW-2013-SS-00152-S01-MCKINLEY COUNTY	97.067 (4)	59,934
Total Department of Homeland Security			<u>218,146</u>
Department of the Interior Bureau of Reclamation			
Reclamation Rural Water Supply Program	R11AP40080	15.548	29,445
			<u>29,445</u>
Total Federal Financial Assistance			<u><u>\$ 1,222,921</u></u>

* Major program

() Cluster

Notes to Schedule of Expenditures of Federal Awards

Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of McKinley County, New Mexico (County) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Subrecipients

The County provided funds to subrecipients from 20.608, Minimum Penalties for Repeat Offenders for Driving While Intoxicated, in the amount of \$224,693 for the fiscal year ended June 30, 2015.

Federally Funded Insurance and Federally Funded Loans

The County has no federally funded insurance, and no federally funded loans or loan guarantees

Non-Cash Federal Assistance

The County did not receive any non-cash federal assistance during the year.

Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 1,222,921
Total expenditures funded by other sources	<u>34,442,195</u>
Total expenditures	<u><u>\$ 35,665,116</u></u>

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STATE OF NEW MEXICO
 McKinley County
 Schedule of Findings and Questioned Costs
 June 30, 2015

Section I – Summary of Auditors’ Results:

Financial Statements:

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

Federal Awards:

- | 1. Type of auditors’ report issued on compliance for major programs | Unmodified | | | | | | | | |
|--|---|-----------------|--------|---|--------|--|--------|--|--|
| 2. Internal control over major programs: | | | | | | | | | |
| a. Material weaknesses identified? | None noted | | | | | | | | |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted | | | | | | | | |
| 3. Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? | None noted | | | | | | | | |
| 4. Identification of major programs: | | | | | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; border-bottom: 1px solid black;">CFDA
Number</th> <th style="text-align: center; border-bottom: 1px solid black;">Federal Program</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">20.608</td> <td style="text-align: center;">Minimum Penalties for Repeat Offenders
for Driving While Intoxicated-Regional DWI Task Force</td> </tr> <tr> <td style="text-align: center;">10.665</td> <td style="text-align: center;">Federal Forest Reserve Title I- Secure Rural Schools</td> </tr> <tr> <td style="text-align: center;">93.243</td> <td style="text-align: center;">Substance Abuse and Mental Health Services</td> </tr> </tbody> </table> | CFDA
Number | Federal Program | 20.608 | Minimum Penalties for Repeat Offenders
for Driving While Intoxicated-Regional DWI Task Force | 10.665 | Federal Forest Reserve Title I- Secure Rural Schools | 93.243 | Substance Abuse and Mental Health Services | |
| CFDA
Number | Federal Program | | | | | | | | |
| 20.608 | Minimum Penalties for Repeat Offenders
for Driving While Intoxicated-Regional DWI Task Force | | | | | | | | |
| 10.665 | Federal Forest Reserve Title I- Secure Rural Schools | | | | | | | | |
| 93.243 | Substance Abuse and Mental Health Services | | | | | | | | |
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 | | | | | | | | |
| 6. Auditee qualified as low-risk auditee? | No | | | | | | | | |

Section II – Financial Statement Findings

FS 2015-001 — Internal Control Finding over Travel and Per Diem- Finding that does not rise to the level of a Significant Deficiency

Condition: During testwork over the County’s compliance with the Travel and Per Diem Act, we noted documentation was not obtained and reported to the finance department within a reasonable amount of time for travel expenditures in the following items tested:

1. An employee did not reimburse the County, within 10 business days per County policy, for travel expenses paid by the County and then reimbursed directly to the employee by FEMA. In the same expenditure tested, there was no itemized receipt provided for reimbursement of a charge for \$8.72
2. Documentation to collect overpayment from an employee was submitted over 2 months after the return from trip. The employee did not reimburse the County within 10 business days per County policy. The County had to resort to garnishment of the employee’s last pay check to be reimbursed for the expenses.

To help mitigate this problem, a McKinley County Finance Analyst is tracking, by obtaining a copy, of all travel requests from every department. Weekly, when the Finance Analyst reviews travel reimbursements, he/she will review the travel request folder and update a list of outstanding paperwork due to Finance for reimbursement and/or payment due. The department heads will also be held accountable for keeping track of travel for employees and/or volunteers.

Criteria: McKinley County Per Diem policy, Section 8.2 *Travel Advances for Instate and Out of State* states “When a travel advance is made for any trip, the officer, Elected Official or employee should within ten days of return from the trip, submit at travel reimbursement voucher form. If the voucher form is not submitted within the allotted time, further travel advances may be denied. Any overpayment of a travel advance must be refunded within 10 business days.”

Effect: Not submitting paperwork in a timely manner could result in the County not being paid back money they are owed due to advance travel overpayment. This could adversely affect the County, and create a potential anti-donation clause violation.

Cause: It is County policy that all employees reimburse the County any money within 10 business days of the employee being reimbursed by third party (i.e. FEMA), or due to overpayment of a travel advance. The County Finance Department did not receive the paperwork necessary to request payment within a reasonable amount of time; it was submitted to the Department to Finance from the responsible department over 2 months after the travel occurred.

Auditors’ Recommendations: The County should ensure policies pertaining to per diem are being followed and met. All departments should submit all necessary paperwork needed by Finance to obtain repayments from officers, elected officials or employees as soon as possible on return from trip, when required.

Management Response: McKinley County’s Management Team will update current travel and per diem policy to include a “special travel circumstances” section to ensure timely reimbursement to the County from the employees and/or volunteers who receive personal reimbursement from outside agencies (i.e. FEMA/Jury Duty). Policy will require the employees to reimburse the County within 10 days of receiving their reimbursement from the outside agency (it is noted that these reimbursements could take 30 to 90 days to receive).

Training on Revised policy will be conducted as needed or internal audit committee deems it necessary.

Section II – Financial Statement Findings (continued)

FS 2015-002 — Internal Control Finding over Sick Bank Management- Significant Deficiency

Condition: During testwork over the County's payroll expenditures we noted a policy regarding a sick bank. Upon inquiry of the Human Resources Director it was found that there is no proper process, internal controls, or management monitoring over the Sick Bank. Through inquiry and testwork, we determined the following:

- The balance of hours held in the sick bank and the corresponding monetary value of the Sick Bank is unknown, as there are no reports that can be run from the system to determine these amounts.
- No personnel were aware of who inputs donated sick hours into the sick bank. It appears that no one has been assigned to manage or review the input of donated hours into the sick bank
- The donation policy is not being properly followed in any manner, and instead of obtaining documentation of donation based on policy, the HR Director is providing documentation to zero out the sick leave from the employee upon their resignation or termination from County employment, and adding such leave to the sick bank.

As of October 2015, management has met and performed a formal review of the process of sick bank and available hours, as well as, reviewed the current policy for compliance issues.

Criteria: McKinley County Sick Bank policy, Section 3.0 B *Definitions* states "Donation of time shall be made on forms provided by the Personnel Department, signed by the donating employee and two witnesses. Donations of time shall be in hourly increments, payable at the hourly rate of the donor."

Effect: Not having an accurate balance of hours within the sick bank allows for the County to grant sick time to employees that does not truly exist within the bank which can result in the County using County monies to pay for this sick leave. Due to the donation policy not being followed, the sick bank is not a true donation system.

Cause: The County's system does not currently have the ability to log and track time entered into the Sick Bank portion of the system, in addition to this, management of the sick bank has not been delegated to someone to maintain the balance, hours donated and hours used.

Auditors' Recommendations: The County should determine the true balance in the sick bank to ensure improper hours are not being used and a different personnel should be delegated to maintain each of the following functions: one person should be obtaining the donation forms, another should be inputting the hours into the sick bank and another should be granting the sick bank hours to employees as deemed necessary and approved by the appropriate management personnel.

Management Response: Management will contact current software provider to assess if the system is capable of keeping track of a running balance of donated and/or used sick bank hours.

Upon the initial review of the Sick Bank policy, new procedures have been adopted and are listed as follows:

The Assistant Human Resources Director will keep track, via excel spreadsheet, all hours donated (by formal form), and all hours received by employees (by formal form) to ensure the Human Resources department has ample hours to award an employee in need of sick bank hours. The Human Resources department will then convert the hours to dollars based upon the donor's hourly pay rate.

The Assistant Human Resources Director will then forward paperwork to the Payroll Analyst who will then enter and pay sick bank hours to the employee during the bi-weekly payroll process. A quarterly review and sign-off by the Human Resources and Finance departments will include verifying forms are filled out, balances are accurate, and compliance with policy.

Section II – Financial Statement Findings (continued)

FS 2015-003 — Material Cash Adjustments – Material Weakness

Condition: During testwork over the County’s cash and investments it was noted that cash in the amount of \$73,575 was listed on the June securities statement as cash prior to June 30, 2015 but the Treasurer’s office did not record it until July. Due to this, an adjustment had to be made to properly record the cash, as per the securities statements. We also noted that the County did not move investment out of the cash accounts in the investment accounts, resulting in reclassification from cash to investments in the amount of \$7,173,471. Also, the County did not properly record program funds in the amount of \$50,000.

McKinley County has established additional quarterly checks and balances that include review and sign-off of quarterly investment statements, by the Chief Deputy Treasurer and the Finance Director, to ensure proper journal entries are prepared to accurately reconcile investments and cash between the Finance Department and the Treasurer’s department.

Criteria: NMSA 6-10-2 states “It is the duty of every public official or agency of this state that receives or disburses public money to maintain a cash record in which is entered daily, in detail, all items of receipts and disbursements of public money. The cash record shall be balanced daily so as to show the balance of public money on hand at the close of each day's business. Except as may be otherwise provided by law, the cash record is a public record and is open to public inspection.” Additionally NMSA 4-43-2 states the county treasurer shall keep:

- A. account of all money received and disbursed;
- B. regular accounts of all checks and warrants drawn on the treasury and paid; and
- C. the books, papers and money pertaining to his office ready for inspection by the board of county commissioners at all times.

Also, the Committee of Sponsoring Organizations (COSO) internal control integrated framework consists of five critical elements that must be present in carrying out the achievement objectives of an organization. These elements are known as the control environment, risk assessment, control activities, information and communication, and monitoring.

Effect: Prior to the adjustments being made, the County’s cash balance was understated by \$123,575. In addition, prior to the adjustment being made, investments were not properly accounted for on the County’s books and did not represent the true balance of investments at year end June 30, 2015.

Cause: There was a lack of management oversight, and the cash that was received or available prior to June 30, 2015, was not recorded by the County, and investments were not reported to properly reflect the fair market value.

Auditors’ Recommendations: The County should determine the true amount of cash and investments at the end of each fiscal year and book the appropriate journal entries to move the appropriate cash into the investment accounts to ensure that both the cash and investments balances are accurate at the end of the fiscal year.

Management Response: McKinley County has established additional quarterly checks and balances that include review and sign-off of quarterly investment statements, by the Chief Deputy Treasurer, Robert Griego and the Finance Director, Sara Keeler, to ensure proper journal entries are prepared to accurately reconcile investments and cash between the Finance Department and the Treasurer’s department. McKinley County’s management team will review and update the Investment policy according to Statute changes as needed.

The Treasurer’s department will review and accurately reflect fair market value of investments at the end of each quarter and prepare journal entries to record the gain or loss once a year according to GAAP. Treasurer’s department shall present a quarterly investment report to the Board of Commissioners.

Program funds will be properly accounted for within the Grants department and all reimbursement documentation will be sent to the Finance department to be properly reflected in Accounts Receivable. In Addition, Finance will provide each department a listing of outstanding accounts receivable due from outside agencies on a monthly basis or as needed.

STATE OF NEW MEXICO
McKinley County
Schedule of Findings and Questioned Costs
June 30, 2015

Schedule X
Page 5 of 6

Section II – Financial Statement Findings (continued)

County’s Concluding Response

In addition to the above responses, McKinley County has established an Internal Audit Committee that will review various transactions, policies, and procedures as needed throughout the year. The Committee will consist of the County Manager, Finance Director, County Attorney, Human Resources Director, Procurement Director, OEM/Grants Director, and Risk Management. Results of any findings from the internal audit committee will be noted, corrected and presented to the Board of Commissioners.

STATE OF NEW MEXICO
McKinley County
Schedule of Findings and Questioned Costs
June 30, 2015

Schedule X
Page 6 of 6

Section III – Federal Award Findings

None noted

Section IV – Summary of Prior Year Audit Findings

FS 2012-003 (FS 12-03) Insufficient Internal Controls over Procurement- Request for Proposal- Other Matter (Resolved)

FA 2014-001 – Preparation of the Schedule of Federal Expenditures (SEFA)—Material Weakness (Resolved)

STATE OF NEW MEXICO

McKinley County

Other Disclosures

June 30, 2015

Exit Conference

An exit conference was held on October 27, 2015. This conference was held in a closed meeting. In attendance were the following:

Representing McKinley County:

Carol Bowman-Muskett, Commission Chair-woman
Genevieve Jackson, County Commissioner
Anthony Tanner, County Commissioner
Bill Lee, County Manager
Earnest C. Becenti Jr., County Treasurer
Robert P. Griego, Senior Deputy Treasurer
Douglas W. Decker, County Attorney
Dezirie Gomez, County HR Director
Anthony Dimas, Grants Director
Sara Keeler, Finance Director

Representing Accounting & Consulting Group, LLP:

Robert Gonzales, CPA, Manager

Auditor Prepared Financial Statements

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