

STATE OF NEW MEXICO
MORA COUNTY

Annual Financial Report with Supplemental Information
For the Year Ended June 30, 2018

INTRODUCTORY SECTION

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MORA COUNTY
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MORA COUNTY
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STATE OF NEW MEXICO
MORA COUNTY
Official Roster
As of June 30, 2018

Name

Title

ELECTED OFFICIALS

Paula A. Garcia	Commission Chairwoman
George A. Trujillo	Commission Vice-Chairman
Alfonso J. Griego	County Commissioner
Carlos J. Arellano	County Clerk
Florence Romero	County Treasurer
Paul Duran	County Assessor
Greg Laumbach	County Sheriff
Edward Aragon	Probate Judge

ADMINISTRATIVE OFFICIALS

Ben Sanchez	County Manager (through July 2017)
Steve Archuleta	County Manager (from July 2017-December 2017)
Elmer Martinez	County Manager (from January 2018-July 2018)
Frances Muniz	Interim County Manager (as of July 2018)
Yolanda Medina	DWI Coordinator
Johnny Espinoza	Road Superintendent
Doris Casados	Finance Director (through December 2018)
Timothy Montgomery	Interim Finance Director (as of January 2019)

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Members of the Mora County Commission and
Management of Mora County
Mora, New Mexico
and
Mr. Brian S. Colon, Esq., New Mexico State Auditor

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the budgetary comparisons of the general fund, major special revenue funds, major capital projects funds, and major debt service fund of Mora County, New Mexico (County), as of and for the year ended June 30, 2018, 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 were engaged to audit the aggregate remaining fund information. We have also audited the financial statements of the County's fiduciary funds as of and for the year ended June 30, 2018, 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 misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Except for the matter described in the "Basis for Disclaimer of Opinion on the Aggregate Remaining Fund Information" paragraph, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Disclaimer of Opinion on the Aggregate Remaining Fund Information

The County did not maintain adequate accounting records to support amounts recorded as revenue and expenses and certain records and supporting data were not available for our audit for the Volunteer Fire Funds in the aggregate remaining fund financial statements.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the aggregate remaining fund financial statements of Mora County. Accordingly, we do not express an opinion on these financial statements.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the budgetary comparisons of the general fund, major special revenue funds, major capital projects funds, and major debt service fund of the County, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above, present fairly, in all material respects, the respective position of the fiduciary funds of the County as of June 30, 2018, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the Schedules of the County's Proportionate Share of the Net Pension Liability and the Schedule of the County's Contributions on pages 54-55, and the notes to the required supplementary information on page 56 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 the auditing standard 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 financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements, for all non-major funds and the proprietary fund budgetary comparisons; and the other schedules as required by 2.2.2 NMAC are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements for all non-major funds, proprietary fund budgetary comparisons, and other schedules required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the proprietary budget comparisons and other schedules as required by 2.2.2 NMAC are fairly stated in all material respects in relation to the basic financial statements as a whole.

Basis for Disclaimer of Opinion

The County did not maintain adequate accounting records to support amounts recorded as revenue and expenses and certain records and supporting data were not available for our audit for the Volunteer Fire Funds in the accompanying combining and individual fund financial statements for all non-major funds required by 2.2.2 NMAC.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the combining fund and individual fund financial statements for all non-major funds in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2019, on our consideration of the County's internal control over financial reporting and 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 effectiveness of the County's 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.



Burt & Company CPAs, LLC

March 25, 2019

STATE OF NEW MEXICO
MORA COUNTY
Statement of Net Position
June 30, 2018

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
Assets			
Cash and cash equivalents	\$ 3,186,384	68,870	3,255,254
Restricted cash	1,982,343	-	1,982,343
Investments	199,365	-	199,365
Receivables:			
Delinquent property taxes receivable	315,976	-	315,976
Other receivables	-	45,640	45,640
Due from other funds	216,341	-	216,341
Intergovernmental	431,723	28,266	459,989
Prepays	125,085	-	125,085
Non-current:			
Non-depreciable assets	9,014,266	527	9,014,793
Depreciable capital assets, net	6,977,160	920,969	7,898,129
Total assets	<u>22,448,643</u>	<u>1,064,272</u>	<u>23,512,915</u>
Deferred outflows of resources			
Deferred outflows of resources due to pension plan	496,118	110,960	607,078
Total deferred outflows of resources	<u>496,118</u>	<u>110,960</u>	<u>607,078</u>
Total assets and deferred outflows of resources	<u>\$ 22,944,761</u>	<u>1,175,232</u>	<u>24,119,993</u>

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

STATE OF NEW MEXICO
MORA COUNTY
Statement of Net Position (continued)
June 30, 2018

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
Liabilities			
Accounts payable	\$ 658,932	5,373	664,305
Due to other funds	181,425	34,916	216,341
Accrued salaries	54,936	14,440	69,376
Accrued interest	26,835	-	26,835
Compensated absences:			
Due within one year	22,009	1,703	23,712
Due in more than one year	43,508	15,322	58,830
Long-term liabilities other than pensions:			
Due within one year	501,862	-	501,862
Due in more than one year	4,792,737	-	4,792,737
Aggregate net pension liability	<u>1,441,589</u>	<u>320,728</u>	<u>1,762,317</u>
Total liabilities	<u>7,723,833</u>	<u>392,482</u>	<u>8,116,315</u>
Deferred inflows of resources			
Deferred inflows of resources due to pension plan	<u>125,785</u>	<u>19,741</u>	<u>145,526</u>
Total deferred inflows of resources	<u>125,785</u>	<u>19,741</u>	<u>145,526</u>
Net position			
Net investment in capital assets	8,714,484	921,496	9,635,980
Restricted for:			
Nonspendable	125,085	-	125,085
Special revenue funds	1,966,968	-	1,966,968
Capital projects	1,463,318	-	1,463,318
Debt service	249,801	-	249,801
Unrestricted	<u>2,575,487</u>	<u>(158,487)</u>	<u>2,417,000</u>
Total net position	<u>15,095,143</u>	<u>763,009</u>	<u>15,858,152</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 22,944,761</u>	<u>1,175,232</u>	<u>24,119,993</u>

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

STATE OF NEW MEXICO
MORA COUNTY
Statement of Activities
Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues			Net Program (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Government Activities	Business-Type Activities	Total
Primary government:							
Governmental activities							
General government	\$ 1,839,968	150,240	478,000	-	\$ (1,211,728)	-	(1,211,728)
Public safety	2,379,533	94,164	1,130,637	-	(1,154,732)	-	(1,154,732)
Public works	851,464	193,154	176,705	311,941	(169,664)	-	(169,664)
Health and welfare	54,808	-	-	-	(54,808)	-	(54,808)
Interest expense	161,868	-	-	-	(161,868)	-	(161,868)
Total government activities	\$ 5,287,641	437,558	1,785,342	311,941	(2,752,800)	-	(2,752,800)
Business-type activities							
Solid waste	\$ 254,973	163,573	-	-	-	(91,400)	(91,400)
Ambulance	446,481	165,957	-	-	-	(280,524)	(280,524)
Total business-type activities	\$ 701,454	329,530	-	-	-	(371,924)	(371,924)
General revenues:							
Taxes:							
Property taxes:							
					1,414,860	-	1,414,860
					273,094	-	273,094
					306,596	-	306,596
					475,523	151,307	626,830
					107,969	-	107,969
					26,105	-	26,105
					4,627	-	4,627
					(70,000)	70,000	-
					47,532	-	47,532
Total general revenues and transfers					<u>2,586,306</u>	<u>221,307</u>	<u>2,807,613</u>
Gain (loss) on asset disposal					-	-	-
<i>Changes in net position</i>					<u>(166,494)</u>	<u>(150,617)</u>	<u>(317,111)</u>
Net position - beginning as previously stated					15,163,942	913,626	16,077,568
Prior period adjustment					<u>97,695</u>	-	<u>97,695</u>
Net position - beginning as restated					<u>15,261,637</u>	<u>913,626</u>	<u>16,175,263</u>
Net position - ending					<u>\$ 15,095,143</u>	<u>763,009</u>	<u>15,858,152</u>

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

STATE OF NEW MEXICO
MORA COUNTY
Balance Sheet - Governmental Funds
June 30, 2018

	General Fund #101	Chacon VFD #241	Severance Bonds SAP #265	Complex 1 Fund #332	Complex 2 Fund #333	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 1,059,326	194,129	-	1,016,465	876,360	2,022,447	5,168,727
Investments	144,547	4,634	-	-	-	50,184	199,365
Receivables							
Property taxes	262,634	-	-	-	-	53,342	315,976
Due from other governments	47,675	-	186,487	-	-	197,561	431,723
Other	-	-	-	-	-	-	-
Prepaid expenses	102,364	1,714	-	-	-	21,007	125,085
Due from other funds	216,341	-	-	-	-	-	216,341
Total assets	\$ 1,832,887	200,477	186,487	1,016,465	876,360	2,344,541	6,457,217
Liabilities, deferred inflows, and fund balance							
Liabilities							
Accounts payable	\$ 29,214	144,743	5,034	194,412	235,095	50,434	658,932
Accrued salaries	43,436	-	-	-	-	11,500	54,936
Due to other funds	-	-	179,141	-	-	2,284	181,425
Total liabilities	72,650	144,743	184,175	194,412	235,095	64,218	895,293
Deferred inflows of resources:							
Delinquent property taxes	241,643	-	-	-	-	48,931	290,574
Fund balance:							
Nonspendable - prepaids	102,364	1,714	-	-	-	21,007	125,085
Restricted for:							
Subsequent years expenditures	646,358	-	-	-	-	50,294	696,652
Special revenue funds	-	54,020	-	-	-	1,912,948	1,966,968
Capital projects	-	-	-	822,053	641,265	-	1,463,318
Debt service funds	-	-	-	-	-	249,801	249,801
Unassigned	769,872	-	2,312	-	-	(2,658)	769,526
Total fund balance	1,518,594	55,734	2,312	822,053	641,265	2,231,392	5,271,350
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,832,887	200,477	186,487	1,016,465	876,360	2,344,541	6,457,217

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

STATE OF NEW MEXICO
MORA COUNTY
Reconciliation of the Balance Sheet – All Governmental Funds
to the Statement of Net Position
June 30, 2018

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

Fund Balances - Total governmental funds	\$	5,271,350
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
Capital assets		24,188,993
Accumulated depreciation		(8,197,567)
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Property taxes receivable		290,574
Deferred inflow of resources are not financial resources, and therefore are not reported in the funds and include:		
Deferred inflows of resources due to pension plan		(125,785)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds		
Bonds payable		(5,294,599)
Accrued interest payable		(26,835)
Accrued vacation payable		(65,517)
Net pension liability		(1,441,589)
Deferred outflow of resources are not financial resources, and therefore are not reported in the funds and include:		
Deferred outflows of resources due to pension plan		496,118
Rounding		-
Net position of governmental activities	\$	15,095,143

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

STATE OF NEW MEXICO
MORA COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
Year Ended June 30, 2018

	General Fund #101	Chacon VFD #241	Severance Bond SAP # 265	Complex 1 Fund #332	Complex 2 Fund #333	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes:							
Property	\$ 1,315,461	-	-	-	-	245,800	1,561,261
Penalties and interest	-	-	-	-	-	-	-
Payments in lieu	306,596	-	-	-	-	-	306,596
Gross receipts	230,181	-	-	-	-	353,311	583,492
Gasoline	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental - Federal grants	-	-	-	-	-	40,269	40,269
Intergovernmental - State grants	478,000	52,844	311,941	-	-	1,214,229	2,057,014
Contributions - Private grants	-	-	-	-	-	26,105	26,105
Licenses and permits	-	-	-	-	-	-	-
Charges for services	107,733	-	-	-	-	329,825	437,558
Investment and interest income	947	104	-	-	-	3,576	4,627
Miscellaneous	42,418	-	-	-	-	5,114	47,532
Total revenues	\$ 2,481,336	52,948	311,941	-	-	2,218,229	5,064,454

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

STATE OF NEW MEXICO
MORA COUNTY
Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Governmental Funds
Year Ended June 30, 2018

	General Fund #101	Chacon VFD #241	Severance Bond SAP # 265	Complex 1 Fund #332	Complex 2 Fund #333	Other Governmental Fund	Total Governmental Funds
Expenditures:							
Current:							
General government	\$ 1,600,461	-	-	-	-	31,347	1,631,808
Public safety	426,909	12,561	41,751	-	-	997,136	1,478,357
Public works	233,473	-	-	-	-	486,553	720,026
Health and welfare	-	-	-	-	-	54,808	54,808
Capital outlay	9,744	254,124	267,637	317,942	361,560	727,651	1,938,658
Debt service:							
Principal retirement	55,000	-	-	-	-	389,600	444,600
Bond interest paid	82,568	-	-	-	-	88,675	171,243
Bond issuance costs	-	-	-	-	-	-	-
Total expenditures	<u>2,408,155</u>	<u>266,685</u>	<u>309,388</u>	<u>317,942</u>	<u>361,560</u>	<u>2,775,770</u>	<u>6,439,500</u>
<i>Excess (Deficiency) of revenues over expenditures</i>	73,181	(213,737)	2,553	(317,942)	(361,560)	(557,541)	(1,375,046)
Other financing sources and financing uses:							
Sale of bonds	-	-	-	-	-	383,144	383,144
Discount on issuance of bonds	-	-	-	-	-	-	-
Transfers in	3,693	-	-	-	-	283,565	287,258
Transfers out	(130,307)	-	-	-	-	(226,951)	(357,258)
Total other financing sources and financing uses	<u>(126,614)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>439,758</u>	<u>313,144</u>
<i>Net change in fund balance</i>	(53,433)	(213,737)	2,553	(317,942)	(361,560)	(117,783)	(1,061,902)
Fund balance beginning of year as previously stated	1,462,239	269,471	(241)	1,139,995	1,002,825	2,349,175	6,223,464
Prior period adjustment	109,788	-	-	-	-	-	109,788
Fund balance beginning of year as restated	<u>1,572,027</u>	<u>269,471</u>	<u>(241)</u>	<u>1,139,995</u>	<u>1,002,825</u>	<u>2,349,175</u>	<u>6,333,252</u>
Fund balance (deficit) at end of the year	<u>\$ 1,518,594</u>	<u>55,734</u>	<u>2,312</u>	<u>822,053</u>	<u>641,265</u>	<u>2,231,392</u>	<u>5,271,350</u>

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

STATE OF NEW MEXICO
MORA COUNTY
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
All Governmental Funds to the Statement of Activities
Year Ended June 30, 2018

Net change in fund balances - Total governmental funds	\$ (1,061,902)
<p>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. This is the amount by which capital outlays exceeded depreciation in the current year</p>	
Capital outlay	1,485,547
Depreciation	(624,577)
<p>Revenues in the statement of activities that do not provide current resources are not reported as revenues in the funds.</p>	
Deferred property taxes at:	
June 30, 2017	(163,881)
June 30, 2018	290,574
<p>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 which is the first issued, whereas these amounts are deferred and amortized in the statement of activities. these differences in the treatment of long-term debt and related items consist of:</p>	
Current year principal payments	444,600
Bonds sold	(383,144)
<p>Some expenses reported in the statement of activites do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>	
Compensated absences at:	
June 30, 2017	59,963
June 30, 2018	(65,517)
Accrued interest at:	
June 30, 2017	36,211
June 30, 2018	(26,835)
Pension expense	(157,532)
Rounding	(1)
Change in net position of governmental activities	\$ <u>(166,494)</u>

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

STATE OF NEW MEXICO
MORA COUNTY
General Fund – No. 101
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
(Non-GAAP Budgetary Basis)
Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		Actual Amounts (Non-GAAP Budgetary Basis)	Variances with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property	\$ 1,181,535	1,181,535	1,294,470	112,935
Penalties and interest	30,000	30,000	-	(30,000)
Payments in lieu	222,494	222,494	306,596	84,102
Gross receipts	224,358	224,358	192,606	(31,752)
Other	-	-	-	-
Intergovernmental - State grants	510,353	510,353	478,000	(32,353)
Licenses and permits	12,000	12,000	-	(12,000)
Unrestricted donations	-	-	-	-
Charges for services	10,000	10,000	98,964	88,964
Investment and interest income	600	600	947	347
Miscellaneous	55,000	162,372	41,087	(121,285)
Total revenues	<u>2,246,340</u>	<u>2,353,712</u>	<u>2,412,670</u>	<u>58,958</u>
Expenditures:				
Current:				
General government	1,778,260	1,878,547	1,625,846	252,701
Public safety	452,610	458,100	443,340	14,760
Public works	-	-	221,371	(221,371)
Sanitation	289,110	248,784	-	248,784
Capital outlay	-	-	9,744	(9,744)
Debt service:				
Principal	-	-	55,000	(55,000)
Interest	-	-	82,568	(82,568)
Total expenditures	<u>2,519,980</u>	<u>2,585,431</u>	<u>2,437,869</u>	<u>147,562</u>
<i>Excess (deficiency) of revenues over expenditures</i>	(273,640)	(231,719)	(25,199)	206,520
Other financing sources (uses):				
Transfers in	3,693	3,693	3,693	-
Transfers out	(130,000)	(171,921)	(130,307)	41,614
Total other financial sources (uses):	<u>(126,307)</u>	<u>(168,228)</u>	<u>(126,614)</u>	<u>41,614</u>
<i>Net change in fund balance</i>	(399,947)	(399,947)	(151,813)	248,134
<i>Beginning cash balance budgeted</i>	<u>1,129,254</u>	<u>1,129,254</u>		
<i>Total</i>	729,307	729,307		
Fund balance at beginning of the year - previously stated				
Prior period adjustment	1,539,231	1,206,332	1,462,239	
	<u>109,788</u>	<u>109,788</u>	<u>109,788</u>	
Fund balance at beginning of the year - restated				
	<u>1,649,019</u>	<u>1,316,120</u>	<u>1,572,027</u>	
Fund balance at the end of the year	\$ <u>1,249,072</u>	<u>916,173</u>	1,420,214	
RECONCILIATION TO GAAP BASIS:				
Receivables			310,309	
Prepays			102,364	
Payables			(29,214)	
Accrued liabilities			(43,436)	
Deferred property taxes			(241,643)	
Due to other governments			-	
Fund balance at the end of the year (GAAP basis)			<u>\$ 1,518,594</u>	

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

STATE OF NEW MEXICO
MORA COUNTY
Chacon VFD Fund – No. 241
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
(Non-GAAP Budgetary Basis)
Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variances With Final
	Original	Final	(Non-GAAP Budgetary Basis)	Budget Positive (Negative)
Revenues:				
Taxes:				
Gross receipts	\$ -	-	-	-
Gasoline	-	-	-	-
Intergovernmental - Federal grants	-	-	-	-
Intergovernmental - State grants	50,448	50,448	52,844	2,396
Unrestricted donations	-	-	-	-
Charges for services	-	-	-	-
Investment and interest income	-	-	104	104
Miscellaneous	-	-	-	-
Total revenues	50,448	50,448	52,948	2,500
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	85,252	85,252	14,207	71,045
Public works	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	232,422	232,422	109,449	122,973
Debt service:				
Principal retirement	-	-	-	-
Interest paid	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	317,674	317,674	123,656	194,018
<i>Excess (deficiency) of revenues over expenditures</i>	(267,226)	(267,226)	(70,708)	196,518
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<i>Net change in fund balance</i>	(267,226)	(267,226)	(70,708)	196,518
<i>Beginning cash balance budgeted</i>	267,756	267,756		
<i>Total</i>	530	530		
Fund balance at beginning of year	269,471	269,471	269,471	
Fund balance at the end of the year	\$ 2,245	2,245	198,763	
RECONCILIATION TO GAAP BASIS:				
Prepays			1,714	
Payables			(144,743)	
Fund balance at the end of the year (GAAP basis)			\$ 55,734	

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

STATE OF NEW MEXICO
MORA COUNTY
Severance Bond SAP Fund – No. 265
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
(Non-GAAP Budgetary Basis)
Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variances With
	Original	Final	(Non-GAAP Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Taxes:				
Gross receipts	\$ -	-	-	-
Intergovernmental - Federal grants	-	-	-	-
Intergovernmental - State grants	742,000	742,000	125,454	(616,546)
Unrestricted donations	-	-	-	-
Charges for services	-	-	-	-
Investment and interest income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	742,000	742,000	125,454	(616,546)
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	55,000	55,000	36,717	18,283
Public works	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	737,700	737,700	267,637	470,063
Debt service:				
Principal retirement	-	-	-	-
Interest paid	-	-	-	-
Bond issuance costs	-	-	-	-
Total expenditures	792,700	792,700	304,354	488,346
<i>Excess (deficiency) of revenues over expenditures</i>	(50,700)	(50,700)	(178,900)	(128,200)
Other financing sources (uses):				
Sale of bonds	-	-	-	-
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
<i>Net change in fund balance</i>	(50,700)	(50,700)	(178,900)	(128,200)
<i>Beginning cash balance budgeted</i>	-	-	-	-
<i>Total</i>	(50,700)	(50,700)	-	-
Fund balance at beginning of the year	233,176	233,176	(241)	-
Fund balance at the end of the year	\$ 182,476	182,476	(179,141)	-
RECONCILIATION TO GAAP BASIS:				
Receivables			186,487	
Payables			(5,034)	
Accrued liabilities			-	
Fund balance at the end of the year (GAAP basis)		\$	2,312	

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

STATE OF NEW MEXICO
MORA COUNTY
Complex 1 Fund – No. 332
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
(Non-GAAP Budgetary Basis)
Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts (Non-GAAP Budgetary Basis)	Variances with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ -	-	-	-
Penalties and interest	-	-	-	-
Payments in lieu	-	-	-	-
Gross receipts	-	-	-	-
Other	-	-	-	-
Intergovernmental - State grants	1,004,826	1,004,826	-	(1,004,826)
Licenses and permits	-	-	-	-
Unrestricted donations	-	-	-	-
Charges for services	-	-	-	-
Investment and interest income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	1,004,826	1,004,826	-	(1,004,826)
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Sanitation	-	-	-	-
Capital outlay	1,004,826	1,004,826	123,530	881,296
Debt service:				
Bond issuance costs	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,004,826	1,004,826	123,530	881,296
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(123,530)	(123,530)
Other financing sources (uses):				
Proceeds from long-term debt	-	-	-	-
Discount on issuance of bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financial sources (uses):	-	-	-	-
<i>Net change in fund balance</i>	-	-	(123,530)	(123,530)
<i>Beginning cash balance budgeted</i>	-	-	-	-
<i>Total</i>	-	-	-	-
Fund balance at beginning of the year	1,139,995	1,139,995	1,139,995	1,139,995
Fund balance at the end of the year	\$ 1,139,995	1,139,995	1,016,465	1,016,465
RECONCILIATION TO GAAP BASIS:				
Change in payables			(194,412)	
Deferred property taxes			-	
Fund balance at the end of the year (GAAP basis)		\$	822,053	

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

STATE OF NEW MEXICO
MORA COUNTY
Complex 2 Fund – No. 333
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
(Non-GAAP Budgetary Basis)
Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts (Non-GAAP Budgetary Basis)	Variances with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property	\$ -	-	-	-
Penalties and interest	-	-	-	-
Payments in lieu	-	-	-	-
Gross receipts	-	-	-	-
Other	-	-	-	-
Intergovernmental - State grants	1,000,242	1,000,242	-	(1,000,242)
Licenses and permits	-	-	-	-
Unrestricted donations	-	-	-	-
Charges for services	-	-	-	-
Investment and interest income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>1,000,242</u>	<u>1,000,242</u>	-	(1,000,242)
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Sanitation	-	-	-	-
Capital outlay	1,000,242	1,000,242	126,465	873,777
Debt service:				
Bond issuance costs	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	<u>1,000,242</u>	<u>1,000,242</u>	<u>126,465</u>	<u>873,777</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(126,465)	(126,465)
Other financing sources (uses):				
Proceeds from long-term debt	-	-	-	-
Discount on issuance of bonds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financial sources (uses):	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(126,465)	(126,465)
<i>Beginning cash balance budgeted</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total</i>	-	-	-	-
Fund balance at beginning of the year	<u>1,002,825</u>	<u>1,002,825</u>	<u>1,002,825</u>	
Fund balance at the end of the year	\$ <u>1,002,825</u>	<u>1,002,825</u>	876,360	
RECONCILIATION TO GAAP BASIS:				
Change in payables			(235,095)	
Deferred property taxes			<u>-</u>	
Fund balance at the end of the year (GAAP basis)		\$	<u>641,265</u>	

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

STATE OF NEW MEXICO
MORA COUNTY
Balance Sheet – Proprietary Funds
June 30, 2018

	Business-Type Activities - Enterprise Funds		Total Enterprise Funds
	Solid Waste Fund #504	Ambulance Fund #510	
Assets			
Current assets:			
Cash and cash equivalents	\$ 68,870	-	68,870
Receivables:			
Accounts (net of allowance for uncollectable)	21,217	24,423	45,640
Intergovernmental	7,991	20,275	28,266
Other	-	-	-
Prepays	-	-	-
Non-current:			
Non-depreciable assets	527	-	527
Depreciable capital assets, net	920,969	-	920,969
Total assets	1,019,574	44,698	1,064,272
Deferred outflows of resources:			
Deferred outflows of resources due to pension plan	27,770	83,190	110,960
Total assets and deferred outflows of resources	\$ 1,047,344	127,888	1,175,232
Liabilities			
Current liabilities:			
Accounts payable	\$ 5,130	243	5,373
Accrued salaries	4,855	9,585	14,440
Compensated absences	933	770	1,703
Due to other funds	-	34,916	34,916
Total current liabilities	10,918	45,514	56,432
Non-current liabilities:			
Compensated absences	8,396	6,926	15,322
Aggregate net pension liability	80,182	240,546	320,728
Total non-current liabilities	88,578	247,472	336,050
Total liabilities	99,496	292,986	392,482
Deferred inflows of resources:			
Deferred inflows of resources due to pension plan	4,935	14,806	19,741
Total deferred inflows of resources	4,935	14,806	19,741
Net position			
Net investment in capital assets	921,496	-	921,496
Unrestricted	21,417	(179,904)	(158,487)
Total net position	942,913	(179,904)	763,009
Total liabilities, deferred inflows of resources, and net position (deficit)	\$ 1,047,344	127,888	1,175,232

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

STATE OF NEW MEXICO
MORA COUNTY
Statement of Revenues, Expenditures, and Changes in Net Position – Proprietary Funds
Year Ended June 30, 2018

	Business-Type Activities -		Total Enterprise Funds
	Enterprise Funds		
	Solid Waste Fund #504	Ambulance Fund #510	
Operating revenues:			
Charges for sales and services:			
Ambulance charges	\$ -	165,957	165,957
Solid waste charges	<u>163,573</u>	<u>-</u>	<u>163,573</u>
Total operating revenues	163,573	165,957	329,530
Operating expenses:			
Personnel services	85,659	323,568	409,227
Operating expenses	125,662	122,913	248,575
Depreciation	<u>43,652</u>	<u>-</u>	<u>43,652</u>
Total operating expenses	<u>254,973</u>	<u>446,481</u>	<u>701,454</u>
<i>Operating income (loss)</i>	(91,400)	(280,524)	(371,924)
Non-operating revenues (expenses):			
Gross receipts tax	<u>48,798</u>	<u>102,509</u>	<u>151,307</u>
<i>Income (loss) before contributions and transfers</i>	(42,602)	(178,015)	(220,617)
Transfers in	<u>-</u>	<u>70,000</u>	<u>70,000</u>
<i>Change in net position</i>	(42,602)	(108,015)	(150,617)
Net position at beginning of year	<u>985,515</u>	<u>(71,889)</u>	<u>913,626</u>
Net position at end of the year	\$ <u><u>942,913</u></u>	<u><u>(179,904)</u></u>	<u><u>763,009</u></u>

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

STATE OF NEW MEXICO
MORA COUNTY
Statement of Cash Flows – Proprietary Funds
Year Ended June 30, 2018

	Business-Type Activities - Enterprise Funds		Total Enterprise Funds
	Solid Waste Fund #504	Ambulance Fund #510	
Cash flows from operating activities:			
Receipts from customers and users	\$ 213,324	48,384	261,708
Payments to supplier and vendors	(96,463)	(4,298)	(100,761)
Payments to employees	<u>(103,613)</u>	<u>(248,915)</u>	<u>(352,528)</u>
Net cash provided (used) by operating activities	13,248	(204,829)	(191,581)
Cash flows from noncapital financing activities:			
Taxes received	48,798	98,439	147,237
Transfers from other funds	<u>-</u>	<u>70,000</u>	<u>70,000</u>
Net cash provided by noncapital financing activities	48,798	168,439	217,237
Cash flows from investing activities:			
Acquisition of capital assets	<u>(78,458)</u>	<u>-</u>	<u>(78,458)</u>
Net cash used by investing activities	<u>(78,458)</u>	<u>-</u>	<u>(78,458)</u>
Net decrease in cash and cash equivalents	(16,412)	(36,390)	(52,802)
Cash and cash equivalents - beginning of year	<u>85,282</u>	<u>36,390</u>	<u>121,672</u>
Cash and cash equivalents - end of year	\$ <u>68,870</u>	<u>-</u>	<u>68,870</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (91,400)	(280,524)	(371,924)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities			
Depreciation expense	43,652	-	43,652
(Increase) decrease in assets:			
Accounts receivable	12,008	745	12,753
Other receivables	66,942	297	67,239
Deferred outflows	16,623	(1,709)	14,914
Increase (decrease) in liabilities:			
Accounts payable	(3,458)	32,399	28,941
Accrued liabilities	1,208	61	1,269
Compensated absences payable	82	4,262	4,344
Net pension liability	(36,189)	26,954	(9,235)
Deferred outflows	<u>3,780</u>	<u>12,686</u>	<u>16,466</u>
Total adjustments	<u>104,648</u>	<u>75,695</u>	<u>180,343</u>
Net cash provided (used) by operating activities	\$ <u>13,248</u>	<u>(204,829)</u>	<u>(191,581)</u>

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

STATE OF NEW MEXICO
MORA COUNTY
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2018

Assets

Pooled cash and investments	\$ 62,321
Receivables:	
Property taxes	<u>264,051</u>
Total assets	<u>\$ 326,372</u>

Liabilities

Taxes due to others	\$ 264,051
Undistributed taxes	49,154
Taxes paid in advance	<u>13,167</u>
Total liabilities	<u>\$ 326,372</u>

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

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

1. Summary of Significant Accounting Policies

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to governmental entities. A summary of Mora County, New Mexico's significant accounting policies applied in the preparation of these financial statements follows.

A. Reporting Entity

Mora County, New Mexico (County) was incorporated, and is administered by a manager, who is overseen by a Commission of three elected officials. The reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the County's financial statements to be misleading or incomplete. The County provides the usual municipal services with the exception of education, which is administered by other governmental agencies.

The County's financial statements include all entities over which the Board of Commissioners exercises oversight responsibility. Oversight responsibility includes such aspects as appointment of governing body members, designation of management, the ability to significantly influence operations, and accountability for fiscal matters. Based upon the application of these criteria, no component units or fiduciary units were included in the financial statements.

Generally Accepted Accounting Principles in the United States (U.S. GAAP) requires that financial statements present the County (primary government) and its component units. The County has no component units required to be presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement No. 14*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 24*.

1) Blended Component Units

Legally separate component units for which the County is financially accountable are blended with the primary government because they are, in substance, part of the government's operations. Blended means the data from these units are combined with data of the primary government. The County had no blended component units during the fiscal year ended June 30, 2018.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

1. Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

2) Discretely Presented Component Units

The financial data of component units are reported in separate columns to emphasize that they are legally separate from the County. The County had no discrete component units during the fiscal year ended June 30, 2018.

3) Related Organizations

The County appoints members to the boards, but the County's accountability for the organizations does not extend beyond making these appointments and there is no fiscal dependency of these organizations on the County.

The following GASB pronouncements have been issued, but not yet effective at June 30, 2018:

- GASB Statement No. 84, *Fiduciary Activities*, has been issued, but is not yet effective at June 30, 2018.
- GASB Statement No. 87, *Leases*, has been issued, but is not yet effective at June 30, 2018.

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

This summary of significant accounting policies of the County is presented to assist in the understanding of the County's financial statements. The financial statements and notes are the representation of the County's management who is responsible for their integrity and objectivity. The financial statements of the County have been prepared in conformity with GAAP as applied to governmental units. The Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures. The more significant of the County's accounting policies are described below.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of inter-fund 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.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

1. Summary of Significant Accounting Policies (continued)

B. Government-Wide and Fund Financial Statements

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

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental funds, and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental funds and enterprise funds are aggregated and reported as non-major funds.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes, sales and use taxes, franchise taxes, occupational privilege taxes, interest revenue, grant revenue, and charges for services are susceptible to accrual. Other receipts, fines, licenses, and permits revenues become measurable and available when cash is received by the County and are recognized as revenue at that time. Grant revenue is considered available if expected to be collected within one year and all eligibility requirements are met. Expenditures are recorded when the related liability is incurred, except for debt service expenditures, and certain compensated absences and claims and judgements which are recognized when the payment is due. The government reports the following major governmental funds:

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

Chacon VFD Fund – To account for revenues and expenditures of fire protection funds for the communities of Chacon, Mora, Guadalupita, Golondrinas, Ocate, Rainsville, Watrous, Chet, LMC, and Buena Vista. Funding is provided by allotments from the New Mexico State Fire Marshall’s Office. The funds were created under the authority of State Statute Section 59A-93-5-9 and 59A-53-5, NMSA 1978 Compilation.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Severance Bonds SAP Fund – To account for grant funds provided by the State of New Mexico out of severance tax bonds. The funds are to be used for repairs to the courthouse.

Complex 1 Fund – To account for the debt proceeds and related capital expenditures for improvement/completion of the County Courthouse complex.

Complex 2 Fund - To account for the debt proceeds and related capital expenditures for improvement/completion of the County Courthouse complex.

The County reports the following major proprietary funds:

Solid Waste Fund – accounts for fees collected and expenses incurred to operate the County Solid Waste.

Ambulance Fund – accounts for fees collected and expenses incurred to operate the County Ambulance Service.

Additionally, the government reports the following fund types:

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

Agency Funds – account for miscellaneous assets held by the County for other funds, governmental units, and individuals. The County’s agency funds are used to account for the collection and payment of property taxes and special fees due to other governmental agencies. Agency funds are custodial in nature and do not involve measurement of results of operations.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing service in connection with the fund’s principal ongoing operations. The principal operating revenue of the County’s enterprise fund is charges for services for the County’s solid waste and ambulance services. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this practice include payments and other charges between the County’s enterprise funds and various other functions of the government.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Elimination of these charges would distort the direct costs and program revenues reported for the various functions affected.

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

D. Assets, Liabilities, and Net Position or Equity

1) Deposits and Investments

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

State statutes authorize the County to invest in a wide variety of instruments including Certificates of Deposit and other similar obligations, the State Treasurer's Investment Pool, and money market accounts. The County is also allowed to invest in United States Government obligations. All funds for the County must follow the above investment policies.

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 by collateral deposited as security or by bond given by the financial institution. 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.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

1. Summary of Significant Accounting Policies (continued)

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

1) Deposits and Investments (continued)

Reserve Requirements

The New Mexico Department of Finance and Administration (DFA) requires New Mexico counties to maintain a cash balance in the General Fund of at least 3/12th (25%) of the General Fund's annual budgeted expenditures in order to maintain adequate cash flow until the next significant property tax collection. The County met and exceeded the State's cash reserve requirements. The General Fund's cash reserve at June 30, 2018 was \$1,059,326 or 41% of the General Fund's final budget, exceeding the 3/12th reserve requirement.

DFA also requires New Mexico counties to maintain a cash balance in the Road Fund of at least 1/12th of the Road Fund's final budgeted expenditures. The Road Fund's cash reserves at June 30, 2018 were \$241,944 or 40% of the Road Fund's final budget, exceeding the 1/12th reserve requirement.

2) Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds."

Under GASB Statement 33, property taxes are impressed non-exchange revenue. Assets from impressed non-exchange transactions are reported when the County has an enforceable legal claim to the asset. The enforceable legal claim date for the property taxes is the assessment date. Taxes are payable in two equal installments on November 10 and April 10, following the levy and become delinquent after 30 days. Therefore, the County has recorded a delinquent tax receivable and revenue for taxes received within the sixty days following year-end. Receivable and deferred inflows revenue have been recorded for uncollected delinquent taxes. On the government-wide financial statements, the County has recorded delinquent property taxes receivable and revenue for taxes assessed as of year-end that have not been collected, as prescribed in GASB 34. An allowance for refunds and uncollectible amounts has not been recorded.

Oil and gas taxes received from the County are recognized as revenue when received by the County.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

1. Summary of Significant Accounting Policies (continued)

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

2) Receivables and Payables (continued)

Due from other governments includes amounts due from grantors for grants for specific programs and capital projects. Program and capital grants for capital assets are recorded as receivables and revenues when all eligibility requirements are met. Revenues received in advance of project costs being incurred or for which eligibility requirements have not been met are deferred inflows. In the governmental funds, revenue recognition depends on the timing of cash collections (availability).

The Solid Waste/Sanitary Landfill enterprise fund is responsible for billing and collecting sanitation fees using a cycle billing system biannually. Revenues relating to future years are classified as deferred inflows. All trade receivables are shown net of an allowance for uncollectible. The County reviews accounts receivable on a regular basis and all receivables are reported net of uncollectible accounts.

The Ambulance enterprise fund is responsible for billing and collecting ambulance service fees. Revenues relating to future years are classified as deferred inflows. All trade receivables are shown net of an allowance for uncollectible. The County reviews accounts receivable on a regular basis and all receivables are reported net of uncollectible accounts.

The County has reviewed its customer base for concentrations of credit risk and has determined that no individual customer or group of customers engaged in similar activities represent a material concentration of credit risk to the County.

3) Inventories

All inventories are valued cost. Inventory in all funds consists of expendable supplies for consumption. The cost of inventory is recorded as an expenditure/expense when consumed (i.e. the consumption method) in the respective funds.

4) Prepaid Items

Payments made to vendors for services representing costs applicable to future accounting periods are recorded as prepaid items.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

1. Summary of Significant Accounting Policies (continued)

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

5) Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Beginning July 1, 2005, the threshold for defining capital assets by the government was raised from \$1,000 to assets with an initial, individual cost of more than \$5,000 per 12-6-10 NMSA 1978 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Library books and software are depreciated if the single individual cost is \$5,000 or more. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Interest incurred during the construction phase of capital assets of business-type activities is reflected in the capitalized value of the asset constructed. Software costs have been included with the cost of computer equipment and are capitalized with that equipment. The County does not develop software for internal use or any other use.

Major outlay for capital assets and improvements are capitalized as projects are constructed. Interest on construction projects have not been capitalized.

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

<u>Assets</u>	<u>Years</u>
Improvements other than buildings	10 to 50
Buildings and improvements	10 to 45
Infrastructure	10 to 50
Motor vehicles and motorized equipment	5 to 30
Furniture, machinery, equipment, and software	5 to 30

No depreciation is recorded for assets held for disposition.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

1. Summary of Significant Accounting Policies (continued)

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

6) Compensated Absences

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. The County does not pay for unused sick leave upon termination; therefore, amounts are not accrued for sick leave liability.

In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are expensed as incurred per GASB 65.

7) Long-term Obligations

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as capital projects expenditures.

8) Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Mexico Public Employees Retirement Association (PERA) and additions to/deduction from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

9) Fund Balance

a. Non-Spendable

The non-spendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

1. Summary of Significant Accounting Policies (continued)

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

9) Fund Balance (continued)

b. Restricted

Fund balance is reported as restricted when constraints placed on the use of resources are either (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

c. Committed

Amounts that can only be used for specific purposes pursuant to constraints imposed by the formal action of the County should be reported as committed fund balance. The committed amounts cannot be used for any other purpose unless the County removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The County did not have committed fund balances for the year ended June 30, 2018.

d. Assigned

Assigned fund balance includes (a) all remaining amounts, except for negative balances, that are reported in governmental funds, other than the general fund, that are not classified as non-spendable and are neither restricted nor committed and amounts in the general fund that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Intent, and removal of, is expressed by the County or the finance committee. The County did not have assigned fund balances for the year ended June 30, 2018.

e. Unassigned

The remaining fund balance, after all other classifications, within the general fund is reported as unassigned fund balance. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. In governmental funds other than the general fund, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, a negative fund balance will be reported as unassigned fund balance.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

1. Summary of Significant Accounting Policies (continued)

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

9) Fund Balance (continued)

When committed, assigned, and unassigned resources are available for use, it is the County's policy to use committed first followed by assigned and unassigned resources as they are needed.

10) Net Position

Net Position is presented on the Statement of Net Position and may be presented in any of three components.

a. Net Investment in Capital Assets

This component of Net Position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. That portion of the debt is included in restricted for capital projects.

b. Restricted Net Position

Net Position are reported as being restricted when the restriction is either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

c. Unrestricted Net Position

Unrestricted Net Position consists of Net Position that does not meet the definition of "net investment in capital assets" or "restricted."

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

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

1. Summary of Significant Accounting Policies (continued)

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

10) Net Position (continued)

In the governmental environment, Net Position can be designated to indicate that management does not consider the resources to be available for general operations. In contrast to restricted Net Position, designated Net Position of constraints on resources are internal and management can remove or modify them. However, enabling legislation established by the reporting government is a restriction and should not be construed as an internal constraint.

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.

2. Stewardship, Compliance, and Accountability

A. Budgetary Information

Annual budgets are adopted for all funds except agency funds. All budgets are prepared on the Non-GAAP cash basis. All annual appropriations lapse at fiscal year-end. Carry-over funds must be appropriated in the budget of the subsequent fiscal year. Because the budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year, such appropriated balance is legally restricted and is therefore presented as a reserve portion of fund balance.

Actual expenditures may not exceed the budget on a fund basis. Budgets may be amended by County Commission resolution with approval by the State Department of Finance and Administration. County department heads may make transfers of appropriations within a fund. The legal level of budgetary control is the fund level. Increases or decreases of appropriations between funds require the approval of the governing commission.

The County follows the following procedures in establishing the budgetary data reflected in the financial statements:

Prior to June 1, the County Manager submits to the County Commission a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayers comments. Prior to September 1, the budget is legally enacted through passage of a resolution.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

2. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

The County Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the County Commission. Expenditures of the County may not legally exceed appropriations at the level at which the budget is adopted, that is, expenditures in each fund may not exceed the budgeted appropriation for that fund.

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

B. Budgetary Violations

The County exceeded its legal budget by the amount noted in the following individual funds during the year ended June 30, 2018:

SBR VFD Fund 254	\$	20,298
SBR VFD Fund 260		153
Rainsville VFD Fund 285		69
Subtotal, Non-Major Funds	\$	20,520

C. Deficit Fund Equity

There were three deficit fund balances and one deficit net position as of June 30, 2018. These deficits will be funded by future grants or by the Operational Fund.

Major Funds:

Ambulance fund (#510)	\$	179,904
Subtotal, Major Funds		179,904

Nonmajor Funds:

Emergency Medical Services (#206)		506
Jail Detention (#226)		2,658
DWI - D (#291)		325
Subtotal, Non-Major Funds		3,489
Total	\$	183,393

3. Cash and Temporary Investments

At June 30, 2018, the carrying amount of the County's deposits was \$5,499,283 and the bank balance was \$5,637,241 with the difference consisting of deposits in transit and outstanding checks. Of this balance, \$614,685 was covered by federal depository insurance and \$2,500,000 was covered by collateral held in joint safekeeping by a third party.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

3. Cash and Temporary Investments (continued)

All investments of the County in the amount of \$199,365 are certificates of deposit and are not subject to interest rate risk or foreign currency risk.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. New Mexico State statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, the County for at least one half of the amount of deposit with the institution. The statement listed below will meet the State of New Mexico Office of the State Auditor's requirement in reporting the uninsured portion of the deposits. As of June 30, 2018, \$5,022,556 of the County's bank balance of \$5,637,241 was exposed to custodial credit risk as follows:

	Southwest Capital Bank	Community First Bank	BOK Financial	New Mexico Finance Authority	Total
General checking CD's, interest bearing	\$ 3,453,119	-	-	-	3,453,119
CD's and Money Market, interest bearing	174,198	25,167	-	-	199,365
Deposits held by pledging bank's department, not in the Organization's name	-	-	1,895,239	89,518	1,984,757
Total deposits	3,627,317	25,167	1,895,239	89,518	5,637,241
Total (FDIC)	(250,000)	(25,167)	(250,000)	(89,518)	(614,685)
Total uninsured public funds	\$ 3,377,317	-	1,645,239	-	5,022,556
State of New Mexico collateral requirement:					
50% of uninsured public fund					
bank deposits	\$ 1,688,659	-	822,620	-	2,511,279
Pledged security	2,500,000	-	-	-	2,500,000
Over (under) collateralization	\$ 811,341	-	(822,620)	-	(11,279)

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

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the County. Time deposits, savings deposits and interest bearing "Now" accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

All investments are in Certificates of Deposit that are deemed level 1 inputs as cost approximates market for these investments. The value as of June 30, 2018 was \$199,635.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

4. Receivables

Receivables as of June 30, 2018, are as follows:

	General	Severance Bond SAP Fund	Other Govern- mental Funds	Solid Waste	Ambulance
Accounts receivable	\$ -	-	-	385,232	369,246
Property taxes	262,634	-	53,342	-	-
Intergovernmental	-	-	-	7,991	20,275
Due from other governments	47,675	186,487	197,561	-	-
Due from other funds	216,341	-	-	-	-
Other	-	-	-	-	-
Gross receivables	526,650	186,487	250,903	393,223	389,521
Less: Allowance for uncollectible	-	-	-	(364,015)	(344,823)
Net receivables	\$ <u>526,650</u>	<u>186,487</u>	<u>250,903</u>	<u>29,208</u>	<u>44,698</u>

Revenues of the Enterprise Funds are reported net of uncollectible amounts. Total uncollectible amounts related to the revenue are as follows:

<u>Uncollectible:</u>	
Solid waste	\$ (364,015)
Ambulance	<u>(344,823)</u>
Total	\$ <u>(708,838)</u>

5. Inter-fund Receivables and Payables

The inter-fund receivables and payables at June 30, 2018 were:

	Receivables	Payables
General fund	\$ 216,341	-
Severance bond - SAP fund	-	179,141
Other governmental funds	-	2,284
Ambulance fund	-	34,916
Total due to/due from other funds	\$ <u>216,341</u>	<u>216,341</u>

The inter-fund loans were made for the purposes of cash shortfalls within the individual funds. All loans are expected to be repaid within the next fiscal year.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

6. Inter-fund Transfers

The inter-fund transfers during the year ended June 30, 2018 were:

	Transfers out	Transfers in
Governmental funds:		
General fund	\$ 130,307	3,693
Other governmental funds	226,951	283,565
Proprietary funds:		
Ambulance fund	-	70,000
Total transfers	\$ 357,258	357,258

7. Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
GOVERNMENTAL ACTIVITIES					
Capital assets not being depreciated:					
Land	\$ 450,481	-	-	-	450,481
Construction in progress	7,708,166	855,619	-	-	8,563,785
Total capital assets not being depreciated	8,158,647	855,619	-	-	9,014,266
Capital assets being depreciated:					
Land improvements	1,047,350	-	-	-	1,047,350
Buildings and improvements	4,623,116	-	-	-	4,623,116
Furniture, fixtures, and equipment	9,133,765	629,928	(77,600)	(181,832)	9,504,261
Total capital assets being depreciated	14,804,231	629,928	(77,600)	(181,832)	15,174,727
Less accumulated depreciation for:					
Land improvements	(744,691)	(34,942)	-	-	(779,633)
Buildings and improvements	(1,471,658)	(113,940)	-	-	(1,585,598)
Furniture, fixtures, and equipment	(5,603,980)	(475,695)	65,507	181,832	(5,832,336)
Total accumulated depreciation	(7,820,329)	(624,577)	65,507	181,832	(8,197,567)
Total capital assets being depreciated, net	6,983,902	5,351	(12,093)	-	6,977,160
Total capital assets, net	\$ 15,142,549	860,970	(12,093)	-	15,991,426

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

7. Capital Assets (continued)

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
BUSINESS-TYPE ACTIVITIES					
Capital assets not being depreciated:					
Land	\$ -	-	-	-	-
Construction in progress	527	-	-	-	527
Total capital assets not being depreciated	527	-	-	-	527
Capital assets being depreciated:					
Land improvements	-	-	-	-	-
Buildings and improvements	1,067,598	-	-	-	1,067,598
Furniture, fixtures, and equipment	128,093	78,458	-	-	206,551
Total capital assets being depreciated	1,195,691	78,458	-	-	1,274,149
Less accumulated depreciation for:					
Land improvements	-	-	-	-	-
Buildings and improvements	(266,272)	(32,182)	-	-	(298,454)
Furniture, fixtures, and equipment	(43,256)	(11,470)	-	-	(54,726)
Total accumulated depreciation	(309,528)	(43,652)	-	-	(353,180)
Total capital assets being depreciated, net	886,163	34,806	-	-	920,969
Total capital assets, net	\$ 886,690	34,806	-	-	921,496

Depreciation expense has been allocated to the functions/programs of the primary government as follows:

Governmental activities		
General government	\$	50,194
Public safety		446,449
Public works		127,934
Total depreciation expense - governmental activities	\$	<u>624,577</u>
Business-type activities		
Solid waste	\$	<u>43,652</u>
Total depreciation expense - business-type activities	\$	<u>43,652</u>

Construction Commitments

The County is involved in long-term construction projects as part of their master plan for upgrading the County buildings. The amount in the capital projects fund designated for subsequent years expenditures are committed for funding these projects. Interest on construction projects is not capitalized.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

8. Long-Term Debt

General Obligation Bonds

The County issued general obligation bonds to provide for the acquisition and construction of major capital facilities. Bonds are direct obligations and pledge the full faith and credit of the County. The bonds will be paid from taxes levied against property within the County boundaries. The detail of the bonds as of June 30, 2018 is as follows:

General Obligation Bonds	Maturity Date	Original Amount	Interest Rates	Balance	Due Within One Year
Series 2006	8/1/2021	\$ 2,650,000	2.40% to 3.71%	\$ 900,000	205,000

Balances shown for bonds and notes do not include unamortized premiums or deferred amounts on refinancing.

The County is also required to establish a general obligation sinking fund into which there shall be set aside from net tax revenues, sufficient funds to pay interest and principal of the General Obligation bond series as they become due. The general obligation sinking fund amount at June 30, 2018 was \$233,806. A sinking fund requirement for the capital projects fund related to revenue bonds amounted to \$50,519 at June 30, 2018. The sinking fund requirement for the capital projects fund related to revenue notes amounted to \$89,571 at June 30, 2018.

Revenue Bonds and Loan Agreements

The County issued revenue bonds and has entered into various other loan agreements where the County pledges gross receipts tax revenues, state fire allotment revenues, state gasoline tax revenue, and state law enforcement protection revenue.

Revenue Bonds	Maturity Date	Original Amount	Interest Rates	Balance	Due Within One Year
GRT Revenue Bond, Series 2017	7/1/2043	1,240,000	4.24%	\$ 1,240,000	-
GRT Revenue Note, Series 2017	7/1/2032	1,080,000	2.89%	1,025,000	60,000
El Carmel Fire District Revenue Bonds Series 2004A (USDA19)	4/16/2034	125,220	4.38%	86,220	4,000
Ocate Ojo Feliz Fire District Revenue Bonds Series 2007B (USDA26)	8/6/2022	109,825	4.25%	44,825	8,000
Ledoux Fire District Revenue Bonds Series 2007A	8/6/2022	76,730	4.25%	31,730	6,000
Mora Revenue Bonds Series 2011B (USDA30)	2/21/2027	137,500	3.75%	92,237	9,000
Ledoux Fire District Revenue Bonds Series 2011C (USDA36)	2/21/2027	52,100	3.75%	33,988	3,000
Chet Fire Station Revenue Bonds Series 2011A (USDA23)	2/21/2032	55,750	4.25%	43,750	2,000

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

8. Long-Term Debt (continued)

Loans	Maturity Date	Original Amount	Interest Rates	Balance	Due Within One Year
Chet Fire Station NMFA13	5/1/2020	\$ 131,950	0.00%	\$ 26,390	13,195
Ocate Ojo Feliz Fire District NMFA10	5/1/2029	81,200	0.00%	44,660	4,060
Two Motor Graders NMFA11	5/1/2019	440,255	2.63%	48,395	48,395
Buena Vista Fire Station NMFA7	5/1/2020	75,000	0.25%	10,163	5,075
Ocate VFD NMFA16	5/1/2023	127,941	0.38%	62,072	11,098
Mora Fire Tanker NMFA19	5/1/2032	284,079	2.692%	209,665	12,650
Golondrina Fire Station NMFA17	5/1/2032	252,735	3.277%	198,639	11,206
Buena Vista Fire Station NMFA18	5/1/2030	304,500	3.352%	230,426	12,711
Mora Road Equipment NMFA20	5/1/2027	240,449	0.690%	216,449	3,000
Guadalupita Fire Station NMFA21	5/1/2028	267,071	0.48%	214,915	19,446
Watrous Fire Truck NMFA22	5/1/2025	125,945	0.41%	91,317	12,335
Mora Police Equipment NMFA24	5/1/2022	75,054	0.71%	60,614	14,944
Rainsville VFD NMFA25	5/1/2028	181,361	0.163%	181,361	17,410
Sierra Bonita NMFA26	5/1/2028	151,134	0.600%	151,134	14,278
Mora Ambulance NMFA PPRF-3777	8/1/2027	50,649	0.10%	50,649	5,059
		<u>\$ 5,666,448</u>		<u>\$ 4,394,599</u>	<u>296,862</u>

Balances shown for bonds and notes do not include unamortized premiums or deferred amounts on refinancing.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2019	\$ 205,000	26,812	231,812
2020	220,000	19,815	239,815
2021	230,000	12,284	242,284
2022	245,000	4,202	249,202
Total	<u>\$ 900,000</u>	<u>63,113</u>	<u>963,113</u>

Annual debt service requirements to maturity for revenue bonds are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2019	\$ 92,000	93,773	185,773
2020	97,000	90,676	187,676
2021	100,000	87,402	187,402
2022	101,500	84,041	185,541
2023	110,055	80,501	190,556
2024 - 2028	471,725	355,886	827,611
2029 - 2033	472,750	284,278	757,028
2034 - 2038	532,720	193,934	726,654
2039 - 2043	620,000	77,138	697,138
Total	<u>\$ 2,597,750</u>	<u>1,347,629</u>	<u>3,945,379</u>

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MORA COUNTY
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June 30, 2018

8. Long-Term Debt (continued)

Annual debt service requirements to maturity for loans are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2019	\$ 236,862	47,712	284,574
2020	212,099	42,439	254,538
2021	204,474	38,890	243,364
2022	206,935	35,063	241,998
2023	208,904	30,751	239,655
2024 - 2028	817,816	93,578	911,394
2029 - 2033	234,879	19,604	254,483
2034 - 2038	7,720	340	8,060
Total	\$ 2,129,689	308,377	2,438,066

Total remaining administrative fees on long-term debt are \$7,245.

Pledged Revenues for Long-Term Debt

The County has pledged portions of future revenues to repay New Mexico Finance Authority and U.S. Department of Agriculture debt noted above. The debt is payable solely from these pledged sources of revenues. The pledged revenues are projected to be sufficient to provide enough funds to meet the debt service obligations. Should these revenues not be sufficient to meet the debt service obligations, the County, subject to annual appropriation and in its own discretion, may make such debt service payments from other funds though it is not obligated to do so. The County intends to appropriate funds sufficient to make all required payments.

Bond Issue	Use of Proceeds	Type	Revenue Pledged		Current Year		
			Percent of Total Debt Service	Term of Pledge	Remaining Principal and Interest	Principal and Interest Paid	Pledged Revenue Received
Series 2002	Acquire, build, equip, improve and furnish a County Courthouse and paying costs of issuance of the bonds.	Ad Valorem Property Taxes	100%	2006 - 2021	963,113	228,286	1,561,261
Chet Fire Station	Build improvements to the existing CHET Volunteer Fire Department station within Mora County.	The distribution of State Fire Protection Funds to Mora County made annual by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978.	125%	2009 - 2020	26,390	13,195	105,688
Ocate Ojo Feliz Fire District	Plan, design, purchase and construct a new Fire Substation.	The distribution of State Fire Protection Funds to Mora County made annual by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978.	125%	2008 - 2029	44,660	4,060	101,514
NM Finance Authority #11	Purchase two motor graders for use on Mora County's public roads.	The distribution of revenues of the State Gasoline Tax enacted pursuant to Section 7-13-1, et seq., NMSA 1978, as amended, and distributed pursuant to Sections 7-1-6.9 and 7-1-6.15, NMSA 1978, as amended, which distributions are made monthly by the New Mexico Taxation and Revenue Department to Mora County in an amount equal to 10% of 10.38% of the net receipts attributable to the taxes times the proportion that the taxable motor fuel sales in Mora County to the aggregate taxable motor fuel sales in all counties.	125%	2009 - 2019	49,863	49,864	62,237
Ledoux, Monte Aplanado, El Carmel Fire District (USDA)	Acquiring, improving, constructing, furnishing and equipping fire protection facilities for the Ledoux, Monte Aplanado, El Carmel ("LMC") fire district.	The distribution of Fire Protection Fund Revenues for the LMC Fire District distributed annually by the New Mexico Treasurer pursuant to Section 59A-53-7 NMSA 1978.	120%	2004 - 2034	121,860	7,425	101,514

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8. Long-Term Debt (continued)

Pledged Revenues for Long-Term Debt (continued)

Bond Issue	Use of Proceeds	Revenue Pledged Type	Percent of Total Debt Service	Term of Pledge	Current Year		
					Remaining Principal and Interest	Principal and Interest Paid	Pledged Revenue Received
Ocate Ojo Feliz District (USDA)	Acquiring, constructing and equipping fire protection facilities and equipment for use by the Ocate/Ojo Feliz Volunteer Fire Department.	The distribution received by the County for the Ocate/Ojo Feliz Volunteer Fire Department for which the project is being acquired, constructed, equipped or improved pursuant to Section 59A-53-7 NMSA 1978.	120%	2006 - 2022	49,338	10,422	73,713
NM Finance Authority #7	Acquire, construct, furnish and equip a fire substation for use by the Buena Vista Volunteer Fire Department.	Fire protection fund distribution made annually by the State Treasurer pursuant to Section 59A-53-7 NMSA 1978, for the Buena Vista Volunteer Fire Department located within the Governmental Unit, in the amount certified by the State fire Marshal or State Fire Board.	120%	2005 - 2020	10,201	5,101	79,262
NM Finance Authority #16	Finance the costs of purchasing a water tender fire truck for use by the Ocate/Ojo Feliz Volunteer Fire Department within Mora County.	The distribution of State Fire Protection Funds to Mora County made annual by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978.	125%	2011 - 2023	62,072	10,811	73,713
Ledoux Fire District (USDA)	Acquiring, constructing, equipping and improving fire protection equipment and facilities for the Ledoux Volunteer Fire Department.	The distribution of Fire Protection Fund revenues for the Ledoux Volunteer Fire Department distributed annually by the New Mexico Treasurer pursuant to Section 59A-53-7 NMSA 1978.	120%	2007 - 2022	35,925	6,561	101,514
NM Finance Authority #19	Purchase a fire tanker for use by the Mora Volunteer Fire Department within the Governmental Unit and refund the 2003 USDA loan.	The distribution of State Fire Protection Funds to Mora County made annual by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978.	125%	2012 - 2032	254,505	18,528	79,262
Fire Protection (USDA)	Acquiring, constructing, equipping and improving fire protection equipment and facilities for the Ledoux Volunteer Fire Department.	The distribution of Fire Protection Fund revenues for the Ledoux Volunteer Fire Department distributed annually by the New Mexico Treasurer pursuant to Section 59A-53-7 NMSA 1978.	120%	2012 - 2027	113,084	12,271	101,514
Ledoux Fire Protection (USDA)	Acquiring, constructing, equipping and improving fire protection equipment and facilities for the Ledoux Volunteer Fire Department.	The distribution of Fire Protection Fund revenues for the Ledoux Volunteer Fire Department distributed annually by the New Mexico Treasurer pursuant to Section 59A-53-7 NMSA 1978.	120%	2012 - 2027	40,661	4,391	101,514
NM Finance Authority #17	Purchase a fire pumper/tanker for use by the Golondrinas Volunteer Fire Department within the Governmental Unit.	The distribution of State Fire Protection Funds to Mora County made annual by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978.	125%	2012 - 2032	248,303	16,929	52,844
Chet Fire Station (USDA)	Acquire, construct, equip, and improve fire protection equipment and facilities for the Chet Volunteer Fire Department in Mora County.	The distribution of Fire Protection Fund revenues for the CHET Volunteer Fire Department distributed annually by the New Mexico Treasurer pursuant to Section 59A-53-7 NMSA 1978.	120%	2012 - 2032	57,308	3,716	105,688
NM Finance Authority #18	Purchase a fire pumper/tanker for use by the Buena Vista Volunteer Fire Department within Mora County.	The distribution of State Fire Protection Funds to Mora County made annual by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978.	125%	2012 - 2030	276,840	18,794	79,262
NM Finance Authority #20	Purchase road equipment, including a heavy haul tractor and a heavy haul dump truck for use by the County's public works department.	The distribution of the revenues of Gasoline Tax on distributors and wholesalers of gasoline within Mora County, imposed by the Gasoline tax Act, Section 7-13-1 et seq., NMSA 1978, as amended, and, pursuant to Section 7-1-6.9, NMSA 1978, as amended, distributed each month by the New Mexico Taxation and Revenue Department to Mora County in an amount equal to 10% of 10.38% of the net receipts attributable to the taxes times the proportion that the taxable motor fuel sales in the County bears to the aggregate taxable motor fuel sales in all counties.	125%	2013 - 2027	245,543	7,918	62,237
NM Finance Authority #21	Finance the cost of purchasing an initial attack fire truck for use by the Guadalupita Volunteer Fire department, within the geographic limits of Mora County.	The distribution of State Fire Protection Funds to Mora County made annual by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978.	200%	2014 - 2028	248,299	24,717	52,844
NM Finance Authority #22	Finance the cost of purchasing a fire truck for use by the Watrous Volunteer Fire Department, within the geographic limits of Mora County.	The distribution of State Fire Protection Funds to Mora County made annual by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978.	200%	2014 - 2025	100,271	14,323	52,844
NM Finance Authority #24	Purchase and equip two police vehicles for use by Mora County.	The distribution of Law Enforcement Protection Fund revenues to the Governmental Unit made annually by the state Treasurer pursuant to Section 29-13-6, NMSA 1978.	125%	2016 - 2022	62,098	13,432	-

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8. Long-Term Debt (continued)

Pledged Revenues for Long-Term Debt (continued)

Bond Issue	Use of Proceeds	Type	Revenue Pledged			Current Year	
			Percent of Total Debt Service	Term of Pledge	Remaining Principal and Interest	Principal and Interest Paid	Pledged Revenue Received
GRT Revenue Bond, Series 2017	Improving and constructing the Mora County Complex.	The first and third one-eighths of one percent increment of the County's gross receipts tax imposed pursuant to Section 7-20E-9, NMSA 1978, as amended and three-eighths of one percent increment of County Local Option Hold Harmless gross receipts tax revenues imposed pursuant to Section 7-20E-28, NMSA 1978, as amended.	125%	2017 - 2043	2,268,517	-	626,830
GRT Revenue Note, Series 2017	Improving and constructing the Mora County Complex.	The first and third one-eighths of one percent increment of the County's gross receipts tax imposed pursuant to Section 7-20E-9, NMSA 1978, as amended and three-eighths of one percent increment of County Local Option Hold Harmless gross receipts tax revenues imposed pursuant to Section 7-20E-28, NMSA 1978, as amended.	125%	2017 - 2032	1,258,686	88,668	626,830
NM Finance Authority #25	Purchase a 3,000 gallon fire pumper truck for use by the Rainsville Volunteer Fire Department	The distribution of State Fire Protection Funds to the Governmental Unit for the Rainsville Volunteer Fire Department made periodically by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978	200%	2017-2028	183,199	-	-
NM Finance Authority #26	Finance the costs con constructing a new fire station for use by the Sierra Bonita Rincon Volunteer Fire Department	The distribution of State Fire Protection Funds to the Governmental Unit made periodically by the State Treasurer pursuant to Section 59A-53-7, NMSA 1978	200%	2017-2028	156,642	-	-
NM Finance Authority 3777-PP, Ambulance Equipment	Acquiring, constructing, improving and equipping an ambulance for use within the Governmental Unit, and paying related professional fees.	The revenues derived from the one-eighth of one percent (0.125%) County Fire Protection Excise Tax enacted pursuant to Section 7-20E-15, NMSA 1978, as amended, and Governmental Unit Ordinance NO. 96-04 adopted by the Governing Body on August 13, 1996	125%	2017-2027	50,914	10	45,050

During the year ended June 30, 2018, the following changes occurred in the long-term liabilities:

The Bonds and Loans are paid from the general fund, debt service fund and the fire districts.

Changes in long-term debt - During the year ended June 30, 2018 the following changes occurred in liabilities reported:

	Balance June 30, 2017	Additions	Retirements	Balance June 30, 2018	Due within one year
Compensated absences:					
Governmental activities	\$ 59,963	56,407	(50,853)	65,517	22,009
Business-type activities	12,681	11,725	(7,381)	17,025	1,703
Total compensated absences	72,644	68,132	(58,234)	82,542	23,712
General obligation bonds	1,095,000	-	(195,000)	900,000	205,000
Revenue bonds	2,682,250	-	(84,500)	2,597,750	92,000
Loans payable	1,578,805	383,144	(165,100)	1,796,849	204,862
Total bonds/loans payable	5,356,055	383,144	(444,600)	5,294,599	501,862
Total long-term debt	\$ 5,428,699	451,276	(502,834)	5,377,141	525,574

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8. Long-Term Debt (continued)

Pledged Revenues for Long-Term Debt (continued)

The liability for compensated absences for governmental activities is liquidated with resources from the general fund and several special revenue funds. Vested or accumulated compensated absences for business-type activities is recorded as an expense and liability of those funds as the benefits accrue to employees.

Compensated absences are paid from the general fund in the amount of \$26,261, from the roads fund in the amount of \$14,493, from the law enforcement fund in the amount of \$24,763, from the solid waste fund in the amount of \$9,329, and from the ambulance fund in the amount of \$7,696. Which totals \$82,542 as reported on the statement of net position.

9. Reserved Fund Balances

The New Mexico Department of Finance and Administration (DFA) requires that 3/12th of the general fund budgeted expenditures be reserved as subsequent year expenditures to maintain an adequate cash flow until the next significant property tax collection. The DFA also requires that 1/12th of the road fund budgeted expenditures be reserved. The County has incorporated this reserve requirement within its financial policies approved by the County Commission. These balances are reported as restricted for subsequent year's expenditures. The County is in compliance with these DFA requirements.

10. Operating Leases

The County leases property and equipment under non-cancelable operating leases. Rent expense amounted to approximately \$31,990 for the year ended June 30, 2018. Future payments for leases are due as follows:

Year Ending June 30,	
2019	\$ 17,309
2020	6,952
2021	7,368
2022	7,812
2023	8,284
2024 to 2025	<u>14,856</u>
Total	<u>\$ 62,581</u>

11. 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.

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MORA COUNTY
Notes to Financial Statements
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11. Risk Management (continued)

Mora County 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 and 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 premium paid and deductible.

12. Public Employees Retirement Association – Retirement 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 refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division. Eligibility for membership in the PERA Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-10, 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 Section 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 www.nmpera.org or www.saonm.org or writing:

PERA
P.O. Box 2123
Santa Fe, NM 87504-2123

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, 2017 available at: <http://www.nmpera.org/assets/uploads/downloads/comprehensive-annual-reports/2017-CAFR-FINAL.pdf>.

Contributions. The contribution requirements of defined benefit plan members and the County are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY17 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 21 through 31 of the PERA FY17 annual audit report at:

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MORA COUNTY
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12. Public Employees Retirement Association – Retirement Plan (continued)

http://www.saonm.org/media/audits/366_Public_Employees_Retirement_Association_FY2017.pdf.

The PERA coverage options that apply to the County are: Municipal General Division and Municipal Police Division. Statutorily required contributions to the pension plan from the County were \$110,051 for the year ended June 30, 2018.

Pension Liabilities, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At June 30, 2018, the County reported a liability of \$1,762,316 for its proportionate share of the net pension liability. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined.

The assets of the PERA fund are held in one trust, but there are six distinct membership groups (municipal general members, municipal police members, municipal fire members, state general members, state police members, and legislative members) for whom separate contribution rates are determined each year pursuant to Chapter 10, Article 11 NMSA 1978. Therefore, the calculations of the net pension liability, pension expense and deferred inflows and outflows were performed separately for each of the membership groups: municipal general members; municipal police members; municipal fire members; state general members; state police members and legislative members. The County's proportion of the net pension liability for each membership group that the employer participates in is based on the employer contributing entity's percentage of that membership group's total employer contributions for the fiscal year ended June 30, 2017. Only employer contributions for the pay period end dates that fell within the period of July 1, 2016 to June 30, 2017 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2017 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 allows 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.

PERA Municipal General Division

For PERA Municipal General Division, at June 30, 2018, the County reported a liability of \$1,512,867 for its proportionate share of the net pension liability. At June 30, 2017, the County's proportion was 0.1101%, which was changed from its proportion measured as of June 30, 2016 of 0.0922%.

For the year ended June 30, 2018, the County recognized PERA Fund Municipal General Division pension expense of \$149,388.

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12. Public Employees Retirement Association – Retirement Plan (continued)

PERA Municipal General Division (continued)

At June 30, 2018 the County reported PERA Municipal General Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 59,445	77,485
Change of assumptions	69,766	15,633
Net difference between projected and actual earnings on pension plan investments	124,122	-
Changes in proportion and differences between contributions and proportionate share of contributions	176,596	-
Contributions subsequent to the measurement date	93,281	-
Total	\$ 523,210	93,118

\$93,281 reported as deferred outflows of resources related to the pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	
2019	\$ 110,404
2020	195,540
2021	67,141
2022	(36,274)
2023	-
Thereafter	-
	\$ 336,811

PERA Municipal Police Division

For PERA Municipal Police Division at June 30, 2018, the County reported a liability of \$249,479 for its proportionate share of the net pension liability. At June 30, 2017, the County's proportion was 0.0449%, which was changed from its proportion measured as of June 30, 2016 of 0.0477%.

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MORA COUNTY
Notes to Financial Statements
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12. Public Employees Retirement Association – Retirement Plan (continued)

PERA Municipal Police Division (continued)

For the year ended June 30, 2018, the County recognized PERA Municipal Police Division pension expense of \$8,144.

At June 30, 2018, the County reported PERA Municipal Police Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 15,150	46,607
Change of assumptions	14,841	5,801
Net difference between projected and actual earnings on pension plan investments	20,090	-
Changes in proportion and differences between contributions and proportionate share of contributions	16,978	-
Contributions subsequent to the measurement date	16,770	-
Total	\$ 83,829	52,408

\$16,770 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,			
2019	\$	7,753	
2020		19,367	
2021		(6,594)	
2022		(5,875)	
2023		-	
Thereafter		-	
	\$	14,651	

Actuarial assumptions. The total pension liability in the June 30, 2017 actuarial valuation was determined using the following significant actuarial assumptions applied to all periods included in the measurement:

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MORA COUNTY
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June 30, 2018

12. Public Employees Retirement Association – Retirement Plan (continued)

Actuarial valuation date	June 30, 2016
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of pay
Amortization period	Solved for based on statutory rates
Asset valuation method	4 year smoothed market value
Actuarial assumptions:	
Investment rate of return	7.51% annual rate, net of investment expense
Projected benefit payment	100 years
Payroll growth	2.75% for first 9 years, then 3.25% annual rate
Projected salary increases	2.75% to 14.00% annual rate
Includes inflation at	2.25% annual rate first 9 years, 2.75% all other years
Mortality Assumptions	RP-200 Mortality Tables (Combined table for healthy post-retirement, Employee table for active members, and Disabled table for disabled retirees before retirement age) with projection to 2018 using Scale AA.
Experience Study Dates	July 1, 2008 to June 30, 2013 (demographic) and July 1, 2010 through June 20, 2016 (economic)

The total PERA pension liability, net pension liability amounts, and sensitivity information are based on an actuarial valuation performed as of June 30, 2016. The total pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2017, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2017.

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

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global Equity	43.50%	7.39%
Risk Reduction & Mitigation	21.50%	1.79%
Credit Oriented Fixed Income	15.00%	5.77%
Real Assets to Include Real Estate Equity	<u>20.00%</u>	7.35%
Total	<u>100.00%</u>	

STATE OF NEW MEXICO
MORA COUNTY
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June 30, 2018

12. Public Employees Retirement Association – Retirement Plan (continued)

Discount rate. A single discount rate of 7.51% was used to measure the total pension liability as of June 30, 2017. The projection of cash flows used to determine the single 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. Therefore, the 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 Net Pension Liability to Changes in the Discount Rate Assumption. The following tables present the County's net pension liability in each PERA Fund Division the County participates in, calculated using the discount rate of 7.51%, as well as what the County's proportionate share of net pension liability would be if it were calculated using a discount rate one percentage point lower (6.51%) or one percentage point higher (8.51%) than the single discount rate.

	1% Decrease 6.51%	Current Single Rate Assumption 7.51%	1% Increase 8.51%
<u>PERA Fund Division - Municipal General</u>			
Net pension liability	\$ 2,371,163	1,512,867	799,075
<u>PERA Fund Division - Municipal Police</u>			
Net pension liability	\$ 397,802	249,479	127,704

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FY17 PERA financial report. The report is available at <http://www.nmpera.org/publications.html>.

13. Post-Employment Health Care Benefits

The County has elected not to participate in the Retiree Health Care Act (Section 10-7C-1 to 10-7c-16, NMSA 1978).

14. Contingent Liabilities

The Mora County is insured through the New Mexico Self Insurer's Fund. Coverage provided included all-peril on building and contents: crime coverage, general liability, civil rights and personal injury; motor vehicle and fleet property damage and liability; and statutory workmen compensation coverage. The crime coverage portion of this insurance includes employee fidelity/faithful performance coverage up to \$5,000 each occurrence.

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14. Contingent Liabilities (continued)

Litigation

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the government attorney the resolution of these matters will not have a material adverse effect on the financial condition of the government.

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

15. Related Party Transactions

Employee balances for outstanding amounts for solid waste receivables amounted to \$12,619 for fiscal year ending June 30, 2018.

16. Joint Powers Agreements

Quay County Detention Center

Purpose: The agreement sets forth the terms and conditions under which Quay County will house prisoners in the Quay County Detention Center from Mora County. The agreement defines the process for and the payment due to Quay County for housing and board, prisoner information, medical care, transportation, right of rejection and terms for release for male adult and juvenile prisoners.

Participants: Quay County, Quay County Detention Center and Mora County

Responsible Party for Operation and Audit: Quay County and Mora County

Beginning and Ending Date of Agreement: Started January 1, 2014 and will end on January 1, 2018

Total Estimated Amount of Project and Actual Amount Contributed: Adult male prisoners will be housed at a rate of \$125/day; Juvenile male prisoners will be housed at a rate of \$75/day; all medical expenses incurred are billed at cost to Mora County. Expenses for prisoner housing and care for the period of July 1, 2016 to June 30, 2018 was \$0.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

16. Joint Powers Agreements (continued)

Wagon Mound Transfer Station

Purpose: The agreement sets forth the terms for allowing storage of roll off open top 40 cubic yard solid waste bins at the Wagon Mound transfer station located on Hwy 120. The agreement defines the terms under which Mora County will pay for half the salary of the transfer station solid waste employee and the improvements it agrees to make to the former bin storage site in exchange for storing the waste bins at the Wagon Mound transfer station. Each Village will continue to be responsible for the tonnage deposited at the transfer station by the respective residents it serves.

Participants: Mora County and the Village of Wagon Mound

Responsible Party for Operation and Audit: Mora County and the Village of Wagon Mound

Beginning and Ending Date of Agreement: Originally started January 23, 2003 and revised March 24, 2009 and open until cancelled

Total Estimated Amount of Project and Actual Amount Contributed: Mora County agrees to pay half of the actual salary expense for the employee monitoring the transfer station.

New Mexico State Forestry Division

Purpose: The agreement sets forth the terms and conditions under which the Forestry Division will hire emergency fire equipment from Mora County. The agreement defines the process for and payment from the Forestry Division for emergency fire equipment under hire based on calendar days, actual hours worked, and travel.

Participants: New Mexico State Forestry Division and Mora County

Responsible Party for Operation and Audit: New Mexico State Forestry Division and Mora County

Beginning and Ending Date of Agreement: January 1, 2018 through December 31, 2018.

Total Estimated Amount of Project and Actual Amount Contributed: Water Tender's hired will range from \$82.00 to \$115.50 hourly and engines hired will range from \$154.00 to \$220.00 hourly. A guarantee for each calendar day that equipment is under hire payment will be made for a minimum of at least 8 hours. For the first and last day, payment will be based on actual hours worked and travel, the guarantee will not apply. Fuel surcharge beginning and ending mileage will be documented daily, if the daily total exceeds 100 miles, then miles exceeding 100 will be compensated at a rate of \$0.43 a mile. Revenue for emergency equipment hired for the period of July 1, 2017 to June 30, 2018 was \$164,706.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Financial Statements
June 30, 2018

16. Joint Powers Agreements (continued)

Village of Wagon Mound Police Protection and Law Enforcement

Purpose: Mora County Sheriff's Office and the Village of Wagon Mound shall exercise their common power to enforce the laws of the State of New Mexico as well as the ordinances of Mora County and the Village of Wagon Mound to provide law enforcement services for the Village.

Participants: Mora County and the Village of Wagon Mound.

Responsible Party for Operation and Audit: Mora County and the Village of Wagon Mound.

Beginning and Ending Date of Agreement: The Agreement shall be in effect upon the approval of the Secretary of the Department of Finance and Administration and shall expire June 30, 2020.

Total Estimated Amount of Project and Actual Amount Contributed: No direct money exchange is anticipated. The Village of Wagon Mound receives Law Enforcement Protection Fund grants on an annual basis which shall be made available to Mora County Sheriff's Office for purchase and repair of equipment and to officer training in support of the purposes of this agreement. Any property acquired pursuant to this Agreement will remain the property of the Village.

17. GASB 77 Disclosures (Tax Abatements)

In accordance with 2.2.2.10(BB) NMAC, the County is required to make certain disclosures surrounding GASB 77, as applicable. Management of the County is not aware of any tax abatement agreements that existed and require disclosure as of June 30, 2018.

18. Adjustments to Fund Balances

Restatement

The Road Fund was reported as a major fund in the prior year, but has been reported as a non-major fund in the current year. The beginning fund balance for the major fund has been decreased by \$341,088 and, non-major funds have increased by the same amount.

The GOB Debt Service Fund was reported as a major fund in the prior year, but has been reported as a non-major fund in the current year. The beginning fund balance for the major fund has been decreased by \$234,748 and non-major funds have increased by the same amount.

The Chacon VFD Fund was reported as a non-major fund in the prior year, but has been reported as a major fund in the current year. The beginning fund balance for the non-major fund has been decreased by \$269,471 and major funds have increased by the same amount.

STATE OF NEW MEXICO
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Notes to Financial Statements
June 30, 2018

19. Prior Period Adjustment

The prior period statements were restated as a result of the following:

- Prior period adjustment in the amount of \$109,788 as a result of an interfund payable that was erroneously recorded in the year ended June 30, 2017.
- Prior period adjustment in the amount of (\$12,093) for a loss of capital assets disposals in the prior year.

The effect of the prior period adjustments above total \$97,695 in the Statement of Activities, Governmental Activities column. The effect of the prior period adjustments above total \$109,788 in the Statement of Revenues, Expenses and Changes in Fund Balances.

20. Subsequent Events

On February 14, 2019, the New Mexico Office of the State Auditor designated Mora County for a special audit.

The County has evaluated subsequent events through March 25, 2019, which is the date the financial statements were available for issuance.

SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
MORA COUNTY
Required Supplementary Information
For the Year Ended June 30, 2018

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY

Public Employees Retirement Association (PERA) Pension Plan
Municipal General Division
Last 10 Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability	0.1101%	0.0922%	0.0891%	0.0866%
Proportionate share of the net pension liability	\$ 1,512,867	1,473,047	908,452	675,573
Covered-employee payroll	\$ 1,262,582	1,247,410	1,016,530	919,178
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	120%	118%	89%	74%
Plan fiduciary net position as a percentage of the total pension liability	73.74%	69.18%	76.99%	81.39%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
Public Employees Retirement Association (PERA) Pension Plan
Municipal General Division
Last 10 Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 93,280	92,121	75,223	65,555
Contributions in relation to the contractually required	<u>(93,280)</u>	<u>(92,121)</u>	<u>(75,223)</u>	<u>(65,555)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered-employee payroll	\$ 1,262,582	1,247,410	1,016,530	919,178
Contribution as a percentage of covered-employee payroll	7%	7%	7%	7%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

STATE OF NEW MEXICO
MORA COUNTY
Required Supplementary Information
For the Year Ended June 30, 2018

SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY

Public Employees Retirement Association (PERA) Pension Plan
Municipal Police Division
Last 10 Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability	0.0449%	0.0447%	0.0388%	0.0373%
Proportionate share of the net pension liability	\$ 249,479	329,810	186,572	121,594
Covered-employee payroll	\$ 161,704	169,293	156,207	133,024
Proportionate share of the net pension liability as a percentage of its covered-employee payroll	154%	195%	119%	91%
Plan fiduciary net position as a percentage of the total pension liability	73.74%	69.18%	76.99%	81.29%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
Public Employees Retirement Association (PERA) Pension Plan
Municipal Police Division
Last 10 Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 16,770	17,552	16,246	14,400
Contributions in relation to the contractually required	<u>(16,770)</u>	<u>(17,552)</u>	<u>(16,246)</u>	<u>(14,400)</u>
Contribution deficiency (excess)	\$ -	-	-	-
Covered-employee payroll	\$ 161,704	169,293	156,207	133,024
Contribution as a percentage of covered- employee payroll	10%	10%	10%	10%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the County will present information for those years for which information is available.

STATE OF NEW MEXICO
MORA COUNTY
Notes to Required Supplementary Information
For the Year Ended June 30, 2018

Changes of benefit terms. The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA's FY17 CAFR audit available at:
<http://www.nmpera.org/assets/uploads/downloads/comprehensive-annual-financial-reports/CAFR-2017.pdf>.

Assumptions. The PERA of New Mexico Annual Actuarial Valuation as of June 30, 2017 report is available at:
<http://www.nmpera.org/assets/uploads/downloads/retirement-fund-valuation-reports/PERA-Valuation-6-30-2017-FINAL.pdf>.

OTHER SUPPLEMENTAL INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
MORA COUNTY
Non-Major Governmental Funds
June 30, 2018

SPECIAL REVENUE FUNDS

Special Revenue Funds are operating funds used to account for the proceeds of specific revenue sources that are intended for specific purposes other than special assessments or major capital projects. Special Revenue Funds included as non-major funds are as follows:

CORRECTIONS (Fund No. 201)

To account for correction fees authorized by State Statute Section 66-8-116, NMSA 1978. Such revenues are used to supplement general funds for the care of prisoners. No minimum balance required according to legislation.

PROPERTY VALUATION (Fund No. 203)

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 State Statute Section 7-38-38.1, NMSA 1978 Compilation). No minimum balance is required according to legislation.

ROAD (Fund No. 204)

To account for the distribution of gasoline taxes and motor vehicle registration fees to the County and the expenditures for construction, reconstruction, resurfacing, or other improvement or maintenance of public roads as authorized by NMSA 1978 Section 7-24A-5.

EMERGENCY MEDICAL SERVICES (Fund No. 206)

This fund is to account for a grant from the State of New Mexico Health and Environment Department to be utilized for capital outlay for fire personnel as paramedics. The funds was created by the authority of State Statute Section 24-10A-6, NMSA 1978 Compilation. No minimum balance required according to legislation.

FARM AND RANGE (Fund No. 208)

To account for the operations and maintenance of County roads and predatory animal control. Financing is provided by the County's share of grazing fees. Such fees provide for payment of all current operating costs and may be used only for that purpose. Authority is State Statute Section 6-11-6, NMSA 1978 Compilation and funding is provided by the Taylor Grazing Act. No minimum balance required according to legislation.

LAW PROTECTION (Fund No. 211)

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 State Statute Section 29-13-3f, NMSA 1978 Compilation. No minimum balance required according to legislation.

INDIGENT FUND (Fund No. 220)

To account for revenues received from state shared gross receipts taxes for hospital services for indigent citizens of the County. The fund was created by authority of state statute (see State Statute Section 24-10A-1, NMSA 1978 Compilation). No minimum balance required according to legislation.

STATE OF NEW MEXICO
MORA COUNTY
Non-Major Governmental Funds (continued)
June 30, 2018

DEVELOPMENT LOAN FUND (Fund No. 224)

To promote economic development in the County. No minimum balance required according to legislation.

CLERK FILING FEES (Fund No. 225)

To account for revenues and expenditures for control of equipment. The fees collected are restricted in that they may only be used for the purchase of equipment associated with the recording, filing, maintaining or reproducing of documents in the Office of the County Clerk. This fund was created by authority of State Statute Section 14-8-12.2, NMSA 1978 Compilation. No minimum balance required according to legislation.

JAIL DETENTION FUND (Fund No. 226)

To account for correction fees authorized by State Statute Section 66-8-116, NMSA 1978 Compilation. Such revenues are used to supplement general funds for the care of prisoners.

CRIME STOPPERS (Fund No. 232)

To account for funds used in the prevention of crime. No minimum balance required according to legislation.

SHERIFF DONATIONS (Fund No. 234)

To account for funds donated to the sheriff department. No minimum balance required according to legislation.

DRUG ENFORCEMENTS (Fund No. 236)

To account for funds used for drug enforcement projects. No minimum balance required according to legislation.

DARE (Fund No. 238)

To account for funds used for drug awareness projects. No minimum balance required according to legislation.

WIRELESS ESCROW (Funds No. 239, 262)

To account for funds used for Verizon, AT&T and T-Mobile projects. No minimum balance required according to legislation.

FIRE DISTRICT FUNDS (Funds No. 242, 243, 244, 245, 246, 247, 248, 251, 254, 259, 261)

To account for revenues and expenditures of fire protection funds for the communities of Mora, Guadalupita, Golondrinas, Ocate, Rainsville, Watrous, Chet, LMC, SBR, and Buena Vista. Funding is provided by allotments from the New Mexico State Fire Marshall's Office. The funds were created under the authority of State Statute Section 59A-93-5-8 and 59A-53-3, NMSA 1978 Compilation. No minimum balance required according to legislation.

VFD FIRE EXCISE (Fund No. 249)

To account for the fire excise taxes set aside for the purposes of financing operational expenses in providing ambulance services for the County. The fund was created by authority of the County electorate

STATE OF NEW MEXICO
MORA COUNTY
Non-Major Governmental Funds (continued)
June 30, 2018

election held November 9, 1998. Financing is provided by an excise tax equal to $\frac{1}{4}$ of 1 percent of the gross receipts. No minimum balance required according to legislation.

VFD FIRE EXCISE SPECIAL REVENUE FUND (Fund No. 250)

To account for the fire excise taxes set aside for the purposes of financing operational expenses in providing ambulance services for the County. The fund was created by authority of the County electorate election held November 9, 1998. Financing is provided by an excise tax equal to $\frac{1}{4}$ of 1 percent of the gross receipts. No minimum balance required according to legislation.

SEVERANCE BONDS: CHET & BUENA VISTA VFD SAP (Fund No. 257, 260)

To account for grant funds provided by the State of New Mexico out of severance tax bonds. The funds are to be used for repairs to the courthouse. No minimum balance required according to legislation.

MORA FIESTA FUND (Fund No. 258)

To account for donations to the Mora Fiestas. No minimum balance required according to legislation.

MORA VFD NMEMNRD GRAND FUND (Fund No. 266)

To account for grant proceeds and expenditures to related grants. No minimum balance required according to legislation.

ROAD (Fund No. 274)

This fund is used to account for grant monies used for capital outlay, leasing, and purchasing road equipment. The fund was created under the authority of State Statute Section 07-20E-9 thru 7-20E-11, NMSA 1978 Compilation. No minimum balance required according to legislation.

COUNTY FIRE EXCISE TAX (Fund No. 275)

This fund is used to account for the fire excise taxes set aside for the purpose of financial operational expenses in providing ambulances for the County. The taxes are held in the share account until allocated and expended for the various emergency services. The fund was created by authority of the County Electorate Election held November 9, 1998. The financing is provided by an excise tax equal to $\frac{1}{4}$ of 1 percent of the gross receipts. The funds are provided by the New Mexico Department of Safety and by a proclamation by the Governor. No minimum balance required according to legislation.

NFRD TITLE III (Fund No. 278)

To account for grant funds from the National Forest Reserve under the Secure Rural Schools and Community Self-Determination Act of 2000. Authority is Public Law 106-393. No minimum balance required according to legislation.

GUADALUPITA VFD NMEMNRD FUND (Fund No. 279)

To account for revenues and expenditures for grant funds to fight wild fires within the county. Funding is provided by allotments from the New Mexico State Fire Marshall's Office. The funds were created under the authority of State Statute Section 59A-53-5, NMSA 1978 Compilation. No minimum balance required according to legislation.

STATE OF NEW MEXICO
MORA COUNTY
Non-Major Governmental Funds (continued)
June 30, 2018

HOMELAND SECURITY FUND (Fund No. 283)

Law Enforcement Terrorism Prevention Program (LETPP) state grant issued by New Mexico Department of Homeland Security & Emergency Management. The monies are used for communications, emergency alert system and repeater sites, bay stations and backup batteries for repeaters. LETPP grant is also used for Law Enforcement training. No minimum balance required according to legislation.

RAINSVILLE VFD (Fund No. 285)

To account for New Mexico Finance Authority loan for a fire truck. No minimum balance required according to legislation.

LAW ENFORCEMENT FUND (Fund No. 287, 330)

To account for revenues and expenditures for maintaining and improving the County's law enforcement department in order to enhance its efficiency and effectiveness. No minimum balance required according to legislation.

CDWI, DWI-D, DWI-ST, DWI-G, DWI-DONATIONS, DWI COMP/MON FEE (Funds No. 290, 291, 292, 293, 294, 295)

To account for grant funds from the Department of Finance and Administration to provide quality substance abuse treatments, community education, outreach and primary prevention services to citizens of Mora County. This fund was created by authority of State Statute Section 66-7-501 to 66-7-511, NMSA 1978 Compilation. No minimum balance required according to legislation.

DEPARTMENT OF HEALTH/HEALTH COUNCIL (Fund No. 296)

To account for grant funds from the Department of Finance and Administration to provide quality health care, community education, outreach and primary prevention services to citizens of Mora County. This fund was created by authority of State Statute Section 66-7-501 to 66-7-511, NMSA 1978 Compilation. No minimum balance required according to legislation.

LEGAL DEFENSE FUND (Fund No. 299)

To account for reserves for legal defense for the County based on lawsuits that have been filed. No minimum balance required according to legislation.

GOB DEBT SERVICE (Fund Nos. 401 & 403)

To account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

STATE OF NEW MEXICO
MORA COUNTY
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2018

	Corrections Fund #201	Property Valuation Fund #203	Road Investment Fund #204	Emergency Medical Services Fund #206	Farm and Range Fund #208	Law Protection Fund #211	Indigent Fund #220	Development Loan Fund #224
Assets								
Cash and cash equivalents	\$ 46,840	65,607	241,944	151	10,095	1,349	31,275	4,208
Investments	-	-	11,115	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	90,782	-	-	-	7,531	-
Other	-	-	-	-	-	-	-	-
Total assets	\$ 46,840	65,607	343,841	151	10,095	1,349	38,806	4,208
Liabilities and fund balance								
Liabilities:								
Accounts payable	\$ -	145	18,031	657	-	-	-	-
Accrued salaries	-	757	10,743	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Total liabilities	-	902	28,774	657	-	-	-	-
Deferred inflows of resources:								
Delinquent property taxes	-	-	-	-	-	-	-	-
Fund balance:								
Nonspendable - prepaids	-	-	-	-	-	-	-	-
Restricted for:								
Subsequent year's expenditures	-	-	50,294	-	-	-	-	-
Special revenue funds	46,840	64,705	264,773	(506)	10,095	1,349	38,806	4,208
Debt service	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-
Total liabilities and fund balance	\$ 46,840	65,607	343,841	151	10,095	1,349	38,806	4,208

STATE OF NEW MEXICO
MORA COUNTY
Combining Balance Sheet - Non-Major Governmental Funds (continued)
June 30, 2018

	Clerk's Filing Fees Fund #225	Jail Detention Fund #226	Crime Stoppers Fund #232	Sheriff Donations Fund #234	Drug Enforcements Fund #236	DARE Fund #238	Wireless Escrow Fund #239	Mora VFD Fund #242
Assets								
Cash and cash equivalents	\$ 16,101	-	600	42	154	14	89,572	34,202
Investments	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	1,804
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	8,476	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total assets	\$ 16,101	8,476	600	42	154	14	89,572	36,006
Liabilities and fund balance								
Liabilities:								
Accounts payable	\$ -	9,175	-	-	-	-	10,813	2,427
Accrued salaries	-	-	-	-	-	-	-	-
Due to other funds	-	1,959	-	-	-	-	-	-
Total liabilities	-	11,134	-	-	-	-	10,813	2,427
Deferred inflows of resources:								
Delinquent property taxes	-	-	-	-	-	-	-	-
Fund balance:								
Nonspendable - prepaids	-	-	-	-	-	-	-	1,804
Restricted for:								
Subsequent year's expenditures	-	-	-	-	-	-	-	-
Special revenue funds	16,101	-	600	42	154	14	78,759	31,775
Debt service	-	-	-	-	-	-	-	-
Unrestricted	-	(2,658)	-	-	-	-	-	-
Total liabilities and fund balance	\$ 16,101	8,476	600	42	154	14	89,572	36,006

STATE OF NEW MEXICO
MORA COUNTY
Combining Balance Sheet - Non-Major Governmental Funds (continued)
June 30, 2018

	Guadalupita VFD Fund #243	Golondrinas VFD Fund #244	Ocate VFD Fund #245	Rainville VFD Fund #246	Watrous VFD Fund #247	CHET VFD Fund #248	VFD Fire Excise Share Fund #249	VFD Wildland Fund #250
Assets								
Cash and cash equivalents	\$ 114,561	29,692	43,747	59,931	69,434	114,965	274,200	119,613
Investments	4,634	-	10,248	4,634	-	-	-	-
Prepaid expenses	1,679	1,571	2,680	1,933	2,154	2,718	-	-
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	75,942
Other	-	-	-	-	-	-	-	-
Total assets	\$ 120,874	31,263	56,675	66,498	71,588	117,683	274,200	195,555
Liabilities and fund balance								
Liabilities:								
Accounts payable	\$ 101	290	214	6,002	223	200	710	-
Accrued salaries	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Total liabilities	101	290	214	6,002	223	200	710	-
Deferred inflows of resources:								
Delinquent property taxes	-	-	-	-	-	-	-	-
Fund balance:								
Nonspendable - prepaids	1,679	1,571	2,680	1,933	2,154	2,718	-	-
Restricted for:								
Subsequent year's expenditures	-	-	-	-	-	-	-	-
Special revenue funds	119,094	29,402	53,781	58,563	69,211	114,765	273,490	195,555
Debt service	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-
Total liabilities and fund balance	\$ 120,874	31,263	56,675	66,498	71,588	117,683	274,200	195,555

STATE OF NEW MEXICO
MORA COUNTY
Combining Balance Sheet - Non-Major Governmental Funds (continued)
June 30, 2018

	LMC VFD Fund #251	SBR VFD #254	CHET VFD SAP Fund #257	Mora Fiestas Volunteer Fund # 258	Buena Vista VFD Fund #259	SBR VFD Fund #260	Mora Fire Administrator #261	T-Mobile 2 Escrow #262
Assets								
Cash and cash equivalents	\$ 58,105	1,051	71,907	9,209	58,082	148	53,102	6,378
Investments	19,553	-	-	-	-	-	-	-
Prepaid expenses	2,104	1,004	-	-	2,557	-	803	-
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total assets	\$ 79,762	2,055	71,907	9,209	60,639	148	53,905	6,378
Liabilities and fund balance								
Liabilities:								
Accounts payable	\$ 271	178	-	-	630	-	367	-
Accrued salaries	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Total liabilities	271	178	-	-	630	-	367	-
Deferred inflows of resources:								
Delinquent property taxes	-	-	-	-	-	-	-	-
Fund balance:								
Nonspendable - prepaids	2,104	1,004	-	-	2,557	-	803	-
Restricted for:								
Subsequent year's expenditures	-	-	-	-	-	-	-	-
Special revenue funds	77,387	873	71,907	9,209	57,452	148	52,735	6,378
Debt service	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-
Total liabilities and fund balance	\$ 79,762	2,055	71,907	9,209	60,639	148	53,905	6,378

STATE OF NEW MEXICO
MORA COUNTY
Combining Balance Sheet - Non-Major Governmental Funds (continued)
June 30, 2018

	Mora VFD NMEMNRD Grant Fund #266	Road Department Fund #274	County Fire Excise Tax Fund #275	NFRD Title III Fund #278	Guadalupita VFD NMEMNRD Grant Fund #279	Homeland Security Grant Fund #283	Law Enforcement Fund #287	CDWI	#290
Assets									
Cash and cash equivalents	\$ -	812	18,849	104,287	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-	-
Receivables:									
Property taxes	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	14,830	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total assets	\$ -	812	33,679	104,287	-	-	-	-	-
Liabilities and fund balance									
Liabilities:									
Accounts payable	\$ -	-	-	-	-	-	-	-	-
Accrued salaries	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-	-	-
Deferred inflows of resources:									
Delinquent property taxes	-	-	-	-	-	-	-	-	-
Fund balance:									
Nonspendable - prepaids	-	-	-	-	-	-	-	-	-
Restricted for:									
Subsequent year's expenditures	-	-	-	-	-	-	-	-	-
Special revenue funds	-	812	33,679	104,287	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-	-
Total liabilities and fund balance	\$ -	812	33,679	104,287	-	-	-	-	-

STATE OF NEW MEXICO
MORA COUNTY
Combining Balance Sheet - Non-Major Governmental Funds (continued)
June 30, 2018

	DWI-D Fund #291	DWI-ST Fund #292	DWI- Donations Fund #293	DWI Comp/Mon Fee #294	DWI-G Fund #295	DOH / Health Council Fund #296	Mora County Legal Defense Fund #299	Law Enforce- ment Fund #330
Assets								
Cash and cash equivalents	\$ -	2,450	2,577	2,875	8,568	2,115	6,063	131
Investments	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	-	-	-
Receivables:								
Property taxes	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total assets	\$ -	2,450	2,577	2,875	8,568	2,115	6,063	131
Liabilities and fund balance								
Liabilities:								
Accounts payable	\$ -	-	-	-	-	-	-	-
Accrued salaries	-	-	-	-	-	-	-	-
Due to other funds	325	-	-	-	-	-	-	-
Total liabilities	325	-	-	-	-	-	-	-
Deferred inflows of resources:								
Delinquent property taxes	-	-	-	-	-	-	-	-
Fund balance:								
Nonspendable - prepaids	-	-	-	-	-	-	-	-
Restricted for:								
Subsequent year's expenditures	-	-	-	-	-	-	-	-
Special revenue funds	(325)	2,450	2,577	2,875	8,568	2,115	6,063	131
Debt service	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-
Total liabilities and fund balance	\$ -	2,450	2,577	2,875	8,568	2,115	6,063	131

STATE OF NEW MEXICO
MORA COUNTY
Combining Balance Sheet - Non-Major Governmental Funds (continued)
June 30, 2018

	Rainsville VFD USDA #285	Complex 3 #315	Debt Service Funds #401 & #403	Total Non-major Special Revenue Funds	Total Non- major Governmental Funds
Assets					
Cash and cash equivalents	\$ 401	1,650	245,390	1,777,057	2,022,447
Investments	-	-	-	50,184	50,184
Prepaid expenses	-	-	-	21,007	21,007
Receivables:					
Property taxes	-	-	53,342	-	53,342
Intergovernmental	-	-	-	197,561	197,561
Other	-	-	-	-	-
Total assets	\$ 401	1,650	298,732	2,045,809	2,344,541
Liabilities and fund balance					
Liabilities:					
Accounts payable	\$ -	-	-	50,434	50,434
Accrued salaries	-	-	-	11,500	11,500
Due to other funds	-	-	-	2,284	2,284
Total liabilities	-	-	-	64,218	64,218
Deferred inflows of resources:					
Delinquent property taxes	-	-	48,931	-	48,931
Fund balance:					
Nonspendable - prepaids	-	-	-	21,007	21,007
Restricted for:					
Subsequent year's expenditures	-	-	-	50,294	50,294
Special revenue funds	401	1,650	-	1,912,948	1,912,948
Debt service	-	-	249,801	-	249,801
Unrestricted	-	-	-	(2,658)	(2,658)
Total liabilities and fund balance	\$ 401	1,650	298,732	2,045,809	2,344,541

STATE OF NEW MEXICO
MORA COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Governmental Funds
Year Ended June 30, 2018

	Corrections Fund #201	Property Valuation Fund #203	Road Investment Fund #204	Emergency Medical Services Fund #206	Farm and Range Fund #208
Revenues					
Taxes:					
Property	\$ -	-	-	-	-
Gross receipts	-	-	159,260	-	-
Intergovernmental - federal grants	-	-	35,414	-	-
Intergovernmental - state grants	-	-	136,229	10,869	-
Contributions - private grants	-	-	373	-	-
Charges for services	45,582	32,964	193,154	-	-
Investment and interest income	-	-	1,278	-	-
Miscellaneous	-	-	-	-	906
Total Revenues	<u>45,582</u>	<u>32,964</u>	<u>525,708</u>	<u>10,869</u>	<u>906</u>
Expenditures:					
Current:					
General government	-	22,770	-	-	-
Public safety	-	-	-	17,821	-
Public works	-	-	460,013	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	33,717	-	-
Debt service:					
Principal retirement	-	-	50,054	-	-
Bond interest paid	-	-	7,945	-	-
Bond issuance costs	-	-	-	-	-
Total expenditures	<u>-</u>	<u>22,770</u>	<u>551,729</u>	<u>17,821</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	45,582	10,194	(26,021)	(6,952)	906
Other financing sources and financing uses:					
Sale of bonds/capital leases	-	-	-	-	-
Transfers in	-	-	-	307	-
Transfers out	(60,000)	-	-	-	-
Total other financing sources and financing uses	<u>(60,000)</u>	<u>-</u>	<u>-</u>	<u>307</u>	<u>-</u>
<i>Net change in fund balances</i>	(14,418)	10,194	(26,021)	(6,645)	906
Fund balances (deficit) at beginning of year	<u>61,258</u>	<u>54,511</u>	<u>341,088</u>	<u>6,139</u>	<u>9,189</u>
Fund balances (deficit) at the end of the year	<u>\$ 46,840</u>	<u>64,705</u>	<u>315,067</u>	<u>(506)</u>	<u>10,095</u>

STATE OF NEW MEXICO
MORA COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Non-Major Governmental Funds
Year Ended June 30, 2018

	Law Protection Fund #211	Indigent Fund #220	Development Loan Fund #224	Clerk's Filing Fees Fund #225	Jail Detention Fund #226
Revenues					
Taxes:					
Property	\$ -	-	-	-	-
Gross receipts	-	45,411	-	-	52,192
Intergovernmental - federal grants	-	-	-	-	-
Intergovernmental - state grants	22,400	-	-	-	6,759
Contributions - private grants	-	-	-	-	-
Charges for services	-	-	-	7,893	-
Investment and interest income	142	-	-	-	-
Miscellaneous	-	-	4,208	-	-
Total Revenues	<u>22,542</u>	<u>45,411</u>	<u>4,208</u>	<u>7,893</u>	<u>58,951</u>
Expenditures:					
Current:					
General government	-	-	-	8,577	-
Public safety	6,928	-	-	-	204,636
Public works	-	-	-	-	-
Health and welfare	-	54,808	-	-	-
Capital outlay	-	-	-	5,095	-
Debt service:					
Principal retirement	14,440	-	-	-	-
Bond interest paid	1,122	-	-	-	-
Bond issuance costs	-	-	-	-	-
Total expenditures	<u>22,490</u>	<u>54,808</u>	<u>-</u>	<u>13,672</u>	<u>204,636</u>
<i>Excess (deficiency) of revenues over expenditures</i>	52	(9,397)	4,208	(5,779)	(145,685)
Other financing sources and financing uses:					
Sale of bonds	-	-	-	-	-
Transfers in	1,207	-	-	-	160,000
Transfers out	-	(40,000)	(3,693)	-	-
Total other financing sources and financing uses	<u>1,207</u>	<u>(40,000)</u>	<u>(3,693)</u>	<u>-</u>	<u>160,000</u>
<i>Net change in fund balances</i>	1,259	(49,397)	515	(5,779)	14,315
Fund balances (deficit) at beginning of year	<u>90</u>	<u>88,203</u>	<u>3,693</u>	<u>21,880</u>	<u>(16,973)</u>
Fund balances (deficit) at the end of the year	<u>\$ 1,349</u>	<u>38,806</u>	<u>4,208</u>	<u>16,101</u>	<u>(2,658)</u>

STATE OF NEW MEXICO
MORA COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Non-Major Governmental Funds
Year Ended June 30, 2018

	Crime Stoppers Fund #232	Sheriff Donations Fund #234	Drug Enforcement Fund #236	DARE Fund #238	Wireless Escrow Fund #239
Revenues					
Taxes:					
Property	\$ -	-	-	-	-
Gross receipts	-	-	-	-	-
Intergovernmental - federal grants	-	-	-	-	-
Intergovernmental - state grants	-	-	-	-	-
Contributions - private grants	-	-	-	-	25,500
Charges for services	-	-	-	-	-
Investment and interest income	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,500</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	188	-	273	-
Public works	-	-	-	-	20,754
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Bond interest paid	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
Total expenditures	<u>-</u>	<u>188</u>	<u>-</u>	<u>273</u>	<u>20,754</u>
<i>Excess (deficiency) of revenues over expenditure</i>	-	(188)	-	(273)	4,746
Other financing sources and financing uses:					
Sale of bonds	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources and financing use	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	(188)	-	(273)	4,746
Fund balances (deficit) at beginning of year	<u>600</u>	<u>230</u>	<u>154</u>	<u>287</u>	<u>74,013</u>
Fund balances (deficit) at the end of the year \$	<u><u>600</u></u>	<u><u>42</u></u>	<u><u>154</u></u>	<u><u>14</u></u>	<u><u>78,759</u></u>

STATE OF NEW MEXICO
MORA COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Non-Major Governmental Funds
Year Ended June 30, 2018

	Mora VFD Fund #242	Guadalupita VFD Fund #243	Golondrinas VFD Fund #244	Ocate VFD Fund #245	Rainville VFD Fund #246
Revenues					
Taxes:					
Property	\$ -	-	-	-	-
Gross receipts	-	-	-	-	-
Intergovernmental - federal grants	-	-	-	-	-
Intergovernmental - state grants	79,262	52,844	52,844	73,713	52,844
Contributions - private grants	-	-	-	-	-
Charges for services	-	-	23	88	-
Investment and interest income	98	155	83	168	87
Miscellaneous	-	-	-	-	-
Total Revenues	<u>79,360</u>	<u>52,999</u>	<u>52,950</u>	<u>73,969</u>	<u>52,931</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	43,575	12,696	31,544	49,927	27,911
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	26	-	174,150
Debt service:					
Principal retirement	12,550	19,221	10,939	18,811	-
Bond interest paid	5,896	5,731	5,989	2,245	-
Bond issuance costs	-	-	-	-	-
Total expenditures	<u>62,021</u>	<u>37,648</u>	<u>48,498</u>	<u>70,983</u>	<u>202,061</u>
<i>Excess (deficiency) of revenues over expenditures</i>	17,339	15,351	4,452	2,986	(149,130)
Other financing sources and financing uses:					
Sale of bonds	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	17,339	15,351	4,452	2,986	(149,130)
Fund balances (deficit) at beginning of year	<u>16,240</u>	<u>105,422</u>	<u>26,521</u>	<u>53,475</u>	<u>209,626</u>
Fund balances (deficit) at the end of the year	<u>\$ 33,579</u>	<u>120,773</u>	<u>30,973</u>	<u>56,461</u>	<u>60,496</u>

STATE OF NEW MEXICO
MORA COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Non-Major Governmental Funds
Year Ended June 30, 2018

	Watrous VFD Fund #247	CHET VFD Fund #248	VFD Fire Excise Share Fund #249	VFD Wildland Fund #250	LMC VFD Fund #251
Revenues					
Taxes:					
Property	\$ -	-	-	-	-
Gross receipts	-	-	-	-	-
Intergovernmental - federal grants	-	-	-	-	-
Intergovernmental - state grants	52,844	105,688	-	164,706	101,514
Contributions - private grants	-	-	-	-	-
Charges for services	-	-	45,050	-	-
Investment and interest income	80	96	81	-	348
Miscellaneous	-	-	-	-	-
Total Revenues	<u>52,924</u>	<u>105,784</u>	<u>45,131</u>	<u>164,706</u>	<u>101,862</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	19,899	42,736	158,545	143,146	29,329
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	12,205	15,195	-	-	23,560
Bond interest paid	2,119	1,716	390	-	10,979
Bond issuance costs	-	-	-	-	-
Total expenditures	<u>34,223</u>	<u>59,647</u>	<u>158,935</u>	<u>143,146</u>	<u>63,868</u>
<i>Excess (deficiency) of revenues over expenditures</i>	18,701	46,137	(113,804)	21,560	37,994
Other financing sources and financing uses:					
Sale of bonds	-	-	50,649	-	-
Transfers in	-	-	100,051	-	-
Transfers out	-	-	-	-	-
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>150,700</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	18,701	46,137	36,896	21,560	37,994
Fund balances (deficit) at beginning of year	<u>52,664</u>	<u>71,346</u>	<u>236,594</u>	<u>173,995</u>	<u>41,497</u>
Fund balances (deficit) at the end of the year	<u>\$ 71,365</u>	<u>117,483</u>	<u>273,490</u>	<u>195,555</u>	<u>79,491</u>

STATE OF NEW MEXICO
MORA COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Non-Major Governmental Funds
Year Ended June 30, 2018

	SBR VFD #254	CHET VFD SAP Fund #257	Mora Fiestas Volunteer Fund # 258	Buena Vista VFD Fund #259	SBR SAP VFD Fund #260
Revenues					
Taxes:					
Property	\$ -	-	-	-	-
Gross receipts	-	-	-	-	-
Intergovernmental - federal grants	-	-	-	-	-
Intergovernmental - state grants	52,844	-	13,237	79,262	-
Contributions - private grants	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment and interest income	17	-	-	121	301
Miscellaneous	-	-	-	-	-
Total Revenues	<u>52,861</u>	<u>-</u>	<u>13,237</u>	<u>79,383</u>	<u>301</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	17,512	-	17,226	44,633	-
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	92,034	-	-	-	235,468
Debt service:					
Principal retirement	-	-	-	17,625	-
Bond interest paid	-	-	-	6,271	1,134
Bond issuance costs	-	-	-	-	-
Total expenditures	<u>109,546</u>	<u>-</u>	<u>17,226</u>	<u>68,529</u>	<u>236,602</u>
<i>Excess (deficiency) of revenues over expenditures</i>	(56,685)	-	(3,989)	10,854	(236,301)
Other financing sources and financing uses:					
Sale of bonds	-	-	-	-	151,134
Transfers in	22,000	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources and financing uses	<u>22,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,134</u>
<i>Net change in fund balances</i>	(34,685)	-	(3,989)	10,854	(85,167)
Fund balances (deficit) at beginning of year	<u>36,562</u>	<u>71,907</u>	<u>13,198</u>	<u>49,155</u>	<u>85,315</u>
Fund balances (deficit) at the end of the year	\$ <u>1,877</u>	<u>71,907</u>	<u>9,209</u>	<u>60,009</u>	<u>148</u>

STATE OF NEW MEXICO
MORA COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Non-Major Governmental Funds
Year Ended June 30, 2018

	More Fire Administrator #261	T-Mobile 2 Escrow #262	Mora VFD NMEMNRD Grant Fund #266	Road Department Fund #274	County Fire Excise Tax Fund #275
Revenues					
Taxes:					
Property	\$ -	-	-	-	-
Gross receipts	-	-	-	-	96,448
Intergovernmental - federal grants	-	-	-	-	-
Intergovernmental - state grants	70,919	-	-	5,062	-
Contributions - private grants	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment and interest income	20	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>70,939</u>	<u>-</u>	<u>-</u>	<u>5,062</u>	<u>96,448</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	18,227	5,780	-	-	-
Public works	-	-	-	5,786	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Bond interest paid	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
Total expenditures	<u>18,227</u>	<u>5,780</u>	<u>-</u>	<u>5,786</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	52,712	(5,780)	-	(724)	96,448
Other financing sources and financing uses:					
Sale of bonds	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	(22,000)	-	-	-	(100,051)
Total other financing sources and financing uses	<u>(22,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,051)</u>
<i>Net change in fund balances</i>	30,712	(5,780)	-	(724)	(3,603)
Fund balances (deficit) at beginning of year	<u>22,826</u>	<u>12,158</u>	<u>-</u>	<u>1,536</u>	<u>37,282</u>
Fund balances (deficit) at the end of the year	<u>\$ 53,538</u>	<u>6,378</u>	<u>-</u>	<u>812</u>	<u>33,679</u>

STATE OF NEW MEXICO
MORA COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Non-Major Governmental Funds
Year Ended June 30, 2018

	NFRD Title III Fund #278	Guadalupita VFD NMEMNRD Grant Fund #279	Homeland Security Grant Fund #283	Law Enforcement Fund #287	CDWI #290
Revenues					
Taxes:					
Property	\$ -	-	-	-	-
Gross receipts	-	-	-	-	-
Intergovernmental - federal grants	-	-	-	-	-
Intergovernmental - state grants	5,833	-	-	-	-
Contributions - private grants	-	-	-	-	-
Charges for services	-	-	-	-	621
Investment and interest income	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>5,833</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>621</u>
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	7,126	-	-	-	-
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Bond interest paid	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
Total expenditures	<u>7,126</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	(1,293)	-	-	-	621
Other financing sources and financing uses:					
Sale of bonds	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(1,207)	-
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,207)</u>	<u>-</u>
<i>Net change in fund balances</i>	(1,293)	-	-	(1,207)	621
Fund balances (deficit) at beginning of year	<u>105,580</u>	<u>-</u>	<u>-</u>	<u>1,207</u>	<u>(621)</u>
Fund balances (deficit) at the end of the year	<u>\$ 104,287</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

STATE OF NEW MEXICO
MORA COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Non-Major Governmental Funds
Year Ended June 30, 2018

	DWI-D Fund #291	DWI-ST Fund #292	DWI- Donations Fund #293	DWI Comp/Mon Fee #294	DWI-G Fund #295	DOH / Health Council Fund #296
Revenues						
Taxes:						
Property	\$ -	-	-	-	-	-
Gross receipts	-	-	-	-	-	-
Intergovernmental - federal grants	-	-	-	-	-	4,855
Intergovernmental - state grants	66,130	800	-	-	7,626	-
Contributions - private grants	-	-	232	-	-	-
Charges for services	-	-	-	2,800	-	-
Investment and interest income	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	<u>66,130</u>	<u>800</u>	<u>232</u>	<u>2,800</u>	<u>7,626</u>	<u>4,855</u>
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	73,324	-	170	-	8,795	5,189
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	7,091	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Bond interest paid	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Total expenditures	<u>73,324</u>	<u>-</u>	<u>170</u>	<u>-</u>	<u>15,886</u>	<u>5,189</u>
<i>Excess (deficiency) of revenues over expenditures</i>	(7,194)	800	62	2,800	(8,260)	(334)
Other financing sources and financing uses:						
Sale of bonds	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(7,194)	800	62	2,800	(8,260)	(334)
Fund balances (deficit) at beginning of year	<u>6,869</u>	<u>1,650</u>	<u>2,515</u>	<u>75</u>	<u>16,828</u>	<u>2,449</u>
Fund balances (deficit) at the end of the year	\$ <u>(325)</u>	<u>2,450</u>	<u>2,577</u>	<u>2,875</u>	<u>8,568</u>	<u>2,115</u>

STATE OF NEW MEXICO
MORA COUNTY
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance (continued)
Non-Major Governmental Funds
Year Ended June 30, 2018

	Mora County Legal Defense Fund #299	Complex 3 Fund #315	Law Enforcement Fund #330	Rainsville VFD USDA #285	Debt Service Fund #401 & #403	Total Non- Major Special Revenue Funds	Total Non- major Governmental Funds
Revenues							
Taxes:							
Property	\$ -	-	-	-	245,800	-	245,800
Gross receipts	-	-	-	-	-	353,311	353,311
Intergovernmental - federal grants	-	-	-	-	-	40,269	40,269
Intergovernmental - state grants	-	-	-	-	-	1,214,229	1,214,229
Contributions - private grants	-	-	-	-	-	26,105	26,105
Charges for services	-	1,650	-	-	-	329,825	329,825
Investment and interest income	-	-	-	470	31	3,545	3,576
Miscellaneous	-	-	-	-	-	5,114	5,114
Total Revenues	-	1,650	-	470	245,831	1,972,398	2,218,229
Expenditures:							
Current:							
General government	-	-	-	-	-	31,347	31,347
Public safety	10,000	-	-	-	-	997,136	997,136
Public works	-	-	-	-	-	486,553	486,553
Health and welfare	-	-	-	-	-	54,808	54,808
Capital outlay	-	-	-	180,070	-	727,651	727,651
Debt service:							
Principal retirement	-	-	-	-	195,000	194,600	389,600
Bond interest paid	-	-	-	1,360	35,778	52,897	88,675
Bond issuance costs	-	-	-	-	-	-	-
Total expenditures	10,000	-	-	181,430	230,778	2,544,992	2,775,770
<i>Excess (deficiency) of revenues over expenditures</i>	(10,000)	1,650	-	(180,960)	15,053	(572,594)	(557,541)
Other financing sources and financing uses:							
Sale of bonds	-	-	-	181,361	-	383,144	383,144
Transfers in	-	-	-	-	-	283,565	283,565
Transfers out	-	-	-	-	-	(226,951)	(226,951)
Total other financing sources and financing uses	-	-	-	181,361	-	439,758	439,758
<i>Net change in fund balances</i>	(10,000)	1,650	-	401	15,053	(132,836)	(117,783)
Fund balances (deficit) at beginning of year	16,063	-	131	-	234,748	2,114,427	2,349,175
Fund balances (deficit) at the end of the year	\$ 6,063	1,650	131	401	249,801	1,981,591	2,231,392

**MAJOR PROPRIETARY FUNDS
BUDGETARY PRESENTATION**

STATE OF NEW MEXICO
MORA COUNTY
Enterprise Funds
June 30, 2018

PROPRIETARY MAJOR FUNDS

SOLID WASTE FUND (Fund 504)

The fund accounts for the activities of the County's solid waste operations which includes collection of fees for solid waste services.

AMBULANCE FUND (Fund 510)

The fund accounts for the activities of the County's ambulance operations which includes collection of fees for ambulance services.

STATE OF NEW MEXICO
MORA COUNTY
Statement of Revenues, Expenditures, and Changes in Net Position –
Budget and Actual (Non-GAAP Budgetary Basis)
Solid Waste Fund – No. 504
Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		Actual Amounts (Non- GAAP Budgetary Basis)	Variances With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for sales and services:				
Solid waste charges	\$ 279,500	279,500	146,382	(133,118)
Operating expenses:				
Personal services	-	-	96,478	(96,478)
Operating expenses	<u>349,800</u>	<u>349,800</u>	<u>169,903</u>	<u>179,897</u>
Total operating expenses	<u>349,800</u>	<u>349,800</u>	<u>266,381</u>	<u>83,419</u>
<i>Operating income (loss)</i>	(70,300)	(70,300)	(119,999)	(49,699)
Non-operating revenues (expenses):				
Gross receipts tax	40,000	40,000	40,807	807
Miscellaneous income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-operating revenues (expenses)	40,000	40,000	40,807	807
<i>Income (loss) before contributions and transfers</i>	(30,300)	(30,300)	(79,192)	(48,892)
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Change in net position</i>	(30,300)	(30,300)	(79,192)	(48,892)
<i>Beginning cash balance budgeted</i>	<u>85,282</u>	<u>85,282</u>		
<i>Total</i>	54,982	54,982		
Net position beginning of year	<u>78,954</u>	<u>78,954</u>	<u>985,515</u>	
Net position at the end of the year	\$ <u>48,654</u>	<u>48,654</u>	906,323	
RECONCILIATION TO GAAP BASIS:				
Change in receivables			(4,017)	
Change in deferred outflows due to pensions			(16,623)	
Change in fixed assets			34,806	
Change in payables			(5,130)	
Change in net pension liability			36,189	
Change in accrued liabilities			(4,855)	
Change in deferred inflows due to pensions			<u>(3,780)</u>	
Net position at the end of the year (GAAP basis)			\$ <u>942,913</u>	

STATE OF NEW MEXICO
MORA COUNTY
Statement of Revenues, Expenditures, and Changes in Net Position –
Budget and Actual (Non-GAAP Budgetary Basis)
Ambulance Fund – No. 510
Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts (Non- GAAP Budgetary Basis)	Variances With Final Budget Positive (Negative)
	Original	Final		
Operating revenues:				
Charges for sales and services:				
Ambulance charges	\$ 55,000	82,000	48,087	(33,913)
Operating expenses:				
Operating expenses	<u>200,676</u>	<u>289,290</u>	<u>280,107</u>	<u>9,183</u>
<i>Operating income (loss)</i>	(145,676)	(207,290)	(232,020)	(24,730)
Non-operating revenues (expenses):				
Gross receipts tax	<u>60,000</u>	<u>60,000</u>	<u>82,234</u>	<u>22,234</u>
<i>Income (loss) before contributions and transfers</i>	(85,676)	(147,290)	(149,786)	(2,496)
Transfers in	<u>50,000</u>	<u>111,614</u>	<u>70,000</u>	<u>-</u>
<i>Change in net position</i>	(35,676)	(35,676)	(79,786)	(2,496)
<i>Beginning cash balance budgeted</i>	<u>36,390</u>	<u>36,390</u>		
<i>Total</i>	714	714		
Net position beginning of year	<u>61,262</u>	<u>61,262</u>	<u>(71,889)</u>	
Net position at the end of the year	\$ <u>25,586</u>	<u>25,586</u>	(151,675)	
RECONCILIATION TO GAAP BASIS:				
Change in receivables			19,530	
Change in deferred outflows due to pensions			1,709	
Change in payables			(35,159)	
Change in accrued liabilities			(9,585)	
Change in due to other funds			34,916	
Change in deferred inflows due to pensions			(12,686)	
Change in net pension liability			<u>(26,954)</u>	
Net position at the end of the year (GAAP basis)			\$ <u>(179,904)</u>	

STATE OF NEW MEXICO
MORA COUNTY
Schedule of Changes in Assets and Liabilities – All Agency Funds
Fiduciary Funds
June 30, 2018

	Balance June 30, 2017	Receipts	Disbursements	Balance June 30, 2018
ASSETS				
Cash	\$ 34,005	1,366,142	(1,337,826)	62,321
Taxes receivable	<u>288,819</u>	<u>1,489,950</u>	<u>(1,514,718)</u>	<u>264,051</u>
Pooled cash and investments	\$ <u>322,824</u>	<u>2,856,092</u>	<u>(2,852,544)</u>	<u>326,372</u>
LIABILITIES				
Taxes due to others	\$ 288,819	1,489,950	(1,514,718)	264,051
Undistributed taxes	33,920	1,161,221	(1,145,987)	49,154
Taxes paid in advance	<u>85</u>	<u>204,921</u>	<u>(191,839)</u>	<u>13,167</u>
Deposits held for others	\$ <u>322,824</u>	<u>2,856,092</u>	<u>(2,852,544)</u>	<u>326,372</u>

STATE OF NEW MEXICO
MORA COUNTY
Schedule of Pledged Collateral
June 30, 2018

	Southwest Capital Bank	Community First Bank	BOK Financial	NM Finance Authority	Total
Cash on deposit at June 30, 2018	\$ 3,627,317	25,167	1,895,239	89,518	5,637,241
Less: FDIC coverage	<u>(250,000)</u>	<u>(25,167)</u>	<u>(250,000)</u>	<u>(89,518)</u>	<u>(614,685)</u>
Uninsured funds	<u>\$ 3,377,317</u>	<u>-</u>	<u>1,645,239</u>	<u>-</u>	<u>5,022,556</u>
50% collateral requirement	\$ 1,688,659	-	822,620	-	2,511,279
Pledged collateral	<u>2,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,500,000</u>
Excess (deficiency) of pledged collateral	<u>\$ 811,341</u>	<u>-</u>	<u>(822,620)</u>	<u>-</u>	<u>(11,279)</u>

Pledged collateral of financial institutions consists of the following at June 30, 2018:

Southwest capital bank:	Maturity	CUSIP #	Market Value
FHLB - LOC 4305000004	1/25/2019	None	\$ <u>2,500,000</u>
			\$ <u><u>2,500,000</u></u>

The above securities are held at Federal Home Loan Bank, Dallas, TX.

State of New Mexico - Detail of pledged collateral specific to the County is unavailable because the bank comingles pledged collateral for all state funds it holds. However, the State Treasurer's Office Collateral Bureau monitors pledged collateral for all state funds.

	Southwest Capital Bank	Community First Bank	BOK Financial	NM Finance Authority	Total
Reconciliation to Financial Statements					
Bank balances	\$ 3,627,317	25,167	1,895,239	89,518	5,637,241
Deposits in transit	-	-	-	-	-
Outstanding checks	<u>(138,858)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(138,858)</u>
Total per books	<u>\$ 3,488,459</u>	<u>25,167</u>	<u>1,895,239</u>	<u>89,518</u>	<u>5,498,383</u>
Cash on hand					900
Total per financial statements				\$	<u><u>5,499,283</u></u>
Financial statements					
Government-type activities					
Cash and cash equivalents				\$	5,168,727
Investments					199,365
Business-type activities					
Cash and cash equivalents					68,870
Agency funds					
Cash and cash equivalents					<u>62,321</u>
Total per financial statements				\$	<u><u>5,499,283</u></u>

STATE OF NEW MEXICO
MORA COUNTY
Schedule of Depository Accounts
June 30, 2018

		Bank Balance	Outstanding Deposits	Outstanding Checks	Book Balance
<u>Southwest Capital</u>					
General operating	Interest	\$ 2,346,686	-	(3,627)	2,343,059
Warrants	Non-interest	1,104,738	-	(135,231)	969,507
MVD	Non-interest	1,695	-	-	1,695
Certificate of deposit	Interest	7,601	-	-	7,601
Certificate of deposit	Interest	73,144	-	-	73,144
Certificate of deposit	Interest	7,924	-	-	7,924
Certificate of deposit	Interest	11,141	-	-	11,141
Certificate of deposit	Interest	27,675	-	-	27,675
Certificate of deposit	Interest	27,675	-	-	27,675
Certificate of deposit	Interest	4,655	-	-	4,655
Certificate of deposit	Interest	4,655	-	-	4,655
Certificate of deposit	Interest	4,655	-	-	4,655
Certificate of deposit	Interest	4,655	-	-	4,655
<u>Community First Bank</u>					
Certificate of deposit	Interest	20,018	-	-	20,018
Certificate of deposit	Interest	5,567	-	-	5,567
<u>BOK Financial</u>					
Account	Interest	1,895,239	-	-	1,895,239
<u>New Mexico Finance Authority</u>					
Account	Interest	46	-	-	46
Account	Interest	2	-	-	2
Account	Interest	37	-	-	37
Account	Interest	55,404	-	-	55,404
Account	Interest	120	-	-	120
Account	Interest	99	-	-	99
Account	Interest	135	-	-	135
Account	Interest	212	-	-	212
Account	Interest	149	-	-	149
Account	Interest	26,868	-	-	26,868
Account	Interest	199	-	-	199
Account	Interest	123	-	-	123
Account	Interest	1,349	-	-	1,349
Account	Interest	401	-	-	401
Account	Interest	-	-	-	-
Account	Interest	-	-	-	-
Account	Interest	4,374	-	-	4,374
Total		\$ 5,637,241	-	(138,858)	5,498,383

STATE OF NEW MEXICO
MORA COUNTY
Schedule of Delinquent Property Taxes
Year Ended June 30, 2018

Tax Year	Taxes Billed	Adjustments to Taxes	Taxes Charge by Treasurer	Taxes Collected	Delinquent Taxes
2017	\$ 2,266,059	(11,331)	2,254,728	2,028,782	225,946
2016	2,208,005	(11,041)	2,196,964	2,073,272	123,692
2015	2,982,383	(239,650)	2,742,733	2,664,807	77,926
2014	2,963,124	(160,478)	2,802,646	2,762,599	40,047
2013	2,743,674	(167,042)	2,576,632	2,552,427	24,205
2012	2,625,099	(182,773)	2,442,326	2,414,109	28,217
2011	2,545,895	(26,681)	2,519,214	2,495,317	23,897
2010	2,444,891	(17,079)	2,427,812	2,407,413	20,399
2009	2,224,767	48,397	2,273,164	2,262,475	10,689
2008	2,071,862	(37,673)	2,034,189	2,029,179	5,010
Total	\$ <u>25,075,759</u>	<u>(805,351)</u>	<u>24,270,408</u>	<u>23,690,380</u>	<u>580,028</u>

District # 001	\$ 50,514
District # 2SM	315,977
District # 12I	3,829
District 12O	107,250
District # 10A	<u>102,458</u>
	<u>\$ 580,028</u>

STATE OF NEW MEXICO
MORA COUNTY
Tax Roll Reconciliation – Changes in
The County Treasurer’s Property Taxes Receivable
Year Ended June 30, 2018

Property taxes receivable, beginning of year	\$	477,628
Changes to tax roll:		
Net taxes charged to treasurer for fiscal year		2,933,834
Adjustments:		
Increase in taxes receivable		102,400
Charge off of taxes receivable		(14,669)
Removal of delinquent taxes		<u>(285,333)</u>
 Total receivables prior to collections		 3,213,860
 Collections for fiscal year ended June 30, 2017		 <u>(2,633,832)</u>
Property taxes receivable, end of year	\$	<u><u>580,028</u></u>
 Property taxes receivable by years:		
2008-2017	\$	294,695
2018		<u>285,333</u>
	\$	<u><u>580,028</u></u>

STATE OF NEW MEXICO
MORA COUNTY
Treasurer's Property Tax Schedule
June 30, 2018

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed to Date	Current Amount Uncollectible	To-Date Amount Uncollectible	Undistributed at Year End	County Receivable at Year End
State:									
NM Debt Service									
2008-2016	\$ 1,412,374	12,943	1,391,396	12,943	1,391,396	-	105	-	20,874
2017	<u>191,323</u>	<u>170,402</u>	<u>170,402</u>	<u>170,402</u>	<u>170,402</u>	<u>957</u>	<u>957</u>	<u>8,358</u>	<u>19,964</u>
	<u>1,603,697</u>	<u>183,345</u>	<u>1,561,797</u>	<u>183,345</u>	<u>1,561,797</u>	<u>957</u>	<u>1,062</u>	<u>8,358</u>	<u>40,838</u>
State Specials									
2008-2016	371,606	1,896	364,156	1,896	366,052	-	37	-	7,413
2017	<u>50,166</u>	<u>47,651</u>	<u>47,651</u>	<u>37,402</u>	<u>85,054</u>	<u>251</u>	<u>251</u>	<u>10,249</u>	<u>2,264</u>
	<u>421,772</u>	<u>49,548</u>	<u>411,807</u>	<u>39,299</u>	<u>451,106</u>	<u>251</u>	<u>288</u>	<u>10,249</u>	<u>9,676</u>
Total State	<u>2,025,468</u>	<u>232,892</u>	<u>1,973,605</u>	<u>222,643</u>	<u>2,012,904</u>	<u>1,207</u>	<u>1,350</u>	<u>18,607</u>	<u>50,514</u>
Mora County:									
Operational									
2008-2016	9,183,469	81,368	9,049,105	81,368	9,049,105	-	672	-	133,693
2017	<u>1,295,608</u>	<u>1,161,594</u>	<u>1,161,594</u>	<u>1,161,594</u>	<u>1,161,594</u>	<u>6,478</u>	<u>6,478</u>	<u>-</u>	<u>127,536</u>
	<u>10,479,077</u>	<u>1,242,962</u>	<u>10,210,699</u>	<u>1,242,962</u>	<u>10,210,699</u>	<u>6,478</u>	<u>7,150</u>	<u>-</u>	<u>261,229</u>
Debt Service									
2008-2016	1,807,916	16,367	1,781,288	16,367	1,748,553	-	133	230,403	26,495
2017	<u>257,290</u>	<u>229,156</u>	<u>229,156</u>	<u>229,156</u>	<u>229,156</u>	<u>1,286</u>	<u>1,286</u>	<u>14,984</u>	<u>26,848</u>
	<u>2,065,206</u>	<u>245,524</u>	<u>2,010,444</u>	<u>245,524</u>	<u>1,977,709</u>	<u>1,286</u>	<u>1,420</u>	<u>245,387</u>	<u>53,342</u>
Administrative Fee									
2008-2016	13,590	182	12,318	182	12,318	-	6	-	1,266
2017	<u>1,429</u>	<u>1,282</u>	<u>1,282</u>	<u>1,282</u>	<u>1,282</u>	<u>7</u>	<u>7</u>	<u>-</u>	<u>139</u>
	<u>15,019</u>	<u>1,464</u>	<u>13,600</u>	<u>1,464</u>	<u>13,600</u>	<u>7</u>	<u>14</u>	<u>-</u>	<u>1,405</u>
Total State	<u>12,559,302</u>	<u>1,489,950</u>	<u>12,234,742</u>	<u>1,489,950</u>	<u>12,202,008</u>	<u>7,772</u>	<u>8,583</u>	<u>245,387</u>	<u>315,977</u>

STATE OF NEW MEXICO
MORA COUNTY
Treasurer's Property Tax Schedule (continued)
June 30, 2018

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed to Date	Current Amount Uncollectible	To-Date Amount Uncollectible	Undistributed at Year End	County Receivable at Year End
Municipalities:									
Town of Wagon Mound									
2008-2016	197,882	1,205	196,286	1,205	196,286	-	8	-	1,589
2017	<u>31,527</u>	<u>29,129</u>	<u>29,129</u>	<u>28,448</u>	<u>28,448</u>	<u>158</u>	<u>158</u>	<u>682</u>	<u>2,240</u>
	<u>229,410</u>	<u>30,335</u>	<u>225,415</u>	<u>29,653</u>	<u>224,734</u>	<u>158</u>	<u>166</u>	<u>682</u>	<u>3,829</u>
Schools:									
Mora School District									
2008-2016	5,059,756	55,624	5,054,962	68,252	5,054,962	-	24	-	4,771
2017	<u>367,503</u>	<u>317,040</u>	<u>317,040</u>	<u>307,494</u>	<u>367,503</u>	<u>1,838</u>	<u>1,838</u>	<u>9,546</u>	<u>48,625</u>
	<u>5,427,259</u>	<u>372,664</u>	<u>5,372,001</u>	<u>375,746</u>	<u>5,422,464</u>	<u>1,838</u>	<u>1,861</u>	<u>9,546</u>	<u>53,396</u>
East Las Vegas School District									
2008-2016	589,639	2,342	590,664	3,440	590,664	-	(5)	-	(1,020)
2017	<u>75,168</u>	<u>71,751</u>	<u>71,751</u>	<u>69,430</u>	<u>75,168</u>	<u>376</u>	<u>376</u>	<u>2,321</u>	<u>3,040</u>
	<u>664,807</u>	<u>74,093</u>	<u>662,415</u>	<u>72,870</u>	<u>665,831</u>	<u>376</u>	<u>371</u>	<u>2,321</u>	<u>2,021</u>
Wagon Mound School District									
2008-2016	1,313,802	193	1,267,216	2,036	1,267,216	-	233	-	46,353
2017	<u>193,580</u>	<u>187,131</u>	<u>187,131</u>	<u>186,390</u>	<u>193,580</u>	<u>968</u>	<u>968</u>	<u>741</u>	<u>5,481</u>
	<u>1,507,381</u>	<u>187,324</u>	<u>1,454,347</u>	<u>188,426</u>	<u>1,460,795</u>	<u>968</u>	<u>1,201</u>	<u>741</u>	<u>51,834</u>
Total Schools	<u>7,599,447</u>	<u>634,081</u>	<u>7,488,764</u>	<u>637,042</u>	<u>7,549,091</u>	<u>3,181</u>	<u>3,433</u>	<u>12,608</u>	<u>107,250</u>

STATE OF NEW MEXICO
MORA COUNTY
Treasurer's Property Tax Schedule (continued)
June 30, 2018

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed to Date	Current Amount Uncollectible	To-Date Amount Uncollectible	Undistributed at Year End	County Receivable at Year End
Other:									
Luna College									
2008-2016	2,761,122	24,229	2,721,082	24,229	2,721,082	-	200	-	39,839
2017	<u>365,505</u>	<u>326,695</u>	<u>326,695</u>	<u>312,524</u>	<u>312,524</u>	<u>1,828</u>	<u>1,828</u>	<u>14,171</u>	<u>36,983</u>
	<u>3,126,627</u>	<u>350,924</u>	<u>3,047,777</u>	<u>336,753</u>	<u>3,033,606</u>	<u>1,828</u>	<u>2,028</u>	<u>14,171</u>	<u>76,822</u>
Western Mora SWCD									
2008-2016	589,781	6,591	579,529	6,591	579,529	-	51	-	10,201
2017	<u>77,880</u>	<u>67,300</u>	<u>67,300</u>	<u>67,300</u>	<u>67,300</u>	<u>389</u>	<u>389</u>	<u>-</u>	<u>10,191</u>
	<u>667,661</u>	<u>73,891</u>	<u>646,829</u>	<u>73,891</u>	<u>646,829</u>	<u>389</u>	<u>441</u>	<u>-</u>	<u>20,392</u>
Wagon Mound SWCD									
2008-2016	212,099	1,460	208,860	(1,400)	206,000	-	16	2,860	3,222
2017	<u>26,858</u>	<u>24,701</u>	<u>24,701</u>	<u>26,119</u>	<u>26,119</u>	<u>134</u>	<u>134</u>	<u>(1,418)</u>	<u>2,022</u>
	<u>238,957</u>	<u>26,161</u>	<u>233,561</u>	<u>24,719</u>	<u>232,119</u>	<u>134</u>	<u>150</u>	<u>1,442</u>	<u>5,244</u>
Total Other	<u>4,033,244</u>	<u>450,976</u>	<u>3,928,167</u>	<u>435,363</u>	<u>3,912,554</u>	<u>2,351</u>	<u>2,619</u>	<u>15,613</u>	<u>102,458</u>
Grand Total	\$ <u>26,446,870</u>	<u>2,838,232</u>	<u>25,850,693</u>	<u>2,814,650</u>	<u>25,901,292</u>	<u>14,669</u>	<u>16,150</u>	<u>292,897</u>	<u>580,028</u>

INDEPENDENT AUDITORS' 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*

Members of the Mora County Commissioners
Management of Mora County
Mora, New Mexico
and Mr. Brian S. Colon, New Mexico State Auditor

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund, the major special revenue funds, major capital projects funds, and major debt service fund of Mora County, New Mexico (County), as of and for the year ended June 30, 2018, and the related notes to the financial statements which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 25, 2019.

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 that may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, 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 entity's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses to be material weaknesses. They are: 2018-004, 2018-005, 2018-009, and 2018-011.

Members of the Mora County Commissioners
and Management of Mora County
and Mr. Brian S. Colon, New Mexico State Auditor
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A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies. 2018-001, 2018-003, 2018-006, and 2018-008.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items. They are: 2018-002, 2018-007, and 2018-010.

Mora County's Response to Findings

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 results of that testing, and not to provide an opinion on the effectiveness of Mora 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Burt & Company CPAs, LLC". The signature is written in dark ink and is positioned above the printed name of the firm.

Burt & Company CPAs, LLC

March 25, 2019

STATE OF NEW MEXICO
MORA COUNTY
Schedule of Findings and Responses
June 30, 2018

SECTION I – FINDINGS – FINANCIAL STATEMENT

2018–001 [2017-001] Controls Over Payroll – Significant deficiency (Repeated and modified)

Condition: The County has the following deficiencies over payroll:

- No approved pay rates for 9 of the 40 payroll payments tested.
- One employee was paid holiday pay at the overtime rate for 24 hours which is a violation of the Personnel Policies.
- One employee is the daughter of the department director (immediate family member) and both employees work in the same department where there is an apparent supervisory relationship due to the nature of the specialized work (first responder) resulting in a violation of the County’s prohibited practices as outlined in the nepotism prohibited section of the Personnel Policy Manual.

The County has made progress toward resolving this finding and expects to have it fully resolved in the current fiscal year.

Criteria: NMSA 1978 Section 6-6-3 requires that every local public body keep all books, records and accounts in their respective offices in the form prescribed by the local government division. The County’s Personnel Policy Manual, Section VI, 6.3 Nepotism Prohibited, forbids the practice or appearance of nepotism by prohibiting immediately family members from being employed by the County where there is a supervisory relationship between them, without exception. The Fair Labor Standards Act requires that employees to be paid at least the federal minimum for all hours worked and overtime pay at time and one-half the regular rate of pay for all hours worked over 40 in a workweek. Per Personnel Policy Manual, Section 10.3 Holiday (5.) Holiday pay will consist of eight (8) hours of pay at the employee’s normal rate of pay.

Cause: The County does not have adequate controls over payroll.

Effect: The County is not in compliance with NMSA 1978 Section 6-6-3 and is lacking significant controls over payroll. In addition, the County is in violation of the Personnel Policy Manual as noted above. The County is in violation of the Fair Labor Standards Act.

Recommendation: The County should establish and implement procedures over payroll to ensure that payroll is accounted for in accordance with applicable laws and policy manuals.

Management’s Response: Mora County will establish desk-top procedures for processing payroll as well as incorporate a review process for the County Manager to review and approve the payroll batch, prior to producing payroll payments. The current Employee Handbook was updated and approved by Commission in November 2018 to include “the prohibition of nepotism would not apply if there are extenuating circumstances such as remote location and lack of qualified individuals, and/or in the best interests of the County”. Along with this policy update, documentation will be maintained in personnel files to address concerns for nepotism. A Responsible Party – County Manager and Payroll Clerk. This will be fully implemented by June 30, 2019.

STATE OF NEW MEXICO
MORA COUNTY
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June 30, 2018

2018-002 Controls Over Procurement – *Other non-compliance*

Condition: The County has the following deficiencies over procurement:

- For one procurement tested, the advertisement for bid was made 9 days prior to the bid opening date.

Criteria: Per State Statutes, 13-1-104 NMSA 1978, an invitation for bids or a notice thereof shall be published no less than ten calendar days prior to the date set forth for the openings of bids.

Cause: The County did not publish the invitation to bid in accordance with State Statutes.

Effect: The County is not in compliance with State Statute, 13-1-104 NMSA 1978.

Recommendation: The County should publish invitations for bids in compliance with State Statutes.

Management's Response: The County held a purchasing training session on February 26, 2019 to ensure that all purchasing requisitions are provided to Finance at least 2 weeks in advance and that invitations for bid will be published no less than 10 calendar days prior to the date set forth for the opening of bids. The County Manager has a daily purchasing requisition meeting with the Finance Director to ensure timely review of each submission. The Purchasing Policy will be reviewed, updated and fully implemented by June 30, 2019. Responsible Party - Finance Director.

2018-003 Controls Over Expenditures – *Significant deficiency*

Condition: The County has the following deficiencies over expenditures:

- For one purchase out of 48 tested in the amount of \$12,687, there was a lack of sufficient supporting documentation to determine proper approval.
- For one purchase, out of 48 tested in the amount of \$1,606, there was no purchase requisition to authorize the purchase order.
- For two purchases, out of 48 tested in the amount of \$5,500, there was a lack of supporting documentation as required, i.e., purchase requisition, purchase order, contract, etc.
- For one purchase out of 48 tested in the amount of \$1,537, the invoice date preceded the requisition and purchase order date.

Criteria: NMSA 1978 Section 6-6-3 requires that every local public body keep all books, records and accounts in their respective offices in the form prescribed by the local government division. Mora Procurement Policies Procedure require that all purchases made by Mora County have a valid purchase order; and purchase orders must be preceded by a user-initiated Purchase Requisition.

Cause: The County does not have adequate controls over expenditures.

STATE OF NEW MEXICO
MORA COUNTY
Schedule of Findings and Responses
June 30, 2018

Effect: The County is not in compliance with NMSA 1978 Section 6-6-3. The County is not in compliance with its Procurement Policies and Procedures.

Recommendation: The County should establish and implement procedures over expenditures to ensure compliance in accordance with applicable laws and procedures.

Management's Response: Mora County has begun drafting updated procedures over expenditures to ensure compliance with applicable laws and procedures. Elected Officials are now reviewing checks and supporting documentation for policy compliance, prior to check signature and disbursement. Responsible Party - Finance Director. This will be fully implemented by June 30, 2019.

2018-004 [2012-005] Cash Reconciliation – Material weakness (Repeated and modified)

Condition: Cash was not reconciled on the accounting system. The reconciliation that was used was incorrect because there were outstanding checks that had cleared the bank. The cash was not reconciled by \$1,152,107 in the current year. This is an increase of \$1,130,741 from last year's reconciliation difference of \$21,366. The County has continued to improve on their understanding of the accounting software and the reconciliation system in the County's software and expects to have this finding fully resolved in FY19.

Criteria: Bank statements should be reconciled to the balances in the general ledger and subsidiary accounts as required by 1978 NMSA 6-10-2.

Cause: When performing the reconciliation, the activity is posting to cash accounts that are not linked and segregated to individual general ledger accounts, and the reconciliation is consistently off by different amounts every month. The County does not reconcile to general ledger balances and does not have internal controls over general ledger balances.

Effect: The County is not in compliance with 1978 NMSA 6-10-2 and is lacking a significant control over cash which is a violation of 1978 NMSA 6-10-2.

Recommendation: The accounting software should be correctly setup and cash should be reconciled in the system to general ledger balances in a timely manner.

Management's Response: The County worked diligently to review all expenses and deposits for the time period of the audit. It was realized that the beginning cash balances of July 1, 2017 had been updated from the systematic carryforward of June 30, 2017. The balances entered for July 1, 2017 reflected the current bank balances and did not take into consideration outstanding checks that had not been cashed. It was this adjustment to cash balances that caused the cash reconciliation discrepancy. The County will pursue supplemental training of the financial software system to better understand reporting capabilities, carry-forward functionality and a monthly reconciliation process, within the financial system, in order to prevent future cash reconciliation issues. Responsible Party – Mora County Treasurer & Chief Deputy Treasurer. This process will be developed and implemented by June 30, 2019.

STATE OF NEW MEXICO
MORA COUNTY
Schedule of Findings and Responses
June 30, 2018

2018-005 [2016-003] Controls Over Fixed Assets – *Material weakness (Repeated and modified)*

Condition: The County has the following deficiencies over fixed assets:

- No annual physical inventory performed at fiscal year-end and no required certification of the same
- Fixed assets were improperly excluded and included from the subsidiary ledger

The County has made progress toward resolving this finding and expects to have it fully resolved in FY19.

Criteria: NMSA 1978 Section 6-6-3 requires that every local public body keep all books, records and accounts in their respective offices in the form prescribed by the local government division. Subsection A of Section 12-6-10 NMS 1978 requires an annual physical inventory of equipment on the inventory list and certification of the same. The County does not have sufficient procedures to account for controls over fixed assets.

Cause: The County does not have adequate internal control procedures over fixed assets.

Effect: An annual inventory of fixed assets and a certification of the same was not conducted as of June 30, 2018. Fixed assets were not reviewed for items no longer in use.

Recommendation: The County should establish and implement procedures over fixed assets to ensure that they are accounted for in accordance with applicable laws.

Management's Response: Mora County will establish and implement procedures over fixed assets to ensure that they are accounted for in accordance with applicable laws. The Roads Department has completed its' inventory; however, the full inventory will be complete by the end of FY19. Going forward, a physical inventory will be conducted annually and will be incorporated into the financial system. Responsible Party – Finance Director. Finding will be resolved by June 30, 2019.

2018-006 [2016-005] Ambulance Receivables – *Significant deficiency (Repeated and modified)*

Condition: During our testing of the ambulance fund receivables and related revenue we noted the following:

- The County does not have a formal process for writing off accounts, any approval requirement for adjustments to accounts whether payments are received or not.
- There is no formal integration of the receivable information into the rest of the County's accounting records.
- There does not appear to be a formal oversight process of monitoring the Ambulance's receivables and ensure they have completeness of the related billings.

Criteria: GASB codification requires that all receivables be reported net of uncollectible amounts. New Mexico Administrative Code (NMAC); 2.20.5, requires that model accounting practices established by the local government division are followed by authorized personnel.

STATE OF NEW MEXICO
MORA COUNTY
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June 30, 2018

Cause: The County does not review these amounts to determine collectability, perform an annual assessment of its reserve for uncollectible receivables. There does not appear to be adequate oversight to remedy these problems.

Effect: The County does not state their ambulance receivables balance in accordance with standards as of June 30, 2018 without assistance and adjustments proposed by the auditors. The County does not appear to be monitoring their receivables to ensure collectability and completeness.

Recommendation: The County should establish and implement procedures over ambulance receivables to evaluate collectability and determine appropriate reserves for uncollectible accounts. The County should also review and monitor these accounts and procedures on a regular basis and document such review.

Management's Response: The EMS Director will prepare monthly Accounts Receivable Aging reports and present them to the County Manager for their review and approval of write-offs. A copy will also be given to the Finance Director to update the AR in County financial accounting software. The County Manager, and if requested, the EMS Director will report to the Board of Commissioners a summary of EMS AR summary activity. Further, the EMS Director will run the year-end financial reports and ensure the correct criteria is used to produce reliable and accurate financial information. Responsible parties will be the County Manager and EMS Director. These processes will be implemented for the FY19 Budget and reported to the Commission starting June 2019.

2018-007 [2017-002] Controls Over Solid Waste Receivables – Other Noncompliance (Repeated and modified)

Condition: The County has failed to collect current employee's outstanding balances. A total of seventeen employees have outstanding balances in the amount of \$12,619. Eleven employee accounts with a total balance of \$6,556 have not made timely payments on their accounts during the fiscal year. One employee account has a current tax lien with an outstanding balance of \$1,568. The County has failed to enforce tax liens on solid waste customer accounts. Of the ten tax liens on solid waste customer accounts, one customer has two accounts for the same address, one with and one without a tax lien for a total outstanding balance of \$2,666. The County continues to not collect current employees' outstanding solid waste receivable balances.

Criteria: New Mexico Administrative Code (NMAC) 2.20.5, requires that model accounting practices established by the local government division are followed by authorized personnel. The County does not have sufficient procedures for collecting current employee's outstanding balances.

Cause: The County does not have adequate controls over solid waste receivables.

Effect: The County is not in compliance with state statute.

Recommendation: The County should comply with state statute requirements concerning controls over receivables and ensure outstanding balances for services are billed when accounts are finalized and closed.

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MORA COUNTY
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June 30, 2018

Management's Response: Mora County personnel and County Commissioners are dedicated to implementing corrective actions that will address accounts receivable. The finance team has already initiated training with Triadic technicians to pull accounts receivable aging reports to not only focus on employee collections, but also the community at large. Policies and hiring documents are currently being updated to enforce employee account status as an employment eligibility condition. Full implementation will occur by June 30, 2019. Responsible Parties – County Manager, Finance Director & Treasurer.

2018-008 [2017-004] Reconciliation of Financial Accounting Records – Significant deficiency (Repeated)

Condition: The County has several areas where they are not reconciling the supporting documentation to the related account balances on a regular basis.

Criteria: New Mexico Administrative Code (NMAC); 2.20.5, requires that model accounting practices established by the local government division are followed by authorized personnel.

Cause: The County does not have adequate controls over recording and reconciling detail activity to accounts balances for certain asset and liability accounts.

Effect: The County is not in compliance with state statute.

Recommendation: The County should comply with state statute requirements concerning reconciliations of accounting records.

Management's Response: Mora County will comply with state statute requirements concerning reconciliations of accounting records. Personnel has been set in place to ensure the proper flow of approval processes, review of expenditures and utilization of the financial system to its full potential. The Procurement Policy is currently being updated and a training will be provided to ensure compliance by June 30, 2019. Responsible Party – Finance Director.

2018-009 Controls Over Budgeting – Material weakness

Condition: During testwork over the budgeting process, it was noted that the County had discrepancies between DFA quarterly reporting, amounts entered into the general ledger system (Triadic) as budgets and the actual approved budgets and approved budget adjustments. It was also noted that the County over expended their budgeted expenditures for various funds and also had a budgeted cash deficit in a fund. The following deficiencies over the budgeting process were noted:

- Approved budget adjustments made during the fiscal year in the amount of \$67,888 in revenue, \$16,738 in expenditures, and \$55,352 in transfers that were not included on the DFA quarterly report for the period ending June 30, 2018.
- The SBR VFD Fund 254 over expended the approved budget by \$20,298.
- The SBR VFD Fund 260 over expended the approved budget by \$153.
- The Rainsville VFD Fund 285 over expended the approved budget by \$69.

STATE OF NEW MEXICO
MORA COUNTY
Schedule of Findings and Responses
June 30, 2018

- The Severance Bond SAF Fund 265 had a budgeted cash deficit of (\$1,092,694).
- Revenue budgets input into the general ledger system did not match the approved budgets. The difference was \$1,625,254.
- Expenditure budgets input into the general ledger system did not match the approved budgets. The difference was \$600.

Criteria: NMSA 1978 Section 6-6-3 requires that every local public body keep all books, records, and accounts in their respective offices in the form prescribed by the local government division. The County does not have sufficient procedures to account for activity over the budgeting process.

Cause: The County does not have adequate controls over the budgeting process.

Effect: The County has an increased risk of over-expenditure of line item due to inadequate controls over the budgeting process. The County is reporting incorrect amounts to the DFA on quarterly reporting statements.

Recommendation: The County should establish and implement procedures over the budgeting process to ensure that they are accounted for timely and accurately.

Management's Response: Mora County has implemented new reporting templates for monthly commissioner meetings that expands current sped to include encumbered funds, forecasted payroll/taxes, forecasted operating costs and risk/opportunity notes to ensure full discussion occurs with the financial position of the County. Starting in April 2019, a running balance by department and account will be maintained to track requisitions submitted to the finance team, resulting with a daily balance that will prohibit over expenditures. Full implementation will occur by June 1, 2019. Responsible Party – Finance Director.

2018-010 Late Audit Report – Other noncompliance

Condition: The audit for the year ended June 30, 2018 was not submitted to the state auditor's office by the December 1, 2018 due date.

Criteria: By statute, Section 2.2.29 NMAC (State Auditor Rule), the deadline for submission of this report was December 1, 2018.

Cause: Completion of the current year audit was delayed due to the County not being able to reconcile the cash balance per the general ledger by approximately \$1.15 million.

Effect: The County was not in compliance with State statute. The County is potentially subject to state funding cuts and delays due to the untimely audit.

Recommendation: The County should ensure that audits are completed and submitted in accordance with state statute.

STATE OF NEW MEXICO
MORA COUNTY
Schedule of Findings and Responses
June 30, 2018

Management's Response: Mora County personnel and County Commissioners are dedicated to implementing corrective actions that will address each finding from 2017/2018 audit. This audit presented challenges that required extensive research for cash reconciliation, utilization of the financial system, and stronger procedures. It is with full intent that there will no longer be audits submitted past the December 1st filing deadline.

2018-011 Internal Controls over Accounting Systems– *Material weakness*

Condition: During testing of cash and equity balances, the following control deficiencies were identified:

- During the end of year closing process the County over-rode cash and fund account balances and manually entered bank statement balances creating an overall difference in cash and fund balances of approximately 1.15 million.
- An entry made to cash and fund account balance was posted backwards with an impact on cash and fund account balances of \$406,000.
- Beginning balances for amounts manually entered were not reconciled to ending balances from prior year.
- Prior year audited cash and fund balances for the agency funds were not recorded in the accounting system.
- Current year agency fund cash activity was not recorded in the respective agency fund cash accounts.

Criteria: Accounting software system general ledger account balances should roll from year to year without the need to override amounts in order to maintain integrity of the Accounting System. General ledger and subsidiary accounts should be reconciled as required by 1978 NMSA 6-10-2.

Cause: The accounting software system used by the County did not appear to close the year-end accounts properly, resulting in the County overriding account balances. The County does not record agency funds activity correctly.

Effect: The County is not in compliance with 1978 NMSA 6-10-2 and is lacking significant controls over the accounting software system and general ledger.

Recommendation: The accounting software system should be correctly setup and operated without balance modification in order to maintain the integrity of the system. Reconciliation of year-end account balances should be performed and properly reviewed on a timely basis.

Management's Response: Understanding and utilization of the Triadic Financial System has increased significantly since the audit findings were presented. There are several opportunities identified to assist with full utilization of the system: training presented by Triadic will take place prior to FY19. This training will include use of the inventory module, which will support compliance of asset management. Tracking delinquent Solid Waste accounts for collection efforts. Use of the trial balance for ensuring the carry-forward balance reconciliation and budget entry reconciliation. We have already begun conversations with the software technicians to prevent ability to change carry-forward balances. Each of these items will be implemented by June 30, 2019. Responsible Parties – Treasurer & Finance Director.

STATE OF NEW MEXICO
MORA COUNTY
Schedule of Findings and Responses
June 30, 2018

SECTION II – SUMMARY OF AUDIT RESULTS

Summary of Findings:

Prior Year Findings	<u>Status of Current Year and Prior Year Findings</u>	<u>Financial Statement Finding</u>
2017-005 [2012-002] Cash Reconciliation	Repeated as 2018-004	Yes
2017-006 [2016-003] Controls Over Fixed Assets	Repeated as 2018-005	Yes
2017-007 [2016-005] Ambulance Receivables	Repeated as 2018-006	Yes
2016-006 Pledged Revenues	Resolved	Yes
2017-001 Controls Over Payroll	Repeated as 2018-001	Yes
2017-002 Controls Over Solid Waste Receivables	Repeated as 2018-007	No
2017-003 Controls Over Ambulance	Resolved	No
2017-004 Reconciliation of Financial Accounting Records	Repeated as 2018-008	Yes

Current Year Findings

- 2018-001 Controls Over Payroll
- 2018-002 Controls Over Procurement
- 2018-003 Controls Over Expenditures
- 2018-004 Cash Reconciliation
- 2018-005 Controls Over Fixed Assets
- 2018-006 Ambulance Receivables
- 2018-007 Controls Over Solid Waste Receivables
- 2018-008 Reconciliation of Financial Accounting Records
- 2018-009 Controls Over Budgeting
- 2018-010 Late Audit Report
- 2018-011 Internal Controls Over Accounting Systems

STATE OF NEW MEXICO
MORA COUNTY
Exit Conference
June 30, 2018

A. Auditor Prepared Financial Statements

The accompanying financial statements are the responsibility of the County and are based on information from the County's records. Assistance was provided by Burt & Company CPAs, LLC to the County in preparing the financial statements.

B. Exit Conference

An exit conference was held March 25, 2019, during which the audit findings were discussed. The exit conference was attended by the following individuals:

Mora County

Frank Maestas	Commissioner - Chair
Veronica Serna	Commissioner – Vice Chair
Florence Romero	County Treasurer
Frances Muniz	Interim County Manager
Timothy Montgomery	Interim Finance Manager

Burt & Company CPAs, LLC

Ronald E. Schranz, CPA, CVA	Partner
Misty Schuck, CPA, CGMA, CFE, CGFM	A&A Manager (telephonically)