

State of
New Mexico
Quay County

Annual Financial Report
For the Year Ended June 30, 2017



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INTRODUCTORY SECTION

Quay County
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June 30, 2017

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STATE OF NEW MEXICO

Quay County
Official Roster
June 30, 2017

Name

Title

Elected Officials

Sue Dowell	County Commissioner
Mike Cherry	County Commissioner
Franklin McCasland	County Commissioner
Ellen White	County Clerk
Patsy Gresham	County Treasurer
Vic Baum	County Assessor
Russell Shafer	County Sheriff
Nelda Burson	County Probate Judge

Administrative Officials

Richard Primrose	County Manager
Cheryl Simpson	Finance Officer
Janie Hoffman	Chief Deputy Assessor
Avabelle Oldham	Deputy Assessor
Albenita Rael	Chief Deputy Treasurer
Veronica Marez	Chief Deputy Clerk
Sheryl Chambers	Administrative Assistant

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Timothy Keller
New Mexico State Auditor
The Quay County Commissioners
Quay County
Tucumcari, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the General Fund and major special revenue funds of Quay County, New Mexico (the "County"), as of and for the year ended June 30, 2017, and the related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Quay County, as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require the Schedules I and II on pages 68 through 71 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 Department who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, the combining and individual nonmajor fund financial statements, and Supporting Schedules III through VII required by 2.2.2 NMAC are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and Supporting Schedules III through VII 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 combining and individual nonmajor fund financial statements and Supporting Schedules III through VII required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2017 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

RPC CPAs + Consultants LLP

RPC CPAs + Consultants, LLP
Albuquerque, New Mexico
November 30, 2017

**BASIC
FINANCIAL STATEMENTS**

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

	<u>Governmental Activities</u>
Assets	
Current assets	
Cash and cash equivalents	\$ 4,761,769
Investments	2,350,000
Receivables:	
Property taxes	246,289
Other taxes	461,740
Other receivables	4,805
Total current assets	<u>7,824,603</u>
Noncurrent assets	
Restricted cash and cash equivalents	94,465
Capital assets	34,350,309
Less: accumulated depreciation	<u>(22,926,922)</u>
Total noncurrent assets	<u>11,517,852</u>
Total assets	<u>19,342,455</u>
Deferred outflows of resources	
Employer contributions subsequent to the measurement date	238,318
Changes in proportion	397,440
Difference between expected and actual experience	249,105
Change in assumptions	273,078
Net difference between expected and actual investment earnings on pension plan investments	<u>808,823</u>
Total deferred outflows of resources	<u>1,966,764</u>
<i>Total assets and deferred outflows of resources</i>	<u><u>\$ 21,309,219</u></u>

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

	Governmental Activities
Liabilities	
Current liabilities	
Accounts payable	\$ 335,280
Accrued payroll	53,152
Current portion of accrued compensated absences	122,262
Current portion of loans and capital leases payable	347,024
Total current liabilities	<u>857,718</u>
Noncurrent liabilities	
Capital leases payable	255,657
Loans payable	800,676
Net pension liability	4,531,683
Total noncurrent liabilities	<u>5,588,016</u>
Total liabilities	<u>6,445,734</u>
Deferred inflows of resources	
Differences between expected and actual experience	34,786
Changes of assumptions	18,038
Changes in proportion	62,968
Total deferred inflows of resources	<u>115,792</u>
Net position	
Net investment in capital assets	10,020,030
Restricted for:	
Debt service	44,959
Capital projects	33,648
Other purposes - special revenue	6,084,010
Unrestricted	(1,434,954)
Total net position	<u>14,747,693</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u><u>\$ 21,309,219</u></u>

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

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

Exhibit A-2

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary government					
General government	\$ 1,468,821	\$ 165,537	\$ 385,800	\$ 229,756	\$ (687,728)
Public safety	3,862,007	313,917	1,322,831	-	(2,225,259)
Public works	3,044,428	75	59,745	1,828,822	(1,155,786)
Culture and recreation	449,054	5,365	-	-	(443,689)
Health and welfare	1,562,323	-	123,200	-	(1,439,123)
Interest on long-term debt	24,599	-	-	-	(24,599)
<i>Total governmental activities</i>	<u>\$ 10,411,232</u>	<u>\$ 484,894</u>	<u>\$ 1,891,576</u>	<u>\$ 2,058,578</u>	(5,976,184)

General revenues:

Taxes:

Property	1,751,965
Gross receipts	2,293,400
Gasoline and motor vehicle	633,273
Other	22,972
Payment in lieu of taxes	534,671
Interest income	39,784
Miscellaneous income	<u>163,712</u>
Total general revenues	<u>5,439,777</u>
Change in net position	(536,407)
Net position - beginning	<u>15,284,100</u>
<i>Net position - ending</i>	<u>\$ 14,747,693</u>

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

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

	General Fund	Road Special Revenue Fund	Detention Center Special Revenue Fund
<i>Assets</i>			
Cash and cash equivalents	\$ 269,524	\$ 523,419	\$ 89,714
Investments	696,159	-	-
Current receivables:			
Property taxes	246,289	-	-
Other taxes	77,962	80,043	27,883
Other receivables	-	-	-
<i>Total assets</i>	\$ 1,289,934	\$ 603,462	\$ 117,597
<i>Liabilities, deferred inflows of resources, and fund balances</i>			
<i>Liabilities</i>			
Accounts payable	\$ 21,582	\$ 237,558	\$ 18,590
Accrued payroll	20,850	8,679	14,414
<i>Total liabilities</i>	42,432	246,237	33,004
<i>Deferred inflows of resources</i>			
Unavailable revenue:			
Property taxes	225,529	-	-
<i>Total deferred inflows of resources</i>	225,529	-	-
<i>Fund balances</i>			
<i>Spendable:</i>			
<i>Restricted for:</i>			
Minimum fund balance	586,029	174,020	-
General county operations	-	-	-
Maintenance of roads	-	183,205	-
Fire departments	-	-	-
Forest health	-	-	-
Environmental	-	-	-
Public safety	-	-	84,593
Health and welfare	-	-	-
Capital improvements	-	-	-
Debt service expenditures	-	-	-
Unassigned	435,944	-	-
<i>Total fund balances</i>	1,021,973	357,225	84,593
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	\$ 1,289,934	\$ 603,462	\$ 117,597

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

Hospital Special Revenue Fund	County Improvements Special Revenue Fund	Total Other Governmental Funds	Total
\$ 819,014	\$ 640,297	\$ 2,514,266	\$ 4,856,234
-	1,653,841	-	2,350,000
-	-	-	246,289
159,670	-	116,182	461,740
-	-	4,805	4,805
<u>\$ 978,684</u>	<u>\$ 2,294,138</u>	<u>\$ 2,635,253</u>	<u>\$ 7,919,068</u>
\$ 101	\$ 12,751	\$ 44,698	\$ 335,280
-	-	9,209	53,152
<u>101</u>	<u>12,751</u>	<u>53,907</u>	<u>388,432</u>
-	-	-	225,529
-	-	-	225,529
-	-	-	760,049
-	-	225,353	225,353
-	-	257,127	440,332
-	-	935,062	935,062
-	-	250	250
-	-	111,546	111,546
-	-	669,924	754,517
978,583	-	303,477	1,282,060
-	2,281,387	33,648	2,315,035
-	-	44,959	44,959
-	-	-	435,944
<u>978,583</u>	<u>2,281,387</u>	<u>2,581,346</u>	<u>7,305,107</u>
<u>\$ 978,684</u>	<u>\$ 2,294,138</u>	<u>\$ 2,635,253</u>	<u>\$ 7,919,068</u>

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

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STATE OF NEW MEXICO

Quay County

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2017

Exhibit B-1

Page 2 of 2

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

Fund balances - total governmental funds	\$	7,305,107
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		11,423,387
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in funds:		
Deferred outflows of resources related to employer contribution subsequent to measurement date		238,318
Deferred outflows of resources related to changes in proportion		397,440
Deferred outflows of resources related to difference between expected and actual experience		249,105
Deferred outflows of resources related to change in assumptions		273,078
Deferred outflows of resources related to net difference between projected and actual investment earnings on pension plan investments		808,823
Deferred inflows of resources related to differences between expected and actual experience		(34,786)
Deferred inflows of resources related to changes of assumptions		(18,038)
Deferred inflows of resources related to changes of proportion		(62,968)
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities		225,529
Certain liabilities, including bonds payable, and current portion of accrued compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued compensated absences		(122,262)
Current portion of long term debt		(347,024)
Capital leases payable		(800,676)
Loans payable		(255,657)
Net pension liability		(4,531,683)
<i>Net position - governmental activities</i>	<u>\$</u>	<u>14,747,693</u>

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

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

	<u>General Fund</u>	<u>Road Special Revenue Fund</u>	<u>Detention Center Special Revenue Fund</u>
<i>Revenues</i>			
Taxes:			
Property	\$ 1,867,377	\$ -	\$ -
Gross receipts	387,898	-	164,060
Gasoline and motor vehicle taxes	128,253	505,020	-
Other	20,481	-	-
Intergovernmental:			
Federal operating grants	-	59,745	3,587
Federal capital grants	-	-	-
State operating grants	328,153	-	60,770
State capital grants	100,000	1,332,344	-
Local sources	-	-	-
Payment in lieu of taxes	534,671	-	-
Charges for services	120,688	75	245,756
Investment income	11,124	3,057	800
Miscellaneous	36,949	-	45,607
<i>Total revenue</i>	<u>3,535,594</u>	<u>1,900,241</u>	<u>520,580</u>
<i>Expenditures</i>			
Current:			
General government	1,268,350	-	-
Public safety	635,901	-	1,279,074
Public works	-	2,088,245	-
Culture and recreation	439,865	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>2,344,116</u>	<u>2,088,245</u>	<u>1,279,074</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,191,478</u>	<u>(188,004)</u>	<u>(758,494)</u>
<i>Other financing sources (uses)</i>			
Loan proceeds	-	-	-
Transfers in	83,084	150,000	800,000
Transfers (out)	(1,495,743)	(135,741)	(24,420)
<i>Total other financing sources (uses)</i>	<u>(1,412,659)</u>	<u>14,259</u>	<u>775,580</u>
<i>Net change in fund balances</i>	(221,181)	(173,745)	17,086
<i>Fund balances - beginning of year</i>	<u>1,243,154</u>	<u>530,970</u>	<u>67,507</u>
<i>Fund balances - end of year</i>	<u>\$ 1,021,973</u>	<u>\$ 357,225</u>	<u>\$ 84,593</u>

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

Hospital Special Revenue Fund	County Improvements Special Revenue Fund	Other Governmental Funds	Total
\$ 300,632	\$ -	\$ -	\$ 2,168,009
967,485	-	773,957	2,293,400
-	-	-	633,273
2,491	-	-	22,972
-	-	-	-
-	12,821	22,485	98,638
-	-	496,478	496,478
-	-	1,317,495	1,706,418
-	129,756	-	1,562,100
-	-	86,520	86,520
-	-	-	534,671
-	-	118,375	484,894
7,538	208	17,057	39,784
-	-	81,156	163,712
<u>1,278,146</u>	<u>142,785</u>	<u>2,913,523</u>	<u>10,290,869</u>
-	-	87,385	1,355,735
-	-	1,046,663	2,961,638
-	127,598	496,694	2,712,537
-	-	-	439,865
1,019,660	-	478,679	1,498,339
-	164,488	1,237,530	1,402,018
-	-	324,648	324,648
-	-	24,599	24,599
<u>1,019,660</u>	<u>292,086</u>	<u>3,696,198</u>	<u>10,719,379</u>
<u>258,486</u>	<u>(149,301)</u>	<u>(782,675)</u>	<u>(428,510)</u>
-	-	445,221	445,221
-	400,000	584,495	2,017,579
<u>(150,363)</u>	<u>-</u>	<u>(211,312)</u>	<u>(2,017,579)</u>
<u>(150,363)</u>	<u>400,000</u>	<u>818,404</u>	<u>445,221</u>
108,123	250,699	35,729	16,711
<u>870,460</u>	<u>2,030,688</u>	<u>2,545,617</u>	<u>7,288,396</u>
<u>\$ 978,583</u>	<u>\$ 2,281,387</u>	<u>\$ 2,581,346</u>	<u>\$ 7,305,107</u>

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

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STATE OF NEW MEXICO

Quay County

Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Exhibit B-2

Page 2 of 2

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

Net change in fund balances - total governmental funds	\$	16,711
<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:</p>		
Capital expenditures		1,402,018
Depreciation expense		(1,004,900)
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds:</p>		
Change in unavailable revenue related to property taxes receivable		(416,044)
<p>Governmental funds report County pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:</p>		
Pension contributions		238,318
Pension expense		(661,306)
<p>The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:</p>		
Decrease in accrued compensated absences not due and payable		9,369
Debt proceeds		(445,221)
Principal payments on notes and leases payable		324,648
		324,648
<i>Change in net position of governmental activities</i>	\$	(536,407)

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

STATE OF NEW MEXICO

Exhibit C-1

Quay County

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Property	\$ 1,854,159	\$ 1,854,159	\$ 1,940,997	\$ 86,838
Gross receipts	509,307	509,307	506,498	(2,809)
Gasoline and motor vehicle	121,500	121,500	114,200	(7,300)
Other	34,453	34,453	20,481	(13,972)
Intergovernmental income:				
State operating grants	296,000	296,000	328,153	32,153
State capital grants	100,000	100,000	100,000	-
Payment in lieu of taxes	351,979	351,979	534,671	182,692
Charges for services	107,620	107,620	120,688	13,068
Licenses and fees	-	-	-	-
Rental income	-	-	-	-
Investment income	9,000	9,000	11,124	2,124
Miscellaneous	8,000	8,000	36,949	28,949
<i>Total revenues</i>	<u>3,392,018</u>	<u>3,392,018</u>	<u>3,713,761</u>	<u>321,743</u>
<i>Expenditures</i>				
Current:				
General government	1,544,419	1,544,419	1,410,898	133,521
Public safety	692,794	692,794	620,265	72,529
Public works	-	-	-	-
Culture and recreation	129,610	129,610	126,626	2,984
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,366,823</u>	<u>2,366,823</u>	<u>2,157,789</u>	<u>209,034</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,025,195</u>	<u>1,025,195</u>	<u>1,555,972</u>	<u>530,777</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	281,171	737,464	-	(737,464)
Proceeds from sale of equipment	-	-	-	-
Transfers in	61,377	83,084	83,084	-
Transfers (out)	(1,367,743)	(1,845,743)	(1,806,432)	39,311
<i>Total other financing sources (uses)</i>	<u>(1,025,195)</u>	<u>(1,025,195)</u>	<u>(1,723,348)</u>	<u>(698,153)</u>
<i>Net change in fund balance</i>	-	-	(167,376)	(167,376)
<i>Fund balance - beginning of year</i>	-	-	1,133,059	1,133,059
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 965,683</u>	<u>\$ 965,683</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (167,376)
Adjustments to revenues for property tax and other tax revenues				(178,167)
Adjustments to expenditures for accounts payable, and payroll expenditures				124,362
<i>Net change in fund balance (GAAP)</i>				<u>\$ (221,181)</u>

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

STATE OF NEW MEXICO

Exhibit C-2

Quay County

Road Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	540,000	540,000	526,000	(14,000)
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	59,744	59,745	1
State operating grants	1,100	1,100	-	(1,100)
State capital grants	962,673	962,673	1,021,655	58,982
Payment in lieu of taxes	-	-	-	-
Charges for services	1,000	1,000	75	(925)
Investment income	2,000	2,000	3,057	1,057
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,506,773</u>	<u>1,566,517</u>	<u>1,610,532</u>	<u>44,015</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	2,299,660	2,359,404	1,848,185	511,219
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,299,660</u>	<u>2,359,404</u>	<u>1,848,185</u>	<u>511,219</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(792,887)</u>	<u>(792,887)</u>	<u>(237,653)</u>	<u>555,234</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	183,887	183,887	-	(183,887)
Proceeds from sale of equipment	5,000	5,000	-	(5,000)
Transfers in	740,000	740,000	150,000	(590,000)
Transfers (out)	(136,000)	(136,000)	(135,741)	259
<i>Total other financing sources (uses)</i>	<u>792,887</u>	<u>792,887</u>	<u>14,259</u>	<u>(778,628)</u>
<i>Net change in fund balance</i>	-	-	(223,394)	(223,394)
<i>Fund balance - beginning of year</i>	-	-	746,813	746,813
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 523,419</u>	<u>\$ 523,419</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (223,394)
Adjustments to revenues for taxes and grants receivable				289,709
Adjustments to expenditures for public works				(240,060)
<i>Net change in fund balance (GAAP)</i>				<u>\$ (173,745)</u>

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

STATE OF NEW MEXICO

Exhibit C-3

Quay County

Detention Center Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variances</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u> <u>Final to Actual</u>
<i>Revenues</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	160,000	160,000	195,676	35,676
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	3,000	3,000	3,587	587
State operating grants	47,000	57,000	60,770	3,770
Local sources	-	-	-	-
Charges for services	224,794	269,794	245,756	(24,038)
Fines, forfeitures and penalties	-	-	-	-
Investment income	-	-	800	800
Miscellaneous	16,700	16,700	45,607	28,907
<i>Total revenues</i>	<u>451,494</u>	<u>506,494</u>	<u>552,196</u>	<u>45,702</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	1,212,319	1,267,319	1,258,548	8,771
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,212,319</u>	<u>1,267,319</u>	<u>1,258,548</u>	<u>8,771</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(760,825)</u>	<u>(760,825)</u>	<u>(706,352)</u>	<u>54,473</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(14,755)	(14,755)	-	14,755
Proceeds from sale of equipment	-	-	-	-
Transfers in	800,000	800,000	800,000	-
Transfers (out)	(24,420)	(24,420)	(24,420)	-
<i>Total other financing sources (uses)</i>	<u>760,825</u>	<u>760,825</u>	<u>775,580</u>	<u>14,755</u>
<i>Net change in fund balance</i>	-	-	69,228	69,228
<i>Fund balance - beginning of year</i>	-	-	20,486	20,486
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 89,714</u>	<u>\$ 89,714</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 69,228
Adjustments to revenues for charges for services				(31,616)
Adjustments to expenditures for public safety expenditures				(20,526)
<i>Net change in fund balance (GAAP)</i>				<u>\$ 17,086</u>

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

STATE OF NEW MEXICO

Exhibit C-4

Quay County

Hospital Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Property	\$ 287,918	\$ 287,918	\$ 300,632	\$ 12,714
Gross receipts	856,000	856,000	977,358	121,358
Gasoline and motor vehicle	-	-	-	-
Other	4,921	4,921	2,491	(2,430)
Intergovernmental income:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	6,000	6,000	7,538	1,538
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,154,839</u>	<u>1,154,839</u>	<u>1,288,019</u>	<u>133,180</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	1,025,000	1,025,000	1,019,559	5,441
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,025,000</u>	<u>1,025,000</u>	<u>1,019,559</u>	<u>5,441</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>129,839</u>	<u>129,839</u>	<u>268,460</u>	<u>138,621</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	37,161	37,161	-	(37,161)
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	(167,000)	(167,000)	(150,363)	16,637
<i>Total other financing sources (uses)</i>	<u>(129,839)</u>	<u>(129,839)</u>	<u>(150,363)</u>	<u>(20,524)</u>
<i>Net change in fund balance</i>	-	-	118,097	118,097
<i>Fund balance - beginning of year</i>	-	-	700,917	700,917
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 819,014</u>	<u>\$ 819,014</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 118,097
Adjustments to revenues for gross receipts taxes receivable				(9,873)
Adjustments to expenditures for emergency medical and capital expenditures				(101)
<i>Net change in fund balance (GAAP)</i>				<u>\$ 108,123</u>

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

STATE OF NEW MEXICO

Exhibit C-5

Quay County

County Improvements Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	33,750	33,750	12,821	(20,929)
State operating grants	-	-	-	-
State capital grants	-	148,500	129,756	(18,744)
Payment in lieu of taxes	-	-	-	-
Charges for services	-	-	-	-
Investment income	1,300	1,300	208	(1,092)
Miscellaneous	-	-	-	-
Total revenues	35,050	183,550	142,785	(40,765)
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	320,000	320,000	78,228	241,772
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	721,000	869,500	201,107	668,393
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,041,000	1,189,500	279,335	910,165
Excess (deficiency) of revenues over expenditures	(1,005,950)	(1,005,950)	(136,550)	869,400
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	1,245,950	845,950	-	(845,950)
Proceeds from sale of equipment	-	-	-	-
Transfers in	-	400,000	400,000	-
Transfers (out)	(240,000)	(240,000)	-	240,000
Total other financing sources (uses)	1,005,950	1,005,950	400,000	(605,950)
Net change in fund balance	-	-	263,450	263,450
Fund balance - beginning of year	-	-	2,030,688	2,030,688
Fund balance - end of year	\$ -	\$ -	\$ 2,294,138	\$ 2,294,138
Net change in fund balance (non-GAAP budgetary basis)				\$ 263,450
No adjustments to revenues				-
Adjustments to expenditures for professional services payable				(12,751)
Net change in fund balance (GAAP)				\$ 250,699

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

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

Exhibit D-1

<i>Current assets</i>	
Cash	\$ 52,237
Property taxes receivable	<u>578,551</u>
<i>Total current assets</i>	<u><u>\$ 630,788</u></u>
 <i>Liabilities</i>	
Deposits held in trust	\$ 3,565
Due to other taxing entities	<u>627,223</u>
<i>Total liabilities</i>	<u><u>\$ 630,788</u></u>

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

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

NOTE 1. Summary of Significant Accounting Policies

Quay County (the "County") is a political sub-division of the State of New Mexico established under the provisions of Section 4-20-1 of NMSA, 1978 compilation and regulated by the constitution of the State of New Mexico. The County operates under a Board of County Commissions-manager form of government and provides the following services as authorized by public law: public safety (sheriff, fire, emergency medical, etc.), roads, health and social services, recreation, sanitation, planning and zoning, property assessment, tax collection and general administrative services.

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

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

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

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

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

The objective of GASB Statement No. 74 is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits) included in the general purpose external financial reports of state and local government postemployment benefit plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement does not directly affect the County's financial statements.

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

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

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

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

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

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

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

A. Financial Reporting Entity

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, as amended by GASB Statement No. 39, GASB Statement No. 61, and GASB Statement No. 80. Blended component units, though legally separate entities, are, in substance, part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the County has no component units, and is not a component unit of another governmental agency.

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

NOTE 1. Summary of Significant Accounting Policies (continued)

B. Government-wide and fund financial statements

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

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

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

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

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

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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

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

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

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

The *Road Special Revenue Fund* is used to account for revenues and expenditures used to maintain roads for which the County has responsibility. Financing sources include gasoline taxes, motor vehicle registration fees, and New Mexico Department of Transportation cooperative agreement funds. Expenditures are restricted for construction and maintenance of County roads. Authority is state statute (see section 67-3-1, NMSA 1978 Compilation).

The *Detention Center Special Revenue Fund* is used to account for resources used to operate the County Detention Center. Funding is provided by charges to municipalities, the New Mexico Department of Corrections, gross receipts tax and transfer from the County General Fund. This fund also accounts for the Community Monitoring Program. Authorized by Section 33-3-25, NMSA 1978.

The *Hospital Fund Special Revenue Fund* is to account for one-eighth of one percent gross receipts tax revenue for current operations and maintenance of the Hospital and for property taxes authorized for the Hospital. Also, to account for one-half of one percent gross receipts tax for the Hospital and property mill levy of 1.5. Authorized by Section 7-20-21B through Section 7-20-26, NMSA 1978.

The *County Improvements Special Revenue Fund* is to account for funds which have been restricted for use for improvements by grantors. This fund was authorized by action of the Quay County Commissioners and restricted by grantors.

Additionally, the government reports the following agency fund:

Fiduciary funds are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The County's fiduciary funds are used to account for the collection and payment of property taxes and special fees to other governmental agencies. The agency fund is used to account for collection and disbursement of inmate funds for the Quay County Detention Center. In addition, the agency fund will track and account for items held for the fire departments located within Quay County.

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

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

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

State statutes authorize the County to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Investments for the County are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables: Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting funds and reduces its related cost as a reimbursement.

All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

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

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

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

Restricted Assets: Restricted assets consist of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended. Descriptions for the related restriction for net position for special revenue, debt service and capital projects are described on pages 37-38 and 77-79.

Capital Assets: Capital assets, which are property, plant, equipment, and infrastructure assets, (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Quay County was a phase III government for purposes of implementing GASB 34. Therefore, the County was not required to report its major general infrastructure assets retroactively to June 30, 1980. The County has elected to report infrastructure assets in a prospective manner only and infrastructure in place before July 1, 2003, is not reported.

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

The County has an intangible asset for internally generated software and has determined that this software has an indefinite useful life and is not subject to amortization.

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>
Buildings and improvements	45
Infrastructure	40
Other Improvements	20
Equipment	5-20

Accrued Expenses: Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2016, along with applicable PERA, FICA, and Medicare payable.

Deferred Inflows of Resources: In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding deferred inflow of resources.

The County has one item which arises under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue – property taxes, is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The County has recorded \$225,529 related to property taxes considered “unavailable.”

In addition, the County has three types of deferred inflows which arise due to the implementation of GASB 68 and the related net pension liability. Accordingly, these items, differences between expected and actual experience, change in assumptions, and changes in proportion, are reported on the Statement of Net Position. The County has recorded \$34,786 related to differences between expected and actual experience, \$18,038 related to change of assumptions, and \$62,968 related to changes in proportion. These amounts are deferred and recognized as inflows of resources in the period that the amounts become available.

Deferred Outflow of Resources: In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time.

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

The County has five types of items that qualify for reporting in this category. Accordingly, the items, contributions subsequent to measurement date of \$238,318, changes in proportion of \$397,440, difference between expected and actual experience of \$249,105, change in assumptions of \$273,078, and net difference between projected and actual investment earnings on pension plan investments of \$808,823 are reported in the Statement of Net Position. These amounts are deferred and recognized as outflows of resources the appropriate future period when the outflow occurs.

Compensated Absences: Qualified employees are entitled to accumulate annual leave according to a graduated leave schedule of seven days to fifteen days per year, depending on length of service.

No more than twenty (20) working days, or one hundred sixty (160) hours of annual leave, may be carried forward from one calendar year to the next. All excess annual leave shall be forfeited, if not used, unless extenuating circumstances warrant approval of an extension by the County Commissioners of Quay County.

Qualified employees are entitled to accumulate sick leave at a rate of twelve days per year. Sick leave can be carried over from year. Upon termination or retirement employees receive no pay for sick time accumulated unless they become eligible.

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

Long-term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. For bonds issued after GASB 34 was implemented, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method or on a straight-line basis if the difference is inconsequential. For fund financial reporting, bond premiums, discounts as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as an other financing source. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

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

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

Restricted and Committed Fund Balance: At June 30, 2017, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$6,869,163 for various County operations as restricted by enabling legislation. The details of these fund balance items are located on the governmental funds balance sheet as detailed on pages 18 and 19.

Minimum Fund Balance Policy: The County's policy for maintaining a minimum amount of fund balance for operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies. At a minimum, the budget shall ensure that the County holds cash reserves of 3/12th the General Fund expenditures and a cash reserve of 1/12th the Road Special Revenue Fund. At June 30, 2017, the County maintains \$586,029 in the general fund and \$174,020 in the Road Special Revenue Fund as minimum fund balances.

Net Position: The financial statements net position is reported in three categories: net investment in capital assets, restricted, and unrestricted:

- **Net investment in capital assets** – This component consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any related debt attributable to the acquisition, construction, or improvement of those assets.
- **Restricted Net Position** – Net position is reported as restricted when constraints placed on net position use are either (1) externally imposed by creditors, grantors, contributions or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for “special revenue, debt service, and capital projects” are described on pages 37-38 and 77-79.
- **Unrestricted Net Position** – Net position that do not meet the definition of “restricted” and “Net Investment in Capital Assets.”

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

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

NOTE 2. Stewardship, Compliance, and Accountability

Budgetary Information

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

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

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

	Excess (deficiency) of revenues over expenditures	
	Original Budget	Final Budget
Budgeted Funds:		
General Fund	\$ 1,025,195	\$ 1,025,195
Road Special Revenue Fund	\$ (792,887)	\$ (792,887)
Detention Center Fund	\$ (760,825)	\$ (760,825)
Hospital Fund	\$ 129,839	\$ 129,839
County Improvements Fund	\$ (1,005,950)	\$ (1,005,950)
Other Governmental Funds	\$ (985,802)	\$ (1,336,173)

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2017 is presented. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

NOTE 3. Deposits and Investments

State statutes authorize the investment of County funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the County properly followed State investment requirements as of June 30, 2017.

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

NOTE 3. Deposits and Investments (continued)

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

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

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

All of the County's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the Standard Maximum Deposit Insurance Amount of \$250,000.

Custodial Credit Risk - Deposits

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. The County does not have a deposit policy for custodial credit risk, other than following state statutes as set forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2017, \$6,608,058 of the County's bank balance of \$7,394,972 was exposed to custodial credit risk. Although the \$6,608,058 was uninsured, \$4,001,729 of it was collateralized by collateral held by the pledging bank's trust department, not in the County's name. \$2,606,329 of the County's deposits were uninsured and uncollateralized at June 30, 2017.

	Everyone's Federal Credit Union	First National Bank	Tucumcari Federal Savings and Loan	Wells Fargo	Total
Amount of Deposits	\$ 250,000	\$ 5,008,058	\$ 2,100,000	\$ 36,914	\$ 7,394,972
FDIC coverage	(250,000)	(250,000)	(250,000)	(36,914)	(786,914)
Total uninsured public funds	-	4,758,058	1,850,000	-	6,608,058
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name	-	3,016,014	985,715	-	4,001,729
Uninsured and uncollateralized	\$ -	\$ 1,742,044	\$ 864,285	\$ -	\$ 2,606,329
Collateral requirement (50%)	\$ -	\$ 2,379,029	\$ 925,000	\$ -	\$ 3,304,029
Pledged securities	-	3,016,014	985,715	-	4,001,729
Over (under) collateralized	\$ -	\$ 636,985	\$ 60,715	\$ -	\$ 697,700

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

NOTE 3. Deposits and Investments (continued)

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

Investments

The County has presented certificates of deposits of \$2,350,000 as investments in the Statement of Net Position; however, these are classified as deposits for disclosure purposes.

The County also holds \$60,817 in cash equivalent U. S. Treasury money market & agency notes, rated AA+ or above by Standard & Poor's.

As all investments are certificates of deposits or cash equivalent money market accounts, they are not subject to fair market valuation as of June 30, 2017.

Reconciliation of Cash and Cash Equivalents

Cash and cash equivalents per Exhibit A-1	\$	4,761,769
Investments per Exhibit A-1		2,350,000
Restricted cash and cash equivalents per Exhibit A-1		94,465
Cash per Exhibit D-1		52,237
 Total cash and cash equivalents		 7,258,471
Add: outstanding checks and deposits in transit		197,493
Less: restricted cash with NMFA		(60,817)
Less: Petty Cash		(775)
 Bank Balance of Deposits	 \$	 7,394,372

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

NOTE 4. Receivables

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

	General Fund	Road Fund	Detention Center	Hospital Fund	Nonmajor Governmental Funds	Total
Current receivables:						
Property taxes	\$ 246,288	\$ -	\$ -	\$ -	\$ -	\$ 246,288
Other taxes:						
Gross receipts	63,909	-	27,883	159,670	116,182	367,644
Gasoline	552	18,852	-	-	-	19,404
Motor vehicle	13,501	61,191	-	-	-	74,692
Other receivables:						
State Operating	-	-	-	-	4,805	4,805
Totals	\$ 324,250	\$ 80,043	\$ 27,883	\$ 159,670	\$ 120,987	\$ 712,833

County Considers receivables to be 100% collectable.

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$225,529 that were not collected within the period of availability have been reclassified as deferred inflow of resources in the governmental fund financial statements.

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

NOTE 5. Transfers

Net operating transfers, made to close out funds and to supplement other funding sources in the normal course of operations, were as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Road Special Revenue Fund	\$ 150,000
General Fund	Quay County Emergency Management Special Revenue Fund	29,493
General Fund	Detention Center Special Revenue Fund	800,000
General Fund	Rural Addressing Special Revenue Fund	11,250
General Fund	Juvenile Detention Special Revenue Fund	100,000
General Fund	Underage Drinking Prevention Special Revenue Fund	5,000
General Fund	County Improvement Special Revenue Fund	400,000
Road Special Revenue Fund	Debt Service Fund	135,741
Fire District No. 1 Speical Revenue Fund	Debt Service Fund	7,408
Fire District No. 2 Special Revenue Fund	Debt Service Fund	13,888
Fire District No. 3 Special Revenue Fund	Debt Service Fund	18,878
Nara Vista Fire Special Revenue Fund	Debt Service Fund	13,462
Forrest Fire Special Revenue Fund	Debt Service Fund	8,697
Jordan Fire Special Revenue Fund	Debt Service Fund	44,163
Bard Endee Fire Special Revenue Fund	Debt Service Fund	40,841
Quay Fire District Special Revenue Fund	Debt Service Fund	18,262
Porter Fire Department Special Revenue Fund	Debt Service Fund	7,629
Quay County Fire Marshall Special Revenue Fund	General Fund	16,377
Detention Center Special Revenue Fund	Debt Service Fund	24,420
Hospital Fund Special Revenue Fund	General Fund	45,000
Hospital Fund Special Revenue Fund	Safety Net Care Pool Special Revenue Fund	105,363
DWI Grant Special Revenue Fund	General Fund	17,785
Underage Drinking Prevention Special Revenue	General Fund	3,922
	Total	<u>\$ 2,017,579</u>

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

NOTE 6. Capital Assets

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

	<u>Balance June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Balance June 30, 2017</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 166,229	\$ -	\$ -	\$ -	\$ 166,229
Intangible assets	-	127,369	-	-	127,369
Total capital assets not being depreciated	<u>166,229</u>	<u>127,369</u>	<u>-</u>	<u>-</u>	<u>293,598</u>
Capital assets being depreciated:					
Land Improvements	15,353	-	-	-	15,353
Buildings and improvements	21,084,025	311,187	-	465,000 *	21,860,212
Equipment	4,647,578	760,706	(12,000)	-	5,396,284
Office Equipment	140,785	21,080	(18,910)	-	142,955
Other Equipment	525,243	121,438	-	-	646,681
Vehicles	5,026,942	60,238	(13,000)	10,000 *	5,084,180
Capital Lease	883,602	-	-	-	883,602
Infrastructure (Roads)	27,444	-	-	-	27,444
Total capital assets being depreciated	<u>32,350,972</u>	<u>1,274,649</u>	<u>(43,910)</u>	<u>475,000</u>	<u>34,056,711</u>
Less accumulated depreciation:					
Land Improvements	(15,353)	-	-	-	(15,353)
Buildings and improvements	(16,045,925)	(320,412)	-	(465,000) *	(16,831,337)
Equipment	(2,768,385)	(227,809)	12,000	-	(2,984,194)
Office Equipment	(67,045)	(8,708)	18,910	-	(56,843)
Other Equipment	(163,544)	(30,772)	-	-	(194,316)
Vehicles	(2,049,795)	(281,454)	13,000	(10,000) *	(2,328,249)
Capital Lease	(353,441)	(135,745)	-	-	(489,186)
Infrastructure (Roads)	(27,444)	-	-	-	(27,444.00)
Total accumulated depreciation	<u>(21,490,932)</u>	<u>(1,004,900)</u>	<u>43,910</u>	<u>(475,000)</u>	<u>(22,926,922)</u>
Total capital assets, net of depreciation	<u>\$ 11,026,269</u>	<u>\$ 397,118</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,423,387</u>

* NMFA rejected two sales of property from prior periods, therefore the property reverted to the County.

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

NOTE 6. Capital Assets (continued)

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

General Government	\$ 76,314
Public Safety	601,552
Health and welfare	63,984
Public works	<u>263,050</u>
Total depreciation expense	<u>\$ 1,004,900</u>

NOTE 7. Long-term Debt

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

	<u>Balance</u> <u>June 30, 2016</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2017</u>	<u>Due Within</u> <u>One Year</u>
NMFA Loans	\$ 755,645	\$ 445,221	\$ 188,907	\$ 1,011,959	\$ 211,283
Capital Lease	527,139	-	135,741	391,398	135,741
Compensated Absences	<u>131,631</u>	<u>113,574</u>	<u>122,943</u>	<u>122,262</u>	<u>122,262</u>
Total long-term debt	<u>\$ 1,414,415</u>	<u>\$ 558,795</u>	<u>\$ 447,591</u>	<u>\$ 1,525,619</u>	<u>\$ 469,286</u>

Loans

The County has entered into several loan agreements with the New Mexico Finance Authority, wherein the County pledged revenue derived from New Mexico Fire Protection Allotments to cover debt service. This revenue is subject to intercept agreements. The NMFA loans are as follows:

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

NOTE 7. Long-term Debt (Continued)

Description	Issue Date	Maturity Date	Interest Rate	Original Amount	June 30, 2017
NMFA - Fire truck, Jordan fire District. #11	9/26/2006	5/1/2017	3.43-4.01%	\$ 100,000	\$ -
NMFA - Pumper fire truck, Jordan Fire District #12	3/7/2008	5/1/2018	1.58-2.18%	138,889	16,553
NMFA - Pumper fire truck, Bard Endee Fire District #13	3/7/2008	5/1/2018	1.86-2.55%	166,667	25,880
NMFA - Detention center renovations #14	11/21/2008	5/1/2018	1.62-3.8%	225,933	24,301
NMFA - Pumper fire truck, Fire District No.3 #15	1/9/2009	5/1/2021	0.89-3.12%	192,850	70,306
NMFA - Building addition for the Forrest Fire District #20	1/15/2010	5/1/2020	0.00%	86,275	26,091
NMFA - Class A Pumper Fire Truck for the Jordan Fire District #18	1/15/2010	5/1/2020	0.44-1.81%	152,250	47,514
NMFA - Class A Pumper Fire Truck for the Bard-Endee Fire District #17	1/15/2010	5/1/2020	0.44-1.81%	152,250	50,149
NMFA - Initial Attack Fire Vehicle for the Quay Fire District #19	1/15/2010	5/1/2020	0.00%	50,750	15,225
NMFA - Class A Pumper Fire Truck for the Porter Fire District #21	1/15/2010	5/1/2020	0.01-0.06%	76,125	22,864
NMFA - Class A Pumper Fire Truck for the Nara Visa Fire District #16	1/15/2010	5/1/2020	0.36-1.48%	126,875	39,296
NMFA - Fire District No.1 #22	9/10/2010	5/1/2023	0.00%	60,900	44,452
NMFA - Class A Fire Truck for use by the Conservancy #2 Fire District #23	8/10/2012	5/1/2020	0.42%	152,250	110,087
NMFA - Purchase of a Fire Tanker for use by the Bard-Endee Fire District #24	6/13/2014	5/1/2025	0.44-1.816%	60,454	48,455
NMFA - Purchase of a Class A Fire Truck for the use by the Quay Fire #3/4	2/20/2004	5/1/2019	0.9-8.86%	136,000	25,564
NMFA - Purchase of a Brush Truck #26	7/8/2016	5/1/2027	0.00%	176,323	173,180
NMFA - Purchase of a Brush Truck #27	10/21/2016	5/1/2027	0.10%	171,285	171,285
NMFA - Purchase of a Tanker #28	10/21/2016	5/1/2027	0.10%	100,756	100,757
					<u>\$ 1,011,959</u>

STATE OF NEW MEXICO
 Quay County
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 June 30, 2017

NOTE 7. Long-term Debt (Continued)

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

<u>Fiscal Year Ending June 30,</u>	<u>Loan Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2018	\$ 211,283	\$ 7,669	\$ 218,952
2019	147,027	4,650	151,677
2020	151,934	2,739	154,673
2021	93,329	885	94,214
2022	79,537	231	79,768
2023-2027	328,849	553	329,402
	<u>\$ 1,011,959</u>	<u>\$ 16,727</u>	<u>\$ 1,028,686</u>

Leases

The County has entered into several lease agreements with heavy equipment companies, wherein the County pays out the leases from the road fund as they are for six road blades.

<u>Description</u>	<u>Issue Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>June 30, 2017</u>
72031 John Deere	9/25/2015	9/25/2018	0%	\$ 39,960	\$ 31,364
72040 John Deere	9/25/2015	9/25/2018	0%	39,960	31,364
1734 CAT	2/10/2014	2/10/2021	0%	190,764	98,586
1737 CAT	2/10/2014	2/10/2021	0%	191,100	98,413
1403 CAT	11/29/2012	11/29/2019	0%	191,100	65,896
1404CAT	11/29/2012	11/29/2019	0%	190,764	65,775
					<u>\$ 391,398</u>

The annual requirements to amortize the Capital Leases Payable as of June 30, 2017, including interest payments are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total Payment</u>
2018	\$ 135,741
2019	115,761
2020	77,280
2021	62,616
	<u>\$ 391,398</u>

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

NOTE 7. Long-term Debt (continued)

Compensated Absences – Employees of the County are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2017, compensated absences decreased \$8,688 from the prior year accrual. In prior years, the general fund was typically used to liquidate such long-term liabilities.

NOTE 8. Industrial Revenue Bond

During fiscal year 2016, the County, in accordance with State of New Mexico statutes, approved Ordinance 50 which authorized the issuance of Industrial Revenue Bonds for the development of the Caprock Wind Project and Caprock Solar Project. These Bonds were issued for the purpose of economic development in Quay County. These bonds are an obligation of the project involved, and are not a general obligation of the County. The bondholders cannot look to the County revenues in any manner for repayment of the bonds. See Note 20 for tax abatement information.

NOTE 9. Joint Powers Agreement

During the year ended June 30, 2017, the County was part of the following Joint Powers Agreement:

Description:	911 Emergency Communications Center
Purpose:	Maintains Dispatch Center
Participants:	County of Quay, City of Tucumcari, and the Villages of Logan, San Jon, and House
Responsible Party:	County of Quay
Beginning Date of Agreement	June 30, 2009
Ending Date:	Until Terminated
Total Estimate Amount of Project:	Unknown
County Contributions in Current Year:	\$ 30,420.00
Audit Responsibility:	County of Quay
Fiscal Agent:	County of Quay

NOTE 10. Operating Leases

The County leases equipment under operating leases expiring during the next five years. Although renewal and purchase options are available on these leases, the County considers these to be operating leases as they contain a non-appropriation termination clause. RPC noted all but two Xerox lease terms ended during the year ended 6/30/2017. The two remaining lease terms end in 2018 and the balance due during the next fiscal year will be \$4,645.

STATE OF NEW MEXICO
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June 30, 2017

NOTE 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.

Quay County is a member and is insured through the New Mexico County Insurance Authority. The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The Authority acts as the common carrier for the State of New Mexico counties. The County pays an annual premium to the Authority based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. The County is not liable for more than the premiums paid.

NOTE 12. Other Required Individual Fund Disclosures

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

- A. Deficit fund balance of individual funds. There were no funds which reflected a deficit fund balance as of June 30, 2017.
- B. Excess of expenditures over appropriations. There were no funds with expenditures in excess of the budgeted appropriations.
- C. Designated cash appropriations in excess of available balances. There were no funds that exceeded approved budgetary authority for the year ended June 30, 2017.

NOTE 13. Pension Plan – Public Employees Retirement Association

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

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

STATE OF NEW MEXICO
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June 30, 2017

NOTE 13. Pension Plan – Public Employees Retirement Association (continued)

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

Contributions. The contribution requirements of defined benefit plan members and Quay County are established in State Statute under Chapter 10, Article 11 NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY16 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on page 43 of the PERA FY16 annual audit report at http://www.nmpera.org/assets/uploads/downloads/comprehensive-annual-financial-reports/2016-CAFR_12.22.2016_FINAL-with-corrections.pdf. The PERA coverage options that apply to Quay County are Municipal General Division and Municipal Police Division. Statutorily required contributions to the pension plan from Quay County were \$238,318 for the year ended June 30, 2017.

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

The assets of the PERA fund are held in one trust, but there are six distinct membership groups (municipal general members, municipal police members, municipal fire members, state general members, state police members and legislative members) for whom separate contribution rates are determined each year pursuant to Chapter 10, Article 11 NMSA 1978. Therefore, the calculations of the net pension liability, pension expense and deferred inflows and outflows were performed separately for each of the membership groups: municipal general members; municipal police members; municipal fire members; state general members; state police members and legislative members.

Quay County's proportion of the net pension liability for each membership group that the employer participates in is based on the employer contributing entity's percentage of that membership group's total employer contributions for the fiscal year ended June 30, 2016. Only employer contributions for the pay period end dates that fell within the period of July 1, 2015 to June 30, 2016 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2016 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.

STATE OF NEW MEXICO
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 June 30, 2017

NOTE 13. Pension Plan – Public Employees Retirement Association (continued)

For PERA Fund Municipal General Division, at June 30, 2017, Quay County reported a liability of \$3,564,388 for its proportionate share of the net pension liability. At June 30, 2016, Quay County's proportion was 0.2231 percent, which was an increase of 0.0363 from year ended June 30, 2015.

For the year ended June 30, 2017, Quay County recognized PERA Fund Municipal General Division pension expense of \$496,354. At June 30, 2017, Quay County reported PERA Fund Municipal General Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Changes of assumptions	\$ 209,010	\$ 593
Net difference between projected and actual earnings on pension plan investments	655,840	-
Changes in proportion	286,806	62,968
Differences between expected and actual experience	178,091	34,786
County's contributions subsequent to the measurement date	189,698	-
Total	\$ 1,519,445	\$ 98,347

For Municipal General, \$189,698 reported as deferred outflows of resources related to pensions resulting from Quay County's contributions subsequent to the measurement date June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2018	\$ (284,278)
2019	(284,278)
2020	(488,544)
2021	(174,300)
2022	-
Thereafter	-

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

NOTE 13. Pension Plan – Public Employees Retirement Association (continued)

For PERA Fund Municipal Police Division, at June 30, 2017, Quay County reported a liability of \$967,295 for its proportionate share of the net pension liability. At June 30, 2016, Quay County's proportion was 0.1311 percent, which was an increase of .029 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, Quay County recognized PERA Fund Municipal Police Division pension expense of \$164,952. At June 30, 2016, Quay County reported PERA Fund Municipal Police Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Changes of assumptions	\$ 64,068	\$ 17,445
Net difference between projected and actual earnings on pension plan investments	152,983	-
Changes in proportion	110,634	-
Differences between expected and actual experience	71,014	-
County's contributions subsequent to the measurement date	<u>48,620</u>	<u>-</u>
Total	<u>\$ 447,319</u>	<u>\$ 17,445</u>

\$48,620 reported as deferred outflows of resources related to pensions resulting from Quay County's contributions subsequent to the measurement date June 30, 2016 will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2018	\$ (101,398)
2019	(101,398)
2020	(136,332)
2021	(42,126)
2022	-
Thereafter	-

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

NOTE 13. Pension Plan – Public Employees Retirement Association (continued)

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

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

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

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

Discount Rate. The discount rate used to measure the total pension liability was 7.48 percent. The projection of cash flows used to determine the discount rate assumed that future contributions will be made in accordance with statutory rates. On this basis, the pension plan’s fiduciary net position together with the expected future contributions are sufficient to provide all projected future benefit payments of current plan members as determined in accordance with GASBS 67. Therefore, the 7.48% assumed long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

NOTE 13. Pension Plan – Public Employees Retirement Association (continued)

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

	1% Decrease	Current	Discount Rate	1% Increase
	(6.48%)	(7.48%)	(8.48%)	
PERA Fund Municipal General Division				
County's proportionate share of the net pension liability	\$ 5,314,185	\$ 3,564,388		\$ 2,113,018

	1% Decrease	Current	Discount Rate	1% Increase
	(6.48%)	(7.48%)	(8.48%)	
PERA Fund Municipal Police Division				
County's proportionate share of the net pension liability	\$ 1,423,131	\$ 967,295		\$ 594,474

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

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

NOTE 14. Hospital Lease

Quay County government leases its hospital facility and equipment to Presbyterian Health care Services (PHS), a New Mexico nonprofit corporation in accordance with Sections 4-48B-1 to 27, NMSA 1978 (The Hospital Funding Act). The lease, which has been in effect since August 15, 1978, was terminated and a new lease negotiated on May 12, 2008. The term of the lease is 10 years, but may be renewed for an additional 10 years. The lease may be terminated by either party without cause or penalty at any time following the third anniversary of the commencement date of the lease of June 1, 2008, upon written notice of 180 days.

The amount of rental is \$1 a year. PHS additionally agrees to ensure that hospital services are provided to include admission of patients, X-Ray lab, pharmacy, and emergency services which comply with regulations of the New Mexico Department of Health. PHS further agrees to maintain the facility at its cost, up to \$5,000 for a single project of \$25,000 in aggregate per year. The County is responsible for expansion of facilities and major renovations, but is not required to undertake such projects.

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Quay County
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June 30, 2017

NOTE 14. Hospital Lease (continued)

PHS will pay for all telephone service, janitorial service, interior cosmetic maintenance, ground maintenance and utilities as well as insuring the leased premises for an amount of at least 90% of the insurable value. PHS is required to rebuild the facility if destroyed by or partially destroyed by fire, storm or other risk.

Further, PHS will maintain insurance of not less than \$1,000,000 / \$3,000,000. Finally, PHS agrees to indemnify the County from and against all claims, damages, personal injury, third party damages and acts of hospital personnel and employees, all of whom are under the exclusive control of PHS.

The County is required to impose, collect and distribute to PHS the proceeds of a mill levy authorized by election and to submit the mill levy question to voters prior to the expiration of the current levy. The mill levy is for purposes of operating and maintaining the hospital facilities and services, remodeling, renovation, and additions to the hospital, including new equipment and for other purposes consistent with the Hospital Act, as determined by PHS. The County is also required to annually budget matching funds for the Sole Community Provider funding and to use its best efforts to participate in the program. Should the mill levy support fall below the level as of the commencement of the lease or if the County should fail to pay for the mill levy, submit the mill levy question to voters upon expiration or match the Safety Net Care Pool funding, PHS may terminate the lease.

All fixtures and equipment of the hospital owned by the County as of the commencement date of the lease continue to belong to the County. All equipment acquired with the mill levy proceeds shall become the property of the County upon expiration or early termination of the lease.

The County is required to make available any distributions of income from the Dr. Dan C. Trigg Trust, established for the benefit of the Hospital. PHS is responsible for all losses from operation of the Hospital and shall receive all excess revenue from the Hospital.

Upon expiration or termination, PHS shall return to the County all fixtures and equipment and surrender the property in good condition, subject to reasonable wear and tear. The County shall assume all debt incurred by PHS in connection with its operation of the leased premises, provided the County was notified in advance of its intent to incur such debt. The amount of any debt for which the County might be liable upon termination has not been determined.

NOTE 15. Contingent Liabilities

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

NOTE 16. Restricted Net Position

The government-wide statement of net position reports \$6,162,617 of restricted net position, all of which is restricted by enabling legislation. For descriptions of the related enabling legislation for special revenue, debt service and capital project funds, see pages 37-38 and 77-79.

STATE OF NEW MEXICO
Quay County
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June 30, 2017

NOTE 17. Subsequent Events

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

NOTE 18. Concentrations

The County depends on financial resources flowing from, or associated with, property taxes, gross receipts taxes, the Federal Government and the State of New Mexico. Because of this dependency, the County is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State Appropriations; changes in gross receipts tax rates, collections, tourism, and property values.

NOTE 19. Subsequent Pronouncements

In June 2015, GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* was issued. Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2017. The standard will be implemented during the fiscal year ended June 30, 2018. The County doesn't expect this pronouncement to have an effect on the financial statements.

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

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

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

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

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

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

STATE OF NEW MEXICO
 Quay County
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 June 30, 2017

NOTE 20. Tax Abatements

Note: None of the County's Tax Abatement Disclosures omitted information required by GASB Statement No. 77.

Agency Number	5020
Agency Name	Quay County
Agency Type	County
Tax Abatement Agreement Name	Industrial Revenue Bond Agreement
Recipient(s) of tax abatement	FPL Energy New Mexico Wind, LLC
Parent company(ies) of recipient(s) of tax abatement	Florida Power & Light Company; NextEra Energy, Inc.
Tax abatement program (name and brief description)	Industrial Revenue Bond
Specific Tax(es) Being Abated	Gross Receipts Taxes, Compensating, and Ad Valorem Taxes
Legal authority under which tax abatement agreement was entered into	The County Industrial Revenue Bond Act, Ch. 4, Art. 59 NMSA 1978 (the "Act")
Criteria that make a recipient eligible to receive a tax abatement	Under Section 4-59-2(F) of the Act, a wide variety of businesses are eligible to be beneficiaries of IRBs; to wit: Business in which all or part of the activities of the business involve the supplying of services to the general public or to governmental agencies or to a specific industry or customer;
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	First, the project property is exempt from ad valorem taxation for the term of the bonds, and, second, purchases of project property that is tangible, depreciable, personal property are deductible or exempt, as the case may, from gross receipts and compensating taxes.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	5.125% of the price (for the compensating tax) and between 6.6875% and 8.3750%, depending on the location in the County (for the gross receipts tax). Exactly how much of the IRB subsidy takes the form of these excise tax abatements depends on how much of the project property corresponds to eligible tangible depreciable personal property. Most IRB projects comprise mostly real property, but there have been cases in which all or almost all of the IRB property consisted of personal property.
Are there provisions for recapturing abated taxes? (Yes or No)	No
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	N/A

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

NOTE 20. Tax Abatements (continued)

List each specific commitment made by the recipient of the abatement.	1. The project must be completed by December 31, 2005. (2002 IRB Lease § 4.4.) The Company must make annual payments of \$56,350 to the House School District, and \$212,320 to Quay County. (2002 IRB Lease § 6.6.) 2. In addition to these obligations, the Companies have made customary covenants under the IRB leases concerning insurance, indemnification, payments to utilities, suppliers and other third parties, and so forth.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	\$84,066.26
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	House School District, San Jon School District, Tucumcari School District, and Mesalands Community College.
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by your agency</u> in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	N/A
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by a different agency</u> in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	State: \$14,762.01 House School District: \$3,265.79 Mesalands: \$32,552.68
List each specific commitment made by your agency or any other government, other than the tax abatement.	None, other than covenants related to maintenance of the bonds and the related bond agreements during the term of the bonds.
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes. The IRB tax exemption affects each of the other governmental entities that impose mill levies on property in the location of the IRB projects. These are the State of New Mexico (1.360 mills), the Tucumcari School District (9.577 mills), the House School District (5.491 mills), the San Jon School District (6.837 mills), and Mesalands Community College (2.996 mills). The gross receipts and compensating tax deductions and exemptions also affect the State.

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

NOTE 20. Tax Abatements (continued)

Agency Number	5020
Agency Name	Quay County
Agency Type	County
Tax Abatement Agreement Name	Industrial Revenue Bond Agreement
Recipient(s) of tax abatement	Caprock Wind, LLC
Parent company(ies) of recipient(s) of tax abatement	Babcock & Brown Caprock GP LLC, a Delaware limited liability company.
Tax abatement program (name and brief description)	Industrial Revenue Bond
Specific Tax(es) Being Abated	Gross Receipts Taxes, Compensating, and Ad Valorem Taxes
Legal authority under which tax abatement agreement was entered into	The County Industrial Revenue Bond Act, Ch. 4, Art. 59 NMSA 1978 (the "Act")
Criteria that make a recipient eligible to receive a tax abatement	Under Section 4-59-2(F) of the Act, a wide variety of businesses are eligible to be beneficiaries of IRBs; to wit: Business in which all or part of the activities of the business involve the supplying of services to the general public or to governmental agencies or to a specific industry or customer;
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	First, the project property is exempt from ad valorem taxation for the term of the bonds, and, second, purchases of project property that is tangible, depreciable, personal property are deductible or exempt, as the case may, from gross receipts and compensating taxes.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	5.125% of the price (for the compensating tax) and between 6.6875% and 8.3750%, depending on the location in the County (for the gross receipts tax). Exactly how much of the IRB subsidy takes the form of these excise tax abatements depends on how much of the project property corresponds to eligible tangible depreciable personal property. Most IRB projects comprise mostly real property, but there have been cases in which all or almost all of the IRB property consisted of personal property.
Are there provisions for recapturing abated taxes? (Yes or No)	No
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	N/A

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

NOTE 20. Tax Abatements (continued)

List each specific commitment made by the recipient of the abatement.	1. The project must be completed by December 31, 2006. (2004 IRB Lease § 4.1(c).) The Company must make annual payments of \$134,000 to Quay County, \$86,000 to the San Jon School District, \$3,600 to the Tukumcari School District, and \$3,600 to Mesalands Community College. (2004 IRB Lease §§ 6.11 through 6.14.) 2. In addition to these obligations, the Companies have made customary covenants under the IRB leases concerning insurance, indemnification, payments to utilities, suppliers and other third parties, and so forth.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	\$51,328.69
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	House School District, San Jon School District, Tukumcari School District, and Mesalands Community College.
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by your agency</u> in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	N/A
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by a different agency</u> in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	State: \$9,515.47 San Jon School District: \$40,072.40 Tukumcari School District: \$905.73 Mesalands: \$17,367.01
List each specific commitment made by your agency or any other government, other than the tax abatement.	None, other than covenants related to maintenance of the bonds and the related bond agreements during the term of the bonds.
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes. The IRB tax exemption affects each of the other governmental entities that impose mill levies on property in the location of the IRB projects. These are the State of New Mexico (1.360 mills), the Tukumcari School District (9.577 mills), the House School District (5.491 mills), the San Jon School District (6.837 mills), and Mesalands Community College (2.996 mills). The gross receipts and compensating tax deductions and exemptions also affect the State.

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

NOTE 20. Tax Abatements (continued)

Agency Number	5020
Agency Name	Quay County
Agency Type	County
Tax Abatement Agreement Name	Industrial Revenue Bond Agreement
Recipient(s) of tax abatement	Caproc Solar 1 LLC,
Parent company(ies) of recipient(s) of tax abatement	Duke Energy Renewables LLC; Duke Energy Corporation.
Tax abatement program (name and brief description)	Industrial Revenue Bond
Specific Tax(es) Being Abated	Gross Receipts Taxes, Compensating, and Ad Valorem Taxes
Legal authority under which tax abatement agreement was entered into	The County Industrial Revenue Bond Act, Ch. 4, Art. 59 NMSA 1978 (the "Act")
Criteria that make a recipient eligible to receive a tax abatement	Under Section 4-59-2(F) of the Act, a wide variety of businesses are eligible to be beneficiaries of IRBs; to wit: Business in which all or part of the activities of the business involve the supplying of services to the general public or to governmental agencies or to a specific industry or customer;
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	First, the project property is exempt from ad valorem taxation for the term of the bonds, and, second, purchases of project property that is tangible, depreciable, personal property are deductible or exempt, as the case may, from gross receipts and compensating taxes.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	5.125% of the price (for the compensating tax) and between 6.6875% and 8.3750%, depending on the location in the County (for the gross receipts tax). Exactly how much of the IRB subsidy takes the form of these excise tax abatements depends on how much of the project property corresponds to eligible tangible depreciable personal property. Most IRB projects comprise mostly real property, but there have been cases in which all or almost all of the IRB property consisted of personal property.
Are there provisions for recapturing abated taxes? (Yes or No)	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	Pursuant to the lease for the 2016A IRB, if the Company fails to complete the project, or ceases to operate the project, before the dates shown below, then the Company will pay to the County the corresponding percentage of ad valorem property tax exempted to that date (less any PILOTs that had been paid prior to the recapture date): April 25, 2019 100% of exempted tax, April 25, 2020 80% of exempted tax, April 25, 2021 60% of exempted tax, and After April 25, 2021 0% of exempted tax.

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

NOTE 20. Tax Abatements (continued)

List each specific commitment made by the recipient of the abatement.	1. The project must be completed by April 25, 2019. (2016A IRB Lease § 4.4.) The Company must make annual payments of \$26,650 to the Tukumcari School District, and \$38,350 to Quay County. (2016A IRB Lease §§ 6.4 & 6.5.) 2. In addition to these obligations, the Companies have made customary covenants under the IRB leases concerning insurance, indemnification, payments to utilities, suppliers and other third parties, and so forth.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	\$23,525.00
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	House School District, San Jon School District, Tukumcari School District, and Mesalands Community College.
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by your agency</u> in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	N/A
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by a different agency</u> in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	None
List each specific commitment made by your agency or any other government, other than the tax abatement.	None, other than covenants related to maintenance of the bonds and the related bond agreements during the term of the bonds.
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes. The IRB tax exemption affects each of the other governmental entities that impose mill levies on property in the location of the IRB projects. These are the State of New Mexico (1.360 mills), the Tukumcari School District (9.577 mills), the House School District (5.491 mills), the San Jon School District (6.837 mills), and Mesalands Community College (2.996 mills). The gross receipts and compensating tax deductions and exemptions also affect the State.

REQUIRED SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO

Quay County

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

	2017 Measurement Date (As of and for the Year Ended June 30, 2016)	2016 Measurement Date (As of and for the Year Ended June 30, 2015)	2015 Measurement Date (As of and for the Year Ended June 30, 2014)
Quay County's proportion of the net pension liability	0.2231%	0.1868%	1.9780%
Quay County's proportionate share of the net pension liability	\$ 3,564,388	\$ 1,904,588	\$ 1,543,052
Quay County's covered-employee payroll	\$ 1,910,309	\$ 1,671,777	\$ 1,538,290
Quay County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	186.59%	113.93%	100.31%
Plan fiduciary net position as a percentage of the total pension liability	69.18%	76.99%	81.29%

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

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

STATE OF NEW MEXICO

Quay County

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

Schedule I

Page 2 of 2

	2017 Measurement Date (As of and for the Year Ended June 30, 2016)	2016 Measurement Date (As of and for the Year Ended June 30, 2015)	2015 Measurement Date (As of and for the Year Ended June 30, 2014)
Quay County's proportion of the net pension liability	0.1311%	0.1021%	0.0989%
Quay County's proportionate share of the net pension liability	\$ 967,295	\$ 490,954	\$ 322,403
Quay County's covered-employee payroll	\$ 260,681	\$ 206,271	\$ 186,483
Quay County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	371.06%	238.01%	172.89%
Plan fiduciary net position as a percentage of the total pension liability	69.18%	76.99%	81.29%

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

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

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

	As of and for the Year Ended June 30, 2017	As of and for the Year Ended June 30, 2016	As of and for the Year Ended June 30, 2015
Contractually required contribution	\$ 189,697	\$ 182,435	\$ 159,655
Contributions in relation to the contractually required contribution	(189,697)	(182,435)	(159,655)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Quay County's covered-employee payroll	\$ 1,986,364	\$ 1,910,309	\$ 1,671,777
Contributions as a percentage of covered-employee payroll	9.55%	9.55%	9.55%

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

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

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

	As of and for the Year Ended June 30, 2017	As of and for the Year Ended June 30, 2016	As of and for the Year Ended June 30, 2015
Contractually required contribution	\$ 48,620	\$ 49,269	\$ 38,985
Contributions in relation to the contractually required contribution	<u>(48,620)</u>	<u>(49,269)</u>	<u>(38,985)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Quay County's covered-employee payroll	\$ 257,252	\$ 260,681	\$ 206,271
Contributions as a percentage of covered-employee payroll	18.90%	18.90%	18.90%

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

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

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

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

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

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

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

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STATE OF NEW MEXICO
Quay County
Nonmajor Governmental Funds
June 30, 2017

Special Revenue Funds

Farm and Range Fund – To account for funds received to finance predator, weed, rodent, and parasite control on County farms and ranges. Funds are generated from the Taylor Grazing Act fees. This fund was created by the authority of State Statute NMSA 6-11-6.

County Indigent Fund – To account for expenditures incurred in providing services for care of indigents. Financing is provided by the County's share of gross receipts tax and may be used only for that purpose. County is required to remit 1/12th of the Indigent Gross Receipts Tax to the Safety Net Care Pool Fund

Fire District Funds – To account for the operations of the fire districts, which are defined by the area served. Financing is provided from the County's share of the fire allotment issued by the State Fire Marshall under NMSA 59A-53-5, NMSA 1978. The individual fire districts are:

- Fire District No. 1
- Fire District No. 2
- Fire District No. 3
- Nara Visa Fire District
- Forrest Fire District
- Jordan Fire District
- Bard Endee Fire District
- Quay Fire District
- Forestry Fire Fund
- Porter Fire District
- Quay County Fire Marshall

EMS (Emergency Medical Services) Fund – To account for a grant to be used for the provision of emergency medical services to County residents. Sources of funds are the State of New Mexico Department of Health Emergency Services Bureau. Authority is Section 24-10A-3 through 10. NMSA 1978.

Quay County Emergency Manager – Funding used to pay the manager 50% from Homeland Security and 50% from County Funds.

Safety Net Care Pool – State requirement that counties pay 1/12 of their gross receipts tax to this fund. The fund supports hospital uncollected patient bills.

County Emergency Communications Fund – A new gross receipts tax that pays for the County's consolidated dispatch. The dispatch center is operated by a board that is represented by Logan, House, San Jon, Tatumcari and Quay County.

Reappraisal Fund – To account for the operations of a fund to help with appraisal of County property to ensure valuation reflects current fair market value. Financing is provided by retainage of 1% tax collections. Authority is Section 7-38-38.1, NMSA 1978.

Rural Addressing Fund – To account for resources to be used to mark rural addresses for use by emergency personnel. Authority is Section 67-3-28.2 NMSA 1978.

ASAP Other Charges Fund – To account for monies received under a grant from the New Mexico Department of Health. Program activities include awareness and prevention of substance abuse. This fund was authorized by Section 43-3-13, NMSA 1978. As of fiscal 2012, the State no longer funds this grant, but other donations are received for it.

STATE OF NEW MEXICO
Quay County
Nonmajor Governmental Funds
June 30, 2017

Special Revenue Funds (continued)

Tucumcari Domestic Violence Program – To account for funds received which are restricted by grantor, the State of New Mexico. This fund provides assistance to low income areas in New Mexico in which violence is most frequent.

Sheriff Seizure and Confiscation / Seizure Fund – To account for monies seized in drug-related crimes, but not available for current expenditure until the forfeiture process has been completed. Authorized by County Commission Resolution 17, pursuant to Section 4-37-1, NMSA 1978.

Drug Enforcement Fund – To account for seized assets related to illegal drug arrests, awarded to Quay County Sheriff by the Courts. The fund was established by Resolution No. 17 of the County Commission, to carry out the provision of the Controlled Substances Act.

Law Enforcement Protection Fund – To account for a grant from the State of New Mexico Corrections Department through the Law Enforcement Protection Act. The funding is to be used for law enforcement improvements. Authority is 2-13-1, NMSA 1978.

Juvenile Detention Officer Fund – To account for monies received and expended for Juvenile Detention Officers. The financing of the fund is provided by transfers from Quay County General Fund and from federal subsidies from the U.S. Department of Agriculture. Authority is 42 USC 1758.

Primary Care Clinic Fund – To account for resources provided by the State of New Mexico Department of Health to operate a medical clinic. Funding is through the Rural Primary Health Care Act, 24-1B-7, NMSA 1978.

Clerk's Equipment Fund – To account for an additional \$7 recording fee collected by the Clerk's office to pay for equipment and supplies for the Clerk's office. Authority is the Absentee – Early Voting Act, Section 14-89-12.2, NMSA 1978.

DWI Distribution Fund – To account for funds collected from liquor excise taxes and distributed to counties and municipalities for use in DWI prevention. Authority is 11-6A-1, NMSA 1978.

Environmental Gross Receipts Tax Fund – To account for a gross receipts tax imposed to fund environmental activities, mainly sanitary landfills, water systems and environmental services. Authority is local ordinance authorized by NMSA 1978 7-20E-17.

DWI Grant Fund – To account for state grants to further combat driving while intoxicated in the community. Authority for the establishment of this fund is by Quay County Commissioners. These funds are restricted by various grant agreements

Underage Drinking Prevention – To provide funding for underage drinking prevention in schools located in the County. This is funding directly allocated from the State and is subject to an allocation from liquor sales.

Misdemeanor Court Compliance – To account for probation fees imposed by Magistrate Court, to be used for Court-approved programs. Authority is County Commission Resolution 03-43.

STATE OF NEW MEXICO
Quay County
Nonmajor Governmental Funds
June 30, 2017

Special Revenue Funds (continued)

DWI Fees Fund – To account for the collection and expenditure of certain DWI fees. Authority is 11-6A-1, NMSA 1978. The funds are:

DWI Probation Fees
DWI Screening Fees
DWI Treatment Fees
DWI Urinalysis Fees

Wildlife Services – To account for funds used for services related to Wildlife within Quay County. This fund was initially state appropriated, and is now funded by donations.

Victor C. Breen Memorial - To account for funds used to honor an outstanding citizen of the Quay County community. These funds are directly received via trust donations.

Road Equipment Fund – To account for money transferred from the Road Fund as a reserve to purchase road equipment at a later date. Authorized by County resolution.

Debt Service Funds

Debt Service – To account for the debt service payments on the County’s NMFA loans. Funding is provided by intercepted fire allotments and interest income. The intercept is authorized by loan agreements signed with the NM Finance Authority. Authority for establishment of this fund is by Quay County Commission.

Capital Projects Funds

Community Development Block Grant (CDBG) – Quay Road 63 – To account for funds for roads. Authority is the Federal Government.

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

	Special Revenue		
	Farm and Range	County Indigent	Fire District No. 1
<i>Assets</i>			
Cash and cash equivalents	\$ 250	\$ 129,397	\$ 6,976
Current receivables:			
Other taxes	-	47,932	-
Other receivables, net	-	-	-
<i>Total assets</i>	\$ 250	\$ 177,329	\$ 6,976
 <i>Liabilities, deferred inflows of resources, and fund balances</i>			
<i>Liabilities</i>			
Accounts payable	\$ -	\$ 10,353	\$ 84
Accrued payroll	-	-	-
<i>Total liabilities</i>	-	10,353	84
 <i>Fund balances</i>			
<i>Spendable</i>			
<i>Restricted for:</i>			
General county operations	-	-	-
Maintenance of roads	-	-	-
Fire departments	-	-	6,892
Forest health	250	-	-
Environmental	-	-	-
Public safety	-	-	-
Health and welfare	-	166,976	-
Capital improvements	-	-	-
Debt service expenditures	-	-	-
<i>Total fund balances</i>	250	166,976	6,892
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	\$ 250	\$ 177,329	\$ 6,976

See independent auditors' report.

Special Revenue

Fire District No. 2	Fire District No. 3	Nara Visa Fire	Forrest Fire	Jordan Fire	Bard Endee Fire
\$ 103,395	\$ 134,645	\$ 52,633	\$ 118,309	\$ 250,408	\$ 70,689
-	-	-	-	-	-
<u>\$ 103,395</u>	<u>\$ 134,645</u>	<u>\$ 52,633</u>	<u>\$ 118,309</u>	<u>\$ 250,408</u>	<u>\$ 70,689</u>
\$ 4,967	\$ -	\$ 885	\$ 146	\$ 99	\$ -
-	-	-	-	-	-
<u>4,967</u>	<u>-</u>	<u>885</u>	<u>146</u>	<u>99</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
98,428	134,645	51,748	118,163	250,309	70,689
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>98,428</u>	<u>134,645</u>	<u>51,748</u>	<u>118,163</u>	<u>250,309</u>	<u>70,689</u>
<u>\$ 103,395</u>	<u>\$ 134,645</u>	<u>\$ 52,633</u>	<u>\$ 118,309</u>	<u>\$ 250,408</u>	<u>\$ 70,689</u>

See independent auditors' report.

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

	Special Revenue		
	Emergency Medical Services	Quay Fire District	Forestry Fire
<i>Assets</i>			
Cash and cash equivalents	\$ 3,464	\$ 18,785	\$ 138,236
Current receivables:			
Other taxes	-	-	-
Other receivables, net	-	-	-
<i>Total assets</i>	<u>\$ 3,464</u>	<u>\$ 18,785</u>	<u>\$ 138,236</u>
<i>Liabilities, deferred inflows of resources, and fund balances</i>			
<i>Liabilities</i>			
Accounts payable	\$ 2,735	\$ -	\$ 1,500
Accrued payroll	-	-	-
<i>Total liabilities</i>	<u>2,735</u>	<u>-</u>	<u>1,500</u>
<i>Fund balances</i>			
<i>Spendable</i>			
<i>Restricted for:</i>			
General county operations	-	-	-
Maintenance of roads	-	-	-
Fire departments	-	18,785	136,736
Forest health	-	-	-
Environmental	-	-	-
Public safety	729	-	-
Health and welfare	-	-	-
Capital improvements	-	-	-
Debt service expenditures	-	-	-
<i>Total fund balances</i>	<u>729</u>	<u>18,785</u>	<u>136,736</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 3,464</u>	<u>\$ 18,785</u>	<u>\$ 138,236</u>

See independent auditors' report.

Special Revenue

Porter Fire Department	Quay County Emergency Manager	Quay County Fire Marshall	Safety Net Care Pool	County Emergency Communication	Reappraisal
\$ 26,642	\$ 19,428	\$ 22,025	\$ -	\$ 471,338	\$ 93,092
-	-	-	-	62,908	-
-	-	-	-	-	-
<u>\$ 26,642</u>	<u>\$ 19,428</u>	<u>\$ 22,025</u>	<u>\$ -</u>	<u>\$ 534,246</u>	<u>\$ 93,092</u>
\$ -	\$ -	\$ -	\$ -	\$ 5,661	\$ 97
-	983	-	-	4,821	995
-	983	-	-	10,482	1,092
-	-	-	-	-	92,000
-	-	-	-	-	-
26,642	-	22,025	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	18,445	-	-	523,764	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>26,642</u>	<u>18,445</u>	<u>22,025</u>	<u>-</u>	<u>523,764</u>	<u>92,000</u>
<u>\$ 26,642</u>	<u>\$ 19,428</u>	<u>\$ 22,025</u>	<u>\$ -</u>	<u>\$ 534,246</u>	<u>\$ 93,092</u>

See independent auditors' report.

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

	Special Revenue		
	Rural Addressing	ASAP Other Charges	Tucumcari Domestic Violence Program
<i>Assets</i>			
Cash and cash equivalents	\$ 94,459	\$ 6,577	\$ 17,264
Current receivables:			
Other taxes	-	-	-
Other receivables, net	-	-	-
<i>Total assets</i>	<u>\$ 94,459</u>	<u>\$ 6,577</u>	<u>\$ 17,264</u>
 <i>Liabilities, deferred inflows of resources, and fund balances</i>			
<i>Liabilities</i>			
Accounts payable	\$ 83	\$ -	\$ 516
Accrued payroll	431	-	-
<i>Total liabilities</i>	<u>514</u>	<u>-</u>	<u>516</u>
 <i>Fund balances</i>			
<i>Spendable</i>			
<i>Restricted for:</i>			
General county operations	93,945	-	-
Maintenance of roads	-	-	-
Fire departments	-	-	-
Forest health	-	-	-
Environmental	-	-	-
Public safety	-	6,577	16,748
Health and welfare	-	-	-
Capital improvements	-	-	-
Debt service expenditures	-	-	-
<i>Total fund balances</i>	<u>93,945</u>	<u>6,577</u>	<u>16,748</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 94,459</u>	<u>\$ 6,577</u>	<u>\$ 17,264</u>

See independent auditors' report.

Special Revenue

Seizure	Confiscated/ Seizure	Drug Enforcement	Law Environment Protection	Juvenile Detention Officer	Primary Care Clinic
\$ 56	\$ 103	\$ 354	\$ -	\$ 38,431	\$ 136,501
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 56</u>	<u>\$ 103</u>	<u>\$ 354</u>	<u>\$ -</u>	<u>\$ 38,431</u>	<u>\$ 136,501</u>
\$ -	\$ -	\$ -	\$ -	\$ 105	\$ -
-	-	-	-	-	-
-	-	-	-	105	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
56	103	354	-	38,326	-
-	-	-	-	-	136,501
-	-	-	-	-	-
-	-	-	-	-	-
<u>56</u>	<u>103</u>	<u>354</u>	<u>-</u>	<u>38,326</u>	<u>136,501</u>
<u>\$ 56</u>	<u>\$ 103</u>	<u>\$ 354</u>	<u>\$ -</u>	<u>\$ 38,431</u>	<u>\$ 136,501</u>

See independent auditors' report.

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

	Special Revenue		
	Clerk's Equipment	DWI Distribution	Environmental Gross Receipts Tax
<i>Assets</i>			
Cash and cash equivalents	\$ 37,214	\$ 1,884	\$ 106,204
Current receivables:			
Other taxes	-	-	5,342
Other receivables, net	-	-	-
<i>Total assets</i>	<u>\$ 37,214</u>	<u>\$ 1,884</u>	<u>\$ 111,546</u>
 <i>Liabilities, deferred inflows of resources, and fund balances</i>			
<i>Liabilities</i>			
Accounts payable	\$ 909	\$ -	\$ -
Accrued payroll	-	1,249	-
<i>Total liabilities</i>	<u>909</u>	<u>1,249</u>	<u>-</u>
 <i>Fund balances</i>			
Spendable			
Restricted for:			
General county operations	36,305	-	-
Maintenance of roads	-	-	-
Fire departments	-	-	-
Forest health	-	-	-
Environmental	-	-	111,546
Public safety	-	635	-
Health and welfare	-	-	-
Capital improvements	-	-	-
Debt service expenditures	-	-	-
<i>Total fund balances</i>	<u>36,305</u>	<u>635</u>	<u>111,546</u>
 <i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 37,214</u>	<u>\$ 1,884</u>	<u>\$ 111,546</u>

See independent auditors' report.

Special Revenue

DWI Grant	Underage Drinking Prevention	Misdemeanor Court Compliance	DWI Probation Fees	DWI Screening Fees	DWI Treatment Fees
\$ -	\$ 195	\$ 30,426	\$ 14,328	\$ 5,553	\$ 1,422
-	-	-	-	-	-
-	4,805	-	-	-	-
<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 30,426</u>	<u>\$ 14,328</u>	<u>\$ 5,553</u>	<u>\$ 1,422</u>
\$ -	\$ -	\$ 105	\$ 595	\$ -	\$ -
-	480	250	-	-	-
-	480	355	595	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	4,520	30,071	13,733	5,553	1,422
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	4,520	30,071	13,733	5,553	1,422
<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 30,426</u>	<u>\$ 14,328</u>	<u>\$ 5,553</u>	<u>\$ 1,422</u>

See independent auditors' report.

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

	Special Revenue		
	DWI UA Fees	Wildlife Services	Victor C. Breen Memorial
<i>Assets</i>			
Cash and cash equivalents	\$ 8,888	\$ 2,725	\$ 378
Current receivables:			
Other taxes	-	-	-
Other receivables, net	-	-	-
	-	-	-
<i>Total assets</i>	\$ 8,888	\$ 2,725	\$ 378
 <i>Liabilities, deferred inflows of resources, and fund balances</i>			
<i>Liabilities</i>			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll	-	-	-
	-	-	-
<i>Total liabilities</i>	-	-	-
 <i>Fund balances</i>			
Spendable			
Restricted for:			
General county operations	-	2,725	378
Maintenance of roads	-	-	-
Fire departments	-	-	-
Forest health	-	-	-
Environmental	-	-	-
Public safety	8,888	-	-
Health and welfare	-	-	-
Capital improvements	-	-	-
Debt service expenditures	-	-	-
	-	-	-
<i>Total fund balances</i>	8,888	2,725	378
 <i>Total liabilities, deferred inflows of resources, and fund balances</i>	\$ 8,888	\$ 2,725	\$ 378

See independent auditors' report.

<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	
<u>Road Equipment</u>	<u>Debt Service</u>	<u>CDBG</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 257,127	\$ 60,817	\$ 33,648	\$ 2,514,266
-	-	-	116,182
-	-	-	4,805
<u>\$ 257,127</u>	<u>\$ 60,817</u>	<u>\$ 33,648</u>	<u>\$ 2,635,253</u>
\$ -	\$ 15,858	\$ -	\$ 44,698
-	-	-	9,209
<u>-</u>	<u>15,858</u>	<u>-</u>	<u>53,907</u>
-	-	-	225,353
257,127	-	-	257,127
-	-	-	935,062
-	-	-	250
-	-	-	111,546
-	-	-	669,924
-	-	-	303,477
-	-	33,648	33,648
-	44,959	-	44,959
<u>257,127</u>	<u>44,959</u>	<u>33,648</u>	<u>2,581,346</u>
<u>\$ 257,127</u>	<u>\$ 60,817</u>	<u>\$ 33,648</u>	<u>\$ 2,635,253</u>

See independent auditors' report.

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

	Special Revenue		
	Farm and Range	County Indigent	Fire District No. 1
<i>Revenues</i>			
Taxes:			
Gross receipts	\$ -	\$ 348,522	\$ -
Intergovernmental:			
Federal operating grants	65	-	-
Federal capital grants	-	-	-
State operating grants	-	-	202,740
Local sources	-	-	-
Charges for services	-	-	-
Investment income	-	990	701
Miscellaneous	-	-	-
<i>Total revenues</i>	<u>65</u>	<u>349,512</u>	<u>203,441</u>
<i>Expenditures</i>			
Current:			
General government	-	-	-
Public safety	-	-	126,394
Public works	-	-	-
Health and welfare	-	249,009	-
Capital outlay	-	-	238,573
Debt service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>249,009</u>	<u>364,967</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>65</u>	<u>100,503</u>	<u>(161,526)</u>
<i>Other financing sources (uses)</i>			
Loan proceeds	-	-	175,221
Transfers in	-	-	-
Transfers (out)	-	-	(7,408)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>167,813</u>
<i>Net change in fund balances</i>	65	100,503	6,287
<i>Fund balances - beginning of year</i>	<u>185</u>	<u>66,473</u>	<u>605</u>
<i>Fund balances - end of year</i>	<u>\$ 250</u>	<u>\$ 166,976</u>	<u>\$ 6,892</u>

See independent auditors' report.

Special Revenue

Fire District No. 2	Fire District No. 3	Nara Visa Fire	Forrest Fire	Jordan Fire	Bard Endee Fire
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
70,371	70,371	50,448	67,703	215,497	159,303
-	-	-	-	-	-
-	-	-	-	-	-
962	1,328	515	1,207	2,065	1,090
2,049	21	-	22	29	82
<u>73,382</u>	<u>71,720</u>	<u>50,963</u>	<u>68,932</u>	<u>217,591</u>	<u>160,475</u>
-	-	-	-	-	-
31,741	39,352	18,106	29,435	49,434	29,260
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	7,596	5,011	180,209
-	-	-	-	-	-
-	-	-	-	-	-
<u>31,741</u>	<u>39,352</u>	<u>18,106</u>	<u>37,031</u>	<u>54,445</u>	<u>209,469</u>
<u>41,641</u>	<u>32,368</u>	<u>32,857</u>	<u>31,901</u>	<u>163,146</u>	<u>(48,994)</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>(13,888)</u>	<u>(18,878)</u>	<u>(13,462)</u>	<u>(8,697)</u>	<u>(44,163)</u>	<u>(40,841)</u>
<u>(13,888)</u>	<u>(18,878)</u>	<u>(13,462)</u>	<u>(8,697)</u>	<u>(44,163)</u>	<u>(40,841)</u>
27,753	13,490	19,395	23,204	118,983	(89,835)
<u>70,675</u>	<u>121,155</u>	<u>32,353</u>	<u>94,959</u>	<u>131,326</u>	<u>160,524</u>
<u>\$ 98,428</u>	<u>\$ 134,645</u>	<u>\$ 51,748</u>	<u>\$ 118,163</u>	<u>\$ 250,309</u>	<u>\$ 70,689</u>

See independent auditors' report.

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

	Special Revenue		
	Emergency Medical Services	Quay Fire District	Forestry Fire
<i>Revenues</i>			
Taxes:			
Gross receipts	\$ -	\$ -	\$ -
Intergovernmental:			
Federal operating grants	-	-	-
Federal capital grants	-	-	-
State operating grants	21,044	67,703	53,074
Local sources	-	-	-
Charges for services	-	-	-
Investment income	-	654	-
Miscellaneous	-	-	-
Total revenues	21,044	68,357	53,074
<i>Expenditures</i>			
Current:			
General government	-	-	-
Public safety	26,460	34,253	11,575
Public works	-	-	-
Health and welfare	-	-	-
Capital outlay	-	380,353	11,000
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	26,460	414,606	22,575
<i>Excess (deficiency) of revenues over expenditures</i>	(5,416)	(346,249)	30,499
<i>Other financing sources (uses)</i>			
Loan proceeds	-	170,000	-
Transfers in	-	-	-
Transfers (out)	-	(18,262)	-
Total other financing sources (uses)	-	151,738	-
Net change in fund balances	(5,416)	(194,511)	30,499
<i>Fund balances - beginning of year</i>	6,145	213,296	106,237
Fund balances - end of year	\$ 729	\$ 18,785	\$ 136,736

See independent auditors' report.

Special Revenue

Porter Fire Department	Quay County Emergency Manager	Quay County Fire Marshall	Safety Net Care Pool	County Emergency Communication	Reappraisal
\$ -	\$ -	\$ -	\$ -	\$ 379,588	\$ -
-	22,420	-	-	-	-
-	-	-	-	-	-
50,448	-	67,703	-	-	-
-	-	-	-	86,520	-
-	-	-	-	-	57,990
817	-	464	-	-	854
-	-	500	-	2,503	-
<u>51,265</u>	<u>22,420</u>	<u>68,667</u>	<u>-</u>	<u>468,611</u>	<u>58,844</u>
-	-	-	-	-	65,449
23,080	55,941	17,114	-	311,848	-
-	-	-	-	-	-
-	-	-	110,907	-	-
240,059	-	23,160	-	127,369	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>263,139</u>	<u>55,941</u>	<u>40,274</u>	<u>110,907</u>	<u>439,217</u>	<u>65,449</u>
<u>(211,874)</u>	<u>(33,521)</u>	<u>28,393</u>	<u>(110,907)</u>	<u>29,394</u>	<u>(6,605)</u>
100,000	-	-	-	-	-
-	29,493	-	105,363	-	-
<u>(7,629)</u>	<u>-</u>	<u>(16,377)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>92,371</u>	<u>29,493</u>	<u>(16,377)</u>	<u>105,363</u>	<u>-</u>	<u>-</u>
(119,503)	(4,028)	12,016	(5,544)	29,394	(6,605)
<u>146,145</u>	<u>22,473</u>	<u>10,009</u>	<u>5,544</u>	<u>494,370</u>	<u>98,605</u>
<u>\$ 26,642</u>	<u>\$ 18,445</u>	<u>\$ 22,025</u>	<u>\$ -</u>	<u>\$ 523,764</u>	<u>\$ 92,000</u>

See independent auditors' report.

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

	Special Revenue		
	Rural Addressing	ASAP Other Charges	Tucumcari Domestic Violence Program
<i>Revenues</i>			
Taxes:			
Gross receipts	\$ -	\$ -	\$ -
Intergovernmental:			
Federal operating grants	-	-	-
Federal capital grants	-	-	-
State operating grants	-	-	-
Local sources	-	-	-
Charges for services	91	-	-
Investment income	773	56	159
Miscellaneous	-	2,698	5,057
<i>Total revenues</i>	<u>864</u>	<u>2,754</u>	<u>5,216</u>
<i>Expenditures</i>			
Current:			
General government	2,062	-	-
Public safety	-	3,602	6,517
Public works	-	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>2,062</u>	<u>3,602</u>	<u>6,517</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,198)</u>	<u>(848)</u>	<u>(1,301)</u>
<i>Other financing sources (uses)</i>			
Loan proceeds	-	-	-
Transfers in	11,250	-	-
Transfers (out)	-	-	-
<i>Total other financing sources (uses)</i>	<u>11,250</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	10,052	(848)	(1,301)
<i>Fund balances - beginning of year</i>	<u>83,893</u>	<u>7,425</u>	<u>18,049</u>
<i>Fund balances - end of year</i>	<u>\$ 93,945</u>	<u>\$ 6,577</u>	<u>\$ 16,748</u>

See independent auditors' report.

Special Revenue

Seizure	Confiscated/ Seizure	Drug Enforcement	Law Environment Protection	Juvenile Detention Officer	Primary Care Clinic
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	200	-	123,200
-	-	-	-	-	-
-	-	3	-	-	1,184
-	-	-	-	-	-
-	-	3	200	-	124,384
-	-	-	-	-	-
-	-	-	-	78,095	-
-	-	-	-	-	-
-	-	-	-	-	118,763
-	-	-	24,200	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	24,200	78,095	118,763
-	-	3	(24,000)	(78,095)	5,621
-	-	-	-	-	-
-	-	-	-	100,000	-
-	-	-	-	-	-
-	-	-	-	100,000	-
-	-	3	(24,000)	21,905	5,621
56	103	351	24,000	16,421	130,880
\$ 56	\$ 103	\$ 354	\$ -	\$ 38,326	\$ 136,501

See independent auditors' report.

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

	Special Revenue		
	Clerk's Equipment	DWI Distribution	Environmental Gross Receipts Tax
<i>Revenues</i>			
Taxes:			
Gross receipts	\$ -	\$ -	\$ 45,847
Intergovernmental:			
Federal operating grants	-	-	-
Federal capital grants	-	-	-
State operating grants	-	61,046	-
Local sources	-	-	-
Charges for services	12,626	-	-
Investment income	292	-	745
Miscellaneous	-	-	-
Total revenues	12,918	61,046	46,592
<i>Expenditures</i>			
Current:			
General government	8,422	-	-
Public safety	-	61,119	-
Public works	-	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	8,422	61,119	-
<i>Excess (deficiency) of revenues over expenditures</i>	4,496	(73)	46,592
<i>Other financing sources (uses)</i>			
Loan proceeds	-	-	-
Transfers in	-	-	-
Transfers (out)	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	4,496	(73)	46,592
<i>Fund balances - beginning of year</i>	31,809	708	64,954
Fund balances - end of year	\$ 36,305	\$ 635	\$ 111,546

See independent auditors' report.

Special Revenue

DWI Grant	Underage Drinking Prevention	Misdemeanor Court Compliance	DWI Probation Fees	DWI Screening Fees	DWI Treatment Fees
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
1,500	35,144	-	-	-	-
-	-	-	-	-	-
-	-	23,268	18,585	2,690	-
-	-	312	242	44	23
-	-	-	-	-	-
<u>1,500</u>	<u>35,144</u>	<u>23,580</u>	<u>18,827</u>	<u>2,734</u>	<u>23</u>
-	-	-	-	-	-
1,500	35,624	31,534	16,119	3,260	2,610
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,500</u>	<u>35,624</u>	<u>31,534</u>	<u>16,119</u>	<u>3,260</u>	<u>2,610</u>
-	(480)	(7,954)	2,708	(526)	(2,587)
-	-	-	-	-	-
-	5,000	-	-	-	-
<u>(17,785)</u>	<u>(3,922)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(17,785)</u>	<u>1,078</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(17,785)	598	(7,954)	2,708	(526)	(2,587)
<u>17,785</u>	<u>3,922</u>	<u>38,025</u>	<u>11,025</u>	<u>6,079</u>	<u>4,009</u>
<u>\$ -</u>	<u>\$ 4,520</u>	<u>\$ 30,071</u>	<u>\$ 13,733</u>	<u>\$ 5,553</u>	<u>\$ 1,422</u>

See independent auditors' report.

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

	Special Revenue		
	DWI UA Fees	Wildlife Services	Victor C. Breen Memorial
<i>Revenues</i>			
Taxes:			
Gross receipts	\$ -	\$ -	\$ -
Intergovernmental:			
Federal operating grants	-	-	-
Federal capital grants	-	-	-
State operating grants	-	-	-
Local sources	-	-	-
Charges for services	3,125	-	-
Investment income	69	-	-
Miscellaneous	-	6,725	7,830
Total revenues	3,194	6,725	7,830
<i>Expenditures</i>			
Current:			
General government	-	4,000	7,452
Public safety	2,690	-	-
Public works	-	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Total expenditures	2,690	4,000	7,452
<i>Excess (deficiency) of revenues over expenditures</i>	504	2,725	378
<i>Other financing sources (uses)</i>			
Loan proceeds	-	-	-
Transfers in	-	-	-
Transfers (out)	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	504	2,725	378
<i>Fund balances - beginning of year</i>	8,384	-	-
Fund balances - end of year	\$ 8,888	\$ 2,725	\$ 378

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<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Project</u>	
<u>Road Equipment</u>	<u>Debt Service</u>	<u>CDBG</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ -	\$ 773,957
-	-	-	22,485
-	-	496,478	496,478
-	-	-	1,317,495
-	-	-	86,520
-	-	-	118,375
-	1,443	65	17,057
-	53,640	-	81,156
-	55,083	496,543	2,913,523
-	-	-	87,385
-	-	-	1,046,663
-	-	496,694	496,694
-	-	-	478,679
-	-	-	1,237,530
-	324,648	-	324,648
-	24,599	-	24,599
-	349,247	496,694	3,696,198
-	(294,164)	(151)	(782,675)
-	-	-	445,221
-	333,389	-	584,495
-	-	-	(211,312)
-	333,389	-	818,404
-	39,225	(151)	35,729
257,127	5,734	33,799	2,545,617
\$ 257,127	\$ 44,959	\$ 33,648	\$ 2,581,346

See independent auditors' report.

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SUPPORTING SCHEDULES

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

Schedule III

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2017</u>	<u>Name and Location of Safekeeper</u>
First National Bank					
	FNMA Pool #MA1959	7/1/2034	31418BE93	\$ 367,503	Freeport Parkway South Irving, TX
	FHLMC Pool #G60193	4/1/2042	31335AGA0	917,599	
	FNMA Pool #AL7804	1/1/2043	3138EQU67	1,211,681	
	SBAPool #5222282	9/25/2028	83165AXK5	519,231	
				<u>3,016,014</u>	
Tucumcari Federal Savings and Loan Association					
	FHCOF 790005	2/1/2018	31342CAE5	7,580	Freeport Parkway South Irving, TX
	FH 847981	12/1/2034	3128JR2N5	92,949	
	FHR 1J1214	9/1/2035	3128NHK36	150,047	
	FHLMC 847036	12/1/2031	3128HDY94	102,823	
	FH 847174	9/1/2033	3128HD6K0	88,136	
	FH ARM 847247	2/1/2034	3128JRBQ8	104,746	
	FH 865653	9/1/2032	31348UH69	147,112	
	FHLMC arm 755200	11/1/2025	31349GX53	35,445	
	FHR 410744	4/1/2030	31337AZH2	99,838	
	FNMA ARM 881959	2/1/2036	31409XZY8	157,039	
				<u>985,715</u>	
	<i>Total pledged collateral</i>			<u>\$ 4,001,729</u>	

See independent auditors' report.

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

Schedule IV

Bank Account Type/Name	First National Bank	Everyone's Federal Credit Union	Tucumcari Federal Savings and Loan	Wells Fargo Bank	NMFA Restricted Cash	Totals
Checking - Operational	\$ 5,008,058	\$ -	\$ -	\$ 36,914	\$ -	\$ 5,044,972
Certificate of Deposit	-	250,000	2,100,000	-	-	2,350,000
NMFA Reserve**	-	-	-	-	60,817	60,817
Total	<u>5,008,058</u>	<u>250,000</u>	<u>2,100,000</u>	<u>36,914</u>	<u>60,817</u>	<u>7,455,789</u>
Reconciling items	<u>(198,093)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(198,093)</u>
<i>Reconciled balance</i>	<u>\$ 4,809,965</u>	<u>\$ 250,000</u>	<u>\$ 2,100,000</u>	<u>\$ 36,914</u>	<u>\$ 60,817</u>	<u>7,257,696</u>
Petty cash						775
Less: agency funds cash per Exhibit D-1						(52,237)
Less: restricted cash and cash equivalents per Exhibit A-1						(94,465)
Less: investments per Exhibit A-1						<u>(2,350,000)</u>
<i>Total unrestricted cash and cash equivalents per Exhibit A-1</i>						<u>\$ 4,761,769</u>

**Accounts are U.S. Treasury MMA Mutual Funds

See independent auditors' report.

STATE OF NEW MEXICO
 Quay County
 Reconciliation of Property Tax Rolls
 For the Year Ended June 30, 2017

Uncollected taxes, July 1, 2016	\$	735,953
Net taxes charged to treasurer for current year		5,620,397
Current year tax collections		<u>(5,531,510)</u>
<i>Uncollected taxes June 30, 2017</i>	\$	<u><u>824,840</u></u>
 Detail of taxes distributed by agency:		
School districts		
Tucumcari Schools	\$	1,090,406
House Schools		8,410
Logan Schools		388,118
Nara Vista Schools		23,793
San Jon Schools		69,135
Grady Schools		684
Melrose Schools		2,255
 Municipalities		
City of Tucumcari		575,597
Village of House		1,113
Village of Logan		170,995
Village of San Jon		34,965
 Other		
State of New Mexico		287,157
County of Quay		1,651,655
Dr. Dan C. Trigg Memorial Hospital		286,877
Arch Hurley Conservancy District		546,009
Mesalands Community College		284,374
Ute Lake PID 2 OP		23,907
Ute Lake Ranch PID 2 DR		<u>86,060</u>
 <i>Total distributed taxes</i>	 \$	 <u><u>5,531,510</u></u>

See independent auditors' report.

Schedule of receivables - delinquent property tax by year

2016	\$	381,579
2015		143,573
2014		81,072
2013		47,721
2012		38,320
2011		32,788
2010		33,539
2009		30,997
2008		20,381
2007		14,870
		<hr/>
<i>Total</i>	\$	<u><u>824,840</u></u>

Reconciliation of undistributed taxes

Undistributed taxes July 1, 2016	\$	-
Current year collections		5,531,510
Current year collections distributed		<u>(5,482,838)</u>
		<hr/>
<i>Undistributed taxes June 30, 2017</i>	\$	<u><u>48,672</u></u>

Property tax receivables are reported in the financial statements as follows:

Statement of Net Position - Exhibit A-1	\$	246,289
Statement of Fiduciary Assets and Liabilities - Agency Funds - Exhibit D-1		<u>578,551</u>
		<hr/>
<i>Total property taxes receivable</i>	\$	<u><u>824,840</u></u>

See independent auditors' report.

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

<u>Agency</u>	<u>Year</u>	<u>Property Taxes Levied</u>	<u>Current Changes To Taxes Levied</u>	<u>Adjusted Property Taxes Levied</u>	<u>Previous Amount Collected</u>
Quay County					
County Operational	2007	\$ 1,033,156	\$ -	\$ 1,033,156	\$ 1,001,884
County Operational	2008	1,110,286	-	1,110,286	1,062,878
County Operational	2009	1,216,563	-	1,216,563	1,143,801
County Operational	2010	1,331,045	-	1,331,045	1,245,761
County Operational	2011	1,427,063	-	1,427,063	1,352,375
County Operational	2012	1,488,832	-	1,488,832	1,399,595
County Operational	2013	1,642,515	-	1,642,515	1,531,993
County Operational	2014	1,771,845	-	1,771,845	1,592,368
County Operational	2015	1,842,884	-	1,842,884	1,523,926
County Operational	2016	1,901,833	-	1,901,833	1,013,497
Total Quay County		<u>\$ 14,766,022</u>	<u>\$ -</u>	<u>\$ 14,766,022</u>	<u>\$ 12,868,078</u>
State of New Mexico					
Debt Service	2007	\$ 159,346	\$ -	\$ 159,346	\$ 155,069
Debt Service	2008	174,575	-	174,575	166,437
Debt Service	2009	176,674	-	176,674	164,367
Debt Service	2010	246,203	-	246,203	228,132
Debt Service	2011	234,253	-	234,253	220,891
Debt Service	2012	241,033	-	241,033	225,389
Debt Service	2013	257,114	-	257,114	238,850
Debt Service	2014	252,108	-	252,108	226,377
Debt Service	2015	262,558	-	262,558	215,782
Debt Service	2016	273,852	-	273,852	138,948
Total State of NM		<u>\$ 2,277,716</u>	<u>\$ -</u>	<u>\$ 2,277,716</u>	<u>\$ 1,980,242</u>

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 27,214	\$ 1,029,098	\$ 27,214	\$ 1,029,098	\$ 4,058
41,256	1,104,134	41,256	1,104,134	6,152
63,320	1,207,121	63,320	1,207,121	9,442
74,217	1,319,978	74,217	1,319,978	11,067
64,996	1,417,371	64,996	1,417,371	9,692
77,657	1,477,252	77,657	1,477,252	11,580
96,180	1,628,173	96,180	1,628,173	14,342
156,187	1,748,555	156,187	1,748,555	23,290
277,568	1,801,494	277,568	1,801,494	41,390
773,060	1,786,557	773,060	1,786,557	115,276
<u>\$ 1,651,655</u>	<u>\$ 14,519,733</u>	<u>\$ 1,651,655</u>	<u>\$ 14,519,733</u>	<u>\$ 246,289</u>
\$ 3,722	\$ 158,791	\$ 3,722	\$ 158,791	\$ 555
7,082	173,519	7,082	173,519	1,056
10,710	175,077	10,710	175,077	1,597
15,726	243,858	15,726	243,858	2,345
11,628	232,519	11,628	232,519	1,734
13,614	239,003	13,614	239,003	2,030
15,894	254,744	15,894	254,744	2,370
22,392	248,769	22,392	248,769	3,339
40,706	256,488	40,706	256,488	6,070
117,398	256,346	117,398	256,346	17,506
<u>\$ 258,872</u>	<u>\$ 2,239,114</u>	<u>\$ 258,872</u>	<u>\$ 2,239,114</u>	<u>\$ 38,602</u>

See independent auditors' report.

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

<u>Agency</u>	<u>Year</u>	<u>Property Taxes Levied</u>	<u>Current Changes To Taxes Levied</u>	<u>Adjusted Property Taxes Levied</u>	<u>Previous Amount Collected</u>
Livestock					
Cattle	2007	\$ 62,012	\$ -	\$ 62,012	\$ 62,012
Cattle	2008	51,703	-	51,703	51,703
Cattle	2009	58,173	-	58,173	58,173
Cattle	2010	49,814	-	49,814	49,814
Cattle	2011	51,743	-	51,743	51,743
Cattle	2012	52,916	-	52,916	52,916
Cattle	2013	50,125	-	50,125	48,853
Cattle	2014	52,559	-	52,559	49,392
Cattle	2015	62,619	-	62,619	58,666
Cattle	2016	81,925	-	81,925	58,807
Total Livestock		<u>\$ 573,589</u>	<u>\$ -</u>	<u>\$ 573,589</u>	<u>\$ 542,079</u>
Equine					
Equine	2007	\$ 3,356	\$ -	\$ 3,356	\$ 3,356
Equine	2008	11	-	11	11
Equine	2009	1,457	-	1,457	1,457
Equine	2010	1,331	-	1,331	1,331
Equine	2011	1,270	-	1,270	1,231
Equine	2012	1,216	-	1,216	1,177
Equine	2013	1,132	-	1,132	1,040
Equine	2014	1,062	-	1,062	970
Equine	2015	1,233	-	1,233	1,110
Equine	2016	1,220	-	1,220	627
Total Equine		<u>\$ 13,288</u>	<u>\$ -</u>	<u>\$ 13,288</u>	<u>\$ 12,310</u>
Goats					
Goats	2007	\$ 20	\$ -	\$ 20	\$ 20
Goats	2008	22	-	22	22
Goats	2009	12	-	12	12
Goats	2010	13	-	13	13
Goats	2011	17	-	17	17
Goats	2012	19	-	19	19
Goats	2013	29	-	29	29
Goats	2014	24	-	24	24
Goats	2015	24	-	24	24
Goats	2016	70	-	70	55
Total Goats		<u>\$ 250</u>	<u>\$ -</u>	<u>\$ 250</u>	<u>\$ 235</u>

See independent auditors' report.

<u>Collected In Current Year</u>	<u>Collected To Date</u>	<u>Distributed In Current Year</u>	<u>Distributed To Date</u>	<u>County Receivable at Year End</u>
\$ -	\$ 62,012	\$ -	\$ 62,012	\$ -
-	51,703	-	51,703	-
-	58,173	-	58,173	-
-	49,814	-	49,814	-
-	51,743	-	51,743	-
-	52,916	-	52,916	-
1,107	49,960	1,107	49,960	165
2,756	52,148	2,756	52,148	411
3,440	62,106	3,440	62,106	513
20,118	78,925	20,118	78,925	3,000
<u>\$ 27,421</u>	<u>\$ 569,500</u>	<u>\$ 27,421</u>	<u>\$ 569,500</u>	<u>\$ 4,089</u>
\$ -	\$ 3,356	\$ -	\$ 3,356	\$ -
-	11	-	11	-
-	1,457	-	1,457	-
-	1,331	-	1,331	-
34	1,265	34	1,265	5
34	1,211	34	1,211	5
80	1,120	80	1,120	12
80	1,050	80	1,050	12
107	1,217	107	1,217	16
516	1,143	516	1,143	77
<u>\$ 851</u>	<u>\$ 13,161</u>	<u>\$ 851</u>	<u>\$ 13,161</u>	<u>\$ 127</u>
\$ -	\$ 20	\$ -	\$ 20	\$ -
-	22	-	22	-
-	12	-	12	-
-	13	-	13	-
-	17	-	17	-
-	19	-	19	-
-	29	-	29	-
-	24	-	24	-
-	24	-	24	-
13	68	13	68	2
<u>\$ 13</u>	<u>\$ 248</u>	<u>\$ 13</u>	<u>\$ 248</u>	<u>\$ 2</u>

See independent auditors' report.

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

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Hogs					
Hogs	2007	\$ 2	\$ -	\$ 2	\$ 2
Hogs	2008	3	-	3	3
Hogs	2009	6	-	6	6
Hogs	2010	6	-	6	6
Hogs	2011	8	-	8	8
Hogs	2012	5	-	5	5
Hogs	2013	7	-	7	7
Hogs	2014	12	-	12	12
Hogs	2015	9	-	9	9
Hogs	2016	7	-	7	7
Total Hogs		<u>\$ 65</u>	<u>\$ -</u>	<u>\$ 65</u>	<u>\$ 65</u>
Sheep					
Sheep	2007	\$ 105	\$ -	\$ 105	\$ 105
Sheep	2008	84	-	84	84
Sheep	2009	70	-	70	70
Sheep	2010	37	-	37	37
Sheep	2011	55	-	55	55
Sheep	2012	71	-	71	71
Sheep	2013	92	-	92	92
Sheep	2014	78	-	78	78
Sheep	2015	119	-	119	119
Sheep	2016	203	-	203	203
Total Sheep		<u>\$ 914</u>	<u>\$ -</u>	<u>\$ 914</u>	<u>\$ 914</u>
City of Tucumcari					
City of Tucumcari	2007	\$ 248,331	\$ -	\$ 248,331	\$ 230,607
City of Tucumcari	2008	276,684	-	276,684	259,045
City of Tucumcari	2009	302,159	-	302,159	280,166
City of Tucumcari	2010	322,291	-	322,291	298,471
City of Tucumcari	2011	338,322	-	338,322	312,329
City of Tucumcari	2012	352,722	-	352,722	319,940
City of Tucumcari	2013	386,631	-	386,631	344,093
City of Tucumcari	2014	416,332	-	416,332	335,340
City of Tucumcari	2015	427,245	-	427,245	293,350
City of Tucumcari	2016	427,628	-	427,628	163,576
Total City of Tucumcari		<u>\$ 3,498,345</u>	<u>\$ -</u>	<u>\$ 3,498,345</u>	<u>\$ 2,836,917</u>

See independent auditors' report.

<u>Collected In Current Year</u>	<u>Collected To Date</u>	<u>Distributed In Current Year</u>	<u>Distributed To Date</u>	<u>County Receivable at Year End</u>
\$ -	\$ 2	\$ -	\$ 2	\$ -
-	3	-	3	-
-	6	-	6	-
-	6	-	6	-
-	8	-	8	-
-	5	-	5	-
-	7	-	7	-
-	12	-	12	-
-	9	-	9	-
-	7	-	7	-
<u>\$ -</u>	<u>\$ 65</u>	<u>\$ -</u>	<u>\$ 65</u>	<u>\$ -</u>
\$ -	\$ 105	\$ -	\$ 105	\$ -
-	84	-	84	-
-	70	-	70	-
-	37	-	37	-
-	55	-	55	-
-	71	-	71	-
-	92	-	92	-
-	78	-	78	-
-	119	-	119	-
-	203	-	203	-
<u>\$ -</u>	<u>\$ 914</u>	<u>\$ -</u>	<u>\$ 914</u>	<u>\$ -</u>
\$ 15,424	\$ 246,031	\$ 15,424	\$ 246,031	\$ 2,300
15,350	274,395	15,350	274,395	2,289
19,139	299,305	19,139	299,305	2,854
20,729	319,200	20,729	319,200	3,091
22,620	334,949	22,620	334,949	3,373
28,528	348,468	28,528	348,468	4,254
37,018	381,111	37,018	381,111	5,520
70,482	405,822	70,482	405,822	10,510
116,520	409,870	116,520	409,870	17,375
229,787	393,363	229,787	393,363	34,265
<u>\$ 575,597</u>	<u>\$ 3,412,514</u>	<u>\$ 575,597</u>	<u>\$ 3,412,514</u>	<u>\$ 85,831</u>

See independent auditors' report.

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

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Village of House					
Village of House	2007	\$ 2,667	\$ -	\$ 2,667	\$ 2,667
Village of House	2008	2,879	-	2,879	2,879
Village of House	2009	2,923	-	2,923	2,923
Village of House	2010	5,037	-	5,037	5,037
Village of House	2011	4,312	-	4,312	4,312
Village of House	2012	4,310	-	4,310	4,310
Village of House	2013	4,698	-	4,698	4,698
Village of House	2014	4,884	-	4,884	4,884
Village of House	2015	5,726	-	5,726	5,541
Village of House	2016	5,231	-	5,231	4,137
Total Village of House		\$ 42,667	\$ -	\$ 42,667	\$ 41,388
Village of Logan					
Village of Logan	2007	\$ 100,780	\$ -	\$ 100,780	\$ 100,333
Village of Logan	2008	111,794	-	111,794	111,347
Village of Logan	2009	125,691	-	125,691	125,344
Village of Logan	2010	150,868	-	150,868	150,544
Village of Logan	2011	164,430	-	164,430	163,744
Village of Logan	2012	173,709	-	173,709	172,753
Village of Logan	2013	208,388	-	208,388	206,068
Village of Logan	2014	204,711	-	204,711	197,344
Village of Logan	2015	214,973	-	214,973	188,780
Village of Logan	2016	220,755	-	220,755	63,349
Total Village of Logan		\$ 1,676,099	\$ -	\$ 1,676,099	\$ 1,479,606
Village of San Jon					
Village of San Jon	2007	\$ 7,571	\$ -	\$ 7,571	\$ 4,211
Village of San Jon	2008	8,317	-	8,317	4,957
Village of San Jon	2009	9,599	-	9,599	6,293
Village of San Jon	2010	10,424	-	10,424	7,688
Village of San Jon	2011	12,571	-	12,571	9,751
Village of San Jon	2012	12,313	-	12,313	9,362
Village of San Jon	2013	17,749	-	17,749	14,744
Village of San Jon	2014	16,081	-	16,081	12,629
Village of San Jon	2015	15,857	-	15,857	11,064
Village of San Jon	2016	16,358	-	16,358	5,962
Total Village of San Jon		\$ 126,840	\$ -	\$ 126,840	\$ 86,661

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 2,667	\$ -	\$ 2,667	\$ -
-	2,879	-	2,879	-
-	2,923	-	2,923	-
-	5,037	-	5,037	-
-	4,312	-	4,312	-
-	4,310	-	4,310	-
-	4,698	-	4,698	-
-	4,884	-	4,884	-
161	5,702	161	5,702	24
952	5,089	952	5,089	142
<u>\$ 1,113</u>	<u>\$ 42,501</u>	<u>\$ 1,113</u>	<u>\$ 42,501</u>	<u>\$ 166</u>
\$ 389	\$ 100,722	\$ 389	\$ 100,722	\$ 58
389	111,736	389	111,736	58
302	125,646	302	125,646	45
282	150,826	282	150,826	42
597	164,341	597	164,341	89
832	173,585	832	173,585	124
2,019	208,087	2,019	208,087	301
6,411	203,755	6,411	203,755	956
22,794	211,574	22,794	211,574	3,399
136,980	200,329	136,980	200,329	20,426
<u>\$ 170,995</u>	<u>\$ 1,650,601</u>	<u>\$ 170,995</u>	<u>\$ 1,650,601</u>	<u>\$ 25,498</u>
\$ 2,924	\$ 7,135	\$ 2,924	\$ 7,135	\$ 436
2,924	7,881	2,924	7,881	436
2,877	9,170	2,877	9,170	429
2,381	10,069	2,381	10,069	355
2,454	12,205	2,454	12,205	366
2,568	11,930	2,568	11,930	383
2,615	17,359	2,615	17,359	390
3,004	15,633	3,004	15,633	448
4,171	15,235	4,171	15,235	622
9,047	15,009	9,047	15,009	1,349
<u>\$ 34,965</u>	<u>\$ 121,626</u>	<u>\$ 34,965</u>	<u>\$ 121,626</u>	<u>\$ 5,214</u>

See independent auditors' report.

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

<u>Agency</u>	<u>Year</u>	<u>Property Taxes Levied</u>	<u>Current Changes To Taxes Levied</u>	<u>Adjusted Property Taxes Levied</u>	<u>Previous Amount Collected</u>
Tucumcari Schools					
Operational	2007	\$ 28,894	\$ -	\$ 28,894	\$ 27,707
Operational	2008	31,519	-	31,519	30,332
Operational	2009	34,612	-	34,612	33,094
Operational	2010	36,522	-	36,522	34,927
Operational	2011	37,684	-	37,684	35,827
Operational	2012	39,657	-	39,657	37,299
Operational	2013	43,011	-	43,011	39,905
Operational	2014	45,883	-	45,883	39,425
Operational	2015	47,248	-	47,248	36,190
Operational	2016	48,685	-	48,685	24,411
Total Operational		<u>\$ 393,715</u>	<u>\$ -</u>	<u>\$ 393,715</u>	<u>\$ 339,117</u>
Tucumcari Schools					
Capital Improvements	2007	\$ 139,991	\$ -	\$ 139,991	\$ 134,859
Capital Improvements	2008	151,823	-	151,823	146,722
Capital Improvements	2009	164,792	-	164,792	158,242
Capital Improvements	2010	169,919	-	169,919	163,045
Capital Improvements	2011	175,724	-	175,724	167,633
Capital Improvements	2012	184,661	-	184,661	174,335
Capital Improvements	2013	199,342	-	199,342	185,594
Capital Improvements	2014	209,930	-	209,930	180,246
Capital Improvements	2015	215,744	-	215,744	162,726
Capital Improvements	2016	221,884	-	221,884	102,123
Total Capital Improvements		<u>\$ 1,833,810</u>	<u>\$ -</u>	<u>\$ 1,833,810</u>	<u>\$ 1,575,525</u>
Tucumcari Schools					
Debt Service	2007	\$ 501,097	\$ -	\$ 501,097	\$ 482,749
Debt Service	2008	546,560	-	546,560	528,250
Debt Service	2009	595,545	-	595,545	571,787
Debt Service	2010	607,037	-	607,037	582,470
Debt Service	2011	638,941	-	638,941	609,511
Debt Service	2012	662,934	-	662,934	625,852
Debt Service	2013	712,447	-	712,447	663,328
Debt Service	2014	759,952	-	759,952	652,466
Debt Service	2015	778,877	-	778,877	586,585
Debt Service	2016	804,803	-	804,803	365,074
Total Debt Service		<u>\$ 6,608,193</u>	<u>\$ -</u>	<u>\$ 6,608,193</u>	<u>\$ 5,668,072</u>

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 1,033	\$ 28,740	\$ 1,033	\$ 28,740	\$ 154
1,033	31,365	1,033	31,365	154
1,321	34,415	1,321	34,415	197
1,388	36,315	1,388	36,315	207
1,616	37,443	1,616	37,443	241
2,052	39,351	2,052	39,351	306
2,703	42,608	2,703	42,608	403
5,620	45,045	5,620	45,045	838
9,623	45,813	9,623	45,813	1,435
21,124	45,535	21,124	45,535	3,150
<u>\$ 47,513</u>	<u>\$ 386,630</u>	<u>\$ 47,513</u>	<u>\$ 386,630</u>	<u>\$ 7,085</u>
\$ 4,466	\$ 139,325	\$ 4,466	\$ 139,325	\$ 666
4,439	151,161	4,439	151,161	662
5,700	163,942	5,700	163,942	850
5,982	169,027	5,982	169,027	892
7,041	174,674	7,041	174,674	1,050
8,986	183,321	8,986	183,321	1,340
11,964	197,558	11,964	197,558	1,784
25,832	206,078	25,832	206,078	3,852
46,138	208,864	46,138	208,864	6,880
104,220	206,343	104,220	206,343	15,541
<u>\$ 224,768</u>	<u>\$ 1,800,293</u>	<u>\$ 224,768</u>	<u>\$ 1,800,293</u>	<u>\$ 33,517</u>
\$ 15,967	\$ 498,716	\$ 15,967	\$ 498,716	\$ 2,381
15,934	544,184	15,934	544,184	2,376
20,675	592,462	20,675	592,462	3,083
21,379	603,849	21,379	603,849	3,188
25,611	635,122	25,611	635,122	3,819
32,270	658,122	32,270	658,122	4,812
42,745	706,073	42,745	706,073	6,374
93,538	746,004	93,538	746,004	13,948
167,339	753,924	167,339	753,924	24,953
382,667	747,741	382,667	747,741	57,062
<u>\$ 818,125</u>	<u>\$ 6,486,197</u>	<u>\$ 818,125</u>	<u>\$ 6,486,197</u>	<u>\$ 121,996</u>

See independent auditors' report.

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

<u>Agency</u>	<u>Year</u>	<u>Property Taxes Levied</u>	<u>Current Changes To Taxes Levied</u>	<u>Adjusted Property Taxes Levied</u>	<u>Previous Amount Collected</u>
House Schools					
Operational	2007	\$ 2,431	\$ -	\$ 2,431	\$ 2,431
Operational	2008	2,519	-	2,519	2,519
Operational	2009	2,566	-	2,566	2,566
Operational	2010	2,697	-	2,697	2,697
Operational	2011	2,745	-	2,745	2,745
Operational	2012	2,741	-	2,741	2,741
Operational	2013	2,689	-	2,689	2,689
Operational	2014	2,805	-	2,805	2,797
Operational	2015	2,863	-	2,863	2,801
Operational	2016	2,743	-	2,743	2,134
Total Operational		<u>\$ 26,799</u>	<u>\$ -</u>	<u>\$ 26,799</u>	<u>\$ 26,120</u>
House Schools					
Capital Improvements	2007	\$ 10,551	\$ -	\$ 10,551	\$ 10,551
Capital Improvements	2008	10,702	-	10,702	10,702
Capital Improvements	2009	10,931	-	10,931	10,931
Capital Improvements	2010	11,458	-	11,458	11,458
Capital Improvements	2011	11,804	-	11,804	11,804
Capital Improvements	2012	11,788	-	11,788	11,788
Capital Improvements	2013	11,479	-	11,479	11,479
Capital Improvements	2014	11,961	-	11,961	11,930
Capital Improvements	2015	12,201	-	12,201	11,924
Capital Improvements	2016	11,720	-	11,720	8,961
Total Capital Improvements		<u>\$ 114,595</u>	<u>\$ -</u>	<u>\$ 114,595</u>	<u>\$ 111,528</u>
House Schools					
Debt Service	2009	\$ 35,627	\$ -	\$ 35,627	\$ 35,627
Debt Service	2010	27,869	-	27,869	27,869
Debt Service	2011	24,121	-	24,121	24,121
Debt Service	2012	33,983	-	33,983	33,983
Debt Service	2013	24,747	-	24,747	24,747
Debt Service	2014	25,506	-	25,506	25,444
Debt Service	2015	26,061	-	26,061	25,491
Debt Service	2016	23,736	-	23,736	18,450
Total Debt Service		<u>\$ 221,650</u>	<u>\$ -</u>	<u>\$ 221,650</u>	<u>\$ 215,732</u>

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 2,431	\$ -	\$ 2,431	\$ -
-	2,519	-	2,519	-
-	2,566	-	2,566	-
-	2,697	-	2,697	-
-	2,745	-	2,745	-
-	2,741	-	2,741	-
-	2,689	-	2,689	-
7	2,804	7	2,804	1
54	2,855	54	2,855	8
530	2,664	530	2,664	79
\$ 591	\$ 26,711	\$ 591	\$ 26,711	\$ 88
\$ -	\$ 10,551	\$ -	\$ 10,551	\$ -
-	10,702	-	10,702	-
-	10,931	-	10,931	-
-	11,458	-	11,458	-
-	11,804	-	11,804	-
-	11,788	-	11,788	-
-	11,479	-	11,479	-
27	11,957	27	11,957	4
241	12,165	241	12,165	36
2,401	11,362	2,401	11,362	358
\$ 2,669	\$ 114,197	\$ 2,669	\$ 114,197	\$ 398
\$ -	\$ 35,627	\$ -	\$ 35,627	\$ -
-	27,869	-	27,869	-
-	24,121	-	24,121	-
-	33,983	-	33,983	-
-	24,747	-	24,747	-
54	25,498	54	25,498	8
496	25,987	496	25,987	74
4,600	23,050	4,600	23,050	686
\$ 5,150	\$ 220,882	\$ 5,150	\$ 220,882	\$ 768

See independent auditors' report.

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

<u>Agency</u>	<u>Year</u>	<u>Property Taxes Levied</u>	<u>Current Changes To Taxes Levied</u>	<u>Adjusted Property Taxes Levied</u>	<u>Previous Amount Collected</u>
Logan Schools					
Operational	2007	\$ 12,876	\$ -	\$ 12,876	\$ 12,730
Operational	2008	14,140	-	14,140	13,092
Operational	2009	15,681	-	15,681	13,685
Operational	2010	18,761	-	18,761	16,133
Operational	2011	20,647	-	20,647	18,844
Operational	2012	21,732	-	21,732	19,698
Operational	2013	24,625	-	24,625	22,267
Operational	2014	22,894	-	22,894	21,607
Operational	2015	24,035	-	24,035	21,453
Operational	2016	24,998	-	24,998	11,859
Total Operational		<u>\$ 200,389</u>	<u>\$ -</u>	<u>\$ 200,389</u>	<u>\$ 171,368</u>
Logan Schools					
Capital Improvements	2007	\$ 62,482	\$ -	\$ 62,482	\$ 61,681
Capital Improvements	2008	68,814	-	68,814	63,042
Capital Improvements	2009	77,069	-	77,069	66,041
Capital Improvements	2010	92,919	-	92,919	78,401
Capital Improvements	2011	106,403	-	106,403	95,930
Capital Improvements	2012	109,785	-	109,785	98,049
Capital Improvements	2013	115,423	-	115,423	103,363
Capital Improvements	2014	91,594	-	91,594	86,439
Capital Improvements	2015	96,162	-	96,162	85,828
Capital Improvements	2016	100,074	-	100,074	47,464
Total Capital Improvements		<u>\$ 920,725</u>	<u>\$ -</u>	<u>\$ 920,725</u>	<u>\$ 786,238</u>
Logan Schools					
Debt Service	2007	\$ 127,502	\$ -	\$ 127,502	\$ 125,753
Debt Service	2008	126,409	-	126,409	115,104
Debt Service	2009	251,579	-	251,579	213,017
Debt Service	2010	185,632	-	185,632	156,094
Debt Service	2011	216,903	-	216,903	195,542
Debt Service	2012	180,048	-	180,048	160,790
Debt Service	2013	211,356	-	211,356	189,301
Debt Service	2014	215,110	-	215,110	203,135
Debt Service	2015	181,434	-	181,434	161,991
Debt Service	2016	203,845	-	203,845	96,606
Total Debt Service		<u>\$ 1,899,818</u>	<u>\$ -</u>	<u>\$ 1,899,818</u>	<u>\$ 1,617,333</u>

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 127	\$ 12,857	\$ 127	\$ 12,857	\$ 19
912	14,004	912	14,004	136
1,737	15,422	1,737	15,422	259
2,287	18,420	2,287	18,420	341
1,569	20,413	1,569	20,413	234
1,770	21,468	1,770	21,468	264
2,052	24,319	2,052	24,319	306
1,120	22,727	1,120	22,727	167
2,247	23,700	2,247	23,700	335
11,434	23,293	11,434	23,293	1,705
<u>\$ 25,255</u>	<u>\$ 196,623</u>	<u>\$ 25,255</u>	<u>\$ 196,623</u>	<u>\$ 3,766</u>
\$ 697	\$ 62,378	\$ 697	\$ 62,378	\$ 104
5,023	68,065	5,023	68,065	749
9,597	75,638	9,597	75,638	1,431
12,634	91,035	12,634	91,035	1,884
9,114	105,044	9,114	105,044	1,359
10,213	108,262	10,213	108,262	1,523
10,495	113,858	10,495	113,858	1,565
4,486	90,925	4,486	90,925	669
8,993	94,821	8,993	94,821	1,341
45,783	93,247	45,783	93,247	6,827
<u>\$ 117,035</u>	<u>\$ 903,273</u>	<u>\$ 117,035</u>	<u>\$ 903,273</u>	<u>\$ 17,452</u>
\$ 1,522	\$ 127,275	\$ 1,522	\$ 127,275	\$ 227
9,838	124,942	9,838	124,942	1,467
33,558	246,575	33,558	246,575	5,004
25,705	181,799	25,705	181,799	3,833
18,589	214,131	18,589	214,131	2,772
16,759	177,549	16,759	177,549	2,499
19,193	208,494	19,193	208,494	2,862
10,421	213,556	10,421	213,556	1,554
16,920	178,911	16,920	178,911	2,523
93,323	189,929	93,323	189,929	13,916
<u>\$ 245,828</u>	<u>\$ 1,863,161</u>	<u>\$ 245,828</u>	<u>\$ 1,863,161</u>	<u>\$ 36,657</u>

See independent auditors' report.

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

<u>Agency</u>	<u>Year</u>	<u>Property Taxes Levied</u>	<u>Current Changes To Taxes Levied</u>	<u>Adjusted Property Taxes Levied</u>	<u>Previous Amount Collected</u>
San Jon Schools					
Operational	2007	\$ 5,000	\$ -	\$ 5,000	\$ 4,784
Operational	2008	4,970	-	4,970	4,747
Operational	2009	5,038	-	5,038	4,822
Operational	2010	5,010	-	5,010	4,787
Operational	2011	6,425	-	6,425	6,194
Operational	2012	6,409	-	6,409	6,186
Operational	2013	6,965	-	6,965	6,734
Operational	2014	6,881	-	6,881	6,372
Operational	2015	7,294	-	7,294	6,685
Operational	2016	7,308	-	7,308	5,119
Total Operational		<u>\$ 61,300</u>	<u>\$ -</u>	<u>\$ 61,300</u>	<u>\$ 56,430</u>
San Jon Schools					
Capital Improvements	2007	\$ 21,596	\$ -	\$ 21,596	\$ 20,717
Capital Improvements	2008	21,375	-	21,375	20,481
Capital Improvements	2009	21,662	-	21,662	20,768
Capital Improvements	2010	21,524	-	21,524	20,630
Capital Improvements	2011	27,278	-	27,278	26,361
Capital Improvements	2012	27,202	-	27,202	26,285
Capital Improvements	2013	29,207	-	29,207	28,290
Capital Improvements	2014	28,904	-	28,904	26,823
Capital Improvements	2015	30,229	-	30,229	27,724
Capital Improvements	2016	30,298	-	30,298	20,835
Total Capital Improvements		<u>\$ 259,275</u>	<u>\$ -</u>	<u>\$ 259,275</u>	<u>\$ 238,914</u>
San Jon Schools					
Debt Service	2007	\$ 82,690	\$ -	\$ 82,690	\$ 79,322
Debt Service	2008	105,037	-	105,037	100,637
Debt Service	2009	102,569	-	102,569	98,323
Debt Service	2010	72,633	-	72,633	69,612
Debt Service	2011	69,137	-	69,137	66,810
Debt Service	2012	69,324	-	69,324	66,989
Debt Service	2013	69,586	-	69,586	67,405
Debt Service	2014	67,322	-	67,322	62,483
Debt Service	2015	74,954	-	74,954	68,727
Debt Service	2016	67,804	-	67,804	46,535
Total Debt Service		<u>\$ 781,056</u>	<u>\$ -</u>	<u>\$ 781,056</u>	<u>\$ 726,843</u>

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 188	\$ 4,972	\$ 188	\$ 4,972	\$ 28
194	4,941	194	4,941	29
188	5,010	188	5,010	28
194	4,981	194	4,981	29
201	6,395	201	6,395	30
194	6,380	194	6,380	29
201	6,935	201	6,935	30
443	6,815	443	6,815	66
530	7,215	530	7,215	79
1,905	7,024	1,905	7,024	284
<u>\$ 4,238</u>	<u>\$ 60,668</u>	<u>\$ 4,238</u>	<u>\$ 60,668</u>	<u>\$ 632</u>
\$ 765	\$ 21,482	\$ 765	\$ 21,482	\$ 114
778	21,259	778	21,259	116
778	21,546	778	21,546	116
778	21,408	778	21,408	116
798	27,159	798	27,159	119
798	27,083	798	27,083	119
798	29,088	798	29,088	119
1,811	28,634	1,811	28,634	270
2,180	29,904	2,180	29,904	325
8,235	29,070	8,235	29,070	1,228
<u>\$ 17,719</u>	<u>\$ 256,633</u>	<u>\$ 17,719</u>	<u>\$ 256,633</u>	<u>\$ 2,642</u>
\$ 2,931	\$ 82,253	\$ 2,931	\$ 82,253	\$ 437
3,829	104,466	3,829	104,466	571
3,695	102,018	3,695	102,018	551
2,629	72,241	2,629	72,241	392
2,025	68,835	2,025	68,835	302
2,032	69,021	2,032	69,021	303
1,898	69,303	1,898	69,303	283
4,211	66,694	4,211	66,694	628
5,419	74,146	5,419	74,146	808
18,509	65,044	18,509	65,044	2,760
<u>\$ 47,178</u>	<u>\$ 774,021</u>	<u>\$ 47,178</u>	<u>\$ 774,021</u>	<u>\$ 7,035</u>

See independent auditors' report.

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

<u>Agency</u>	<u>Year</u>	<u>Property Taxes Levied</u>	<u>Current Changes To Taxes Levied</u>	<u>Adjusted Property Taxes Levied</u>	<u>Previous Amount Collected</u>
Melrose Schools					
Operational	2007	\$ 1,359	\$ -	\$ 1,359	\$ 1,359
Operational	2008	1,366	-	1,366	1,366
Operational	2009	1,424	-	1,424	1,424
Operational	2010	1,534	-	1,534	1,534
Operational	2011	1,538	-	1,538	1,538
Operational	2012	1,544	-	1,544	1,544
Operational	2013	1,597	-	1,597	1,589
Operational	2014	1,654	-	1,654	1,623
Operational	2015	1,720	-	1,720	1,681
Operational	2016	1,749	-	1,749	1,626
Total Operational		<u>\$ 15,485</u>	<u>\$ -</u>	<u>\$ 15,485</u>	<u>\$ 15,284</u>
Melrose Schools					
Capital Improvements	2007	\$ 5,437	\$ -	\$ 5,437	\$ 5,437
Capital Improvements	2008	5,463	-	5,463	5,463
Capital Improvements	2009	5,697	-	5,697	5,697
Capital Improvements	2010	6,133	-	6,133	6,133
Capital Improvements	2011	6,271	-	6,271	6,271
Capital Improvements	2012	6,287	-	6,287	6,287
Capital Improvements	2013	6,500	-	6,500	6,461
Capital Improvements	2014	6,728	-	6,728	6,620
Capital Improvements	2015	6,997	-	6,997	6,835
Capital Improvements	2016	7,115	-	7,115	6,599
Total Capital Improvements		<u>\$ 62,628</u>	<u>\$ -</u>	<u>\$ 62,628</u>	<u>\$ 61,803</u>
Melrose Schools					
Debt Service	2007	\$ -	\$ -	\$ -	\$ -
Debt Service	2008	-	-	-	-
Debt Service	2009	-	-	-	-
Debt Service	2010	-	-	-	-
Debt Service	2011	13,258	-	13,258	13,258
Debt Service	2012	13,471	-	13,471	13,471
Debt Service	2013	13,296	-	13,296	13,227
Debt Service	2014	13,299	-	13,299	13,083
Debt Service	2015	13,453	-	13,453	13,152
Debt Service	2016	13,367	-	13,367	12,388
Total Debt Service		<u>\$ 80,144</u>	<u>\$ -</u>	<u>\$ 80,144</u>	<u>\$ 78,579</u>

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 1,359	\$ -	\$ 1,359	\$ -
-	1,366	-	1,366	-
-	1,424	-	1,424	-
-	1,534	-	1,534	-
-	1,538	-	1,538	-
-	1,544	-	1,544	-
7	1,596	7	1,596	1
27	1,650	27	1,650	4
34	1,715	34	1,715	5
107	1,733	107	1,733	16
\$ 175	\$ 15,459	\$ 175	\$ 15,459	\$ 26
\$ -	\$ 5,437	\$ -	\$ 5,437	\$ -
-	5,463	-	5,463	-
-	5,697	-	5,697	-
-	6,133	-	6,133	-
-	6,271	-	6,271	-
-	6,287	-	6,287	-
34	6,495	34	6,495	5
94	6,714	94	6,714	14
141	6,976	141	6,976	21
449	7,048	449	7,048	67
\$ 718	\$ 62,521	\$ 718	\$ 62,521	\$ 107
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	13,258	-	13,258	-
-	13,471	-	13,471	-
60	13,287	60	13,287	9
188	13,271	188	13,271	28
262	13,414	262	13,414	39
852	13,240	852	13,240	127
\$ 1,362	\$ 79,941	\$ 1,362	\$ 79,941	\$ 203

See independent auditors' report.

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

<u>Agency</u>	<u>Year</u>	<u>Property Taxes Levied</u>	<u>Current Changes To Taxes Levied</u>	<u>Adjusted Property Taxes Levied</u>	<u>Previous Amount Collected</u>
Grady Schools					
Operational	2007	\$ 321	\$ -	\$ 321	\$ 321
Operational	2008	324	-	324	324
Operational	2009	323	-	323	323
Operational	2010	327	-	327	327
Operational	2011	345	-	345	345
Operational	2012	362	-	362	362
Operational	2013	368	-	368	368
Operational	2014	407	-	407	407
Operational	2015	397	-	397	389
Operational	2016	396	-	396	357
Total Operational		<u>\$ 3,570</u>	<u>\$ -</u>	<u>\$ 3,570</u>	<u>\$ 3,523</u>
Grady Schools					
Capital Improvements	2007	\$ 1,288	\$ -	\$ 1,288	\$ 1,288
Capital Improvements	2008	1,294	-	1,294	1,294
Capital Improvements	2009	1,293	-	1,293	1,293
Capital Improvements	2010	1,306	-	1,306	1,306
Capital Improvements	2011	1,386	-	1,386	1,386
Capital Improvements	2012	1,451	-	1,451	1,451
Capital Improvements	2013	1,474	-	1,474	1,474
Capital Improvements	2014	1,628	-	1,628	1,628
Capital Improvements	2015	1,586	-	1,586	1,571
Capital Improvements	2016	1,586	-	1,586	1,424
Total Capital Improvements		<u>\$ 14,292</u>	<u>\$ -</u>	<u>\$ 14,292</u>	<u>\$ 14,115</u>
Grady Schools					
Debt Service	2007	\$ 5,444	\$ -	\$ 5,444	\$ 5,444
Debt Service	2008	4,116	-	4,116	4,116
Debt Service	2009	4,063	-	4,063	4,063
Debt Service	2010	4,511	-	4,511	4,511
Debt Service	2011	4,682	-	4,682	4,682
Debt Service	2012	5,081	-	5,081	5,081
Debt Service	2013	5,001	-	5,001	5,001
Debt Service	2014	5,212	-	5,212	5,212
Debt Service	2015	5,483	-	5,483	5,414
Debt Service	2016	4,712	-	4,712	4,219
Total Debt Service		<u>\$ 48,305</u>	<u>\$ -</u>	<u>\$ 48,305</u>	<u>\$ 47,743</u>

See independent auditors' report.

<u>Collected In Current Year</u>	<u>Collected To Date</u>	<u>Distributed In Current Year</u>	<u>Distributed To Date</u>	<u>County Receivable at Year End</u>
\$ -	\$ 321	\$ -	\$ 321	\$ -
-	324	-	324	-
-	323	-	323	-
-	327	-	327	-
-	345	-	345	-
-	362	-	362	-
-	368	-	368	-
-	407	-	407	-
7	396	7	396	1
34	391	34	391	5
<u>\$ 41</u>	<u>\$ 3,564</u>	<u>\$ 41</u>	<u>\$ 3,564</u>	<u>\$ 6</u>
\$ -	\$ 1,288	\$ -	\$ 1,288	\$ -
-	1,294	-	1,294	-
-	1,293	-	1,293	-
-	1,306	-	1,306	-
-	1,386	-	1,386	-
-	1,451	-	1,451	-
-	1,474	-	1,474	-
-	1,628	-	1,628	-
13	1,584	13	1,584	2
141	1,565	141	1,565	21
<u>\$ 154</u>	<u>\$ 14,269</u>	<u>\$ 154</u>	<u>\$ 14,269</u>	<u>\$ 23</u>
\$ -	\$ 5,444	\$ -	\$ 5,444	\$ -
-	4,116	-	4,116	-
-	4,063	-	4,063	-
-	4,511	-	4,511	-
-	4,682	-	4,682	-
-	5,081	-	5,081	-
-	5,001	-	5,001	-
-	5,212	-	5,212	-
60	5,474	60	5,474	9
429	4,648	429	4,648	64
<u>\$ 489</u>	<u>\$ 48,232</u>	<u>\$ 489</u>	<u>\$ 48,232</u>	<u>\$ 73</u>

See independent auditors' report.

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

<u>Agency</u>	<u>Year</u>	<u>Property Taxes Levied</u>	<u>Current Changes To Taxes Levied</u>	<u>Adjusted Property Taxes Levied</u>	<u>Previous Amount Collected</u>
Nara Visa Schools					
Operational	2007	\$ 2,113	\$ -	\$ 2,113	\$ 2,113
Operational	2008	2,226	-	2,226	2,226
Operational	2009	2,516	-	2,516	2,516
Operational	2010	2,738	-	2,738	2,738
Operational	2011	2,847	-	2,847	2,839
Operational	2012	3,077	-	3,077	3,077
Operational	2013	3,321	-	3,321	3,298
Operational	2014	3,604	-	3,604	3,504
Operational	2015	4,155	-	4,155	3,839
Operational	2016	4,689	-	4,689	3,055
Total Operational		<u>\$ 31,286</u>	<u>\$ -</u>	<u>\$ 31,286</u>	<u>\$ 29,205</u>
Nara Visa Schools					
Capital Improvements	2007	\$ 8,770	\$ -	\$ 8,770	\$ 8,770
Capital Improvements	2008	9,253	-	9,253	9,253
Capital Improvements	2009	10,413	-	10,413	10,413
Capital Improvements	2010	11,359	-	11,359	11,351
Capital Improvements	2011	12,442	-	12,442	12,427
Capital Improvements	2012	12,847	-	12,847	12,832
Capital Improvements	2013	13,683	-	13,683	13,583
Capital Improvements	2014	14,422	-	14,422	14,029
Capital Improvements	2015	16,627	-	16,627	15,355
Capital Improvements	2016	18,767	-	18,767	12,224
Total Capital Improvements		<u>\$ 128,583</u>	<u>\$ -</u>	<u>\$ 128,583</u>	<u>\$ 120,237</u>
Nara Visa Schools					
Debt Service	2007	\$ 16,042	\$ -	\$ 16,042	\$ 16,042
Debt Service	2008	15,356	-	15,356	15,356
Debt Service	2009	29,856	-	29,856	29,856
Debt Service	2010	21,925	-	21,925	21,910
Debt Service	2011	25,363	-	25,363	25,340
Debt Service	2012	21,069	-	21,069	21,054
Debt Service	2013	25,103	-	25,103	24,910
Debt Service	2014	34,576	-	34,576	33,628
Debt Service	2015	31,634	-	31,634	29,230
Debt Service	2016	38,163	-	38,163	24,847
Total Debt Service		<u>\$ 259,087</u>	<u>\$ -</u>	<u>\$ 259,087</u>	<u>\$ 242,173</u>

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 2,113	\$ -	\$ 2,113	\$ -
-	2,226	-	2,226	-
-	2,516	-	2,516	-
-	2,738	-	2,738	-
7	2,846	7	2,846	1
-	3,077	-	3,077	-
20	3,318	20	3,318	3
87	3,591	87	3,591	13
275	4,114	275	4,114	41
1,422	4,477	1,422	4,477	212
\$ 1,811	\$ 31,016	\$ 1,811	\$ 31,016	\$ 270
\$ -	\$ 8,770	\$ -	\$ 8,770	\$ -
-	9,253	-	9,253	-
-	10,413	-	10,413	-
7	11,358	7	11,358	1
13	12,440	13	12,440	2
13	12,845	13	12,845	2
87	13,670	87	13,670	13
342	14,371	342	14,371	51
1,107	16,462	1,107	16,462	165
5,694	17,918	5,694	17,918	849
\$ 7,263	\$ 127,500	\$ 7,263	\$ 127,500	\$ 1,083
\$ -	\$ 16,042	\$ -	\$ 16,042	\$ -
-	15,356	-	15,356	-
-	29,856	-	29,856	-
13	21,923	13	21,923	2
20	25,360	20	25,360	3
13	21,067	13	21,067	2
168	25,078	168	25,078	25
825	34,453	825	34,453	123
2,092	31,322	2,092	31,322	312
11,588	36,435	11,588	36,435	1,728
\$ 14,719	\$ 256,892	\$ 14,719	\$ 256,892	\$ 2,195

See independent auditors' report.

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

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied	Previous Amount Collected
Dr. Dan C. Trigg Memorial Hospital					
Hospital	2007	\$ 195,757	\$ -	\$ 195,757	\$ 190,501
Hospital	2008	209,490	-	209,490	199,719
Hospital	2009	230,444	-	230,444	214,392
Hospital	2010	241,375	-	241,375	223,666
Hospital	2011	257,988	-	257,988	243,269
Hospital	2012	265,845	-	265,845	248,599
Hospital	2013	283,582	-	283,582	263,438
Hospital	2014	278,060	-	278,060	249,678
Hospital	2015	289,586	-	289,586	237,993
Hospital	2016	302,042	-	302,042	153,259
Total Hospital		<u>\$ 2,554,169</u>	<u>\$ -</u>	<u>\$ 2,554,169</u>	<u>\$ 2,224,514</u>
Arch Hurley Conservancy District					
Conservancy District	2007	\$ 253,632	\$ -	\$ 253,632	\$ 240,339
Conservancy District	2008	294,026	-	294,026	279,076
Conservancy District	2009	241,052	-	241,052	226,819
Conservancy District	2010	280,491	-	280,491	263,445
Conservancy District	2011	314,414	-	314,414	296,220
Conservancy District	2012	300,564	-	300,564	278,948
Conservancy District	2013	346,900	-	346,900	318,040
Conservancy District	2014	343,581	-	343,581	273,578
Conservancy District	2015	382,505	-	382,505	248,302
Conservancy District	2016	388,795	-	388,795	93,765
Total Conservancy District		<u>\$ 3,145,960</u>	<u>\$ -</u>	<u>\$ 3,145,960</u>	<u>\$ 2,518,532</u>
Mesalands Community College					
College	2007	\$ 173,045	\$ -	\$ 173,045	\$ 165,909
College	2008	188,701	-	188,701	181,596
College	2009	207,265	-	207,265	198,164
College	2010	218,727	-	218,727	209,141
College	2011	225,821	-	225,821	214,693
College	2012	236,112	-	236,112	222,087
College	2013	256,199	-	256,199	237,689
College	2014	274,903	-	274,903	236,187
College	2015	282,901	-	282,901	216,744
College	2016	291,777	-	291,777	146,462
Total College		<u>\$ 2,355,451</u>	<u>\$ -</u>	<u>\$ 2,355,451</u>	<u>\$ 2,028,672</u>

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ 4,574	\$ 195,075	\$ 4,574	\$ 195,075	\$ 682
8,503	208,222	8,503	208,222	1,268
13,969	228,361	13,969	228,361	2,083
15,411	239,077	15,411	239,077	2,298
12,809	256,078	12,809	256,078	1,910
15,008	263,607	15,008	263,607	2,238
17,530	280,968	17,530	280,968	2,614
24,699	274,377	24,699	274,377	3,683
44,898	282,891	44,898	282,891	6,695
129,476	282,735	129,476	282,735	19,307
<u>\$ 286,877</u>	<u>\$ 2,511,391</u>	<u>\$ 286,877</u>	<u>\$ 2,511,391</u>	<u>\$ 42,778</u>
\$ 11,568	\$ 251,907	\$ 11,568	\$ 251,907	\$ 1,725
13,010	292,086	13,010	292,086	1,940
12,386	239,205	12,386	239,205	1,847
14,834	278,279	14,834	278,279	2,212
15,833	312,053	15,833	312,053	2,361
18,811	297,759	18,811	297,759	2,805
25,115	343,155	25,115	343,155	3,745
60,919	334,497	60,919	334,497	9,084
116,788	365,090	116,788	365,090	17,415
256,745	350,510	256,745	350,510	38,285
<u>\$ 546,009</u>	<u>\$ 3,064,541</u>	<u>\$ 546,009</u>	<u>\$ 3,064,541</u>	<u>\$ 81,419</u>
\$ 6,210	\$ 172,119	\$ 6,210	\$ 172,119	\$ 926
6,183	187,779	6,183	187,779	922
7,920	206,084	7,920	206,084	1,181
8,342	217,483	8,342	217,483	1,244
9,684	224,377	9,684	224,377	1,444
12,205	234,292	12,205	234,292	1,820
16,108	253,797	16,108	253,797	2,402
33,692	269,879	33,692	269,879	5,024
57,572	274,316	57,572	274,316	8,585
126,458	272,920	126,458	272,920	18,857
<u>\$ 284,374</u>	<u>\$ 2,313,046</u>	<u>\$ 284,374</u>	<u>\$ 2,313,046</u>	<u>\$ 42,405</u>

See independent auditors' report.

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

<u>Agency</u>	<u>Year</u>	<u>Property Taxes Levied</u>	<u>Current Changes To Taxes Levied</u>	<u>Adjusted Property Taxes Levied</u>	<u>Previous Amount Collected</u>
Ute Lake Public Improvement District					
Public Improvement District	2009	\$ 26,365	\$ -	\$ 26,365	\$ 26,365
Public Improvement District	2010	29,880	-	29,880	29,880
Public Improvement District	2011	30,232	-	30,232	27,080
Public Improvement District	2012	30,203	-	30,203	27,051
Public Improvement District	2013	33,087	-	33,087	29,604
Public Improvement District	2014	15,115	-	15,115	11,640
Public Improvement District	2015	15,275	-	15,275	11,792
Public Improvement District	2016	15,275	-	15,275	4,548
Total District		<u>\$ 195,432</u>	<u>\$ -</u>	<u>\$ 195,432</u>	<u>\$ 167,960</u>
Ute Lake Ranch Public Improvement District					
Public Improvement District	2009	\$ 237,281	\$ -	\$ 237,281	\$ 237,281
Public Improvement District	2010	107,565	-	107,565	107,565
Public Improvement District	2011	108,833	-	108,833	97,482
Public Improvement District	2012	108,730	-	108,730	97,379
Public Improvement District	2013	119,111	-	119,111	106,581
Public Improvement District	2014	54,415	-	54,415	41,885
Public Improvement District	2015	54,989	-	54,989	42,466
Public Improvement District	2016	54,989	-	54,989	16,381
Total District		<u>\$ 845,913</u>	<u>\$ -</u>	<u>\$ 845,913</u>	<u>\$ 747,020</u>
Fiscal Year Total	2007	\$ 3,275,664	\$ -	\$ 3,275,664	\$ 3,161,073
Fiscal Year Total	2008	3,551,841	-	3,551,841	3,394,783
Fiscal Year Total	2009	4,208,990	-	4,208,990	3,970,121
Fiscal Year Total	2010	4,296,921	-	4,296,921	4,038,464
Fiscal Year Total	2011	4,577,276	-	4,577,276	4,324,608
Fiscal Year Total	2012	4,684,053	-	4,684,053	4,388,755
Fiscal Year Total	2013	5,128,579	-	5,128,579	4,760,832
Fiscal Year Total	2014	5,256,042	-	5,256,042	4,631,287
Fiscal Year Total	2015	5,437,657	-	5,437,657	4,331,259
Fiscal Year Total	2016	5,620,402	-	5,620,402	2,679,893
Grand Total		<u><u>\$ 46,037,425</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 46,037,425</u></u>	<u><u>\$ 39,681,075</u></u>

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 26,365	\$ -	\$ 26,365	\$ -
-	29,880	-	29,880	-
2,743	29,823	2,743	29,823	409
2,743	29,794	2,743	29,794	409
3,031	32,635	3,031	32,635	452
3,024	14,664	3,024	14,664	451
3,031	14,823	3,031	14,823	452
9,335	13,883	9,335	13,883	1,392
<u>\$ 23,907</u>	<u>\$ 191,867</u>	<u>\$ 23,907</u>	<u>\$ 191,867</u>	<u>\$ 3,565</u>
\$ -	\$ 237,281	\$ -	\$ 237,281	\$ -
-	107,565	-	107,565	-
9,878	107,360	9,878	107,360	1,473
9,878	107,257	9,878	107,257	1,473
10,904	117,485	10,904	117,485	1,626
10,904	52,789	10,904	52,789	1,626
10,898	53,364	10,898	53,364	1,625
33,598	49,979	33,598	49,979	5,010
<u>\$ 86,060</u>	<u>\$ 833,080</u>	<u>\$ 86,060</u>	<u>\$ 833,080</u>	<u>\$ 12,833</u>
\$ 99,721	\$ 3,260,794	\$ 99,721	\$ 3,260,794	\$ 14,870
136,677	3,531,460	136,677	3,531,460	20,381
207,872	4,177,993	207,872	4,177,993	30,997
224,918	4,263,382	224,918	4,263,382	33,539
219,880	4,544,488	219,880	4,544,488	32,788
256,978	4,645,733	256,978	4,645,733	38,320
320,026	5,080,858	320,026	5,080,858	47,721
543,683	5,174,970	543,683	5,174,970	81,072
962,825	5,294,084	962,825	5,294,084	143,573
2,558,930	5,238,823	2,558,930	5,238,823	381,579
<u>\$ 5,531,510</u>	<u>\$ 45,212,585</u>	<u>\$ 5,531,510</u>	<u>\$ 45,212,585</u>	<u>\$ 824,840</u>

See independent auditors' report.

STATE OF NEW MEXICO
 Quay County
 Schedule of Changes in Fiduciary Assets and Liabilities - Agency Funds
 For the Year Ended June 30, 2017

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2017</u>
Children's Trust Fund				
Assets				
<i>Current assets</i>				
Cash	\$ -	\$ 765	\$ 720	\$ 45
<i>Total current assets</i>	<u>-</u>	<u>765</u>	<u>720</u>	<u>45</u>
Liabilities				
Deposits held in trust	\$ -	\$ 765	\$ 720	\$ 45
<i>Total liabilities</i>	<u>\$ -</u>	<u>\$ 765</u>	<u>\$ 720</u>	<u>\$ 45</u>
Taxes Paid in Advance				
Assets				
<i>Current assets</i>				
Cash	\$ 2,180	\$ 618	\$ -	\$ 2,798
<i>Total current assets</i>	<u>2,180</u>	<u>618</u>	<u>-</u>	<u>2,798</u>
Liabilities				
Deposits held in trust	\$ 2,180	\$ 618	\$ -	\$ 2,798
<i>Total liabilities</i>	<u>\$ 2,180</u>	<u>\$ 618</u>	<u>\$ -</u>	<u>\$ 2,798</u>
Cost to State				
Assets				
<i>Current assets</i>				
Cash	\$ 3,647	\$ 8,694	\$ 11,619	\$ 722
<i>Total current assets</i>	<u>3,647</u>	<u>8,694</u>	<u>11,619</u>	<u>722</u>
Liabilities				
Deposits held in trust	\$ 3,647	\$ 8,694	\$ 11,619	\$ 722
<i>Total liabilities</i>	<u>\$ 3,647</u>	<u>\$ 8,694</u>	<u>\$ 11,619</u>	<u>\$ 722</u>
Overpayment of Taxes				
Assets				
<i>Current assets</i>				
Cash	\$ -	\$ 9,734	\$ 9,734	\$ -
<i>Total current assets</i>	<u>-</u>	<u>9,734</u>	<u>9,734</u>	<u>-</u>
Liabilities				
Deposits held in trust	\$ -	\$ 9,734	\$ 9,734	\$ -
<i>Total liabilities</i>	<u>\$ -</u>	<u>\$ 9,734</u>	<u>\$ 9,734</u>	<u>\$ -</u>

See independent auditors' report.

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Undistributed Property Taxes				
Assets				
<i>Current assets</i>				
Cash	\$ -	\$ 3,879,588	\$ 3,830,916	\$ 48,672
Property taxes receivable*	623,338	3,718,569	3,763,356	578,551
<i>Total current assets</i>	623,338	7,598,157	7,594,272	627,223
Liabilities				
Due to other taxing entities	\$ 623,338	\$ 7,598,157	\$ 7,594,272	\$ 627,223
<i>Total liabilities</i>	\$ 623,338	\$ 7,598,157	\$ 7,594,272	\$ 627,223
Total Agency Funds				
Assets				
<i>Current assets</i>				
Cash	\$ 5,827	\$ 3,899,399	\$ 3,852,989	\$ 52,237
Property taxes receivable	623,338	3,718,569	3,763,356	578,551
<i>Total current assets</i>	629,165	7,617,968	7,616,345	630,788
Liabilities				
Deposits held in trust	\$ 5,827	\$ 19,811	\$ 22,073	\$ 3,565
Due to other taxing entities*	623,338	7,598,157	7,594,272	627,223
<i>Total liabilities</i>	\$ 629,165	\$ 7,617,968	\$ 7,616,345	\$ 630,788

*The County's Prior Year financial statements did not include the ending balance for property taxes receivable. The balance has been included here as the beginning balance.

See independent auditors' report.

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COMPLIANCE SECTION



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

INDEPENDENT AUDITORS' REPORT

Timothy Keller
New Mexico State Auditor
The Quay County Commissioners
Quay County
Tucumcari, New Mexico

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the General Fund and major special revenue funds of Quay County (the "County") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 30, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

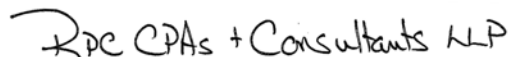
We noted certain matters that are required to be reported per section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of Section 12-6-5 NMSA 1978 Findings as items NM 2017-001 and NM 2017-002.

County's Response to Findings

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

Purpose of this Report

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



RPC CPAs + Consultants, LLP
Albuquerque, New Mexico
November 30, 2017

Section I – Summary of Auditors’ Results

Financial Statements:

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

Section II – Financial Statement Findings

None Noted

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

NM 2017-001 Recording of Debt Related Cash Accounts – Finding that does not rise to the level of a Significant Deficiency

Condition: The County did not record its debt reserve related cash accounts for three of its loans. The County had not recorded \$53,640 in reserve cash accounts, nor was this cash listed on their Treasurer’s Report.

Criteria: NMSA 6-10-2 discusses the duty of public officials to balance public money at the close of each business day.

Effect: The County had understated their cash balances for the fiscal year by the amount of these reserve accounts.

Cause: The County did not record the reserve account amounts reported on the related NMFA statements.

Auditors’ Recommendation: The County should ensure that at least one individual is trained to identify and record all accounts related to debt instruments.

Agency’s Response: The three loans that have a debt reserves were done in 2008. We have not posted these reserves to the General Ledger in the past but will start reviewing the NMFA Statements and post them each month. The County Manager’s office receives the statement and will make sure the reserve amounts are posted monthly starting in November 2017.

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

NM 2017-002 Stale Dated Checks – Other Noncompliance

Condition: The County had 8 outstanding checks written from the Operational bank account that were over one year old, totaling \$3,855.61. The County has not cancelled these warrants and credited the cash back to the funds against which they were drawn.

Criteria: New Mexico Statutes, Section 6-10-57, NMSA, 1978, states that local public bodies to cancel or void any checks that are unpaid for one year after it is written. The face amount of each warrant canceled shall revert and be credited to the fund against which the warrant was drawn.

Effect: The County's cash balance may be misstated by the amount of the stale checks.

Cause: The County does not have a process in place to review stale-dated checks during the bank reconciliation process.

Auditors' Recommendation: We recommend that the outstanding checks be voided as soon as possible and that a procedure to track and void stale dated checks be implemented. We also recommend that the County credit the amount of voided checks back to the fund from which they were written. We also recommend the County review bank reconciliations timely to capture checks that are considered stale dated.

Agency's Response: The Treasurer balances the bank statements each month and then they reviewed by the Manager's office. The Treasurer and the County Manager will review the outstanding check list and void any checks over a year old and increase the fund they were written from, beginning with the November 2017 reconciliation.

Section IV – Prior Year Audit Findings

None Noted

STATE OF NEW MEXICO

Quay County
Other Disclosures
June 30, 2017

Other Disclosures

Exit Conference

The contents of this report were discussed on November 30, 2017. The following individuals were in attendance and the meeting was held in closed session.

Representing Quay County:

Franklin McCasland	Commission Chair
Mike Cherry	Commissioner
Sue Dowell	Commissioner
Patsy Gresham	County Treasurer
Richard Primrose	County Manager
Cheryl Simpson	Finance Director

Representing RPC CPAs + Consultants, LLP:

Benjamin A. Martinez, CPA	Audit Manager
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Auditor Prepared Financial Statements

RPC CPAs + Consultants, LLP prepared the GAAP-basis financial statements and footnotes of Quay County from the original books and records provided to them by the management of the County. The responsibility for the financial statements remains with the County.