

State of New Mexico
Quay County

FINANCIAL STATEMENTS

For the Year Ended June 30, 2018



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RIGGS &
INGRAM

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**Quay County, New Mexico
Official Roster
June 30, 2018**

<u>Name</u>	<u>Elected Officials</u>	<u>Title</u>
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
	<u>Administrative Officials</u>	
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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Report

INDEPENDENT AUDITORS' REPORT

Wayne Johnson
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 with legally adopted annual budgets of Quay County, New Mexico (the "County"), as of and for the year ended June 30, 2018, and the related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents.

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 auditors' 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, 2018, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major special revenue funds with legally adopted annual budgets 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 GASB required pension schedules on pages 64 through 72 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 nonmajor fund financial statements, and Supporting Schedules on pages 102-133 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 nonmajor fund financial statements and Supporting Schedules on pages 102-133 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 nonmajor fund financial statements and Supporting Schedules on pages 102-133 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, 2018 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, LLC
Albuquerque, New Mexico
November 30, 2018

Financial Statements

Quay County, New Mexico
Statement of Net Position
June 30, 2018

	Governmental Activities
<hr/>	
Assets	
Current assets	
Cash and cash equivalents	\$ 4,300,032
Investments	2,650,000
Receivables:	
Property taxes	331,456
Other taxes	572,611
Other receivables	25,748
<hr/>	
Total current assets	7,879,847
<hr/>	
Noncurrent assets	
Restricted cash and cash equivalents	28,510
Restricted investments	148,014
Capital assets	34,960,660
Less: accumulated depreciation	(23,917,545)
<hr/>	
Total noncurrent assets	11,219,639
<hr/>	
Total assets	19,099,486
<hr/>	
Deferred outflows of resources	
Deferred outflow- pension	1,196,012
<hr/>	
Total deferred outflows of resources	1,196,012
<hr/>	
Total assets and deferred outflows of resources	\$ 20,295,498
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The accompanying notes are an integral part of these financial statements.

	Governmental Activities
Liabilities	
Current liabilities	
Accounts payable	\$ 52,481
Accrued payroll	55,053
Current portion of accrued compensated absences	112,204
Current portion of capital leases payable	115,761
Current portion of loans payable	145,916
Total current liabilities	481,415
Noncurrent liabilities	
Accrued compensated absences	9,229
Capital leases payable	139,892
Loans payable	807,874
Net pension liability	3,801,525
Total noncurrent liabilities	4,758,520
Total liabilities	5,239,935
Deferred inflows of resources	
Deferred inflow-pension	396,537
Total deferred inflows of resources	396,537
Net position	
Net investment in capital assets	9,982,865
Restricted for:	
Debt service	11,473
Capital projects	2,157,402
Other purposes - special revenue	4,233,936
Unrestricted	(1,726,650)
Total net position	14,659,026
Total liabilities, deferred inflows of resources, and net position	\$ 20,295,498

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

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Quay County, New Mexico
Statement of Activities
For the Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
General government	\$ 1,759,843	\$ 186,328	\$ 453,274	\$ 18,744	\$ (1,101,497)
Public safety	3,919,250	218,767	1,186,741	5,160	(2,508,582)
Public works	1,238,534	275	2,930	494,683	(740,646)
Culture and recreation	125,818	3,670	-	-	(122,148)
Health and welfare	1,531,150	-	94,701	-	(1,436,449)
Interest on long-term debt	15,753	-	-	-	(15,753)
Debt issuance costs	1,125	-	-	-	(1,125)
Total governmental activities	\$ 8,591,473	\$ 409,040	\$ 1,737,646	\$ 518,587	(5,926,200)

General revenues and special items:

Taxes:

Property	2,200,477
Gross receipts	2,289,891
Gasoline and motor vehicle	661,109
Other	123,815
Payment in lieu of taxes	385,670
Investment income	44,495
Miscellaneous income	28,868
Gain on disposal of capital assets	6,140
Special item - donated assets	20,001
Total general revenues	5,760,466
Change in net position	(165,734)
Net position - beginning, as originally stated	14,747,693
Net position - restatement (note 17)	77,067
Net position - beginning, as restated	14,824,760
Net position - ending	\$ 14,659,026

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

Quay County, New Mexico
Governmental Funds
Balance Sheet
June 30, 2018

	General Fund 401	Road Special Revenue Fund 402	Detention Center Special Revenue Fund 421
Assets			
Cash and cash equivalents	\$ 343,116	\$ 106,462	\$ 16,278
Investments	576,585	178,902	27,355
Current receivables:			
Property taxes	281,984	-	-
Other taxes	93,952	103,132	38,548
Other receivables	-	-	-
Total assets	\$ 1,295,637	\$ 388,496	\$ 82,181
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	\$ 6,945	\$ 10,918	\$ 19,490
Accrued payroll	20,056	9,504	15,248
Total liabilities	27,001	20,422	34,738
Deferred inflows of resources			
Unavailable revenue:			
Property taxes	224,711	-	-
Total deferred inflows of resources	224,711	-	-
Fund balances			
Spendable:			
Restricted for:			
General county operations	-	-	-
Maintenance of roads	-	368,074	-
Fire departments	-	-	-
Forest health	-	-	-
Environmental	-	-	-
Public safety	-	-	47,443
Health and welfare	-	-	-
Capital improvements	-	-	-
Debt service expenditures	-	-	-
Unassigned	1,043,925	-	-
Total fund balances	1,043,925	368,074	47,443
Total liabilities, deferred inflows of resources, and fund balances	\$ 1,295,637	\$ 388,496	\$ 82,181

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

Hospital Special Revenue Fund	County Improvements Special Revenue Fund	Nonmajor Governmental Funds	Total
501	649		
\$ 329,058	\$ 782,057	2,751,571	\$ 4,328,542
552,962	1,314,196	148,014	2,798,014
49,472	-	-	331,456
192,938	-	144,041	572,611
-	-	25,748	25,748
<u>\$ 1,124,430</u>	<u>\$ 2,096,253</u>	<u>\$ 3,069,374</u>	<u>\$ 8,056,371</u>
\$ -	\$ 1,750	13,378	\$ 52,481
-	-	10,245	55,053
-	1,750	23,623	107,534
43,073	-	-	267,784
<u>43,073</u>	-	-	<u>267,784</u>
-	-	181,005	181,005
-	-	-	368,074
-	-	1,283,045	1,283,045
-	-	308	308
-	-	137,508	137,508
-	-	792,482	839,925
1,081,357	-	385,751	1,467,108
-	2,094,503	238,321	2,332,824
-	-	27,331	27,331
-	-	-	1,043,925
<u>1,081,357</u>	<u>2,094,503</u>	<u>3,045,751</u>	<u>7,681,053</u>
<u>\$ 1,124,430</u>	<u>\$ 2,096,253</u>	<u>\$ 3,069,374</u>	<u>\$ 8,056,371</u>

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

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Quay County, New Mexico
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2018

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

Fund balances - total governmental funds	\$	7,681,053
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		11,043,115
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in funds:		
Deferred outflows - pension		1,196,012
Deferred inflows - pension		(396,537)
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		267,784
Certain liabilities, including loans payable, capital leases payable, current portion of accrued compensated absences, and net pension liability, are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued compensated absences		(121,433)
Capital leases payable		(255,653)
Loans payable		(953,790)
Net pension liability		(3,801,525)
Net position - governmental activities	\$	14,659,026

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

Quay County, New Mexico
Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2018

	General Fund 401	Road Special Revenue Fund 402	Detention Center Special Revenue Fund 421
Revenues			
Taxes:			
Property	\$ 1,898,774	\$ -	\$ -
Gross receipts	392,293	-	200,163
Gasoline and motor vehicle taxes	81,903	579,206	-
Other	121,289	-	-
Intergovernmental:			
Federal operating grants	-	-	-
Federal capital grants	-	-	-
State operating grants	356,729	-	114,354
State capital grants	-	456,618	-
Local sources	-	-	-
Payment in lieu of taxes	385,670	-	-
Charges for services	139,875	275	161,876
Investment income	11,711	4,339	-
Miscellaneous	1,428	3,487	11,700
Total revenue	3,389,672	1,043,925	488,093
Expenditures			
Current:			
General government	1,483,953	-	-
Public safety	612,797	-	1,354,893
Public works	-	909,761	-
Culture and recreation	119,226	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Debt issuance costs	-	-	-
Total expenditures	2,215,976	909,761	1,354,893
Excess (deficiency) of revenues over expenditures	1,173,696	134,164	(866,800)
Other financing sources (uses)			
Loan proceeds	-	-	-
Proceeds from sale of equipment	385	-	-
Transfers in	66,700	-	850,000
Transfers (out)	(1,218,829)	(141,746)	(20,350)
Total other financing sources (uses)	(1,151,744)	(141,746)	829,650
Net change in fund balances	21,952	(7,582)	(37,150)
Fund balances - beginning of year, as originally stated	1,021,973	357,225	84,593
Fund balance restatement (note 17)	-	18,431	-
Fund balances - beginning of year, as restated	1,021,973	375,656	84,593
Fund balances - end of year	\$ 1,043,925	\$ 368,074	\$ 47,443

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

	Hospital Special Revenue Fund 501	County Improvements Special Revenue Fund 649	Nonmajor Governmental Funds	Total
\$	259,448	\$ -	\$ -	\$ 2,158,222
	980,302	-	717,133	2,289,891
	-	-	-	661,109
	2,526	-	-	123,815
	-	5,297	15,725	21,022
	-	-	40,060	40,060
	-	-	1,179,243	1,650,326
	-	21,909	-	478,527
	-	-	66,298	66,298
	-	-	-	385,670
	-	-	107,014	409,040
	9,698	-	18,747	44,495
	-	-	12,253	28,868
	1,251,974	27,206	2,156,473	8,357,343
	-	-	109,641	1,593,594
	-	-	1,064,578	3,032,268
	-	73,991	54,821	1,038,573
	-	-	-	119,226
	1,024,899	-	431,610	1,456,509
	-	370,099	243,543	613,642
	-	-	343,909	343,909
	-	-	15,753	15,753
	-	-	1,125	1,125
	1,024,899	444,090	2,264,980	8,214,599
	227,075	(416,884)	(108,507)	142,744
	-	-	149,995	149,995
	-	-	5,755	6,140
	-	230,000	587,084	1,733,784
	(167,079)	-	(185,780)	(1,733,784)
	(167,079)	230,000	557,054	156,135
	59,996	(186,884)	448,547	298,879
	978,583	2,281,387	2,581,346	7,305,107
	42,778	-	15,858	77,067
	1,021,361	2,281,387	2,597,204	7,382,174
\$	1,081,357	\$ 2,094,503	\$ 3,045,751	\$ 7,681,053

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

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Quay County, New Mexico

**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, 2018**

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

Net change in fund balances - total governmental funds	\$	298,879
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Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures		613,642
Depreciation expense		(1,013,915)
Donated capital assets		20,001

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

Change in unavailable revenue related to property taxes receivable		42,255
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Governmental funds report district 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:

Pension contributions		242,169
Pension expense		(563,508)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and , therefore, are not reported as expenditures in the governmental funds:

Decrease in accrued compensated absences not due and payable		829
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The issuance of long-term debt (e.g. loans, 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 proceeds and similar items when debt is first issued, whereas these amounts have no effect on net position.

Debt proceeds		(149,995)
Principal payments on loans and leases payable		343,909

Change in net position of governmental activities	\$	(165,734)
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The accompanying notes are an integral part of these financial statements.

Quay County, New Mexico
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Taxes:				
Property	\$ 1,948,736	\$ 1,948,736	\$ 1,862,261	\$ (86,475)
Gross receipts	345,000	345,000	379,105	34,105
Gasoline and motor vehicle	121,500	121,500	80,450	(41,050)
Other	145,074	145,074	119,940	(25,134)
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	304,000	304,000	356,729	52,729
State capital grants	-	-	-	-
Payment in lieu of taxes	385,670	385,670	385,670	-
Local sources	-	-	-	-
Charges for services	128,120	128,120	139,875	11,755
Investment income	9,000	9,000	11,711	2,711
Miscellaneous	-	-	1,428	1,428
Total revenues	3,387,100	3,387,100	3,337,169	(49,931)
Expenditures				
Current:				
General government	1,571,074	1,571,074	1,494,948	76,126
Public safety	625,267	625,267	616,227	9,040
Public works	-	-	-	-
Culture and recreation	136,795	136,795	120,232	16,563
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	2,333,136	2,333,136	2,231,407	101,729
Excess (deficiency) of revenues over expenditures	1,053,964	1,053,964	1,105,762	51,798
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	50,079	166,079	-	(166,079)
Proceeds from sale of equipment	-	-	385	385
Transfers in	61,700	66,700	66,700	-
Transfers (out)	(1,165,743)	(1,286,743)	(1,218,829)	67,914
Total other financing sources (uses)	(1,053,964)	(1,053,964)	(1,151,744)	(97,780)
Net change in fund balance	-	-	(45,982)	(45,982)
Fund balance - beginning of year	-	-	965,683	965,683
Fund balance - end of year	\$ -	\$ -	\$ 919,701	\$ 919,701
Net change in fund balance (non-GAAP budgetary basis)				\$ (45,982)
Adjustments to revenues for property tax, gross receipts tax, and other tax revenues				51,685
Adjustments to expenditures for gasoline purchases and payroll				16,249
Net change in fund balance (GAAP)				\$ 21,952

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

Quay County, New Mexico
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, 2018

	<u>Budgeted Amounts</u>		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	540,000	540,000	575,148	35,148
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	1,100	1,100	-	(1,100)
State capital grants	363,378	451,458	456,618	5,160
Payment in lieu of taxes	-	-	-	-
Local sources	-	-	-	-
Charges for services	1,000	1,000	275	(725)
Investment income	2,000	2,000	4,339	2,339
Miscellaneous	-	-	2,887	2,887
Total revenues	907,478	995,558	1,039,267	43,709
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	1,490,023	1,490,023	1,135,576	354,447
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	1,490,023	1,490,023	1,135,576	354,447
Excess (deficiency) of revenues over expenditures	(582,545)	(494,465)	(96,309)	398,156
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	214,945	296,865	-	(296,865)
Proceeds from sale of equipment	5,000	5,000	-	(5,000)
Transfers in	525,000	355,000	-	(355,000)
Transfers (out)	(162,400)	(162,400)	(141,746)	20,654
Total other financing sources (uses)	582,545	494,465	(141,746)	(636,211)
Net change in fund balance	-	-	(238,055)	(238,055)
Fund balance - beginning of year	-	-	523,419	523,419
Fund balance - end of year	\$ -	\$ -	\$ 285,364	\$ 285,364
Net change in fund balance (non-GAAP budgetary basis)				\$ (238,055)
Adjustments to revenues for gasoline and motor vehicle taxes				4,658
Adjustments to expenditures for repairs, internet, telephone, and payroll				225,815
Net change in fund balance (GAAP)				\$ (7,582)

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

Quay County, New Mexico
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, 2018

	<u>Budgeted Amounts</u>		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	174,082	189,082	189,498	416
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	3,000	3,000	-	(3,000)
Federal capital grants	-	-	-	-
State operating grants	65,770	115,770	114,354	(1,416)
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Local sources	-	-	-	-
Charges for services	207,500	207,500	161,876	(45,624)
Investment income	-	-	-	-
Miscellaneous	11,700	11,700	11,700	-
Total revenues	462,052	527,052	477,428	(49,624)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	1,291,632	1,356,632	1,353,159	3,473
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	1,291,632	1,356,632	1,353,159	3,473
Excess (deficiency) of revenues over expenditures	(829,580)	(829,580)	(875,731)	(46,151)
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	4,000	4,000	-	(4,000)
Transfers in	850,000	850,000	850,000	-
Transfers (out)	(24,420)	(24,420)	(20,350)	4,070
Total other financing sources (uses)	829,580	829,580	829,650	70
Net change in fund balance	-	-	(46,081)	(46,081)
Fund balance - beginning of year	-	-	89,714	89,714
Fund balance - end of year	\$ -	\$ -	\$ 43,633	\$ 43,633
Net change in fund balance (non-GAAP budgetary basis)				\$ (46,081)
Adjustments to revenues for gross receipts tax				10,665
Adjustments to expenditures for feeding and care of prisoners, and payroll				(1,734)
Net change in fund balance (GAAP)				\$ (37,150)

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

Quay County, New Mexico
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, 2018

	<u>Budgeted Amounts</u>		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Taxes:				
Property	\$ 303,201	\$ 303,201	\$ 295,827	\$ (7,374)
Gross receipts	856,000	856,000	947,229	91,229
Gasoline and motor vehicle	-	-	-	-
Other	2,633	2,633	2,331	(302)
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Payment in lieu of taxes	-	-	-	-
Local sources	-	-	-	-
Charges for services	-	-	-	-
Investment income	6,000	6,000	9,698	3,698
Miscellaneous	-	-	-	-
Total revenues	1,167,834	1,167,834	1,255,085	87,251
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	1,025,000	1,025,000	1,025,000	-
Capital outlay	-	-	-	-
Total expenditures	1,025,000	1,025,000	1,025,000	-
Excess (deficiency) of revenues over expenditures	142,834	142,834	230,085	87,251
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	24,166	24,266	-	(24,266)
Transfers in	-	-	-	-
Transfers (out)	(167,000)	(167,100)	(167,079)	21
Total other financing sources (uses)	(142,834)	(142,834)	(167,079)	(24,245)
Net change in fund balance	-	-	63,006	63,006
Fund balance - beginning of year	-	-	819,014	819,014
Fund balance - end of year	\$ -	\$ -	\$ 882,020	\$ 882,020
Net change in fund balance (non-GAAP budgetary basis)				\$ 63,006
Adjustments to revenues for gross receipts tax and property tax				40,063
No adjustments to expenditures				(43,073)
Net change in fund balance (GAAP)				\$ 59,996

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

Quay County, New Mexico
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, 2018

	<u>Budgeted Amounts</u>		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
Revenues				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	20,929	20,929	5,297	(15,632)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	21,909	21,909
Payment in lieu of taxes	-	-	-	-
Local sources	-	-	-	-
Charges for services	-	-	-	-
Investment income	1,300	1,300	-	(1,300)
Miscellaneous	-	-	-	-
Total revenues	22,229	22,229	27,206	4,977
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	300,000	300,000	135,834	164,166
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	738,521	738,521	319,257	419,264
Total expenditures	1,038,521	1,038,521	455,091	583,430
Excess (deficiency) of revenues over expenditures	(1,016,292)	(1,016,292)	(427,885)	588,407
Other financing sources (uses)				
Designated cash (budgeted increase in cash)	1,371,292	1,071,292	-	(1,071,292)
Transfers in	-	300,000	230,000	(70,000)
Transfers (out)	(355,000)	(355,000)	-	355,000
Total other financing sources (uses)	1,016,292	1,016,292	230,000	(786,292)
Net change in fund balance	-	-	(197,885)	(197,885)
Fund balance - beginning of year	-	-	2,294,138	2,294,138
Fund balance - end of year	\$ -	\$ -	\$ 2,096,253	\$ 2,096,253
Net change in fund balance (non-GAAP budgetary basis)				\$ (197,885)
No adjustments to revenues				-
Adjustments to expenditures for professional services				11,001
Net change in fund balance (GAAP)				\$ (186,884)

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

Quay County, New Mexico
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2018

Current assets		
Cash	\$	43,371
Property taxes receivable		711,719
Other taxes receivable		1,007
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Total current assets	\$	756,097
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Liabilities		
Deposits held in trust	\$	10,606
Due to other taxing entities		745,491
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Total liabilities	\$	756,097
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The accompanying notes are an integral part of these financial statements.

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Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

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, 2018, the County adopted GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, GASB Statement No. 81 *Irrevocable Split-Interest Agreements*, GASB Statement No. 85 *Omnibus*, and GASB Statement No. 86 *Certain Debt Extinguishment Issues*. These four Statements are required to be implemented as of June 30, 2018, if applicable. These statements did not materially impact the County’s financial statements.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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. 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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. 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. The County had no tax abatements requiring disclosure under GASB Statement No. 77.

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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

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.

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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

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)

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

Investments for the County are reported at fair value. 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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

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)

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.

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:

Assets	Years
Land improvements	20-45
Buildings and improvements	20-45
Equipment	5-20
Office equipment	5-20
Other equipment	5-20
Vehicles	5-20
Infrastructure	40

Accrued Expenses: Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2018, along with applicable PERA, FICA, and Medicare payable.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

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)

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 \$267,784 related to property taxes considered “unavailable.” In addition, the County has three types of deferred inflows which arise due to the reporting requirements of GASB 68 and the related net pension liability. Accordingly, deferred inflows in the amount of \$396,537 are reported on the Statement of Net Position. See Note 12 for additional information. 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. The County has five types of deferred outflows which arise due to reporting requirements of GASB 68 and the related net pension liability. Accordingly, deferred outflows in the amount of \$1,196,012 are reported on the Statement of Net Position. See Note 12 for additional information. 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 Commissioner.

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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

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)

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.

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

Fund 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.

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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

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)

Restricted and Committed Fund Balance: At June 30, 2018, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$6,637,128 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.

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. Additionally, net investment in capital assets includes unspent loan proceeds of \$149,193 as of June 30, 2018.
- **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 36-37 and 76-79.
- **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, and net pension liability and related deferred inflows and outflows of resources.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

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	Final
	Budget	Budget
Budgeted Funds:		
General Fund	\$ 1,053,964	\$ 1,053,964
Road Special Revenue Fund	\$ (582,545)	\$ (494,465)
Detention Center Fund	\$ (829,580)	\$ (829,580)
Hospital Fund	\$ 142,834	\$ 142,834
County Improvements Fund	\$ (1,016,292)	\$ (1,016,292)
Other Governmental Funds	\$ (1,053,293)	\$ (1,110,378)

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, 2018 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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

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, 2018.

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, 2018, \$6,272,229 of the County's bank balance of \$7,272,229 was exposed to custodial credit risk. \$3,643,050 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the County's name. \$2,629,179 of the County's deposits were uninsured and uncollateralized at June 30, 2018.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 3: DEPOSITS AND INVESTMENTS (CONTINUED)

	Everyone's Federal Credit Union	First National Bank	Tucumcari Federal Savings and Loan Association	Total
Amount of Deposits	\$ 250,000	\$ 4,922,229	\$ 2,100,000	\$ 7,272,229
FDIC coverage	(250,000)	(500,000)	(250,000)	(1,000,000)
Total uninsured public funds	-	4,422,229	1,850,000	6,272,229
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name	-	2,450,027	1,193,023	3,643,050
Uninsured and uncollateralized	\$ -	\$ 1,972,202	\$ 656,977	\$ 2,629,179
Collateral requirement (50%)	\$ -	\$ 2,211,115	\$ 925,000	\$ 3,136,115
Pledged securities	-	2,450,027	1,193,023	3,643,050
Over (under) collateralized	\$ -	\$ 238,912	\$ 268,023	\$ 506,935

The collateral pledged is listed in the Schedule of Collateral Pledged by Depository on page 102 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 \$2,650,000 as investments in the Statement of Net Position; however, these are classified as deposits for disclosure purposes.

The County also has \$148,014 in U.S. Treasury Notes held on its behalf by the New Mexico Finance Authority, rated AA+ or above by Standard & Poor's with a weighted average maturity of less than one year.

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, 2018.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 3: DEPOSITS AND INVESTMENTS (CONTINUED)

Reconciliation of Cash and Cash Equivalents

Per Statement of Net Position:	
Cash and cash equivalents	\$ 4,300,032
Investments	2,650,000
Restricted cash and cash equivalents	28,510
Restricted Investments	148,014
Agency fund cash - per Statement of Fiduciary Assets and Liabilities	43,371
<hr/>	
Total cash and cash equivalents	7,169,927
Add: outstanding checks and deposits in transit	279,600
Less: restricted cash	(28,510)
Less: restricted investments	(148,014)
Less: petty cash	(774)
<hr/>	
Bank balance of deposits	\$ 7,272,229
<hr/> <hr/>	

NOTE 4: RECEIVABLES

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

	401	402	421	501	Nonmajor	Total
	General	Road	Detention	Hospital	Funds	Total
	Fund	Fund	Center	Fund	Funds	Total
Current receivables:						
Property taxes	\$ 281,984	\$ -	\$ -	\$ 49,472	\$ -	\$ 331,456
Other taxes:						
Gross receipts	77,097	-	38,548	192,743	144,041	452,429
Gasoline	3,782	36,689	-	195	-	40,666
Motor vehicle	9,207	66,443	-	-	-	75,650
Oil & Gas	3,866	-	-	-	-	3,866
Other receivables:						
State operating	-	-	-	-	10,050	10,050
Federal capital	-	-	-	-	15,698	15,698
<hr/>						
Totals	\$ 375,936	\$ 103,132	\$ 38,548	\$ 242,410	\$ 169,789	\$ 929,815
<hr/> <hr/>						

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 4: RECEIVABLES (CONTINUED)

The County considers receivables to be 100% collectable.

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$267,784 that were not collected within the period of availability have been reclassified as deferred inflow of resources in the governmental fund financial statements.

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:

Transfers Out	Transfers In	Amount
401 - General Fund	419 - Quay County Emergency Manager	\$ 29,493
401 - General Fund	421 - Detention Center	850,000
401 - General Fund	503 - Rural Addressing	11,250
401 - General Fund	610 - Juvenile Detention Officer	50,000
401 - General Fund	624 - DWI Grant	12,086
401 - General Fund	626 - Underage Drinking Prevention	6,000
401 - General Fund	649 - County Improvements	230,000
401 - General Fund	656 - CDBG Planning Grant	30,000
402 - Road Special Revenue Fund	562 - Debt Service Fund	141,746
407 - Fire District No. 1	562 - Debt Service Fund	25,270
408 - Fire District No. 2	562 - Debt Service Fund	13,888
409 - Fire District No. 3	562 - Debt Service Fund	18,878
410 - Nara Visa Fire	562 - Debt Service Fund	13,462
411 - Forrest Fire	562 - Debt Service Fund	8,697
412 - Jordan Fire	562 - Debt Service Fund	20,311
413 - Bard Endee Fire	562 - Debt Service Fund	32,332
415 - Quay Fire District	562 - Debt Service Fund	18,809
418 - Porter Fire Department	562 - Debt Service Fund	12,433
420 - Quay County Fire Marshall	401 - General Fund	16,700
421 - Detention Center	562 - Debt Service Fund	20,350
501 - Hospital	401 - General Fund	45,000
501 - Hospital	430 - Safety Net Care Pool	122,079
624 - DWI Grant	401 - General Fund	5,000
Total		\$ 1,733,784

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 6: CAPITAL ASSETS

The following is a summary of capital assets and changes occurring during the year ended June 30, 2018. Land and intangible assets are not subject to depreciation.

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 166,229	\$ -	\$ -	\$ 166,229
Intangible assets	127,369	-	-	127,369
Total capital assets not being depreciated	293,598	-	-	293,598
Capital assets being depreciated:				
Land Improvements	15,353	-	-	15,353
Buildings and improvements	21,860,212	11,954	-	21,872,166
Equipment	5,396,284	228,302	-	5,624,586
Office Equipment	142,955	-	-	142,955
Other Equipment	646,681	8,359	-	655,040
Vehicles	5,084,180	385,028	(23,292)	5,445,916
Capital Lease	883,602	-	-	883,602
Infrastructure (Roads)	27,444	-	-	27,444
Total capital assets being depreciated	34,056,711	633,643	(23,292)	34,667,062
Total capital assets	34,350,309	633,643	(23,292)	34,960,660
Less accumulated depreciation:				
Land Improvements	(15,353)	-	-	(15,353)
Buildings and improvements	(16,831,337)	(299,429)	-	(17,130,766)
Equipment	(2,984,194)	(273,430)	-	(3,257,624)
Office Equipment	(56,843)	(5,322)	-	(62,165)
Other Equipment	(194,316)	(39,358)	-	(233,674)
Vehicles	(2,328,249)	(260,631)	23,292	(2,565,588)
Capital Lease	(489,186)	(135,745)	-	(624,931)
Infrastructure (Roads)	(27,444)	-	-	(27,444)
Total accumulated depreciation	(22,926,922)	(1,013,915)	23,292	(23,917,545)
Total capital assets, net of depreciation	\$ 11,423,387	\$ (380,272)	\$ -	\$ 11,043,115

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 6: CAPITAL ASSETS (CONTINUED)

Depreciation expense for the year ended June 30, 2018 was charged to the functions of the governmental activities as follows:

General government	\$	89,024
Public safety		701,742
Health and welfare		74,641
Public works		148,508
		148,508
Total depreciation expense	\$	1,013,915

NOTE 7: LONG-LIABILITIES DEBT

During the year ended June 30, 2018, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance		Balance		Balance	Due Within
	June 30, 2017	Additions	Retirements	June 30, 2018	One Year	
NMFA Loans	\$ 1,011,959	\$ 149,995	\$ 208,164	\$ 953,790	\$ 145,916	
Capital Lease	391,398	-	135,745	255,653	115,761	
Compensated Absences	122,262	111,375	112,204	121,433	112,204	
Total long-term liabilities	\$ 1,525,619	\$ 261,370	\$ 456,113	\$ 1,330,876	\$ 373,881	

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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 7: LONG-TERM DEBT (CONTINUED)

NMFA loans are as follows:

Description	Issue Date	Maturity Date	Interest Rate	Original Amount	June 30, 2018
NMFA - Pumper fire truck, Jordan Fire District #12	3/7/2008	5/1/2018	1.58-2.18%	\$ 138,889	\$ -
NMFA - Pumper fire truck, Bard Endee Fire District #13	3/7/2008	5/1/2018	1.86-2.55%	166,667	-
NMFA - Detention center renovations #14	11/21/2008	5/1/2018	1.62-3.8%	225,933	-
NMFA - Pumper fire truck, Fire District No.3 #15	1/9/2009	5/1/2021	0.89-3.12%	192,850	53,415
NMFA - Building addition for the Forrest Fire District #20	1/15/2010	5/1/2020	0.00%	86,275	17,394
NMFA - Class A Pumper Fire Truck for the Jordan Fire District #18	1/15/2010	5/1/2020	0.44-1.81%	152,250	31,918
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	33,688
NMFA - Initial Attack Fire Vehicle for the Quay Fire District #19	1/15/2010	5/1/2020	0.00%	50,750	10,150
NMFA - Class A Pumper Fire Truck for the Porter Fire District #21	1/15/2010	5/1/2020	0.01-0.06%	76,125	15,246
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	26,360
NMFA - Fire District No.1 #22	9/10/2010	5/1/2023	0.00%	60,900	37,044
NMFA - Class A Fire Truck for use by the Conservancy #2 Fire District #23	8/10/2012	5/1/2020	0.42%	152,250	96,747
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	42,420
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	12,912
NMFA - Purchase of a Brush Truck #26	7/8/2016	5/1/2027	0.00%	176,323	159,110
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	96,106
NMFA - Fire Equipment 4618	5/11/2018	5/1/2031	0.10%	149,995	149,995
Total					\$ 953,790

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 7: LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize the Loans Payable as of June 30, 2018, including interest payments are as follows:

Fiscal Year Ending June 30,	Loan Principal	Interest	Total Debt Service
2019	\$ 145,916	\$ 4,650	\$ 150,566
2020	163,641	3,034	166,675
2021	110,372	1,023	111,395
2022	92,063	356	92,419
2023	92,136	303	92,439
2024-2028	311,957	740	312,697
2029-2031	37,705	75	37,780
	<u>\$ 953,790</u>	<u>\$ 10,181</u>	<u>\$ 963,971</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.

Description	Issue Date	Maturity Date	Interest Rate	Original Amount	June 30, 2018
72031 John Deere	9/25/2015	9/25/2018	0%	\$ 39,960	\$ 32,937
72040 John Deere	9/25/2015	9/25/2018	0%	39,960	3,145
1734 CAT	2/10/2014	2/10/2021	0%	190,764	71,286
1737 CAT	2/10/2014	2/10/2021	0%	191,100	71,161
1403 CAT	11/29/2012	11/29/2019	0%	191,100	38,597
1404CAT	11/29/2012	11/29/2019	0%	190,764	38,527
					<u>\$ 255,653</u>

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 7: LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize the Capital Leases Payable as of June 30, 2018, including interest payments are as follows:

Fiscal Year Ending June 30,	Total Payment
2019	\$ 115,761
2020	77,280
2021	62,612
	<u>\$ 255,653</u>

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, 2018, compensated absences decreased \$829 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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 9: JOINT POWERS AGREEMENT

During the year ended June 30, 2018, 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:	\$ 16,205
Audit Responsibility:	County of Quay
Fiscal Agent:	County of Quay

NOTE 10: 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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 11: 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, 2018.
- 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, 2018.

NOTE 12: 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.

Benefits provided. For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2017 available at <http://www.nmpera.org/assets/uploads/downloads/comprehensive-annual-financial-reports/CAFR-2017-Final.pdf>.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 12: PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

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 FY17 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/CAFR-2017-Final.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 \$242,169 for the year ended June 30, 2018.

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

The 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, 2017. Only employer contributions for the pay period end dates that fell within the period of July 1, 2016 to June 30, 2017 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2017 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This 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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 12: PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

For PERA Fund Municipal General Division, at June 30, 2018, Quay County reported a liability of \$3,108,179 for its proportionate share of the net pension liability. At June 30, 2017, Quay County's proportion was 0.2262 percent, which was an increase of 0.0031 from year ended June 30, 2016.

For the year ended June 30, 2018, Quay County recognized PERA Fund Municipal General Division pension expense of \$450,157. At June 30, 2018, 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	\$ 143,333	\$ 32,119
Net difference between projected and actual earnings on pension plan investments	255,007	-
Changes in proportion	220,337	34,731
Differences between expected and actual experience	122,131	159,192
County's contributions subsequent to the measurement date	195,519	-
Total	\$ 936,327	\$ 226,042

For Municipal General, \$195,519 reported as deferred outflows of resources related to pensions resulting from Quay County's contributions subsequent to the measurement date June 30, 2017 will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2019	\$ (162,211)
2020	(369,014)
2021	(58,065)
2022	74,524
2023	-
Thereafter	-

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 12: PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

For PERA Fund Municipal Police Division, at June 30, 2018, Quay County reported a liability of \$693,346 for its proportionate share of the net pension liability. At June 30, 2017, Quay County’s proportion was 0.1248 percent, which was a decrease of 0.0063 from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, Quay County recognized PERA Fund Municipal Police Division pension expense of \$113,351. At June 30, 2017, Quay County reported PERA Fund Municipal Police 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	\$ 41,252	\$ 16,123
Net difference between projected and actual earnings on pension plan investments	55,840	-
Changes in proportion	73,833	24,828
Differences between expected and actual experience	42,110	129,544
County's contributions subsequent to the measurement date	46,650	-
Total	\$ 259,685	\$ 170,495

For Municipal Police, \$46,650 reported as deferred outflows of resources related to pensions resulting from Quay County’s contributions subsequent to the measurement date June 30, 2017 will be recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2019	\$ (25,482)
2020	(58,605)
2021	25,221
2022	16,326
2023	-
Thereafter	-

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 12: 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, 2016 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, 2017 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, 2016. These actuarial methods and assumptions were adopted by the PERA’s Board of Trustees for use in the June 30, 2016, actuarial valuation.

Actuarial validation date	June 30, 2016
Actuarial cost method	Entry age normal
Amortization method	Level Percentage of Pay
Amortization period	Solved for based on statutory rates
Asset valuation method	4 Year Smoothed Market Value
Actuarial assumptions:	
Investment of return	7.51% annual rate, net of investment experience
Projected benefit payment	100 years
Payroll growth	2.75% for the first 9 years, then 3.25% all other years
Projected salary increases	2.75% to 14.00% annual rate
Includes inflation at	2.25% annual rate first 9 years, 2.75% all other years
Mortality assumption	RP-2000 Mortality Tables (Combined table for healthy post-retirement, Employee table for active members, and disabled retirees before retirement age),
Experience study dates	July 1, 2008 to June 30, 2013 (demographic) and July 1, 2010 through June 20, 2016 (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:

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 12: PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

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	100.00%	

Discount Rate. The discount rate used to measure the total pension liability was 7.51 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 7.51% assumed long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Employer’s proportionate share of the net pension liability to changes in the discount rate. The following tables show the sensitivity of the net pension liability to changes in the discount rate. In particular, the tables present 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 (6.51%) or one percentage point higher (8.51%) than the single discount rate.

	Current		
	1% Decrease (6.51%)	Discount Rate (7.51%)	1% Increase (8.51%)
PERA Fund Municipal General Division			
County's proportionate share of the net pension liability	\$ 4,871,543	\$ 3,108,179	\$ 1,641,697

	Current		
	1% Decrease (6.51%)	Discount Rate (7.51%)	1% Increase (8.51%)
PERA Fund Municipal Police Division			
County's proportionate share of the net pension liability	\$ 1,105,694	\$ 693,346	\$ 354,953

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in the separately issued FY17 PERA financial report. The report is available at <http://www.pera.state.nm.us/publications.html>.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 12: PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

Payables to the pension plan. At June 30, 2018 there were no contributions due and payable to PERA for the County.

NOTE 13: 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.

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.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

NOTE 13: HOSPITAL LEASE (CONTINUED)

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 14: CONTINGENT LIABILITIES

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

NOTE 15: RESTRICTED NET POSITION

The government-wide statement of net position reports \$6,402,811 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 36-37 and 76-79.

NOTE 16: SUBSEQUENT EVENTS

The date to which events occurring after June 30, 2018, 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, 2018 which is the date on which the financial statements were issued. No events requiring adjustment or disclosure were noted.

NOTE 17: RESTATEMENT OF FUND BALANCE AND NET POSITION

The County has a prior period adjustment made to fund balance and net position. The restatement to fund balance is made up of accounts payable inappropriately posted in the prior year for \$15,858 in the Debt Service Fund. Additionally, the Hospital Special Revenue Fund was restated for \$42,778 of property tax receivables not captured in the prior year financial statements. Lastly, the Road Special Revenue Fund was restated for \$18,431 related to gas tax receivables not recognized in the prior period. The three total to \$77,067, which makes up the restatement of net position on the Statement of Net Position.

Quay County, New Mexico
Notes to the Financial Statements
June 30, 2018

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 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 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.

In April 2018, GASB Statement No. 88 *Certain Disclosures Related to Debt Including Direct Borrowings and Direct Placements* was issued. Effective date: The requirements of this Statement are effective for the 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 June 2018, GASB Statement No. 89 *Accounting for Interest Cost Incurred before the End of a Construction Period* was issued. 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.

In June 2018, GASB Statement No. 90 *Majority Equity Interests—an amendment of GASB Statements No.14 and No. 61)* 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.

Required Supplementary Information

Quay County, New Mexico
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*

	2018	2017
	Measurement	Measurement
	Date (As of and	Date (As of and
	for the Year	for the Year
	Ended June 30,	Ended June 30,
	2017)	2016)
Quay County's proportion of the net pension liability	0.2262%	0.2231%
Quay County's proportionate share of the net pension liability	\$ 3,108,179	\$ 3,564,388
Quay County's covered-employee payroll	\$ 1,986,364	\$ 1,910,309
Quay County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	156.48%	186.59%
Plan fiduciary net position as a percentage of the total pension liability	73.74%	69.18%

* 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.

2016	2015
Measurement Date (As of and for the Year Ended June 30, 2015)	Measurement Date (As of and for the Year Ended June 30, 2014)
0.1868%	1.9780%
\$ 1,904,588	\$ 1,543,052
\$ 1,671,777	\$ 1,538,290
113.93%	100.31%
76.99%	81.29%

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

Quay County, New Mexico
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*

	2018	2017
	Measurement	Measurement
	Date (As of and	Date (As of and
	for the Year	for the Year
	Ended June 30,	Ended June 30,
	2017)	2016)
Quay County's proportion of the net pension liability	0.1248%	0.1311%
Quay County's proportionate share of the net pension liability	\$ 693,346	\$ 967,295
Quay County's covered-employee payroll	\$ 257,252	\$ 260,681
Quay County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	269.52%	371.06%
Plan fiduciary net position as a percentage of the total pension liability	73.74%	69.18%

* 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.

	2016		2015
	Measurement		Measurement
	Date (As of and		Date (As of and
	for the Year		for the Year
	Ended June 30,		Ended June 30,
	2015)		2014)
	0.1021%		0.0989%
\$	490,954	\$	322,403
\$	206,271	\$	186,483
	238.01%		172.89%
	76.99%		81.29%

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

Quay County, New Mexico
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, 2018	As of and for the Year Ended June 30, 2017
Contractually required contribution	\$ 195,519	\$ 189,697
Contributions in relation to the contractually required contribution	(195,519)	(189,697)
Contribution deficiency (excess)	\$ -	\$ -
Quay County's covered-employee payroll	\$ 2,047,316	\$ 1,986,364
Contributions as a percentage of covered-employee payroll	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.

As of and for the Year Ended June 30, 2016	As of and for the Year Ended June 30, 2015
\$ 182,435	\$ 159,655
<u>(182,435)</u>	<u>(159,655)</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 1,910,309	\$ 1,671,777
9.55%	9.55%

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

Quay County, New Mexico
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, 2018	As of and for the Year Ended June 30, 2017
Contractually required contribution	\$ 46,650	\$ 48,620
Contributions in relation to the contractually required contribution	(46,650)	(48,620)
Contribution deficiency (excess)	\$ -	\$ -
Quay County's covered-employee payroll	\$ 246,831	\$ 257,252
Contributions as a percentage of covered-employee payroll	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.

As of and for the Year Ended June 30, 2016	As of and for the Year Ended June 30, 2015
\$ 49,269	\$ 38,985
<u>(49,269)</u>	<u>(38,985)</u>
<u>\$ -</u>	<u>\$ -</u>
\$ 260,681	\$ 206,271
18.90%	18.90%

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



Quay County, New Mexico
Notes to Required Supplementary Information
For the Year Ended June 30, 2018

Changes of benefit terms. The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY17 CAFR available at <https://www.saonm.org>

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://www.nmpera.org/>

See independent auditors' report.

Supplementary Information

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Nonmajor Governmental Funds

Quay County, New Mexico
Nonmajor Governmental Fund Descriptions
June 30, 2018

SPECIAL REVENUE FUNDS

Farm and Range Fund (403) – 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 (406) – 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 (407-413, 415-418, 420) – 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

Emergency Medical Services (EMS) Fund (414) – 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 (419) – Funding used to pay the manager 50% from Homeland Security and 50% from County Funds. This fund was created by the authority of H.R. 3355-Department of Homeland Security Appropriations Act.

Safety Net Care Pool (430) – State requirement that counties pay 1/12 of their gross receipts tax to this fund. The fund supports hospital uncollected patient bills. This fund was created by the authority of New Mexico Senate Bills 268, 314, and 368.

County Emergency Communications Fund (431) – 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, Tucumcari and Quay County. This fund was created by the authority of County Ordinance 47.

Quay County, New Mexico
Nonmajor Governmental Fund Descriptions
June 30, 2018

SPECIAL REVENUE FUNDS (Continued)

Reappraisal Fund (499) – 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 (503) – 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 (516) – 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.

Tucumcari Domestic Violence Program Fund (520) – 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. The authority for creation of this fund was the County Resolution.

Sheriff Seizure and Confiscation / Seizure Funds (601/602) – 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 (603) – 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 (607) – 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 (610) – 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 (613) – 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 (621) – 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 (622) – 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.

Quay County, New Mexico
Nonmajor Governmental Fund Descriptions
June 30, 2018

SPECIAL REVENUE FUNDS (Continued)

Environmental Gross Receipts Tax Fund (623) – 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 (624) – 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 Fund (626) – 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 Fund (628) – To account for probation fees imposed by Magistrate Court, to be used for Court-approved programs. Authority is County Commission Resolution 03-43.

DWI Fees Fund (631-634) – 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 Fund (639) – 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 Fund (642) - To account for funds used to honor an outstanding citizen of the Quay County community. These funds are directly received via trust donations.

Community Development Block Grant (CDBG) Planning Grant Fund (656) – To account for funds received and spending related to updating the County's Comprehensive Plan and Asset Management Plan. Authority is the Federal Government.

DEBT SERVICE FUNDS

Debt Service Fund (562/563) – 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.

Quay County, New Mexico
Nonmajor Governmental Fund Descriptions
June 30, 2018

CAPITAL PROJECTS FUNDS

Road Equipment Fund (650) – To account for money transferred from the Road Fund as a reserve to purchase road equipment at a later date. Authorized by County resolution.

Community Development Block Grant (CDBG) Fund (655) – Quay Road 63 – To account for funds for roads. Authority is the Federal Government.

Quay County, New Mexico
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2018

	Special Revenue		
	Farm and Range 403	County Indigent 406	Fire District No. 1 407
Assets			
Cash and cash equivalents	\$ 308	\$ 187,661	\$ 30,015
Investments	-	-	-
Current receivables:			
Other taxes	-	57,823	-
Other receivables	-	-	-
Total assets	\$ 308	\$ 245,484	\$ 30,015
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll	-	-	-
Total liabilities	-	-	-
Fund balances			
Spendable			
Restricted for:			
General county operations	-	-	-
Fire departments	-	-	30,015
Forest health	308	-	-
Environmental	-	-	-
Public safety	-	-	-
Health and welfare	-	245,484	-
Capital improvements	-	-	-
Debt service expenditures	-	-	-
Total fund balances	\$ 308	\$ 245,484	\$ 30,015
Total liabilities, deferred inflows of resources, and fund balances	\$ 308	\$ 245,484	\$ 30,015

See independent auditors' report.

Special Revenue

Fire District No. 2 408		Fire District No. 3 409		Nara Visa Fire 410		Forrest Fire 411		Jordan Fire 412		Bard Endee Fire 413	
\$	136,596	\$	165,094	\$	71,065	\$	168,593	\$	118,327	\$	172,511
	-		-		-		125,818		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
\$	136,596	\$	165,094	\$	71,065	\$	294,411	\$	118,327	\$	172,511
\$	273	\$	-	\$	633	\$	5,784	\$	-	\$	204
	-		-		-		-		-		-
	273		-		633		5,784		-		204
	-		-		-		-		-		-
	136,323		165,094		70,432		288,627		118,327		172,307
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
\$	136,323	\$	165,094	\$	70,432	\$	288,627	\$	118,327	\$	172,307
\$	136,596	\$	165,094	\$	71,065	\$	294,411	\$	118,327	\$	172,511

See independent auditors' report.

Quay County, New Mexico
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2018

	Special Revenue		
	Emergency Medical Services 414	Quay Fire District 415	Forestry Fire 416
Assets			
Cash and cash equivalents	\$ 10,825	\$ 54,152	\$ 144,190
Investments	-	-	-
Current receivables:			
Other taxes	-	-	-
Other receivables	-	-	8,124
Total assets	\$ 10,825	\$ 54,152	\$ 152,314
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	\$ -	\$ 94	\$ -
Accrued payroll	-	-	-
Total liabilities	-	94	-
Fund balances			
Spendable			
Restricted for:			
General county operations	-	-	-
Fire departments	-	54,058	152,314
Forest health	-	-	-
Environmental	-	-	-
Public safety	10,825	-	-
Health and welfare	-	-	-
Capital improvements	-	-	-
Debt service expenditures	-	-	-
Total fund balances	\$ 10,825	\$ 54,058	\$ 152,314
Total liabilities, deferred inflows of resources, and fund balances	\$ 10,825	\$ 54,152	\$ 152,314

See independent auditors' report.

Special Revenue

Porter Fire Department 418	Quay County Emergency Manager 419	Quay County Fire Marshall 420	Safety Net Care Pool 430	County Emergency Communication 431	Reappraisal 499
\$ 41,968	\$ 4,177	\$ 53,962	\$ -	\$ 551,558	\$ 81,755
-	-	-	-	-	-
-	-	-	-	74,778	-
-	-	-	-	1,926	-
<u>\$ 41,968</u>	<u>\$ 4,177</u>	<u>\$ 53,962</u>	<u>\$ -</u>	<u>\$ 628,262</u>	<u>\$ 81,755</u>
\$ 85	\$ -	\$ 297	\$ -	\$ 38	\$ -
-	366	-	-	5,152	667
<u>85</u>	<u>366</u>	<u>297</u>	<u>-</u>	<u>5,190</u>	<u>667</u>
-	-	-	-	-	81,088
41,883	-	53,665	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,811	-	-	623,072	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 41,883</u>	<u>\$ 3,811</u>	<u>\$ 53,665</u>	<u>\$ -</u>	<u>\$ 623,072</u>	<u>\$ 81,088</u>
\$ 41,968	\$ 4,177	\$ 53,962	\$ -	\$ 628,262	\$ 81,755

See independent auditors' report.

Quay County, New Mexico
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2018

	Special Revenue		
	Rural Addressing 503	ASAP Other Charges 516	Tucumcari Domestic Violence Program 520
Assets			
Cash and cash equivalents	\$ 73,110	\$ 7,288	\$ 12,028
Investments	-	-	-
Current receivables:			
Other taxes	-	-	-
Other receivables	-	-	-
Total assets	\$ 73,110	\$ 7,288	\$ 12,028
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	\$ 110	\$ -	\$ -
Accrued payroll	366	-	-
Total liabilities	476	-	-
Fund balances			
Spendable			
Restricted for:			
General county operations	72,634	-	-
Fire departments	-	-	-
Forest health	-	-	-
Environmental	-	-	-
Public safety	-	7,288	12,028
Health and welfare	-	-	-
Capital improvements	-	-	-
Debt service expenditures	-	-	-
Total fund balances	\$ 72,634	\$ 7,288	\$ 12,028
Total liabilities, deferred inflows of resources, and fund balances	\$ 73,110	\$ 7,288	\$ 12,028

See independent auditors' report.

Special Revenue

Sheriff Seizure 601	Shreff Confiscated/ Seizure 602	Drug Enforcement 603	Law Environment Protection 607	Juvenile Detention Officer 610	Primary Care Clinic 613
\$ 57	\$ 103	\$ 358	\$ -	\$ 49,599	\$ 146,042
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 57	\$ 103	\$ 358	\$ -	\$ 49,599	\$ 146,042
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,775
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
57	103	358	-	49,599	-
-	-	-	-	-	140,267
-	-	-	-	-	-
-	-	-	-	-	-
\$ 57	\$ 103	\$ 358	\$ -	\$ 49,599	\$ 140,267
\$ 57	\$ 103	\$ 358	\$ -	\$ 49,599	\$ 146,042

See independent auditors' report.

Quay County, New Mexico
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2018

	Special Revenue		
	Clerk's Equipment 621	DWI Distribution 622	Environmental Gross Receipts Tax 623
Assets			
Cash and cash equivalents	\$ 22,562	\$ 8,205	\$ 126,068
Investments	-	-	-
Current receivables:			
Other taxes	-	-	11,440
Other receivables	-	-	-
Total assets	\$ 22,562	\$ 8,205	\$ 137,508
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll	-	1,994	-
Total liabilities	-	1,994	-
Fund balances			
Spendable			
Restricted for:			
General county operations	22,562	-	-
Fire departments	-	-	-
Forest health	-	-	-
Environmental	-	-	137,508
Public safety	-	6,211	-
Health and welfare	-	-	-
Capital improvements	-	-	-
Debt service expenditures	-	-	-
Total fund balances	\$ 22,562	\$ 6,211	\$ 137,508
Total liabilities, deferred inflows of resources, and fund balances	\$ 22,562	\$ 8,205	\$ 137,508

See independent auditors' report.

Special Revenue

DWI Grant 624	Underage Drinking Prevention 626	Misdemeanor Court Compliance 628	DWI Probation Fees 631	DWI Screening Fees 632	DWI Treatment Fees 633
\$ 2,423	\$ 818	\$ 37,098	\$ 21,210	\$ 6,370	\$ 1,451
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 2,423</u>	<u>\$ 818</u>	<u>\$ 37,098</u>	<u>\$ 21,210</u>	<u>\$ 6,370</u>	<u>\$ 1,451</u>
\$ -	\$ -	\$ -	\$ 85	\$ -	\$ -
1,539	-	161	-	-	-
<u>1,539</u>	<u>-</u>	<u>161</u>	<u>85</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
884	818	36,937	21,125	6,370	1,451
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 884</u>	<u>\$ 818</u>	<u>\$ 36,937</u>	<u>\$ 21,125</u>	<u>\$ 6,370</u>	<u>\$ 1,451</u>
<u>\$ 2,423</u>	<u>\$ 818</u>	<u>\$ 37,098</u>	<u>\$ 21,210</u>	<u>\$ 6,370</u>	<u>\$ 1,451</u>

See independent auditors' report.

Quay County, New Mexico
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2018

	Special Revenue		
	DWI UA Fees 634	Wildlife Services 639	Victor C. Breen Memorial 642
Assets			
Cash and cash equivalents	\$ 11,545	\$ 4,721	\$ -
Investments	-	-	-
Current receivables:			
Other taxes	-	-	-
Other receivables	-	-	-
Total assets	\$ 11,545	\$ 4,721	\$ -
Liabilities, deferred inflows of resources, and fund balances			
Liabilities			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll	-	-	-
Total liabilities	-	-	-
Fund balances			
Spendable			
Restricted for:			
General county operations	-	4,721	-
Fire departments	-	-	-
Forest health	-	-	-
Environmental	-	-	-
Public safety	11,545	-	-
Health and welfare	-	-	-
Capital improvements	-	-	-
Debt service expenditures	-	-	-
Total fund balances	\$ 11,545	\$ 4,721	\$ -
Total liabilities, deferred inflows of resources, and fund balances	\$ 11,545	\$ 4,721	\$ -

See independent auditors' report.

<u>Special Revenue</u>		<u>Debt Service</u>		<u>Capital Projects</u>		
CDBG Planning Grant 656	Debt Service 562/563	Road Equipment 650	CDBG 655	Total Nonmajor Governmental Funds		
\$ 290	\$ 5,135	\$ 189,434	\$ 32,899	\$	2,751,571	
-	22,196	-	-		148,014	
-	-	-	-		144,041	
15,698	-	-	-		25,748	
<u>\$ 15,988</u>	<u>\$ 27,331</u>	<u>\$ 189,434</u>	<u>\$ 32,899</u>	<u>\$</u>	<u>3,069,374</u>	
\$ -	\$ -	\$ -	\$ -	\$	13,378	
-	-	-	-		10,245	
-	-	-	-		23,623	
-	-	-	-		181,005	
-	-	-	-		1,283,045	
-	-	-	-		308	
-	-	-	-		137,508	
-	-	-	-		792,482	
-	-	-	-		385,751	
15,988	-	189,434	32,899		238,321	
-	27,331	-	-		27,331	
<u>\$ 15,988</u>	<u>\$ 27,331</u>	<u>\$ 189,434</u>	<u>\$ 32,899</u>	<u>\$</u>	<u>3,045,751</u>	
<u>\$ 15,988</u>	<u>\$ 27,331</u>	<u>\$ 189,434</u>	<u>\$ 32,899</u>	<u>\$</u>	<u>3,069,374</u>	

See independent auditors' report.

Quay County, New Mexico
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018

	<u>Special Revenue</u>		
	Farm and Range 403	County Indigent 406	Fire District No. 1 407
Revenues			
Taxes:			
Gross receipts	\$ -	\$ 294,220	\$ -
Intergovernmental:			
Federal operating grants	58	-	-
Federal capital grants	-	-	-
State operating grants	-	-	114,140
Local sources	-	-	-
Charges for services	-	-	-
Investment income	-	1,447	902
Miscellaneous	-	-	-
Total revenues	58	295,667	115,042
Expenditures			
Current:			
General government	-	-	-
Public safety	-	-	68,179
Public works	-	-	-
Health and welfare	-	217,159	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Debt issuance costs	-	-	-
Total expenditures	-	217,159	68,179
Excess (deficiency) of revenues over expenditures	58	78,508	46,863
Other financing sources (uses)			
Loan proceeds	-	-	-
Proceeds from sale of equipment	-	-	1,530
Transfers in	-	-	-
Transfers (out)	-	-	(25,270)
Total other financing sources (uses)	-	-	(23,740)
Net change in fund balances	58	78,508	23,123
Fund balances - beginning of year, as originally stated	250	166,976	6,892
Fund balance restatement (note 17)	-	-	-
Fund balances - beginning of year, as restated	250	166,976	6,892
Fund balances - end of year	\$ 308	\$ 245,484	\$ 30,015

See independent auditors' report.

Special Revenue

Fire District No. 2 408	Fire District No. 3 409	Nara Visa Fire 410	Forrest Fire 411	Jordan Fire 412	Bard Endee Fire 413
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
73,782	73,746	52,844	70,943	121,075	166,870
-	-	-	-	-	-
-	-	-	-	-	-
1,258	1,717	688	1,887	2,577	1,010
-	-	-	-	-	-
75,040	75,463	53,532	72,830	123,652	167,880
-	-	-	-	-	-
23,257	26,136	21,386	38,354	137,921	33,380
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	4,185	97,402	550
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	1,125	-	-
23,257	26,136	21,386	43,664	235,323	33,930
51,783	49,327	32,146	29,166	(111,671)	133,950
-	-	-	149,995	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(13,888)	(18,878)	(13,462)	(8,697)	(20,311)	(32,332)
(13,888)	(18,878)	(13,462)	141,298	(20,311)	(32,332)
37,895	30,449	18,684	170,464	(131,982)	101,618
98,428	134,645	51,748	118,163	250,309	70,689
-	-	-	-	-	-
98,428	134,645	51,748	118,163	250,309	70,689
\$ 136,323	\$ 165,094	\$ 70,432	\$ 288,627	\$ 118,327	\$ 172,307

See independent auditors' report.

Quay County, New Mexico
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018

	Special Revenue		
	Emergency	Quay Fire	
	Medical Services	District	Forestry Fire
	414	415	416
Revenues			
Taxes:			
Gross receipts	\$ -	\$ -	\$ -
Intergovernmental:			
Federal operating grants	-	-	-
Federal capital grants	-	-	-
State operating grants	28,530	71,464	40,206
Local sources	-	-	-
Charges for services	-	-	-
Investment income	-	339	-
Miscellaneous	-	-	-
Total revenues	28,530	71,803	40,206
Expenditures			
Current:			
General government	-	-	-
Public safety	18,434	21,946	24,628
Public works	-	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Debt issuance costs	-	-	-
Total expenditures	18,434	21,946	24,628
Excess (deficiency) of revenues over expenditures	10,096	49,857	15,578
Other financing sources (uses)			
Loan proceeds	-	-	-
Proceeds from sale of equipment	-	4,225	-
Transfers in	-	-	-
Transfers (out)	-	(18,809)	-
Total other financing sources (uses)	-	(14,584)	-
Net change in fund balances	10,096	35,273	15,578
Fund balances - beginning of year, as originally stated	729	18,785	136,736
Fund balance restatement (note 17)	-	-	-
Fund balances - beginning of year, as restated	729	18,785	136,736
Fund balances - end of year	\$ 10,825	\$ 54,058	\$ 152,314

See independent auditors' report.

Special Revenue

Porter Fire Department 418	Quay County Emergency Manager 419	Quay County Fire Marshall 420	Safety Net Care Pool 430	County Emergency Communication 431	Reappraisal 499
\$ -	\$ -	\$ -	\$ -	\$ 381,589	\$ -
-	15,667	-	-	-	-
-	-	-	-	-	-
52,844	-	70,874	-	6,238	-
-	-	-	-	66,298	-
-	-	-	-	-	54,775
461	-	592	-	-	994
-	-	-	-	-	-
53,305	15,667	71,466	-	454,125	55,769
-	-	-	-	-	66,681
25,631	59,794	17,336	-	350,392	-
-	-	-	-	-	-
-	-	-	122,079	-	-
-	-	5,790	-	4,425	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
25,631	59,794	23,126	122,079	354,817	66,681
27,674	(44,127)	48,340	(122,079)	99,308	(10,912)
-	-	-	-	-	-
-	-	-	-	-	-
-	29,493	-	122,079	-	-
(12,433)	-	(16,700)	-	-	-
(12,433)	29,493	(16,700)	122,079	-	-
15,241	(14,634)	31,640	-	99,308	(10,912)
26,642	18,445	22,025	-	523,764	92,000
-	-	-	-	-	-
26,642	18,445	22,025	-	523,764	92,000
\$ 41,883	\$ 3,811	\$ 53,665	\$ -	\$ 623,072	\$ 81,088

See independent auditors' report.

Quay County, New Mexico
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018

	Special Revenue		
	Rural Addressing 503	ASAP Other Charges 516	Tucumcari Domestic Violence Program 520
Revenues			
Taxes:			
Gross receipts	\$ -	\$ -	\$ -
Intergovernmental:			
Federal operating grants	-	-	-
Federal capital grants	-	-	-
State operating grants	-	-	-
Local sources	-	-	-
Charges for services	65	-	-
Investment income	964	63	204
Miscellaneous	-	1,981	4,122
Total revenues	1,029	2,044	4,326
Expenditures			
Current:			
General government	33,590	-	-
Public safety	-	1,333	9,046
Public works	-	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Debt issuance costs	-	-	-
Total expenditures	33,590	1,333	9,046
Excess (deficiency) of revenues over expenditures	(32,561)	711	(4,720)
Other financing sources (uses)			
Loan proceeds	-	-	-
Proceeds from sale of equipment	-	-	-
Transfers in	11,250	-	-
Transfers (out)	-	-	-
Total other financing sources (uses)	11,250	-	-
Net change in fund balances	(21,311)	711	(4,720)
Fund balances - beginning of year, as originally stated	93,945	6,577	16,748
Fund balance restatement (note 17)	-	-	-
Fund balances - beginning of year, as restated	93,945	6,577	16,748
Fund balances - end of year	\$ 72,634	\$ 7,288	\$ 12,028

See independent auditors' report.

Special Revenue

Sheriff Seizure 601	Shreff Confiscated/ Seizure 602	Drug Enforcement 603	Law Environment Protection 607	Juvenile Detention Officer 610	Primary Care Clinic 613
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	24,200	-	94,701
-	-	-	-	-	-
1	-	4	-	-	1,437
-	-	-	-	-	-
1	-	4	24,200	-	96,138
-	-	-	-	-	-
-	-	-	-	38,727	-
-	-	-	-	-	-
-	-	-	-	-	92,372
-	-	-	24,200	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	24,200	38,727	92,372
1	-	4	-	(38,727)	3,766
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	50,000	-
-	-	-	-	-	-
-	-	-	-	50,000	-
1	-	4	-	11,273	3,766
56	103	354	-	38,326	136,501
-	-	-	-	-	-
56	103	354	-	38,326	136,501
\$ 57	\$ 103	\$ 358	\$ -	\$ 49,599	\$ 140,267

See independent auditors' report.

Quay County, New Mexico
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018

	<u>Special Revenue</u>		
	Clerk's Equipment 621	DWI Distribution 622	Environmental Gross Receipts Tax 623
Revenues			
Taxes:			
Gross receipts	\$ -	\$ -	\$ 41,324
Intergovernmental:			
Federal operating grants	-	-	-
Federal capital grants	-	-	-
State operating grants	-	80,198	-
Local sources	-	-	-
Charges for services	13,700	-	-
Investment income	355	-	976
Miscellaneous	-	-	-
Total revenues	14,055	80,198	42,300
Expenditures			
Current:			
General government	4,838	-	-
Public safety	-	74,622	-
Public works	-	-	-
Health and welfare	-	-	-
Capital outlay	22,960	-	16,338
Debt service:			
Principal	-	-	-
Interest	-	-	-
Debt issuance costs	-	-	-
Total expenditures	27,798	74,622	16,338
Excess (deficiency) of revenues over expenditures	(13,743)	5,576	25,962
Other financing sources (uses)			
Loan proceeds	-	-	-
Proceeds from sale of equipment	-	-	-
Transfers in	-	-	-
Transfers (out)	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	(13,743)	5,576	25,962
Fund balances - beginning of year, as originally stated	36,305	635	111,546
Fund balance restatement (note 17)	-	-	-
Fund balances - beginning of year, as restated	36,305	635	111,546
Fund balances - end of year	\$ 22,562	\$ 6,211	\$ 137,508

See independent auditors' report.

Special Revenue

DWI Grant 624	Underage Drinking Prevention 626	Misdemeanor Court Compliance 628	DWI Probation Fees 631	DWI Screening Fees 632	DWI Treatment Fees 633
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
11,721	24,867	-	-	-	-
-	-	-	-	-	-
-	-	18,136	15,996	1,552	-
-	-	388	327	44	29
-	-	-	-	-	-
11,721	24,867	18,524	16,323	1,596	29
-	-	-	-	-	-
17,923	34,569	11,658	8,931	779	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
17,923	34,569	11,658	8,931	779	-
(6,202)	(9,702)	6,866	7,392	817	29
-	-	-	-	-	-
-	-	-	-	-	-
12,086	6,000	-	-	-	-
(5,000)	-	-	-	-	-
7,086	6,000	-	-	-	-
884	(3,702)	6,866	7,392	817	29
-	4,520	30,071	13,733	5,553	1,422
-	-	-	-	-	-
-	4,520	30,071	13,733	5,553	1,422
\$ 884	\$ 818	\$ 36,937	\$ 21,125	\$ 6,370	\$ 1,451

See independent auditors' report.

Quay County, New Mexico
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018

	Special Revenue		
	DWI UA Fees	Wildlife	Victor C. Breen
	634	Services	Memorial
	634	639	642
Revenues			
Taxes:			
Gross receipts	\$ -	\$ -	\$ -
Intergovernmental:			
Federal operating grants	-	-	-
Federal capital grants	-	-	-
State operating grants	-	-	-
Local sources	-	-	-
Charges for services	2,790	-	-
Investment income	83	-	-
Miscellaneous	-	6,150	-
Total revenues	2,873	6,150	-
Expenditures			
Current:			
General government	-	4,154	378
Public safety	216	-	-
Public works	-	-	-
Health and welfare	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Debt issuance costs	-	-	-
Total expenditures	216	4,154	378
Excess (deficiency) of revenues over expenditures	2,657	1,996	(378)
Other financing sources (uses)			
Loan proceeds	-	-	-
Proceeds from sale of equipment	-	-	-
Transfers in	-	-	-
Transfers (out)	-	-	-
Total other financing sources (uses)	-	-	-
Net change in fund balances	2,657	1,996	(378)
Fund balances - beginning of year, as originally stated	8,888	2,725	378
Fund balance restatement (note 17)	-	-	-
Fund balances - beginning of year, as restated	8,888	2,725	378
Fund balances - end of year	\$ 11,545	\$ 4,721	\$ -

See independent auditors' report.

<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Project</u>			
CDBG Planning Grant 656	Debt Service 562/563	Road Equipment 650	CDBG 655	Total Nonmajor Governmental Funds	
\$ -	\$ -	\$ -	\$ -	\$	717,133
-	-	-	-	-	15,725
40,060	-	-	-	-	40,060
-	-	-	-	-	1,179,243
-	-	-	-	-	66,298
-	-	-	-	-	107,014
-	-	-	-	-	18,747
-	-	-	-	-	12,253
40,060	-	-	-	-	2,156,473
-	-	-	-	-	109,641
-	-	-	-	-	1,064,578
54,072	-	-	749	-	54,821
-	-	-	-	-	431,610
-	-	67,693	-	-	243,543
-	343,909	-	-	-	343,909
-	15,753	-	-	-	15,753
-	-	-	-	-	1,125
54,072	359,662	67,693	749	-	2,264,980
(14,012)	(359,662)	(67,693)	(749)	-	(108,507)
-	-	-	-	-	149,995
-	-	-	-	-	5,755
30,000	326,176	-	-	-	587,084
-	-	-	-	-	(185,780)
30,000	326,176	-	-	-	557,054
15,988	(33,486)	(67,693)	(749)	-	448,547
-	44,959	257,127	33,648	-	2,581,346
-	15,858	-	-	-	15,858
-	60,817	257,127	33,648	-	2,597,204
\$ 15,988	\$ 27,331	\$ 189,434	\$ 32,899	\$	\$ 3,045,751

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Supporting Schedules

Quay County, New Mexico
Schedule of Collateral Pledged by Depository for Public Funds
June 30, 2018

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2018	Name and Location of Safekeeper
First National Bank					
	GNMA Pool #782500	12/15/2023	36241KX52	\$ 119,014	Freeport Parkway South Irving, TX
	FNMA Pool #MA 1037	4/1/2032	31418AEK0	154,017	
	FHLMC Pool #G60193	4/1/2042	31335AGA0	778,411	
	FNMA Pool #AL7804	1/1/2043	3138EQU67	1,010,947	
	FNMA Pool #AL7581	9/1/2033	3138EQM74	387,638	
				2,450,027	
Tucumcari Federal Savings and Loan Association					
	FH 847981	12/1/2034	3128JR2N5	74,739	Freeport Parkway South Irving, TX
	FHR 1J1214	9/1/2035	3128NHK36	112,212	
	FHLMC 847036	12/1/2031	3128HDY94	85,384	
	FH 847174	9/1/2033	3128HD6K0	74,442	
	FH ARM 847247	2/1/2034	3128JRBQ8	69,085	
	FH 865653	4/1/2030	31348UH69	127,618	
	FHLMC	9/1/2032	31349GX53	39,769	
	FHR ARM 410744	11/1/2025	31337AZH2	90,548	
	FNMA ARM 881959	2/1/2036	31409XZY8	77,263	
	FNMA 361481	6/1/2026	31376PRA5	158,603	
	FNMA ARM 751694	11/1/2033	31403LC74	283,360	
				1,193,023	
Total pledged collateral				\$ 3,643,050	

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Quay County, New Mexico
Schedule of Deposit and Investment Accounts
June 30, 2018

Bank Account Type/Name	Everyone's Federal Credit Union	First National Bank	Tucumcari Federal Savings and Loan	NMFA Restricted Cash	Totals
Checking - operational	\$ -	\$ 4,622,229	\$ -	\$ -	\$ 4,622,229
Certificate of deposit	250,000	300,000	2,100,000	-	2,650,000
Program funds	-	-	-	149,193	149,193
Reserve funds	-	-	-	22,694	22,694
Debt servicing funds	-	-	-	4,637	4,637
Total	250,000	4,922,229	2,100,000	176,524	7,448,753
Reconciling items	-	(279,600)	-	-	(279,600)
Reconciled balance	\$ 250,000	\$ 4,642,629	\$ 2,100,000	\$ 176,524	7,169,153
Petty cash					774
Less: agency funds cash					(43,371)
Less: restricted cash and cash equivalents					(28,510)
Less: investments					(2,650,000)
Less: restricted investments					(148,014)
Total unrestricted cash and cash equivalents					\$ 4,300,032

See independent auditors' report.

Quay County, New Mexico
Reconciliation of Property Tax Rolls
For the Year Ended June 30, 2018

Uncollected taxes, July 1, 2017	\$	824,840
Net taxes charged to treasurer for current year		5,694,352
Current year tax collections		(5,461,147)
Adjustments (tax year 2007 receivables)		(14,870)
<hr/>		
Uncollected taxes June 30, 2018	\$	1,043,175
<hr/>		

Detail of taxes distributed by agency:

School districts

Tucumcari Schools	\$	1,048,455
House Schools		42,662
Logan Schools		394,657
Nara Vista Schools		73,301
San Jon Schools		102,341
Grady Schools		7,210
Melrose Schools		22,596

Municipalities

City of Tucumcari	406,018
Village of House	5,210
Village of Logan	222,916
Village of San Jon	15,343

Other

State of New Mexico	271,022
County of Quay	1,901,271
Dr. Dan C. Trigg Memorial Hospital	298,896
Arch Hurley Conservancy District	290,848
Mesalands Community College	281,686
Ute Lake PID 2 OP	16,676
Ute Lake Ranch PID 2 DR	60,039

<hr/>	\$	<hr/>
Total distributed taxes		5,461,147
<hr/>		

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Schedule of receivables - delinquent property tax by year

2017	\$	523,882
2016		179,370
2015		83,844
2014		57,464
2013		46,059
2012		37,265
2011		32,365
2010		31,595
2009		30,950
2008		20,381
<hr/>		
Total	\$	1,043,175

Reconciliation of undistributed taxes

Undistributed taxes July 1, 2017	\$	-
Current year collections		5,461,147
Current year collections distributed		(5,461,147)
<hr/>		
Undistributed taxes June 30, 2018	\$	-

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

Statement of Net Position	\$	331,456
Statement of Fiduciary Assets and Liabilities - Agency Funds		711,719
<hr/>		
Total property taxes receivable	\$	1,043,175

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
Quay County				
County Operational	2008	\$ 1,110,286	\$ -	\$ 1,110,286
County Operational	2009	1,216,563	-	1,216,563
County Operational	2010	1,331,045	-	1,331,045
County Operational	2011	1,427,063	-	1,427,063
County Operational	2012	1,488,832	-	1,488,832
County Operational	2013	1,642,515	-	1,642,515
County Operational	2014	1,771,845	-	1,771,845
County Operational	2015	1,842,884	-	1,842,884
County Operational	2016	1,901,833	-	1,901,833
County Operational	2017	1,885,131	-	1,885,131
Total Quay County		\$ 15,617,997	\$ -	\$ 15,617,997
State of New Mexico				
Debt Service	2008	\$ 174,575	\$ -	\$ 174,575
Debt Service	2009	176,674	-	176,674
Debt Service	2010	246,203	-	246,203
Debt Service	2011	234,253	-	234,253
Debt Service	2012	241,033	-	241,033
Debt Service	2013	257,114	-	257,114
Debt Service	2014	252,108	-	252,108
Debt Service	2015	262,558	-	262,558
Debt Service	2016	273,852	-	273,852
Debt Service	2017	277,687	-	277,687
Total State of NM		\$ 2,396,057	\$ -	\$ 2,396,057

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 1,104,134	\$ -	\$ 1,104,134	\$ 6,152
11	1,207,132	11	1,207,132	9,431
779	1,320,757	779	1,320,757	10,288
161	1,417,532	161	1,417,532	9,531
302	1,477,554	302	1,477,554	11,278
427	1,628,600	427	1,628,600	13,915
7,102	1,755,657	7,102	1,755,657	16,188
17,301	1,818,795	17,301	1,818,795	24,089
62,733	1,849,290	62,733	1,849,290	52,543
1,756,562	1,756,562	1,756,562	1,756,562	128,569
\$ 1,845,378	\$ 15,336,013	\$ 1,845,378	\$ 15,336,013	\$ 281,984
\$ -	\$ 173,519	\$ -	\$ 173,519	\$ 1,056
2	175,079	2	175,079	1,595
196	244,054	196	244,054	2,149
36	232,555	36	232,555	1,698
63	239,066	63	239,066	1,967
80	254,824	80	254,824	2,290
1,060	249,829	1,060	249,829	2,279
2,581	259,069	2,581	259,069	3,489
9,668	266,014	9,668	266,014	7,838
257,336	257,336	257,336	257,336	20,351
\$ 271,022	\$ 2,351,345	\$ 271,022	\$ 2,351,345	\$ 44,712

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
Livestock				
Cattle	2008	\$ 51,703	\$ -	\$ 51,703
Cattle	2009	58,173	-	58,173
Cattle	2010	49,814	-	49,814
Cattle	2011	51,743	-	51,743
Cattle	2012	52,916	-	52,916
Cattle	2013	50,125	-	50,125
Cattle	2014	52,559	-	52,559
Cattle	2015	62,619	-	62,619
Cattle	2016	81,925	-	81,925
Cattle	2017	54,359	-	54,359
Total Livestock		\$ 565,936	\$ -	\$ 565,936
Equine				
Equine	2008	\$ 11	\$ -	\$ 11
Equine	2009	1,457	-	1,457
Equine	2010	1,331	-	1,331
Equine	2011	1,270	-	1,270
Equine	2012	1,216	-	1,216
Equine	2013	1,132	-	1,132
Equine	2014	1,062	-	1,062
Equine	2015	1,233	-	1,233
Equine	2016	1,220	-	1,220
Equine	2017	1,267	-	1,267
Total Equine		\$ 11,199	\$ -	\$ 11,199
Goats				
Goats	2008	\$ 22	\$ -	\$ 22
Goats	2009	12	-	12
Goats	2010	13	-	13
Goats	2011	17	-	17
Goats	2012	19	-	19
Goats	2013	29	-	29
Goats	2014	24	-	24
Goats	2015	24	-	24
Goats	2016	70	-	70
Goats	2017	85	-	85
Total Goats		\$ 315	\$ -	\$ 315

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 51,703	\$ -	\$ 51,703	\$ -
-	58,173	-	58,173	-
-	49,814	-	49,814	-
-	51,743	-	51,743	-
-	52,916	-	52,916	-
-	49,960	-	49,960	165
243	52,391	243	52,391	168
-	62,106	-	62,106	513
2,149	81,074	2,149	81,074	851
51,890	51,890	51,890	51,890	2,469
\$ 54,282	\$ 561,770	\$ 54,282	\$ 561,770	\$ 4,166
\$ -	\$ 11	\$ -	\$ 11	\$ -
-	1,457	-	1,457	-
-	1,331	-	1,331	-
5	1,270	5	1,270	-
5	1,216	5	1,216	-
12	1,132	12	1,132	-
12	1,062	12	1,062	-
16	1,233	16	1,233	-
77	1,220	77	1,220	-
1,267	1,267	1,267	1,267	-
\$ 1,394	\$ 11,199	\$ 1,394	\$ 11,199	\$ -
\$ -	\$ 22	\$ -	\$ 22	\$ -
-	12	-	12	-
-	13	-	13	-
-	17	-	17	-
-	19	-	19	-
-	29	-	29	-
-	24	-	24	-
-	24	-	24	-
2	70	2	70	-
85	85	85	85	-
\$ 87	\$ 315	\$ 87	\$ 315	\$ -

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
Hogs				
Hogs	2008	\$ 3	\$ -	\$ 3
Hogs	2009	6	-	6
Hogs	2010	6	-	6
Hogs	2011	8	-	8
Hogs	2012	5	-	5
Hogs	2013	7	-	7
Hogs	2014	12	-	12
Hogs	2015	9	-	9
Hogs	2016	7	-	7
Hogs	2017	-	-	-
Total Hogs		\$ 63	\$ -	\$ 63
Sheep				
Sheep	2008	\$ 84	\$ -	\$ 84
Sheep	2009	70	-	70
Sheep	2010	37	-	37
Sheep	2011	55	-	55
Sheep	2012	71	-	71
Sheep	2013	92	-	92
Sheep	2014	78	-	78
Sheep	2015	119	-	119
Sheep	2016	203	-	203
Sheep	2017	162	-	162
Total Sheep		\$ 971	\$ -	\$ 971
City of Tucumcari				
City of Tucumcari	2008	\$ 276,684	\$ -	\$ 276,684
City of Tucumcari	2009	302,159	-	302,159
City of Tucumcari	2010	322,291	-	322,291
City of Tucumcari	2011	338,322	-	338,322
City of Tucumcari	2012	352,722	-	352,722
City of Tucumcari	2013	386,631	-	386,631
City of Tucumcari	2014	416,332	-	416,332
City of Tucumcari	2015	427,245	-	427,245
City of Tucumcari	2016	427,628	-	427,628
City of Tucumcari	2017	419,198	-	419,198
Total City of Tucumcari		\$ 3,669,212	\$ -	\$ 3,669,212

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 3	\$ -	\$ 3	\$ -
-	6	-	6	-
-	6	-	6	-
-	8	-	8	-
-	5	-	5	-
-	7	-	7	-
-	12	-	12	-
-	9	-	9	-
-	7	-	7	-
-	-	-	-	-
\$ -	\$ 63	\$ -	\$ 63	\$ -
\$ -	\$ 84	\$ -	\$ 84	\$ -
-	70	-	70	-
-	37	-	37	-
-	55	-	55	-
-	71	-	71	-
-	92	-	92	-
-	78	-	78	-
-	119	-	119	-
-	203	-	203	-
130	130	130	130	32
\$ 130	\$ 939	\$ 130	\$ 939	\$ 32
\$ -	\$ 274,395	\$ -	\$ 274,395	\$ 2,289
9	299,314	9	299,314	2,845
13	319,213	13	319,213	3,078
7	334,956	7	334,956	3,366
93	348,561	93	348,561	4,161
174	381,285	174	381,285	5,346
2,298	408,120	2,298	408,120	8,212
6,803	416,673	6,803	416,673	10,572
14,295	407,658	14,295	407,658	19,970
382,326	382,326	382,326	382,326	36,872
\$ 406,018	\$ 3,572,501	\$ 406,018	\$ 3,572,501	\$ 96,711

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
Village of House				
Village of House	2008	\$ 2,879	\$ -	\$ 2,879
Village of House	2009	2,923	-	2,923
Village of House	2010	5,037	-	5,037
Village of House	2011	4,312	-	4,312
Village of House	2012	4,310	-	4,310
Village of House	2013	4,698	-	4,698
Village of House	2014	4,884	-	4,884
Village of House	2015	5,726	-	5,726
Village of House	2016	5,231	-	5,231
Village of House	2017	5,329	-	5,329
Total Village of House		\$ 45,329	\$ -	\$ 45,329
Village of Logan				
Village of Logan	2008	\$ 111,794	\$ -	\$ 111,794
Village of Logan	2009	125,691	-	125,691
Village of Logan	2010	150,868	-	150,868
Village of Logan	2011	164,430	-	164,430
Village of Logan	2012	173,709	-	173,709
Village of Logan	2013	208,388	-	208,388
Village of Logan	2014	204,711	-	204,711
Village of Logan	2015	214,973	-	214,973
Village of Logan	2016	220,755	-	220,755
Village of Logan	2017	229,392	-	229,392
Total Village of Logan		\$ 1,804,711	\$ -	\$ 1,804,711
Village of San Jon				
Village of San Jon	2008	\$ 8,317	\$ -	\$ 8,317
Village of San Jon	2009	9,599	-	9,599
Village of San Jon	2010	10,424	-	10,424
Village of San Jon	2011	12,571	-	12,571
Village of San Jon	2012	12,313	-	12,313
Village of San Jon	2013	17,749	-	17,749
Village of San Jon	2014	16,081	-	16,081
Village of San Jon	2015	15,857	-	15,857
Village of San Jon	2016	16,358	-	16,358
Village of San Jon	2017	16,070	-	16,070
Total Village of San Jon		\$ 135,339	\$ -	\$ 135,339

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 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	-
10	5,712	10	5,712	14
92	5,181	92	5,181	50
5,108	5,108	5,108	5,108	221
\$ 5,210	\$ 45,044	\$ 5,210	\$ 45,044	\$ 285

\$ -	\$ 111,736	\$ -	\$ 111,736	\$ 58
1	125,647	1	125,647	44
-	150,826	-	150,826	42
1	164,342	1	164,342	88
3	173,588	3	173,588	121
4	208,091	4	208,091	297
299	204,054	299	204,054	657
1,917	213,491	1,917	213,491	1,482
16,725	217,054	16,725	217,054	3,701
203,966	203,966	203,966	203,966	25,426
\$ 222,916	\$ 1,772,795	\$ 222,916	\$ 1,772,795	\$ 31,916

\$ -	\$ 7,881	\$ -	\$ 7,881	\$ 436
-	9,170	-	9,170	429
-	10,069	-	10,069	355
-	12,205	-	12,205	366
1	11,931	1	11,931	382
-	17,359	-	17,359	390
36	15,669	36	15,669	412
89	15,324	89	15,324	533
653	15,662	653	15,662	696
14,564	14,564	14,564	14,564	1,506
\$ 15,343	\$ 129,834	\$ 15,343	\$ 129,834	\$ 5,505

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
Tucumcari Schools				
Operational	2008	\$ 31,519	\$ -	\$ 31,519
Operational	2009	34,612	-	34,612
Operational	2010	36,522	-	36,522
Operational	2011	37,684	-	37,684
Operational	2012	39,657	-	39,657
Operational	2013	43,011	-	43,011
Operational	2014	45,883	-	45,883
Operational	2015	47,248	-	47,248
Operational	2016	48,685	-	48,685
Operational	2017	47,970	-	47,970
Total Operational		\$ 412,791	\$ -	\$ 412,791
Tucumcari Schools				
Capital Improvements	2008	\$ 151,823	\$ -	\$ 151,823
Capital Improvements	2009	164,792	-	164,792
Capital Improvements	2010	169,919	-	169,919
Capital Improvements	2011	175,724	-	175,724
Capital Improvements	2012	184,661	-	184,661
Capital Improvements	2013	199,342	-	199,342
Capital Improvements	2014	209,930	-	209,930
Capital Improvements	2015	215,744	-	215,744
Capital Improvements	2016	221,884	-	221,884
Capital Improvements	2017	217,003	-	217,003
Total Capital Improvements		\$ 1,910,822	\$ -	\$ 1,910,822
Tucumcari Schools				
Debt Service	2008	\$ 546,560	\$ -	\$ 546,560
Debt Service	2009	595,545	-	595,545
Debt Service	2010	607,037	-	607,037
Debt Service	2011	638,941	-	638,941
Debt Service	2012	662,934	-	662,934
Debt Service	2013	712,447	-	712,447
Debt Service	2014	759,952	-	759,952
Debt Service	2015	778,877	-	778,877
Debt Service	2016	804,803	-	804,803
Debt Service	2017	821,167	-	821,167
Total Debt Service		\$ 6,928,263	\$ -	\$ 6,928,263

See independent auditors' report.

	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$	-	\$ 31,365	\$ -	\$ 31,365	\$ 154
	-	34,415	-	34,415	197
	-	36,315	-	36,315	207
	1	37,444	1	37,444	240
	8	39,359	8	39,359	298
	21	42,629	21	42,629	382
	243	45,288	243	45,288	595
	579	46,392	579	46,392	856
	1,363	46,898	1,363	46,898	1,787
	44,656	44,656	44,656	44,656	3,314
\$	46,871	\$ 404,761	\$ 46,871	\$ 404,761	\$ 8,030
\$	-	\$ 151,161	\$ -	\$ 151,161	\$ 662
	4	163,946	4	163,946	846
	5	169,032	5	169,032	887
	3	174,677	3	174,677	1,047
	43	183,364	43	183,364	1,297
	111	197,669	111	197,669	1,673
	1,245	207,323	1,245	207,323	2,607
	2,908	211,772	2,908	211,772	3,972
	6,923	213,266	6,923	213,266	8,618
	200,784	200,784	200,784	200,784	16,219
\$	212,026	\$ 1,872,994	\$ 212,026	\$ 1,872,994	\$ 37,828
\$	-	\$ 544,184	\$ -	\$ 544,184	\$ 2,376
	13	592,475	13	592,475	3,070
	18	603,867	18	603,867	3,170
	11	635,133	11	635,133	3,808
	154	658,276	154	658,276	4,658
	394	706,467	394	706,467	5,980
	4,542	750,546	4,542	750,546	9,406
	10,594	764,518	10,594	764,518	14,359
	25,526	773,267	25,526	773,267	31,536
	748,306	748,306	748,306	748,306	72,861
\$	789,558	\$ 6,777,039	\$ 789,558	\$ 6,777,039	\$ 151,224

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
House Schools				
Operational	2008	\$ 2,519	\$ -	\$ 2,519
Operational	2009	2,566	-	2,566
Operational	2010	2,697	-	2,697
Operational	2011	2,745	-	2,745
Operational	2012	2,741	-	2,741
Operational	2013	2,689	-	2,689
Operational	2014	2,805	-	2,805
Operational	2015	2,863	-	2,863
Operational	2016	2,743	-	2,743
Operational	2017	2,759	-	2,759
Total Operational		\$ 27,127	\$ -	\$ 27,127
House Schools				
Capital Improvements	2008	\$ 10,702	\$ -	\$ 10,702
Capital Improvements	2009	10,931	-	10,931
Capital Improvements	2010	11,458	-	11,458
Capital Improvements	2011	11,804	-	11,804
Capital Improvements	2012	11,788	-	11,788
Capital Improvements	2013	11,479	-	11,479
Capital Improvements	2014	11,961	-	11,961
Capital Improvements	2015	12,201	-	12,201
Capital Improvements	2016	11,720	-	11,720
Capital Improvements	2017	13,367	-	13,367
Total Capital Improvements		\$ 117,411	\$ -	\$ 117,411
House Schools				
Debt Service	2009	\$ 35,627	\$ -	\$ 35,627
Debt Service	2010	27,869	-	27,869
Debt Service	2011	24,121	-	24,121
Debt Service	2012	33,983	-	33,983
Debt Service	2013	24,747	-	24,747
Debt Service	2014	25,506	-	25,506
Debt Service	2015	26,061	-	26,061
Debt Service	2016	23,736	-	23,736
Debt Service	2017	27,429	-	27,429
Total Debt Service		\$ 249,079	\$ -	\$ 249,079

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 2,519	\$ -	\$ 2,519	\$ -
-	2,566	-	2,566	-
-	2,697	-	2,697	-
-	2,745	-	2,745	-
-	2,741	-	2,741	-
-	2,689	-	2,689	-
1	2,805	1	2,805	-
5	2,860	5	2,860	3
59	2,723	59	2,723	20
2,645	2,645	2,645	2,645	114
\$ 2,710	\$ 26,990	\$ 2,710	\$ 26,990	\$ 137
\$ -	\$ 10,702	\$ -	\$ 10,702	\$ -
-	10,931	-	10,931	-
-	11,458	-	11,458	-
-	11,804	-	11,804	-
-	11,788	-	11,788	-
-	11,479	-	11,479	-
2	11,959	2	11,959	2
22	12,187	22	12,187	14
267	11,629	267	11,629	91
12,809	12,809	12,809	12,809	558
\$ 13,100	\$ 116,746	\$ 13,100	\$ 116,746	\$ 665
\$ -	\$ 35,627	\$ -	\$ 35,627	\$ -
-	27,869	-	27,869	-
-	24,121	-	24,121	-
-	33,983	-	33,983	-
-	24,747	-	24,747	-
3	25,501	3	25,501	5
46	26,033	46	26,033	28
519	23,569	519	23,569	167
26,284	26,284	26,284	26,284	1,145
\$ 26,852	\$ 247,734	\$ 26,852	\$ 247,734	\$ 1,345

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
Logan Schools				
Operational	2008	\$ 14,140	\$ -	\$ 14,140
Operational	2009	15,681	-	15,681
Operational	2010	18,761	-	18,761
Operational	2011	20,647	-	20,647
Operational	2012	21,732	-	21,732
Operational	2013	24,625	-	24,625
Operational	2014	22,894	-	22,894
Operational	2015	24,035	-	24,035
Operational	2016	24,998	-	24,998
Operational	2017	26,338	-	26,338
Total Operational		\$ 213,851	\$ -	\$ 213,851
Logan Schools				
Capital Improvements	2008	\$ 68,814	\$ -	\$ 68,814
Capital Improvements	2009	77,069	-	77,069
Capital Improvements	2010	92,919	-	92,919
Capital Improvements	2011	106,403	-	106,403
Capital Improvements	2012	109,785	-	109,785
Capital Improvements	2013	115,423	-	115,423
Capital Improvements	2014	91,594	-	91,594
Capital Improvements	2015	96,162	-	96,162
Capital Improvements	2016	100,074	-	100,074
Capital Improvements	2017	105,717	-	105,717
Total Capital Improvements		\$ 963,960	\$ -	\$ 963,960
Logan Schools				
Debt Service	2008	\$ 126,409	\$ -	\$ 126,409
Debt Service	2009	251,579	-	251,579
Debt Service	2010	185,632	-	185,632
Debt Service	2011	216,903	-	216,903
Debt Service	2012	180,048	-	180,048
Debt Service	2013	211,356	-	211,356
Debt Service	2014	215,110	-	215,110
Debt Service	2015	181,434	-	181,434
Debt Service	2016	203,845	-	203,845
Debt Service	2017	267,292	-	267,292
Total Debt Service		\$ 2,039,608	\$ -	\$ 2,039,608

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 14,004	\$ -	\$ 14,004	\$ 136
-	15,422	-	15,422	259
41	18,461	41	18,461	300
7	20,420	7	20,420	227
9	21,477	9	21,477	255
2	24,321	2	24,321	304
34	22,761	34	22,761	133
144	23,844	144	23,844	191
1,311	24,604	1,311	24,604	394
24,130	24,130	24,130	24,130	2,208
\$ 25,678	\$ 209,444	\$ 25,678	\$ 209,444	\$ 4,407
\$ -	\$ 68,065	\$ -	\$ 68,065	\$ 749
-	75,638	-	75,638	1,431
229	91,264	229	91,264	1,655
48	105,092	48	105,092	1,311
48	108,310	48	108,310	1,475
5	113,863	5	113,863	1,560
139	91,064	139	91,064	530
575	95,396	575	95,396	766
5,248	98,495	5,248	98,495	1,579
96,840	96,840	96,840	96,840	8,877
\$ 103,132	\$ 944,027	\$ 103,132	\$ 944,027	\$ 19,933
\$ -	\$ 124,942	\$ -	\$ 124,942	\$ 1,467
-	246,575	-	246,575	5,004
465	182,264	465	182,264	3,368
98	214,229	98	214,229	2,674
79	177,628	79	177,628	2,420
9	208,503	9	208,503	2,853
321	213,877	321	213,877	1,233
1,084	179,995	1,084	179,995	1,439
10,699	200,628	10,699	200,628	3,217
253,092	253,092	253,092	253,092	14,200
\$ 265,847	\$ 2,001,733	\$ 265,847	\$ 2,001,733	\$ 37,875

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
San Jon Schools				
Operational	2008	\$ 4,970	\$ -	\$ 4,970
Operational	2009	5,038	-	5,038
Operational	2010	5,010	-	5,010
Operational	2011	6,425	-	6,425
Operational	2012	6,409	-	6,409
Operational	2013	6,965	-	6,965
Operational	2014	6,881	-	6,881
Operational	2015	7,294	-	7,294
Operational	2016	7,308	-	7,308
Operational	2017	54,942	-	54,942
Total Operational		\$ 111,242	\$ -	\$ 111,242
San Jon Schools				
Capital Improvements	2008	\$ 21,375	\$ -	\$ 21,375
Capital Improvements	2009	21,662	-	21,662
Capital Improvements	2010	21,524	-	21,524
Capital Improvements	2011	27,278	-	27,278
Capital Improvements	2012	27,202	-	27,202
Capital Improvements	2013	29,207	-	29,207
Capital Improvements	2014	28,904	-	28,904
Capital Improvements	2015	30,229	-	30,229
Capital Improvements	2016	30,298	-	30,298
Capital Improvements	2017	29,891	-	29,891
Total Capital Improvements		\$ 267,570	\$ -	\$ 267,570
San Jon Schools				
Debt Service	2008	\$ 105,037	\$ -	\$ 105,037
Debt Service	2009	102,569	-	102,569
Debt Service	2010	72,633	-	72,633
Debt Service	2011	69,137	-	69,137
Debt Service	2012	69,324	-	69,324
Debt Service	2013	69,586	-	69,586
Debt Service	2014	67,322	-	67,322
Debt Service	2015	74,954	-	74,954
Debt Service	2016	67,804	-	67,804
Debt Service	2017	20,948	-	20,948
Total Debt Service		\$ 719,314	\$ -	\$ 719,314

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 4,941	\$ -	\$ 4,941	\$ 29
-	5,010	-	5,010	28
1	4,982	1	4,982	28
-	6,395	-	6,395	30
-	6,380	-	6,380	29
-	6,935	-	6,935	30
34	6,849	34	6,849	32
37	7,252	37	7,252	42
107	7,131	107	7,131	177
52,469	52,469	52,469	52,469	2,473
<u>\$ 52,648</u>	<u>\$ 108,344</u>	<u>\$ 52,648</u>	<u>\$ 108,344</u>	<u>\$ 2,898</u>
\$ -	\$ 21,259	\$ -	\$ 21,259	\$ 116
-	21,546	-	21,546	116
-	21,408	-	21,408	116
-	27,159	-	27,159	119
-	27,083	-	27,083	119
-	29,088	-	29,088	119
139	28,773	139	28,773	131
153	30,057	153	30,057	172
501	29,571	501	29,571	727
28,118	28,118	28,118	28,118	1,773
<u>\$ 28,911</u>	<u>\$ 264,062</u>	<u>\$ 28,911</u>	<u>\$ 264,062</u>	<u>\$ 3,508</u>
\$ -	\$ 104,466	\$ -	\$ 104,466	\$ 571
-	102,018	-	102,018	551
-	72,241	-	72,241	392
-	68,835	-	68,835	302
1	69,022	1	69,022	302
-	69,303	-	69,303	283
321	67,015	321	67,015	307
381	74,527	381	74,527	427
1,135	66,179	1,135	66,179	1,625
18,944	18,944	18,944	18,944	2,004
<u>\$ 20,782</u>	<u>\$ 712,550</u>	<u>\$ 20,782</u>	<u>\$ 712,550</u>	<u>\$ 6,764</u>

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
Melrose Schools				
Operational	2008	\$ 1,366	\$ -	\$ 1,366
Operational	2009	1,424	-	1,424
Operational	2010	1,534	-	1,534
Operational	2011	1,538	-	1,538
Operational	2012	1,544	-	1,544
Operational	2013	1,597	-	1,597
Operational	2014	1,654	-	1,654
Operational	2015	1,720	-	1,720
Operational	2016	1,749	-	1,749
Operational	2017	1,789	-	1,789
Total Operational		\$ 15,915	\$ -	\$ 15,915
Melrose Schools				
Capital Improvements	2008	\$ 5,463	\$ -	\$ 5,463
Capital Improvements	2009	5,697	-	5,697
Capital Improvements	2010	6,133	-	6,133
Capital Improvements	2011	6,271	-	6,271
Capital Improvements	2012	6,287	-	6,287
Capital Improvements	2013	6,500	-	6,500
Capital Improvements	2014	6,728	-	6,728
Capital Improvements	2015	6,997	-	6,997
Capital Improvements	2016	7,115	-	7,115
Capital Improvements	2017	7,379	-	7,379
Total Capital Improvements		\$ 64,570	\$ -	\$ 64,570
Melrose Schools				
Debt Service	2008	\$ -	\$ -	\$ -
Debt Service	2009	-	-	-
Debt Service	2010	-	-	-
Debt Service	2011	13,258	-	13,258
Debt Service	2012	13,471	-	13,471
Debt Service	2013	13,296	-	13,296
Debt Service	2014	13,299	-	13,299
Debt Service	2015	13,453	-	13,453
Debt Service	2016	13,367	-	13,367
Debt Service	2017	13,678	-	13,678
Total Debt Service		\$ 93,822	\$ -	\$ 93,822

See independent auditors' report.

	Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$	-	\$ 1,366	\$ -	\$ 1,366	\$ -
	-	1,424	-	1,424	-
	-	1,534	-	1,534	-
	-	1,538	-	1,538	-
	-	1,544	-	1,544	-
	-	1,596	-	1,596	1
	-	1,650	-	1,650	4
	1	1,716	1	1,716	4
	10	1,743	10	1,743	6
	1,761	1,761	1,761	1,761	28
\$	1,772	\$ 15,872	\$ 1,772	\$ 15,872	\$ 43
	-	\$ 5,463	\$ -	\$ 5,463	\$ -
	-	5,697	-	5,697	-
	-	6,133	-	6,133	-
	-	6,271	-	6,271	-
	-	6,287	-	6,287	-
	-	6,495	-	6,495	5
	-	6,714	-	6,714	14
	5	6,981	5	6,981	16
	37	7,085	37	7,085	30
	7,255	7,255	7,255	7,255	124
\$	7,297	\$ 64,381	\$ 7,297	\$ 64,381	\$ 189
	-	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-
	-	-	-	-	-
	-	13,258	-	13,258	-
	-	13,471	-	13,471	-
	-	13,287	-	13,287	9
	1	13,272	1	13,272	27
	8	13,422	8	13,422	31
	71	13,311	71	13,311	56
	13,447	13,447	13,447	13,447	231
\$	13,527	\$ 93,468	\$ 13,527	\$ 93,468	\$ 354

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
Grady Schools				
Operational	2008	\$ 324	\$ -	\$ 324
Operational	2009	323	-	323
Operational	2010	327	-	327
Operational	2011	345	-	345
Operational	2012	362	-	362
Operational	2013	368	-	368
Operational	2014	407	-	407
Operational	2015	397	-	397
Operational	2016	396	-	396
Operational	2017	446	-	446
Total Operational		\$ 3,695	\$ -	\$ 3,695
Grady Schools				
Capital Improvements	2008	\$ 1,294	\$ -	\$ 1,294
Capital Improvements	2009	1,293	-	1,293
Capital Improvements	2010	1,306	-	1,306
Capital Improvements	2011	1,386	-	1,386
Capital Improvements	2012	1,451	-	1,451
Capital Improvements	2013	1,474	-	1,474
Capital Improvements	2014	1,628	-	1,628
Capital Improvements	2015	1,586	-	1,586
Capital Improvements	2016	1,586	-	1,586
Capital Improvements	2017	1,846	-	1,846
Total Capital Improvements		\$ 14,850	\$ -	\$ 14,850
Grady Schools				
Debt Service	2008	\$ 4,116	\$ -	\$ 4,116
Debt Service	2009	4,063	-	4,063
Debt Service	2010	4,511	-	4,511
Debt Service	2011	4,682	-	4,682
Debt Service	2012	5,081	-	5,081
Debt Service	2013	5,001	-	5,001
Debt Service	2014	5,212	-	5,212
Debt Service	2015	5,483	-	5,483
Debt Service	2016	4,712	-	4,712
Debt Service	2017	5,539	-	5,539
Total Debt Service		\$ 48,400	\$ -	\$ 48,400

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 324	\$ -	\$ 324	\$ -
-	323	-	323	-
-	327	-	327	-
-	345	-	345	-
-	362	-	362	-
-	368	-	368	-
-	407	-	407	-
-	396	-	396	1
5	396	5	396	-
405	405	405	405	41
\$ 410	\$ 3,653	\$ 410	\$ 3,653	\$ 42
\$ -	\$ 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	-
2	1,586	2	1,586	-
21	1,586	21	1,586	-
1,676	1,676	1,676	1,676	170
\$ 1,699	\$ 14,680	\$ 1,699	\$ 14,680	\$ 170
\$ -	\$ 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	-
8	5,482	8	5,482	1
64	4,712	64	4,712	-
5,029	5,029	5,029	5,029	510
\$ 5,101	\$ 47,889	\$ 5,101	\$ 47,889	\$ 511

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
Nara Visa Schools				
Operational	2008	\$ 2,226	\$ -	\$ 2,226
Operational	2009	2,516	-	2,516
Operational	2010	2,738	-	2,738
Operational	2011	2,847	-	2,847
Operational	2012	3,077	-	3,077
Operational	2013	3,321	-	3,321
Operational	2014	3,604	-	3,604
Operational	2015	4,155	-	4,155
Operational	2016	4,689	-	4,689
Operational	2017	4,700	-	4,700
Total Operational		\$ 33,873	\$ -	\$ 33,873
Nara Visa Schools				
Capital Improvements	2008	\$ 9,253	\$ -	\$ 9,253
Capital Improvements	2009	10,413	-	10,413
Capital Improvements	2010	11,359	-	11,359
Capital Improvements	2011	12,442	-	12,442
Capital Improvements	2012	12,847	-	12,847
Capital Improvements	2013	13,683	-	13,683
Capital Improvements	2014	14,422	-	14,422
Capital Improvements	2015	16,627	-	16,627
Capital Improvements	2016	18,767	-	18,767
Capital Improvements	2017	18,815	-	18,815
Total Capital Improvements		\$ 138,628	\$ -	\$ 138,628
Nara Visa Schools				
Debt Service	2008	\$ 15,356	\$ -	\$ 15,356
Debt Service	2009	29,856	-	29,856
Debt Service	2010	21,925	-	21,925
Debt Service	2011	25,363	-	25,363
Debt Service	2012	21,069	-	21,069
Debt Service	2013	25,103	-	25,103
Debt Service	2014	34,576	-	34,576
Debt Service	2015	31,634	-	31,634
Debt Service	2016	38,163	-	38,163
Debt Service	2017	49,174	-	49,174
Total Debt Service		\$ 292,219	\$ -	\$ 292,219

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 2,226	\$ -	\$ 2,226	\$ -
-	2,516	-	2,516	-
-	2,738	-	2,738	-
-	2,846	-	2,846	1
-	3,077	-	3,077	-
-	3,318	-	3,318	3
3	3,594	3	3,594	10
12	4,126	12	4,126	29
181	4,658	181	4,658	31
4,574	4,574	4,574	4,574	126
\$ 4,770	\$ 33,673	\$ 4,770	\$ 33,673	\$ 200
\$ -	\$ 9,253	\$ -	\$ 9,253	\$ -
-	10,413	-	10,413	-
-	11,358	-	11,358	1
1	12,441	1	12,441	1
1	12,846	1	12,846	1
-	13,670	-	13,670	13
12	14,383	12	14,383	39
50	16,512	50	16,512	115
722	18,640	722	18,640	127
18,305	18,305	18,305	18,305	510
\$ 19,091	\$ 137,821	\$ 19,091	\$ 137,821	\$ 807
\$ -	\$ 15,356	\$ -	\$ 15,356	\$ -
-	29,856	-	29,856	-
1	21,924	1	21,924	1
2	25,362	2	25,362	1
1	21,068	1	21,068	1
2	25,080	2	25,080	23
29	34,482	29	34,482	94
94	31,416	94	31,416	218
1,470	37,905	1,470	37,905	258
47,841	47,841	47,841	47,841	1,333
\$ 49,440	\$ 290,290	\$ 49,440	\$ 290,290	\$ 1,929

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
Dr. Dan C. Trigg Memorial Hospital				
Hospital	2008	\$ 209,490	\$ -	\$ 209,490
Hospital	2009	230,444	-	230,444
Hospital	2010	241,375	-	241,375
Hospital	2011	257,988	-	257,988
Hospital	2012	265,845	-	265,845
Hospital	2013	283,582	-	283,582
Hospital	2014	278,060	-	278,060
Hospital	2015	289,586	-	289,586
Hospital	2016	302,042	-	302,042
Hospital	2017	306,272	-	306,272
Total Hospital		\$ 2,664,684	\$ -	\$ 2,664,684
Arch Hurley Conservancy District				
Conservancy District	2008	\$ 294,026	\$ -	\$ 294,026
Conservancy District	2009	241,052	-	241,052
Conservancy District	2010	280,491	-	280,491
Conservancy District	2011	314,414	-	314,414
Conservancy District	2012	300,564	-	300,564
Conservancy District	2013	346,900	-	346,900
Conservancy District	2014	343,581	-	343,581
Conservancy District	2015	382,505	-	382,505
Conservancy District	2016	388,795	-	388,795
Conservancy District	2017	398,797	-	398,797
Total Conservancy District		\$ 3,291,125	\$ -	\$ 3,291,125
Mesalands Community College				
College	2008	\$ 188,701	\$ -	\$ 188,701
College	2009	207,265	-	207,265
College	2010	218,727	-	218,727
College	2011	225,821	-	225,821
College	2012	236,112	-	236,112
College	2013	256,199	-	256,199
College	2014	274,903	-	274,903
College	2015	282,901	-	282,901
College	2016	291,777	-	291,777
College	2017	288,643	-	288,643
Total College		\$ 2,471,049	\$ -	\$ 2,471,049

See independent auditors' report.

Collected In Current Year	Collected To Date	Distributed In Current Year	Distributed To Date	County Receivable at Year End
\$ -	\$ 208,222	\$ -	\$ 208,222	\$ 1,268
3	228,364	3	228,364	2,080
191	239,268	191	239,268	2,107
39	256,117	39	256,117	1,871
69	263,676	69	263,676	2,169
87	281,055	87	281,055	2,527
1,170	275,547	1,170	275,547	2,513
2,847	285,738	2,847	285,738	3,848
10,663	293,398	10,663	293,398	8,644
283,827	283,827	283,827	283,827	22,445
\$ 298,896	\$ 2,615,212	\$ 298,896	\$ 2,615,212	\$ 49,472
\$ -	\$ 292,086	\$ -	\$ 292,086	\$ 1,940
-	239,205	-	239,205	1,847
-	278,279	-	278,279	2,212
-	312,053	-	312,053	2,361
129	297,888	129	297,888	2,676
214	343,369	214	343,369	3,531
2,861	337,358	2,861	337,358	6,223
7,994	373,084	7,994	373,084	9,421
16,429	366,939	16,429	366,939	21,856
263,221	263,221	263,221	263,221	135,576
\$ 290,848	\$ 3,103,482	\$ 290,848	\$ 3,103,482	\$ 187,643
\$ -	\$ 187,779	\$ -	\$ 187,779	\$ 922
4	206,088	4	206,088	1,177
5	217,488	5	217,488	1,239
3	224,380	3	224,380	1,441
46	234,338	46	234,338	1,774
120	253,917	120	253,917	2,282
1,458	271,337	1,458	271,337	3,566
3,463	277,779	3,463	277,779	5,122
8,159	281,079	8,159	281,079	10,698
268,428	268,428	268,428	268,428	20,215
\$ 281,686	\$ 2,422,613	\$ 281,686	\$ 2,422,613	\$ 48,436

See independent auditors' report.

Quay County, New Mexico
County Treasurer's Property Tax Schedule
For the Year Ended June 30, 2018

Agency	Year	Property Taxes Levied	Current Changes To Taxes Levied	Adjusted Property Taxes Levied
Ute Lake Public Improvement District				
Public Improvement District	2009	\$ 26,365	\$ -	\$ 26,365
Public Improvement District	2010	29,880	-	29,880
Public Improvement District	2011	30,232	-	30,232
Public Improvement District	2012	30,203	-	30,203
Public Improvement District	2013	33,087	-	33,087
Public Improvement District	2014	15,115	-	15,115
Public Improvement District	2015	15,275	-	15,275
Public Improvement District	2016	15,275	-	15,275
Public Improvement District	2017	16,036	-	16,036
Total District		\$ 211,468	\$ -	\$ 211,468
Ute Lake Ranch Public Improvement District				
Public Improvement District	2009	\$ 237,281	\$ -	\$ 237,281
Public Improvement District	2010	107,565	-	107,565
Public Improvement District	2011	108,833	-	108,833
Public Improvement District	2012	108,730	-	108,730
Public Improvement District	2013	119,111	-	119,111
Public Improvement District	2014	54,415	-	54,415
Public Improvement District	2015	54,989	-	54,989
Public Improvement District	2016	54,989	-	54,989
Public Improvement District	2017	57,735	-	57,735
Total District		\$ 903,648	\$ -	\$ 903,648
Fiscal Year Total	2008	\$ 3,551,841	\$ -	\$ 3,551,841
Fiscal Year Total	2009	4,208,990	-	4,208,990
Fiscal Year Total	2010	4,296,921	-	4,296,921
Fiscal Year Total	2011	4,577,276	-	4,577,276
Fiscal Year Total	2012	4,684,053	-	4,684,053
Fiscal Year Total	2013	5,128,579	-	5,128,579
Fiscal Year Total	2014	5,256,042	-	5,256,042
Fiscal Year Total	2015	5,437,657	-	5,437,657
Fiscal Year Total	2016	5,620,402	-	5,620,402
Fiscal Year Total	2017	5,694,352	-	5,694,352
Grand Total		\$ 48,456,113	\$ -	\$ 48,456,113

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	-
-	29,823	-	29,823	409
-	29,794	-	29,794	409
-	32,635	-	32,635	452
-	14,664	-	14,664	451
-	14,823	-	14,823	452
940	14,823	940	14,823	452
15,736	15,736	15,736	15,736	300
<u>\$ 16,676</u>	<u>\$ 208,543</u>	<u>\$ 16,676</u>	<u>\$ 208,543</u>	<u>\$ 2,925</u>
\$ -	\$ 237,281	\$ -	\$ 237,281	\$ -
-	107,565	-	107,565	-
-	107,360	-	107,360	1,473
-	107,257	-	107,257	1,473
-	117,485	-	117,485	1,626
-	52,789	-	52,789	1,626
-	53,364	-	53,364	1,625
3,385	53,364	3,385	53,364	1,625
56,654	56,654	56,654	56,654	1,081
<u>\$ 60,039</u>	<u>\$ 893,119</u>	<u>\$ 60,039</u>	<u>\$ 893,119</u>	<u>\$10,529</u>
\$ -	\$ 3,531,460	\$ -	\$ 3,531,460	\$ 20,381
47	4,178,040	47	4,178,040	30,950
1,944	4,265,326	1,944	4,265,326	31,595
423	4,544,911	423	4,544,911	32,365
1,055	4,646,788	1,055	4,646,788	37,265
1,662	5,082,520	1,662	5,082,520	46,059
23,608	5,198,578	23,608	5,198,578	57,464
59,729	5,353,813	59,729	5,353,813	83,844
202,209	5,441,032	202,209	5,441,032	179,370
5,170,470	5,170,470	5,170,470	5,170,470	523,882
<u>\$ 5,461,147</u>	<u>\$ 47,412,938</u>	<u>\$ 5,461,147</u>	<u>\$ 47,412,938</u>	<u>\$ 1,043,175</u>

See independent auditors' report.

Quay County, New Mexico
Schedule of Changes in Fiduciary Assets and Liabilities - Agency Funds
For the Year Ended June 30, 2018

	Balance July 1, 2017		Additions		Deductions		Balance June 30, 2018
Children's Trust Fund							
Assets							
Current assets							
Cash	\$ 45	\$	660	\$	600	\$	105
Total current assets	45		660		600		105
Liabilities							
Deposits held in trust	45		660		600		105
Total liabilities	\$ 45	\$	660	\$	600	\$	105
Taxes Paid in Advance							
Assets							
Current assets							
Cash	\$ 2,180	\$	5,022	\$	2,279	\$	4,923
Total current assets	2,180		5,022		2,279		4,923
Liabilities							
Deposits held in trust	2,180		5,022		2,279		4,923
Total liabilities	\$ 2,180	\$	5,022	\$	2,279	\$	4,923
Cost to State							
Assets							
Current assets							
Cash	\$ 722	\$	20,234	\$	18,100	\$	2,856
Total current assets	722		20,234		18,100		2,856
Liabilities							
Deposits held in trust	722		20,234		18,100		2,856
Total liabilities	\$ 722	\$	20,234	\$	18,100	\$	2,856

See independent auditors' report.

	Balance				Balance			
	July 1, 2017		Additions		Deductions		June 30, 2018	
Overpayment of Taxes								
Assets								
Current assets								
Cash	\$	-	\$	20,829	\$	18,107	\$	2,722
Total current assets		-		20,829		18,107		2,722
Liabilities								
Deposits held in trust		-		20,829		18,107		2,722
Total liabilities	\$	-	\$	20,829	\$	18,107	\$	2,722
Undistributed Property Taxes								
Assets								
Current assets								
Cash	\$	48,672	\$	3,326,345	\$	3,342,252	\$	32,765
Property taxes receivable		578,551		3,502,949		3,369,781		711,719
Other taxes receivable		-		1,007		-		1,007
Total current assets		627,223		6,830,301		6,712,033		745,491
Liabilities								
Due to other taxing entities		627,223		6,830,301		6,712,033		745,491
Total liabilities	\$	627,223	\$	6,830,301	\$	6,712,033	\$	745,491
Total Agency Funds								
Assets								
Current assets								
Cash	\$	51,619	\$	3,373,090	\$	3,381,338	\$	43,371
Property taxes receivable		578,551		3,502,949		3,369,781		711,719
Other taxes receivable		-		1,007		-		1,007
Total current assets		630,170		6,877,046		6,751,119		756,097
Liabilities								
Deposits held in trust		2,947		46,745		39,086		10,606
Due to other taxing entities		627,223		6,830,301		6,712,033		745,491
Total liabilities	\$	630,170	\$	6,877,046	\$	6,751,119	\$	756,097

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

Wayne Johnson
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 with legally adopted annual budgets of Quay County (the "County") as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 30, 2018.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency that in internal control, described in the accompanying schedule of findings and responses as FS 2017-001 that we consider to be a significant deficiency.

Compliance and Other Matters

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

We noted a certain matter that is 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 item NM 2018-001.

County's Responses to Findings

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

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

Carr, Riggs & Ingram, LLC
Albuquerque, New Mexico
November 30, 2018

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Quay County, New Mexico
Schedule of Findings and Responses
June 30, 2018

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? | Yes |
| c. Noncompliance material to the financial statements noted? | None Noted |

SECTION II – FINANCIAL STATEMENT FINDINGS

FS 2017-001 Recording of Debt Related Cash Accounts – Significant Deficiency (Repeated/Modified)
(previously reported as NM 2017-001)

Condition: County NMFA program cash and proceeds from a new NMFA loan in the amount of \$149,995 were not recorded at fiscal yearend. The County recorded the debt reserve cash accounts referenced in the prior year audit report correctly during the fiscal year.

Criteria: NMSA 6-10-2 discusses the duty of public officials to balance public money at the close of each business day. Generally accepted accounting principles also require that activity be recorded when the transaction occurs.

Effect: Cash balances were understated at June 30, 2018. The County’s records used for decision making do not reflect all financial resources available to the County if the NMFA cash balances are not recorded.

Cause: At the time the loan documents were signed, it was the County’s procedure to wait until the loan funding was expended to record both the related proceeds and expenditures. As this did not take place until after June 30, 2018, the proceeds and related cash were not recorded in the 2018 fiscal year.

Auditors’ Recommendation: The auditor recommends that proceeds from loans be recorded upon completion of the agreement with the lender. Additionally, the County should review the NMFA loan statements and record the related transactions on a monthly basis.

Agency’s Response: We will create a NMFA Bank Account so we can book any county funds NMFA have and post approved loan funds at the time of notification of approval in that account. We can balance the NMFA Bank Account with their monthly statements. The County Manager will be responsible to resolve this finding and will correct the finding when we receive our next month’s NMFA statement.

Quay County, New Mexico
Schedule of Findings and Responses
June 30, 2018

SECTION III – SECTION 12-6-5 NMSA 1978 FINDINGS

NM 2018-001 Travel and Per Diem – Other Noncompliance

Condition: The County's personnel policy allows employees to be paid a \$135 overnight per diem rate for areas not consider "special areas" under state statute.

Criteria: Section 10-8-4 NMSA 1978 stipulates a per diem rate of \$85 for each day spent in the discharge of official duties for a salaried public officers or employees. Travel to special areas, as designated by the Secretary of Finance and Administration, may pay a rate up to \$135. Santa Fe is designated as the only special area in New Mexico for this purpose.

Effect: Employees were paid overnight per diem of \$135 per night instead of \$85 per night for travel to non-special areas.

Cause: The County Commission designated special areas to allow an overnight per diem rate of \$135 within their personnel policy, which is higher than is allowed under New Mexico state statute. This rate was then applied for per diem payments to employees throughout the fiscal year.

Auditors' Recommendation: The auditor recommends that the County Commission amend the personnel policy to comply with state statute.

Agency's Response: The Quay County Commission previously expanded the special area designation for per diem to include 9 additional cities for the \$135 per night knowing the \$85 rate was not sufficient for their employees to attend the required trainings for the County. This year the commission approved an updated personnel policy that allowed the employees to receive \$150 per night per diem because again they didn't want the employees to use their funds to attend trainings the County required them to attend. When we attended the DFA Budget Workshop last week we found out the County Commission doesn't have the authority to increase per diem more than the state allowed. To allow the employees to attend the necessary training and keep them from using their funds the county will request them to go by actual expenses and not per diem. The finance department will responsible to resolve this finding and have already implemented the actual expense process.

SECTION IV – PRIOR YEAR AUDIT FINDINGS

NM 2017-001 Recording of Debt Related Cash Accounts – Finding that does not rise to the level of a Significant Deficiency – Repeated/Modified (now reported as FS 2017-001)

NM 2017-002 Stale Dated Checks – Other Noncompliance - Resolved

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EXIT CONFERENCE

The contents of this report were discussed on November 26, 2018 at Quay County's Tucumcari offices in a closed executive session in compliance with the Open Meetings Act. The following individuals were in attendance:

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 Carr, Riggs & Ingram, LLC:

Alan D. "A.J." Bowers, Jr., CPA	Partner
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AUDITOR PREPARED FINANCIAL STATEMENTS

Carr, Riggs & Ingram, LLC 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.