

STATE OF NEW MEXICO
SIERRA COUNTY

Annual Financial Report

June 30, 2016



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

INTRODUCTORY SECTION

**STATE OF NEW MEXICO
SIERRA COUNTY
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**STATE OF NEW MEXICO
SIERRA COUNTY
OFFICIAL ROSTER
June 30, 2016**

BOARD OF COUNTY COMMISSIONERS

Kenneth Lyon	County Commission Chairman
Frances Luna	County Commission Vice Chairman
Sherry Fletcher	County Commissioner

ELECTED OFFICIALS

Kenneth Lyon	County Commission Chairman
Frances Luna	County Commission Vice Chairman
Sherry Fletcher	County Commissioner
Connie Greer	Clerk
Keith Whitney	County Assessor
Terri Copsin	County Treasurer
Pam Smith	Probate Judge
Glenn Hamilton	Sheriff

ADMINISTRATIVE OFFICIALS

Bruce Swingle	County Manager
Becky Mena	Finance Director

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Mr. Timothy Keller
New Mexico State Auditor
To the Board of County Commissioners
Sierra County
Truth or Consequences, NM

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Sierra County (the "County") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the County's nonmajor governmental funds, fiduciary funds, and the budgetary comparisons for all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2016, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the requirements of the New Mexico State Audit Rule 2.2.2 NMAC. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

Basis for Qualified Opinion

We were not able to verify capital assets and the related accumulated depreciation for the County at June 30, 2016 and the depreciation expense for the year then ended. We were unable to determine these amounts through the use of alternative procedures. This resulted in the inability to express an opinion on capital assets and the related accumulated depreciation as of June 30, 2016. The effect on assets on the governmental activities is not readily determinable.

Qualified Opinion

In our opinion, except for the effects of the lack of evidence verifying the amount of capital assets and accumulated depreciation as described on the preceding paragraph, 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 the County, as of June 30, 2016, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the County as of June 30, 2016, and the respective changes in financial position thereof and the respective budgetary comparisons for all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information. Accounting principles generally accepted in the United States of America require that the Schedule of the County's Proportionate Share of the Net Pension Liability, and Schedule of County Contributions on pages 55 through 58, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information 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 any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the County's financial statements, the combining and individual fund financial statements, and the budgetary comparisons, and other schedules as required by Section 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2016 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Albuquerque, New Mexico
November 1, 2016

BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
SIERRA COUNTY
STATEMENT OF NET POSITION
June 30, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 6,876,010	119,601	6,995,611
Receivables:			
Property taxes receivable	589,988	-	589,988
Other taxes receivable	617,240	11,836	629,076
Due from other governments	215,479	-	215,479
Other receivables	2,689	-	2,689
Prepaid expenses	-	-	-
Inventory	-	-	-
Total Current Assets	<u>8,301,406</u>	<u>131,437</u>	<u>8,432,843</u>
Noncurrent assets:			
Capital assets, net of depreciation	<u>21,718,110</u>	<u>3,975</u>	<u>21,722,085</u>
Total Assets	<u>30,019,516</u>	<u>135,412</u>	<u>30,154,928</u>
DEFERRED OUTFLOWS			
Pension related	<u>338,423</u>	-	<u>338,423</u>
Total deferred outflows	<u>338,423</u>	-	<u>338,423</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
STATEMENT OF NET POSITION (CONTINUED)
June 30, 2015

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current Liabilities			
Accounts payable	294,761	-	294,761
Accrued payroll expenses	16,191	-	16,191
Unearned revenue	-	-	-
Accrued interest	110,745	-	110,745
Current portion of accrued compensated absences	120,719	-	120,719
Current portion of bonds and notes payable	522,721	-	522,721
Total Current Liabilities	1,065,137	-	1,065,137
Noncurrent portion of accrued compensated balances			
Landfill liability	-	61,200	61,200
Noncurrent portion of bonds and notes payable	8,683,909	-	8,683,909
Net pension liability	3,584,445	-	3,584,445
Total Liabilities	13,333,491	61,200	13,394,691
DEFERRED INFLOWS			
Pension related	194,569	-	194,569
Total deferred inflows	194,569	-	194,569
NET POSITION			
Net investment in capital assets	12,511,480	3,975	12,515,455
Restricted for:			
Debt service	-	-	-
Capital projects	-	-	-
Special revenue	4,515,127	-	4,515,127
Unrestricted	(196,728)	70,237	(126,491)
Total net position	\$ 16,829,879	74,212	16,904,091

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SIERRA COUNTY
STATEMENT OF ACTIVITIES
Year ended June 30, 2016**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
General government	\$ 2,700,239	1,502,836	1,446,734	499,011
Public safety	5,058,921	-	174,533	
Public works	1,013,501	-		154,767
Culture and recreation	26,145			
Health and welfare	1,457,242			
Interest on long-term debt	344,633	-	-	-
Loss on disposal of assets		-	-	-
<i>Total governmental activities</i>	<u>10,600,681</u>	<u>1,502,836</u>	<u>1,621,267</u>	<u>653,778</u>
Business-type activities				
Landfill	105,083	25,627	-	-
Total business-type activities	<u>105,083</u>	<u>25,627</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 10,705,764</u>	<u>1,528,463</u>	<u>1,621,267</u>	<u>653,778</u>
General Revenue and Special Items:				
Taxes				
Property taxes, levied for general purpose and debt service				
Gross receipts taxes				
Gasoline, motor vehicle and cigarette taxes				
Investment income				
Donated assets				
Miscellaneous income				
Total general revenues and special items				
Transfers in				
Transfers out				
Change in net position				
Net position, beginning				
Net position, ending				

See Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Assets

Governmental Activities	Business Type Activities	Total
748,342		748,342
(4,884,388)		(4,884,388)
(858,734)		(858,734)
(26,145)		(26,145)
(1,457,242)		(1,457,242)
(344,633)		(344,633)
-		-
<u>(6,822,800)</u>		<u>(6,822,800)</u>
-	(79,456)	(79,456)
-	(79,456)	(79,456)
<u>(6,822,800)</u>	<u>(79,456)</u>	<u>(6,902,256)</u>
5,143,586	-	5,143,586
3,119,153	-	3,119,153
567,366	86,539	653,905
-	-	-
733,000	-	733,000
<u>486,509</u>	<u>612,229</u>	<u>1,098,738</u>
10,049,614	698,768	10,748,382
1,537,594	-	1,537,594
<u>(1,537,594)</u>	<u>-</u>	<u>(1,537,594)</u>
3,226,814	619,312	3,846,126
<u>13,603,065</u>	<u>(545,100)</u>	<u>13,057,965</u>
<u>\$ 16,829,879</u>	<u>74,212</u>	<u>16,904,091</u>

STATE OF NEW MEXICO
SIERRA COUNTY
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2016

	General Fund 401	Road 402	Flood Commission 627
Assets			
Cash and cash equivalents	\$ 2,562,083	94,763	951,027
Property taxes receivable	446,822	-	62,056
Other taxes receivable	246,138	53,064	-
Interest receivable	2,689	-	-
Due from other governments	-	-	-
Due from other funds	207,913	-	-
<i>Total assets</i>	<u>\$ 3,465,645</u>	<u>147,827</u>	<u>1,013,083</u>
Liabilities, Deferred Inflows and fund balances			
<i>Liabilities</i>			
Accounts payable	\$ 75,965	-	-
Accrued expenses	16,191	-	-
Due to other funds	-	99,810	-
<i>Total liabilities</i>	<u>92,156.00</u>	<u>99,810</u>	<u>-</u>
Deferred Inflows			
Property taxes	216,345	-	47,655
<i>Total deferred inflows</i>	<u>216,345</u>	<u>-</u>	<u>47,655</u>
<i>Fund balances</i>			
Spendable			
Restricted for:			
Special revenue	-	48,017	965,428
Capital projects	-	-	-
Debt service expenditures	-	-	-
Committed to:			
Minimum fund balance	329,390	-	-
Unassigned	2,827,754	-	-
<i>Total fund balances</i>	<u>3,157,144</u>	<u>48,017</u>	<u>965,428</u>
<i>and fund balances</i>	<u>\$ 3,465,645</u>	<u>147,827</u>	<u>1,013,083</u>

See Notes to Financial Statements.

Other Governmental Funds	Total
3,268,137	6,876,010
81,110	589,988
318,038	617,240
-	2,689
215,479	215,479
87,012	294,925
3,969,776	8,596,331
218,796	294,761
-	16,191
195,115	294,925
413,911	605,877
54,295	318,295
-	318,295
3,501,682	4,515,127
-	-
-	-
-	329,390
(112)	2,827,642
3,501,570	7,672,159
3,969,776	8,596,331

**STATE OF NEW MEXICO
SIERRA COUNTY
RECONCILIATION OF THE BALANCE SHEET GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2016**

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

Fund balances - total governmental funds	\$ 7,672,159
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Capital assets, net of accumulated depreciation	21,718,110
Delinquent ad valorem assessments receivable are not available to pay current year expenditures and, therefore, are reported as deferred inflows in the fund financial statements	318,295
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds	338,423
Defined benefit pension plan deferred inflows are not financial obligations and, therefore, are not reported in the funds	(194,569)
Accrued interest is not due and payable with current financial resources and, therefore, is not reported in the funds	(110,745)
Certain liabilities, including bonds payable and current and long-term portions of accrued compensated absences, are not due and payable in the current period and therefore are not reported in the funds:	
Bonds and notes payable	(9,206,630)
Capital leases	
Net pension liability	(3,584,445)
Landfill liability	
Compensated absences	(120,719)
Net position - governmental activities (Statement of Net Position)	<u><u>\$ 16,829,879</u></u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
SIERRA COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUN BALANCES-GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016**

	General Fund 401	Road 402	Flood Commission 627
Revenues			
Property taxes	\$ 4,205,660	-	445,093
Gross receipts tax	1,230,132	-	-
Gas tax	-	129,709	-
Lodgers tax	-	-	-
Federal intergovernmental	-	154,767	-
State intergovernmental	868	-	174,533
Licenses and permits	224,972	157,504	-
Small cities distribution	352,000	-	-
Charges for services	278,769	3,426	1,334
Miscellaneous	88,092	12,215	493
Total revenues	6,380,493	457,621	621,453
Expenditures			
Current			
General government	1,762,068	-	-
Public safety	1,907,798	-	-
Highways and streets	-	568,831	-
Health and welfare	-	-	42,172
Culture and recreation	15,507	-	-
Capital outlay	-	270,338	-
Debt service:			
Principal	159,386	-	-
Interest	107,919	-	-
Total expenditures	3,952,678	839,169	42,172
Excess (deficiency) of revenues over expenditures	2,427,815	(381,548)	579,281
Other Financing Sources (Uses)			
Transfers in	1,130	274,098	-
Transfers out	(1,331,273)	-	-
Total other financing sources (uses)	(1,330,143)	274,098	-
Net change in fund balances	1,097,672	(107,450)	579,281
Fund balance - beginning of year	2,059,472	155,467	386,147
Fund balance - end of year	\$ 3,157,144	48,017	965,428

See Notes to Financial Statements.

Other Governmental Funds	Total
582,462	5,233,215
1,889,021	3,119,153
-	129,709
4,963	4,963
499,011	653,778
1,445,866	1,621,267
50,218	432,694
-	352,000
867,307	1,150,836
272,044	372,844
<hr/> 5,610,892	<hr/> 13,070,459
664,630	2,426,698
2,713,963	4,621,761
363,375	932,206
1,295,454	1,337,626
8,492	23,999
1,279,432	1,549,770
359,687	519,073
236,714	344,633
<hr/> 6,921,747	<hr/> 11,755,766
<hr/> (1,310,855)	<hr/> 1,314,693
1,262,366	1,537,594
(206,321.00)	(1,537,594)
<hr/> 1,056,045	<hr/> -
(254,810)	1,314,693
<hr/> 3,756,380	<hr/> 6,357,466
<hr/> <hr/> 3,501,570	<hr/> <hr/> 7,672,159

**STATE OF NEW MEXICO
SIERRA COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

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

Net change in fund balances - total governmental funds	\$	1,314,693
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Net Pension expense		190,690
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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 assets reported as capital outlay expenditures	1,549,770
Depreciation expense	(1,024,271)
Loss on disposal of assets	
Donated assets	733,000

Revenues that do not provide current financial resources are not reported as revenues in the fund statements but are reported in the Statement of Activities.	(89,629)
---	----------

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

Increase in accrued compensated absences	(25,348)
Decrease in lease obligation	113,665
Increase in accrued interest	(54,829)
Principal payments on long-term debt	519,073

Change in net position governmental activities	\$	<u><u>3,226,814</u></u>
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See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ 4,875,000	4,875,000	4,024,153	(850,847)
Gross Receipt Tax	1,247,000	1,247,000	1,033,700	(213,300)
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	868	868
Licenses and permits	146,000	146,000	205,672	59,672
Small cities distribution	350,000	352,000	352,000	-
Charges for services	59,862	59,862	243,735	183,873
Miscellaneous	12,000	14,269	41,061	26,792
<i>Total revenues</i>	<u>6,689,862</u>	<u>6,694,131</u>	<u>5,901,189</u>	<u>(792,942)</u>
Expenditures				
Current:				
General government	2,780,743	2,920,510	1,669,914	1,250,596
Public safety	1,778,283	1,778,323	1,904,280	(125,957)
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	15,507	(15,507)
Capital outlay	-	-	-	-
Debt service - principal	-	-	238,497	(238,497)
Debt service - interest	-	-	28,808	(28,808)
<i>Total expenditures</i>	<u>4,559,026</u>	<u>4,698,833</u>	<u>3,857,006</u>	<u>841,827</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>2,130,836</u>	<u>1,995,298</u>	<u>2,044,183</u>	<u>48,885</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	1,131	1,132	1
Transfers (Out)	(2,069,233)	(2,112,073)	(1,331,273)	780,800
<i>Total other financing sources (uses)</i>	<u>(2,069,233)</u>	<u>(2,110,942)</u>	<u>(1,330,141)</u>	<u>780,801</u>
<i>Net change in fund balance</i>	\$ <u>61,603</u>	<u>(115,644)</u>	<u>714,042</u>	<u>829,686</u>
Adjustments to reveune			479,301	
Adjustments to expenses			<u>(95,671)</u>	
Net change in fund balance (GAAP Basis)			<u>\$ 1,097,672</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
ROAD FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	102,000	102,000	111,361	9,361
Lodgers Tax	-	128,000	-	(128,000)
Federal intergovernmental	-	-	154,767	154,767
State intergovernmental	-	-	-	-
Licenses and permits	128,000	-	122,788	122,788
Small cities distribution	-	-	-	-
Charges for services	-	-	3,426	3,426
Miscellaneous	-	12,770	12,215	(555)
Total revenues	230,000	242,770	404,557	161,787
Expenditures				
Current:				
General government	769,640	782,410	-	782,410
Public safety	-	-	-	-
Highway amd streets	-	-	666,169	(666,169)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	173,000	173,000	173,000	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	942,640	955,410	839,169	116,241
<i>Excess (deficiency) of revenues over expenditures</i>	(712,640)	(712,640)	(434,612)	278,028
<i>Other financing sources (uses)</i>				
Transfers in	499,638	506,271	274,098	(232,173)
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	499,638	506,271	274,098	(232,173)
Net change in fund balance	\$ (213,002)	(206,369)	(160,514)	45,855
Adjustments to reveune			53,064	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ (107,450)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
FLOOD COMMISSION FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ 400,000	400,000	430,692	30,692
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	174,533	174,533
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	1,334	1,334
Miscellaneous	-	-	493	493
Total revenues	400,000	400,000	607,052	207,052
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	430,974	430,974	42,172	388,802
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	430,974	430,974	42,172	388,802
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(30,974)</u>	<u>(30,974)</u>	<u>564,880</u>	<u>595,854</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ (30,974)	(30,974)	564,880	595,854
Adjustments to reveune			14,401	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			<u>\$ 579,281</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
June 30, 2016

	<u>Landfill</u> <u>405</u>
ASSETS	
<i>Current assets:</i>	
Cash and investments	\$ 119,601
Interfund Receivable	-
Taxes Receivable	<u>11,836</u>
<i>Total current assets</i>	<u>131,437</u>
<i>Capital assets:</i>	
Property, plant and equipment	342,634
Less accumulated depreciation	<u>(338,659)</u>
Total capital assets, net of accumulated depreciation	<u>3,975</u>
Total assets	<u>135,412</u>
LIABILITIES	
<i>Current liabilities:</i>	
Accounts payable	-
Accrued expenses	<u>-</u>
<i>Total current liabilities</i>	<u>-</u>
<i>Noncurrent liabilities</i>	
Estimated liability for landfill postclosure costs	61,200
Compensated absences	<u>-</u>
<i>Total noncurrent liabilities</i>	<u>61,200</u>
Total liabilities	<u>61,200</u>
NET POSITION	
Net investment in capital assets	3,975
Unrestricted	<u>70,237</u>
Total net position	<u>\$ 74,212</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
SIERRA COUNTY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2016

	Landfill
	405
<i>Operating Revenues:</i>	
Charges for services	\$ 25,627
<i>Operating Expenses:</i>	
Personnel	35,656
Operating	36,482
Depreciation	32,945
<i>Total operating expenses</i>	<u>105,083</u>
<i>Operating (loss) income</i>	<u>(79,456)</u>
<i>Non-operating revenues (expenses)</i>	
Gross receipts tax	86,539
Change to liability for landfill post closure costs	612,163
Miscellaneous	66
<i>Total non-operating revenues (expenses)</i>	<u>698,768</u>
<i>Change in net position</i>	<u>619,312</u>
<i>Net position, beginning of year</i>	<u>(545,100)</u>
<i>Net position, end of year</i>	\$ <u><u>74,212</u></u>

See Notes to Financial Statements

STATE OF NEW MEXICO
SIERRA COUNTY
COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
Year Ended June 30, 2016

	<u>Landfill</u> <u>405</u>
Cash Flows From Operating Activities	
Cash received from customers grantors	\$ 19,075
Cash payments to suppliers	(17,626)
Cash payments to employees	<u>(35,656)</u>
Net cash provided by operating activities	<u>(34,207)</u>
Cash Flows From Non-Capital Financing	
Gross receipts tax revenue	86,539
Miscellaneous	<u>66</u>
Net cash (used) provided by non-capital financing activities	<u>86,605</u>
Net (decrease) increase in cash and cash equivalents	52,398
Cash and restricted cash and cash equivalents, beginning of year	<u>67,203</u>
Cash and restricted cash and cash equivalents, end of year	<u>\$ 119,601</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities	
Operating income (loss)	\$ (79,456)
Noncash items	
Depreciation expense	32,945
Adjustments to operating income	
Accounts receivable	(6,552)
Due from other funds	24,830
Accounts payable	(4,283)
Accrued liabilities	<u>(1,691)</u>
Net cash provided (used) by operating activities	<u>\$ (34,207)</u>
Non Cash:	
Change to liability for landfill	
Post closesure costs	<u>\$ 612,163</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
Year Ended June 30, 2016

	Balance <u>June 30, 2016</u>
ASSETS	
Cash and cash equivalents	\$ 64,538
Taxes receivable	<u>505,081</u>
<i>Total assets</i>	\$ <u><u>569,619</u></u>
LIABILITIES	
Deposits held in trust for others	\$ 64,538
Future taxes collectible	<u>505,081</u>
<i>Total liabilities</i>	\$ <u><u>569,619</u></u>

See Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS

STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Sierra County (the County) is a political subdivision of the State of New Mexico established in 1884 under the provisions of Section 4-5-1 of NMSA, 1978 Compilation and regulated by the constitution of the State of New Mexico. The County operates under a Board of County Commissioners-manager form of government and provides the following services as authorized by public law: public safety (sheriff, fire, emergency medical, etc.), roads, health and social services, recreation, sanitation, planning and zoning, property assessment, tax collection and general administrative services.

The 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 the County is presented to assist in the understanding of the County's financial statements. The financial statements and notes are the representation of the County's management that is responsible for their integrity and objectivity. The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private sector guidance for their government-wide financial statements subject to the same limitation. The County has elected not to follow the subsequent private sector guidance. The more significant of the County's accounting policies are described below.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

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. 61. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

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

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. 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 does not have any component units required to be reported under GASB Statements No. 61, 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 non-fiduciary 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 revenue, 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, regardless of the timing of the related cash flows. 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*. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

In the government-wide Statement of Net Position, the governmental activities are presented on a consolidated basis by column and are reported on a full accrual, economic resources basis, which recognizes all long-term assets and receivables as well as long-term debt and 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 is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Neither fiduciary funds nor component units that are fiduciary in nature are included in 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.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

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.

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 other charges between the various functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 such as assistance 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.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund: the General Fund is the primary operating fund of the County and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds: Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

Capital Project Fund: The Capital Project Fund is used to account for resources restricted for the acquisition or construction of specific capital projects or items.

Debt Service Fund: The Debt Service Fund accounts for the accumulation of financial resources for the payment of interest and principle on the general obligation bonds of the County other than debt service payments made by enterprise funds. Ad valorem taxes are used for the payment of principal and interest on the County's general obligation bonds.

Proprietary Fund

Enterprise Fund: Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Fiduciary Funds (Note included in government-wide statements)

Agency Funds: Agency funds account for assets held by the County in a purely custodial capacity. The reporting entity includes four agency funds. Since agency funds are custodial in nature (i.e., assets equal liabilities), they do not involve the measurement of results of operations. The Agency funds area follows:

Property Tax Fund: to account for the undistributed property taxes both received and yet to be received which are to be distributed to the various taxing entities at a later date.

Prisoners Fund: to account for the deposits and expenditures from prisoners' private funds, used to buy personal items at the commissary.

Cell Phone Zoning: to account for the deposits required on cell phone towers, to be used for repairs.
Spaceport: to account for gross receipts taxes collected and remitted to the Spaceport authority.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 County reports the following major governmental funds:

General: accounts for all activities except those accounted for in other funds.

Sierra Vista Hospital: to account for the revenues and expenditures associated with the renovation and new construction at the County hospital, and is a Capital Project Fund. Authorization is ordinance authorizing the loan and construction.

FEMA Flood: To account for the federal grants to alleviate and/or prevent flood damage in the County. Authorization is the Board of County Commissioners.

Treasurers Fee: To account for the fees collected by the County Treasurer to be used exclusively for the purchase of capital assets for the Treasurer's Office, as authorized by commission action and New Mexico Statutes.

Additionally, the government reports the following agency fund:

Fiduciary funds are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The County's fiduciary funds are used to account for the collection and payment of property taxes and special fees to other governmental agencies. The agency fund is also used to account for collection and disbursement of inmate funds for the Valencia County Detention Center. In addition, the agency fund will track and account for items held for Valencia County hospital that has been levying taxes from taxpayers.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities and Net Position or Fund Equity

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

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

Investments for the County are reported at fair value. The LGIP 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 or between proprietary 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. Property tax receivables are recognized when levied net of estimated refunds and uncollectible amounts, if applicable. Based upon management's estimate, all receivables are deemed fully collectible.

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 November 10th and April 10th are considered delinquent and the County may assess penalties and interest. The taxes attach as an enforceable lien on property thirty (30) days thereafter, at which time they become delinquent.

Prepaid Items: Prepaid expenditures include insurance and contract payments to vendors and reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Inventory: Sierra County values inventory at lower of cost or market value. The method that the County uses is the consumption approach. Under the consumption approach, governments report inventories they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories actually are consumed.

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

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type 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. Sierra County was a Phase I government for purposes of implementing GASB Statement No. 34. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets (retroactive to 1980) is included as part of the governmental capital assets reported in the government-wide statements. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.2.20.1.9 C (5). Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Building	20-50 years
Improvements	10-50 years
Machinery and Equipment	03-10 years
Infrastructure	25-75 years
Software and Library	05-50 years

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Deferred Revenues: There are two types of deferred revenue. Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for deferred revenue (commonly referred to as unearned revenue). The other type of deferred revenue is "unavailable revenue." Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. It must also be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period). 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 liability for deferred revenue.

Deferred Outflows/Inflows of Resources. In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a recognized consumption of net position that applies to future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. Also, in addition to liabilities, the statement of financial position will sometimes report a separate section for *deferred inflows of resources*, represents an acquisition of net position that applies to future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The county reports deferred outflows for the deferred amount on bond refunding. Deferred inflows are reported in the governmental funds regarding property taxes and unavailable HUD revenue. These amounts are deferred and recognized as an inflow of resources in that period that the amounts become available.

Compensated Absences: Qualified employees are entitled to accumulate annual leave according to a graduated annual leave schedule. Depending on the length of service, employees may accrue 15 to 18 days per year. Annual leave may be accumulated from year to year up to a maximum of 30 days. Annual leave balances in excess of 30 days as of December 31 of any calendar year will be lost. The employee or the employee's estate will be paid for each day of the unused annual leave at the time of the employee's voluntary or involuntary termination, retirement, death, or total disability up to a maximum of 30 days plus the number of days accrued and unused during the current calendar year.

Qualified employees are entitled to accumulate sick leave at a rate of 12 days per year. There is an accrual limitation of 75 hours. Upon separation or retirement of an employee who has served five or more years, the County shall pay the employee a sum equal to 25% of the value of the accumulated and unused sick leave, based on his/her average rate of pay for the preceding 12 months. Part-time employees accrue sick leave on a pro-rata basis. Casual and temporary employees do not accrue sick leave.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities 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 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 fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. There were no bond premiums or discounts at June 30, 2016

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, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

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

Non-spendable Fund Balance: At June 30, 2016, Sierra county did not have any non-spendable fund balance.

Restricted and Committed Fund Balance: At June 30, 2016, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$4,515,015 for various County operations as restricted by enabling legislation.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 cash reserve of 1/12th the Road Special Revenue Fund.

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

- a. Net investment in capital assets: Net position invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position: Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted Net Position: All other net position items that do not meet the definition of "restricted" or "net investment in capital assets"

Interfund Transactions: Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

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

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

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

In December 2015, the GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement establishes criteria that must be met for an external investment pool to be permitted to measure its investments at the amortized cost for financial reporting purposes. This Statement also requires that the pool participants of external investment pools that meet the criteria also report their investments at the amortized cost for financial reporting purposes. External Investment Pools that not meet the requirement are required to follow paragraph 16 of GASB Statement No. 31.

GASB Statement No. 79 requires additional note disclosures to be made in qualifying external investment pools financial statements. The additional note disclosures are also required to be made in the pool participants financial statements. The adoption of GASB Statement No. 79 did not have a significant impact on the District's financial statements.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

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

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

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

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual presents comparisons of the legally adopted budget with actual revenues, expenditures and other financing sources and uses on a budgetary basis.

Since accounting principles applied for purposes of developing revenues and expenditures on the budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), a reconciliation of resultant basis, perspective, equity and timing differences in the net change in fund balances is presented for the year ended June 30, 2016. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on the individual comparison statements.

NOTE 3. DEPOSITS AND INVESTMENTS

State statute authorize the investment of County funds in a wide variety of instruments including certificates of deposit and other similar obligations, the state investment pool, money market accounts, and United States Government obligations. The County is not aware of any invested funds that did not meet the State investment requirements as of June 30, 2016.

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

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

Excess 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.

According to the Federal Deposit Insurance Corporation (FDIC), public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 per respective institution.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Custodial Credit Risk – Custodial credit risk is the risk that in the event of bank failure, the County’s deposits may not be returned to it. The County does not have a policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63 NMSA 1978). New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the County for at least one half of the amount on deposit with the institution. At June 30, 2016, \$0 of the County’s deposits were exposed to custodial credit risk; this uninsured amount was collateralized by collateral held by the pledging bank’s department or agent, not in the County’s name.

Credit Risk – The New MexiGROW Local Government Investment Pool’s (LGIP) investments are valued at fair value based on quoted market prices as of the valuation date. The LGIP is not SEC registered. The New Mexico State Treasurer is authorized to invest the short-term investment funds, with the advice and consent of the State Board of Finance, in accordance with Sections 6-10-10(I) through 6-10-10(P) and Sections 6-10-10.1(A) and (E), NMSA 1978. The LGIP’s investments are monitored by the same policies and procedures that apply to all other state investments. The pool does not have unit shares.

Per Section 6-10-10.1(F), NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the LGIP is voluntary.

As of June 30, 2016, the County had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (WAM)</u>
State of New Mexico LGIP	\$ 300,288	N/A
Money Markets	\$ 99,647	N/A
Money Markets	\$ 115,367	N/A

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

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk – Investments. For an investment, concentration of credit risk is when any one issuer is 5% or more of the investment portfolio of the County. The County holds certificates of deposit approximating 11% of the investment portfolio with one financial institution. Since each institution has pledged collateral on those investments, the additional concentration is not viewed to be an additional risk by the County. The County’s policy related to concentration credit risk is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

The County utilizes pooled accounts for their funds. The General, Special Revenue, Capital Projects, and Agency Funds are all in multiple accounts. Separate accounts also exist for Sheriff’s Office confiscation related funds.

NOTE 4. RECEIVABLES

Receivables as of June 30, 2016 consisted of the following; all receivables as of June 30, 2016 were deemed to be fully collectible.

	Governmental Activities
Property taxes:	\$ 589,988
Gross receipts tax:	514,470
Motor Vehicle Taxes:	49,388
Gas Tax:	18,348
County Equalization:	35,034
Interest:	2,689
Due from other governments:	<u>215,479</u>
Total receivables	\$ <u>1,425,396</u>

Property taxes receivable in the amount of \$589,988 reported on the Statement of Net Position, at June 30, 2016, includes \$318,295 that is not considered a current economic resource; therefore, excluded from the Statement of Revenues, Expenditures and Changes in Fund Balances.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

<u>Governmental Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 1,130	(1,331,273)
Road Fund	274,098	
Non-Major Governmental Funds	1,262,366	(206,321)
	<u>\$ 1,537,594</u>	<u>(1,537,594)</u>

The County has interfund loans for the purpose of providing cash to grant funds that must expend funds in order to get reimbursements.

The composition of interfund balances as of June 30, 2016 is as follows:

<u>Governmental Funds</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 207,913	
Road		99,810
Non-Major Funds	87,012	195,115
	<u>\$ 294,925</u>	<u>294,925</u>

All interfund receivables are expected to be repaid within one year.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 6. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

	Restated Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016
Governmental Activities				
Capital Assets not being depreciated				
Land and Improvements	\$ 1,295,120	-	-	1,295,120
Construction in progress	4,039,726	147,281	-	4,187,007
Total capital assets not being depreciated	5,334,846	147,281	-	5,482,127
Capital assets being depreciated				
Road network , levies and bridges	17,820,069	25,000	-	17,845,069
Buildings and improvements	16,676,445	736,723	-	17,413,168
Equipment/Vehicles/Machinery	8,595,802	1,373,766	-	9,969,568
Total capital assets being depreciated	43,092,316	2,135,489	-	45,227,805
Less accumulated depreciation:				
Road network , levies and bridges	13,633,103	68,876	-	13,701,979
Buildings and improvements	7,974,529	623,872	-	8,598,401
Equipment/Vehicles/Machinery	6,359,921	331,523	-	6,691,444
Total accumulated depreciation	27,967,553	1,024,271	-	28,991,823
Total capital assets, depreciated	15,124,765	1,111,218	-	16,235,982
Total Governmental Capital Assets, Net	\$ 20,459,609	1,258,499	-	21,718,110

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

General Government	\$ 112,670
Public Safety	471,165
Highways and Streets	317,524
Health and Welfare	92,184
Culture-recreation	30,728
Total depreciation expense	\$ <u>1,024,271</u>

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 6. CAPITAL ASSETS (CONTINUED)

Other Business-Type activity for the year ending June 30, 2016 was as follows:

	Balance			Balance
	June 30, 2015	Additions	Deletions	June 30, 2016
Business-Type Activities				
Capital Assets not being depreciated				
Land and Improvements	\$ 3,975	-	-	3,975
Total capital assets not being depreciated	3,975	-	-	3,975
Capital assets being depreciated				
Equipment/Vehicles/Machinery	338,659	-	-	338,659
Total capital assets being depreciated	338,659	-	-	338,659
Less accumulated depreciation:				
Equipment/Vehicles/Machinery	305,714	32,945	-	338,659
Total accumulated depreciation	305,714	32,945	-	338,659
Total capital assets, net of depreciation	\$ 36,920	(32,945)	-	3,975

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 7. LONG-TERM DEBT

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

	Balance June 30, 2015	Additions	Deletions	Balance June 30,2016	Due Within One Year
NMFA loans:					
SIERRACTY 5	\$ 128,748	-	12,576	116,172	13,085
SIERRACTY 3	30,404	-	3,345	27,059	3,353
SIERRACTY 6	157,845	-	16,335	141,510	16,594
SIERRACTY 7	9,989	-	9,989	-	
SIERRACTY 8	4,031,954	-	169,636	3,862,318	176,114
SIERRACTY 13	335,655	-	19,164	316,491	19,180
SIERRACTY 15	325,872	-	15,035	310,837	15,212
SIERRACTY 16	69,988	-	13,766	56,222	13,666
SIERRACTY 17	110,898	-	17,294	93,604	17,671
SIERRACTY 18	32,577	-	16,288	16,289	16,289
SIERRACTY 19	4,295,000	-	215,000	4,080,000	220,000
SIERRACTY 20	160,210	-	4,589	155,621	5,486
SIERRACTY 21	36,563	-	6,056	30,507	6,071
Accrued compensated absences	94,761	66,535	40,577	120,719	
Total Long Term Debt	\$ 9,820,464	66,535	559,650	9,327,349	522,721

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 7. LONG-TERM DEBT (CONTINUED)

NMFA Revenue Notes

The County 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.

Description	Date of Issue	Term	Interest Rate	Original Amount of Issue	Balance June 30, 2016
Arrey/Derry VFD	8/1/2004	5/1/2024	1.54%	244,591	116,172
Lakehore F.D.	6/9/2003	5/1/2024	0%	66,550	27,059
Lakehore VFD	1/2/2004	5/1/2024	3.059%	321,572	141,510
PPRF Disadvantaged Program	9/29/2007	5/1/2032	4.101%	5,075,223	3,862,318
Monticello FD	3/18/2009	5/1/2029	3.713%	440,666	316,491
Poverty Creek VFD	10/20/2008	5/1/2031	4.109%	400,954	310,837
Fire station	12/30/2010	5/1/2020	.762%	124,338	56,222
Hillsboro FD	11/1/2012	5/1/2021	2.602%	177,625	93,604
Law enforcement protection fund	7/25/2012	5/1/2017	0%	65,154	16,289
Sierra County Hospital	11/30/2012	5/1/2032	2.785%	4,985,000	4,080,000
Arrey Derry - Fire truck Loan	1/1/2013	5/1/2028	2.8567	161,210	155,621
DetentionCenter Renovations	11/1/2003	5/1/2021	0%	108,000	30,507
Total NMFA Revenue Notes				\$ 12,170,883	9,206,630

The annual requirements to amortize the NMFA Revenue Notes as of June 30, 2016, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2017	\$ 522,721	332,236	854,957
2018	516,020	319,605	835,625
2019	526,234	305,716	831,950
2020	542,897	290,515	833,412
2021	544,376	274,135	818,511
2022-2026	2,808,270	1,089,928	3,898,198
2027-2031	3,113,855	521,865	3,635,720
2032	632,257	26,755	659,012
	\$ 9,206,630	3,160,755	12,367,385

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016**

NOTE 7. LONG-TERM DEBT (CONTINUED)

Compensated Absences – Employees of the County are able to accrue a limited amount of vacation and other compensatory time during the year. During the fiscal year ended June 30, 2016, compensated absences increased \$25,958 from the prior year accrual.

NOTE 8. LEASES

Operating Leases

The County leases equipment under cancelable operating leases. The total costs for such leases were approximately \$44,199 for the year ended June 30, 2016. The future minimum lease payments for these leases are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Payment</u>
2017	\$ 29,186
2018	22,429
2019	21,078
2020	21,078
Thereafter	10,539

NOTE 9. ACCRUED EXPENSES

At June 30, 2016, accrued expenses consisted of the following:

	<u>Governmental Activities</u>
Accruals Payroll and Benefits	\$ 16,191
	<u>\$ 16,191</u>

STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIAL STATEMENTS
June 30, 2016

NOTE 10. LANDFILL CLOSURE AND POSTCLOSURE CARE

The County stopped accepting solid waste at its landfill in 2010. State law, federal law and various regulations require that the County perform certain maintenance and monitoring functions at the landfill for 30 years after closure. The estimated liability for the County’s landfill post-closure care was \$61,200 as of June 30, 2016. These estimates may change in the future due to inflation or deflation, changes in technology, and applicable laws or regulations governing landfill post-closure care.

Estimated closure and post-closure costs	\$ 673,363
Landfill capacity utilized	100%
Difference between PY15 and CY16 Estimate	<u>(612,163)</u>
Remaining post-closure liability	<u>\$ 61,200</u>

NOTE 11. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions injuries to employees; and natural disasters. The County has joined together with other agencies in the State and obtained insurance through the New Mexico Self Insurers Fund, a public risk pool currently operating as a common risk management and insurance program for local governments. The County pays an annual premium to New Mexico Self Insurers Fund for its general insurance coverage. No losses in excess of insurance coverage have been experienced.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2016**

NOTE 12. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

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

Deficit fund balance of individual funds. The following fund reflected a deficit fund balance as of June 30, 2016:

<u>Fund</u>	<u>Deficit Balance</u>
Mandatory UA's Fund 507	(112)
Total Fund Deficit	\$ (112)

The County plans to collect grant revenues and reduce or eliminate negative fund balances. Additionally, the County incurred more expenditures than revenues received in the current year. The County anticipates these fund balances will not be in the deficit state in subsequent years.

- A. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2016:

<u>Fund</u>	<u>Excess of Expenditures over Appropriations</u>
Hospital GRT Fund 221	(20,413)
	<u>(20,413)</u>

The County plans to monitor, more closely, budget to actual activity and make required adjustments.

NOTE 13. RETIREE HEALTH CARE ACT CONTRIBUTIONS

The County does not participate in the Retiree Health Care Act.

NOTE 14. CONTINGENT LIABILITIES

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

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2016**

NOTE 15. FUTURE COMMITMENTS

The County has contracts and grant awards for construction projects in various stages of completion. Such contracts, funded principally by federal and state agencies, constitute future commitments.

NOTE 16. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT

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

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

Benefits provided: For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2015 available at http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2014.pdf.

Contributions: The contribution requirements of defined benefit plan members and the County are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY15 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY15 annual audit report at http://osanm.org/media/audits/366_Public_Employees_Retirement_Association_2014.pdf. The PERA coverage options that apply to County are Municipal Plan 2 and Municipal Police Plan 5. Statutorily required contributions to the pension plan from the County were \$267,493 and employer paid member benefits that were “picked up” by the employer were \$0 for the year ended June 30, 2016.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2016**

NOTE 16. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)

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

For PERA Fund Division Municipal Plan 2, at June 30, 2016, the County reported a liability of \$2,569,358 for its proportionate share of the net pension liability. At June 30, 2014, the County's proportion was 0.2520% percent.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2016**

NOTE 16. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)

For the year ended June 30, 2016, the County recognized PERA Fund Division Municipal Plan 2 pension expense of \$74,718. At June 30, 2016, the County reported PERA Fund Division Municipal Plan 2 deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	56,912
Changes in assumptions	-	1,001
Net difference between projected and actual earnings on pension plan investments	-	8,128
Changes in proportion and differences between County's contributions and proportionate share of contributions	-	76,248
County's contributions subsequent to the measurement date	<u>173,446</u>	<u>-</u>
Total	<u><u>173,446</u></u>	<u><u>142,289</u></u>

\$173,446 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	(68,052)
2018	(68,052)
2019	(68,052)
2020	346,445
2021	-
Thereafter	-

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2016**

NOTE 16. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)

For PERA Fund Division Municipal Police Plan 4, at June 30, 2016, the County reported a liability of \$1,015,087 for its proportionate share of the net pension liability. At June 30, 2015, the County's proportion was 0.2111% percent.

For the year ended June 30, 2016, the County recognized PERA Fund Division Municipal Police Plan 4 pension expense of \$64,908. At June 30, 2016, the County reported PERA Fund Division Municipal Police Plan 5 deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 70,930	
Changes in assumptions	-	41,996
Net difference between projected and actual earnings on pension plan investments	-	2,816
Changes in proportion and differences between County's contributions and proportionate share of contributions	-	7,468
County's contributions subsequent to the measurement date	<u>94,047</u>	<u>-</u>
Total	<u>\$ 164,977</u>	<u>52,280</u>

\$94,047 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	(8,643)
2018	(8,643)
2019	(8,643)
2020	8,209
2021	-
Thereafter	-

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2016**

NOTE 16. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)

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

Actuarial valuation date	June 30, 2014
Actuarial cost method	Entry age normal
Amortization method	Level of percentage pay
Amortization period	Solved for based on statutory rates
Asset valuation method	Fair value
Actuarial assumptions	
Investment rate of return	7.75% annual rate, net of investment expense
Payroll growth	3.50% annual rate
Projected salary increases	3.50% to 14.25% annual rate
Includes inflation at	3.00% annual rate

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

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

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2016**

NOTE 16. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)

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

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

PERA Fund Division Municipal Plan 2

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
County’s proportionate share of the net pension liability	<u>\$ 4,374,598</u>	<u>2,569,358</u>	<u>1,068,424</u>

PERA Fund Division Municipal Police Plan 5

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
County’s proportionate share of the net pension liability	<u>\$1,676,355</u>	<u>1,015,087</u>	<u>472,623</u>

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

Payables to the pension plan: The County accrued \$11,208 in PERA benefits at June 30, 2016 for the pay period beginning June 26, 2016, and ending July 9, 2016.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2016**

NOTE 17. JOINT POWERS AGREEMENTS, MEMORANDUMS OF UNDERSTANDING AND AGREEMENTS

A JPA exists between The New Mexico Energy, Minerals and natural resources department and Sierra County. EMNRD is responsible for suppression of all wildland fires on non-federal and non-municipal lands. The beginning date is 4/2/2013; either party may terminate this Agreement upon written notice delivered to the other at least 10 days prior to the intended termination date.

A JPA exists between The County of Sierra and The City of Truth of Consequences to provide, through Animal Control Officers, control of dogs and other animals and enforce of the County's Animal Control regulations. The beginning date is 5/13/2014 and this JPA shall remain in effect for three (3) years until it is terminated pursuant to the terms of this JPA.

A JPA exists between The County of Sierra New Mexico, The Sierra County New Mexico detention center administrator, and The City of Truth or Consequences, New Mexico. The purpose of this contract is to provide proper housing and care of the City of Truth or Consequences' adult prisoners in the Sierra County Detention Center, due to lack of an adult detention facility owned by the City. The term of this JPA is 7/1/2015 to 7/1/2016.

An MOU exists between The County of Sierra New Mexico, The Sierra County New Mexico detention center administrator, and The City of Truth or Consequences, New Mexico. The Purpose of this MOU is to provide proper housing and care of Williamsburg's adult prisoners in the County of Sierra for the rate of \$95.00 per Williamsburg Prisoner per day or any fraction thereof, based on the billing cycle of which starts at the time of booking. This MOU begins 7/1/2016 and ends 7/1/2016.

A JPA exists between Sierra County, City of Truth of Consequences, The Village of Williamsburg, and The City of Elephant Butte. The parties desire to cooperate with each other to the fullest extent allowed by law in order to establish and provide for a centralized communications center to expedite and improve public safety related communications dispatch functions in all political subdivisions jurisdictions. This JPA started 8/13/2003; the term of this Agreement shall be perpetual, unless terminated as herein provided. Any of the parties may terminate this Agreement at any time later than 2 years from its inception, provided that written notice is given to all other parties to the Agreement and the SCRDA at least 1 year prior to the proposed termination date.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2016**

NOTE 17. JOINT POWERS AGREEMENTS, MEMORANDUMS OF UNDERSTANDING AND AGREEMENTS (Continued)

A JPA exists between the County of Sierra (County), a political subdivision; the City of Truth of Consequences (City/T or C), a municipal corporation; the City of Elephant Butte (City/Elephant Butte), a municipal corporation, and the Village of Williamsburg (Village). The purpose of the Agreement is to provide intergovernmental cooperation between the County, the two (2) Cities, and the Village, in creating and funding the "Sierra County Regional Dispatch Authority" ("SCRDA") a public safety answering point (PSAP) for the centralized dispatching of area law enforcement and emergency services, and to allow entry by other political subdivisions or municipal corporations into this Joint Powers Agreement. The parties to this agreement understand that providing emergency 911 dispatch services by SCRDA as a PSAP is necessary to provide for the health, welfare and citizens of their respective agencies. This JPA started 8/4/2015; this agreement may be terminated at any time by agreement of all of the member entities, or by withdrawal of all the member entities.

A JPA exists between The County of Sierra ("Sierra") and the Village of Williamsburg ("Village") to provide Williamsburg with a Certified Flood plan manager. This JPA began 5/16/2007; this JPA may be terminated by either party upon ninety (90) days written notice delivered to the other.

A JPA exists between The County of Sierra and the City of Elephant Butte. The County of Sierra wishes to cooperate with the City of Elephant Butte to improve the various streets by chip-sealing. The County Road Superintendent has set the fee at \$16,500.00 /mi prorated for each portion. This JPA began 4/1/2004, This agreement shall continue indefinitely until terminated by either party upon thirty (30) days written notice of intent to terminate with the other party hereto, or until the provision of the construction services envisioned in this Agreement are complete.

A JPA exists between the Village of Williamsburg and Sierra County. The Village of Williamsburg Governing Body entered into a JPA in FY 2000/2001, with the Sierra County Commission and Sheriff, to provide the Citizens of Williamsburg Law Enforcement Coverage. This JPA began 10/2/2000; termination of this agreement may be made by either party by providing the other party formal notice of intent to terminate not less than sixty (60) days from the date of notice.

A JPA exists between Dona Ana and Sierra County. This JPA between Dona Ana County and Sierra County for the construction of Kite Rd. Sierra requires the assistance of Dona Ana in constructing a portion of a roadway within its boundaries known as Kite Road. This JPA began on or around October 12, 1999. The date DFA signed the agreement was not apparent in the documents. Either party may terminate this Agreement without cause upon thirty (30) days written notice

A JPA exists between City of Truth or Consequences (City), a municipal corporation; and the Village of Williamsburg (Village). The purpose of this Join Powers agreement is for a consolidated communications/dispatch center. This JPA began 1/23/1995 and shall be perpetual, unless terminated by either party.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2016**

NOTE 17. JOINT POWERS AGREEMENTS, MEMORANDUMS OF UNDERSTANDING AND AGREEMENTS (Continued)

A JPA exists between Catron County, Hidalgo County, Lincoln County, Luna County, Sierra County, Socorro County, Torrance County, Apache County, Cochise County, Graham County, Greenlee County. The parties enter into this Joint Powers Agreement in order to provide for mutual and common efforts regarding the preparation. Each of the counties shall have exclusive control over what litigation their money will be expended on. In other words, each county board will vote on what specific legislation they will donate money towards and the Joint Powers Group will not expend those monies for any other purpose. This JPA began 6/9/1993 and shall continue indefinitely, until terminated by the parties.

A JPA exists between the Energy, Minerals and Natural Resources department, Forestry Division and Sierra County. This Agreement for Wildland Fire Protection and Suppression's purpose is to document EMNRD's and the County's agreement and commitment to mutual wildland fire suppression and management assistance and cooperation. This JPA began 11/17/2009 and shall be ongoing unless terminated.

A JPA exists between City of Truth or Consequences and the County of Sierra. This agreement is for the Sierra County Solid Waste joint powers landfill agreement. The parties to this agreement understand that they shall be responsible for all costs and any liabilities, including closure and post-closure costs, stemming from their respective existing facilities and as such, hold the other harmless from such costs and liability. This agreement began 12/23/2009 and shall continue indefinitely, unless terminated as provided herein.

A JPA exists between the County of Sierra and the County of Socorro. This Joint powers agreement is for the maintenance of county owned and maintained roads which cross Sierra and Socorro boundaries. This JPA began 8/13/2010 and shall remain in effect until it is terminated pursuant to the terms of this JPA.

A JPA exists between the Elephant Butte Irrigation District, Sierra County, the City of Anthony, the Village of Hatch, the Dona Ana Soil and Water Conservation District, the Caballo Soil and Water Conservation District, the Sierra Soil and Water Conservation District, the Office of the Dona Ana County Flood Commissioner, and the Office of the Sierra County Flood Commissioner. The parties to this Agreement desire to establish the South-Central New Mexico Storm water Management Coalition to address areas of common concern with respect to storm water management and flood control. This JPA began 1/2/2012 and the term of this Agreement shall be indefinite.

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2016**

NOTE 17. JOINT POWERS AGREEMENTS, MEMORANDUMS OF UNDERSTANDING AND AGREEMENTS (Continued)

A JPA exists between the County of Grant, County of Catron, County of Hidalgo, County of Luna, County of Sierra, and the County of Otero. The purpose of the Agreement shall be to bring together the Southwest New Mexico counties to address local issues with federal, state and local resource agencies in planning and management regarding resource issues and opportunities in order to secure and protect the health, safety and welfare of the citizens within the SWCCA authority. This JPA began 7/24/2012 and the end date is not specified.

NOTE 18. FEDERAL AND STATE GRANTS

In the normal course of operations, the County receives grant funds from various federal and state agencies. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. The County expects any liability for reimbursement which may arise as a result of these audits to be immaterial.

NOTE 19. CONCENTRATIONS

The County depends on financial resources flowing from, or associated with, both the Federal Government and the State of New Mexico. Because of this dependency, the County is subject to changes in the specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State appropriations.

NOTE 20. NET POSITION

In the Statement of Net Position, \$4,515,015 of net position is reported as restricted, all of which is restricted by enabling legislation.

Capital Projects	\$	71,153
Special Revenue		<u>4,443,862</u>
	\$	<u>4,515,015</u>

**STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2016**

NOTE 21. NEW ACCOUNTING PRONOUNCEMENTS

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

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

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

GASB Statement No. 77, *Tax Abatement Disclosures*

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

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

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2016

Statement A-1

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
County's Proportion of the Net Pension Liability (Asset)	0.48%	0.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
County's Proportionate Share of Net Pension Liability (Asset)	\$ 2,763	3,584	-	-	-	-	-	-	-	-
County's Covered-Employee Payroll	\$ 2,558	2,023	-	-	-	-	-	-	-	-
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	108.01%	177.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.29%	76.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2014

STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF COUNTY CONTRIBUTIONS
JUNE 30, 2016

Statement A-2
(Page 1 of 3)

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 258	267	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	258	267	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods									
			2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
2014	\$ 1,125	5	281	281	281	282	-	-	-	-	-	-
2015	\$ (124)	5		77	77	76	(354)	-	-	-	-	-
2016	-	5				-	-	-	-	-	-	-
2017	-	5					-	-	-	-	-	-
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ 1,001		281	358	358	358	(354)	-	-	-	-	-

*Excess contributions represent the employee portion covered by the employer

STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF COUNTY CONTRIBUTIONS
JUNE 30, 2016

Statement A-2
(Page 2 of 3)

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 179	173	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	179	173	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	Increase (Decrease) in Pension Expense over Recognition Periods									
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 809	5	-	202	202	202	203	-	-	-	-	-
2015	\$ (142)	5	-	-	68	68	68	(346)	-	-	-	-
2016	-	5	-	-	-	-	-	-	-	-	-	-
2017	-	5	-	-	-	-	-	-	-	-	-	-
2018	-	5	-	-	-	-	-	-	-	-	-	-
2019	-	5	-	-	-	-	-	-	-	-	-	-
2020	-	5	-	-	-	-	-	-	-	-	-	-
2021	-	5	-	-	-	-	-	-	-	-	-	-
2022	-	5	-	-	-	-	-	-	-	-	-	-
2023	-	5	-	-	-	-	-	-	-	-	-	-
	\$ 667		\$ -	202	270	270	271	(346)	-	-	-	-

*Excess contributions represent the employee portion covered by the employer

STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF COUNTY CONTRIBUTIONS
JUNE 30, 2016

Statement A-2
(Page 3 of 3)

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Contractually Required Contribution	\$ 79	94	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	79	94	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 316	5	-	79	79	79	79	-	-	-	-	-
2015	\$ 18	5	-	-	9	9	8	(8)	-	-	-	-
2016	\$ -	5	-	-	-	-	-	-	-	-	-	-
2017	\$ -	5	-	-	-	-	-	-	-	-	-	-
2018	\$ -	5	-	-	-	-	-	-	-	-	-	-
2019	\$ -	5	-	-	-	-	-	-	-	-	-	-
2020	\$ -	5	-	-	-	-	-	-	-	-	-	-
2021	\$ -	5	-	-	-	-	-	-	-	-	-	-
2022	\$ -	5	-	-	-	-	-	-	-	-	-	-
2023	\$ -	5	-	-	-	-	-	-	-	-	-	-
	\$ 324		\$ -	79	88	88	87	(8)	-	-	-	-

*Excess contributions represent the employee portion covered by the employer

STATE OF NEW MEXICO
SIERRA COUNTY
NOTES TO PENSION REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016

Changes of Benefit Terms. The PERA and COLA and retirement eligibility benefits changes in recent years are described in Note 1 (pages 48-50). This report is available at:

<http://www.nmpera.org/assets/uploads/downloads/comprehensive-annual-financial-reports/CAFR-2015.pdf>

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

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

The assumptions can be found in Appendix B on page 53 of the report.

Other. The pension schedules in the required supplementary information are intended to show information for ten years. Additional information will be presented as it becomes available.

SUPPLEMENTARY INFORMATION

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

SPECIAL REVENUE FUNDS

Mednet Emergency Medical Services 206 – To account for revenues, grants received, and expenditures incurred in providing emergency medical services to County residents. Sources of funds are the State of New Mexico Health and Environment Department, Emergency Medical Services Bureau. Authority is NMSA 24-10A-1 to 24-10A-10.

Fire Departments 209 - To account for grants received and expenditures incurred in providing fire protection to residents. Financing is provided from the County's share of fire allotment issued by the State Fire Marshall under NMSA 59-53-1. Such revenue provides for payment of all current operating costs and may be used only for that purpose. Expenditures related to emergency medical services, funded in part by state grants under the Authority of NMSA 24-10A-1 to 24-10A-10 are accounted for in the individual fire funds.

Law Enforcement Protection 211 – To account for the operations of a grant from the State of New Mexico through Law Enforcement Protection Fund Act for the purpose of maintenance and improvement of law enforcement equipment, and may be used only for that purpose. Authority is NMSA 23-13-1.

Hospital GRT 221 – To account for funds provided by New Mexico Emergency County Hospital gross receipts tax. The Authority is a local ordinance to assess the gross receipts tax.

DWI Fund 223 - To account for the activities associated with the DWI prevention program.

Farm and Range Fund 403 – To account for the operations of farm and range activities, including soil and water conservation, rodent and predatory animal control, poisonous and noxious weed control, and livestock parasite control. Financing is primarily from state-shared revenues through the Taylor Grazing Act. Authority is NMSA 6-11-6.

Recreation Fund 404 – To account for the operations and maintenance of County-owned recreation facilities. Financing is provided by the County's share of cigarette tax. State law requires the use of these cigarette taxes to be used for recreation purposes. The authority to create this fund was given by New Mexico Statute 7-12-15.

Landfill Fund 405 - The County is required to place a final cover on the landfill site when it stops accepting waste and to perform maintenance and monitor functions at the site for thirty years. The County reports a portion of the closure and post-closure care costs as an operating expense.

County Indigent Fund 406 – To account for expenditures incurred in providing services for the care of indigent. Financing is provided by the County's share of gross receipts tax and may be used for that purpose. Authority NMSA 24-10A-1.

Road Grant Fund 416- to account for activities in maintaining the County roads.

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

SPECIAL REVENUE FUNDS (CONTINUED)

State Capital Projects Fund 417 - To account for monies from the State of New Mexico for specific projects designated by the state.

State Capital Appropriations Fund 418 - To account for monies authorized from the State of New Mexico.

Community Projects Fund 419 - Sierra County has a contract with the City of T or C for the Animal Shelter and has a contract with City of T or C for animal control calls as the County does not have an animal control officer.

County Reappraisal Fund 422 – To account for the operations of a fund to help with reappraisal of County property to ensure valuation reflects current fair market value. Financing is provided by retainage of 1% of tax collections. Authority NMSA 7-38-38-1.

Lodgers' Tax Fund 477 – To account for collections of a lodgers' tax, the proceeds of which are used for advertisement of local attractions. Authority NMSA 3-38-13 to 3-38-24.

Sierra Valley Hospital Fund 501 - To support functions of the Sierra Valley Hospital's projects and operations.

Legislative Appropriations Fund 502 - The County receives funding from the State of New Mexico.

Internal Capital Improvements 506 – To account for capital projects established by the County Commissioners.

Mandatory UA's Fund 507 - Funding is received from the clients on probation.

Mental Health Fund 548 - To account for resources to be utilized in the assistance and goals of promoting mental health and assisting those in need of said services.

Juvenile Detention Fund 549 – To account for the resources to be utilized to enhance juvenile probation. Authority is the County Commission.

Correction Fees 605 – To account for fees assessed for the housing of prisoners and is used for maintenance of the County jail. Authorization is New Mexico Department of Finance and Administration.

Corrections Fund 606 – To account fiscal activities related to corrections and other activities associated.

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

SPECIAL REVENUE FUNDS (CONTINUED)

Flood Commission Fund 627– To account for taxes levied on property in Sierra County to establish the Office of County Flood Commissioner as authorized in Section 4-50-1 NMSA 1978 and County Resolution 88- 069.

EMS COMM GRT 609 – To account for funds provided for Emergency Medical Service Communication gross receipts tax. The Authority is a local ordinance to assess the gross receipts tax.

Clerk Equipment Fee Fund 624 – to account for fees collected by the County Clerk to be used exclusively for the purchase of capital assets for the Clerk’s Office, as authorized by the New Mexico State Statutes (NMSA 14-8-12.2B).

EMO Homeland Security Fund 629 - to account for Federal and State grants.

Emergency 911 Fund 634 – To account for funds provided by the State of New Mexico under the Enhanced 911 Act (NMSA 1978 Sections 63-9D-1). To be used to improve the physical addressing and provide faster responses in case of emergency.

Treasurer Fee Fund 635 – to account for fund generated from fees charged by the

Road Department FEMA Fund 639-to account for Federal money in maintaining the County roads.

Flood Commission FEMA Fund 640-to account for Federal money to be used for repairs and or prevention of flood related projects.

Fire Department FEMA Fund 641- Reimbursed from FEMA

**STATE OF NEW MEXICO
SIERRA COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2016**

	Special Revenue			
	EMS	Fire Protection	Law Enforcement	Hospital
	206	209	211	GRT 221
ASSETS				
Cash and cash equivalents	\$ 47,362	669,593	27,320	439,799
Property taxes receivable	-	-	-	80,934
Other taxes receivable	-	-	-	93,614
Interest receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 47,362</u>	<u>669,593</u>	<u>27,320</u>	<u>614,347</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
<i>Liabilities</i>				
Accounts payable	\$ -	33,667	-	-
Accrued expenses	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>33,667</u>	<u>-</u>	<u>-</u>
<i>Deferred Inflows</i>				
Property taxes	-	-	-	54,295
<i>Total deferred inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,295</u>
<i>Fund balances</i>				
<i>Spendable</i>				
<i>Restricted for:</i>				
Special revenue	47,362	635,926	27,320	560,052
Capital projects	-	-	-	-
Debt service expenditures	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balance (Deficit)</i>	<u>47,362</u>	<u>635,926</u>	<u>27,320</u>	<u>560,052</u>
<i>Total liabilities, deferred Inflows and fund balances</i>	<u>\$ 47,362</u>	<u>669,593</u>	<u>27,320</u>	<u>614,347</u>

See Notes to Financial Statements.

Special Revenue

DWI 223	Farm and Range 403	Recreation 404	County Indigent 406	Road Grant 416
-	-	-	676,661	147,657
-	-	-	-	-
-	-	-	93,610	-
-	-	-	-	-
19,269	-	-	-	-
-	-	-	-	-
19,269	-	-	770,271	147,657
-	-	-	34,236	-
-	-	-	-	-
4,925	-	-	-	-
4,925	-	-	34,236	-
-	-	-	-	-
-	-	-	-	-
14,344	-	-	736,035	147,657
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
14,344	-	-	736,035	147,657
19,269	-	-	770,271	147,657

**STATE OF NEW MEXICO
SIERRA COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2016**

	Special Revenue			
	State Capital Projects 417	Community Projects 419	County Appraisal 422	Lodgers Tax 477
ASSETS				
Cash and cash equivalents	\$ 198,524	-	75,123	5,724
Property taxes receivable	-	-	176	-
Other taxes receivable	-	-	-	-
Interest receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	\$ 198,524	-	75,299	5,724
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
<i>Liabilities</i>				
Accounts payable	\$ -	-	-	-
Accrued expenses	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	-	-	-	-
Deferred Inflows				
Property taxes	-	-	-	-
<i>Total deferred inflows</i>	-	-	-	-
<i>Fund balances</i>				
Spendable				
Restricted for:				
Special revenue	198,524	-	75,299	5,724
Capital projects	-	-	-	-
Debt service expenditures	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balance (Deficit)</i>	198,524	-	75,299	5,724
<i>Total liabilities, deferred inflows and fund balances</i>	\$ 198,524	-	75,299	5,724

See Notes to Financial Statements.

Special Revenue

Sierra Valley Hospital 501	Legislative Appropriations 502	Internal Capital Improvements 506	Mandatory UA's 507	Mental Health 548
3,513	-	66,304	-	14,711
-	-	-	-	-
-	-	-	-	3,362
-	-	-	-	-
-	196,210	-	-	-
72,938	-	-	-	-
76,451	196,210	66,304	-	18,073
-	-	-	-	-
-	-	-	-	-
-	190,078	-	112	-
-	190,078	-	112	-
-	-	-	-	-
-	-	-	-	-
76,451	6,132	66,304	-	18,073
-	-	-	-	-
-	-	-	-	-
-	-	-	(112)	-
76,451	6,132	66,304	(112)	18,073
76,451	196,210	66,304	-	18,073

**STATE OF NEW MEXICO
SIERRA COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2016**

	Special Revenue			
	Juvenile Detention 549	Correction 605	Emergency Comm GRT 606	EMS Comm GRT 609
ASSETS				
Cash and cash equivalents	\$ 14,000	77,788	64,385	3,678
Property taxes receivable	-	-	-	-
Other taxes receivable	-	46,772	79,840	840
Interest receivable	-	-	-	-
Due from other governments	-	-	-	-
Due from other funds	-	14,074	-	-
<i>Total assets</i>	<u>\$ 14,000</u>	<u>138,634</u>	<u>144,225</u>	<u>4,518</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
<i>Liabilities</i>				
Accounts payable	\$ -	75,900	-	-
Accrued expenses	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>75,900</u>	<u>-</u>	<u>-</u>
Deferred Inflows				
Property taxes	-	-	-	-
<i>Total deferred inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Spendable				
Restricted for:				
Special revenue	14,000	62,734	144,225	4,518
Capital projects	-	-	-	-
Debt service expenditures	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balance (Deficit)</i>	<u>14,000</u>	<u>62,734</u>	<u>144,225</u>	<u>4,518</u>
<i>Total liabilities, deferred inflows and fund balances</i>	<u>\$ 14,000</u>	<u>138,634</u>	<u>144,225</u>	<u>4,518</u>

See Notes to Financial Statements.

Special Revenue

Clerk Recording and Filing Fees 624	EMO Homeland Security 629	Emergency 911 634	Treasurer Fee 635	Road Dept FEMA 639
90,410	2,516	255,165	26,474	74,486
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
90,410	2,516	255,165	26,474	74,486
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
90,410	2,516	255,165	26,474	74,486
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
90,410	2,516	255,165	26,474	74,486

**STATE OF NEW MEXICO
SIERRA COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2016**

	Special Revenue		
	Flood Commission FEMA 640	Fire Dept FEMA 641	Secure Rural Schools 642
ASSETS			
Cash and cash equivalents	\$ 215,691	100	-
Property taxes receivable	-	-	-
Other taxes receivable	-	-	-
Interest receivable	-	-	-
Due from other governments	-	-	-
Due from other funds	-	-	-
<i>Total assets</i>	<u>\$ 215,691</u>	<u>100</u>	<u>-</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
<i>Liabilities</i>			
Accounts payable	\$ 74,993	-	-
Accrued expenses	-	-	-
Due to other funds	-	-	-
<i>Total liabilities</i>	<u>74,993</u>	<u>-</u>	<u>-</u>
Deferred Inflows			
Property taxes	-	-	-
<i>Total deferred inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Spendable			
Restricted for:			
Special revenue	140,698	100	-
Capital projects	-	-	-
Debt service expenditures	-	-	-
Unassigned	-	-	-
<i>Total fund balance (Deficit)</i>	<u>140,698</u>	<u>100</u>	<u>-</u>
<i>Total liabilities, deferred Inflows and fund balances</i>	<u>\$ 215,691</u>	<u>100</u>	<u>-</u>

See Notes to Financial Statements.

<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
State Capital Appropriations 418	
71,153	3,268,137
-	81,110
-	318,038
-	-
-	215,479
-	87,012
<u>71,153</u>	<u>3,969,776</u>
-	218,796
-	-
<u>-</u>	<u>195,115</u>
<u>-</u>	<u>413,911</u>
-	54,295
<u>-</u>	<u>54,295</u>
71,153	3,501,682
-	-
-	-
-	(112)
<u>71,153</u>	<u>3,501,570</u>
<u>71,153</u>	<u>3,969,776</u>

STATE OF NEW MEXICO
SIERRA COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2016

	Special Revenue			
	EMS 206	Fire Protection 209	Law Enforcement Protection 211	Hospital GRT 221
Revenues				
Property taxes	\$ -	-	-	582,162
Gross receipts tax	-	-	-	646,620
Gas tax	-	-	-	-
Lodgers tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	41,747	616,861	24,800	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	20,000	-
Miscellaneous	7,750	2,922	25,934	6,978
<i>Total revenues</i>	<u>49,497</u>	<u>619,783</u>	<u>70,734</u>	<u>1,235,760</u>
Expenditures				
Current				
General government	194	-	-	-
Public safety	48,874	328,255	17,896	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	762,387
Culture and recreation	-	-	-	-
Capital outlay	-	7,410	50,922	-
Debt service:				
Principal	-	112,111	16,288	215,000
Interest	-	41,401	-	108,026
<i>Total expenditures</i>	<u>49,068</u>	<u>489,177</u>	<u>85,106</u>	<u>1,085,413</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>429</u>	<u>130,606</u>	<u>(14,372)</u>	<u>150,347</u>
<i>Other Financing Sources (Uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	5,910	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>5,910</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>429</u>	<u>136,516</u>	<u>(14,372)</u>	<u>150,347</u>
<i>Fund balance (Deficit) - beginning of year</i>	<u>46,933</u>	<u>499,410</u>	<u>41,692</u>	<u>409,705</u>
<i>Fund balance (Deficit) - end of year</i>	<u>\$ 47,362</u>	<u>635,926</u>	<u>27,320</u>	<u>560,052</u>

See Notes to Financial Statements.

Special Revenue

DWI 223	Farm and Range 403	Recreation 404	County Indigent 406	Road Grant 416
-	-	-	-	-
-	-	-	497,910	-
-	-	-	-	-
-	19,346	-	-	-
132,712	-	-	-	126,088
50,115	-	-	-	-
-	-	-	-	-
103,490	-	-	-	-
30,675	-	-	37,756	-
316,992	19,346	-	535,666	126,088
204,162	-	-	-	-
101,986	-	-	-	-
-	-	-	-	71,956
-	35,591	-	460,207	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
306,148	35,591	-	460,207	71,956
10,844	(16,245)	-	75,459	54,132
-	15,154	(1,132)	-	-
3,500	-	-	-	-
3,500	15,154	(1,132)	-	-
14,344	(1,091)	(1,132)	75,459	54,132
-	1,091	1,132	660,576	93,525
14,344	-	-	736,035	147,657

STATE OF NEW MEXICO
SIERRA COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2016

	Special Revenue			
	State Capital	Community	County	Lodgers
	Projects	Projects	Appraisal	Tax
	417	419	422	477
Revenues				
Property taxes	\$ -	-	-	-
Gross receipts tax	-	-	-	-
Gas tax	-	-	-	-
Lodgers tax	-	-	-	4,963
Federal intergovernmental	-	-	-	-
State intergovernmental	117,814	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	7,952	-	-
Miscellaneous	-	-	81,452	-
<i>Total revenues</i>	<u>117,814</u>	<u>7,952</u>	<u>81,452</u>	<u>4,963</u>
Expenditures				
Current				
General government	-	364,290	70,654	-
Public safety	-	-	-	-
Highways and streets	133,761	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	8,492
Capital outlay	-	-	9,163	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>133,761</u>	<u>364,290</u>	<u>79,817</u>	<u>8,492</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(15,947)</u>	<u>(356,338)</u>	<u>1,635</u>	<u>(3,529)</u>
Other Financing Sources (Uses)				
Transfers in	-	353,441	-	-
Transfers out	-	-	-	500
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>353,441</u>	<u>-</u>	<u>500</u>
<i>Net change in fund balances</i>	<u>(15,947)</u>	<u>(2,897)</u>	<u>1,635</u>	<u>(3,029)</u>
Fund balance (Deficit) - beginning of year	<u>214,471</u>	<u>2,897</u>	<u>73,664</u>	<u>8,753</u>
Fund balance (Deficit) - end of year	<u>\$ 198,524</u>	<u>-</u>	<u>75,299</u>	<u>5,724</u>

See Notes to Financial Statements.

Special Revenue

Sierra Valley Hospital 501	Legislative Appropriations 502	Internal Capital Improvements 506	Mandatory UA's 507	Mental Health 548
-	-	-	-	-
-	-	-	-	18,073
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	326,837	-	15,188	-
109	-	66,304	-	-
109	326,837	66,304	15,188	18,073
-	-	-	-	-
-	-	-	15,300	-
-	-	-	-	-
37,269	-	-	-	-
-	-	-	-	-
736,723	320,705	-	-	-
-	-	-	-	-
-	-	-	-	-
773,992	320,705	-	15,300	-
(773,883)	6,132	66,304	(112)	18,073
501,231	-	-	-	-
(501,231)	-	-	-	-
-	-	-	-	-
(773,883)	6,132	66,304	(112)	18,073
850,334	-	-	-	-
76,451	6,132	66,304	(112)	18,073

STATE OF NEW MEXICO
SIERRA COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2016

	Special Revenue			
	Juvenile Detention 549	Correction 605	Emergency Comm GRT 606	EMS Comm GRT 609
Revenues				
Property taxes	-	-	-	-
Gross receipts tax	-	292,675	429,225	4,518
Gas tax	-	-	-	-
Lodgers tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	47,726	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	65,342	-	-
Miscellaneous	-	9,211	-	-
<i>Total revenues</i>	-	414,954	429,225	4,518
Expenditures				
Current				
General government	-	-	-	-
Public safety	31,850	958,771	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	122,677	-	-
Debt service:				
Principal	-	16,288	-	-
Interest	-	87,287	-	-
<i>Total expenditures</i>	31,850	1,185,023	-	-
<i>Excess (deficiency) of revenues over (under) expenditures</i>	(31,850)	(770,069)	429,225	4,518
<i>Other Financing Sources (Uses)</i>				
Transfers in	52,934	582,500	(285,000)	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	52,934	582,500	(285,000)	-
<i>Net change in fund balances</i>	21,084	(187,569)	144,225	4,518
<i>Fund balance (Deficit) - beginning of year</i>	(7,084)	250,303	-	-
<i>Fund balance (Deficit) - end of year</i>	\$ 14,000	62,734	144,225	4,518

See Notes to Financial Statements.

Special Revenue

Clerk Recording and Filing Fees 624	EMO Homeland Security 629	Emergency 911 634	Treasurer Fee 635	Road Dept FEMA 639
-	-	-	300	-
-	-	-	-	-
-	-	-	-	-
-	26,500	-	-	4,850
-	-	235,000	-	-
-	-	103	-	-
-	-	-	-	-
26,755	4,431	290,830	6,482	-
-	539	442	(100)	-
26,755	31,470	526,375	6,682	4,850
9,287	-	7,600	8,443	-
-	78,426	548,111	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
6,497	-	25,335	-	-
-	-	-	-	-
-	-	-	-	-
15,784	78,426	581,046	8,443	-
10,971	(46,956)	(54,671)	(1,761)	4,850
-	53,998	-	-	(4,850)
-	-	285,000	-	-
-	53,998	285,000	-	(4,850)
10,971	7,042	230,329	(1,761)	-
79,439	(4,526)	24,836	28,235	74,486
90,410	2,516	255,165	26,474	74,486

**STATE OF NEW MEXICO
SIERRA COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2016**

	Special Revenue		
	Flood Commission FEMA 640	Fire Dept FEMA 641	Secure Rural Schools 642
Revenues			
Property taxes	\$ -	-	-
Gross receipts tax	-	-	-
Gas tax	-	-	-
Lodgers tax	-	-	-
Federal intergovernmental	448,315	-	-
State intergovernmental	-	-	-
Licenses and permits	-	-	-
Small cities distribution	-	-	-
Charges for services	-	-	-
Miscellaneous	-	100	1,972
<i>Total revenues</i>	<u>448,315</u>	<u>100</u>	<u>1,972</u>
Expenditures			
Current			
General government	-	-	-
Public safety	584,494	-	-
Highways and streets	-	-	-
Health and welfare	-	-	-
Culture and recreation	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>584,494</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(136,179)</u>	<u>100</u>	<u>1,972</u>
<i>Other Financing Sources (Uses)</i>			
Transfers in	(5,910)	-	
Transfers out	-	-	
<i>Total other financing sources (uses)</i>	<u>(5,910)</u>	<u>-</u>	
<i>Net change in fund balances</i>	<u>(142,089)</u>	<u>100</u>	<u>1,972</u>
Fund balance (Deficit) - beginning of year	<u>282,787</u>	<u>-</u>	<u>(1,972)</u>
Fund balance (Deficit) - end of year	<u>\$ 140,698</u>	<u>100</u>	<u>-</u>

See Notes to Financial Statements.

<u>Capital Projects</u>	<u>Total</u>
<u>State Capital</u>	<u>Nonmajor</u>
<u>Appropriations</u>	<u>Governmental</u>
<u>418</u>	<u>Funds</u>
-	582,462
-	1,889,021
-	-
-	4,963
-	499,011
103,118	1,445,866
-	50,218
-	-
-	867,307
-	272,044
<u>103,118</u>	<u>5,610,892</u>
-	664,630
-	2,713,963
157,658	363,375
-	1,295,454
-	8,492
-	1,279,432
-	359,687
-	236,714
<u>157,658</u>	<u>6,921,747</u>
<u>(54,540)</u>	<u>(1,310,855)</u>
-	1,262,366
-	<u>(206,321)</u>
-	<u>1,056,045</u>
(54,540)	(254,810)
<u>125,693</u>	<u>3,756,380</u>
<u>71,153</u>	<u>3,501,570</u>

STATE OF NEW MEXICO
SIERRA COUNTY
EMS FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Favorable (Unfavorable)
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	56,617	41,747	-	(41,747)
State intergovernmental	-	-	41,747	41,747
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	7,750	7,750
Total revenues	56,617	41,747	49,497	7,750
Expenditures				
Current:				
General government	103,991	96,631	194	96,437
Public safety	-	-	48,874	(48,874)
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	103,991	96,631	49,068	47,563
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(47,374)</u>	<u>(54,884)</u>	<u>429</u>	<u>55,313</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ (47,374)	(54,884)	429	55,313
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			<u>\$ 429</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
FIRE PROTECTION FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Favorable (Unfavorable)
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	613,405	613,405	616,861	3,456
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	2,700	2,922	222
Total revenues	613,405	616,105	619,783	3,678
Expenditures				
Current:				
General government	-	-	-	-
Public safety	1,105,995	1,107,554	282,198	825,356
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	19,793	(19,793)
Debt service - principal	-	-	153,512	(153,512)
Debt service - interest	-	-	-	-
Total expenditures	1,105,995	1,107,554	455,503	652,051
<i>Excess (deficiency) of revenues over expenditures</i>	(492,590)	(491,449)	164,280	655,729
<i>Other financing sources (uses)</i>				
Transfers in	-	5,910	-	(5,910)
Transfers (Out)	-	-	5,910	5,910
Total other financing sources (uses)	-	5,910	5,910	-
Net change in fund balance	\$ (492,590)	(485,539)	170,190	655,729
Adjustments to reveune			-	
Adjustments to expenses			<u>(33,674)</u>	
Net change in fund balance (GAAP Basis)			\$ 136,516	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
LAW ENFORCEMENT PROTECTION FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	44,800	44,800	24,800	(20,000)
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	20,000	20,000
Miscellaneous	-	30,414	25,934	(4,480)
Total revenues	44,800	75,214	70,734	(4,480)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	115,625	119,615	68,818	50,797
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	16,288	(16,288)
Debt service - interest	-	-	-	-
Total expenditures	115,625	119,615	85,106	34,509
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(70,825)</u>	<u>(44,401)</u>	<u>(14,372)</u>	<u>30,029</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	4,425	-	(4,425)
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>4,425</u>	<u>-</u>	<u>(4,425)</u>
Net change in fund balance	\$ (70,825)	(39,976)	(14,372)	25,604
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			<u>\$ (14,372)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
HOSPITAL GRT FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	582,162	582,162
Gross Receipt Tax	400,000	400,000	526,367	126,367
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	665,000	665,000	6,978	(658,022)
Total revenues	1,065,000	1,065,000	1,115,507	50,507
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	1,065,000	1,065,000	762,387	302,613
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	323,026	(323,026)
Debt service - interest	-	-	-	-
Total expenditures	1,065,000	1,065,000	1,085,413	(20,413)
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	30,094	30,094
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	30,094	30,094
Adjustments to reveune			120,253	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ 150,347	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
DWI FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	279,528	292,450	113,443	(179,007)
Licenses and permits	-	-	47,338	47,338
Small cities distribution	-	-	-	-
Charges for services	-	-	100,324	100,324
Miscellaneous	69,070	78,718	28,367	(50,351)
Total revenues	348,598	371,168	289,472	(81,696)
Expenditures				
Current:				
General government	252,685	252,685	204,162	48,523
Public safety	101,986	101,986	101,986	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	354,671	354,671	306,148	48,523
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(6,073)</u>	<u>16,497</u>	<u>(16,676)</u>	<u>(33,173)</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	3,500	-	(3,500)
Transfers (Out)	-	-	3,500	3,500
Total other financing sources (uses)	<u>-</u>	<u>3,500</u>	<u>3,500</u>	<u>-</u>
Net change in fund balance	\$ (6,073)	19,997	(13,176)	(33,173)
Adjustments to reveune			27,520	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ 14,344	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
FARM AND RANGE FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Favorable (Unfavorable)
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	20,000	19,346	19,346	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	20,000	19,346	19,346	-
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	35,591	35,591	35,591	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	35,591	35,591	35,591	-
<i>Excess (deficiency) of revenues over expenditures</i>	<i>(15,591)</i>	<i>(16,245)</i>	<i>(16,245)</i>	<i>-</i>
<i>Other financing sources (uses)</i>				
Transfers in	14,500	15,154	15,154	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	14,500	15,154	15,154	-
Net change in fund balance	\$ (1,091)	(1,091)	(1,091)	-
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ (1,091)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
RECREATION FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	(1,132)	(1,132)
Transfers (Out)	-	(1,132)	-	1,132
Total other financing sources (uses)	-	(1,132)	(1,132)	-
Net change in fund balance	\$ -	(1,132)	(1,132)	-
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ (1,132)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
COUNTY INDIGENT FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	500,000	500,000	404,300	(95,700)
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	1,152	37,756	36,604
Total revenues	500,000	501,152	442,056	(59,096)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	799,827	799,827	425,971	373,856
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	799,827	799,827	425,971	373,856
<i>Excess (deficiency) of revenues over expenditures</i>	<i>(299,827)</i>	<i>(298,675)</i>	<i>16,085</i>	<i>314,760</i>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ (299,827)	(298,675)	16,085	314,760
Adjustments to reveune			93,610	
Adjustments to expenses			(34,236)	
Net change in fund balance (GAAP Basis)			\$ 75,459	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
ROAD GRANT FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	126,088	126,088	126,088	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	126,088	126,088	126,088	-
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	190,721	190,721	71,956	118,765
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	190,721	190,721	71,956	118,765
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(64,633)</u>	<u>(64,633)</u>	<u>54,132</u>	<u>118,765</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ (64,633)	(64,633)	54,132	118,765
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			<u>\$ 54,132</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
STATE CAPITAL PROJECTS FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Favorable (Unfavorable)
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	117,814	117,814	117,814	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	117,814	117,814	117,814	-
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	293,295	293,295	133,761	159,534
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	293,295	293,295	133,761	159,534
<i>Excess (deficiency) of revenues over expenditures</i>	(175,481)	(175,481)	(15,947)	159,534
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ (175,481)	(175,481)	(15,947)	159,534
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ (15,947)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
COMMUNITY PROJECTS FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	10,000	17,000	7,952	(9,048)
Miscellaneous	-	-	-	-
Total revenues	10,000	17,000	7,952	(9,048)
Expenditures				
Current:				
General government	391,494	394,602	364,290	30,312
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	391,494	394,602	364,290	30,312
<i>Excess (deficiency) of revenues over expenditures</i>	(381,494)	(377,602)	(356,338)	21,264
<i>Other financing sources (uses)</i>				
Transfers in	378,597	378,597	353,441	(25,156)
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	378,597	378,597	353,441	(25,156)
Net change in fund balance	\$ (2,897)	995	(2,897)	(3,892)
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ (2,897)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
COUNTY APPRAISAL FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	70,000	70,000	-	(70,000)
Miscellaneous	2,500	2,500	81,276	78,776
Total revenues	72,500	72,500	81,276	8,776
Expenditures				
Current:				
General government	147,135	147,135	70,654	76,481
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	9,163	(9,163)
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	147,135	147,135	79,817	67,318
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(74,635)</u>	<u>(74,635)</u>	1,459	76,094
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ (74,635)	(74,635)	1,459	76,094
Adjustments to reveune			176	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			<u>\$ 1,635</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
LODGERS TAX FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	4,000	4,500	4,963	463
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	4,000	4,500	4,963	463
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	4,000	12,024	8,492	3,532
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	4,000	12,024	8,492	3,532
<i>Excess (deficiency) of revenues over expenditures</i>	-	(7,524)	(3,529)	3,995
<i>Other financing sources (uses)</i>				
Transfers in	-	500	-	(500)
Transfers (Out)	-	-	500	500
Total other financing sources (uses)	-	500	500	-
Net change in fund balance	\$ -	(7,024)	(3,029)	3,995
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ (3,029)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
SIERRA VALLEY HOSPITAL FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Favorable (Unfavorable)
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	10,920	109	(10,811)
Total revenues	-	10,920	109	(10,811)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	784,543	795,463	773,992	21,471
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	784,543	795,463	773,992	21,471
<i>Excess (deficiency) of revenues over expenditures</i>	<i>(784,543)</i>	<i>(784,543)</i>	<i>(773,883)</i>	<i>10,660</i>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	501,231	501,231
Transfers (Out)	-	-	(501,231)	(501,231)
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ (784,543)	(784,543)	(773,883)	10,660
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ (773,883)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
LEGISLATIVE APPROPRIATIONS FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	275,000	322,915	175,244	(147,671)
Miscellaneous	-	-	-	-
Total revenues	275,000	322,915	175,244	(147,671)
Expenditures				
Current:				
General government	597,915	597,915	-	597,915
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	320,705	(320,705)
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	597,915	597,915	320,705	277,210
<i>Excess (deficiency) of revenues over expenditures</i>	(322,915)	(275,000)	(145,461)	129,539
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ (322,915)	(275,000)	(145,461)	129,539
Adjustments to reveune			151,593	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ 6,132	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
INTERNAL CAPITAL APPROPRIATIONS FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current:				
General government	865,000	865,000	-	865,000
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	865,000	865,000	-	865,000
<i>Excess (deficiency) of revenues over expenditures</i>	(865,000)	(865,000)	-	865,000
<i>Other financing sources (uses)</i>				
Transfers in	800,000	400,000	-	(400,000)
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	800,000	400,000	-	(400,000)
Net change in fund balance	\$ (65,000)	(465,000)	-	465,000
Adjustments to reveune			66,304	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ 66,304	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
MANDATORY UA's FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	54,000	54,000	15,188	(38,812)
Miscellaneous	-	-	-	-
Total revenues	54,000	54,000	15,188	(38,812)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	54,000	54,000	15,300	38,700
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	54,000	54,000	15,300	38,700
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(112)	(112)
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	(112)	(112)
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ (112)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
MENTAL HEALTH FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	12,000	12,000	14,711	2,711
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	12,000	12,000	14,711	2,711
Expenditures				
Current:				
General government	12,000	12,000	-	12,000
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	12,000	12,000	-	12,000
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	14,711	14,711
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	14,711	14,711
Adjustments to reveune			3,362	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ 18,073	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
JUVENILE DETENTION FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current:				
General government	-	-	-	-
Public safety	40,000	64,000	31,850	32,150
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	40,000	64,000	31,850	32,150
<i>Excess (deficiency) of revenues over expenditures</i>	(40,000)	(64,000)	(31,850)	32,150
<i>Other financing sources (uses)</i>				
Transfers in	40,000	64,000	52,934	(11,066)
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	40,000	64,000	52,934	(11,066)
Net change in fund balance	\$ -	-	21,084	21,084
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ 21,084	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
CORRECTION FEE FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	245,903	245,903
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	47,726	47,726
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	110,000	110,000	65,342	(44,658)
Miscellaneous	323,000	323,000	9,211	(313,789)
Total revenues	433,000	433,000	368,182	(64,818)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	1,066,753	1,466,753	979,230	487,523
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	26,318	(26,318)
Debt service - principal	-	-	103,575	(103,575)
Debt service - interest	-	-	-	-
Total expenditures	1,066,753	1,466,753	1,109,123	357,630
<i>Excess (deficiency) of revenues over expenditures</i>	(633,753)	(1,033,753)	(740,941)	292,812
<i>Other financing sources (uses)</i>				
Transfers in	282,500	682,500	582,500	(100,000)
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	282,500	682,500	582,500	(100,000)
Net change in fund balance	\$ (351,253)	(351,253)	(158,441)	192,812
Adjustments to reveune			46,772	
Adjustments to expenses			(75,900)	
Net change in fund balance (GAAP Basis)			\$ (187,569)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
EMERGENCY COMM GRT FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	285,000	285,000	349,385	64,385
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	285,000	285,000	349,385	64,385
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	285,000	285,000	349,385	64,385
<i>Other financing sources (uses)</i>				
Transfers in	-	-	(285,000)	(285,000)
Transfers (Out)	(285,000)	(285,000)	-	285,000
Total other financing sources (uses)	(285,000)	(285,000)	(285,000)	-
Net change in fund balance	\$ -	-	64,385	64,385
Adjustments to reveune			79,840	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ 144,225	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
EMS COMM GRT FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	285,000	285,000	3,678	(281,322)
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	285,000	285,000	3,678	(281,322)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	285,000	285,000	3,678	(281,322)
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	(285,000)	(285,000)	-	285,000
Total other financing sources (uses)	(285,000)	(285,000)	-	285,000
Net change in fund balance	\$ -	-	3,678	3,678
Adjustments to reveune			840	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ 4,518	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
CLERK RECORD & FILING FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	25,000	25,000	26,755	1,755
Miscellaneous	-	-	-	-
Total revenues	25,000	25,000	26,755	1,755
Expenditures				
Current:				
General government	86,353	86,353	8,519	77,834
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	7,265	(7,265)
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	86,353	86,353	15,784	70,569
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(61,353)</u>	<u>(61,353)</u>	<u>10,971</u>	<u>72,324</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ (61,353)	(61,353)	10,971	72,324
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			<u>\$ 10,971</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
EMO HOMELAND SECURITY FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Favorable (Unfavorable)
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	40,273	41,812	26,500	(15,312)
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	4,431	4,431
Miscellaneous	-	-	539	539
Total revenues	40,273	41,812	31,470	(10,342)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	92,706	94,245	78,426	15,819
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	92,706	94,245	78,426	15,819
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(52,433)</u>	<u>(52,433)</u>	<u>(46,956)</u>	<u>5,477</u>
<i>Other financing sources (uses)</i>				
Transfers in	53,998	53,998	53,998	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	<u>53,998</u>	<u>53,998</u>	<u>53,998</u>	<u>-</u>
Net change in fund balance	\$ 1,565	1,565	7,042	5,477
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			<u>\$ 7,042</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
EMERGENCY 911 FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	235,000	235,000
Licenses and permits	-	-	103	103
Small cities distribution	-	-	-	-
Charges for services	556,400	556,400	290,830	(265,570)
Miscellaneous	-	-	442	442
Total revenues	556,400	556,400	526,375	(30,025)
Expenditures				
Current:				
General government	-	-	7,600	(7,600)
Public safety	843,078	843,078	548,111	294,967
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	25,335	(25,335)
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	843,078	843,078	581,046	262,032
<i>Excess (deficiency) of revenues over expenditures</i>	(286,678)	(286,678)	(54,671)	232,007
<i>Other financing sources (uses)</i>				
Transfers in	285,000	293,532	-	(293,532)
Transfers (Out)	-	-	285,000	285,000
Total other financing sources (uses)	285,000	293,532	285,000	(8,532)
Net change in fund balance	\$ (1,678)	6,854	230,329	223,475
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ 230,329	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
TREASURER FEES FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	300	300
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	7,000	7,000	6,482	(518)
Miscellaneous	-	-	(100)	(100)
Total revenues	7,000	7,000	6,682	(318)
Expenditures				
Current:				
General government	34,900	34,900	8,443	26,457
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	34,900	34,900	8,443	26,457
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(27,900)</u>	<u>(27,900)</u>	<u>(1,761)</u>	<u>26,139</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ (27,900)	(27,900)	(1,761)	26,139
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			<u>\$ (1,761)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
ROAD DEPT FEMA FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	18,958	18,958	4,850	(14,108)
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	18,958	18,958	4,850	(14,108)
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	18,958	74,486	-	74,486
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	18,958	74,486	-	74,486
<i>Excess (deficiency) of revenues over expenditures</i>	-	(55,528)	4,850	60,378
<i>Other financing sources (uses)</i>				
Transfers in	-	-	(4,850)	(4,850)
Transfers (Out)	-	(4,850)	-	4,850
Total other financing sources (uses)	-	(4,850)	(4,850)	-
Net change in fund balance	\$ -	(60,378)	-	60,378
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ -	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
FLOOD COMMISSION FEMA - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Favorable (Unfavorable)
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	182,402	109,315	448,315	339,000
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	182,402	109,315	448,315	339,000
Expenditures				
Current:				
General government	-	-	-	-
Public safety	182,402	569,511	509,501	60,010
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	182,402	569,511	-	60,010
<i>Excess (deficiency) of revenues over expenditures</i>	-	(460,196)	448,315	399,010
<i>Other financing sources (uses)</i>				
Transfers in	-	-	(5,910)	(5,910)
Transfers (Out)	-	(5,910)	-	5,910
Total other financing sources (uses)	-	(5,910)	(5,910)	-
Net change in fund balance	\$ -	(466,106)	442,405	399,010
Adjustments to reveune			-	
Adjustments to expenses			(584,494)	
Net change in fund balance (GAAP Basis)			\$ (142,089)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
FIRE DEPT FEMA FUND - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Favorable (Unfavorable)
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
Expenditures				
Current:				
General government	650	650	-	650
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	650	650	-	650
<i>Excess (deficiency) of revenues over expenditures</i>	<i>(650)</i>	<i>(650)</i>	<i>-</i>	<i>650</i>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ (650)	(650)	-	650
Adjustments to reveune			100.00	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ 100	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
SECURE RURAL SCHOOLS - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From
	Original	Final		Final Budget Favorable (Unfavorable)
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	1,972	1,972
Total revenues	-	-	1,972	1,972
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway amd streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	1,972	1,972
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	1,972	1,972
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ 1,972	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
STATE CAPITAL APPROPRIATIONS FUND - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Property Taxes	\$ -	-	-	-
Gross Receipt Tax	-	-	-	-
Gas Tax	-	-	-	-
Lodgers Tax	-	-	-	-
Federal intergovernmental	-	-	-	-
State intergovernmental	103,118	103,118	103,118	-
Licenses and permits	-	-	-	-
Small cities distribution	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	103,118	103,118	103,118	-
Expenditures				
Current:				
General government	204,224	204,224	-	204,224
Public safety	-	-	-	-
Highway amd streets	-	-	157,658	(157,658)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service - principal	-	-	-	-
Debt service - interest	-	-	-	-
Total expenditures	204,224	204,224	157,658	46,566
<i>Excess (deficiency) of revenues over expenditures</i>	(101,106)	(101,106)	(54,540)	46,566
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (Out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ (101,106)	(101,106)	(54,540)	46,566
Adjustments to reveune			-	
Adjustments to expenses			-	
Net change in fund balance (GAAP Basis)			\$ (54,540)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
SIERRA COUNTY
LANDFILL - PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Gross Receipt Tax	\$ 85,000	85,000	86,539	1,539
Charges for services	11,500	11,500	25,627	14,127
Miscellaneous	-	-	66	66
<i>Total revenues</i>	<u>96,500</u>	<u>96,500</u>	<u>112,232</u>	<u>15,732</u>
Expenditures				
Personnel	36,523	36,523	35,656	867
Operating	50,320	50,320	36,482	13,838
<i>Total expenditures</i>	<u>86,843</u>	<u>86,843</u>	<u>72,138</u>	<u>14,705</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>9,657</u>	<u>9,657</u>	<u>40,094</u>	<u>30,437</u>
<i>Net change in fund balance</i>	<u>\$ 9,657</u>	<u>9,657</u>	<u>40,094</u>	<u>30,437</u>
Change to Liability for landfill post closure costs			612,163	
Depreciation			<u>(32,945)</u>	
Net change in fund balance (GAAP Basis)			<u>\$ 619,312</u>	

See Notes to Financial Statements.

OTHER SUPPLEMENTAL SCHEDULES

STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY FOR PUBLIC FUNDS
Year Ended June 30, 2016

	<u>Citizens Bank</u>	<u>First Savings Bank</u>	<u>Total</u>
Bank:			
Primary Checking Account	\$ 4,826,007		4,826,007
Money Market Account	70,271		70,271
Money Market Account	45,096		45,096
Money Market Account	-	99,648	99,648
CD Time Deposit	252,045		252,045
CD Time Deposit	252,182		252,182
CD Time Deposit	95,238		95,238
CD Time Deposit	95,238		95,238
Total Deposits	<u>5,636,077</u>	<u>99,648</u>	<u>5,735,725</u>
(Less) FDIC Insurance:	<u>(250,000)</u>	<u>(250,000)</u>	
Total uninsured public funds:	5,386,077	-	
Collateral Requirement (50% of Deposits):	<u>2,693,039</u>	<u>-</u>	
Investments:			
Wells Fargo Investment			162,104
First Financial Equity Corporation			257,458
LGIP Fund (Pool-4101)			300,288
Cash held at NMFA			954,576
Total Bank cash and Investments per Schedule of Bank Accounts			<u><u>\$ 7,410,151</u></u>

Pledged Collateral:	CUSIP#		
Bank of			
FFCB Maturity date 07/02/2021	#3133EDQB1	3,122,367	-
FHLB Maturity date 06/10/2022	#313379Q69	1,797,264	-
FHLB Maturity date 12/09/2022	#3130A3KM5	792,492	-
Total Pledged Collateral:		<u>5,712,123</u>	<u>-</u>
Excess (Deficiency):		<u>\$ 3,019,084</u>	<u>-</u>

STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF DEPOSIT AND INVESTMENT ACCOUNTS
Year Ended June 30, 2016

<u>Bank Name</u>	<u>Account Type</u>	<u>Bank Balance</u>	<u>Deposits in Transit</u>	<u>Outstanding Checks</u>	<u>Book Balance</u>
Deposits:					
Citizens Bank of Las Cruces NM	Primary Checking Account	\$ 4,826,007	494	350,856	4,475,645
Citizens Bank of Las Cruces NM	Money Market Account	70,271	-	-	70,271
Citizens Bank of Las Cruces NM	Money Market Account	45,096	-	-	45,096
First Savings Bank Sioux Falls SD	Money Market Account	99,648	-	-	99,648
Citizens Bank of Las Cruces NM	CD Time Deposit	252,045	-	-	252,045
Citizens Bank of Las Cruces NM	CD Time Deposit	252,182	-	-	252,182
Citizens Bank of Las Cruces NM	CD Time Deposit	95,238	-	-	95,238
Citizens Bank of Las Cruces NM	CD Time Deposit	95,238	-	-	95,238
Wells Fargo Investment	Cash and Fixed Income Securities	162,104	-	-	162,104
First Financial Equity Corporation	Cash, Money Markets, Securities	257,458	-	-	257,458
NM LGIP	LGIP Fund (Pool-4101)	300,288	-	-	300,288
NMFA	Cash	954,576	-	-	954,576
Cash on hand		-	-	-	360
Total deposits and investments per financial statements		\$ <u>7,410,151</u>	<u>494</u>	<u>350,856</u>	<u>7,060,149</u>

Total cash and cash equivalents per Statement of Net Position	\$ 6,995,611
Total cash and cash equivalents per Statement of Fiduciary Assets and Liabilities	<u>64,538</u>
Total cash, cash equivalents and investments	\$ <u>7,060,149</u>

STATE OF NEW MEXICO
SIERRA COUNTY
TAX ROLL RECONCILIATION - CHANGES IN PROPERTY TAXES RECEIVABLE
Year Ended June 30, 2016

Property taxes receivable, beginning of year	\$ 393,139
Changes to tax roll:	
Net tax charges to treasurer for tax year 2015	706,549
Adjustments:	
Less roll-off of 2005 taxes on ten year schedule	(4,676)
Net increase/(decrease) of taxes receivable	-
Unknown addition to taxes receivable	<u>57</u>
Property taxes receivable at June 30, 2016	<u>\$ 1,095,069</u>
Property taxes are reported as follows	
Governmental funds:	
County portion	\$ 589,988
Agency portion	<u>505,081</u>
Total property taxes receivable	<u>\$ 1,095,069</u>
Property taxes receivable by years:	
2006-2014	\$ 379,034
2015	<u>716,035</u>
Total property taxes receivable	<u>\$ 1,095,069</u>

STATE OF NEW MEXICO
SIERRA COUNTY
TREASURERS PROPERTY TAX SCHEDULE
June 30, 2016
FOR THE YEAR ENDED JUNE 30, 2016

	Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed In Current Year	Current Changes to Taxes Levied	Current Increase	Current Decreases	County Receivable At Year-End
NM DEBT SERV								
2006 - 2014	\$ 3,190,710	\$ 30,754	\$ 3,167,194	\$ 30,754	\$ 3,265	\$ 626	\$ 61	\$ 20,250
2015	414,806	377,697	377,697	377,697	71	5	75	37,039
Total	<u>3,605,516</u>	<u>408,451</u>	<u>3,544,891</u>	<u>408,451</u>	<u>3,336</u>	<u>631</u>	<u>136</u>	<u>57,289</u>
SIERRA COUNTY								
Operating								
2006 - 2014	24,503,343	236,371	24,319,306	236,371	26,728	4,449	489	157,308
2015	3,204,673	2,916,418	2,916,418	2,916,418	615	39	655	287,640
Total	<u>27,708,016</u>	<u>3,152,789</u>	<u>27,235,724</u>	<u>3,152,789</u>	<u>27,343</u>	<u>4,488</u>	<u>1,144</u>	<u>444,948</u>
Hospital								
2006 - 2014	4,144,089	32,971	4,113,029	32,971	4,555	641	77	26,504
2015	609,603	555,069	555,069	555,069	104	7	111	54,430
Total	<u>4,753,692</u>	<u>588,040</u>	<u>4,668,098</u>	<u>588,040</u>	<u>4,659</u>	<u>648</u>	<u>188</u>	<u>80,934</u>
Non-remission								
2006 - 2014	-	-	1,892	-	(3,766)	-	64	1,874
2015	-	-	-	-	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>1,892</u>	<u>-</u>	<u>(3,766)</u>	<u>-</u>	<u>64</u>	<u>1,874</u>
Administrative								
2006 - 2014	6,928	57	6,714	57	138	-	1	76
2015	700	600	600	600	-	-	-	100
Total	<u>7,628</u>	<u>657</u>	<u>7,314</u>	<u>657</u>	<u>138</u>	<u>-</u>	<u>1</u>	<u>176</u>
Flood District								
2006 - 2014	3,582,826	33,410	3,558,301	33,410	2,941	692	64	21,589
2015	451,471	410,967	410,967	410,967	37	5	42	40,467
Total	<u>4,034,297</u>	<u>444,377</u>	<u>3,969,268</u>	<u>444,377</u>	<u>2,978</u>	<u>697</u>	<u>106</u>	<u>62,056</u>
Total County								
2006 - 2014	32,237,186	302,809	31,999,242	302,809	30,596	5,782	695	207,351
2015	4,266,447	3,883,054	3,883,054	3,883,054	756	51	808	382,637
Total	<u>36,503,633</u>	<u>4,185,863</u>	<u>35,882,296</u>	<u>4,185,863</u>	<u>31,352</u>	<u>5,833</u>	<u>1,503</u>	<u>589,988</u>
MUN OPERATIONS								
2006 - 2014	2,894,292	38,533	2,869,015	38,533	6,383	66	65	18,895
2015	440,377	393,879	393,879	393,879	62	-	62	46,437
Total	<u>3,334,669</u>	<u>432,412</u>	<u>3,262,894</u>	<u>432,412</u>	<u>6,445</u>	<u>66</u>	<u>127</u>	<u>65,332</u>
SCHOOL LEVY								
2006 - 2014	1,183,079	11,270	1,174,558	11,270	1,071	228	20	7,451
2015	152,367	138,736	138,736	138,736	26	2	28	13,604
Total	<u>1,335,446</u>	<u>150,006</u>	<u>1,313,294</u>	<u>150,006</u>	<u>1,097</u>	<u>230</u>	<u>48</u>	<u>21,055</u>
SCHOOL DEBT SERVICE								
2006 - 2014	13,614,934	127,293	13,517,325	127,293	12,234	2,600	240	85,377
2015	1,713,438	1,560,151	1,560,151	1,560,151	292	19	311	152,995
Total	<u>15,328,372</u>	<u>1,687,444</u>	<u>15,077,476</u>	<u>1,687,444</u>	<u>12,526</u>	<u>2,619</u>	<u>551</u>	<u>238,372</u>
SCHOOL CAPITAL IMPROVEMENT								
2006 - 2014	4,776,680	45,118	4,742,350	45,118	4,376	920	84	29,952
2015	609,603	555,069	555,069	555,069	104	7	111	54,430
Total	<u>5,386,283</u>	<u>600,187</u>	<u>5,297,419</u>	<u>600,187</u>	<u>4,480</u>	<u>927</u>	<u>195</u>	<u>84,382</u>

STATE OF NEW MEXICO
SIERRA COUNTY
TREASURERS PROPERTY TAX SCHEDULE
June 30, 2016
FOR THE YEAR ENDED JUNE 30, 2016

	Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed In Current Year	Current Changes to Taxes Levied	Current Increase	Current Decreases	County Receivable At Year-End
SIERRA SOIL AND WATER								
2006 - 2014	2,057,961	20,362	2,048,285	20,362	1,070	461	20	8,607
2015	265,630	241,323	241,323	241,323	25	3	28	24,282
Total	<u>2,323,591</u>	<u>261,685</u>	<u>2,289,608</u>	<u>261,685</u>	<u>1,095</u>	<u>464</u>	<u>48</u>	<u>32,889</u>
UNDERWOOD SOIL AND WATER								
2006 - 2014	13,212	-	13,211	-	-	-	-	-
2015	1,691	1,664	1,664	1,664	-	-	-	27
Total	<u>14,903</u>	<u>1,664</u>	<u>14,875</u>	<u>1,664</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27</u>
CATTLE LEVY								
2006 - 2014	174,834	299	172,524	299	1,728	-	52	582
2015	31,987	28,730	28,730	28,730	-	-	-	3,257
Total	<u>206,821</u>	<u>29,029</u>	<u>201,254</u>	<u>29,029</u>	<u>1,728</u>	<u>-</u>	<u>52</u>	<u>3,839</u>
SHEEP LEVY								
2006 - 2014	93	(1)	91	(1)	1	-	-	-
2015	7	7	7	7	-	-	-	-
Total	<u>100</u>	<u>6</u>	<u>98</u>	<u>6</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
GOATS LEVY								
2006 - 2014	110	9	100	9	-	-	-	9
2015	29	22	22	22	-	-	-	7
Total	<u>139</u>	<u>31</u>	<u>122</u>	<u>31</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16</u>
EQUINE LEVY								
2006 - 2014	7,679	74	7,579	74	41	-	-	58
2015	1,025	918	918	918	-	-	-	107
Total	<u>8,704</u>	<u>992</u>	<u>8,497</u>	<u>992</u>	<u>41</u>	<u>-</u>	<u>-</u>	<u>165</u>
DAIRY LEVY								
2006 - 2014	62,698	5	56,847	5	5,822	-	-	29
2015	8,594	8,575	8,575	8,575	-	-	-	18
Total	<u>71,292</u>	<u>8,580</u>	<u>65,422</u>	<u>8,580</u>	<u>5,822</u>	<u>-</u>	<u>-</u>	<u>47</u>
SWINE LEVY								
2006 - 2014	10	-	10	-	-	-	-	-
2015	1	1	1	1	-	-	-	-
Total	<u>11</u>	<u>1</u>	<u>11</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
BISON LEVY								
2006 - 2014	42,154	-	42,154	-	-	-	-	-
2015	9,098	9,098	9,098	9,098	-	-	-	-
Total	<u>51,252</u>	<u>9,098</u>	<u>51,252</u>	<u>9,098</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CABALLO SOIL AND WATER								
2006 - 2014	60,530	943	60,020	943	36	-	-	473
2015	21,996	20,801	20,801	20,801	-	-	-	1,195
Total	<u>82,526</u>	<u>21,744</u>	<u>80,821</u>	<u>21,744</u>	<u>36</u>	<u>-</u>	<u>-</u>	<u>1,668</u>
GRAND TOTALS								
2006 - 2014	60,316,162	577,468	59,870,505	577,468	66,623	10,683	1,237	379,034
2015	7,937,096	7,219,725	7,219,725	7,219,725	1,336	87	1,423	716,035
GRAND TOTAL	<u>\$ 68,253,258</u>	<u>\$ 7,797,193</u>	<u>\$ 67,090,230</u>	<u>\$ 7,797,193</u>	<u>\$ 67,959</u>	<u>\$ 10,770</u>	<u>\$ 2,660</u>	<u>\$ 1,095,069</u>

Presumed paid after ten years per Section 7-38-81(C) NMSA 1978

STATE OF NEW MEXICO
SIERRA COUNTY
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
TAXES PAID IN ADVANCE 474				
ASSETS				
Cash and investments	\$ 20,017	\$ -	\$ 4,777	\$ 15,240
Receivables - Property taxes	57,734	414,806	418,110	54,430
Receivables - Other	-	-	-	-
Total assets	<u>77,751</u>	<u>414,806</u>	<u>422,887</u>	<u>69,670</u>
LIABILITIES				
Deposits held in trust for others	20,017	-	4,777	15,240
Other liabilities	-	-	-	-
Future taxes collectible	57,734	414,806	418,110	54,430
Total liabilities	<u>77,751</u>	<u>414,806</u>	<u>422,887</u>	<u>69,670</u>
UNDERWOOD WATER CABALLO 550				
ASSETS				
Cash and investments	-	1,648	1,648	-
Receivables - Property taxes	-	1,183,079	1,169,475	13,604
Receivables - Other	-	-	-	-
Total assets	<u>-</u>	<u>1,184,727</u>	<u>1,171,123</u>	<u>13,604</u>
LIABILITIES				
Deposits held in trust for others	-	1,648	1,648	-
Other liabilities	-	-	-	-
Future taxes collectible	-	1,183,079	1,169,475	13,604
Total liabilities	<u>-</u>	<u>1,184,727</u>	<u>1,171,123</u>	<u>13,604</u>
SIERRA SOIL CONS. DIST 551				
ASSETS				
Cash and investments	6,553	259,068	262,825	2,796
Receivables - Property taxes	28,597	2,894,292	2,876,452	46,437
Receivables - Other	-	-	-	-
Total assets	<u>35,150</u>	<u>3,153,360</u>	<u>3,139,277</u>	<u>49,233</u>
LIABILITIES				
Deposits held in trust for others	6,553	259,068	262,825	2,796
Other liabilities	-	-	-	-
Future taxes collectible	28,597	2,894,292	2,876,452	46,437
Total liabilities	<u>35,150</u>	<u>3,153,360</u>	<u>3,139,277</u>	<u>49,233</u>
SPACEPORT AUTHORITY 552				
ASSETS				
Cash and investments	-	338,180	338,180	-
Receivables - Property taxes	-	-	-	-
Receivables - Other	-	-	-	-
Total assets	<u>-</u>	<u>338,180</u>	<u>338,180</u>	<u>-</u>
LIABILITIES				
Deposits held in trust for others	-	338,180	338,180	-
Other liabilities	-	-	-	-
Future taxes collectible	-	-	-	-
Total liabilities	<u>-</u>	<u>338,180</u>	<u>338,180</u>	<u>-</u>
T OR C SCHOOL 553				
ASSETS				
Cash and investments	10,826	112,727	115,192	8,361
Receivables - Property taxes	-	-	-	-
Receivables - Other	-	-	-	-
Total assets	<u>10,826</u>	<u>112,727</u>	<u>115,192</u>	<u>8,361</u>
LIABILITIES				
Deposits held in trust for others	10,826	112,727	115,192	8,361
Other liabilities	-	-	-	-
Future taxes collectible	-	-	-	-
Total liabilities	<u>10,826</u>	<u>112,727</u>	<u>115,192</u>	<u>8,361</u>

**STATE OF NEW MEXICO
SIERRA COUNTY
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2016</u>
CABALLO WATER 554				
ASSETS				
Cash and investments	482	21,525	21,877	130
Receivables - Property taxes	1,416	1,025	2,276	165
Receivables - Other	-	-	-	-
Total assets	<u>1,898</u>	<u>22,550</u>	<u>24,153</u>	<u>295</u>
LIABILITIES				
Deposits held in trust for others	482	21,525	21,877	130
Other liabilities	-	-	-	-
Future taxes collectible	1,416	1,025	2,276	165
Total liabilities	<u>1,898</u>	<u>22,550</u>	<u>24,153</u>	<u>295</u>
CITY OF T O R C 575				
ASSETS				
Cash and investments	5,347	163,042	166,293	2,096
Receivables - Property taxes	-	-	-	-
Receivables - Other	-	-	-	-
Total assets	<u>5,347</u>	<u>163,042</u>	<u>166,293</u>	<u>2,096</u>
LIABILITIES				
Deposits held in trust for others	5,347	163,042	166,293	2,096
Other liabilities	-	-	-	-
Future taxes collectible	-	-	-	-
Total liabilities	<u>5,347</u>	<u>163,042</u>	<u>166,293</u>	<u>2,096</u>
VILLAGE OF WILLIAMSBURG 576				
ASSETS				
Cash and investments	602	9,106	9,649	59
Receivables - Property taxes	-	-	-	-
Receivables - Other	-	-	-	-
Total assets	<u>602</u>	<u>9,106</u>	<u>9,649</u>	<u>59</u>
LIABILITIES				
Deposits held in trust for others	602	9,106	9,649	59
Other liabilities	-	-	-	-
Future taxes collectible	-	-	-	-
Total liabilities	<u>602</u>	<u>9,106</u>	<u>9,649</u>	<u>59</u>
CITY OF ELEPHANT BUTTE 577				
ASSETS				
Cash and investments	5,794	255,946	258,859	2,881
Receivables - Property taxes	-	-	-	-
Receivables - Other	-	-	-	-
Total assets	<u>5,794</u>	<u>255,946</u>	<u>258,859</u>	<u>2,881</u>
LIABILITIES				
Deposits held in trust for others	5,794	255,946	258,859	2,881
Other liabilities	-	-	-	-
Future taxes collectible	-	-	-	-
Total liabilities	<u>5,794</u>	<u>255,946</u>	<u>258,859</u>	<u>2,881</u>
DEBT SERVICE 591				
ASSETS				
Cash and investments	10,095	404,350	410,302	4,143
Receivables - Property taxes	50,816	414,806	408,333	57,289
Receivables - Other	-	-	-	-
Total assets	<u>60,911</u>	<u>819,156</u>	<u>818,635</u>	<u>61,432</u>
LIABILITIES				
Deposits held in trust for others	10,095	404,350	410,302	4,143
Other liabilities	-	-	-	-
Future taxes collectible	50,816	414,806	408,333	57,289
Total liabilities	<u>60,911</u>	<u>819,156</u>	<u>818,635</u>	<u>61,432</u>

STATE OF NEW MEXICO
SIERRA COUNTY
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
CATTLE 592				
ASSETS				
Cash and investments	1,062	28,739	29,746	55
Receivables - Property taxes	934	13,614,934	13,462,873	152,995
Receivables - Other	-	-	-	-
Total assets	<u>1,996</u>	<u>13,643,673</u>	<u>13,492,619</u>	<u>153,050</u>
LIABILITIES				
Deposits held in trust for others	1,062	28,739	29,746	55
Other liabilities	-	-	-	-
Future taxes collectible	934	13,614,934	13,462,873	152,995
Total liabilities	<u>1,996</u>	<u>13,643,673</u>	<u>13,492,619</u>	<u>153,050</u>
SHEEPS, GOATS AND ALPACA 593				
ASSETS				
Cash and investments	-	38	38	-
Receivables - Property taxes	19	6,834,641	6,755,948	78,712
Receivables - Other	-	-	-	-
Total assets	<u>19</u>	<u>6,834,679</u>	<u>6,755,986</u>	<u>78,712</u>
LIABILITIES				
Deposits held in trust for others	-	38	38	-
Other liabilities	-	-	-	-
Future taxes collectible	19	6,834,641	6,755,948	78,712
Total liabilities	<u>19</u>	<u>6,834,679</u>	<u>6,755,986</u>	<u>78,712</u>
EQUINES, SWINE & RATITES 594				
ASSETS				
Cash and investments	13	982	958	37
Receivables - Property taxes	133	13,305	13,411	27
Receivables - Other	-	-	-	-
Total assets	<u>146</u>	<u>14,287</u>	<u>14,369</u>	<u>64</u>
LIABILITIES				
Deposits held in trust for others	13	982	958	37
Other liabilities	-	-	-	-
Future taxes collectible	133	13,305	13,411	27
Total liabilities	<u>146</u>	<u>14,287</u>	<u>14,369</u>	<u>64</u>
DAIRY CATTLE 595				
ASSETS				
Cash and investments	2	8,494	8,496	-
Receivables - Property taxes	35	174,834	171,612	3,257
Receivables - Other	-	-	-	-
Total assets	<u>37</u>	<u>183,328</u>	<u>180,108</u>	<u>3,257</u>
LIABILITIES				
Deposits held in trust for others	2	8,494	8,496	-
Other liabilities	-	-	-	-
Future taxes collectible	35	174,834	171,612	3,257
Total liabilities	<u>37</u>	<u>183,328</u>	<u>180,108</u>	<u>3,257</u>
COST OF STATE 596				
ASSETS				
Cash and investments	770	6,375	6,500	645
Receivables - Property taxes	-	-	-	-
Receivables - Other	-	-	-	-
Total assets	<u>770</u>	<u>6,375</u>	<u>6,500</u>	<u>645</u>
LIABILITIES				
Deposits held in trust for others	770	6,375	6,500	645
Other liabilities	-	-	-	-
Future taxes collectible	-	-	-	-
Total liabilities	<u>770</u>	<u>6,375</u>	<u>6,500</u>	<u>645</u>

**STATE OF NEW MEXICO
SIERRA COUNTY
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Balance July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2016</u>
STATE P&I FUND 597				
ASSETS				
Cash and investments	-	22,647	22,647	-
Receivables - Property taxes	-	-	-	-
Receivables - Other	-	-	-	-
Total assets	<u>-</u>	<u>22,647</u>	<u>22,647</u>	<u>-</u>
LIABILITIES				
Deposits held in trust for others	-	22,647	22,647	-
Other liabilities	-	-	-	-
Future taxes collectible	-	-	-	-
Total liabilities	<u>-</u>	<u>22,647</u>	<u>22,647</u>	<u>-</u>
CHILD TRUST FUND ACT 598				
ASSETS				
Cash and investments	120	1,590	1,545	165
Receivables - Property taxes	-	-	-	-
Receivables - Other	-	-	-	-
Total assets	<u>120</u>	<u>1,590</u>	<u>1,545</u>	<u>165</u>
LIABILITIES				
Deposits held in trust for others	120	1,590	1,545	165
Other liabilities	-	-	-	-
Future taxes collectible	-	-	-	-
Total liabilities	<u>120</u>	<u>1,590</u>	<u>1,545</u>	<u>165</u>
BISON LEVY 599				
ASSETS				
Cash and investments	-	9,007	9,007	-
Receivables - Property taxes	-	110	103	7
Receivables - Other	-	-	-	-
Total assets	<u>-</u>	<u>9,117</u>	<u>9,110</u>	<u>7</u>
LIABILITIES				
Deposits held in trust for others	-	9,007	9,007	-
Other liabilities	-	-	-	-
Future taxes collectible	-	110	103	7
Total liabilities	<u>-</u>	<u>9,117</u>	<u>9,110</u>	<u>7</u>
T OR C SCHOOLS 702				
ASSETS				
Cash and investments	60,352	2,413,268	2,448,890	24,730
Receivables - Property taxes	305,742	3,589,754	3,854,929	40,567
Receivables - Other	-	-	-	-
Total assets	<u>366,094</u>	<u>6,003,022</u>	<u>6,303,819</u>	<u>65,297</u>
LIABILITIES				
Deposits held in trust for others	60,352	2,413,268	2,448,890	24,730
Other liabilities	-	-	-	-
Future taxes collectible	305,742	3,589,754	3,854,929	40,567
Total liabilities	<u>366,094</u>	<u>6,003,022</u>	<u>6,303,819</u>	<u>65,297</u>
OVERPAYMENT OF TAXES 804				
ASSETS				
Cash and investments	1,350	7,753	5,903	3,200
Receivables - Property taxes	-	-	-	-
Receivables - Other	-	-	-	-
Total assets	<u>1,350</u>	<u>7,753</u>	<u>5,903</u>	<u>3,200</u>
LIABILITIES				
Deposits held in trust for others	1,350	7,753	5,903	3,200
Other liabilities	-	-	-	-
Future taxes collectible	-	-	-	-
Total liabilities	<u>1,350</u>	<u>7,753</u>	<u>5,903</u>	<u>3,200</u>

STATE OF NEW MEXICO
SIERRA COUNTY
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
PRISONER'S PERSONAL FUND 811				
ASSETS				
Cash and investments	989	-	989	-
Receivables - Property taxes	-	-	-	-
Receivables - Other	-	-	-	-
Total assets	<u>989</u>	<u>-</u>	<u>989</u>	<u>-</u>
LIABILITIES				
Deposits held in trust for others	989	-	989	-
Other liabilities	-	-	-	-
Future taxes collectible	-	-	-	-
Total liabilities	<u>989</u>	<u>-</u>	<u>989</u>	<u>-</u>
HOSPITAL FUND 812				
ASSETS				
Cash and investments	-	-	-	-
Receivables - Property taxes	59,375	32,237,186	31,913,924	382,637
Receivables - Other	-	-	-	-
Total assets	<u>59,375</u>	<u>32,237,186</u>	<u>31,913,924</u>	<u>382,637</u>
LIABILITIES				
Deposits held in trust for others	-	-	-	-
Other liabilities	-	-	-	-
Future taxes collectible	59,375	32,237,186	31,913,924	382,637
Total liabilities	<u>59,375</u>	<u>32,237,186</u>	<u>31,913,924</u>	<u>382,637</u>
TOTAL AGENCY FUNDS				
ASSETS				
Cash and investments	124,374	4,064,485	4,124,321	64,538
Receivables - Property taxes	445,426	29,135,586	29,133,522	830,127
Receivables - Other	-	-	-	-
Total assets	<u>569,800</u>	<u>33,200,071</u>	<u>33,257,843</u>	<u>894,665</u>
LIABILITIES				
Deposits held in trust for others	124,374	4,064,485	4,124,321	64,538
Deposits held in trust for hospital levy	-	-	-	-
Other liabilities	-	-	-	-
Future taxes collectible	445,426	29,135,586	29,133,522	830,127
Total liabilities	<u>569,800</u>	<u>33,200,071</u>	<u>33,257,843</u>	<u>894,665</u>

STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000
(EXCLUDING GRT)
FOR THE YEAR ENDED JUNE 30, 2016

<i>RFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A</i>	<i>Brief Description of the Scope of Work</i>
#2015-09-005	Competitive (RFP or RFB)	4Rivers/ Colorado Machinery, LLC One Subital (2) Posting	\$148,000.00	\$0.00	11323 Rojas Drive	No	Yes	Motor Grader Model 140 H Cat or " " Environmental Consultants Cuchillo Negro Bank Stabalization
#2016-04-005	Competitive (RFP or RFB)	Pettigrew & Associates, P.A.	\$139,340.01	\$0.00	100 E. Navajo Drive Suite 100 Hobbs, NM 88240	No	No	"
#2016-04-005	Competitive (RFP or RFB)	Larkin			8500 Menaul Boulevard NE, Suite A- 440	No	No	"
#2016-04-005	Competitive (RFP or RFB)	Wilson & Co.			414 N. Main Street, Suite A, Las Cruces, NM 88001	No	No	"
#2016-04-005	Competitive (RFP or RFB)	Zia Engineering			201 N. Church St. Suite 300, Las Cruces, NM 88001	No	No	"
#2016-04-005	Competitive (RFP or RFB)	Hue Consultants			PO Box 10867, Albuquerque, NM 87184	No	No	"

COMPLIANCE SECTION

INDEPENDENT AUDITOR'S 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

Mr. Timothy Keller
New Mexico State Auditor
The Board of Sierra County Commissioners
Sierra County
Truth or Consequences, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds of Sierra County (the "County"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and the combining and individual funds and related budgetary comparisons of the County, presented as supplementary information, and have issued our report thereon dated November 1, 2016.

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. We have identified the following material weaknesses listed as 2015-002, 2015-003, and 2016-003 in the Schedule of Findings and Responses.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses, that we consider significant deficiencies and are listed as 2016-002 in the Schedule of Findings and Responses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Responses as items 2016-001 and 2016-004.

Management's Responses to Findings

Management's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Responses. Management'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 results 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.



Albuquerque, New Mexico
November 1, 2016

OTHER DISCLOSURES

**STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2016**

FINANCIAL STATEMENT FINDINGS

2015-002 Trial Balance – (Material Weakness) Repeated and Modified

Condition: During our fieldwork, we noted that the County's trial balance that was provided for the audit required material adjustments to cash, accounts receivable, accounts payable, capital assets, long term debt, and fund balance/ net position.

Management has demonstrated a lack of progress in implementing the prior year corrective action plan.

Criteria: The Codification of Statements on Auditing Standards (SAS AU) paragraph 110.03 states that the financial statements are management's responsibility. Management is responsible for adopting sound accounting policies, and for establishing and maintaining internal control that will, among other things, initiate, authorize, record, process, and report transactions (as well as events and conditions) consistent with management's assertions embodied in the financial statements.

Cause: The client did not demonstrate a sound understanding of the Triadic software that is used as its trial balance software and was unable to run certain reports needed for the auditors to efficiently import and navigate the basic trial balance.

Effect: When sufficient controls over account balances are not implemented and operating effectively, an entity's ability to prevent or detect a misstatement in its financial statements is limited.

Recommendation: We recommend the County incorporates processes and internal controls to ensure account balances are accurately reflected in order to be able to produce a complete and accurate trial balance.

Management's Response: Due to the County's antiquated financial system, the county is unable to compile accurate records; therefore, the county drafted an RFP for a new financial system. The county hired a new finance director, who will develop internal controls and monitoring practices.

Estimated Completion Date: Internal controls and monitoring practices should be complete by April 2017. Conversion to a new countywide data system will be completed by February 2017, barring unforeseen conversion problems.

Responsible party:

Internal Controls- Finance Director

RFP- Procurement

Funding- County Manager/Commission

**STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2016**

FINANCIAL STATEMENT FINDINGS (CONTINUED)

2015-003 Controls over Capital Assets – (Material Weakness) Repeated

Condition: During our audit procedure over capital asset inventory, we noted the following issues:

- The capital assets system was not being monitored or updated correctly during the fiscal year ending June 30, 2016.
- Accumulated depreciation was not properly being tracked and calculated by the County for fiscal year 2016.

Management has demonstrated a lack of progress in implementing the prior year corrective action plan.

Criteria: Section 2.20.1 of NMAC requires agencies to properly account for capital assets. The annual inventory requirement is described in Section 2.20.1.16 of the NMAC. The required capital asset accounting system is described in Section 2.20.1.8 of the NMAC and proper controls over the capital assets are described in Section 2.20.1.15 of the NMAC. A system of internal controls should be in place to provide reasonable assurance that the objectives to e

Cause: Lack of training and knowledge of governmental accounting, and a lack of management oversight in the area of capital asset acquisitions and recordings.

Effect: The lack of proper implementation of controls over capital assets may result in the financial statements being misstated.

Recommendation: We recommend that the County update their capital asset inventory software on a timely basis and implement the proper internal control system to monitor the capital asset listing.

Management Response: Due to the county's antiquated financial system, the County is unable to compile accurate records; therefore, the county is drafting an RFP for a new system. The County hired a new finance director, who will develop policies for capital assets, including monitoring and tracking, and properly calculating depreciation.

Estimated Completion Date: Internal controls and monitoring practices should be complete by April 2017. Conversion to a new countywide data system will be completed by February 2017, barring unforeseen conversion problems.

Responsible party:

Internal Controls Finance Director

RFP- Procurement

Funding- County Manager/Commission

**STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2016**

FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-001 Travel and Per Diem (Other Matters and Noncompliance)

Condition: During our testing of travel and per diem expenditures, we noted one item in a sample of 5 totaling \$187.58 which lacked proper authorization for the disbursement.

Criteria: Per New Mexico Administrative Code 2.42.2.9, the County, upon written request of a public officer or an employee, may grant written approval for a public officer or employee of that agency or local public body to be reimbursed actual expenses.

Effect: The County is not in compliance with policies regarding the appropriate documentation of travel and travel reimbursement. As a result, the County could be paying for expenditures that were not properly authorized.

Cause: The County is not in compliance with the Per Diem and Mileage Act and is reimbursing employees for travel expenditures that were not properly authorized.

Recommendation: Develop and implement policies and procedures that will ensure compliance with the travel and per diem requirements as set-forth by NMAC 2.42.2.9 and ensure policies for the accurate and timely submission of employee travel reimbursement vouchers and employee request for travel forms are enforced.

Management's Response: The County is confident the employee received prior written authorization to travel and thus disbursement. The document was misfiled. The county developed a procedure for storing all travel documents with disbursements.

Estimated Completion Date: November 1, 2016

Responsible party: Procurement and Finance Directors

**STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2016**

FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-002 Internal Controls over Cash Disbursements (Significant Deficiency)

Condition: Out of 40 items sampled for testing over internal controls over cash disbursements, the following exceptions were noted:

- We noted four instances in which the disbursement was not supported by a purchase requisition.
- We noted one instance in which the purchase order did not have the proper authorizing signature, indicating that the purchase was not properly approved before it was made.
- We noted two transactions that were not supported by a purchase order.

Criteria: 6-5-2C NMSA 1978 states that an entity shall implement internal controls designed to prevent accounting errors and violations of state and federal law and rules related to financial matters.

Effect: Lack of documentation related to disbursements raises the risk for improper use of public monies or increases risk for erroneously processed transactions. The County is at risk of over expending budgets when the purchase order process is circumvented. Without proper approval, purchases for unauthorized goods or services may occur.

Cause: The County did not ensure that the County's policies and procedures were being followed.

Recommendation: We recommend that the County evaluate its current procedures related to disbursements and ensure that disbursements are made subsequent to verification of the goods/services being received/performed. Goods and/or services should not be ordered until all required authorizing signatures are obtained.

Management's Response: The County believes it has all the documentation; however, at the time of the audit, the records were not available. The county changed its practice of filing requisitions and PO's. All requisitions and PO's will be filed with the appropriate disbursement.

Estimated Completion Date: November 1, 2016

Responsible party: Finance and Procurement Directors

**STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2016**

FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-003 Internal Controls over Inventory - Material Weakness

Condition: As of June 30, 2016 a physical inventory count over assets had not been performed.

Criteria: The COSO Internal Control Integrated Framework describes 5 elements to achieve a sound control environment to minimize misappropriation of assets, among other objectives. It is crucial the County implements controls of this nature to minimize the risk of misappropriation of assets and to achieve accurate financial statement presentation. Further, 12-6-10, NMAC 1978, requires entities to conduct a physical inventory of all movable chattel and equipment listed on the inventory list as of year end.

Cause: The County has not conducted a physical inventory count at year end.

Effect: Without conducting a physical inventory count, the County is susceptible to misappropriation of assets as well as inaccurate depreciation expense, accumulated depreciation, and inaccurate additions and deletions of capital assets.

Recommendation: We recommend the County implements a system to accurately track, maintain and update changes in inventory on an annual basis.

Management Response: Due to the County's antiquated financial system, the county is unable to compile accurate records; therefore, the county is drafting an RFP for a new system. The county hired a new finance director, who will develop policies for capital assets, including monitoring and tracking, and properly calculating depreciation.

Estimated Completion Date: Internal controls and monitoring practices should be complete by April 2017. Conversion to a new countywide data system will be completed by February 2017, barring unforeseen conversion problems.

Responsible party:

Internal Controls Finance Director

RFP- Procurement

Funding- County Manager/Commission

**STATE OF NEW MEXICO
SIERRA COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2016**

FINANCIAL STATEMENT FINDINGS (CONTINUED)

2016-004 Expenditures in Excess of Budget (Other Matters and Noncompliance)

Condition: During our analysis of budget to actual reports for the year ended June 30, 2016, we noted the expenditures in the following funds exceeded the budgeted amounts:

<u>Fund</u>	<u>Excess of Expenditures over Appropriations</u>
Hospital GRT Fund 221	(20,413)
Total Excess of Expenditures over Appropriations	\$ <u><u>(20,413)</u></u>

Criteria: State Statute 6-6-6 NMSA 1978 from HB 565 requires that local government spending does not exceed budgeted amounts at the fund level, unless the Commission approves a budget adjustment.

Cause: The County did not have proper budgetary controls, including budget to actual analysis.

Effect: As a result, the County is not in compliance with New Mexico law, and the control established by the use of budgets has been compromised. Continued over-expenditure of budgeted balances may result in unnecessary usage of operating funds to absorb over-expenditures.

Recommendation: We recommend that the County monitor its budget closely and prepare budget adjustments as necessary.

Management's Response: The County recognizes that a budget increase was not made. The Finance Director has been trained to complete a budget adjustment on all revenues received.

Estimated Completion Date: November 1, 2016

Responsible party: Finance Director

**STATE OF NEW MEXICO
SIERRA COUNTY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
JUNE 30, 2016**

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

Finding #	Finding	Status
2007-004	Property Tax Schedule (Other Matters)	Resolved
2015-001	Lack of Performance Evaluations (Other Matters)	Resolved
2015-002	Trial Balance (Material Weakness)	Repeated and Modified
2015-003	Capital Assets (Material Weakness)	Repeated
2015-004	Late Audit Report (Significant Deficiency)	Resolved

**STATE OF NEW MEXICO
SIERRA COUNTY
EXIT CONFERENCE
JUNE 30, 2016**

Exit Conference

An exit conference was conducted on October 26, 2016 in closed session, in accordance with New Mexico statutes, with the following individuals:

Sierra County

Sherry Fletcher, County Commissioner
Bruce Swingle, County Manager
Becky Mena, Finance Director

Axiom Certified Public Accountants and Business Advisors, LLC

Chris Garner, CPA, Partner
Bryan Runyan, Audit Supervisor

Auditor Prepared Financial Statements

Axiom Certified Public Accountants and Business Advisors, LLC prepared the GAAP-basis financial statements, related footnotes and supporting schedules from the original books and records provided to them by the management of the County. The responsibility for the financial statements remains with the County.