

State of New Mexico

Taos County

Annual Financial Report

For the Year Ended June 30, 2015



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INTRODUCTORY SECTION

STATE OF NEW MEXICO

Taos County
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STATE OF NEW MEXICO

Taos County

Official Roster

June 30, 2015

<u>Name</u>		<u>Title</u>
	<u>County Commissioners</u>	
Jim K. Fambro		Commissioner
Mark Gallegos		Commissioner
Gabriel J. Romero		Commissioner
Candyce O'Donnell		Commissioner
Tom Blankenhorn		Commissioner
	<u>Elected Officials</u>	
Anna Martinez		County Clerk
Abel Montoya		County Assessor
Susan K. Trujillo		County Treasurer
Jerry Holgreffe		County Sheriff
Paloma Rono		Probate Judge
	<u>Administrative Officials</u>	
Stephen P. Archuleta		County Manager
Leandro R. Cordova		Finance Director

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FINANCIAL SECTION



Accounting & Consulting Group, LLP
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Timothy Keller
New Mexico State Auditor
The U.S. Office of Management and Budget and
The Taos County Commissioners
Taos County
Taos, New Mexico

Report on Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Taos County as of June 30, 2015, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparison for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the County, as of June 30, 2015, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital projects fund, major debt service funds, and 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

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages 12 through 20 and Schedules I and II, and Notes to the Required Supplementary Information on pages 74 through 78, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the County's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of Federal Awards as required by Office of Management and Budget *Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations* and Supporting Schedules III through IX 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 Schedule of Expenditures of Federal Awards and Supporting Schedules III through VIII required by section 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and Supporting Schedules III through VIII 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 IX have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2015 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
October 22, 2015

STATE OF NEW MEXICO
Taos County
Management's Discussion and Analysis
June 30, 2015

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

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of Taos County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$51,916,307 (*net position*)
- The government's total net position decreased by \$15,686,329 during the fiscal year.
- As of June 30, 2015, the County's governmental funds reported combined ending fund balances of \$30,474,623. Approximately 13% of this total amount, \$3,773,230, is unreserved fund balance available for spending at the government's discretion.
- At the close of the current fiscal year, unassigned fund balance for the general fund was \$3,773,230, or 42 percent of total general fund expenditures of \$9,159,886.
- Taos County's total debt decreased by \$4,157,559, during the current fiscal year.

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of Taos County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Taos County include general government, public safety, public works, culture and recreation, and health and welfare. The business-type activities of the County include Solid Waste, Ambulance, and Housing Authority.

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

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

STATE OF NEW MEXICO
Taos County
Management's Discussion and Analysis
June 30, 2015

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

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

Taos County maintains sixty-one individual governmental funds organized according to their type (special revenue, debt service and capital projects). Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund and the Educational Bond Fund are considered to be major funds. Data from the other fifty-two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

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

The basic governmental fund financial statements can be found at Exhibits B-1 through C-1 of this report.

Proprietary funds. Proprietary funds are generally used to account for services for which the County charges customers – either outside customers or internal units or departments of the County. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The County maintains one type of proprietary fund:

Enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the operations of the Solid Waste, Ambulance, and Housing Authority operations of the County. The enterprise funds are considered to be major funds of the County.

The basic proprietary fund financial statements can be found at Exhibits D-1 through D-3 of this report.

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

Taos County fiduciary funds account for the collection of property taxes and special fees and their remittance to other governmental agencies.

The basic fiduciary fund financial statement can be found at Exhibit E-1 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 44-72 of this report.

Combining statements. The combining statements referred to earlier in connection with non-major governmental funds and major debt service funds and major proprietary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 86-169 of this report.

STATE OF NEW MEXICO
Taos County
Management's Discussion and Analysis
June 30, 2015

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Taos County, assets exceeded liabilities by \$67,602,636 at the close of the current fiscal year.

The largest portion's of Taos County's net position represents the County's investment of \$33,336,976 in capital assets (e.g., land improvements, buildings, infrastructure and machinery & equipment) less any related outstanding debt used to acquire those assets. Taos County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Taos County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

TAOS COUNTY'S NET POSITION*
June 30, 2015 and 2014

	2015		
	Governmental Activities	Business Type Activities	Total
Assets			
Current and other assets	\$ 22,245,587	\$ 1,098,743	\$ 23,344,330
Capital assets, net of accumulated depreciation	91,645,134	2,896,891	94,542,025
Other noncurrent assets	9,484,468	-	9,484,468
Deferred outflows of resources	937,129	132,668	1,069,797
Total assets and deferred outflows or resources	\$ 124,312,318	\$ 4,128,302	\$ 128,440,620
Liabilities			
Long-term liabilities outstanding	\$ 66,486,162	\$ 1,236,770	\$ 67,722,932
Other liabilities	4,739,495	155,830	4,895,325
Deferred inflows of resources	3,421,657	484,399	3,906,056
Total liabilities and deferred inflows of resources	74,647,314	1,876,999	76,524,313
Net Position			
Net investment in capital assets	30,440,085	2,896,891	33,336,976
Restricted	12,420,856	-	12,420,856
Unrestricted	6,804,063	(645,588)	6,158,475
Total net position	49,665,004	2,251,303	51,916,307
Total liabilities, deferred inflows of resources and net position	\$ 124,312,318	\$ 4,128,302	\$ 128,440,620

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Taos County
Management's Discussion and Analysis
June 30, 2015

	2014		
	Governmental Activities	Business Type Activities	Total
Assets			
Current and other assets	\$ 21,386,307	\$ 1,736,484	\$ 23,122,791
Capital assets, net of accumulated depreciation	91,368,822	7,873,974	99,242,796
Other noncurrent assets	11,896,539	387,991	12,284,530
Deferred outflows of resources	-	-	-
Total assets and deferred outflows or resources	\$ 124,651,668	\$ 9,998,449	\$ 134,650,117
Liabilities			
Long-term liabilities outstanding	\$ 62,011,797	\$ 26,904	\$ 62,038,701
Other liabilities	4,704,457	304,323	5,008,780
Deferred inflows of resources	-	-	-
Total liabilities and deferred inflows of resources	66,716,254	331,227	67,047,481
Net Position			
Net investment in capital assets	47,977,397	8,173,974	56,151,371
Restricted	5,526,140	11,101	5,537,241
Unrestricted	4,431,877	1,482,147	5,914,024
Total net position	57,935,414	9,667,222	67,602,636
Total liabilities, deferred inflows of resources and net position	\$ 124,651,668	\$ 9,998,449	\$ 134,650,117

At the end of the current and prior fiscal years, Taos County is able to report positive balances in all three categories of net position, for the government as a whole as well as for the business-type activities, with the exception of \$131,087 of negative fund balance in the solid waste enterprise fund.

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Taos County
Management's Discussion and Analysis
June 30, 2015

Analysis of Changes in Net Position

The County's net position decreased by \$15,686,329 during the current fiscal year, this decrease is explained in the government and business-type activities discussion below, and is primarily a result of the implementation of GASB 68.

**Changes in Net Position
For the Years Ended June 30, 2015 and 2014**

	2015		
	Governmental Activities	Business-Type Activities	Total
Revenues			
Program revenues:			
Charges for services	\$ 2,254,277	\$ 2,214,732	\$ 4,469,009
Operating grants and contributions	4,057,493	243,604	4,301,097
Capital grants and contributions	1,544,205	87,500	1,631,705
General revenues:			
Property taxes	10,093,458	-	10,093,458
Gross receipts taxes	11,167,654	247,813	11,415,467
Other taxes	476,026	-	476,026
Investment income	20,295	8	20,303
Miscellaneous revenue	960,047	156,484	1,116,531
Transfers	(383,277)	383,277	-
Transfers to other entity (Note 20)		(5,608,032)	
Special item- donated assets	200,405	-	200,405
Total Revenues	30,390,583	(2,274,614)	28,115,969
Program expenses:			
General government	10,846,236	-	10,846,236
Public safety	4,691,558	-	4,691,558
Culture and recreation	305,517	-	305,517
Health and welfare	2,312,390	-	2,312,390
Education	2,632,364	-	2,632,364
Public works	3,822,219	-	3,822,219
Interest on long-term debt	2,510,893	-	2,510,893
Business-type activities	-	3,507,629	3,507,629
Total Expenses	27,121,177	3,507,629	30,628,806
Change in net position	3,269,406	(5,782,243)	(2,512,837)
Net position - beginning of year	57,935,414	9,667,222	67,602,636
Net position - restatement	(11,539,816)	(1,633,676)	(13,173,492)
Net position - as restated	46,395,598	8,033,546	54,429,144
Net position - ending	\$ 49,665,004	\$ 2,251,303	\$ 51,916,307

Governmental activities. Governmental activities increased Taos County's net position by \$3,269,406. The County had education bond expenditures in the amount of \$2,632,364 in the current year.

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Management's Discussion and Analysis
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Business-type activities. Business-type activities decreased the County's net position by \$5,782,243. This decrease is primarily attributed to the transfer of equity from Taos County Housing Authority to Northern Regional Housing Authority. .

	2014		
	Governmental Activities	Business-Type Activities	Total
Revenues			
Program revenues:			
Charges for services	\$ 2,061,362	\$ 2,484,104	\$ 4,545,466
Operating grants and contributions	8,813,491	2,471,886	11,285,377
Capital grants and contributions	852,267	25,650	877,917
General revenues:			
Property taxes	10,321,484	-	10,321,484
Gross receipts taxes	6,164,629	260,850	6,425,479
Other taxes	448,499	-	448,499
Investment income	20,772	274	21,046
Miscellaneous revenue	612,356	1,006	613,362
Transfers	(602,323)	602,323	-
Special item- donated assets	177,787	-	177,787
Total Revenues	28,870,324	5,846,093	34,716,417
Program expenses:			
General government	12,797,050	-	12,797,050
Public safety	4,198,753	-	4,198,753
Culture and recreation	277,411	-	277,411
Health and welfare	1,203,787	-	1,203,787
Education	15,055,863	-	15,055,863
Public works	4,054,975	-	4,054,975
Interest on long-term debt	2,348,937	-	2,348,937
Business-type activities	-	7,162,017	7,162,017
Total Expenses	39,936,776	7,162,017	47,098,793
Change in net position	(11,066,452)	(1,315,924)	(12,382,376)
Net position - beginning of year	69,001,866	9,928,773	78,930,639
Net position - restatement	-	1,054,373	1,054,373
Net position - as restated	69,001,866	10,983,146	79,985,012
Net position - ending	\$ 57,935,414	\$ 9,667,222	\$ 67,602,636

STATE OF NEW MEXICO
Taos County
Management's Discussion and Analysis
June 30, 2015

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental funds. The focus of Taos County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Taos County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of Governmental funds reported by the County include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds.

As of the end of the current fiscal year, Taos County's governmental funds reported combined ending fund balances of \$30,474,623, a decrease of \$626,459 in comparison with the prior year. Approximately 13 percent of this total amount, \$3,773,230 constitutes *unassigned fund balance*, which is available for spending at the government's discretion, and 87 percent of this total amount, \$26,701,393, is *nonspendable, restricted, or committed for budgeted items*.

Revenues for governmental funds overall totaled \$31,559,736 in the fiscal year ended June 30, 2015 which represents an increase of \$2,455,662 from the fiscal year ended June 30, 2014. Expenditures for governmental funds totaled \$31,802,921, which decreased by \$11,318,678 from the fiscal year ended June 30, 2014. In the fiscal year ended June 30, 2015, expenditures for governmental funds exceeded revenues by \$243,182.

The General Fund is the chief operating fund of Taos County. At the end of the current fiscal year, *unassigned* fund balance of the general fund was \$3,773,230 and *minimum fund balance* was \$2,391,972, while total fund balance was \$6,373,213. As a measure of the general fund's liquidity, it may be useful to compare the unassigned fund balance to the total fund expenditures. Unassigned fund balance represents 42 percent of total general fund expenditures of \$9,159,886, while total fund balance represents 70 percent of that same amount.

The fund balance of Taos County's general fund increased by \$457,037 during the current fiscal year, this is due to the net effect of operating transfer out of \$4,092,329 and operating transfer in of \$1,032,305. Overall, the general fund's performance resulted in revenues over expenditures in the fiscal year ended June 30, 2015 of \$3,517,061, a decrease of \$79,488 from the comparable figure from the prior year of \$3,596,549.

The Educational Fund has restricted fund balance of \$8,053,851, all of which is education purposes. The net decrease in fund balance during the current year was \$1,383,781.

Proprietary Funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

At the end of the fiscal year, the unrestricted net position for Proprietary Funds was \$(645,588). The funds also had net position of net investment in capital assets in the amount of \$2,896,891. The total decrease in net position for the enterprise funds was \$7,415,919.

Fiduciary Funds. The County maintains fiduciary funds for the assets of various agency funds. The amount of fiduciary funds due to others was \$4,799,866 for the fiscal year ended June 30, 2015.

STATE OF NEW MEXICO
Taos County
Management's Discussion and Analysis
June 30, 2015

General Fund Budgetary Highlights

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

GASB Statement No. 34 does not require a statement presenting the overall result of the budget for each year; however, all major budgetary funds are required to be reported as a separate statement.

The total variation in revenues from the original and final budgets in the general fund was an increase of \$215,875. The significant variation was in licenses and fees, which was an increase of \$170,056 and an increase of \$9,819 in miscellaneous items. The total variation in expenditures from the original and final budgets in the general fund was an increase of \$0.

The County's final budget differs from the actual budget results due to variances between budgeted amounts and actual results during the fiscal year. The total variation in revenues from the final budget and actual results in the general fund was a favorable variance of \$422,916. The significant variations were in intergovernmental, licenses and fees, and charges for services. The favorable variance was due to an increase in property tax collections and more business in the area creating higher gross receipts tax revenue during the fiscal year. The total variation in expenditures from the final budget and actual results in the general fund was a favorable variance of \$1,086,982. The significant variation was in general government. The favorable variance was due to disciplined spending and careful monitoring of the budget in each of the County's departments.

Capital Asset and Debt Administration

Capital assets. Taos County's capital assets for its governmental and business-type activities as of June 30, 2015 amount to \$99,542,796 (net of accumulated depreciation). This investment in capital assets includes land improvements, right of way, construction in progress, buildings and improvements, infrastructure, vehicles and machinery and equipment. The total increase in the County's capital assets (excluding accumulated depreciation and disposals) for the current fiscal year was \$3,124,296 for governmental activities. The significant additions to governmental capital assets were infrastructure and vehicles to the County. The significant additions to business-type activities' capital assets were buildings and improvements.

**Capital Assets, Net of Depreciation
June 30, 2015**

	June 30, 2015		
	Governmental Activities	Business Type Activities	Total
Capital Assets			
Land	\$ 7,059,883	\$ -	\$ 7,059,883
Right of way	18,750,380	-	18,750,380
Construction in progress	802,484	-	802,484
Buildings and improvements	56,120,668	9,852,142	65,972,810
Infrastructure	40,950,208	-	40,950,208
Vehicles	10,649,729	713,140	11,362,869
Lease Hold Improvements	68,378	-	68,378
Machinery and equipment	6,454,486	185,837	6,640,323
	<u>140,856,216</u>	<u>10,751,119</u>	<u>151,607,335</u>
Total capital assets			
Less: accumulated depreciation	<u>(49,211,082)</u>	<u>(7,854,228)</u>	<u>(57,065,310)</u>
Total capital assets, net of accumulated depreciation	<u>\$ 91,645,134</u>	<u>\$ 2,896,891</u>	<u>\$ 94,542,025</u>

STATE OF NEW MEXICO
Taos County
Management's Discussion and Analysis
June 30, 2015

For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Fund financial statements record capital asset purchases as expenditures. See Note 6 in the accompanying notes to the financial statements for further information regarding capital assets.

Debt Administration. At the end of the current fiscal year, Taos County had total long-term obligations outstanding of \$61,729,241 consisting of \$31,152,350 in bonds payable and \$30,023,899 in notes payable. The remaining liabilities totaling \$552,992 consist of capital leases of \$28,800 and compensated absences \$524,192.

Taos County's Outstanding Debt
As of June 30, 2015

	June 30, 2015		
	Governmental Activities	Business Type Activities	Total
Bonds payable	\$ 31,152,350	\$ -	\$ 31,152,350
Notes payable	30,023,899	-	30,023,899
Capital leases	28,800	-	28,800
Compensated absences	427,818	96,374	524,192
 Total long-term debt	 <u>\$ 61,632,867</u>	 <u>\$ 96,374</u>	 <u>\$ 61,729,241</u>

See Note 7 in the accompanying Notes to the Financial Statements for further information regarding Taos County's long-term debt.

KNOWN FACTS, DECISIONS, OR CONDITIONS THAT WILL IMPACT FINANCIAL POSITION

Please refer to the notes to financial statements for this information on pages 44-72.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Taos County's finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, Taos County, 105 Albright Street, Suite A, Taos, New Mexico 87571.

**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO

Taos County

Statement of Net Position

June 30, 2015

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets			
Current assets			
Cash and cash equivalents	\$ 15,567,815	\$ 315,135	\$ 15,882,950
Investments	3,712,243	-	3,712,243
Receivables:			
Property taxes, net	1,256,489	-	1,256,489
Customers, net of allowance	-	738,173	738,173
Other receivables	1,078,908	45,435	1,124,343
Inventory	267,298	-	267,298
Prepaid insurance	362,834	-	362,834
Total current assets	<u>22,245,587</u>	<u>1,098,743</u>	<u>23,344,330</u>
Noncurrent assets			
Restricted cash and cash equivalents	9,166,711	-	9,166,711
Bond insurance (net of accumulated amortization of \$38,903)	166,223	-	166,223
Original issue discounts (net of accumulated amortization of \$35,466)	151,534	-	151,534
Capital assets	140,856,216	10,751,119	151,607,335
Less: accumulated depreciation	<u>(49,211,082)</u>	<u>(7,854,228)</u>	<u>(57,065,310)</u>
Total noncurrent assets	<u>101,129,602</u>	<u>2,896,891</u>	<u>104,026,493</u>
Total assets	<u>123,375,189</u>	<u>3,995,634</u>	<u>127,370,823</u>
<i>Deferred outflows of resources</i>			
Employer contributions subsequent to the measurement date	<u>937,129</u>	<u>132,668</u>	<u>1,069,797</u>
Total deferred outflows of resources	<u>937,129</u>	<u>132,668</u>	<u>1,069,797</u>
<i>Total assets and deferred outflows of resources</i>	<u>\$ 124,312,318</u>	<u>\$ 4,128,302</u>	<u>\$ 128,440,620</u>

The accompanying notes are an integral part of these financial statements

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Liabilities			
Current liabilities			
Accounts payable	\$ 312,561	\$ 43,145	\$ 355,706
Accrued payroll liabilities	236,551	42,616	279,167
Accrued interest payable	406,630	-	406,630
Current portion of accrued compensated absences	427,819	70,069	497,888
Current portion of long term obligations	3,355,934	-	3,355,934
Total current liabilities	<u>4,739,495</u>	<u>155,830</u>	<u>4,895,325</u>
Noncurrent liabilities			
Non current portion of accrued compensated absences	58,662	26,305	84,967
Original issue premiums (net of accumulated amortization of \$6,555)	28,008	-	28,008
Bonds payable	28,957,350	-	28,957,350
Notes and capital leases payable	28,891,765	-	28,891,765
Net pension liability	8,550,377	1,210,465	9,760,842
Total noncurrent liabilities	<u>66,486,162</u>	<u>1,236,770</u>	<u>67,722,932</u>
Total liabilities	<u>71,225,657</u>	<u>1,392,600</u>	<u>72,618,257</u>
Deferred inflows of resources			
Change in assumptions	98,934	14,006	112,940
Net difference between projected and actual investment earnings on pension plan investments	3,322,723	470,393	3,793,116
Total deferred inflows of resources	<u>3,421,657</u>	<u>484,399</u>	<u>3,906,056</u>
Net position			
Net investment in capital assets	37,245,437	2,896,891	40,142,328
Restricted for:			
Debt service	2,638,435	-	2,638,435
Capital projects	1,563,549	-	1,563,549
Other purposes- special revenue	4,913,520	-	4,913,520
Unrestricted	3,304,063	(645,588)	2,658,475
Total net position	<u>49,665,004</u>	<u>2,251,303</u>	<u>51,916,307</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 124,312,318</u>	<u>\$ 4,128,302</u>	<u>\$ 128,440,620</u>

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

Functions/Programs:	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
General government	\$ 10,846,236	\$ 893,921	\$ 689,179	\$ -
Public safety	4,691,598	500,319	1,656,106	-
Culture and recreation	305,517	10,403	-	-
Health and welfare	2,312,390	-	1,403,076	-
Education	2,632,364	-	-	-
Public works	3,822,219	849,634	309,132	1,544,205
Interest on long-term debt	2,510,893	-	-	-
Total governmental activities	<u>27,121,217</u>	<u>2,254,277</u>	<u>4,057,493</u>	<u>1,544,205</u>
Business-type activities:				
Solid waste	1,322,561	963,682	-	-
Ambulance	1,984,395	1,216,002	-	-
Low rent public housing	47,556	24,271	157,535	87,500
Housing choice vouchers	148,171	10,777	86,069	-
Public housing capital fund	-	-	-	-
Total business-type activities	<u>3,502,683</u>	<u>2,214,732</u>	<u>243,604</u>	<u>87,500</u>
Total primary government	<u><u>\$ 30,623,900</u></u>	<u><u>\$ 4,469,009</u></u>	<u><u>\$ 4,301,097</u></u>	<u><u>\$ 1,631,705</u></u>

**General Revenues, Transfers and
Special Items:**

Taxes:
Property taxes
Gross receipts taxes
Other taxes
Investment income
Miscellaneous income
Transfers
Transfer to other entity (Note 20)
Special item- donated assets

Total general revenues, transfers, and
Special Items

Change in net position

Net position - beginning of year

Net position - restatement (Note 19)

Net position - as restated

Net position - end of year

The accompanying notes are an integral part of these financial statements

Net (Expenses) Revenues and Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (9,263,136)	\$ -	\$ (9,263,136)
(2,535,173)	-	(2,535,173)
(295,114)	-	(295,114)
(909,314)	-	(909,314)
(2,632,364)	-	(2,632,364)
(1,119,248)	-	(1,119,248)
(2,510,893)	-	(2,510,893)
<u>(19,265,242)</u>	<u>-</u>	<u>(19,265,242)</u>
-	(358,879)	(358,879)
-	(768,393)	(768,393)
-	221,750	221,750
-	(51,325)	(51,325)
-	-	-
-	<u>(956,847)</u>	<u>(956,847)</u>
<u>(19,265,242)</u>	<u>(956,847)</u>	<u>(20,222,089)</u>
10,471,602	-	10,471,602
11,167,654	247,813	11,415,467
476,026	-	476,026
20,295	8	20,303
581,943	156,484	738,427
(383,277)	383,277	-
-	(5,612,978)	(5,612,978)
<u>200,405</u>	<u>-</u>	<u>200,405</u>
<u>22,534,648</u>	<u>(4,825,396)</u>	<u>17,709,252</u>
<u>3,269,406</u>	<u>(5,782,243)</u>	<u>(2,512,837)</u>
57,935,414	9,667,222	67,602,636
<u>(11,539,816)</u>	<u>(1,633,676)</u>	<u>(13,173,492)</u>
<u>46,395,598</u>	<u>8,033,546</u>	<u>54,429,144</u>
<u>\$ 49,665,004</u>	<u>\$ 2,251,303</u>	<u>\$ 51,916,307</u>

STATE OF NEW MEXICO

Taos County

Balance Sheet

Governmental Funds

June 30, 2015

	<u>General Fund</u>	<u>Jail/Detention Fund</u>	<u>Abregadero Road Grant</u>	<u>Educational Bond Fund</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 3,344,204	\$ 536,479	\$ 63,859	\$ 6,805,352
Investments	2,116,110	-	-	-
Accounts receivable				
Property taxes	1,256,489	-	-	-
Other receivables	71,969	59,624	-	-
Inventory	-	-	-	-
Prepaid expenses	208,011	129,006	-	-
<i>Total assets</i>	<u>\$ 6,996,783</u>	<u>\$ 725,109</u>	<u>\$ 63,859</u>	<u>\$ 6,805,352</u>
<i>Liabilities, deferred inflows of resources, and fund balances</i>				
<i>Liabilities</i>				
Accounts payable	\$ 89,487	\$ 21,102	\$ 59,788	\$ -
Accrued payroll liabilities	145,520	45,779	-	-
<i>Total liabilities</i>	<u>235,007</u>	<u>66,881</u>	<u>59,788</u>	<u>-</u>
<i>Deferred inflows of resources</i>				
Deferred inflows - property taxes	388,563	-	-	-
<i>Total deferred inflows of resources</i>	<u>388,563</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable	208,011	129,006	-	-
Spendable				
Restricted for:				
General county operations	-	-	-	-
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Forest health	-	-	-	-
Tourism	-	-	-	-
Public safety	-	529,222	4,071	-
Healthcare	-	-	-	-
Education	-	-	-	6,805,352
Capital projects expenditures	-	-	-	-
Debt service expenditures	-	-	-	-
Committed for:				
Corrections facility	-	-	-	-
Minimum fund balance	2,391,972	-	-	-
Unassigned	3,773,230	-	-	-
<i>Total fund balances</i>	<u>6,373,213</u>	<u>658,228</u>	<u>4,071</u>	<u>6,805,352</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 6,996,783</u>	<u>\$ 725,109</u>	<u>\$ 63,859</u>	<u>\$ 6,805,352</u>

The accompanying notes are an integral part of these financial statements

County Educational Bond Fund	2013 Educational Bond Fund	Nonmajor Governmental Funds	Total
\$ 759,045	\$ 426,571	\$ 12,799,016	\$ 24,734,526
-	-	1,596,133	3,712,243
-	-	-	1,256,489
62,883	-	884,432	1,078,908
-	-	267,298	267,298
-	-	25,817	362,834
<u>\$ 821,928</u>	<u>\$ 426,571</u>	<u>\$ 15,572,696</u>	<u>\$ 31,412,298</u>
\$ -	\$ -	\$ 142,184	\$ 312,561
-	-	45,252	236,551
-	-	187,436	549,112
-	-	-	388,563
-	-	-	388,563
-	-	293,115	630,132
-	-	2,685,326	2,685,326
-	-	276,832	276,832
-	-	3,838,605	3,838,605
-	-	884	884
-	-	45,353	45,353
-	-	448,173	981,466
-	-	2,882,619	2,882,619
821,928	426,571	-	8,053,851
-	-	1,823,133	1,823,133
-	-	2,922,577	2,922,577
-	-	27,622	27,622
-	-	141,021	2,532,993
-	-	-	3,773,230
<u>821,928</u>	<u>426,571</u>	<u>15,385,260</u>	<u>30,474,623</u>
<u>\$ 821,928</u>	<u>\$ 426,571</u>	<u>\$ 15,572,696</u>	<u>\$ 31,412,298</u>

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STATE OF NEW MEXICO

Taos County

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position

June 30, 2015

Exhibit B-1

Page 2 of 2

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

Fund balances - total governmental funds	\$ 30,474,623
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds:	91,645,134
Revenues not collected within sixty days after year end are not considered "available" revenues and are considered to be "unavailable" revenues in the fund financial statements, but are considered revenue in the Statement of Activities:	
Delinquent property taxes	388,563
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in funds:	
Deferred outflows of resources related to employer contributions subsequent to the measurement date	937,129
Deferred inflows of resources related to change in assumptions	(98,934)
Deferred inflows of resources related to Net difference between projected and actual investment earnings on pension plan investments	(3,322,723)
Liabilities, including bonds payable, notes payable, accrued compensated absences, and net pension liability are not due and payable in the current period and, therefore, are not reported in the funds:	
Accrued interest	(406,630)
Current portion of accrued compensated absences not due and payable at year end	(427,819)
Accrued compensated absences	(58,662)
Bond insurance	166,223
Bond discount	151,534
Bond premium	(28,008)
Bonds payable	(31,152,350)
Notes and capital leases payable	(30,052,699)
Net pension liability	<u>(8,550,377)</u>
Net position - governmental activities	<u>\$ 49,665,004</u>

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

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

	General Fund	Jail/Detention Fund	Abregadero Road Grant	County Educational Bond Fund
<i>Revenues:</i>				
Taxes:				
Property taxes	\$ 11,457,846	\$ -	\$ -	\$ -
Gross receipts taxes	328,620	214,205	-	-
Other taxes	4,248	-	-	-
Intergovernmental:				
State grants	210,652	-	-	-
Federal grants	8,080	-	-	-
Charges for services	635,426	337,520	-	-
Investment income	7,885	-	-	84
Miscellaneous	24,190	1,050	-	-
<i>Total revenues</i>	<u>12,676,947</u>	<u>552,775</u>	<u>-</u>	<u>84</u>
<i>Expenditures:</i>				
Current:				
General government	7,611,962	-	545,929	-
Public safety	-	2,706,034	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	2,632,364
Capital outlay	1,547,924	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>9,159,886</u>	<u>2,706,034</u>	<u>545,929</u>	<u>2,632,364</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>3,517,061</u>	<u>(2,153,259)</u>	<u>(545,929)</u>	<u>(2,632,280)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	1,032,305	2,291,766	550,000	-
Operating transfers (out)	(4,092,329)	-	-	-
<i>Total other financing sources (uses)</i>	<u>(3,060,024)</u>	<u>2,291,766</u>	<u>550,000</u>	<u>-</u>
<i>Net change in fund balances</i>	457,037	138,507	4,071	(2,632,280)
<i>Fund balances- beginning of year</i>	<u>5,916,176</u>	<u>519,721</u>	<u>-</u>	<u>9,437,632</u>
<i>Fund balances- end of year</i>	<u>\$ 6,373,213</u>	<u>\$ 658,228</u>	<u>\$ 4,071</u>	<u>\$ 6,805,352</u>

The accompanying notes are an integral part of these financial statements

County Educational Bond Fund	2013 Educational Bond Fund	Nonmajor Governmental Funds	Total
\$ -	\$ -	\$ -	\$ 11,457,846
3,543,160	-	7,081,669	11,167,654
-	-	471,778	476,026
-	-	3,124,544	3,335,196
-	-	2,258,422	2,266,502
-	-	1,281,331	2,254,277
3	11	12,312	20,295
-	-	556,703	581,943
<u>3,543,163</u>	<u>11</u>	<u>14,786,759</u>	<u>31,559,739</u>
-	-	1,445,170	9,603,061
-	-	1,637,406	4,343,440
-	-	259,691	259,691
-	-	2,321,369	2,321,369
-	-	2,560,410	2,560,410
-	-	-	2,632,364
-	-	1,894,071	3,441,995
-	2,725,000	1,461,376	4,186,376
-	619,419	1,834,796	2,454,215
-	<u>3,344,419</u>	<u>13,414,289</u>	<u>31,802,921</u>
<u>3,543,163</u>	<u>(3,344,408)</u>	<u>1,372,470</u>	<u>(243,182)</u>
51,631	2,966,134	3,938,366	10,830,202
(2,990,307)	(51,631)	(4,079,212)	(11,213,479)
<u>(2,938,676)</u>	<u>2,914,503</u>	<u>(140,846)</u>	<u>(383,277)</u>
604,487	(429,905)	1,231,624	(626,459)
<u>217,441</u>	<u>856,476</u>	<u>14,153,636</u>	<u>31,101,082</u>
<u>\$ 821,928</u>	<u>\$ 426,571</u>	<u>\$ 15,385,260</u>	<u>\$ 30,474,623</u>

STATE OF NEW MEXICO

Taos County

Exhibit B-2

Page 2 of 2

Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

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

Net change in fund balances - total governmental funds	\$	(626,459)
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Governmental funds report capital outlays as expenditures. However in
the statement of activities, the cost of those assets is allocated over their
estimated useful lives and reported as depreciation expense:

Capital expenditures		3,441,995
Depreciation expense		(3,366,088)
Special item- donated capital asset		200,405

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

Change in deferred inflows related to property taxes receivable		(986,244)
---	--	-----------

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

County pension contributions		937,129
Pension expense		(432,218)

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

Retirement of bond underwriter premium on bonds		3,575
Retirement of original issue discount on bonds		(19,345)
Retirement of bond insurance costs		(21,220)
Decrease in the reserve for compensated absences		(28,812)
Decrease in accrued interest payable		(19,688)
Principal payments on bonds		2,935,650
Principal payments on notes payable		1,109,223
Principal payments on capital leases		141,503

Change in net position of governmental activities	\$	<u><u>3,269,406</u></u>
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Taos County
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 10,770,605	\$ 10,770,605	\$ 11,169,964	\$ 399,359
Intergovernmental	189,000	225,000	223,736	(1,264)
Licenses and fees	392,600	562,656	-	(562,656)
Charges for services	24,200	24,200	636,776	612,576
Investment income	20,000	20,000	7,928	(12,072)
Miscellaneous	24,000	33,819	20,792	(13,027)
<i>Total revenues</i>	11,420,405	11,636,280	12,059,196	422,916
<i>Expenditures:</i>				
Current				
General government	10,298,463	10,298,463	9,211,481	1,086,982
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	10,298,463	10,298,463	9,211,481	1,086,982
<i>Excess (deficiency) of revenues over expenditures</i>	1,121,942	1,337,817	2,847,715	1,509,898
<i>Other financing sources (uses):</i>				
Operating transfers in	1,384,229	1,552,670	1,032,305	(520,365)
Operating transfers (out)	(4,371,490)	(4,539,931)	(4,092,329)	447,602
Designated cash (budgeted increase in cash)	1,865,319	1,649,444	-	(1,649,444)
<i>Total other financing sources (uses)</i>	(1,121,942)	(1,337,817)	(3,060,024)	(1,722,207)
<i>Net change in fund balances</i>	-	-	(212,309)	(212,309)
<i>Fund balances - beginning of year</i>	-	-	5,672,623	5,672,623
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 5,460,314	\$ 5,460,314
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (212,309)
Adjustments to revenues for taxes, intergovernmental, and charges for services				617,751
Adjustments to expenditures for general government and capital outlay				51,595
<i>Net change in fund balance (GAAP)</i>				\$ 457,037

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Taos County
Jail/Detention Fund Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 114,975	\$ 186,001	\$ 185,862	\$ (139)
Intergovernmental	16,375	16,375	-	(16,375)
Licenses and fees	-	-	-	-
Charges for services	252,850	317,518	324,909	7,391
Investment income	-	-	-	-
Miscellaneous	2,500	2,500	1,050	(1,450)
<i>Total revenues</i>	386,700	522,394	511,821	(10,573)
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	3,519,804	3,519,804	2,741,025	778,779
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	3,519,804	3,519,804	2,741,025	778,779
<i>Excess (deficiency) of revenues over expenditures</i>	(3,133,104)	(2,997,410)	(2,229,204)	768,206
<i>Other financing sources (uses):</i>				
Operating transfers in	2,659,186	2,659,186	2,291,766	(367,420)
Operating transfers (out)	-	-	-	-
Designated cash (budgeted increase in cash)	473,918	338,224	-	(338,224)
<i>Total other financing sources (uses)</i>	3,133,104	2,997,410	2,291,766	(705,644)
<i>Net change in fund balances</i>	-	-	62,562	62,562
<i>Fund balances - beginning of year</i>	-	-	473,917	473,917
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 536,479	\$ 536,479
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 62,562
Adjustments to revenues for taxes, intergovernmental, and charges for services				40,954
Adjustments to expenditures for public safety				34,991
<i>Net change in fund balance (GAAP)</i>				\$ 138,507

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Taos County
Abregadero Road Grant Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	500,000	-	(500,000)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	500,000	-	(500,000)
<i>Expenditures:</i>				
Current				
General government	-	550,000	486,141	63,859
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	550,000	486,141	63,859
<i>Excess (deficiency) of revenues over expenditures</i>	-	(50,000)	(486,141)	(436,141)
<i>Other financing sources (uses):</i>				
Operating transfers in	-	500,000	550,000	50,000
Operating transfers (out)	-	(450,000)	-	450,000
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	50,000	550,000	500,000
<i>Net change in fund balances</i>	-	-	63,859	63,859
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 63,859	\$ 63,859
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 63,859
No adjustments to revenues				-
Adjustments to expenditures for general government				(59,788)
<i>Net change in fund balance (GAAP)</i>				\$ 4,071

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Taos County

Statement of Net Position

Proprietary Funds

June 30, 2015

	Enterprise Funds		
	Solid Waste Enterprise Fund	Ambulance Enterprise Fund	Low Rent Public Housing
Assets			
Current assets:			
Cash and cash equivalents	\$ 79,202	\$ 235,933	\$ -
Receivables:			
Customers, net of allowance	353,325	384,848	-
Other receivables	45,435	-	-
Total current assets	477,962	620,781	-
Noncurrent assets:			
Capital assets	718,144	10,032,975	-
Less: accumulated depreciation	(535,516)	(7,318,712)	-
Total noncurrent assets	182,628	2,714,263	-
Total assets	660,590	3,335,044	-
Deferred outflows of resources			
Employer contributions subsequent to the measurement date	58,605	74,063	-
Total deferred outflows of resources	58,605	74,063	-
Total assets and deferred outflows of resources	\$ 719,195	\$ 3,409,107	-
Liabilities			
Current liabilities:			
Accounts payable	\$ 39,796	\$ 3,349	\$ -
Accrued payroll liabilities	16,685	25,931	-
Current portion of accrued compensated absences	31,818	38,251	-
Total current liabilities	88,299	67,531	-
Noncurrent liabilities:			
Noncurrent portion of accrued compensated absences	13,291	13,014	-
Net pension liability	534,713	675,752	-
Total liabilities	636,303	756,297	-
Deferred inflows of resources			
Change in assumptions	6,187	7,819	
Net difference between projected and actual investment earnings on pension plan investments	207,792	262,601	-
Total deferred inflows of resources	213,979	270,420	-
Net position			
Net investment in capital assets	182,628	2,714,263	-
Unrestricted	(313,715)	(331,873)	-
Total net position	(131,087)	2,382,390	-
Total liabilities, deferred inflows of resources and net position	\$ 719,195	\$ 3,409,107	\$ -

The accompanying notes are an integral part of these financial statements

<u>Enterprise Funds</u>		
<u>Housing Choice Vouchers</u>	<u>Public Housing Capital Fund</u>	<u>Total</u>
\$ -	\$ -	\$ 315,135
-	-	738,173
-	-	45,435
-	-	1,098,743
-	-	10,751,119
-	-	(7,854,228)
-	-	2,896,891
-	-	3,995,634
-	-	132,668
-	-	132,668
-	-	\$ 4,128,302
\$ -	\$ -	\$ 43,145
-	-	42,616
-	-	70,069
-	-	155,830
-	-	26,305
-	-	1,210,465
-	-	1,392,600
-	-	14,006
-	-	470,393
-	-	484,399
-	-	2,896,891
-	-	(645,588)
-	-	2,251,303
\$ -	\$ -	\$ 4,128,302

STATE OF NEW MEXICO
Taos County
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2015

	Enterprise Funds		
	Solid Waste Enterprise Fund	Ambulance Enterprise Fund	Low Rent Public Housing
<i>Operating revenues:</i>			
Charges for services	\$ 963,682	\$ 1,216,002	\$ 24,271
Rental revenue	-	-	-
Subsidy grants	-	-	157,535
Total operating revenues	963,682	1,216,002	181,806
<i>Operating expenses:</i>			
Personnel services	764,436	1,169,747	21,791
Contractual services	274,047	34,038	-
Administration	121,535	81,552	-
Maintenance and materials	37,085	50,862	16,205
Utilities	-	-	9,560
Insurance	-	-	-
Housing assistance payments	-	-	-
Bad debt expense	94,493	225,002	-
Depreciation	30,965	423,194	-
Total operating expenses	1,322,561	1,984,395	47,556
Operating income (loss)	(358,879)	(768,393)	134,250
<i>Non-operating revenues (expenses):</i>			
Taxes	247,813	-	-
Interest	-	-	6
Miscellaneous	10,379	142,519	-
Total non-operating revenues	258,192	142,519	6
Income (loss) before capital contributions and transfers	(100,687)	(625,874)	134,256
Capital grants	-	-	87,500
Transfers in	30,000	353,277	-
Transfers (out)	-	-	-
Transfer to other entity (Note 20)	-	-	(5,613,803)
Total capital contributions and transfers	30,000	353,277	(5,526,303)
<i>Change in net position</i>	<i>(70,687)</i>	<i>(272,597)</i>	<i>(5,392,047)</i>
<i>Total net position - beginning</i>	<i>661,263</i>	<i>3,567,000</i>	<i>5,392,047</i>
<i>Net position - restatement (Note 19)</i>	<i>(721,663)</i>	<i>(912,013)</i>	<i>-</i>
<i>Net position - as restated</i>	<i>(60,400)</i>	<i>2,654,987</i>	<i>5,392,047</i>
Total net position - ending	\$ (131,087)	\$ 2,382,390	\$ -

The accompanying notes are an integral part of these financial statements

Enterprise Funds		
Housing Choice Vouchers	Public Housing Capital Fund	Total
\$ -	\$ -	\$ 2,179,684
10,777	-	10,777
86,069	-	243,604
96,846	-	2,458,336
-	-	1,955,974
-	-	308,085
-	-	203,087
-	-	104,152
2,527	-	12,087
1,165	-	1,165
144,479	-	144,479
-	-	319,495
-	-	454,159
148,171	-	3,502,683
(51,325)	-	(1,044,347)
-	-	247,813
2	-	8
3,586	-	156,484
3,588	-	404,305
(47,737)	-	(640,042)
-	-	87,500
-	-	383,277
-	-	-
825	-	(5,612,978)
825	-	(5,142,201)
(46,912)	-	(5,782,243)
46,912	-	9,667,222
-	-	(1,633,676)
46,912	-	8,033,546
\$ -	\$ -	\$ 2,251,303

STATE OF NEW MEXICO
Taos County
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2015

	Enterprise Funds		
	Solid Waste Enterprise Fund	Ambulance Enterprise Fund	Low Rent Public Housing
Cash Flows From Operating Activities			
Cash received from customers	\$ 949,613	\$ 1,305,898	\$ 24,271
Cash paid to suppliers and employees	(1,288,941)	(1,875,682)	(47,556)
Subsidy grants	-	-	157,535
Net Cash Provided (Used) by Operating Activities	<u>(339,328)</u>	<u>(569,784)</u>	<u>134,250</u>
Cash Flows From Non-Capital Financing Activities			
Operating transfers	30,000	353,277	-
Miscellaneous expense	10,379	142,519	-
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>40,379</u>	<u>495,796</u>	<u>-</u>
Cash Flows From Capital and Related Financing Activities			
Gross receipt taxes	247,813	-	-
Acquisition and construction of capital assets	-	134,104	-
Capital grants	-	-	87,500
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>247,813</u>	<u>134,104</u>	<u>87,500</u>
Cash Flows From Investing Activities			
Interest on investments	-	-	6
Net Cash Provided (Used) by Investing Activities	<u>-</u>	<u>-</u>	<u>6</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(51,136)	60,116	221,756
Cash and Cash Equivalents, Beginning of Year	<u>130,338</u>	<u>175,817</u>	<u>410,826</u>
Cash and Cash Equivalents- Transfer to other entities (Note 20)	-	-	(632,582)
Cash and Cash Equivalents, End of Year	<u>\$ 79,202</u>	<u>\$ 235,933</u>	<u>\$ -</u>
Reconciliation of Operating (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating income (loss)	\$ (358,879)	\$ (768,393)	\$ 134,250
Adjustments to reconcile operating (loss) to net cash provided (used) by operating activities:			
Depreciation	30,965	423,194	-
Bad debt expense	(94,493)	(225,002)	-
Change in assets and liabilities:			
Accounts receivable	80,424	89,896	120,565
Prepaid insurance	-	-	16,828
Accounts payable	(4,314)	(86,492)	(50,671)
Accrued liabilities	2,761	(529)	(7,655)
Tenant deposits	-	-	(66,215)
Accrued compensated absences	4,208	(2,458)	(12,852)
Net Cash Provided (Used) by Operating Activities	<u>\$ (339,328)</u>	<u>\$ (569,784)</u>	<u>\$ 134,250</u>

Summary of Significant Noncash Activities

There was no significant noncash activity during the year ended June 30, 2015, with the exception of the equity transfer noted at note 20 and implementation of GASB 68.

The accompanying notes are an integral part of these financial statements

Enterprise Funds		
Housing Choice Vouchers	Public Housing Capital Fund	Total
\$ 14,363	\$ -	\$ 2,294,145
(148,171)	-	(3,360,350)
86,069	-	243,604
<u>(47,739)</u>	<u>-</u>	<u>(822,601)</u>
-	-	383,277
-	-	152,898
-	-	<u>536,175</u>
-	-	247,813
-	-	134,104
-	-	<u>87,500</u>
-	-	<u>469,417</u>
2	-	8
<u>2</u>	<u>-</u>	<u>8</u>
(47,737)	-	182,999
<u>57,292</u>	<u>-</u>	<u>774,273</u>
<u>(9,555)</u>	<u>-</u>	<u>(642,137)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 315,135</u>
\$ (51,325)	\$ -	\$ (1,044,347)
-	-	454,159
-	-	(319,495)
-	-	290,885
1,436	-	18,264
3,548	-	(137,929)
3,905	-	(1,518)
-	-	(66,215)
<u>(5,303)</u>	<u>-</u>	<u>(16,405)</u>
<u>\$ (47,739)</u>	<u>\$ -</u>	<u>\$ (822,601)</u>

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

Exhibit E-1

Assets

Cash and cash equivalents	\$ 658,843
Taxes receivable	3,975,079
Due from other governments	<u>165,944</u>

Total assets \$ 4,799,866

Liabilities

Due to other taxing entities	<u>4,799,866</u>
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Total liabilities \$ 4,799,866

The accompanying notes are an integral part of these financial statements

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

NOTE 1. Summary of Significant Accounting Policies

Taos County (the “County”) is a political sub-division of the State of New Mexico established under the provisions of Section 4-29-1 of NMSA, 1978 compilation and regulated by the constitution of the State of New Mexico. The County operates under a commission-manager form of government and provides the following services as authorized by public law: public safety (sheriff, fire, emergency medical, etc.), roads, health and social services, recreation, sanitation, low rent housing assistance, planning and zoning, property assessment, tax collection and general administrative services.

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

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

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

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

At transition to Statement 68, Statement 71 requires the employer or nonemployer contributing entity to recognize a beginning deferred outflow of resources for its pension contributions made subsequent to the measurement date of the beginning net pension liability but before the start of the government's fiscal year, thus avoiding possible understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This pronouncement has materially impacted the financial statements and additional disclosures are included in the notes to the financial statements to highlight the effects.

A. *Financial Reporting Entity*

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

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

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Based upon the application of these criteria, the County has one component unit required to be reported under GASB Statements No. 14, No. 39, and No. 61.

Blended Component Unit

Taos County Housing Authority: ("The Authority"): In prior year, the Authority was a separate legal entity that could sue or be sued separately from the County. The component unit had the same three board members as the County, and the majority of the operating processes were shared with the County. For these reasons, the Authority was considered a blended component unit. Prior to fiscal year 2013, the Authority had a separately elected and/or appointed board and was previously presented as a discretely presented component unit in 2012. The Authority provided services to residents, generally within the geographic boundaries of the primary government. Accounting principles generally accepted in the United States of America requires the inclusion of this unit in the reporting entity.

However, on August 1, 2014, the County's agreement for the Northern Regional Housing Authority to take over the operations of the Taos County Housing Authority commenced. All balance sheet and net position items were liquidated as of July 31, 2014. However, the County's financial statements include the financial operations of the Authority for the one month ended July 31, 2014. Separate financial statements for the eleven month period August 1, 2014 through June 30, 2015, are available at request of Northern Regional Housing Authority, 525 Ranchitos Road, Unit 962; Taos, New Mexico 87571. See note 20 below.

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

NOTE 1. Summary of Significant Accounting Policies (continued)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. See Exhibit D-1 through Exhibit D-3 and Statements C-1 through C-2 for *business-type activities*.

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

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

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

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

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

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

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

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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

The Solid Waste and Ambulance proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Solid Waste and Ambulance funds are charges to the customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The principal operating revenues of the Authority, a blended component unit of the County, are federal monies, rent and other tenant-related revenue. Operating expenses of the Authority consist of administrative costs, maintenance and repairs, housing assistance payments, bad debt expenses, and depreciation. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

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

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

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

The *Jail/Detention Special Revenue Fund* is to account for funds transferred from general fund and charges for services to other governmental units for housing inmates.

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

The *Abregadero Road Grant Special Revenue Fund* is to account for funds to be used for the anregabo road grant.

The *Educational Bond Capital Projects Fund* is to account for the Bond/Capital outlay; bond proceeds which will be distributed to County school Districts.

The *County Educational Bond Debt Service Fund* is to account for the debt service for the educational bond.

The *2013 Educational Bond Debt Service Fund* is to account for the debt service for the 2013 educational bond.

The County also reports the following major proprietary funds:

The *Solid Waste Fund* accounts for the provision of garbage and refuse removal services to the residents of Taos County. All activities necessary to provide such services are accounted for in this fund.

The *Ambulance Fund* accounts for the collection of ambulance fees and the expenses of rendering ambulance services.

The *Low Rent Public Housing Program* accounts for direct grants from HUD, to provide adequate living accommodations to qualified families through reduced rate rentals built and owned by the Housing Authority. See blended component unit note above.

The *Housing Choice Vouchers Program* accounts for direct grants from HUD, to provide rental assistance to qualified recipients through rent subsidies paid directly to third-party property owners. See blended component unit note above.

The *Public Housing Capital Fund Program* accounts for direct grants from HUD, for acquisition of capital assets or construction of capital projects. See blended component unit note above.

Additionally, the government reports the following agency funds:

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

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

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

Investments for the County are reported at fair value. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares. As of June 30, 2015, the County maintained no funds in the Local Government Investment Pool.

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, delinquent property taxes are recorded as revenue when levied net of estimated refunds and uncollectable amounts.

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

Inventory: The County's method of accounting for inventory is the consumption method. 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. Inventory is valued at cost and consists of supplies and materials. The cost of purchased supplies and materials is recorded as an expenditure at the time individual inventory items are consumed.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and proprietary financial statements.

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

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

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

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	40-45
Infrastructure	30
Vehicles	5-10
Lease Hold Improvements	15-20
Machinery and Equipment	5-10

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

Deferred Inflows of Resources: In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred inflows of resources. The County has one types of deferred inflow which arises under the modified accrual basis of accounting that qualify for reporting in this category. Accordingly, the item, unavailable revenue - property taxes is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The County has recorded \$388,563 related to property taxes considered “unavailable.” In addition, the County has two types of items present on the Statement of Net Position for both the governmental and business-type activities, which arise due to the implementation of GASB 68 and the related net pension liability. Accordingly, the items, net difference between projected and actual investment earnings on pension plan investments of \$3,793,116 and change in assumptions of \$112,940, are reported on the Statement of Net Position. These amounts are reported as a deferred inflow and amortized into pension expense over the average remaining service life of employees.

Deferred Outflows of Resources: In addition to assets, the balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time. The County has one type of item that qualifies for reporting in this category in both the governmental and business-type activities. Accordingly, the item - employer contributions subsequent to measurement date has been reported as a deferred outflow of resources in the amount of \$1,069,797. This amount is reported in the Statement of Net Position. These amounts will directly reduce the net pension liability in the next fiscal year.

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Compensated Absences: Qualified employees are entitled to earn annual leave according to a graduated leave schedule depending on length of service. No more than two hundred forty (240) hours of annual leave may be carried over from one calendar year to the next. All excess annual leave shall be forfeited, if not used, unless extenuating circumstances warrant approval of an extension by the Board of County Commissioners of Taos County.

Qualified employees are entitled to earn sick leave. Sick leave can be carried over from year to year up to 1200 hours. Upon termination, employees receive no pay for sick time accumulated. Employees eligible for retirement who have more than six hundred (600) hours of sick leave upon retirement from the County shall be paid for each hour in excess of six hundred (600) hours at the rate of half (1/2) their hourly rate of pay at the time of retirement.

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

Long-term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. For bonds issued after GASB Statement No. 34 was implemented, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. For fund financial reporting, bond premiums, discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as other financing source, net of the applicable premium or discount.

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.

When expenditures are occurred for purposes for which amounts in any of the spendable fund balance classification could be used, it is the County's policy to use committed amounts first, followed by assigned amounts and then unassigned amounts.

Nonspendable Fund Balance: At June 30, 2015, the County had nonspendable fund balance categorized in the governmental funds balance sheet as detailed on pages 26-27 for prepaid expenses and inventory in the amounts of \$362,834 and \$267,298, respectively.

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Restricted and Committed Fund Balance: At June 30, 2015, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$23,510,646 for various County operations as restricted by enabling legislation. The County has also presented committed fund balance on the governmental funds balance sheet in the amount of \$27,622 in order to provide services throughout the County. The details of these fund balance items are located on the governmental funds balance sheet as detailed on page 26.

Minimum Fund Balance Policy: The County's policy for maintaining a minimum amount of fund balance for operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies. At a minimum, the budget shall ensure that the County holds cash reserves of 3/12th the General Fund expenditures and a cash reserve of 1/12th the Road Special Revenue Fund. At June 30, 2015, the County maintains \$2,532,993 as minimum fund balances.

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

- a. **Net Investment in Capital Assets:** This component consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As part of this calculation, the County also includes unspent bond proceeds of \$6,805,352.
- b. **Restricted Net Position:** Net position is reported as restricted when constraints placed on net position use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for "special revenue, debt service, and capital projects" are described on pages 48 and 82-85.
- c. **Unrestricted Net Position:** Net position that does not meet the definition of "restricted" or "investment in capital assets."

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

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

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

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

NOTE 2. Stewardship, Compliance and Accountability (continued)

Budgetary Information (continued)

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

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

	Excess (deficiency) of revenues over expenditures	
	Original Budget	Final Budget
Budgeted Funds:		
General Fund	\$ 1,121,942	\$ 1,337,817
Jail/Detention Fund Special Revenue Fund	\$ (3,133,104)	\$ (2,997,410)
Anregabo Road Grant Special Revenue Fund	\$ -	\$ (50,000)
Educational Bond Capital Projects Fund	\$ (9,422,563)	\$ (9,422,563)
County Educational Bond Debt Service Fund	\$ 4,865,151	\$ 3,296,171
2013 Educational Bond Debt Service Fund	\$ (3,159,829)	\$ (3,484,284)
Solid Waste (proprietary)	\$ (130,338)	\$ (140,502)
Ambulance (proprietary)	\$ (843,938)	\$ (843,938)
Other Governmental Funds	\$ (5,605,872)	\$ (6,266,890)

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

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

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

NOTE 3. Deposits and Investments

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

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

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

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

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

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk, other than following state statutes as set forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2015, \$18,912,261 of the County's bank balance of \$19,845,332 was exposed to custodial credit risk. Although the \$18,912,261 was uninsured, the entire amount was collateralized by collateral held by the pledging bank's trust department or a letter of credit, not in the County's name.

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

NOTE 3. Deposits and Investments (continued)

	US Bank	Centinel Bank	Peoples Bank	Total
Total amount of deposits	\$ 19,412,261	\$ 233,583	\$ 199,488	\$ 19,845,332
FDIC coverage	500,000	233,583	199,488	933,071
Total uninsured public funds	18,912,261	-	-	18,912,261
Collateralized by securities held by the pledging institution or by its trust department or agent in other than the County's name	18,912,261	-	-	18,912,261
Uninsured and uncollateralized	\$ -	\$ -	\$ -	\$ -
Collateral requirement (50% of uninsured)	\$ 9,456,131	\$ -	\$ -	\$ 9,456,131
Pledged securities	22,000,000	-	325,041	22,325,041
Over (under) collateralization	\$ 12,543,869	\$ -	\$ 325,041	\$ 12,868,910

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

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

NOTE 3. Deposits and Investments (continued)

Investments

All investments are government securities whose fair market value approximates face value plus any accrued interest. The County had no investments that were highly sensitive to changes in interest rates. The County's policy related to investments 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).

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

<u>Investment Type</u>	<u>Weighted Average Maturities</u>	<u>Fair Value</u>	<u>Rating</u>
U.S. Treasury Money Market Mutual Funds	>365	\$ 10,148,901	Aaa*

*Rating based on Moody's rating

The investments are listed as trust accounts on Schedule IV of this report. At June 30, 2015 there was \$2,116,110 of Certificate of Deposits classified as investments at Exhibit B-1. Also, at June 30, 2015 there was \$8,512,151 of U.S Treasury Money Market Mutual funds classified as cash and cash equivalents at Exhibit B-1. Lastly, At June 30, 2015, there was \$40,617 of NMFA investments classified as cash and cash equivalents at Exhibit B-1.

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

Concentration of Credit Risk – Investments. For an investment, concentration credit risk is when any one issuer is 5% or more of the investment portfolio of the County. Since the County only purchases investments with the highest credit rating, the concentration is not viewed to be an additional risk by the County. The County's policy related to concentration of credit risk is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2015, the investments in the U.S. Treasury Money Market Mutual Funds were 100% of the County's investment portfolio.

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

Reconciliation of Cash and Cash Equivalents

Primary Government

Reconciliation to Statement of Net Position

Cash and cash equivalents per Exhibit A-1	\$ 15,882,950
Investments per Exhibit A-1	3,712,243
Restricted cash per Exhibit A-1	<u>9,166,711</u>
Total cash, cash equivalents, and investments	28,761,904
Add: outstanding checks and other reconciling items	575,700
Less: Petty cash	(2,214)
Less: Education Bonds Money Market	(8,552,767)
Less: Investments with NMFA	(1,596,134)
Add: Agency cash per Exhibit E-1	<u>658,843</u>
Bank balance of deposits	<u>\$ 19,845,332</u>

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

NOTE 4. Receivables

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

Governmental Activities:

	General	Jail/Detention Fund	County Educational Bond Fund	Nonmajor Funds	Total
Property taxes	\$ 1,256,489	\$ -	\$ -	\$ -	\$ 1,256,489
Other receivables:					
Intergovernmental - State	-	15,960	-	25,105	41,065
Intergovernmental - Federal	-	-	-	47,747	47,747
Gross receipts taxes	56,493	39,714	62,883	729,346	888,436
Gasoline and oil taxes	-	-	-	14,736	14,736
Lodger's taxes	3,323	-	-	29,908	33,231
Licenses and fees	6,287	35	-	116	6,438
Miscellaneous	5,866	3,915	-	37,474	47,255
Totals by category	<u>\$ 1,328,458</u>	<u>\$ 59,624</u>	<u>\$ 62,883</u>	<u>\$ 884,432</u>	<u>\$ 2,335,397</u>

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$388,563 that were not collected within the period of availability have been reclassified as deferred inflows in the governmental fund financial statements. All of the above receivables are deemed to be fully collectible.

Business-type Activities:

	Solid Waste Enterprise Fund	Ambulance Enterprise Fund	Total
Customer, Gross	\$ 1,121,268	\$ 4,370,558	\$ 5,491,826
Allowance for Doubtful Accounts	(767,943)	(3,985,710)	(4,753,653)
Other receivables:			
Gross receipts taxes	45,435	-	45,435
Totals by category	<u>\$ 398,760</u>	<u>\$ 384,848</u>	<u>\$ 783,608</u>

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

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:

Transfers Out	Transfers In	Amount
General Fund	Non major funds	\$ 148,122
Non major funds	General Fund	400,000
General Fund	Non major funds	74,657
General Fund	Non major funds	30,000
General Fund	Non major funds	191,858
General Fund	Non major funds	500,000
General Fund	Non major funds	422,693
Non major funds	General Fund	632,305
General Fund	Ambulance	353,277
General Fund	Jail/Detention	1,725,000
Non major funds	Jail/Detention	566,766
Educational Bond	Educational Bond	3,041,938
General Fund	Public Works	700,000
Non major funds	Public Works	150,000
General Fund	Non major funds	340,000
Non major funds	Non major funds	1,505,068
Non major funds	Non major funds	431,900
		<u>\$ 11,213,584</u>

At June 30, 2015, the County did not report any interfund receivables or payables.

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

NOTE 6. Capital Assets

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

Governmental Activities:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Capital assets not being depreciated:				
Land	\$ 6,836,621	\$ 223,262	\$ -	\$ 7,059,883
Right of Way	18,750,380	-	-	18,750,380
Construction in Progress	612,997	351,680	162,193	802,484
Total capital assets not being depreciated	26,199,998	574,942	162,193	26,612,747
Capital assets being depreciated:				
Buildings and Improvements	55,707,035	413,633	-	56,120,668
Infrastructure	40,056,019	894,189	-	40,950,208
Vehicles	10,447,187	607,268	404,726	10,649,729
Lease Hold Improvements	-	68,378	-	68,378
Machinery and Equipment	5,253,303	1,246,183	45,000	6,454,486
Total capital assets being depreciated	111,463,544	3,229,651	449,726	114,243,469
Less accumulated depreciation:				
Buildings and Improvements	6,955,403	1,422,781	-	8,378,184
Infrastructure	27,247,713	951,940	-	28,199,653
Vehicles	8,352,355	612,450	404,726	8,560,079
Lease Hold Improvements	-	1,602	-	1,602
Machinery and equipment	3,739,249	377,315	45,000	4,071,564
Total accumulated depreciation	46,294,720	3,366,088	449,726	49,211,082
Total capital assets, net of depreciation	\$ 91,368,822	\$ 438,505	\$ 162,193	\$ 91,645,134

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

General Government	\$ 1,542,726
Public Safety	494,416
Public Works	1,283,478
Culture and Recreation	45,468
	<u>\$ 3,366,088</u>

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

NOTE 6. Capital Assets (continued)

Business-type Activities:

	Balance June 30, 2014	Adjustments	Additions	Deletions	Balance June 30, 2015
Capital assets not being depreciated:					
Land	\$ 167,589	\$ -	\$ -	\$ 167,589	\$ -
Total capital assets not being depreciated	<u>167,589</u>	<u>-</u>	<u>-</u>	<u>167,589</u>	<u>-</u>
Capital assets being depreciated:					
Buildings and Improvements	21,222,323	-	-	11,370,181	9,852,142
Machinery and Equipment	711,446	-	42,764	568,373	185,837
Vehicles	621,800	-	91,340	-	713,140
Total capital assets being depreciated	<u>22,555,569</u>	<u>-</u>	<u>134,104</u>	<u>11,938,554</u>	<u>10,751,119</u>
Less accumulated depreciation:					
Buildings and Improvements	12,585,607	453,211	251,059	6,131,526	7,158,351
Vehicles	742,289	(335,051)	152,951	-	560,189
Machinery and Equipment	1,221,288	(118,160)	50,149	1,017,589	135,688
Total accumulated depreciation	<u>14,549,184</u>	<u>-</u>	<u>454,159</u>	<u>7,149,115</u>	<u>7,854,228</u>
Total capital assets, net of depreciation	<u>\$ 8,173,974</u>	<u>\$ -</u>	<u>\$ (320,055)</u>	<u>\$ 4,957,028</u>	<u>\$ 2,896,891</u>

As described at Note 20, at July 31, 2015, the ending balance of 4,957,027 related to capital assets net of accumulated depreciation was transferred to the Northern Regional Housing Authority.

Also, adjustments were made in current year to reallocate depreciation in the amount of \$453,211

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

NOTE 7. Long-term Debt

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

Governmental Activities	Balance			Balance	
	January 0, 1900	Additions	Deletions	January 0, 1900	Due Within One Year
Bonds payable	\$ 34,088,000	\$ -	\$ 2,935,650	\$ 31,152,350	\$ 2,195,000
Notes payable	31,133,122	-	1,109,223	30,023,899	1,132,134
Capital leases	170,303	-	141,503	28,800	28,800
Compensated absences	457,669	456,635	427,818	486,486	427,818
	<u>\$ 65,849,094</u>	<u>\$ 456,635</u>	<u>\$ 4,614,194</u>	<u>\$ 61,691,535</u>	<u>\$ 3,783,752</u>

Gross Receipts Revenue Bonds

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

	Series 1997 Lodger's Tax Bonds	Series 2010 USDA Revenue Bonds	Series 2013 Education GRT Revenue Bonds
Original Issue:	\$ 777,000	\$ 15,000,000	\$ 22,000,000
Maturity Date	1/1/2037	5/4/2050	4/1/23
Principal	January 1	May 4	April 1
Interest Rate	5.00%	4.125%	2.00-4.00%
Interest	January 1	May 4	April 1 October 1

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

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 2,195,000	\$ 1,164,624	\$ 3,359,624
2017	2,271,000	1,094,896	3,365,896
2018	2,332,000	1,023,228	3,355,228
2019	2,418,000	948,501	3,366,501
2020-2024	9,345,000	3,438,609	12,783,609
2025-2029	1,592,000	2,431,425	4,023,425
2030-2034	1,949,000	2,054,925	4,003,925
2035-2039	2,326,000	1,592,825	3,918,825
2040-2044	2,700,000	1,064,250	3,764,250
2045-2049	3,300,000	436,425	3,736,425
2050	724,350	-	724,350
	<u>\$ 31,152,350</u>	<u>\$ 15,249,708</u>	<u>\$ 46,402,058</u>

In prior years, the County issued bonds where the County pledges income from the receipt of lodger's and sales tax revenue. Lodger's and sales tax bonds have been issues for the construction of an agricultural building and the Taos judicial complex. Also, in current year, the County pledged income from the receipt of sales tax revenues. The current year bond is being used do be disbursed to the School Districts around Taos County.

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

NOTE 7. Long-term Debt (continued)

Notes Payable

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. The annual requirements to amortize the NMFA Loans as of June 30, 2015, including interest payments, are as follows:

Ending June 30,	Principal	Interest	Service
2016	\$ 1,132,134	\$ 1,205,355	\$ 2,337,489
2017	1,145,887	1,180,124	2,326,011
2018	1,159,527	1,151,443	2,310,970
2019	1,190,785	1,119,425	2,310,210
2020-2024	5,890,566	5,004,733	10,895,299
2025-2029	6,505,000	3,843,877	10,348,877
2030-2034	7,510,000	2,298,832	9,808,832
2035-2039	5,490,000	664,808	6,154,808
	<u>\$ 30,023,899</u>	<u>\$ 16,468,597</u>	<u>\$ 46,492,496</u>

Capital Leases

The County leases vehicles and other equipment under various capital leases. The economic substance of the leases is that the County is financing the acquisition of the assets through the leases and, accordingly, they are recorded as County assets and liabilities. The obligations under capital leases have been recorded in the accompanying financial statements at the present value of future minimum lease payments, discounted at interest rates as stated in the individual contracts. The annual requirement to amortize the capital leases as of June 30, 2015, including interest payments, is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 28,800	\$ -	\$ 28,800
	<u>\$ 28,800</u>	<u>\$ -</u>	<u>\$ 28,800</u>

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

NOTE 7. Long-term Debt (continued)

Proprietary Funds

The following schedule shows the changes to its various forms of debt during the fiscal year ended June 30, 2015:

Business-type Activities	Balance			Balance	
	January 0, 1900	Additions	Deletions	January 0, 1900	Due Within One Year
Compensated absences	\$ 94,624	\$ 71,819	\$ 70,069	\$ 96,374	\$ 70,069
	<u>\$ 94,624</u>	<u>\$ 71,819</u>	<u>\$ 70,069</u>	<u>\$ 96,374</u>	<u>\$ 70,069</u>

NOTE 8. Risk Management

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

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

NOTE 9. Other Required Individual Fund Disclosures

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

- A. There were no funds that had deficit fund balances as of June 30, 2015.
- B. The following funds had excess expenditures over appropriations at June 30, 2015.

Governmental Funds

USDA Loan Proceeds Debt Service Fund	\$ 14,607
USDA/Rus Complex Debt Service Fund	23,448
2013 Education Bond Admin. Debt Service Fund	19,940
Taos 46 Loan Proceeds Debt Service Fund	<u>412</u>
	<u>\$ 58,407</u>

- C. The following funds had designated cash appropriations in excess of available balances at June 30, 2015

Governmental Funds

County Educational Bond Debt Service Fund (Major)	\$ 654,328
	<u>\$ 654,328</u>

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

NOTE 10. Pension Plan - Public Employees Retirement Association

Summary of Significant Accounting Policies

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the New Mexico Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA, on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Due to the transfer of equity of the Taos County Housing Authority as of August 1, 2014, all GASB 68 implementation has been recorded net of the Housing Authority below. Separate financial statements at June 30, 2015, are available at request of Northern Regional Housing Authority, 525 Ranchitos Road, Unit 962; Taos, New Mexico 87571.

General Information about the Pension Plan

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

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

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

Contributions. The contribution requirements of defined benefit plan members and the Taos County are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY14 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY14 annual audit report at http://osanm.org/media/audits/366_Public_Employees_Retirement_Association_2014.pdf. The PERA coverage options that apply to Taos County are: Municipal General Division and Municipal Police Division. Statutorily required contributions to the pension plan from the Taos County were \$995,662 and employer paid member benefits that were "picked up" by the employer were \$74,135 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014.

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

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

General Information about the Pension Plan (continued)

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. Taos County's proportion of the net pension liability for each membership group that the employer participates in is based on the employer contributing entity's percentage of that membership group's total employer contributions for the fiscal year ended June 30, 2014. Only employer contributions for the pay period end dates that fell within the period of July 1, 2013 to June 30, 2014 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2014 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.

For PERA Fund Municipal General Division, at June 30, 2015, Taos County reported a liability of \$8,402,445 for its proportionate share of the net pension liability. At June 30, 2014, Taos County's proportion was 1.1136 percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, Taos County recognized PERA Fund Municipal General Division pension expense of \$402,185. At June 30, 2015, Taos County reported PERA Fund Municipal General Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 2,592
Net difference between projected and actual earnings on pension plan investments	-	3,288,004
Taos County's contributions subsequent to the measurement date	866,164	-
Total	<u>\$ 866,164</u>	<u>\$ 3,290,596</u>

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

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

General Information about the Pension Plan (continued)

\$866,164 reported as deferred outflows of resources related to pensions resulting from Taos County's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (851,137)
2017	(851,137)
2018	(851,137)
2019	(851,137)
2020	(31)
Thereafter	-

For PERA Fund Municipal Police Division, at June 30, 2015, Taos County reported a liability of \$1,358,397 for its proportionate share of the net pension liability. At June 30, 2014, Taos County's proportion was 0.4167 percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, Taos County recognized PERA Fund Municipal Police Division pension expense of \$91,223. At June 30, 2015, Taos County reported PERA Fund Municipal Police Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 110,348
Net difference between projected and actual earnings on pension plan investments	-	505,112
Taos County's contributions subsequent to the measurement date	203,633	-
Total	<u>\$ 203,633</u>	<u>\$ 615,460</u>

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

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

General Information about the Pension Plan (continued)

\$203,633 reported as deferred outflows of resources related to pensions resulting from Taos County's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (153,728)
2017	(153,728)
2018	(153,728)
2019	(153,728)
2020	(548)
Thereafter	-

Actuarial assumptions. As described above, the PERA Fund member group pension liabilities and net pension liabilities are based on actuarial valuations performed as of June 30, 2013 for each of the membership groups. Then each PERA Fund member group pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2014. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2014 actuarial valuation.

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

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

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

General Information about the Pension Plan (continued)

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

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

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

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

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

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

General Information about the Pension Plan (continued)

PERA Fund Municipal General Division	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Taos County's proportionate share of the net pension liability	<u>\$ 15,886,143</u>	<u>\$ 8,402,445</u>	<u>\$ 2,663,847</u>

PERA Fund Municipal Police Division	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Taos County's proportionate share of the net pension liability	<u>\$ 2,590,465</u>	<u>\$ 1,358,397</u>	<u>\$ 438,428</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. At June 30, 2015 there were no contributions due and payable to PERA for the County

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

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

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective

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

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

date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

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

Funding Policy. The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

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

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

Taos County's contributions to the RHCA for the years ended June 30, 2015, 2014, and 2013 were \$156,440, \$158,679, and \$162,706, respectively, which equal the required contributions for each year.

NOTE 12. Contingent Liabilities

The County is exposed to various claims and lawsuits in the normal course of business. Management and the County's manager are unaware of any material pending or threatened litigation, claims, or assessments against the County which are not covered by the County's insurance.

NOTE 13. Commitments

The County has various construction and purchase commitments as of June 30, 2015. The funding to cover the various commitments was bond and/or note proceeds, including bonds, grants, and cash reserves. At June 30, 2015 there was 5 project outstanding totaling \$174,042.

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

NOTE 14. Restricted Components of Net Position

The government-wide statement of net position reports \$9,115,504 of restricted net position, all of which is restricted by enabling legislation or other methods. For descriptions of the related enabling legislation for special revenue, debt service and capital projects funds, see pages 48 and 82-85.

NOTE 15. Joint Powers Agreements and Memos of Understanding

JPA Participants – Town of Taos, Village of Questa,
Taos Ski Valley
Responsible party – Each participant
Description – Consolidated Emergency Comm.
Contract period- Fiscal year 2015- infinity
Estimated amount of project – Unknown
Cost to the County: Unknown
Audit responsibility – Each participant
Fiscal agent – Taos County

MOU Participants – Village of Questa
Responsible party – Each participant
Description – Ambulance services to
Taos County by Village of Questa
Contract period- July 1, 2013- June 30, 2015
Estimated amount of contract – \$70,000
Cost to the County: \$70,000
Audit responsibility – Each participant
Fiscal agent – Each participant

NOTE 16. Subsequent Events

The date to which events occurring after June 30, 2015, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosures is October 22, 2015 which is the date on which the financial statements were issued.

NOTE 17. Subsequent Pronouncements

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

In June 2015, GASB Statement No. 73 *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2016. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the County.

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

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

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

NOTE 17. Subsequent Pronouncements (continued)

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

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

NOTE 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. Net Position Restatement

The County has a prior period adjustment of (\$13,173,492) which was required for implementation of GASB Statement No. 68. The adjustment reflects a beginning net pension liability of \$14,203,275 and a beginning of deferred outflow of resources - employer contributions subsequent to the measurement date of \$1,029,784. These restatements are reported at Exhibit A-2.

NOTE 20. Transfer to Subsequent Reporting Entity

As described in Note 1, the Authority operated as Taos County Housing Authority (the Authority) and the net position of the Authority was transferred to the Northern Regional Housing Authority as of August 1, 2015. The blended component unit fund financial statements for the 1 month is presented Exhibits D-2 and A-2. The following schedule represents the equity transfer presented within the Exhibits D-2 and A-2 as of June 30, 2015.

	Low Rent Public Housing	Housing Choice Vouchers
Net position as of June 30, 2015	\$ 5,392,047	\$ 46,912
Change in net position For the One Month Ended of July 31, 2014 - per Statement D-2	221,756	(47,737)
Net position as of December 31, 2013 - transferred to Northern Regional Housing Authority	\$ 5,613,803	\$ (825)

REQUIRED SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO

Taos County

Schedule I

Page 1 of 2

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

Taos County's proportion of the net pension liability	<u>2015</u> 1.1136%
Taos County's proportionate share of the net pension liability	\$ 8,402,445
Taos County's covered-employee payroll	\$ 6,639,837
Taos County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	126.55%
Plan fiduciary net position as a percentage of the total pension liability	81.29%

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

See independent auditors' report
See notes to required supplementary information

STATE OF NEW MEXICO

Taos County

Schedule I

Page 2 of 2

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

Taos County's proportion of the net pension liability	<u>2015</u> 0.4167%
Taos County's proportionate share of the net pension liability	\$ 1,358,397
Taos County's covered-employee payroll	\$ 802,529
Taos County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	169.26%
Plan fiduciary net position as a percentage of the total pension liability	81.29%

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

See independent auditors' report
See notes to required supplementary information

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

Schedule II
 Page 1 of 2

	2015
Contractually required contributions	\$ 866,164
Contributions in relation to the contractually required contribution	(866,164)
Contribution deficiency (excess)	\$ -
Taos County's covered-employee payroll	\$ 6,634,432
Contributions as a percentage of covered-employee payroll	13%

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

See independent auditors' report
 See notes to required supplementary information

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

Schedule II
 Page 2 of 2

	2015
Contractually required contributions	\$ 203,633
Contributions in relation to the contractually required contribution	(203,633)
Contribution deficiency (excess)	\$ -
Taos County's covered-employee payroll	\$ 782,592
Contributions as a percentage of covered-employee payroll	26%

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

See independent auditors' report
 See notes to required supplementary information

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

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

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

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

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

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

Special Revenue Funds

Health Care – To account for revenues received from a portion of County Local Option Gross Receipts for the support of resident patients (Section 7-20E-9(D)).

GRT Judicial Complex – To account for the revenues and expenditures of fees collected through the Domestic Violence Program Fund.

Corrections – To account for revenues received from the State to be used for municipal jailer training, construction planning, construction, operation and maintenance of a municipal jail, for paying the cost of housing of inmates or for complying with Federal match contributions (Section 35-14-11 NMSA, 1978).

Property Valuation – To account for revenue receipts resulting from a one percent (1%) property tax to be used pursuant to a property valuation program by the County assessor and approved by a majority of the County Commission (Section 7-38-38.1 NMSA, 1978).

Road - To account for revenues and expenditures of the County road improvement fund for the construction of street, road, walkway, bridge, overpass, pathway, alley, curb, gutter or sidewalk projects (Section 7-1-6.26 NMSA, 1978).

Emergency Medical Services Ambulance – To account for funds from intergovernmental sources and fees to provide ambulance services to Taos County residences (Section 24-10A-1 NMSA, 1978).

E-911 - To account for revenues and expenditures of the County related to the E-911 program. (Sections 63-9D-1, NMSA 1978).

Farm and Range – To account for revenues received to be expended by counties for: 1) soil and water conservation; 2) the control of rodents and predatory animals and the extermination of poisonous and noxious weeds; 3) the construction of dipping vats, spraying machines and other structures to control parasites on livestock; 4) the repair and maintenance of said vats; 5) and for machines and structures and the construction and maintenance of secondary roads (Section 6-11-6 NMSA, 1978).

Fire Protection -Fire Districts (Fire Marshal) Fund and Fire Districts Discretion Fund – To account for revenues derived from fees on property and motor vehicle insurance businesses which are deposited into the insurance department suspense fund and then transferred into the Fire Protection Fund by the State Treasurer. These funds are subsequently distributed by the State Fire Marshal to County Fire Districts, including the purchase, construction, maintenance, repair and operation of fire stations and substations, fire apparatus and equipment, the payment of insurance premiums on fire stations and substations, insurance premiums for injuries or death of fire fighters and certain training (Section 59A-53-1 to 59A-53-17 NMSA, 1978).

Law Enforcement Protection – To account for revenues received by the State of New Mexico to provide for: 1) the repair and purchase of law enforcement apparatus and equipment; 2) expenses associated with advances in law enforcement planning and training; 3) complying with match or contribution requirements of federal funds for criminal justice programs; 4) no more than (50%) of the replacement salaries of County law enforcement personnel while attending training as specified in item #2 (Section 29-13-3 NMSA, 1978).

Lodger's Tax Promotional – To account for revenues derived from the imposition of a gross receipts tax on lodging within that part of the County outside of the incorporated limits of a municipality. Proceeds may be used to defray costs of: 1) collecting and administering the tax; 2) establishing and operating, constructing, purchasing, otherwise acquiring, reconstructing, extending, bettering or otherwise improving fairgrounds, exposition buildings, field houses, auditoriums, performing arts facilities, convention halls, or other convention facilities of the County; 3) acquiring equipment furnishings for facilities specified in item #2; 4) acquiring suitable site grounds or other real property for facilities specified in item #2; 5) payment of principal and interest of outstanding revenue bonds issued prior to July 1, 1977; 6) advertising, publicizing and promising facilities of the municipality of the County and tourist facilities within the area (Section 3-38-15 NMSA, 1978).

Lodger's Tax Non-Promotional – To account for revenues derived from one-third of the Lodger's Tax Fund that is held in a savings account and utilized in accordance with state statutes and local ordinances.

Recreation – To account for revenues and expenditures from state distribution of a one-cent cigarette tax. Expenditure is limited to operating recreational facilities, including salaries of instructors and other employees (Section 7-12.15 NMSA, 1978).

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

Special Revenue Funds

Ancianos – To account for revenues and expenditures that are related to the NMAAA grant to provide services for congregate and home delivered meals, transportation, homemaker services, and In-home respite. Authority for this fund is established by an Ordinance of the County Commission. (Senior Citizen Fund)

Indigent Health – To account for revenues derived from a county imposed local receipts tax for the purpose of providing ambulance transportation and hospital care for indigent persons residing with Taos County (Section 7.20E-9 NMSA, 1978).

Fire Rescue Excise Tax – To account for revenues derived from a county imposed local gross receipts tax of ¼ cent for operational expenses, ambulance services or capital outlay costs of fire districts and ambulance services provided by the County (Section 7-20E.15 NMSA, 1978).

Clerk's Recording Fees – To account for an additional \$4.00 recording fee to be utilized for purchase of equipment associated with recording, filing, maintaining or reproducing documents in the County Clerk's Office (Section 14-8.12.2 NMSA, 1978).

Taos County Donations – To account for donated funds received by the County. Authority for this fund is established by an Ordinance of the County Commission.

Taos County Grant Match – To account for funds received for the Taos County Project. Authority for this fund is established by an Ordinance of the County Commission.

DWI Program– To account for revenues received from a state grant for new, innovative or model programs, services or activities to prevent or reduce incidence of DWI, alcoholism and alcohol abuse (Section 11.6A-3 NMSA, 1978).

DWI Grant – To account for revenues received from a state grant for new, innovative or model programs, services or activities to prevent or reduce incidence of DWI, alcoholism and alcohol abuse (Section 11.6A-3 NMSA, 1978).

DWI Intake Supervision – To account for intake fees received by the County from DWI incidences. Authority for this fund is established by an Ordinance of the County Commission.

DWI Domestic Violence – To account for the revenues and expenditures of fees collected through the Domestic Violence Program Fund. Authority for this fund is established by an Ordinance of the County Commission.

Juvenile Adjudication GRT – To account for revenues and expenditures of the GRT for Juvenile Adjudication (Section 2.110.5 NMSA, 1978).

Foster Grand Parent Program – To account for funds for the foster grand parent program. (45 CFR 2552.93).

Forest Reserve Title III – To account for federal funds passed through the U.S. Forest Service for maintenance of forest roads in Taos County. Funding provided by United States Public Law 106-393.

Fire Districts Discretionary – To account for non-restricted revenues and expenditures of the Fire Districts. Authority for this fund is established by an Ordinance of the County Commission.

Intergovernmental– To account for the revenues and expenditures for various grant activity, legislative appropriations, and construction projects.

Healy Foundation – To account for the funds received by Taos County for the printing and framing of historic archive photos.

Homeland Security Grant – To account for the revenue and expenditures of the upgrade of equipment at various repeater sites throughout Taos County.

Homeland Security Grant EMW– To account for the revenue and expenditures for equipment to prepare for, prevent, and respond to terrorist attacks and other all hazards events.

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

Special Revenue Funds

Homeland Security Grant FEMA– To account for the revenue and expenditures of a Mitigation Plan for Taos County.

NMSA of Aging – To account for the revenue and expenditures for equipment needed at the various senior centers in Taos County.

Capital Projects Funds

Capital Enhancement – To account for revenue and expenditures related to the Capital Enhancement Project.

Amalia Community Center – New Mexico Legislative Appropriation (NMLA) Grant - To improve and equip including the construction of a water well – fund established to account for grant funding.

Admin/Judicial/ Complex Projects – To account for revenue and expenditures related to Admin/Judicial Complex Project.

Taos County Complex Construction – This capital projects fund is used to account for the debt service of a loan from the NMFA to finance the construction project of the Taos County Admin/Judicial/Detention Complex.

Debt Service Funds

Bond Reserve – To account for monies designated for the retirement of debt associated with the Taos 40 construction project.

NMFA Debt Service– To account for the accumulation of resources and payments on the County’s New Mexico Finance Authority (NMFA) Debt Service.

Admin/Judicial/Correctional Complex – To account for the debt service of a loan from the New Mexico Finance Authority (NMFA) to finance the construction project of the Taos County Admin/Judicial/Detention Complex.

2003 Bond – To account for the accumulation of resources and payment of the Bond Debt Service. Authority for this fund is established by an Ordinance of the County Commission.

Land Purchase Judicial Complex – To account for the Judicial/Admin/Detention complex land purchase debt service.

USDA/RUS Complex – To account for the accumulation of resources and payments on the County’s USDA/RUS Loan used in complex construction.

NMFA Taos Backhoe – To account for the loan agreement for the purchase of equipment for the Solid Waste Department.

NMFA Latir Taos – To account for the loan agreement for the purchase of fire apparatus for the Latir Fire District.

La Lama Loan – To account for the loan agreement for the purchase of fire apparatus for the La Lama Fire District.

USDA Loan Reserve – To account for the bond reserves required by the USDA loan agreement.

USDA Loan Proceeds - To account for the loan proceeds of the USDA loan agreement.

USDA BoA Debt Service – To account for funds used to pay principal and interest on the USDA loan agreement.

Taos County Complex Restructuring – To account for loan proceeds of NMFA Loan No. 40, which was a restructuring of NMFA Loan No. 26 and No. 29.

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

Debt Service Funds

2013 Educational Bond Admin - To account for loan proceeds of the Taos County Educational Gross Receipts Tax Improvement Revenue Bond DFA Resolution 8 FY 14.

2013 Educational Bond Redemption - To account for the excess revenue from annual bond redemption of the Taos County Educational Gross Receipts Tax Improvement Revenue Bond.

Taos 46 Loan Proceeds - To account for loan proceeds for the purchase of Solid Waste vehicles DFA Resolution 38 FY14.

Taos 46 Loan Reserve - To account for loan reserve requirements for the purchase of Solid Waste vehicles DFA Resolution 38 FY14.

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

	Special Revenue			
	Health Care Fund	GRT Judicial Complex Fund	Corrections Fund	Property Valuation Fund
<i>Assets</i>				
Cash and cash equivalents	\$ 1,194,183	\$ 902,855	\$ 27,622	\$ 567,765
Investments	-	-	-	-
Accounts receivable				
Other receivables	75,377	102,482	-	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total current assets</i>	\$ 1,269,560	\$ 1,005,337	\$ 27,622	\$ 567,765
 <i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ 1,123
Accrued payroll liabilities	-	-	-	257
<i>Total liabilities</i>	-	-	-	1,380
 <i>Fund balances</i>				
Nonspendable	-	-	-	-
Spendable				
Restricted for:				
General county operations	-	1,005,337	-	566,385
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Forest health	-	-	-	-
Tourism	-	-	-	-
Public safety	-	-	-	-
Healthcare	1,269,560	-	-	-
Capital projects expenditures	-	-	-	-
Debt service expenditures	-	-	-	-
Committed for:				
Corrections facility	-	-	27,622	-
Minimum fund balance	-	-	-	-
<i>Total fund balances</i>	1,269,560	1,005,337	27,622	566,385
<i>Total liabilities and fund balances</i>	\$ 1,269,560	\$ 1,005,337	\$ 27,622	\$ 567,765

The accompanying notes are an integral part of these financial statements

Special Revenue

Road Fund	Emergency Medical Services Ambulance Fund	E-911	Farm and Range Fund	Fire Protection Fund	Law Enforcement Protection Fund
\$ 347,128	\$ 7,934	\$ 247,254	\$ 11,134	\$ 2,274,162	\$ 231
-	-	-	-	6	-
100,483	-	1,687	-	-	4,453
267,298	-	-	-	-	-
-	-	-	-	25,817	-
<u>\$ 714,909</u>	<u>\$ 7,934</u>	<u>\$ 248,941</u>	<u>\$ 11,134</u>	<u>\$ 2,299,985</u>	<u>\$ 4,684</u>
\$ 10,919	\$ -	\$ -	\$ -	\$ 10,713	\$ -
18,839	-	-	-	-	-
<u>29,758</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,713</u>	<u>-</u>
267,298	-	-	-	25,817	-
-	-	-	11,134	-	-
276,832	-	-	-	-	-
-	-	-	-	2,263,455	-
-	-	-	-	-	-
-	-	-	-	-	-
-	7,934	248,941	-	-	4,684
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
141,021	-	-	-	-	-
<u>685,151</u>	<u>7,934</u>	<u>248,941</u>	<u>11,134</u>	<u>2,289,272</u>	<u>4,684</u>
<u>\$ 714,909</u>	<u>\$ 7,934</u>	<u>\$ 248,941</u>	<u>\$ 11,134</u>	<u>\$ 2,299,985</u>	<u>\$ 4,684</u>

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

	Special Revenue			
	Lodger's Tax Promotional Fund	Lodger's Tax Non-Promotional Fund	Recreation Fund	Ancianos Fund
	Fund	Fund	Fund	Fund
<i>Assets</i>				
Cash and cash equivalents	\$ 33,391	\$ 72,827	\$ 4,193	\$ 114,680
Investments	-	-	-	-
Accounts receivable				
Other receivables	11,962	19,019	-	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total current assets</i>	<u>\$ 45,353</u>	<u>\$ 91,846</u>	<u>\$ 4,193</u>	<u>\$ 114,680</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ 2,514	\$ -	\$ 22,214
Accrued payroll liabilities	-	-	-	18,733
<i>Total liabilities</i>	<u>-</u>	<u>2,514</u>	<u>-</u>	<u>40,947</u>
<i>Fund balances</i>				
Nonspendable	-	-	-	-
Spendable				
Restricted for:				
General county operations	-	89,332	4,193	-
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Forest health	-	-	-	-
Tourism	45,353	-	-	-
Public safety	-	-	-	-
Healthcare	-	-	-	73,733
Capital projects expenditures	-	-	-	-
Debt service expenditures	-	-	-	-
Committed for:				
Corrections facility	-	-	-	-
Minimum fund balance	-	-	-	-
<i>Total fund balances</i>	<u>45,353</u>	<u>89,332</u>	<u>4,193</u>	<u>73,733</u>
<i>Total liabilities and fund balances</i>	<u>\$ 45,353</u>	<u>\$ 91,846</u>	<u>\$ 4,193</u>	<u>\$ 114,680</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Indigent Health Fund	Fire Rescue Excise Tax Fund	Clerk's Recording Fees Fund	Taos County Donations Fund	Taos County Grant Match Fund	DWI Program Fund
\$ 1,307,841	\$ 1,463,651	\$ 305,611	\$ 2,100	\$ 72,237	\$ 78,326
-	-	-	-	-	-
226,078	115,565	91	-	-	9,442
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,533,919</u>	<u>\$ 1,579,216</u>	<u>\$ 305,702</u>	<u>\$ 2,100</u>	<u>\$ 72,237</u>	<u>\$ 87,768</u>
\$ 605	\$ 4,066	\$ 44	\$ -	\$ -	\$ -
1,205	-	-	-	-	4,867
<u>1,810</u>	<u>4,066</u>	<u>44</u>	<u>-</u>	<u>-</u>	<u>4,867</u>
-	-	-	-	-	-
-	-	305,658	2,100	72,237	-
-	-	-	-	-	-
-	1,575,150	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	82,901
1,532,109	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,532,109</u>	<u>1,575,150</u>	<u>305,658</u>	<u>2,100</u>	<u>72,237</u>	<u>82,901</u>
<u>\$ 1,533,919</u>	<u>\$ 1,579,216</u>	<u>\$ 305,702</u>	<u>\$ 2,100</u>	<u>\$ 72,237</u>	<u>\$ 87,768</u>

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

	Special Revenue			
	DWI Grant Fund	DWI Intake Supervision Fund	DWI Domestic Violence Fund	Juvenile Adjudication GRT Fund
<i>Assets</i>				
Cash and cash equivalents	\$ 14,817	\$ 17,013	\$ 7,115	\$ -
Investments	-	-	-	-
Accounts receivable				
Other receivables	15,615	-	25	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total current assets</i>	<u>\$ 30,432</u>	<u>\$ 17,013</u>	<u>\$ 7,140</u>	<u>\$ -</u>
<i>Liabilities</i>				
Accounts payable	\$ 509	\$ 27	\$ -	\$ -
Accrued payroll liabilities	705	360	-	-
<i>Total liabilities</i>	<u>1,214</u>	<u>387</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable	-	-	-	-
Spendable				
Restricted for:				
General county operations	-	-	-	-
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Forest health	-	-	-	-
Tourism	-	-	-	-
Public safety	29,218	16,626	7,140	-
Healthcare	-	-	-	-
Capital projects expenditures	-	-	-	-
Debt service expenditures	-	-	-	-
Committed for:				
Corrections facility	-	-	-	-
Minimum fund balance	-	-	-	-
<i>Total fund balances</i>	<u>29,218</u>	<u>16,626</u>	<u>7,140</u>	<u>-</u>
<i>Total liabilities and fund balances</i>	<u>\$ 30,432</u>	<u>\$ 17,013</u>	<u>\$ 7,140</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Foster Grand Parent Program	Forest Reserve Title III Fund	Fire Districts Discretionary Fund	Inter- Governmental Fund	Healy Foundation	Homeland Security Grant
\$ 575	\$ 97,159	\$ 884	\$ 518,361	\$ 4,009	\$ -
-	-	-	-	-	-
44,170	-	-	4,886	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 44,745</u>	<u>\$ 97,159</u>	<u>\$ 884</u>	<u>\$ 523,247</u>	<u>\$ 4,009</u>	<u>\$ -</u>
\$ 13,307	\$ 2,727	\$ -	\$ 23,890	\$ -	\$ -
-	-	-	286	-	-
<u>13,307</u>	<u>2,727</u>	<u>-</u>	<u>24,176</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
31,438	94,432	-	499,071	4,009	-
-	-	-	-	-	-
-	-	884	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>31,438</u>	<u>94,432</u>	<u>884</u>	<u>499,071</u>	<u>4,009</u>	<u>-</u>
<u>\$ 44,745</u>	<u>\$ 97,159</u>	<u>\$ 884</u>	<u>\$ 523,247</u>	<u>\$ 4,009</u>	<u>\$ -</u>

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

	Special Revenue			Capital Projects
	Homeland Security Grant EMW	Homeland Security Grant FEMA	NMSA of Aging	Capital Enhancement Fund
<i>Assets</i>				
Cash and cash equivalents	\$ 36,344	\$ 45,000	\$ 4,827	\$ 1,058,728
Investments	-	-	-	-
Accounts receivable				
Other receivables	-	-	2,390	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total current assets</i>	<u>\$ 36,344</u>	<u>\$ 45,000</u>	<u>\$ 7,217</u>	<u>\$ 1,058,728</u>
<i>Liabilities</i>				
Accounts payable	\$ 30,615	\$ -	\$ -	\$ 17,653
Accrued payroll liabilities	-	-	-	-
<i>Total liabilities</i>	<u>30,615</u>	<u>-</u>	<u>-</u>	<u>17,653</u>
<i>Fund balances</i>				
Nonspendable	-	-	-	-
Spendable				
Restricted for:				
General county operations	-	-	-	-
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Forest health	-	-	-	-
Tourism	-	-	-	-
Public safety	5,729	45,000	-	-
Healthcare	-	-	7,217	-
Capital projects expenditures	-	-	-	1,041,075
Debt service expenditures	-	-	-	-
Committed for:				
Corrections facility	-	-	-	-
Minimum fund balance	-	-	-	-
<i>Total fund balances</i>	<u>5,729</u>	<u>45,000</u>	<u>7,217</u>	<u>1,041,075</u>
<i>Total liabilities and fund balances</i>	<u>\$ 36,344</u>	<u>\$ 45,000</u>	<u>\$ 7,217</u>	<u>\$ 1,058,728</u>

The accompanying notes are an integral part of these financial statements

Capital Projects			Debt Service		
Amalia Community Center Fund	Admin/Judicial/ Complex Fund	Taos County Complex Construction Fund	Bond Reserve Fund	NMFA Debt Service Fund	Admin/Judicial/ Correctional Complex Fund
\$ 1,582	\$ -	\$ 781,734	\$ 72,241	\$ 792	\$ -
-	-	-	1,387,559	35,339	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,582</u>	<u>\$ -</u>	<u>\$ 781,734</u>	<u>\$ 1,459,800</u>	<u>\$ 36,131</u>	<u>\$ -</u>
\$ 1,258	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
<u>1,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
324	-	781,734	-	-	-
-	-	-	1,459,800	36,131	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>324</u>	<u>-</u>	<u>781,734</u>	<u>1,459,800</u>	<u>36,131</u>	<u>-</u>
<u>\$ 1,582</u>	<u>\$ -</u>	<u>\$ 781,734</u>	<u>\$ 1,459,800</u>	<u>\$ 36,131</u>	<u>\$ -</u>

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

	Debt Service			
	2003 Bond Debt Service Fund	Land Purchase Judicial Complex Fund	USDA/RUS Complex Fund	NMFA Taos Backhoe Fund
<i>Assets</i>				
Cash and cash equivalents	\$ 49,325	\$ -	\$ 500,719	\$ 39
Investments	-	-	-	2,055
Accounts receivable				
Other receivables	5	-	150,702	-
Inventory	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total current assets</i>	\$ 49,330	\$ -	\$ 651,421	\$ 2,094
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
<i>Total liabilities</i>	-	-	-	-
<i>Fund balances</i>				
Nonspendable	-	-	-	-
Spendable				
Restricted for:				
General county operations	-	-	-	-
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Forest health	-	-	-	-
Tourism	-	-	-	-
Public safety	-	-	-	-
Healthcare	-	-	-	-
Capital projects expenditures	-	-	-	-
Debt service expenditures	49,330	-	651,421	2,094
Committed for:				
Corrections facility	-	-	-	-
Minimum fund balance	-	-	-	-
<i>Total fund balances</i>	49,330	-	651,421	2,094
<i>Total liabilities and fund balances</i>	\$ 49,330	\$ -	\$ 651,421	\$ 2,094

The accompanying notes are an integral part of these financial statements

Debt Service

<u>NMFA Latir Taos Fund</u>	<u>La Lama Loan Fund</u>	<u>USDA Loan Reserve Fund</u>	<u>USDA Loan Proceeds Fund</u>	<u>USDA BoA Fund</u>	<u>Taos County Complex Restructuring Fund</u>
\$ -	\$ 1	\$ 379,658	\$ 45,588	\$ 106,303	\$ 13,883
-	5	-	-	-	161,257
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 379,658</u>	<u>\$ 45,588</u>	<u>\$ 106,303</u>	<u>\$ 175,140</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	6	379,658	45,588	106,303	175,140
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>6</u>	<u>379,658</u>	<u>45,588</u>	<u>106,303</u>	<u>175,140</u>
<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 379,658</u>	<u>\$ 45,588</u>	<u>\$ 106,303</u>	<u>\$ 175,140</u>

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

Statement A-1
Page 6 of 6

	Debt Service				Total
	2013	2013	Taos 46	Taos 46	
	Educational Bond Admin Fund	Educational Bond Redemption Fund	Loan Proceeds Fund	Loan Reserve Fund	
<i>Assets</i>					
Cash and cash equivalents	\$ -	\$ 4,701	\$ 2,493	\$ -	\$ 12,799,016
Investments	-	-	9,912	-	1,596,133
Accounts receivable					
Other receivables	-	-	-	-	884,432
Inventory	-	-	-	-	267,298
Prepaid expenses	-	-	-	-	25,817
<i>Total current assets</i>	<u>\$ -</u>	<u>\$ 4,701</u>	<u>\$ 12,405</u>	<u>\$ -</u>	<u>\$ 15,572,696</u>
<i>Liabilities</i>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 142,184
Accrued payroll liabilities	-	-	-	-	45,252
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187,436</u>
<i>Fund balances</i>					
Nonspendable	-	-	-	-	293,115
Spendable					
Restricted for:					
General county operations	-	-	-	-	2,685,326
Maintenance of roads	-	-	-	-	276,832
Fire departments	-	-	-	-	3,838,605
Forest health	-	-	-	-	884
Tourism	-	-	-	-	45,353
Public safety	-	-	-	-	448,173
Healthcare	-	-	-	-	2,882,619
Capital projects expenditures	-	-	-	-	1,823,133
Debt service expenditures	-	4,701	12,405	-	2,922,577
Committed for:					
Corrections facility	-	-	-	-	27,622
Minimum fund balance	-	-	-	-	141,021
<i>Total fund balances</i>	<u>-</u>	<u>4,701</u>	<u>12,405</u>	<u>-</u>	<u>15,385,260</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>\$ 4,701</u>	<u>\$ 12,405</u>	<u>\$ -</u>	<u>\$ 15,572,696</u>

The accompanying notes are an integral part of these financial statements

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

	Special Revenue			
	Health Care Fund	GRT Judicial Complex Fund	Corrections Fund	Property Valuation Fund
<i>Revenues:</i>				
Taxes:				
Gross receipts taxes	\$ 444,136	\$ 731,289	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental:				
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for services	-	-	127,622	259,851
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	444,136	731,289	127,622	259,851
<i>Expenditures:</i>				
Current				
General government	-	1,086,360	-	177,195
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	133,269	-	47,634
Debt service				
Principal	-	91,740	-	-
Interest	-	37,773	-	-
<i>Total expenditures</i>	-	1,349,142	-	224,829
<i>Excess (deficiency) of revenues over expenditures</i>	444,136	(617,853)	127,622	35,022
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(150,000)	(200,000)	(216,766)	-
<i>Total other financing sources (uses)</i>	(150,000)	(200,000)	(216,766)	-
<i>Net change in fund balances</i>	294,136	(817,853)	(89,144)	35,022
<i>Fund balances - beginning of year</i>	975,424	1,823,190	116,766	531,363
<i>Fund balances - end of year</i>	\$ 1,269,560	\$ 1,005,337	\$ 27,622	\$ 566,385

The accompanying notes are an integral part of these financial statements

Special Revenue						
Road Fund	Emergency Medical Services Ambulance Fund	E-911	Farm and Range Fund	Fire Protection Fund	Law Enforcement Protection Fund	
\$ 110,956	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
160,095	-	-	-	-	-	-
-	48,738	-	-	846,837	-	-
264,354	-	-	1,016	-	-	-
440,368	-	-	-	-	-	-
-	-	-	-	3	-	-
31,096	-	287,906	-	18,750	9,068	-
<u>1,006,869</u>	<u>48,738</u>	<u>287,906</u>	<u>1,016</u>	<u>865,590</u>	<u>9,068</u>	
-	-	-	5,336	-	-	-
-	53,569	378,965	-	419,956	18,000	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,461,907	-	-	-	-	-	-
87,793	-	-	-	76,257	67,414	-
141,503	-	-	-	41,810	-	-
1,049	-	-	-	2,234	-	-
<u>1,692,252</u>	<u>53,569</u>	<u>378,965</u>	<u>5,336</u>	<u>540,257</u>	<u>85,414</u>	
<u>(685,383)</u>	<u>(4,831)</u>	<u>(91,059)</u>	<u>(4,320)</u>	<u>325,333</u>	<u>(76,346)</u>	
850,000	-	340,000	-	145	-	-
-	-	-	-	-	-	-
<u>850,000</u>	<u>-</u>	<u>340,000</u>	<u>-</u>	<u>145</u>	<u>-</u>	
164,617	(4,831)	248,941	(4,320)	325,478	(76,346)	-
520,534	12,765	-	15,454	1,963,794	81,030	-
<u>\$ 685,151</u>	<u>\$ 7,934</u>	<u>\$ 248,941</u>	<u>\$ 11,134</u>	<u>\$ 2,289,272</u>	<u>\$ 4,684</u>	

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

	Special Revenue			
	Lodger's Tax Promotional Fund	Lodger's Tax Non-Promotional Fund	Recreation Fund	Ancianos Fund
	Fund	Fund	Fund	Fund
<i>Revenues:</i>				
Taxes:				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	124,671	187,012	-	-
Intergovernmental:				
State grants	-	-	-	421,171
Federal grants	-	-	-	326,021
Charges for services	-	8,878	1,525	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	67,862
<i>Total revenues</i>	<u>124,671</u>	<u>195,890</u>	<u>1,525</u>	<u>815,054</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	132,832	62,803	55,843	-
Health and welfare	-	-	-	793,836
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>132,832</u>	<u>62,803</u>	<u>55,843</u>	<u>793,836</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(8,161)</u>	<u>133,087</u>	<u>(54,318)</u>	<u>21,218</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	50,000	54,657
Operating transfers (out)	-	(95,650)	-	(18,943)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(95,650)</u>	<u>50,000</u>	<u>35,714</u>
<i>Net change in fund balances</i>	(8,161)	37,437	(4,318)	56,932
<i>Fund balances - beginning of year</i>	<u>53,514</u>	<u>51,895</u>	<u>8,511</u>	<u>16,801</u>
<i>Fund balances - end of year</i>	<u>\$ 45,353</u>	<u>\$ 89,332</u>	<u>\$ 4,193</u>	<u>\$ 73,733</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Indigent Health Fund	Fire Rescue Excise Tax Fund	Clerk's Recording Fees Fund	Taos County Donations Fund	Taos County Grant Match Fund	DWI Program Fund
\$ 1,332,096	\$ 573,466	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
413,619	-	46,697	-	-	248,773
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,342
<u>1,745,715</u>	<u>573,466</u>	<u>46,697</u>	<u>-</u>	<u>-</u>	<u>251,115</u>
-	-	19,866	-	-	-
-	146,748	-	-	-	250,386
-	-	-	-	-	-
1,193,801	-	-	-	-	-
-	-	-	-	-	-
-	257,790	13,943	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,193,801</u>	<u>404,538</u>	<u>33,809</u>	<u>-</u>	<u>-</u>	<u>250,386</u>
<u>551,914</u>	<u>168,928</u>	<u>12,888</u>	<u>-</u>	<u>-</u>	<u>729</u>
-	-	-	-	180,260	30,000
-	(253,277)	-	-	(136,250)	-
-	(253,277)	-	-	44,010	30,000
551,914	(84,349)	12,888	-	44,010	30,729
980,195	1,659,499	292,770	2,100	28,227	52,172
<u>\$ 1,532,109</u>	<u>\$ 1,575,150</u>	<u>\$ 305,658</u>	<u>\$ 2,100</u>	<u>\$ 72,237</u>	<u>\$ 82,901</u>

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

	Special Revenue			
	DWI Grant Fund	DWI Intake Supervision Fund	DWI Domestic Violence Fund	Juvenile Adjudication GRT Fund
<i>Revenues:</i>				
Taxes:				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental:				
State grants	55,816	-	-	-
Federal grants	-	-	-	-
Charges for services	-	28,250	5,571	-
Investment income	-	-	-	-
Miscellaneous	-	150	-	40
<i>Total revenues</i>	<u>55,816</u>	<u>28,400</u>	<u>5,571</u>	<u>40</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	56,327	24,324	8,056	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>56,327</u>	<u>24,324</u>	<u>8,056</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(511)</u>	<u>4,076</u>	<u>(2,485)</u>	<u>40</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(20,000)	-	-	(9,010)
<i>Total other financing sources (uses)</i>	<u>(20,000)</u>	<u>-</u>	<u>-</u>	<u>(9,010)</u>
<i>Net change in fund balances</i>	(20,511)	4,076	(2,485)	(8,970)
<i>Fund balances - beginning of year</i>	<u>49,729</u>	<u>12,550</u>	<u>9,625</u>	<u>8,970</u>
<i>Fund balances - end of year</i>	<u>\$ 29,218</u>	<u>\$ 16,626</u>	<u>\$ 7,140</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Foster Grand Parent Program	Forest Reserve Title III Fund	Fire Districts Discretionary Fund	Inter- Governmental Fund	Healy Foundation	Homeland Security Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
156,893	-	-	589,118	10,000	49,832
85,372	44,778	-	15,470	-	-
-	-	-	-	-	-
-	-	-	-	-	-
620	-	-	8,946	-	-
<u>242,885</u>	<u>44,778</u>	<u>-</u>	<u>613,534</u>	<u>10,000</u>	<u>49,832</u>
-	-	-	23,463	5,991	-
-	-	7,742	169,645	-	49,832
-	-	-	8,213	-	-
221,447	-	-	-	-	-
-	67,213	-	182	-	-
-	12,667	-	494,333	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>221,447</u>	<u>79,880</u>	<u>7,742</u>	<u>695,836</u>	<u>5,991</u>	<u>49,832</u>
<u>21,438</u>	<u>(35,102)</u>	<u>(7,742)</u>	<u>(82,302)</u>	<u>4,009</u>	<u>-</u>
20,000	-	-	375,541	-	50,000
(10,000)	-	-	(441,733)	-	(50,000)
<u>10,000</u>	<u>-</u>	<u>-</u>	<u>(66,192)</u>	<u>-</u>	<u>-</u>
31,438	(35,102)	(7,742)	(148,494)	4,009	-
-	129,534	8,626	647,565	-	-
<u>\$ 31,438</u>	<u>\$ 94,432</u>	<u>\$ 884</u>	<u>\$ 499,071</u>	<u>\$ 4,009</u>	<u>\$ -</u>

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

	Special Revenue			Capital Projects
	Homeland Security Grant EMW	Homeland Security Grant FEMA	NMSA of Aging	Capital Enhancement Fund
<i>Revenues:</i>				
Taxes:				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental:				
State grants	-	-	112,386	-
Federal grants	-	-	-	1,521,411
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	1,976
<i>Total revenues</i>	-	-	112,386	1,523,387
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	53,856	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	112,285	-
Public works	-	-	-	183,993
Capital outlay	-	-	-	193,065
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	53,856	-	112,285	377,058
<i>Excess (deficiency) of revenues over expenditures</i>	(53,856)	-	101	1,146,329
<i>Other financing sources (uses):</i>				
Operating transfers in	59,585	45,000	88,431	220,000
Operating transfers (out)	-	-	(81,315)	(490,000)
<i>Total other financing sources (uses)</i>	59,585	45,000	7,116	(270,000)
<i>Net change in fund balances</i>	5,729	45,000	7,217	876,329
<i>Fund balances - beginning of year</i>	-	-	-	164,746
<i>Fund balances - end of year</i>	\$ 5,729	\$ 45,000	\$ 7,217	\$ 1,041,075

The accompanying notes are an integral part of these financial statements

Capital Projects			Debt Service		
Amalia Community Center Fund	Admin/Judicial/ Complex Fund	Taos County Complex Construction Fund	Bond Reserve Fund	NMFA Debt Service Fund	Admin/Judicial/ Correctional Complex Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	400	11,447	293	-
-	-	-	-	-	-
-	-	400	11,447	293	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	3,667	-	-	-
2,537	-	483,122	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,537	-	486,789	-	-	-
(2,537)	-	(486,389)	11,447	293	-
-	-	-	-	-	-
-	(1,102)	-	(6,294)	(223)	(67)
-	(1,102)	-	(6,294)	(223)	(67)
(2,537)	(1,102)	(486,389)	5,153	70	(67)
2,861	1,102	1,268,123	1,454,647	36,061	67
\$ 324	\$ -	\$ 781,734	\$ 1,459,800	\$ 36,131	\$ -

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

	Debt Service			
	2003 Bond	Land Purchase	USDA/RUS	NMFA Taos
	Debt Service Fund	Judicial Complex Fund	Complex Fund	Backhoe Fund
<i>Revenues:</i>				
Taxes:				
Gross receipts taxes	\$ 8,347	\$ -	\$ 994,568	\$ 12,422
Other taxes	-	-	-	-
Intergovernmental:				
State grants	-	-	-	-
Federal grants	-	-	-	-
Charges for services	-	-	409,266	-
Investment income	62	-	-	1
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>8,409</u>	<u>-</u>	<u>1,403,834</u>	<u>12,423</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	843,448	-
Capital outlay	-	-	-	-
Debt service				
Principal	30,650	-	-	11,799
Interest	15,000	-	-	623
<i>Total expenditures</i>	<u>45,650</u>	<u>-</u>	<u>843,448</u>	<u>12,422</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(37,241)</u>	<u>-</u>	<u>560,386</u>	<u>1</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	45,650	-	-	-
Operating transfers (out)	(28)	(3)	(400,000)	-
<i>Total other financing sources (uses)</i>	<u>45,622</u>	<u>(3)</u>	<u>(400,000)</u>	<u>-</u>
<i>Net change in fund balances</i>	8,381	(3)	160,386	1
<i>Fund balances - beginning of year</i>	<u>40,949</u>	<u>3</u>	<u>491,035</u>	<u>2,093</u>
<i>Fund balances - end of year</i>	<u>\$ 49,330</u>	<u>\$ -</u>	<u>\$ 651,421</u>	<u>\$ 2,094</u>

The accompanying notes are an integral part of these financial statements

Debt Service

NMFA Latir Taos Fund	La Lama Loan Fund	USDA Loan Reserve Fund	USDA Loan Proceeds Fund	USDA BoA Fund	Taos County Complex Restructuring Fund
\$ -	\$ -	\$ -	\$ 843,448	\$ -	\$ 1,970,191
-	-	-	-	-	-
4,671	18,123	-	-	-	101,870
-	-	-	-	-	-
-	-	-	-	-	-
-	1	3	1	5	90
-	-	-	-	127,947	-
<u>4,671</u>	<u>18,124</u>	<u>3</u>	<u>843,449</u>	<u>127,952</u>	<u>2,072,151</u>
-	-	-	106,607	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,671	17,673	-	-	180,000	885,000
-	450	-	-	591,525	1,182,516
<u>4,671</u>	<u>18,123</u>	<u>-</u>	<u>106,607</u>	<u>771,525</u>	<u>2,067,516</u>
-	1	3	736,842	(643,573)	4,635
-	-	77,212	-	644,292	6,294
-	-	-	(721,503)	-	-
-	-	<u>77,212</u>	<u>(721,503)</u>	<u>644,292</u>	<u>6,294</u>
-	1	77,215	15,339	719	10,929
-	5	302,443	30,249	105,584	164,211
<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 379,658</u>	<u>\$ 45,588</u>	<u>\$ 106,303</u>	<u>\$ 175,140</u>

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STATE OF NEW MEXICO

Taos County

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2015

Statement A-2

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	Debt Service				Total
	2013	2013	Taos 46	Taos 46	
	Educational Bond Admin Fund	Educational Bond Redemption Fund	Loan Proceeds Fund	Loan Reserve Fund	
<i>Revenues:</i>					
Taxes:					
Gross receipts taxes	\$ -	\$ -	\$ 60,750	\$ -	\$ 7,081,669
Other taxes	-	-	-	-	471,778
Intergovernmental:					
State grants	-	-	-	-	3,124,544
Federal grants	-	-	-	-	2,258,422
Charges for services	-	-	-	-	1,281,331
Investment income	-	-	2	4	12,312
Miscellaneous	-	-	-	-	556,703
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>60,752</u>	<u>4</u>	<u>14,786,759</u>
<i>Expenditures:</i>					
Current					
General government	19,940	-	412	-	1,445,170
Public safety	-	-	-	-	1,637,406
Culture and recreation	-	-	-	-	259,691
Health and welfare	-	-	-	-	2,321,369
Public works	-	-	-	-	2,560,410
Capital outlay	-	-	-	24,247	1,894,071
Debt service					
Principal	-	-	56,530	-	1,461,376
Interest	-	-	3,626	-	1,834,796
<i>Total expenditures</i>	<u>19,940</u>	<u>-</u>	<u>60,568</u>	<u>24,247</u>	<u>13,414,289</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(19,940)</u>	<u>-</u>	<u>184</u>	<u>(24,243)</u>	<u>1,372,470</u>
<i>Other financing sources (uses):</i>					
Operating transfers in	19,940	779,233	2,126	-	3,938,366
Operating transfers (out)	-	(775,000)	-	(2,048)	(4,079,212)
<i>Total other financing sources (uses)</i>	<u>19,940</u>	<u>4,233</u>	<u>2,126</u>	<u>(2,048)</u>	<u>(140,846)</u>
<i>Net change in fund balances</i>	-	4,233	2,310	(26,291)	1,231,624
<i>Fund balances - beginning of year</i>	-	468	10,095	26,291	14,153,636
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ 4,701</u>	<u>\$ 12,405</u>	<u>\$ -</u>	<u>\$ 15,385,260</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-1

Taos County

Health Care Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 377,475	\$ 377,475	\$ 430,134	\$ 52,659
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>377,475</u>	<u>377,475</u>	<u>430,134</u>	<u>52,659</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>377,475</u>	<u>377,475</u>	<u>430,134</u>	<u>52,659</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(300,000)	(300,000)	(150,000)	150,000
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(77,475)	(77,475)	-	77,475
<i>Total other financing sources (uses)</i>	<u>(377,475)</u>	<u>(377,475)</u>	<u>(150,000)</u>	<u>227,475</u>
<i>Net change in fund balances</i>	-	-	280,134	280,134
<i>Fund balances - beginning of year</i>	-	-	914,049	914,049
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,194,183</u>	<u>\$ 1,194,183</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 280,134
Adjustments to revenues for gross receipts				14,002
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 294,136</u>

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

STATE OF NEW MEXICO

Statement B-2

Taos County

GRT Judicial Complex Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 627,893	\$ 692,551	\$ 689,710	\$ (2,841)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>627,893</u>	<u>692,551</u>	<u>689,710</u>	<u>(2,841)</u>
<i>Expenditures:</i>				
Current				
General Government	1,100,000	1,242,000	1,086,360	155,640
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	300,000	158,000	133,269	24,731
Debt service				
Principal	91,740	91,740	91,740	-
Interest	37,773	37,773	37,773	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,529,513</u>	<u>1,529,513</u>	<u>1,349,142</u>	<u>180,371</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(901,620)</u>	<u>(836,962)</u>	<u>(659,432)</u>	<u>177,530</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(339,178)	(339,178)	(200,000)	139,178
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	1,240,798	1,176,140	-	(1,176,140)
<i>Total other financing sources (uses)</i>	<u>901,620</u>	<u>836,962</u>	<u>(200,000)</u>	<u>(1,036,962)</u>
<i>Net change in fund balances</i>	-	-	(859,432)	(859,432)
<i>Fund balances - beginning of year</i>	-	-	1,762,287	1,762,287
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 902,855</u>	<u>\$ 902,855</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (859,432)
Adjustments to revenues for gross receipts taxes				41,579
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ (817,853)</u>

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

STATE OF NEW MEXICO

Statement B-3

Taos County

Corrections Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	100,000	100,000	127,622	27,622
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>100,000</u>	<u>100,000</u>	<u>127,622</u>	<u>27,622</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>100,000</u>	<u>100,000</u>	<u>127,622</u>	<u>27,622</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(216,766)	(216,766)	(216,766)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	116,766	116,766	-	(116,766)
<i>Total other financing sources (uses)</i>	<u>(100,000)</u>	<u>(100,000)</u>	<u>(216,766)</u>	<u>(116,766)</u>
<i>Net change in fund balances</i>	-	-	(89,144)	(89,144)
<i>Fund balances - beginning of year</i>	-	-	116,766	116,766
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,622</u>	<u>\$ 27,622</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (89,144)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ (89,144)</u>

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

STATE OF NEW MEXICO

Statement B-4

Taos County

Property Valuation Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	200,100	200,100	259,851	59,751
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>200,100</u>	<u>200,100</u>	<u>259,851</u>	<u>59,751</u>
<i>Expenditures:</i>				
Current				
General Government	692,843	692,839	194,294	498,545
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	57,103	57,103	47,634	9,469
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>749,946</u>	<u>749,942</u>	<u>241,928</u>	<u>508,014</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(549,846)</u>	<u>(549,842)</u>	<u>17,923</u>	<u>567,765</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	549,846	549,842	-	(549,842)
<i>Total other financing sources (uses)</i>	<u>549,846</u>	<u>549,842</u>	<u>-</u>	<u>(549,842)</u>
<i>Net change in fund balances</i>	-	-	17,923	17,923
<i>Fund balances - beginning of year</i>	-	-	549,842	549,842
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 567,765</u>	<u>\$ 567,765</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 17,923
No adjustments to revenues				-
Adjustments to expenditures for general government				<u>17,099</u>
<i>Net change in fund balance (GAAP)</i>				<u>\$ 35,022</u>

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

STATE OF NEW MEXICO

Statement B-5

Taos County

Road Special Revenue Fund

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

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 260,615	\$ 260,615	\$ 265,811	\$ 5,196
Intergovernmental	271,870	271,870	264,354	(7,516)
Licenses and fees	410,000	422,774	435,515	12,741
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	21,000	21,000	4,492	(16,508)
<i>Total revenues</i>	<u>963,485</u>	<u>976,259</u>	<u>970,172</u>	<u>(6,087)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	1,802,967	1,802,367	1,499,084	303,283
Education	-	-	-	-
Capital outlay	103,591	109,665	87,793	21,872
Debt service				
Principal	141,503	148,803	141,503	7,300
Interest	1,049	1,049	1,049	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>2,049,110</u>	<u>2,061,884</u>	<u>1,729,429</u>	<u>332,455</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,085,625)</u>	<u>(1,085,625)</u>	<u>(759,257)</u>	<u>326,368</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	1,000,000	1,000,000	850,000	(150,000)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	85,625	85,625	-	(85,625)
<i>Total other financing sources (uses)</i>	<u>1,085,625</u>	<u>1,085,625</u>	<u>850,000</u>	<u>(235,625)</u>
<i>Net change in fund balances</i>	-	-	90,743	90,743
<i>Fund balances - beginning of year</i>	-	-	256,385	256,385
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 347,128</u>	<u>\$ 347,128</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 90,743
Adjustments to revenues for taxes				36,697
Adjustments to expenditures for public works				37,177
<i>Net change in fund balance (GAAP)</i>				<u>\$ 164,617</u>

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

STATE OF NEW MEXICO

Statement B-6

Taos County

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

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	48,738	48,738	48,738	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>48,738</u>	<u>48,738</u>	<u>48,738</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	63,336	63,336	55,404	7,932
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>63,336</u>	<u>63,336</u>	<u>55,404</u>	<u>7,932</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(14,598)</u>	<u>(14,598)</u>	<u>(6,666)</u>	<u>7,932</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	14,598	14,598	-	(14,598)
<i>Total other financing sources (uses)</i>	<u>14,598</u>	<u>14,598</u>	<u>-</u>	<u>(14,598)</u>
<i>Net change in fund balances</i>	-	-	(6,666)	(6,666)
<i>Fund balances - beginning of year</i>	-	-	14,600	14,600
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,934</u>	<u>\$ 7,934</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (6,666)
No adjustments to revenues				-
Adjustments to expenditures for public safety				<u>1,835</u>
<i>Net change in fund balance (GAAP)</i>				<u>\$ (4,831)</u>

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

STATE OF NEW MEXICO

Statement B-7

Taos County

E-911 Special Revenue Fund

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

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	340,000	340,000	286,219	(53,781)
<i>Total revenues</i>	<u>340,000</u>	<u>340,000</u>	<u>286,219</u>	<u>(53,781)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	680,000	378,965	301,035
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>680,000</u>	<u>378,965</u>	<u>301,035</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>340,000</u>	<u>(340,000)</u>	<u>(92,746)</u>	<u>247,254</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	340,000	340,000	340,000	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(680,000)	-	-	-
<i>Total other financing sources (uses)</i>	<u>(340,000)</u>	<u>340,000</u>	<u>340,000</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	247,254	247,254
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 247,254</u>	<u>\$ 247,254</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 247,254
Adjustments to revenues for miscellaneous income				1,687
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 248,941</u>

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

STATE OF NEW MEXICO

Statement B-8

Taos County

Farm And Range Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,200	1,200	1,016	(184)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,200</u>	<u>1,200</u>	<u>1,016</u>	<u>(184)</u>
<i>Expenditures:</i>				
Current				
General Government	16,653	16,653	5,336	11,317
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>16,653</u>	<u>16,653</u>	<u>5,336</u>	<u>11,317</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(15,453)</u>	<u>(15,453)</u>	<u>(4,320)</u>	<u>11,133</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	15,453	15,453	-	(15,453)
<i>Total other financing sources (uses)</i>	<u>15,453</u>	<u>15,453</u>	<u>-</u>	<u>(15,453)</u>
<i>Net change in fund balances</i>	-	-	(4,320)	(4,320)
<i>Fund balances - beginning of year</i>	-	-	15,454	15,454
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,134</u>	<u>\$ 11,134</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (4,320)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ (4,320)</u>

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

STATE OF NEW MEXICO

Statement B-9

Taos County

Fire Protection Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	771,328	821,128	846,837	25,709
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	3	3	3	-
Miscellaneous	44,386	44,386	18,750	(25,636)
<i>Total revenues</i>	<u>815,717</u>	<u>865,517</u>	<u>865,590</u>	<u>73</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	1,027,853	1,053,823	425,407	628,416
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	1,697,991	1,721,791	76,257	1,645,534
Debt service				
Principal	41,810	41,810	41,810	-
Interest	2,234	2,234	2,234	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>2,769,888</u>	<u>2,819,658</u>	<u>545,708</u>	<u>2,273,950</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,954,171)</u>	<u>(1,954,141)</u>	<u>319,882</u>	<u>2,274,023</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	145	145
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	1,954,171	1,954,141	-	(1,954,141)
<i>Total other financing sources (uses)</i>	<u>1,954,171</u>	<u>1,954,141</u>	<u>145</u>	<u>(1,953,996)</u>
<i>Net change in fund balances</i>	-	-	320,027	320,027
<i>Fund balances - beginning of year</i>	-	-	1,954,141	1,954,141
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,274,168</u>	<u>\$ 2,274,168</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 320,027
No adjustments to revenues				-
Adjustments to expenditures for public safety				5,451
<i>Net change in fund balance (GAAP)</i>				<u>\$ 325,478</u>

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

STATE OF NEW MEXICO

Statement B-10

Taos County

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

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	42,000	42,000	42,000	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	4,615	4,615	-
<i>Total revenues</i>	<u>42,000</u>	<u>46,615</u>	<u>46,615</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	42,000	67,645	18,000	49,645
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	39,030	-	67,414	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>81,030</u>	<u>67,645</u>	<u>85,414</u>	<u>49,645</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(39,030)</u>	<u>(21,030)</u>	<u>(38,799)</u>	<u>(17,769)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	39,030	21,030	-	(21,030)
<i>Total other financing sources (uses)</i>	<u>39,030</u>	<u>21,030</u>	<u>-</u>	<u>(21,030)</u>
<i>Net change in fund balances</i>	-	-	(38,799)	(38,799)
<i>Fund balances - beginning of year</i>	-	-	39,030	39,030
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 231</u>	<u>\$ 231</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (38,799)
Adjustments to revenues for intergovernmental activity				(37,547)
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ (76,346)</u>

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

STATE OF NEW MEXICO

Statement B-11

Taos County

Lodger's Tax Promotional Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 100,000	\$ 100,000	\$ 125,003	\$ 25,003
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	25	25	-	(25)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>100,025</u>	<u>100,025</u>	<u>125,003</u>	<u>24,978</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	144,926	144,926	136,513	8,413
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>144,926</u>	<u>144,926</u>	<u>136,513</u>	<u>8,413</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(44,901)</u>	<u>(44,901)</u>	<u>(11,510)</u>	<u>33,391</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	44,901	44,901	-	(44,901)
<i>Total other financing sources (uses)</i>	<u>44,901</u>	<u>44,901</u>	<u>-</u>	<u>(44,901)</u>
<i>Net change in fund balances</i>	-	-	(11,510)	(11,510)
<i>Fund balances - beginning of year</i>	-	-	44,901	44,901
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,391</u>	<u>\$ 33,391</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (11,510)
Adjustments to revenues for taxes				(332)
Adjustments to expenditures for culture and recreation				3,681
<i>Net change in fund balance (GAAP)</i>				<u>\$ (8,161)</u>

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

STATE OF NEW MEXICO

Statement B-12

Taos County

Lodger's Tax Non-Promotional Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 170,350	\$ 170,350	\$ 187,506	\$ 17,156
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	5,000	5,000	7,807	2,807
Investment income	25	25	-	(25)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>175,375</u>	<u>175,375</u>	<u>195,313</u>	<u>19,938</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	104,967	104,967	62,078	42,889
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>104,967</u>	<u>104,967</u>	<u>62,078</u>	<u>42,889</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>70,408</u>	<u>70,408</u>	<u>133,235</u>	<u>62,827</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(105,650)	(105,650)	(95,650)	10,000
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	35,242	35,242	-	(35,242)
<i>Total other financing sources (uses)</i>	<u>(70,408)</u>	<u>(70,408)</u>	<u>(95,650)</u>	<u>(25,242)</u>
<i>Net change in fund balances</i>	-	-	37,585	37,585
<i>Fund balances - beginning of year</i>	-	-	35,242	35,242
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,827</u>	<u>\$ 72,827</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 37,585
Adjustments to revenues for taxes				577
Adjustments to expenditures for culture and recreation				(725)
<i>Net change in fund balance (GAAP)</i>				<u>\$ 37,437</u>

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

STATE OF NEW MEXICO

Statement B-13

Taos County

Recreation Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	500	500	1,525	1,025
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>500</u>	<u>500</u>	<u>1,525</u>	<u>1,025</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	70,266	70,266	57,099	13,167
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>70,266</u>	<u>70,266</u>	<u>57,099</u>	<u>13,167</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(69,766)</u>	<u>(69,766)</u>	<u>(55,574)</u>	<u>14,192</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	60,000	60,000	50,000	(10,000)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	9,766	9,766	-	(9,766)
<i>Total other financing sources (uses)</i>	<u>69,766</u>	<u>69,766</u>	<u>50,000</u>	<u>(19,766)</u>
<i>Net change in fund balances</i>	-	-	(5,574)	(5,574)
<i>Fund balances - beginning of year</i>	-	-	9,767	9,767
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,193</u>	<u>\$ 4,193</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (5,574)
No adjustments to revenues				-
Adjustments to expenditures for culture and recreation				1,256
<i>Net change in fund balance (GAAP)</i>				<u>\$ (4,318)</u>

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

STATE OF NEW MEXICO

Statement B-14

Taos County

Ancianos Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	809,352	816,352	766,135	(50,217)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	70,897	70,897	67,862	(3,035)
<i>Total revenues</i>	<u>880,249</u>	<u>887,249</u>	<u>833,997</u>	<u>(53,252)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	861,306	868,304	755,031	113,273
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>861,306</u>	<u>868,304</u>	<u>755,031</u>	<u>113,273</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>18,943</u>	<u>18,945</u>	<u>78,966</u>	<u>60,021</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	54,657	54,657	54,657	-
Operating transfers (out)	(73,602)	(73,602)	(18,943)	54,659
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	2	-	-	-
<i>Total other financing sources (uses)</i>	<u>(18,943)</u>	<u>(18,945)</u>	<u>35,714</u>	<u>54,659</u>
<i>Net change in fund balances</i>	-	-	114,680	114,680
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 114,680</u>	<u>\$ 114,680</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 114,680
Adjustments to revenues for intergovernmental revenues				(18,943)
Adjustments to expenditures for health and welfare				(38,805)
<i>Net change in fund balance (GAAP)</i>				<u>\$ 56,932</u>

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

STATE OF NEW MEXICO

Statement B-15

Taos County

Indigent Health Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 1,205,000	\$ 1,205,000	\$ 1,290,101	\$ 85,101
Intergovernmental	432,500	432,500	413,619	(18,881)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,637,500</u>	<u>1,637,500</u>	<u>1,703,720</u>	<u>66,220</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	1,552,446	1,552,445	1,193,209	359,236
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,552,446</u>	<u>1,552,445</u>	<u>1,193,209</u>	<u>359,236</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>85,054</u>	<u>85,055</u>	<u>510,511</u>	<u>425,456</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(85,054)	(85,055)	-	85,055
<i>Total other financing sources (uses)</i>	<u>(85,054)</u>	<u>(85,055)</u>	<u>-</u>	<u>85,055</u>
<i>Net change in fund balances</i>	-	-	510,511	510,511
<i>Fund balances - beginning of year</i>	-	-	797,330	797,330
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,307,841</u>	<u>\$ 1,307,841</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 510,511
Adjustments to revenues for taxes				41,995
Adjustments to expenditures for health and welfare				(592)
<i>Net change in fund balance (GAAP)</i>				<u>\$ 551,914</u>

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

STATE OF NEW MEXICO

Statement B-16

Taos County

Fire Rescue Excise Tax Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 520,378	\$ 520,378	\$ 536,837	\$ 16,459
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	229	229	-	(229)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>520,607</u>	<u>520,607</u>	<u>536,837</u>	<u>16,230</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	614,572	617,572	146,136	471,436
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	1,113,558	1,110,558	257,790	852,768
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,728,130</u>	<u>1,728,130</u>	<u>403,926</u>	<u>1,324,204</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,207,523)</u>	<u>(1,207,523)</u>	<u>132,911</u>	<u>1,340,434</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(309,368)	(309,368)	(253,277)	56,091
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	1,516,891	1,516,891	-	(1,516,891)
<i>Total other financing sources (uses)</i>	<u>1,207,523</u>	<u>1,207,523</u>	<u>(253,277)</u>	<u>(1,460,800)</u>
<i>Net change in fund balances</i>	-	-	(120,366)	(120,366)
<i>Fund balances - beginning of year</i>	-	-	1,584,017	1,584,017
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,463,651</u>	<u>\$ 1,463,651</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (120,366)
Adjustments to revenues for taxes				36,629
Adjustments to expenditures for public safety				(612)
<i>Net change in fund balance (GAAP)</i>				<u>\$ (84,349)</u>

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

STATE OF NEW MEXICO

Statement B-17

Taos County

Clerk's Recording Fees Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	50,000	50,000	46,900	(3,100)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>50,000</u>	<u>50,000</u>	<u>46,900</u>	<u>(3,100)</u>
<i>Expenditures:</i>				
Current				
General Government	63,500	63,500	19,935	43,565
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	279,090	279,089	13,943	265,146
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>342,590</u>	<u>342,589</u>	<u>33,878</u>	<u>308,711</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(292,590)</u>	<u>(292,589)</u>	<u>13,022</u>	<u>305,611</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	292,590	292,589	-	(292,589)
<i>Total other financing sources (uses)</i>	<u>292,590</u>	<u>292,589</u>	<u>-</u>	<u>(292,589)</u>
<i>Net change in fund balances</i>	-	-	13,022	13,022
<i>Fund balances - beginning of year</i>	-	-	292,589	292,589
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 305,611</u>	<u>\$ 305,611</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 13,022
Adjustments to revenues for intergovernmental activity				(203)
Adjustments to expenditures for general government				69
<i>Net change in fund balance (GAAP)</i>				<u>\$ 12,888</u>

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

STATE OF NEW MEXICO

Statement B-18

Taos County

Taos County Donations Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current				
General Government	2,100	2,100	-	2,100
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	2,100	2,100	-	2,100
<i>Excess (deficiency) of revenues over expenditures</i>	(2,100)	(2,100)	-	2,100
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	2,100	2,100	-	-
<i>Total other financing sources (uses)</i>	2,100	2,100	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	2,100	2,100
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 2,100	\$ 2,100
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				\$ -

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

STATE OF NEW MEXICO

Statement B-19

Taos County

Taos County Grant Match Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	137,000	209,236	180,260	(28,976)
Operating transfers (out)	(136,990)	(220,476)	(136,250)	84,226
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(10)	11,240	-	(11,240)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>44,010</u>	<u>44,010</u>
<i>Net change in fund balances</i>	-	-	44,010	44,010
<i>Fund balances - beginning of year</i>	-	-	28,227	28,227
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,237</u>	<u>\$ 72,237</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 44,010
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 44,010</u>

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

STATE OF NEW MEXICO

Statement B-20

Taos County

DWI Program Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	258,842	283,912	242,159	(41,753)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>258,842</u>	<u>283,912</u>	<u>242,159</u>	<u>(41,753)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	257,758	282,828	249,857	32,971
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>257,758</u>	<u>282,828</u>	<u>249,857</u>	<u>32,971</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,084</u>	<u>1,084</u>	<u>(7,698)</u>	<u>(8,782)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	30,000	30,000	30,000	-
Operating transfers (out)	(49,028)	(49,028)	-	49,028
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	17,944	17,944	-	(17,944)
<i>Total other financing sources (uses)</i>	<u>(1,084)</u>	<u>(1,084)</u>	<u>30,000</u>	<u>31,084</u>
<i>Net change in fund balances</i>	-	-	22,302	22,302
<i>Fund balances - beginning of year</i>	-	-	56,024	56,024
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,326</u>	<u>\$ 78,326</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 22,302
Adjustments to revenues for intergovernmental activity				8,956
Adjustments to expenditures for public safety				(529)
<i>Net change in fund balance (GAAP)</i>				<u>\$ 30,729</u>

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

STATE OF NEW MEXICO

Statement B-21

Taos County

DWI Grant Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	72,419	97,751	69,823	(27,928)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>72,419</u>	<u>97,751</u>	<u>69,823</u>	<u>(27,928)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	57,038	82,370	56,386	25,984
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>57,038</u>	<u>82,370</u>	<u>56,386</u>	<u>25,984</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>15,381</u>	<u>15,381</u>	<u>13,437</u>	<u>(1,944)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(29,755)	(29,755)	(20,000)	9,755
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	14,374	14,374	-	(14,374)
<i>Total other financing sources (uses)</i>	<u>(15,381)</u>	<u>(15,381)</u>	<u>(20,000)</u>	<u>(4,619)</u>
<i>Net change in fund balances</i>	-	-	(6,563)	(6,563)
<i>Fund balances - beginning of year</i>	-	-	21,380	21,380
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,817</u>	<u>\$ 14,817</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (6,563)
Adjustments to revenues for intergovernmental activity				(14,007)
Adjustments to expenditures for public safety				59
<i>Net change in fund balance (GAAP)</i>				<u>\$ (20,511)</u>

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

STATE OF NEW MEXICO

Statement B-22

Taos County

DWI Intake Supervision Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	20,310	20,310	28,550	8,240
Investment income	-	-	-	-
Miscellaneous	1,000	1,000	150	(850)
<i>Total revenues</i>	<u>21,310</u>	<u>21,310</u>	<u>28,700</u>	<u>7,390</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	29,309	29,309	23,937	5,372
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>29,309</u>	<u>29,309</u>	<u>23,937</u>	<u>5,372</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,999)</u>	<u>(7,999)</u>	<u>4,763</u>	<u>12,762</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	7,999	7,999	-	(7,999)
<i>Total other financing sources (uses)</i>	<u>7,999</u>	<u>7,999</u>	<u>-</u>	<u>(7,999)</u>
<i>Net change in fund balances</i>	-	-	4,763	4,763
<i>Fund balances - beginning of year</i>	-	-	12,250	12,250
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,013</u>	<u>\$ 17,013</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 4,763
Adjustments to revenues for charges for service				(300)
Adjustments to expenditures for public safety				(387)
<i>Net change in fund balance (GAAP)</i>				<u>\$ 4,076</u>

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

STATE OF NEW MEXICO

Statement B-23

Taos County

DWI Domestic Violence Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	3,650	3,650	5,596	1,946
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>3,650</u>	<u>3,650</u>	<u>5,596</u>	<u>1,946</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	13,225	13,225	8,056	5,169
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>13,225</u>	<u>13,225</u>	<u>8,056</u>	<u>5,169</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(9,575)</u>	<u>(9,575)</u>	<u>(2,460)</u>	<u>7,115</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	9,575	9,575	-	(9,575)
<i>Total other financing sources (uses)</i>	<u>9,575</u>	<u>9,575</u>	<u>-</u>	<u>(9,575)</u>
<i>Net change in fund balances</i>	-	-	(2,460)	(2,460)
<i>Fund balances - beginning of year</i>	-	-	9,575	9,575
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,115</u>	<u>\$ 7,115</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (2,460)
Adjustments to revenues for charges for service				(25)
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ (2,485)</u>

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

STATE OF NEW MEXICO

Statement B-24

Taos County

Juvenile Adjudication GRT Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,116	6,116	6,065	(51)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>6,116</u>	<u>6,116</u>	<u>6,065</u>	<u>(51)</u>
<i>Expenditures:</i>				
Current				
General Government	585	585	584	1
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>585</u>	<u>585</u>	<u>584</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>5,531</u>	<u>5,531</u>	<u>5,481</u>	<u>(50)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(9,060)	(9,060)	(9,010)	50
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	3,529	3,529	-	(3,529)
<i>Total other financing sources (uses)</i>	<u>(5,531)</u>	<u>(5,531)</u>	<u>(9,010)</u>	<u>(3,479)</u>
<i>Net change in fund balances</i>	-	-	(3,529)	(3,529)
<i>Fund balances - beginning of year</i>	-	-	3,529	3,529
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (3,529)
Adjustments to revenues for intergovernmental activity				(6,065)
Adjustments to expenditures for general government				624
<i>Net change in fund balance (GAAP)</i>				<u>\$ (8,970)</u>

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

STATE OF NEW MEXICO

Statement B-25

Taos County

Foster Grand Parent Program Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	215,292	264,080	198,095	(65,985)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	620	620
<i>Total revenues</i>	<u>215,292</u>	<u>264,080</u>	<u>198,715</u>	<u>(65,365)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	215,292	264,080	208,140	55,940
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>215,292</u>	<u>264,080</u>	<u>208,140</u>	<u>55,940</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(9,425)</u>	<u>(9,425)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	10,000	10,000	20,000	10,000
Operating transfers (out)	(10,000)	(10,000)	(10,000)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>10,000</u>
<i>Net change in fund balances</i>	-	-	575	575
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575</u>	<u>\$ 575</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 575
Adjustments to revenues for intergovernmental activity				44,170
Adjustments to expenditures for health and welfare				(13,307)
<i>Net change in fund balance (GAAP)</i>				<u>\$ 31,438</u>

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

STATE OF NEW MEXICO

Statement B-26

Taos County

Forest Reserve Title III Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	44,778	44,778	44,778	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>44,778</u>	<u>44,778</u>	<u>44,778</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	138,935	138,935	65,434	73,501
Education	-	-	-	-
Capital outlay	36,326	36,325	12,667	23,658
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>175,261</u>	<u>175,260</u>	<u>78,101</u>	<u>97,159</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(130,483)</u>	<u>(130,482)</u>	<u>(33,323)</u>	<u>97,159</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	130,483	130,482	-	(130,482)
<i>Total other financing sources (uses)</i>	<u>130,483</u>	<u>130,482</u>	<u>-</u>	<u>(130,482)</u>
<i>Net change in fund balances</i>	-	-	(33,323)	(33,323)
<i>Fund balances - beginning of year</i>	-	-	130,482	130,482
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 97,159</u>	<u>\$ 97,159</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (33,323)
No adjustments to revenues				-
Adjustments to expenditures for public works				(1,779)
<i>Net change in fund balance (GAAP)</i>				<u>\$ (35,102)</u>

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

STATE OF NEW MEXICO

Statement B-27

Taos County

Fire Districts Discretionary Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	8,624	8,625	7,742	883
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	8,624	8,625	7,742	883
<i>Excess (deficiency) of revenues over expenditures</i>	(8,624)	(8,625)	(7,742)	883
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	8,624	8,625	-	(8,625)
<i>Total other financing sources (uses)</i>	8,624	8,625	-	(8,625)
<i>Net change in fund balances</i>	-	-	(7,742)	(7,742)
<i>Fund balances - beginning of year</i>	-	-	8,626	8,626
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 884	\$ 884
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (7,742)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				\$ (7,742)

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

STATE OF NEW MEXICO

Statement B-28

Taos County

Intergovernmental Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	847,055	1,071,138	611,553	(459,585)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	750	5,750	7,737	1,987
<i>Total revenues</i>	<u>847,805</u>	<u>1,076,888</u>	<u>619,290</u>	<u>(457,598)</u>
<i>Expenditures:</i>				
Current				
General Government	63,107	51,978	23,463	28,515
Public safety	186,331	199,175	167,797	31,378
Culture and recreation	7,888	12,888	8,213	4,675
Health and welfare	-	-	-	-
Public works	182	182	182	-
Education	-	-	-	-
Capital outlay	675,774	970,378	477,248	493,130
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>933,282</u>	<u>1,234,601</u>	<u>676,903</u>	<u>557,698</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(85,477)</u>	<u>(157,713)</u>	<u>(57,613)</u>	<u>100,100</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	219,458	508,401	375,541	(132,860)
Operating transfers (out)	(648,217)	(864,924)	(441,733)	423,191
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	514,236	514,236	-	(514,236)
<i>Total other financing sources (uses)</i>	<u>85,477</u>	<u>157,713</u>	<u>(66,192)</u>	<u>(223,905)</u>
<i>Net change in fund balances</i>	-	-	(123,805)	(123,805)
<i>Fund balances - beginning of year</i>	-	-	642,166	642,166
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 518,361</u>	<u>\$ 518,361</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (123,805)
Adjustments to revenues for intergovernmental and miscellaneous activities				(5,756)
Adjustments to expenditures for public safety capital outlay				(18,933)
<i>Net change in fund balance (GAAP)</i>				<u>\$ (148,494)</u>

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

STATE OF NEW MEXICO

Statement B-29

Taos County

Healiy Foundation Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	10,000	10,000	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	10,000	5,991	4,009
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>10,000</u>	<u>5,991</u>	<u>4,009</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>4,009</u>	<u>4,009</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Bond insurance	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	4,009	4,009
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,009</u>	<u>\$ 4,009</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 4,009
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 4,009</u>

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

STATE OF NEW MEXICO

Statement B-30

Taos County

Homeland Security Grant Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	75,000	49,832	(25,168)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>75,000</u>	<u>49,832</u>	<u>(25,168)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	75,000	49,832	25,168
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>75,000</u>	<u>49,832</u>	<u>25,168</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	75,000	50,000	(25,000)
Operating transfers (out)	-	(75,000)	(50,000)	25,000
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Bond insurance	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ -</u>

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

STATE OF NEW MEXICO

Statement B-31

Taos County

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

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	59,691	-	(59,691)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	59,691	-	(59,691)
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	59,691	23,241	36,450
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	59,691	23,241	36,450
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(23,241)	(23,241)
<i>Other financing sources (uses):</i>				
Operating transfers in	-	59,691	59,585	(106)
Operating transfers (out)	-	(59,691)	-	59,691
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Bond insurance	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	59,585	59,585
<i>Net change in fund balances</i>	-	-	36,344	36,344
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 36,344	\$ 36,344
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 36,344
No adjustments to revenues				-
Adjustments to expenditures for public safety				(30,615)
Net change in fund balance (GAAP)				\$ 5,729

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

STATE OF NEW MEXICO

Statement B-32

Taos County

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

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	33,750	-	(33,750)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>33,750</u>	<u>-</u>	<u>(33,750)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	45,000	-	45,000
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>45,000</u>	<u>-</u>	<u>45,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(11,250)</u>	<u>-</u>	<u>11,250</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	45,000	45,000	-
Operating transfers (out)	-	(33,750)	-	33,750
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Bond insurance	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>11,250</u>	<u>45,000</u>	<u>33,750</u>
<i>Net change in fund balances</i>	-	-	45,000	45,000
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,000</u>	<u>\$ 45,000</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 45,000
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 45,000</u>

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

STATE OF NEW MEXICO

Statement B-33

Taos County

NMSA of Aging Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	113,315	113,315	109,996	(3,319)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>113,315</u>	<u>113,315</u>	<u>109,996</u>	<u>(3,319)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	113,315	113,315	112,285	1,030
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>113,315</u>	<u>113,315</u>	<u>112,285</u>	<u>1,030</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,289)</u>	<u>(2,289)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	113,315	113,315	88,431	(24,884)
Operating transfers (out)	(113,315)	(113,315)	(81,315)	32,000
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Bond insurance	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>7,116</u>	<u>7,116</u>
<i>Net change in fund balances</i>	-	-	4,827	4,827
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,827</u>	<u>\$ 4,827</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 4,827
Adjustments to revenues for intergovernmental revenues				2,390
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 7,217</u>

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

STATE OF NEW MEXICO

Statement B-34

Taos County
 Educational Bond Capital Projects Fund (Major)
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Budget (Non - GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	970	970	84	(886)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>970</u>	<u>970</u>	<u>84</u>	<u>(886)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	1	(1)
Capital outlay	-	9,423,533	2,632,363	6,791,170
Debt service				
Principal	9,423,533	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>9,423,533</u>	<u>9,423,533</u>	<u>2,632,364</u>	<u>6,791,169</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(9,422,563)</u>	<u>(9,422,563)</u>	<u>(2,632,280)</u>	<u>6,790,283</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(1)	(1)	-	1
Bond premium	-	-	-	-
Bond discount	-	-	-	-
Bond insurance	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	9,422,564	9,422,564	-	(9,422,564)
<i>Total other financing sources (uses)</i>	<u>9,422,563</u>	<u>9,422,563</u>	<u>-</u>	<u>(9,422,563)</u>
<i>Net change in fund balances</i>	-	-	(2,632,280)	(2,632,280)
<i>Fund balances - beginning of year</i>	-	-	9,437,632	9,437,632
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,805,352</u>	<u>\$ 6,805,352</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (2,632,280)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ (2,632,280)</u>

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

STATE OF NEW MEXICO

Statement B-35

Taos County

Capital Enhancement Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,480,000	1,499,940	1,521,411	21,471
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	1,976	1,976
<i>Total revenues</i>	<u>1,480,000</u>	<u>1,499,940</u>	<u>1,523,387</u>	<u>23,447</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	514,657	551,597	183,993	367,604
Education	-	-	-	-
Capital outlay	481,550	464,550	177,478	287,072
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>996,207</u>	<u>1,016,147</u>	<u>361,471</u>	<u>654,676</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>483,793</u>	<u>483,793</u>	<u>1,161,916</u>	<u>678,123</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	700,000	700,000	220,000	(480,000)
Operating transfers (out)	(490,000)	-	(490,000)	(490,000)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(693,793)	(1,183,793)	-	1,183,793
<i>Total other financing sources (uses)</i>	<u>(483,793)</u>	<u>(483,793)</u>	<u>(270,000)</u>	<u>213,793</u>
<i>Net change in fund balances</i>	-	-	891,916	891,916
<i>Fund balances - beginning of year</i>	-	-	166,812	166,812
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,058,728</u>	<u>\$ 1,058,728</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 891,916
No adjustments to revenues				-
Adjustments to expenditures for capital outlay				(15,587)
<i>Net change in fund balance (GAAP)</i>				<u>\$ 876,329</u>

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

STATE OF NEW MEXICO

Statement B-36

Taos County

Amalia Community Center Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	2,861	2,861	1,279	1,582
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>2,861</u>	<u>2,861</u>	<u>1,279</u>	<u>1,582</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,861)</u>	<u>(2,861)</u>	<u>(1,279)</u>	<u>1,582</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	2,861	2,861	-	(2,861)
<i>Total other financing sources (uses)</i>	<u>2,861</u>	<u>2,861</u>	<u>-</u>	<u>(2,861)</u>
<i>Net change in fund balances</i>	-	-	(1,279)	(1,279)
<i>Fund balances - beginning of year</i>	-	-	2,861	2,861
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,582</u>	<u>\$ 1,582</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (1,279)
No adjustments to revenues				-
Adjustments to expenditures for capital outlay				(1,258)
<i>Net change in fund balance (GAAP)</i>				<u>\$ (2,537)</u>

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

STATE OF NEW MEXICO

Statement B-37

Taos County

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

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(1,102)	(1,102)	(1,102)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	1,102	1,102	-	(1,102)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(1,102)</u>	<u>(1,102)</u>
<i>Net change in fund balances</i>	-	-	(1,102)	(1,102)
<i>Fund balances - beginning of year</i>	-	-	1,102	1,102
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (1,102)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ (1,102)</u>

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

STATE OF NEW MEXICO

Statement B-38

Taos County

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

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	400	400
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	400	400
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	155,000	155,000	3,667	151,333
Education	-	-	-	-
Capital outlay	1,113,123	1,113,123	483,122	630,001
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	1,268,123	1,268,123	486,789	781,334
<i>Excess (deficiency) of revenues over expenditures</i>	(1,268,123)	(1,268,123)	(486,389)	781,734
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	1,268,123	1,268,123	-	(1,268,123)
<i>Total other financing sources (uses)</i>	1,268,123	1,268,123	-	(1,268,123)
<i>Net change in fund balances</i>	-	-	(486,389)	(486,389)
<i>Fund balances - beginning of year</i>	-	-	1,268,123	1,268,123
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 781,734	\$ 781,734
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (486,389)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				\$ (486,389)

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

STATE OF NEW MEXICO

Statement B-39

Taos County

Bond Reserve Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	5,500	5,500	11,447	5,947
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,500</u>	<u>5,500</u>	<u>11,447</u>	<u>5,947</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>5,500</u>	<u>5,500</u>	<u>11,447</u>	<u>5,947</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	(6,294)	(6,294)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(5,500)	794	-	(794)
<i>Total other financing sources (uses)</i>	<u>(5,500)</u>	<u>(5,500)</u>	<u>(6,294)</u>	<u>(794)</u>
<i>Net change in fund balances</i>	-	-	5,153	5,153
<i>Fund balances - beginning of year</i>	-	-	1,454,647	1,454,647
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,459,800</u>	<u>\$ 1,459,800</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 5,153
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 5,153</u>

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

STATE OF NEW MEXICO

Statement B-40

Taos County

NMFA Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	17	17	293	276
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>17</u>	<u>17</u>	<u>293</u>	<u>276</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	145	145	-	145
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>145</u>	<u>145</u>	<u>-</u>	<u>145</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(128)</u>	<u>(128)</u>	<u>293</u>	<u>421</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(223)	(223)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	128	128	-	(128)
<i>Total other financing sources (uses)</i>	<u>128</u>	<u>128</u>	<u>(223)</u>	<u>(351)</u>
<i>Net change in fund balances</i>	-	-	70	70
<i>Fund balances - beginning of year</i>	-	-	36,061	36,061
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,131</u>	<u>\$ 36,131</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 70
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 70</u>

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

STATE OF NEW MEXICO

Statement B-41

Taos County

Admin/Judicial/Correctional Complex Debt Service Fund
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Budget (Non - GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(67)	(67)	(67)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	67	67	-	(67)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(67)</u>	<u>(67)</u>
<i>Net change in fund balances</i>	-	-	(67)	(67)
<i>Fund balances - beginning of year</i>	-	-	67	67
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (67)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ (67)</u>

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

STATE OF NEW MEXICO

Statement B-42

Taos County

2003 Bond Debt Service Fund

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

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 250	\$ 8,415	\$ 8,415	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	62	62	62	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>312</u>	<u>8,477</u>	<u>8,477</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	27,318	27,318	-	27,318
Debt service				
Principal	14,000	14,000	30,650	(16,650)
Interest	31,650	31,650	15,000	16,650
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>72,968</u>	<u>72,968</u>	<u>45,650</u>	<u>27,318</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(72,656)</u>	<u>(64,491)</u>	<u>(37,173)</u>	<u>27,318</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	45,650	45,650	45,650	-
Operating transfers (out)	(28)	(28)	(28)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	27,034	18,869	-	(18,869)
<i>Total other financing sources (uses)</i>	<u>72,656</u>	<u>64,491</u>	<u>45,622</u>	<u>(18,869)</u>
<i>Net change in fund balances</i>	-	-	8,449	8,449
<i>Fund balances - beginning of year</i>	-	-	40,876	40,876
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,325</u>	<u>\$ 49,325</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 8,449
Adjustments to revenues for taxes				(68)
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 8,381</u>

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

STATE OF NEW MEXICO

Statement B-43

Taos County

Land Purchase Judicial Complex Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(3)	(3)	(3)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	3	3	-	(3)
<i>Total other financing sources (uses)</i>	-	-	(3)	(3)
<i>Net change in fund balances</i>	-	-	(3)	(3)
<i>Fund balances - beginning of year</i>	-	-	3	3
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (3)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				\$ (3)

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

STATE OF NEW MEXICO

Statement B-44

Taos County

USDA/Rus Complex Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 905,000	\$ 926,607	\$ 966,573	\$ 39,966
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	409,266	409,266	409,266	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,314,266</u>	<u>1,335,873</u>	<u>1,375,839</u>	<u>39,966</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	820,000	820,000	843,448	(23,448)
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>820,000</u>	<u>820,000</u>	<u>843,448</u>	<u>(23,448)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>494,266</u>	<u>515,873</u>	<u>532,391</u>	<u>16,518</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(400,000)	(400,000)	(400,000)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(94,266)	(115,873)	-	115,873
<i>Total other financing sources (uses)</i>	<u>(494,266)</u>	<u>(515,873)</u>	<u>(400,000)</u>	<u>115,873</u>
<i>Net change in fund balances</i>	-	-	132,391	132,391
<i>Fund balances - beginning of year</i>	-	-	368,328	368,328
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500,719</u>	<u>\$ 500,719</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 132,391
Adjustments to revenues for taxes				27,995
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 160,386</u>

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

STATE OF NEW MEXICO

Statement B-45

Taos County

NMFA Taos Backhoe Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 12,421	\$ 12,421	\$ 12,422	\$ 1
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	1	1	1	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>12,422</u>	<u>12,422</u>	<u>12,423</u>	<u>1</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	11,799	11,799	11,799	-
Interest	623	623	623	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>12,422</u>	<u>12,422</u>	<u>12,422</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	1	1
<i>Fund balances - beginning of year</i>	-	-	2,093	2,093
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,094</u>	<u>\$ 2,094</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 1
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 1</u>

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

STATE OF NEW MEXICO

Statement B-46

Taos County

NMFA Latir Taos Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	4,671	4,671	4,671	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	1	1	-	(1)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>4,672</u>	<u>4,672</u>	<u>4,671</u>	<u>(1)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	4,671	4,671	4,671	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>4,671</u>	<u>4,671</u>	<u>4,671</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1</u>	<u>1</u>	<u>-</u>	<u>(1)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(1)	(1)	-	1
<i>Total other financing sources (uses)</i>	<u>(1)</u>	<u>(1)</u>	<u>-</u>	<u>1</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ -</u>

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

STATE OF NEW MEXICO

Statement B-47

Taos County

La Lama Loan Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	18,123	18,123	18,123	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	3	3	1	(2)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>18,126</u>	<u>18,126</u>	<u>18,124</u>	<u>(2)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	17,673	17,673	17,673	-
Interest	450	450	450	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>18,123</u>	<u>18,123</u>	<u>18,123</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>3</u>	<u>3</u>	<u>1</u>	<u>(2)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(3)	(3)	-	3
<i>Total other financing sources (uses)</i>	<u>(3)</u>	<u>(3)</u>	<u>-</u>	<u>3</u>
<i>Net change in fund balances</i>	-	-	1	1
<i>Fund balances - beginning of year</i>	-	-	5	5
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6</u>	<u>\$ 6</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 1
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 1</u>

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

STATE OF NEW MEXICO

Statement B-48

Taos County

USDA Loan Reserve Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	5	5	3	(2)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5</u>	<u>5</u>	<u>3</u>	<u>(2)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>5</u>	<u>5</u>	<u>3</u>	<u>(2)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	77,212	77,212	77,212	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(77,217)	(77,217)	-	77,217
<i>Total other financing sources (uses)</i>	<u>(5)</u>	<u>(5)</u>	<u>77,212</u>	<u>77,217</u>
<i>Net change in fund balances</i>	-	-	77,215	77,215
<i>Fund balances - beginning of year</i>	-	-	302,443	302,443
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 379,658</u>	<u>\$ 379,658</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 77,215
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 77,215</u>

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

STATE OF NEW MEXICO

Statement B-49

Taos County

USDA Loan Proceeds Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 915,000	\$ 915,000	\$ 843,448	\$ (71,552)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	5	5	1	(4)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>915,005</u>	<u>915,005</u>	<u>843,449</u>	<u>(71,556)</u>
<i>Expenditures:</i>				
Current				
General Government	92,000	92,000	106,607	(14,607)
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>92,000</u>	<u>92,000</u>	<u>106,607</u>	<u>(14,607)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>823,005</u>	<u>823,005</u>	<u>736,842</u>	<u>(86,163)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(706,467)	(706,467)	(721,503)	(15,036)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(116,538)	(116,538)	-	116,538
<i>Total other financing sources (uses)</i>	<u>(823,005)</u>	<u>(823,005)</u>	<u>(721,503)</u>	<u>101,502</u>
<i>Net change in fund balances</i>	-	-	15,339	15,339
<i>Fund balances - beginning of year</i>	-	-	30,249	30,249
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,588</u>	<u>\$ 45,588</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 15,339
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 15,339</u>

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

STATE OF NEW MEXICO

Statement B-50

Taos County

USDA BOA Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	10	10	5	(5)
Miscellaneous	129,700	129,700	127,947	(1,753)
<i>Total revenues</i>	<u>129,710</u>	<u>129,710</u>	<u>127,952</u>	<u>(1,758)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	180,000	180,000	180,000	-
Interest	592,000	592,000	591,525	475
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>772,000</u>	<u>772,000</u>	<u>771,525</u>	<u>475</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(642,290)</u>	<u>(642,290)</u>	<u>(643,573)</u>	<u>(1,283)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	629,245	629,245	644,292	15,047
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	13,045	13,045	-	(13,045)
<i>Total other financing sources (uses)</i>	<u>642,290</u>	<u>642,290</u>	<u>644,292</u>	<u>2,002</u>
<i>Net change in fund balances</i>	-	-	719	719
<i>Fund balances - beginning of year</i>	-	-	105,584	105,584
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,303</u>	<u>\$ 106,303</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 719
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 719</u>

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

STATE OF NEW MEXICO

Statement B-51

Taos County

Taos County Complex Restructuring Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 1,970,400	\$ 1,970,400	\$ 1,970,191	\$ (209)
Intergovernmental	101,870	101,870	101,870	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	112	112	90	(22)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	2,072,382	2,072,382	2,072,151	(231)
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	885,000	885,000	885,000	-
Interest	1,182,516	1,182,516	1,182,516	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	2,067,516	2,067,516	2,067,516	-
<i>Excess (deficiency) of revenues over expenditures</i>	4,866	4,866	4,635	(231)
<i>Other financing sources (uses):</i>				
Operating transfers in	-	6,294	6,294	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(4,866)	(11,160)	-	11,160
<i>Total other financing sources (uses)</i>	(4,866)	(4,866)	6,294	11,160
<i>Net change in fund balances</i>	-	-	10,929	10,929
<i>Fund balances - beginning of year</i>	-	-	164,211	164,211
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 175,140	\$ 175,140
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 10,929
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				\$ 10,929

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

STATE OF NEW MEXICO

Statement B-52

Taos County

County Educational Bond Debt Service Fund (Major)
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 530,932	\$ 530,932	\$ (1)	\$ (530,933)
Intergovernmental	4,334,194	2,765,214	3,480,278	715,064
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	25	25	3	(22)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>4,865,151</u>	<u>3,296,171</u>	<u>3,480,280</u>	<u>184,109</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>4,865,151</u>	<u>3,296,171</u>	<u>3,480,280</u>	<u>184,109</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	51,631	51,631
Operating transfers (out)	(4,116,309)	(4,167,940)	(2,990,307)	1,177,633
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(748,842)	871,769	-	(871,769)
<i>Total other financing sources (uses)</i>	<u>(4,865,151)</u>	<u>(3,296,171)</u>	<u>(2,938,676)</u>	<u>357,495</u>
<i>Net change in fund balances</i>	-	-	541,604	541,604
<i>Fund balances - beginning of year</i>	-	-	217,441	217,441
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 759,045</u>	<u>\$ 759,045</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 541,604
Adjustments to revenues for intergovernmental activities				62,883
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 604,487</u>

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

STATE OF NEW MEXICO

Statement B-53

Taos County

2013 Educational Bond Debt Service Fund (Major)
 Statement of Revenues, Expenditures and Changes in Fund Balances
 Budget (Non - GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	15	15	11	(4)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>15</u>	<u>15</u>	<u>11</u>	<u>(4)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	2,865,000	2,865,000	2,725,000	140,000
Interest	294,844	619,299	619,419	(120)
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>3,159,844</u>	<u>3,484,299</u>	<u>3,344,419</u>	<u>139,880</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3,159,829)</u>	<u>(3,484,284)</u>	<u>(3,344,408)</u>	<u>139,876</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	4,116,309	3,180,252	2,966,134	(214,118)
Operating transfers (out)	-	(51,631)	(51,631)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(956,480)	355,663	-	(355,663)
<i>Total other financing sources (uses)</i>	<u>3,159,829</u>	<u>3,484,284</u>	<u>2,914,503</u>	<u>(569,781)</u>
<i>Net change in fund balances</i>	-	-	(429,905)	(429,905)
<i>Fund balances - beginning of year</i>	-	-	856,476	856,476
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 426,571</u>	<u>\$ 426,571</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (429,905)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ (429,905)</u>

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

STATE OF NEW MEXICO

Statement B-54

Taos County

2013 Educational Bond Admin Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	19,940	(19,940)
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>19,940</u>	<u>(19,940)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(19,940)</u>	<u>(19,940)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	19,940	19,940	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	(19,940)	-	19,940
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>19,940</u>	<u>19,940</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ -</u>

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

STATE OF NEW MEXICO

Statement B-55

Taos County

2013 Educational Bond Redemption Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget (Non - GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	5	5	-	(5)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5</u>	<u>5</u>	<u>-</u>	<u>(5)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>5</u>	<u>5</u>	<u>-</u>	<u>(5)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	779,233	779,233	-
Operating transfers (out)	-	-	(775,000)	(775,000)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(5)	(779,238)	-	779,238
<i>Total other financing sources (uses)</i>	<u>(5)</u>	<u>(5)</u>	<u>4,233</u>	<u>4,238</u>
<i>Net change in fund balances</i>	-	-	4,233	4,233
<i>Fund balances - beginning of year</i>	-	-	468	468
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,701</u>	<u>\$ 4,701</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 4,233
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 4,233</u>

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

STATE OF NEW MEXICO

Statement B-56

Taos County

Taos 46 Loan Proceeds Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 60,569	\$ 60,569	\$ 60,750	\$ 181
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	1	1	2	1
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>60,570</u>	<u>60,570</u>	<u>60,752</u>	<u>182</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	412	(412)
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	56,530	56,530	56,530	-
Interest	3,626	3,626	3,626	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>60,156</u>	<u>60,156</u>	<u>60,568</u>	<u>(412)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>414</u>	<u>414</u>	<u>184</u>	<u>(230)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	2,126	2,126
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(414)	(414)	-	414
<i>Total other financing sources (uses)</i>	<u>(414)</u>	<u>(414)</u>	<u>2,126</u>	<u>2,540</u>
<i>Net change in fund balances</i>	-	-	2,310	2,310
<i>Fund balances - beginning of year</i>	-	-	10,095	10,095
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,405</u>	<u>\$ 12,405</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ 2,310
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ 2,310</u>

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

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STATE OF NEW MEXICO

Statement B-57

Taos County

Taos 46 Loan Reserve Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balances

Budget (Non - GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	18	18	4	(14)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>18</u>	<u>18</u>	<u>4</u>	<u>(14)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	26,185	26,185	24,247	1,938
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>26,185</u>	<u>26,185</u>	<u>24,247</u>	<u>1,938</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(26,167)</u>	<u>(26,167)</u>	<u>(24,243)</u>	<u>1,924</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(2,048)	(2,048)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	26,167	26,167	-	(26,167)
<i>Total other financing sources (uses)</i>	<u>26,167</u>	<u>26,167</u>	<u>(2,048)</u>	<u>(28,215)</u>
<i>Net change in fund balances</i>	-	-	(26,291)	(26,291)
<i>Fund balances - beginning of year</i>	-	-	26,291	26,291
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Net change in fund balance (non-GAAP budgetary basis)</i>				\$ (26,291)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP)</i>				<u>\$ (26,291)</u>

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

STATE OF NEW MEXICO

Statement C-1

Taos County

Solid Waste Proprietary Fund (major)

Statement of Revenues, Expenses and Changes in Net Position

Budget and Actual

For the Year Ended June 30, 2015

	Budget Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		
<i>Operating revenues:</i>				
Charges for services	\$ 840,000	\$ 858,143	\$ 963,682	\$ 105,539
<i>Total operating revenues</i>	<u>840,000</u>	<u>858,143</u>	<u>963,682</u>	<u>105,539</u>
<i>Operating expenses:</i>				
Personnel services	826,852	810,597	764,436	46,161
Contractual services	215,400	246,195	274,047	(27,852)
Administration	143,916	138,531	121,535	16,996
Maintenance and materials	57,820	48,665	37,085	-
<i>Total operating expenses</i>	<u>1,243,988</u>	<u>1,243,988</u>	<u>1,197,103</u>	<u>35,305</u>
<i>Operating income (loss)</i>	<u>(403,988)</u>	<u>(385,845)</u>	<u>(233,421)</u>	<u>70,234</u>
<i>Non-operating revenues (expenses):</i>				
Taxes	273,200	235,162	247,813	12,651
Miscellaneous income	450	10,181	10,379	198
<i>Total non-operating revenues (expenses)</i>	<u>273,650</u>	<u>245,343</u>	<u>258,192</u>	<u>12,849</u>
<i>Income (loss) before contributions and transfers</i>	<u>(130,338)</u>	<u>(140,502)</u>	<u>24,771</u>	<u>83,083</u>
Transfers in (out)	-	-	30,000	30,000
<i>Change in net position</i>	<u>\$ (130,338)</u>	<u>\$ (140,502)</u>	<u>54,771</u>	<u>\$ 113,083</u>
		Bad debt expense	(94,493)	
		Depreciation	(30,965)	
<i>Change in net position per Exhibit D-2</i>			<u>\$ (70,687)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement C-2

Taos County

Ambulance Proprietary Fund (major)

Statement of Revenues, Expenses and Changes in Net Position

Budget and Actual

For the Year Ended June 30, 2015

	Budget Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final		
<i>Operating revenues:</i>				
Charges for services	\$ 775,100	\$ 775,100	\$ 1,216,002	\$ 440,902
<i>Total operating revenues</i>	<u>775,100</u>	<u>775,100</u>	<u>1,216,002</u>	<u>440,902</u>
<i>Operating expenses:</i>				
Personnel services	1,359,354	1,359,354	1,169,747	189,607
Contractual services	56,300	56,300	34,038	22,262
Administration	106,450	106,450	81,552	24,898
Maintenance and materials	236,934	236,934	50,862	
<i>Total operating expenses</i>	<u>1,759,038</u>	<u>1,759,038</u>	<u>1,336,199</u>	<u>236,767</u>
<i>Operating income (loss)</i>	<u>(983,938)</u>	<u>(983,938)</u>	<u>(120,197)</u>	<u>204,135</u>
<i>Non-operating revenues (expenses):</i>				
Taxes	-	-	-	-
Miscellaneous income	140,000	140,000	142,519	2,519
<i>Total non-operating revenues (expenses)</i>	<u>140,000</u>	<u>140,000</u>	<u>142,519</u>	<u>2,519</u>
<i>Income (loss) before contributions and transfers</i>	<u>(843,938)</u>	<u>(843,938)</u>	<u>22,322</u>	<u>206,654</u>
Transfers in (out)	-	-	353,277	353,277
<i>Change in net position</i>	<u>\$ (843,938)</u>	<u>\$ (843,938)</u>	<u>375,599</u>	<u>\$ 559,931</u>
			Bad debt expense	(225,002)
			Depreciation	(423,194)
<i>Change in net position per Exhibit D-2</i>			<u>\$ (272,597)</u>	

The accompanying notes are an integral part of these financial statements

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SUPPORTING SCHEDULES

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

Schedule III

Security Description	CUSIP Number	Fair Market Value at June 30, 2015	Maturity Date	Location of Safekeeper
US Bank				
FHLB of Cincinnati	(1) NA	\$ 22,000,000	7/1/2015	FHLB, Cincinnati, OH
Total - US Bank		<u>22,000,000</u>		
Peoples Bank				
FHLMC 15YR	3124UAF0	82,657	8/1/2027	Overland Park, KS
FHLMC 15YR	3124UAF0	75,177	8/1/2027	Overland Park, KS
MASTR 2003-10 3A1	55265KT41	13,732	11/25/2033	Overland Park, KS
MASTR 2003-10 3A1	55265KT41	44,628	11/25/2033	Overland Park, KS
LEAVENWORTH USD #458	522218GS9	<u>108,847</u>	9/1/2028	Overland Park, KS
Total - Peoples Bank		<u>325,041</u>		
Total Pledged Collateral		<u><u>\$ 22,325,041</u></u>		

(1) This is a letter of credit that is irrevocable, unconditional, and nontransferable

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

<u>Bank Name/Account Name</u>	<u>Acct. Type</u>	<u>Bank Balance</u>	<u>Deposits in Transit</u>	<u>Outstanding Checks</u>	<u>Carrying Balance</u>
US Bank					
Taos Adult Detention Center	Checking	\$ 12,428	\$ -	\$ -	\$ 12,428
Internet Account	Checking	478	-	-	478
General	Checking	16,178,892	5,978	580,949	15,603,921
US Department of Energy - Old Courthouse	Checking	5,145	-	-	5,145
County Complex	Checking	785,401	-	-	785,401
Inmate Trust Account	Checking	16,409	-	729	15,680
Office of the Justice	Checking	126	-	-	126
Gold Credit Card Account	Checking	8,913	-	-	8,913
Abregado Road	Checking	13,859	-	-	13,859
Ancianos Congregate	Checking	842	-	-	842
Home Delivered	Checking	277	-	-	277
Transportation	Checking	258,454	-	-	258,454
Homemaker	Checking	125,885	-	-	125,885
Respite	Checking	5,042	-	-	5,042
Certificate of Deposit	CD	1,000,000	-	-	1,000,000
Money Market	CD	1,000,110	-	-	1,000,110
Total US Bank		<u>19,412,261</u>	<u>5,978</u>	<u>581,678</u>	<u>18,836,561</u>
Centinel Bank					
General	Checking	216,978	-	-	216,978
A G Center	Checking	15,068	-	-	15,068
Credit Card Payment	Checking	1,537	-	-	1,537
Total Centinel Bank		<u>233,583</u>	<u>-</u>	<u>-</u>	<u>233,583</u>
People's Bank					
General Account	Checking	83,488	-	-	83,488
Certificate of Deposit	CD	58,000	-	-	58,000
Certificate of Deposit	CD	58,000	-	-	58,000
Total People's Bank		<u>199,488</u>	<u>-</u>	<u>-</u>	<u>199,488</u>
Bank of New York					
NM Ed Grt 2013 UNM-Taos	Trust	3,422,152	-	-	3,422,152
NM Ed Grt 2013 Questa ISD	Trust	927,320	-	-	927,320
NM Ed Grt 2013 Red River	Trust	174,832	-	-	174,832
NM Ed Grt 2013 Roots&wing	Trust	96,454	-	-	96,454
NM Ed Grt 2013 Penasco SD	Trust	894,095	-	-	894,095
NM Ed Grt 2013 LA Jicarit	Trust	114,112	-	-	114,112
NM Ed Grt 2013 Anansi	Trust	158,209	-	-	158,209
NM Ed Grt 2013 Vista Gren	Trust	21,849	-	-	21,849
NM Ed Grt 2013 Taos Arts	Trust	469,792	-	-	469,792
NM Ed Grt 2013 Taos Acad	Trust	511,470	-	-	511,470
NM Ed Grt 2013 Grt Income Fd 2013	Trust	759,045	-	-	759,045
NM Ed Grt 2013 Debt Serv	Trust	426,571	-	-	426,571
NM Ed Grt 2013 Mand Redmp	Trust	4,702	-	-	4,702
Total Bank of New York		<u>7,980,602</u>	<u>-</u>	<u>-</u>	<u>7,980,602</u>

See independent auditors' report

<u>Bank Name/Account Name</u>	<u>Acct. Type</u>	<u>Bank Balance</u>	<u>Deposits in Transit</u>	<u>Outstanding Checks</u>	<u>Carrying Balance</u>
Bank of Albuquerque					
Solid Waste Backhoe Taos 35 - Debt service	Trust	\$ 2,094	\$ -	\$ -	\$ 2,094
County Later VFD - Fire Pumper - debt service	Trust	1	-	-	1
La Lama- Fire Pumper Taos 39 - debt service	Trust	6	-	-	6
Taos County New Re-structure Loan Taos 40	Trust	175,140	-	-	175,140
Taos County Restructuring Loan	Trust	1,410,817	-	-	1,410,817
Hondo/Seco Fire Pumper	Trust	17	-	-	17
Class A Fire Pumper (program funds)	Trust	139	-	-	139
3 Trucks SW Department	Trust	12,405	-	-	12,405
3 Trucks SW Department	Trust	36,131	-	-	36,131
Total Bank of Albuquerque		<u>1,636,751</u>	<u>-</u>	<u>-</u>	<u>1,636,751</u>
Bank of Albuquerque					
Judicial/Admin/Correction Complex Reserve	Trust	379,658	-	-	379,658
Judicial/Admin/Correction Complex Debt Sc.	Trust	106,302	-	-	106,302
Judicial/Admin/Correction Complex Income	Trust	45,588	-	-	45,588
Total Bank of Albuquerque		<u>531,548</u>	<u>-</u>	<u>-</u>	<u>531,548</u>
Total on deposit and investments		<u>\$ 29,994,233</u>	<u>\$ 5,978</u>	<u>\$ 581,678</u>	<u>\$ 29,418,533</u>
Less: Fiduciary Cash					(658,843)
Add: Petty Cash					2,214
Total on deposit and investments					<u>\$ 28,761,904</u>
Cash in Governmental Activities Per Ex A-1					\$ 15,567,815
Investments Governmental Activities Per Ex A-1					3,712,243
Restricted Cash in Governmental Activities Per Ex A-1					9,166,711
Cash in Business-Type Activities Per Ex A-1					315,135
					<u>\$ 28,761,904</u>

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STATE OF NEW MEXICO
Taos County
Tax Roll Reconciliation - Changes in Property Taxes Receivable
For the Year Ended June 30, 2015

Schedule V

Property taxes receivable, beginning of year	\$ 5,267,512
Changes to Tax Roll:	
Net taxes charged to Treasurer for fiscal year	25,956,277
Adjustments:	
Charge off of taxes receivable	<u>(143,809)</u>
Total receivables prior to collections	31,079,980
Collections for fiscal year ended June 30, 2015	<u>25,848,412</u>
Property taxes receivable, end of year	<u><u>\$ 5,231,568</u></u>
Property taxes receivable by year:	
2005	\$ 219,487
2006	238,173
2007	287,244
2008	338,248
2009	58,403
2010	231,458
2011	197,472
2012	378,655
2013	1,131,710
2014	<u>2,150,718</u>
Total property taxes receivable	<u><u>\$ 5,231,568</u></u>

See independent auditors' report

STATE OF NEW MEXICO
Taos County
Property Taxes Receivable by Agency
June 30, 2015

Agency/ Tax Year	Property Taxes Levied	Collected in Current Year	Collected to Date	Distributed in Current Year	Distributed to Date	Undistributed at Year End	County Receivable at Year End
El Prado Water & Sanitation District							
2014	\$ 135,545	\$ 113,944	\$ 113,944	\$ 113,944	\$ 110,709	\$ 3,235	\$ 21,602
2013	131,723	12,417	126,911	114,494	126,911	-	4,812
2012	105,732	4,644	104,854	89,260	104,854	-	878
2011	105,538	58	104,149	6,233	104,149	-	1,389
2010	116,320	3	109,209	6,068	109,209	-	7,111
2009	112,877	91	109,134	534	109,134	-	3,743
2008	105,570	91	103,524	69	103,524	-	2,047
2007	97,668	-	96,527	74	96,527	-	1,141
2006	93,019	-	91,999	14	91,999	-	1,020
2005	97,240	-	95,527	-	95,527	-	1,713
Total	1,101,235	131,246	1,055,778	330,690	1,052,542	3,235	45,457
El Valle de Los Ranchos Sanitation & Water District							
2014	623,455	544,812	544,812	544,812	521,842	22,970	78,643
2013	603,165	40,472	563,784	523,311	563,784	-	39,381
2012	578,418	13,864	558,681	510,787	558,681	-	19,737
2011	572,796	3,495	552,748	41,596	552,748	-	20,048
2010	553,019	2,533	539,252	17,161	539,252	-	13,767
2009	543,598	1,267	527,219	5,897	527,219	-	16,380
2008	451,199	1,000	441,212	2,361	441,212	-	9,987
2007	350,625	180	344,316	666	344,316	-	6,310
2006	305,395	178	299,372	77	299,372	-	6,023
2005	294,592	111	290,294	71	290,294	-	4,298
Total	4,876,263	607,914	4,661,689	1,646,739	4,638,719	22,970	214,574
Taos Soil & Conservation Service							
2014	1,020,135	916,997	916,997	916,997	889,282	27,715	103,138
2013	989,675	54,240	944,648	890,408	944,648	-	45,027
2012	972,906	20,433	948,399	876,431	948,399	-	24,507
2011	968,000	4,437	939,819	56,536	939,819	-	28,181
2010	936,931	3,031	913,149	19,006	913,149	-	23,783
2009	919,377	2,196	899,162	5,476	899,162	-	20,215
2008	809,223	1,319	795,914	2,090	795,914	-	13,309
2007	756,425	790	740,325	819	740,325	-	16,101
2006	651,380	608	641,490	275	641,490	-	9,891
2005	479,486	344	469,357	159	469,357	-	10,129
Total	8,503,539	1,004,395	8,209,260	2,768,198	8,181,545	27,715	294,279
Taos Education Center							
2014	1,954,806	1,788,387	1,788,387	1,788,387	1,743,926	44,461	166,419
2013	1,904,555	93,651	1,828,512	1,734,861	1,828,512	-	76,043
2012	1,822,629	34,621	1,797,279	1,672,531	1,797,279	-	25,350
2011	1,720,023	6,883	1,694,809	103,674	1,694,809	-	25,213
2010	1,634,756	3,708	1,613,222	34,980	1,613,222	-	21,534
2009	1,605,719	2,538	1,589,149	8,677	1,589,149	-	16,569
2008	1,446,980	1,640	1,419,772	3,468	1,419,772	-	27,208
2007	1,296,367	898	1,276,450	1,328	1,276,450	-	19,918
2006	1,155,636	643	1,136,893	587	1,136,893	-	18,743
2005	1,049,484	492	1,036,084	453	1,036,084	-	13,400
Total	15,590,956	1,933,461	15,180,557	5,348,947	15,136,096	44,461	410,399

See independent auditors' report

Agency/ Tax Year	Property Taxes Levied	Collected in Current Year	Collected to Date	Distributed in Current Year	Distributed to Date	Undistributed at Year End	County Receivable at Year End
Town of Taos							
2014	\$ 1,053,010	\$ 958,318	\$ 958,318	\$ 958,318	\$ 943,201	\$ 15,117	\$ 94,693
2013	1,020,560	45,773	974,791	929,018	974,791	-	45,769
2012	971,249	13,601	977,774	910,460	977,774	-	(6,525)
2011	906,343	2,379	896,973	68,964	896,973	-	9,370
2010	858,116	(570)	843,908	25,814	843,908	-	14,209
2009	845,581	(421)	848,597	5,683	848,597	-	(3,016)
2008	760,321	128	739,743	1,185	739,743	-	20,578
2007	665,593	129	654,181	139	654,181	-	11,412
2006	579,405	122	569,623	69	569,623	-	9,782
2005	530,132	14	524,838	40	524,838	-	5,294
Total	8,190,312	1,019,472	7,988,747	2,899,691	7,973,630	15,117	201,565
Village of Questa							
2014	114,229	100,482	100,482	100,482	96,827	3,655	13,747
2013	106,663	8,607	99,155	90,549	99,155	-	7,508
2012	102,597	3,073	99,489	88,378	99,489	-	3,108
2011	95,933	480	92,954	10,457	92,954	-	2,979
2010	90,425	222	88,717	3,791	88,717	-	1,709
2009	90,526	141	89,374	833	89,374	-	1,152
2008	84,585	96	82,623	542	82,623	-	1,962
2007	78,504	89	76,893	149	76,893	-	1,610
2006	72,883	84	71,598	46	71,598	-	1,285
2005	49,423	58	49,035	30	49,035	-	388
Total	885,769	113,333	850,321	295,258	846,665	3,655	35,448
Town of Red River							
2014	361,768	327,075	327,075	327,075	318,286	8,789	34,694
2013	357,651	19,667	344,756	325,088	344,756	-	12,896
2012	341,168	2,092	334,708	313,851	334,708	-	6,460
2011	320,823	861	312,286	20,577	312,286	-	8,537
2010	295,212	282	291,572	3,050	291,572	-	3,640
2009	292,326	273	290,306	681	290,306	-	2,021
2008	271,960	267	268,499	286	268,499	-	3,461
2007	252,242	-	249,536	6	249,536	-	2,706
2006	238,247	-	234,997	-	234,997	-	3,250
2005	222,829	-	219,567	-	219,567	-	3,262
Total	2,954,227	350,517	2,873,302	990,613	2,864,513	8,789	80,926
Village of Taos Ski Valley							
2014	459,361	431,212	431,212	431,212	421,432	9,780	28,149
2013	454,787	23,602	446,332	422,730	446,332	-	8,455
2012	431,802	8,290	432,644	405,127	432,644	-	(842)
2011	192,058	2,349	190,253	12,681	190,253	-	1,805
2010	182,109	2,206	179,966	1,760	179,966	-	2,144
2009	176,591	1,421	178,982	295	178,982	-	(2,391)
2008	132,233	-	131,582	113	131,582	-	651
2007	116,129	-	118,332	4	118,332	-	(2,203)
2006	100,418	-	99,483	4	99,483	-	935
2005	77,354	-	76,447	4	76,447	-	907
Total	2,322,842	469,079	2,285,233	1,273,931	2,275,453	9,780	37,610

STATE OF NEW MEXICO
Taos County
Property Taxes Receivable by Agency
June 30, 2015

Agency/ Tax Year	Property Taxes Levied	Collected in Current Year	Collected to Date	Distributed in Current Year	Distributed to Date	Undistributed at Year End	County Receivable at Year End
State Levy							
2014	\$ 1,887,001	\$ 1,717,839	\$ 1,717,839	\$ 1,717,839	\$ 1,673,756	\$ 44,083	\$ 169,162
2013	1,851,271	94,125	1,770,782	1,676,656	1,770,782	-	80,489
2012	1,799,659	33,754	1,768,623	1,641,987	1,768,623	-	31,037
2011	1,806,992	7,400	1,773,225	108,426	1,773,225	-	33,767
2010	1,999,151	4,634	1,968,595	42,719	1,968,595	-	30,556
2009	1,494,659	2,418	1,474,963	8,662	1,474,963	-	19,697
2008	1,460,685	1,641	1,429,515	3,369	1,429,515	-	31,171
2007	1,306,156	961	1,282,353	1,260	1,282,353	-	23,804
2006	1,159,207	675	1,136,540	528	1,136,540	-	22,668
2005	1,029,813	496	1,014,145	376	1,014,145	-	15,668
Total	15,794,595	1,863,943	15,336,578	5,201,822	15,292,495	44,083	458,017
Cattle, Sheep, Goats, Equine							
2014	13,347	10,293	10,293	10,293	9,681	612	3,054
2013	15,248	1,756	11,286	9,529	11,286	-	3,962
2012	12,486	2,214	11,470	8,871	11,470	-	1,016
2011	10,758	430	8,593	676	8,593	-	2,165
2010	10,134	320	8,102	152	8,102	-	2,031
2009	11,127	166	9,190	9	9,190	-	1,938
2008	10,095	180	8,483	0	8,483	-	1,612
2007	12,575	156	10,703	3	10,703	-	1,871
2006	10,408	119	9,112	0	9,112	-	1,296
2005	10,939	57	9,520	0	9,520	-	1,419
Total	117,118	15,692	96,752	29,535	96,140	612	20,365
Taos Municipal Schools							
2014	5,879,689	5,369,300	5,369,300	5,369,300	5,236,744	132,556	510,389
2013	5,741,972	288,383	5,506,900	5,218,517	5,506,900	-	235,072
2012	4,827,278	93,392	4,760,418	4,422,788	4,760,418	-	66,859
2011	5,926,493	24,430	5,836,969	367,896	5,836,969	-	89,524
2010	5,845,990	13,532	5,766,404	130,595	5,766,404	-	79,586
2009	4,517,677	7,391	4,473,005	25,377	4,473,005	-	44,671
2008	4,191,993	4,728	4,110,566	10,170	4,110,566	-	81,427
2007	3,827,087	2,703	3,767,439	3,848	3,767,439	-	59,648
2006	2,851,572	1,585	2,803,178	1,428	2,803,178	-	48,394
2005	2,872,934	1,348	2,837,442	1,222	2,837,442	-	35,492
Total	46,482,685	5,806,793	45,231,623	15,551,142	45,099,066	132,556	1,251,062
Penasco Independent Schools							
2014	270,678	240,779	240,779	240,779	235,465	5,314	29,899
2013	271,648	16,836	257,313	240,477	257,313	-	14,335
2012	164,525	4,138	160,351	144,666	160,351	-	4,174
2011	135,107	872	132,324	8,166	132,324	-	2,784
2010	294,866	638	289,877	6,304	289,877	-	4,990
2009	368,959	296	362,843	2,675	362,843	-	6,116
2008	218,680	42	214,597	426	214,597	-	4,082
2007	196,915	9	192,693	282	192,693	-	4,222
2006	190,657	-	187,473	11	187,473	-	3,184
2005	182,838	-	180,558	7	180,558	-	2,280
Total	2,294,873	263,610	2,218,807	643,794	2,213,493	5,314	76,066

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Agency/ Tax Year	Property Taxes Levied	Collected in Current Year	Collected to Date	Distributed in Current Year	Distributed to Date	Undistributed at Year End	County Receivable at Year End
Mesa Vista Consolidated Schools							
2014	\$ 394,117	\$ 321,910	\$ 321,910	\$ 321,910	\$ 310,218	\$ 11,692	\$ 72,207
2013	379,558	25,275	330,054	304,778	330,054	-	49,505
2012	361,476	10,828	327,555	294,571	327,555	-	33,920
2011	366,428	2,483	329,066	22,567	329,066	-	37,362
2010	340,426	1,836	314,065	11,876	314,065	-	26,361
2009	361,432	1,776	337,298	8,097	337,298	-	24,135
2008	368,909	1,577	334,376	296	334,376	-	34,533
2007	329,261	1,330	299,236	110	299,236	-	30,026
2006	203,209	574	181,745	31	181,745	-	21,464
2005	139,150	280	124,168	13	124,168	-	14,983
Total	3,243,967	367,869	2,899,473	964,250	2,887,781	11,692	344,494
Questa Independent Schools							
2014	1,182,175	1,088,926	1,088,926	1,088,926	1,060,638	28,288	93,249
2013	1,158,447	55,641	1,117,592	1,061,951	1,117,592	-	40,855
2012	981,654	10,966	964,295	903,434	964,295	-	17,359
2011	891,431	2,519	873,908	42,722	873,908	-	17,523
2010	883,489	1,473	873,548	11,375	873,548	-	9,941
2009	881,504	900	845,883	2,793	845,883	-	35,621
2008	597,930	394	587,198	1,218	587,198	-	10,731
2007	572,159	209	564,187	425	564,187	-	7,972
2006	626,719	244	617,976	234	617,976	-	8,743
2005	598,883	199	592,222	118	592,222	-	6,661
Total	8,374,391	1,161,471	8,125,735	3,113,194	8,097,447	28,288	248,656
1% Administrative Fee							
2014	259,931	237,955	237,956	237,955	237,955	-	21,974
2013	253,425	13,439	244,198	230,759	244,198	-	9,227
2012	233,307	4,534	231,381	214,307	231,381	-	1,926
2011	233,716	1,002	231,012	14,823	231,012	-	2,704
2010	230,066	562	228,184	5,306	228,184	-	1,882
2009	211,040	362	210,236	1,340	210,236	-	804
2008	188,724	221	185,998	447	185,998	-	2,726
2007	169,717	132	167,917	153	167,917	-	1,800
2006	145,619	87	143,666	56	143,666	-	1,953
2005	133,948	64	132,609	42	132,609	-	1,339
Total	2,059,492	258,360	2,013,157	705,189	2,013,156	-	46,336
Taos County							
2014	10,347,049	9,637,351	9,637,351	9,637,351	9,637,351	-	709,699
2013	10,323,518	551,229	9,865,144	9,313,910	9,865,139	-	458,374
2012	9,824,815	193,637	9,675,126	8,946,217	9,675,188	-	149,690
2011	9,056,510	40,481	9,142,389	597,667	9,142,539	-	(85,879)
2010	8,795,887	21,769	8,807,673	211,038	8,807,496	-	(11,786)
2009	8,665,735	15,412	8,794,987	57,187	8,794,949	-	(129,252)
2008	7,855,416	8,865	7,762,652	18,704	7,762,660	-	92,764
2007	7,070,935	5,690	6,970,029	6,086	6,970,032	-	100,907
2006	6,249,208	3,852	6,169,666	2,294	6,169,672	-	79,542
2005	5,740,420	2,972	5,638,166	1,675	5,638,157	-	102,255
Total	83,929,494	10,481,257	82,463,181	28,792,129	82,463,181	-	1,466,313

STATE OF NEW MEXICO
Taos County
Property Taxes Receivable by Agency
June 30, 2015

Agency/ Tax Year	Property Taxes Levied	Collected in Current Year	Collected to Date	Distributed in Current Year	Distributed to Date	Undistributed at Year End	County Receivable at Year End
Totals							
2014	\$ 25,956,298	\$ 23,805,581	\$ 23,805,582	\$ 23,805,581	\$ 23,447,312	\$ 358,268	\$ 2,150,718
2013	25,563,867	1,345,113	24,432,157	23,087,039	24,432,152	-	1,131,710
2012	23,531,703	454,082	23,153,048	21,443,666	23,153,110	-	378,655
2011	23,308,950	100,559	23,111,478	1,483,663	23,111,628	-	197,472
2010	23,066,899	56,179	22,835,441	530,995	22,835,264	-	231,458
2009	21,098,731	36,227	21,040,328	134,217	21,040,290	-	58,403
2008	18,954,501	22,191	18,616,253	44,744	18,616,261	-	338,248
2007	17,098,359	13,276	16,811,115	15,352	16,811,118	-	287,244
2006	14,632,984	8,771	14,394,811	5,653	14,394,817	-	238,173
2005	13,509,467	6,434	13,289,978	4,212	13,289,969	-	219,487
Grand Total	\$ 206,721,759	\$ 25,848,412	\$ 201,490,191	\$ 70,555,122	\$ 201,131,922	\$ 358,268	\$ 5,231,568

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

Schedule VII

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 673,690	\$ 29,483,287	\$ 29,498,134	\$ 658,843
Taxes receivable	3,635,036	25,956,298	25,616,255	3,975,079
Due from other governments	134,365	165,944	134,365	165,944
	<u>4,443,091</u>	<u>55,605,529</u>	<u>55,248,754</u>	<u>4,799,866</u>
Total assets	<u>\$ 4,443,091</u>	<u>\$ 55,605,529</u>	<u>\$ 55,248,754</u>	<u>\$ 4,799,866</u>
 <i>Liabilities</i>				
Due to other entities	<u>\$ 4,443,091</u>	<u>\$ 55,605,529</u>	<u>\$ 55,248,754</u>	<u>\$ 4,799,866</u>
Total liabilities	<u>\$ 4,443,091</u>	<u>\$ 55,605,529</u>	<u>\$ 55,248,754</u>	<u>\$ 4,799,866</u>

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STATE OF NEW MEXICO

Taos County
Financial Data Schedule
July 31, 2014

Line Item Number	Description	Low Rent Public Housing Program 14.850	Housing Choice Vouchers 14.871	Public Housing Capital Fund Program 14.872	Total
111	Cash - Unrestricted	\$ 502,221	\$ 6,119	\$ -	\$ 508,340
113	Cash - Other Restricted	1,744	13,521	-	15,265
114	Cash - Tenant Security Deposits	47,700	-	-	47,700
100	Total Cash	551,665	19,640	-	571,305
121	Accounts Receivable - PHA projects	136,472	-	-	136,472
122-020	Accounts Receivable - HUD Other Projects - Capital Fund	-	-	-	-
126	Accounts Receivable - Tenants - Dwelling Rents	27,881	-	-	27,881
126.1	Allowance for Doubtful Accounts - Dwelling	-	-	-	-
120	Total Receivables, Net of Allowance for Doubtful Accounts	164,353	-	-	164,353
131	Investments - Unrestricted	-	-	-	-
130	Total Investments	-	-	-	-
142	Prepaid Expenses and Other Assets	16,828	-	-	16,828
150	Total Current Assets	732,846	19,640	-	752,486
161	Land	167,589	-	-	167,589
162	Buildings	11,370,181	-	-	11,370,181
163	Furniture, Equipment & Machinery - Dwellings	282,428	-	-	282,428
164	Furniture, Equipment & Machinery - Administration	285,945	-	-	285,945
166	Accumulated Depreciation	(7,149,115)	-	-	(7,149,115)
160	Total Capital Assets, Net of Accumulated Depreciation	4,957,028	-	-	4,957,028
180	Total Non-Current Assets	4,957,028	-	-	4,957,028
190	Total Assets	\$ 5,689,874	\$ 19,640	\$ -	\$ 5,709,514

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Line Item Number	Description	Low Rent Public Housing Program 14.850	Housing Choice Vouchers 14.871	Public Housing Capital Fund Program 14.872	Total
312	Accounts Payable <= 90 Days	\$ 15,082	\$ 1,209	\$ -	\$ 16,291
321	Accrued Wage/Payroll Taxes Payable	3,570	4,085	-	7,655
	Accrued Compensated Absences - Current				
322	Portion	-	-	-	-
341	Tenant Security Deposits	47,700	-	-	47,700
342	Deferred Revenues	-	-	-	-
345	Other Current Liabilities	9,719	13,521	-	23,240
348	Loan Liability - Current	-	-	-	-
310	Total Current Liabilities	<u>76,071</u>	<u>18,815</u>	<u>-</u>	<u>94,886</u>
354	Accrued Compensated Absences - Non-Current	-	-	-	-
350	Total Non-Current Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
300	Total Liabilities	<u>76,071</u>	<u>18,815</u>	<u>-</u>	<u>94,886</u>
508.1	Net investment in capital assets	4,957,028	-	-	4,957,028
511	Restricted Net Position	-	-	-	-
512.1	Unrestricted Net Position	<u>656,775</u>	<u>825</u>	<u>-</u>	<u>657,600</u>
513	Total Equity/net positions	<u>5,613,803</u>	<u>825</u>	<u>-</u>	<u>5,614,628</u>
600	Total Liabilities and Equity/Net Positions	<u>\$ 5,689,874</u>	<u>\$ 19,640</u>	<u>\$ -</u>	<u>\$ 5,709,514</u>

STATE OF NEW MEXICO

Taos County
Financial Data Schedule
July 31, 2014

Line Item Number	Description	Low		Public Housing		Total
		Rent Public Housing Program 14.850	Housing Choice Vouchers 14.871	Public Housing Capital Fund Program 14.872		
70300	Net Tenant Rental Revenue	\$ 24,271	\$ 10,777	\$ -	\$ 35,048	
70400	Tenant Revenue - Other	-	-	-	-	
70500	Total Tenant Revenue	24,271	10,777	-	35,048	
70600	HUD PHA Operating Grants	157,535	86,069	-	243,604	
70610	Capital Grants	87,500	-	-	87,500	
71100	Investment Income - Unrestricted	6	2	-	8	
71400	Fraud Recovery	-	-	-	-	
71500	Other Revenue	-	3,586	-	3,586	
72000	Investment Income - Restricted	-	-	-	-	
70000	Total Revenue	269,312	100,434	-	369,746	
91100	Administrative Salaries	17,377	-	-	17,377	
91200	Auditing Fees	-	-	-	-	
91310	Book-keeping Fee	-	-	-	-	
	Employee Benefit Contributions -					
91500	Administrative	-	-	-	-	
91600	Office Expenses	-	-	-	-	
91800	Travel	1,679	-	-	1,679	
91900	Other Operating - Administrative	2,735	-	-	2,735	
91000	Total Operating - Administrative	21,791	-	-	21,791	
92100	Tenant Services - Salaries	-	-	-	-	
	Employee Benefit Contributions - Tenant					
92300	Services	-	-	-	-	
92400	Tenant Services - Other	-	-	-	-	
92500	Total Tenant Services	-	-	-	-	
93100	Water	5,545	-	-	5,545	
93200	Electricity	1,536	-	-	1,536	
93300	Gas	1,882	2,527	-	4,409	
93800	Other Utilities Expense	597	-	-	597	
93000	Total Utilities	9,560	2,527	-	12,087	
94100	Ordinary Maintenance & Operation - Labor	13,875	-	-	13,875	
	Ordinary Maintenance & Operation - Materials					
94200	& Other	703	-	-	703	
94300	Ordinary Maintenance & Operation Contracts	1,627	-	-	1,627	
94000	Total Maintenance	16,205	-	-	16,205	
96110	Property Insurance	-	1,165	-	1,165	
96100	Total Insurance Premiums	-	1,165	-	1,165	
96200	Other General Expenses	-	-	-	-	
96400	Bad Debt - Tenant Rents	-	-	-	-	
96000	Total Other General	-	-	-	-	
96900	Total Operating Expenses	\$ 47,556	\$ 3,692	\$ -	\$ 35,043	

See independent auditors' report

Line Item Number	Description	Low Rent Public Housing Program 14.850	Housing Choice Vouchers 14.871	Public Housing Capital Fund Program 14.872	Total
	Excess Operating Revenue Over Operating				
97000	Expenses	\$ -	\$ -	\$ -	\$ -
97100	Extraordinary Maintenance	-	-	-	-
97300	Housing Assistance Payments	-	144,479	-	144,479
97350	HAP Portability-In	-	-	-	-
97400	Depreciation Expense	-	-	-	-
90000	Total Expenses	<u>\$ 47,556</u>	<u>\$ 148,171</u>	<u>\$ -</u>	<u>\$ 179,522</u>
10010	Operating Transfers In	-	-	-	-
10020	Operating Transfers Out	-	-	-	-
10100	Total Other Financing Sources (Uses)	-	-	-	-
10000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	221,756	(47,737)	-	174,019
11030	Beginning Equity	<u>5,392,047</u>	<u>46,912</u>	<u>-</u>	<u>5,438,959</u>
1040-070	Equity Transfers	<u>(5,613,803)</u>	<u>825</u>	<u>-</u>	<u>(5,612,978)</u>
11040	Prior period Adjustments, Equity Transfers and Correction of Errors	-	-	-	-
	Ending Equity (deficit)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
11190	Unit Months Available	<u>168</u>	<u>447</u>	<u>-</u>	<u>-</u>
11210	Number of Unit Months Leased	<u>166</u>	<u>336</u>	<u>-</u>	<u>-</u>
11620	Building Purchases	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO

Taos County

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

June 30, 2015

RFP#/ RFB#	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Name and Physical Address per the Procurement Documentation, of ALL Vendors that Responded	In-State/Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference (Y or N) For	Brief Description of the Scope of Work
BID IFB 2015-01	BID	Northern Mountain Constructors	\$ 33,900.00	N/A	Joey Perovich, 25021 HWY 64, El Prado, NM 87529	Y	Y	Road & Construction Materials and Services
BID IFB 2015-01	BID	Medina and Sons Concrete and Sand	\$ 79,100.00	N/A	Sara Medina, 915 E Kit Carson Rd, Taos, NM 87571	Y	N	Road & Construction Materials and Services
BID IFB 2015-02	BID	Northern Mountain Constructors	\$ 541,427.58	N/A	Joey Perovich, 25021 HWY 64, El Prado, NM 87529	Y	Y	Road Construction Abregadero Road CDBG 14-C-NR-I-01-G-3
BID IFB 2015-02	BID	R L Leeder Co.	\$ -	N/A	Roddy Leeder, 5029 Agua Fria St., Santa Fe, NM 87507	Y	Y	Road Construction Abregadero Road CDBG 14-C-NR-I-01-G-3
RFP 2014-07	RFP	Watershed Dynamics	\$ 42,804.06	N/A	Mark Schuetz, 225A SR 240, Ranchos De Taos, NM 87557	Y	N	Forest Thinning Contractor Services
RFP 2014-07	RFP	Brandao Santos DBA Dos Santos Trees	\$ 25,718.03	N/A	Brandao Santos, 310 NM 75, Dixon, NM 87527	Y	N	Forest Thinning Contractor Services
RFP 2015-01	RFP	Watershed Dynamics	\$ 39,890.67	N/A	Mark Schuetz, 225A SR 240, Ranchos De Taos, NM 87557	Y	N	Forest Thinning Contractor Services
RFP 2015-01	RFP	Canon Forestry	\$ 39,360.40	N/A	Charles Ferguson, 26278A E US HWY 64, Taos, NM 87571	Y	N	Forest Thinning Contractor Services
RFP 2015-01	RFP	Brandao Santos DBA Dos Santos Trees	\$ 23,910.30	N/A	Brandao Santos, 310 NM 75, Dixon, NM 87527	Y	N	Forest Thinning Contractor Services
RFP 2015-01	RFP	Rocky Mtn Youth Corp	\$ 6,700.67	N/A	Mary Passaglia, 1203 King Dr, Taos, NM 87571	Y	N	Forest Thinning Contractor Services
RFP 2015-04	RFP	Correctional Health Partners	\$ 500,339.00	N/A	Geoffrey R. Archambeau, 1125 17th St, Denver, CO 80202	N	N	Comprehensive Inmate Medical Services
RFP 2013-07 Renewal	RFP	Accounting & Consulting Group LLP	\$ 74,393.00	N/A	87110	Y	N	Audit Services for FY 13/14
RFP 2014-06	RFP	Motorola Solutions Inc.	\$ 831,262.00	N/A	80021	Y	N	3 Position Console for E-911 Central Dispatch Center
RFP 2014-06	RFP	Advanced Communications & Electronics	\$ 240,724.79	N/A	Lori Moore, 2417 Baylor Drive SE, Albuquerque, NM 87106	Y	N	CAD Hardware, Software, and Install for E-911 Dispatch Center
N/A	CES	Cooperative Education Services	\$ 89,228.89	N/A	87109	N/A	N/A	Install of Water Softener System for Detention Center
N/A	CES	Cooperative Education Services	\$ 104,244.13	N/A	87109	N/A	N/A	For purchase of food and supplies for Taos Senior Center Program
Piggyback off Bernalillo County Contract RFB# 0045-13-CS Expires RFB#0045-05/28/2017								
RFP 2011-03 Renewal	RFP	Artesia Fire Equipment	\$ 152,422.44	N/A	Glenda Perry, 7011 Huseman Pl. SW Albuquerque, NM 87121	Y	N	Various items of fire equipment such as bunker gear, hoses, etc. for fire districts.
RFP 2011-08 Renewal	RFP	Summit LLC	\$ 244,000.00	N/A	87107	N	N	For Food Services for Detention Center
RFP 2011-08 Renewal	RFP	Health Care Partners Foundation	\$ 210,000.00	N/A	Rita Torres, 2925 Carlisle Blvd, Albuquerque, NM 87110	N	N	Providing Medical Services to Inmates within Detention Center
Section 13-1-30 & 13-1-3	Section 13-1-3	First NM Title Company	\$ 159,994.22	N/A	Kathy Brown, 602 Paseo de Pueblo Sur, Taos, NM 87571	N/A	N/A	Purchase of Land by Tom Holder Road
RFP 2014-08 Renewal	RFP	Humane Society of Taos Inc.	\$ 144,000.00	N/A	Harvey Yocum, 1200 St Francis Ln, Taos, NM 87571	N	N	For care of dogs & cats in animal shelter
HGAC AM10-12	HGAC	The Phoenix Group	\$ 158,640.59	N/A	Mark Daniels, 407 W Franklin, Waxahachie, TX 75165	N	N	Purchase of Ambulance(s) for EMS and various part(s)

See independent auditors' report.

COMPLIANCE SECTION



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

INDEPENDENT AUDITORS' REPORT

Timothy Keller
New Mexico State Auditor
The U.S. Office of Management and Budget
The Taos County Commissioners
Taos County
Taos, New Mexico

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and the major special revenue funds of Taos County (the "County") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and the combining and individual funds and related budgetary comparisons of the County presented as supplemental information, and have issued our report thereon dated October 22, 2015.

Internal Control Over Financial Reporting

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

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 weakness of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that 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. However, material weaknesses may exist that have not been identified. We did identify a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item FS 2014-001, which we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free 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 questioned costs as items FS 2013-003, FS 2014-002, and FS 2015-001.

County's Response to Findings

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

Purpose of this Report

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

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
October 22, 2015

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FEDERAL FINANCIAL ASSISTANCE



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

INDEPENDENT AUDITORS' REPORT

Timothy Keller
New Mexico State Auditor
The U.S. Office of Management and Budget
The Taos County Commissioners
Taos County
Taos, New Mexico

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item FA 2015-001, that we consider to be a significant deficiency.

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
October 22, 2015

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

Federal Grantor/Passthrough Grantor/Program Title	Grant Number		Federal C.F.D.A. Number	Federal Expenditures
U.S. Housing & Urban Development (HUD)				
Passed through the New Mexico Department of Finance and Administration				
Community Development Block Grant	14-C-NR-I-01-G-3	*	14.228	\$ 486,141
Total U.S. Housing & Urban Development (HUD)				<u>486,141</u>
U.S. Forest Service				
Schools and Roads Title III	NA		10.665	78,101
Cooperative Forestry Assistance	12-521-041-0055		10.664	141,931
Total U.S. Forest Service				<u>220,032</u>
Corporation for National and Community Services				
Foster Grandparent Program	14SF164082		94.011	(1) 31,320
Senior Companion Program	14SC165379		94.016	(1) 17,468
Total Corporation for National Community Services				<u>48,788</u>
U.S. Department of Health and Human Services				
Passed through the New Mexico Agency on Aging				
Aging Cluster - Title III, Part C	2014-15-68052	*	93.045	(2) 184,619
Aging Cluster - Title III, Part B	2014-15-68052	*	93.044	(2) 73,088
Title III-E	2014-15-68052	*	93.052	(2) 26,069
Aging Cluster - Nutrition Services Incentive Program	2014-15-68052	*	93.053	(2) 42,245
Total U.S. Department of Health and Human Services				<u>326,021</u>
U.S. Department of Homeland Security				
Passed through the New Mexico Department of Homeland Security and Emergency Management				
Assistance to Firefighters Grant	EMW-2009-FO-00-192		97.044	(3) 19,755
Homeland Security Grant Program - 2014	EMW-2014-SS-00030-SS01		97.067	(3) 23,347
Homeland Security Grant Program - 2013	EMW-2013-SS-00030-SS01		97.067	(3) 49,832
Total U.S. Department of Homeland Security				<u>92,934</u>
Total Federal Financial Assistance				<u>\$ 1,173,916</u>

* Major program

() Denotes Cluster

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

Notes to Schedule of Expenditures of Federal AwardsBasis of Presentation

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

Subrecipients

The County did not provide any federal awards to subrecipients during the year.

Non-Cash Federal Assistance

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

Federally Funded Insurance and Federally Funded Loans

The County has no federally funded insurance, and no federally funded loans or loan guarantees, as of and for the year ended June 30, 2015.

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 1,173,916
Total expenditures funded by other sources	<u>34,136,634</u>
Total expenditures	<u><u>\$ 35,310,550</u></u>

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

SECTION I – SUMMARY OF AUDITORS’ RESULTS*Financial Statements:*

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

Federal Awards:

- | | | | | | | | |
|---|-----------------------------------|-----------------|--------|-----------------------------------|--------------------------------|---------------|--|
| 1. Internal control over major programs: | | | | | | | |
| a. Material weaknesses identified? | None noted | | | | | | |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes | | | | | | |
| 2. Type of auditors’ report issued on compliance for major programs | Unmodified | | | | | | |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | Yes | | | | | | |
| 4. Identification of major programs: | | | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; border-bottom: 1px solid black;">CFDA
Number</td> <td style="text-align: center; border-bottom: 1px solid black;">Federal Program</td> </tr> <tr> <td style="text-align: center;">14.228</td> <td style="text-align: center;">Community Development Block Grant</td> </tr> <tr> <td style="text-align: center;">93.044, 93.045, 93.052, 93.053</td> <td style="text-align: center;">Aging Cluster</td> </tr> </table> | CFDA
Number | Federal Program | 14.228 | Community Development Block Grant | 93.044, 93.045, 93.052, 93.053 | Aging Cluster | |
| CFDA
Number | Federal Program | | | | | | |
| 14.228 | Community Development Block Grant | | | | | | |
| 93.044, 93.045, 93.052, 93.053 | Aging Cluster | | | | | | |
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 | | | | | | |
| 6. Auditee qualified as low-risk auditee? | No | | | | | | |

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

SECTION II – FINANCIAL STATEMENT FINDINGS

FS 2013-003 — Internal Controls (Disbursements Cycle) – (Finding that does not rise to the level of a significant deficiency) (Repeat/Modified)

Condition: During our procedures over the disbursements transaction cycles we noted the following:

- The County does not have proper internal controls to ensure proper and timely payments to vendors. From procedures performed over capital lease payments, ACG noted that for the invoice dated August 28, 2014 the County paid \$480.55 in late fee payments.

Taos County has since addressed the issue of not issuing proper and timely payments to vendors by a scheduling a disciplinary corrective meeting with our Accounting Specialist(s) who assured management that a follow through will be conducted on the monthly aging report and/or statements received by the County.

Criteria: Appropriate internal controls including monitoring in cash disbursements is required to maintain proper reporting of all revenues and expenditures as required by Section 6-6-3, NMSA 1978.

Effect: Without adequate internal controls including monitoring in key control processes, there is an increased risk of late payments to vendors and unnecessary disbursements to vendors.

Cause: There were oversights in the County's internal control processes related to disbursements to ensure vendors were paid on time.

Auditors' Recommendation: Ensure policies and procedures that are in place to maintain proper internal controls that include monitoring are working properly.

Management's Response: Taos County has established additional policies and procedures to streamline the invoice process in an attempt to address outstanding invoices in a timely manner and has set up an email account strictly for accounts payable accessible by limited staff to include our Accounting Specialist(s) to monitor the email activity on a monthly basis. A reconciliation report and/or aging report will be generated by our Accounting Specialist(s) and provided to management for review on a monthly basis.

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

SECTION II – FINANCIAL STATEMENT FINDINGS

FS 2014-001— Stale Dated Checks- (Significant Deficiency) (Repeat/Modified)

Condition: The County is in violation of state statutes regarding stale-dated checks. The County maintained 17 checks in the County's bank reconciliations that were dated over one year old at June 30, 2015. These checks totaled \$4,620.18.

Taos County has since addressed the issue of the state statute violation regarding stale-dated checks by a scheduling a disciplinary corrective meeting with our Accounting Specialist(s) who assured management that a follow through will be conducted on a monthly basis.

Criteria: Chapter 7 Article 8A, NMSA 1978, and related regulations require that the County provide information about the payees and the related funds to Unclaimed Property Division of the New Mexico Taxation and Revenue Department for outstanding checks that were distributed but not cashed within one year.

Effect: Carrying numerous bank reconciling items could result in a misstatement in the accounting records or related misappropriation of funds.

Cause: The County did not implement an internal control procedure to account for stale dated outstanding checks and did not clear these checks on a timely basis.

Auditors' Recommendations: We recommend that the County implement a procedure to review the outstanding check listings for all bank accounts and track stale-dated checks. If checks on the outstanding check listings are greater than one year old we recommend these checks be voided. Also, we recommend that the County provide the information to the Property Division of the New Mexico Taxation and Revenue Department as required.

Management's Response: Taos County Finance Department has implemented the practice for our Accounting Specialist(s) to conduct a review of the stale dated checks at month end. This process will require support documentation from vendors in an attempt to resolve the payment issued and will be reviewed by management on a quarterly basis.

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

SECTION II – FINANCIAL STATEMENT FINDINGS**FS 2014-002 – Expenditures in Excess of Budget and Budgeted Cash in Excess of Available Balance – (Other Noncompliance) (Repeat/Modified)**

Condition: The County exceeded budgeted expenditures in the following funds:

Governmental Funds

USDA Loan Proceeds Debt Service Fund	\$ 14,607
USDA/Rus Complex Debt Service Fund	23,448
2013 Educational Bond Admin. Debt Service Fund	19,940
Taos 46 Loan Proceeds Debt Service Fund	<u>412</u>
	<u>\$ 58,407</u>

When the County's budgeted expenditures exceed its budgeted revenue, the County budgets "designated cash" left over from the previous year to make up the short fall. However, "designated cash" in the current year budget cannot exceed prior year cash and receivables in the same fund.

Designated cash appropriations exceeded available balances in the following funds:

Governmental Funds

County Educational Bond Debt Service Fund (Major)	\$ <u>654,328</u>
	<u>\$ 654,328</u>

Taos County has since completed the first quarter review and will adjust the budget at mid-year to account for any funds that exceeded budgeted expenditures.

Criteria: All County funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the State of New Mexico Department of Finance and Administration – Local Government Division for approval. Once adopted, any claims or warrants in excess of budget are a violation of New Mexico State Statute 6-6-6, 1978 Compilation. Per Section 6-6-11, NMSA 1978 (the Batemen Act), it is unlawful for any board of county commissioners, municipal governing body or any local school board, for any purpose whatever to become indebted or contract any debts of any kind or nature whatsoever during any current year which, at the end of such current year, is not and cannot then be paid out of the money actually collected and belonging to that current year, and any indebtedness for any current year which is not paid and cannot be paid, as above provided for, is void. In addition, Section 2.2.2.10. (P) (1), NMAC, states that the County's cash balances rebudgeted to absorb budget deficits cannot exceed the actual cash balance available at the end of the prior year.

Effect: Any expenditure in excess of the approved budget(s) shall be a liability against the officials so allowing or paying such claims or warrants, and recovery of such excess amounts so allowed or paid may be had against the bondsmen of such official. The effect of a budget with inadequate designated cash available to cover the excess of budgeted expenditures over budgeted revenue could result in the County incurring debt to pay for current year budgeted expenditures, which would be noncompliance with the Batemen Act.

Cause: The County has inadequate monitoring of budgeting procedures at year end.

Auditors' Recommendations: We recommend all County funds, with the exception of agency funds, be budgeted and approved by the County Commission. Once adopted, budgets must be monitored for compliance with state statute. In addition, we recommend the County's cash balances rebudgeted to absorb budget deficits do not exceed the actual cash balances available at the end of the prior year.

Management Response: Taos County will conduct a comprehensive review of the budget at the end of each quarter and will ensure by fiscal year end that all funds have been adjusted accordingly.

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

SECTION II – FINANCIAL STATEMENT FINDINGS

FS 2015-001— Procurement-Lack of Proper Approval for Purchases— (Finding that does not rise to the level of a significant deficiency)

Condition: During testwork ACG noted procurement actions conducted without approved purchase orders. ACG noted the following documentation within the files tested:

- In 1 out of 60 disbursements tested, we noted there was no purchase order in place for the transaction in the amount of \$2,628.18.
- In 1 out of 60 disbursements tested, we noted that the purchase order was signed and dated after the service was performed, and the cost was incurred in the amount of \$205.25.

Taos County has since sent out correspondence to county staff reiterating County procurement policies and procedures. Taos County's Chief Procurement Officer has since scheduled a procurement training to review Taos County Procurement Policy. Training is scheduled for November 13, 2015.

Criteria: In accordance with the County Policy, a purchase order must be signed and approved by proper authority prior to disbursement. Appropriate internal controls including monitoring cash disbursements is required to ensure that purchased are following the County procurement policy.

Effect: The County could be disbursing funds for unallowable activities and or services. Without adequate internal controls that includes monitoring disbursements and signing all purchase orders prior to purchases, there is an increased risk of fraudulent activity. Failure to adequately implement controls in place over disbursements could lead to purchases of unapproved items and late payments to vendors can also occur.

Cause: Taos County internal controls did not provide for sufficient monitoring to ensure proper approval of all disbursements prior to the disbursement. Proper internal controls were not properly implemented to ensure all required signatures were in place before purchases were made.

Auditors' Recommendation: Management should implement an internal control structure to ensure that all disbursements are properly approved and keep all necessary supporting documentation to comply with the County procurement policy.

Management's Response: Taos County Chief Purchasing Officer will continue to provide mandatory procurement trainings throughout the fiscal year to ensure that our employees are familiar with the policies and procedures in place to avoid procurement violations.

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

SECTION III- FEDERAL AWARD FINDINGS

FA 2015-001 — Preparation of the Schedule of Federal Expenditures (SEFA)– Significant Deficiency

Federal Program Information:

Funding agency: All agencies listed in the Schedule of Expenditures of Federal Awards
Title: All major federal programs
CFDA number: All major federal programs
Grant year: All federal grant years reported on the SEFA
Grant number: All reported on the SEFA

Condition: The County failed to produce an accurate original SEFA and created several versions before a correct schedule was delivered to the auditors. In the review process of the SEFA, errors were noted as follows:

- Grants with different CFDA numbers were included together on the SEFA
- Several State grants were included on the SEFA as federal expenditures
- Expenditures reported on the SEFA were inaccurate

Taos County has assigned the SEFA to our Grant Accountant, which will require a quarterly review of the revenue and expenditures of all federal monies being administered by the County.

Criteria: The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. Good internal controls require that management have procedures in place for identifying federal, state, and other awards, properly classifying expenditures in the correct programs and under the correct CFDA numbers, and ensuring that expenditures reported for federal programs are accurate.

Questioned Costs: None

Effect: Without proper grant awards reported on the SEFA, it is impossible to properly assess programs in order to select grants and test in accordance with the Single Audit Act. Also, without proper processes and internal controls to properly track federal expenditures by grant, the risk of noncompliance and unallowable costs are heightened.

Cause: An accurate SEFA was not originally produced due to turnover in the grants department resulting in an inaccurate transfer of information from the individual grants to the SEFA..

Auditors' Recommendation: The County should ensure that a comprehensive internal control structure is designed, documented, and implemented to ensure all grants transactions are properly tracked by federal and state grant, and all information is accurately documented on the SEFA.

Management's Response: Taos County will continue to improve the grant management system to properly track the life cycle of the grant, and improve the grant recordkeeping and file management system. Quarterly updates will be provided to management for review.

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SECTION IV – PRIOR YEAR FINDINGS- FINANCIAL STATEMENT

FS 2013-003 — Internal Controls —Internal Controls (Disbursements Cycle) – (Other Matter) (Repeat/Modified)

FS 2013-006 — Indigent Fund — (Other Matter) (Resolved)

FS 2013-008 — Internal Controls over Solid Waste Billing — (Other Matter) (Resolved)

FS 2014-001— Stale Dated Checks- (Other Matter) (Repeat)

FS 2014-002 – Expenditures in Excess of Budget and Budgeted Cash in Excess of Available Balance – (Noncompliance) (Repeat)

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STATE OF NEW MEXICO

Taos County
Other Disclosures
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OTHER DISCLOSURES

Exit Conference

An exit conference was held on October 30, 2015. In attendance were the following:

Representing Taos County:

Jim Fambro
Leandro R. Cordova
Brent Jaramillo
Susan K. Trujillo
Lupe Martinez
Paula Santistevan
Amanda Rael
MaryAnne Gonzales

Commissioner
County Manager
Deputy County Manager
County Treasurer
Interim Finance Director
Senior Treasurer Account
Grant Accountant
Treasurer Accountant

Representing Accounting & Consulting Group, LLP:

Robert Gonzales, CPA

Manager

Auditor Prepared Financial Statements

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