
State of New Mexico Torrance County

*Financial Statements
and
Independent Auditor's Report
June 30, 2016*



CPAs | Business & Financial Advisors

State of New Mexico

Torrance County

Table of Contents

	<u>Page</u>
Official Roster	1
Independent Auditor's Report	2-4
Management's Discussion and Analysis	5-11
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements	
Balance Sheet — Governmental Funds	14
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	15
Statement of Revenues, Expenditures and Changes in Fund Balances — Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	17
Statement of Revenues, Expenditures and Changes in Fund Balance — Budget (Non-GAAP Budgetary Basis) to Actual (Non-GAAP Basis):	
General Fund	18
Road Fund	19
Statement of Fiduciary Assets and Liabilities Agency Funds	20
Notes to Financial Statements	21-51

State of New Mexico

Torrance County

Table of Contents — continued

	<u>Page</u>
Required Supplementary Information	
Schedule of the County’s Proportionate Share of the PERA Net Pension Liability – Last 10 Fiscal Years	52
Schedule of the County’s PERA Contributions – Last 10 Fiscal Years	53
Notes to the Required Supplementary Information	54
Supplementary Information	
Nonmajor Funds	
Nonmajor Special Revenue, Debt Service, and Capital Projects Funds Description	55-60
Combining Balance Sheet – Nonmajor Governmental Funds	61-67
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	68-74
Schedule of Revenues, Expenditures and Changes in Fund Balance — Budget to Actual—Non-GAAP Budgetary Basis	
Nonmajor Special Revenue Funds	
Farm and Range	75
CR A085 Developer Fee	76
District 5 Volunteer Fire District	77
District 2 Volunteer Fire District	78
District 1 Volunteer Fire District	79
District 3 Volunteer Fire District	80
District 4 Volunteer Fire District	81
Law Enforcement Protection	82
Fire Pool ¼% Tax	83
County Fair Board	84
Fire Department Administration	85
Indigent	86
Emergency Medical Services (EMS)	87
District 6 Volunteer Fire District	88
Corrections	89
Environmental Gross Receipts Tax	90
WIPP Funding	91
Volunteer Recruitment/Retention	92
Animal Shelter	93
Safety Program	94
Civil Defense	95
DWI Program	96

State of New Mexico

Torrance County

Table of Contents — continued

	<u>Page</u>
DWI School	97
Treasurer's Fee	98
Reappraisal	99
Clerk's Equipment	100
RPHCA Grant	101
Community Development Block Grant	102
Adolescent Pregnancy Prevention	103
Recycling and Illegal Dumping Grant	104
Home Visiting Grant	105
Esperanza Clinic	106
Senior Citizens Program	107
Court Forfeiture	108
Juvenile Justice Grant	109
Wind PILT	110
Estancia Basin Water Study	111
Rural Addressing	112
NM Forest Re-Leaf	113
Planning and Zoning Court Fees	114
Domestic Violence	115
DV Victim Restitution	116
Title III Forest Reserve	117
U.S. Marshal JLEO	118
Drug Education Program	119
Traffic Safety	120
Teen Court Donation	121
Forest Service Patrol	122
NM Primary Care Association	123
ICE Inmate Care	124
NMDHLS EMPG	125
NMDHLS FY 14 HL Security	126
NMDHLS Mitigation Grant	127
NMDOH Cities Readiness Initiative	128
Disaster Public Assistance	129
EMW 2013 EP Grant	130
NMDHLS FY 15 HL Security	131
EMW 2015 EP Grant	132
Dog Head Fire	133
Goliath Winter Storm	134
Emergency 911	135

State of New Mexico

Torrance County

Table of Contents — continued

	<u>Page</u>
Nonmajor Debt Service Fund	
Debt Service Fund	136
Nonmajor Capital Projects Funds	
County Infrastructure GRT	137
Capital Outlay GRT	138
Legislative Appropriations	139
Fiduciary Funds	
Agency Funds Description	140
Combining Schedule of Changes in Assets and Liabilities — All Agency Funds	141
Other Schedules Required by Section 2.2.2 NMAC	
Schedule of Joint Power Agreement	142
Schedule of Deposit Accounts	143
Schedule of Pledged Collateral	144
Property Tax Schedule – 10 Year	145-148
Schedule of Vendor Information	149
Compliance Section	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	150-151
Schedule of Findings and Responses	152-160
Summary Schedule of Prior Audit Findings	161
Exit Conference	162

**State of New Mexico
Torrance County**

Official Roster

COUNTY COMMISSION

Javier Sanchez
Julia DuCharme
Jim Frost

Chairman
Commissioner
Commissioner

ELECTED OFFICIALS

Linda Jaramillo
Tracy Sedillo
Betty Cabber
Heath White
Jim Summers

County Clerk
County Treasurer
County Assessor
Sheriff
Probate Judge

ADMINISTRATIVE OFFICIALS

Belinda Garland

County Manager

Independent Auditor's Report

Mr. Timothy Keller, New Mexico State Auditor
and
To the Honorable Members of the Board of County Commissioners
Torrance County, New Mexico

Report on Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of June 30, 2016, and the respective changes in financial position thereof, and the respective budgetary comparisons for the general fund and the major special revenue fund 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 and fiduciary fund of the County as of June 30, 2016, and the respective changes in financial position thereof and the respective budgetary comparisons for the nonmajor governmental 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 and schedules of PERA net pension liability and contributions, as listed in the table of contents, 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 other schedules required by Section 2.2.2 NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2017, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Albuquerque, New Mexico
June 14, 2017

State of New Mexico
Torrance County
Management's Discussion and Analysis
June 30, 2016

This section presents our discussion and analysis of the County of Torrance, New Mexico (the "County") as of June 30, 2016, and results of its operations for the year then ended accompanied with comparative information and balances for the year ended June 30, 2015.

This discussion and analysis is designed to (a) provide a brief discussion of the basic financial statements, including the relationships to each other, and the significant differences in the information they provide, (b) provide an overview of the County's financial activities, its mission and function, (c) provide an analysis of the County's financial position, (d) provide a description of significant capital assets activity and debt administration, and (e) identify and describe material deviations from the County's approved budget.

County Mission Statement

Torrance County is committed to effective, efficient and responsible public policy, excellent public service, courteous public contact, sensitivity to cultural beliefs and preservation of their heritage, providing quality services as required by law or mandated by the public, enhancing the health, safety and general well-being of the citizens of Torrance County and conducting county operations in a legal, ethical and fair manner.

The County is a political subdivision of the State of New Mexico, created in 1905 under Section 4-30-1 through 4-30-2 NMSA 1978.

Financial Highlights

- ◆ Assets of the County exceeded its liabilities at the close of fiscal year 2016 by \$10.9 million (net position). The County reports deficit unrestricted net position of \$2.2 million at June 30, 2016, which was the second year that the County has reported a deficit in this category of net position. This was caused in fiscal year 2015 by the implementation of the new pension standard described below.
- ◆ Net position increased by \$1 million in fiscal year 2016. This increase resulted from added capital assets within the County's departments.
- ◆ Revenues for fiscal year 2016 were \$12.9 million, with property taxes and local and state share taxes representing the main revenue source, comprising 62% of total revenues.
- ◆ In fiscal year 2015, the County implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The big change ushered in by GASB Statement No. 68 is that employers participating in defined benefit cost-sharing multiple-employer pension plans (such as the Public Employers Retirement Association) were required to recognize their proportionate share of the "collective" net pension liability on the face of their statements of net position. Since the County participates in PERA, the County reports its proportionate share of the net pension liability, which approximated \$3.9 million at June 30, 2016.

State of New Mexico
Torrance County
Management's Discussion and Analysis
June 30, 2016

Overview of the Financial Statements

The County's financial statements are comprised of four components: 1) *Management's Discussion and Analysis* (this section), 2) the *Basic Financial Statements*, 3) *Notes to the Financial Statements*, and 4) *Supplementary Information*.

Basic Financial Statements

The basic financial statements consist of the government-wide financial statements and the fund financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. The statement of net position and the statement of activities are the government-wide statements that provide both long-term and short-term information about the overall financial status of the County.

The *statement of net position* presents information about the assets and liabilities of the County's governmental activities. The difference between assets and liabilities is reported as net position. Over time, increases or decreases in net position serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how net position of governmental activities changed during the 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 years (e.g., uncollected taxes and earned but unused vacation leave).

Governmental activities reflect the County's basic services including general government, (executive, legislative, judicial), health and welfare (health and wellness programs, community services), public safety (fire, law enforcement, emergency medical services) and highways and streets (road and infrastructure maintenance). These services are financed primarily through general revenues, such as property taxes and local and state shared taxes, as well as grants and contributions.

Fund Financial Statements

Fund financial statements focus on individual parts of the County, reporting operations in more detail than the government-wide statements.

Governmental Funds

Governmental fund financial statements report how services like general government highways and streets, health and welfare, and public safety were financed in the short-term as well as what

State of New Mexico
Torrance County
Management's Discussion and Analysis
June 30, 2016

remains for future spending. Governmental funds focus on how cash and other financial assets flow in and out and the balances that are left at year-end and are available for spending.

The County adopts an annual appropriated budget for all of its governmental funds. Budgetary comparison schedules are reported for governmental funds to demonstrate budget compliance.

Fiduciary Funds

Fiduciary fund financial statements report on financial resources collected, held for, and distributed to other governmental entities by the County Treasurer. The fiduciary funds of the County are considered agency funds.

Notes to 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 are a required part of the basic financial statements and can be found after the fund financial statements in this report.

Supplementary Information

Combining Statements

The County presents combining statements for its nonmajor governmental funds following the notes to the financial statements.

Budgetary Comparison Schedules

GASB Statement No. 34 requires budgetary comparison schedules for the general fund and major special revenue funds that have a legally adopted budget. The budgetary comparison schedules present both the original and final budgets for the reporting period, as well as the actual inflows and outflows reported on the County's budgetary basis (cash). As required by the New Mexico Office of the State Auditor Rule 2015, the budgetary comparison schedules of the County's nonmajor governmental funds are presented as supplementary information.

Government-Wide Financial Analysis

The following table presents a condensed statement of net position of the County at June 30, 2016 and 2015.

State of New Mexico
Torrance County
Management's Discussion and Analysis
June 30, 2016

Condensed Statement of Net Position
As of June 30,

	Governmental Activities	
	2016	2015 (as restated)
Assets		
Current assets	\$ 7,230,305	\$ 6,521,856
Capital assets, net	<u>10,293,673</u>	<u>10,290,797</u>
Total assets	<u>17,523,978</u>	<u>16,812,653</u>
 Deferred Outflows of Resources		
Amounts related to pensions	<u>437,433</u>	<u>301,471</u>
 Liabilities		
Current liabilities	1,108,675	1,173,991
Net pension liability	3,893,531	2,854,885
Other noncurrent liabilities	<u>1,996,874</u>	<u>1,999,914</u>
Total liabilities	<u>6,999,080</u>	<u>6,028,790</u>
 Deferred Inflows of Resources		
Amounts related to pensions	<u>115,003</u>	<u>1,149,412</u>
 Net Position		
Net investment in capital assets	7,970,312	7,951,881
Restricted	5,272,221	4,724,901
Unrestricted	<u>(2,395,205)</u>	<u>(2,740,860)</u>
Total net position	<u>\$ 10,847,328</u>	<u>\$ 9,935,922</u>

Approximately \$8 million of net position as of June 30, 2016, reflects the County's investment in capital assets (vehicles, machinery, equipment, road infrastructure assets) less any outstanding debt used to acquire those assets. The County uses capital assets to provide services to citizens and customers; consequently, this net position is not available for future spending. Although net position invested in capital assets are reported net of related debt, it should be noted that the

State of New Mexico
Torrance County
Management's Discussion and Analysis
June 30, 2016

resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. A portion of the County's net position is restricted for special projects, debt services, and as required by the Department of Finance and Administration for the subsequent year. The County reports a deficit \$2.2 million of unrestricted net position, which was caused by the implementation of GASB Statement No. 68.

The following table presents a condensed statement of activities of the County for the years ended June 30, 2016 and 2015.

Condensed Statement of Activities
For the Years Ended June 30,

	Governmental Activities	
	2016	2015 (as restated)
Program revenues		
Charges for services	\$ 781,239	\$ 670,524
Operating grants	2,025,602	1,982,157
Capital grants	857,429	451,690
General revenues		
Property taxes	4,820,983	4,296,485
Local and state share taxes	3,212,826	3,141,277
Payment in lieu of taxes	1,018,767	624,968
Investment income	1,344	3,548
Other revenues	156,115	95,269
Assumption of loan from Willard Fire Department	-	(96,215)
Assumption of assets from Willard Fire Department	-	162,011
Donation of capital assets	11,550	26,780
Total revenues	12,885,855	11,358,494
Expenses		
General government	4,471,049	3,902,054
Public safety	5,062,684	4,516,049
Highways and streets	1,492,851	1,492,076
Health and welfare	862,027	754,273
Interest on long-term debt	85,838	99,781
Total expenses	11,974,449	10,764,233
Change in net position	911,406	594,261
Net position—beginning of year	9,935,922	9,341,661
Net position—ending of year	\$ 10,847,328	\$ 9,935,922

State of New Mexico
Torrance County
Management's Discussion and Analysis
June 30, 2016

Net position as of the beginning of fiscal year 2016 does not agree to the ending net position from fiscal year 2015. The difference is \$96,949, and represents the County's restatement of beginning net position in fiscal year 2016 due to the correction of errors as a result of implementing a new capital assets system. After restating beginning net position, overall net position of the County increased by \$1 million in fiscal year 2016. This increase resulted primarily from increased property tax revenue, as well as additional capital grants and payments in lieu of taxes earned in 2016.

Financial Analysis of the County's Funds

Governmental Funds. The focus of governmental funds is to provide information on near-term inflows, outflows and balance of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of net resources available for spending at the end of the fiscal year.

The general fund is the chief operating fund of the County. At June 30, 2016, unassigned fund balance of the general fund was \$612,000. When compared to total fund balance of \$1.73 million at June 30, 2015, fund balance increased by \$393,000 during fiscal year 2016. The main contributors to this increase was an increase in property taxes of \$266,000 in fiscal year 2016 as compared to 2015. The main reason for this increase was the increase in property valuations, and ultimately, in property taxes received. There were also less budgeted transfers out of the general fund in 2016 as compared to 2015.

At June 30, 2016, the road fund reported fund balance of \$589,000. When compared to total fund balance of \$502,000 at June 30, 2015, fund balance increased by \$87,000 during fiscal year 2016. The main contributors to this increase was a decrease in expenditures of \$55,000 in fiscal year 2016 as compared to 2015. The main reason for the decrease was an unexpected decrease in the cost of fuel, along with a decrease in the purchase of road material, since the County purchased the pit in fiscal year 2015.

Budgetary Highlights

There were changes between the original and final amended budgeted revenues and expenses for all of the County's major funds.

- ◆ The general fund received approximately 106% of budgeted revenues. Property tax revenues exceeded budgeted amounts by approximately 5%. It expended 97% of budgeted expenditures.
- ◆ The road fund exceeded budgeted revenues by approximately \$54,000 (4%). It also expended approximately 78% of its budgeted expenditures.
- ◆ Budget adjustments were made to various nonmajor special revenue and capital project funds that were related to changes in grant funding, changes in legislative appropriations, and the creation of new funds.

State of New Mexico
Torrance County
Management's Discussion and Analysis
June 30, 2016

Capital Assets and Debt Administration

Capital Assets—Capital assets of the County as of June 30, 2016, amounts to \$10.3 million (net of accumulated depreciation). Capital assets are comprised of land, artwork and antiques, furniture, fixtures and equipment, vehicles, and road infrastructure. Additional information on capital assets can be found in the notes to the financial statements.

Long-Term Liabilities—At the end of the current year, the County had total long-term liabilities of \$5.9 million. This is composed of general obligation bonds and notes payable, as well as compensated absences, which totaled \$2 million at June 30, 2016. Additionally, in fiscal year 2016 the County reports is proportionate share of the net pension liability for its participation in PERA. The net pension liability of the County was \$3.9 million at June 30, 2016.

Additional information on long-term liabilities can be found in the notes to the financial statements.

Economic Factors and Next Year's Budget

The County implemented a 3% increase in residential property values only. This generally results in an increase in property tax revenues for the County. The expected increase has been reflected in the June 30, 2016 budgets in all funds and line items affected by property taxes.

The County adopted a lease agreement with El Cabo Wind, LLC. Beginning in fiscal year 2017, payments in lieu of taxes (PILOT) will be disbursed; Torrance County will receive 60% of the PILOT revenue and certain School Districts will receive the additional 40% PILOT revenue. This will help with the County's revenue and investments.

Requests for Information

This financial report is designed to provide a general overview of the County's finances. If you have any questions about this report or need additional financial information, contact the County Manager, P.O. Box 48, Estancia, New Mexico 87016.

Basic Financial Statements

**State of New Mexico
Torrance County
Statement of Net Position
June 30, 2016**

	<u>Governmental Activities</u>
Assets	
Current assets	
Cash and investments	\$ 5,236,392
Intergovernmental receivable	1,078,226
Property tax receivable, net	780,690
Prepaid expenses	<u>134,997</u>
Total current assets	<u>7,230,305</u>
Noncurrent assets	
Nondepreciable capital assets	854,598
Depreciable capital assets, net of accumulated depreciation	<u>9,439,075</u>
Total noncurrent assets	<u>10,293,673</u>
Total assets	<u>17,523,978</u>
Deferred Outflows of Resources	
Amounts related to pensions	<u>437,433</u>
Liabilities	
Current liabilities	
Due to other governmental units	169,984
Accounts payable	325,225
Accrued payroll and taxes	67,406
Accrued interest	13,868
Current portion of long-term debt	<u>532,192</u>
Total current liabilities	<u>1,108,675</u>
Noncurrent liabilities	
Long-term debt, net of current portion	1,996,874
Net pension liability	<u>3,893,531</u>
Total noncurrent liabilities	<u>5,890,405</u>
Total liabilities	<u>6,999,080</u>
Deferred Inflows of Resources	
Amounts related to pensions	<u>115,003</u>
Net Position	
Net investment in capital assets	7,970,312
Restricted	5,272,221
Unrestricted	<u>(2,395,205)</u>
Total net position	<u>\$ 10,847,328</u>

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

State of New Mexico
Torrance County
Statement of Activities
For the Year Ended June 30, 2016

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities					
General government	\$ 4,471,049	\$ 324,863	\$ 364,197	\$ 374,572	\$ (3,407,417)
Public safety	5,062,684	398,600	1,092,817	-	(3,571,267)
Highways and streets	1,492,851	1,479	93,379	482,857	(915,136)
Health and welfare	862,027	56,297	475,209	-	(330,521)
Interest on long-term debt	85,838	-	-	-	(85,838)
Total governmental activities	\$ 11,974,449	\$ 781,239	\$ 2,025,602	\$ 857,429	(8,310,179)
General revenues					
Property taxes					4,820,983
Payment in lieu of taxes					1,018,767
Local and state shared taxes					3,212,826
Investment income					1,344
Other revenues					156,115
Donation of capital assets					11,550
Total general revenues and transfers					9,221,585
Change in net position					911,406
Net position—beginning, as previously reported					9,838,973
Restatement (note 15)					96,949
Net position—beginning, as restated					9,935,922
Net position—ending					\$ 10,847,328

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

Governmental Funds

State of New Mexico
Torrance County
Balance Sheet—Governmental Funds
June 30, 2016

	Major Funds		Nonmajor Funds	Total
	401 General Fund	402 Road Fund		
Assets				
Cash and investments	\$ 5,236,392	\$ -	\$ -	\$ 5,236,392
Due from other funds – pooled cash	-	536,488	3,217,322	3,753,810
Intergovernmental receivable	44,576	87,881	945,769	1,078,226
Property tax receivable, net	717,619	-	63,071	780,690
Prepaid expenses	134,997	-	-	134,997
Total assets	<u>\$ 6,133,584</u>	<u>\$ 624,369</u>	<u>\$ 4,226,162</u>	<u>\$ 10,984,115</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Due to other funds – pooled cash	\$ 3,196,447	\$ -	\$ 557,363	\$ 3,753,810
Due to other governmental units	169,984	-	-	169,984
Accounts payable	57,553	26,193	241,479	325,225
Accrued payroll and taxes	39,429	9,515	18,462	67,406
Accrued interest	-	-	13,868	13,868
Total liabilities	<u>3,463,413</u>	<u>35,708</u>	<u>831,172</u>	<u>4,330,293</u>
Deferred inflows of resources				
Unavailable revenue	<u>604,706</u>	<u>-</u>	<u>166,404</u>	<u>771,110</u>
Fund balances				
Nonspendable				
Prepaid expenses	134,997	-	-	134,997
Restricted				
Subsequent years expenditures	1,318,086	129,387	-	1,447,473
Special projects	-	-	2,583,576	2,583,576
Road maintenance	-	459,274	-	459,274
Capital projects	-	-	428,091	428,091
Debt service	-	-	353,807	353,807
Unassigned	<u>612,382</u>	<u>-</u>	<u>(136,888)</u>	<u>475,494</u>
Total fund balances	<u>2,065,465</u>	<u>588,661</u>	<u>3,228,586</u>	<u>5,882,712</u>
Total liabilities, deferred inflows of inflows of resources, and fund balances	<u>\$ 6,133,584</u>	<u>\$ 624,369</u>	<u>\$ 4,226,162</u>	<u>\$ 10,984,115</u>

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

State of New Mexico
Torrance County
Reconciliation of the Balance Sheet of Governmental
Funds to the Statement of Net Position
June 30, 2016

Fund balances of governmental funds	\$ 5,882,712
Amounts reported for governmental activities in the statement of net position are different at June 30, 2016 because:	
Property taxes levied and other intergovernmental revenues earned, but not collected within sixty days after year-end are not considered revenue in the fund financial statements, but are considered revenue in the statement of activities.	771,110
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	10,293,673
Long-term liabilities, including compensated absences, net pension liabilities and compensated absences, are not due and payable in the current period and, therefore, are not reported in the governmental funds. Long-term liabilities consist of:	
Compensated absences	\$ (205,705)
General obligation bonds payable	(325,000)
Notes payable	(1,998,361)
Net pension liability	<u>(3,893,531)</u>
	(6,422,597)
Deferred inflows of resources related to pensions are not received in the current period and, therefore, are not reported in the governmental funds.	(115,003)
Deferred outflows of resources related to pensions are not due and payable in the current period and, therefore, are not reported in the governmental funds.	<u>437,433</u>
Net position of governmental activities	<u>\$ 10,847,328</u>

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

State of New Mexico
Torrance County
Combined Statement of Revenues, Expenditures
and Changes in Fund Balances—Governmental Funds
For the Year Ended June 30, 2016

	Major Funds			Total
	401	402	Nonmajor	
	General Fund	Road Fund		
Revenues				
Intergovernmental sources – federal	\$ -	\$ 93,379	\$ 179,236	\$ 272,615
Intergovernmental sources – state	274,000	482,857	1,827,208	2,584,065
Local and state shared taxes	754,754	679,255	1,778,817	3,212,826
Property taxes	4,326,844	-	433,561	4,760,405
Payment in lieu of taxes	358,517	-	660,250	1,018,767
Charges for services	171,576	1,528	608,135	781,239
Interest	898	177	269	1,344
Other	68,725	5,969	81,421	156,115
Total revenues	<u>5,955,314</u>	<u>1,263,165</u>	<u>5,568,897</u>	<u>12,787,376</u>
Expenditures				
Current				
General government	3,331,580	-	817,977	4,149,557
Public safety	1,285,550	9,500	3,349,947	4,644,997
Highways and streets	-	1,166,530	-	1,166,530
Health and welfare	-	-	857,470	857,470
Capital outlay	-	-	1,167,672	1,167,672
Debt service				
Principal	-	-	519,271	519,271
Interest	-	-	85,838	85,838
Total expenditures	<u>4,617,130</u>	<u>1,176,030</u>	<u>6,798,175</u>	<u>12,591,335</u>
Excess (deficiency) of revenues over expenditures	<u>1,338,184</u>	<u>87,135</u>	<u>(1,229,278)</u>	<u>196,041</u>
Other Financing Sources (Uses)				
Proceeds from loan issuance	-	-	503,716	503,716
Operating transfers in	177,000	-	1,265,526	1,442,526
Operating transfers out	(1,121,882)	-	(320,644)	(1,442,526)
Total other financing sources (uses)	<u>(944,882)</u>	<u>-</u>	<u>1,448,598</u>	<u>503,716</u>
Net change in fund balances	393,302	87,135	219,320	699,757
Fund balances, beginning of year	1,672,163	501,526	3,009,266	5,182,955
Fund balances, end of year	<u>\$ 2,065,465</u>	<u>\$ 588,661</u>	<u>\$ 3,228,586</u>	<u>\$ 5,882,712</u>

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

State of New Mexico
Torrance County
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental
Funds to the Statement of Activities
For the Year Ended June 30, 2016

Net change in fund balances – governmental funds \$ 699,757

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of assets is allocated over their estimated useful lives as depreciation expense. In addition, donations and disposals of capital assets do not affect current financial resources in governmental funds, but do affect capital assets in the statement of net position. In the current period, these amounts are:

Depreciation expense	\$ (788,030)	
Capital asset additions	779,356	
Donation of capital assets	<u>11,550</u>	
		2,876

The issuance of long-term obligations (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In the current period, these amounts are:

Proceeds from loan issuance	(503,716)	
Principal payments on long-term debt	<u>519,271</u>	
		15,555

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds. This amount represents the change in deferred inflows of resources related to delinquent property taxes. 60,578

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	339,972	
Cost of benefits earned net of employee contributions	<u>(181,896)</u>	
		158,076

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This amount represents the change in compensated absences. (25,436)

Change in net position of governmental activities \$ 911,406

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

State of New Mexico
Torrance County
Statement of Revenues, Expenditures and Changes in Fund Balance—
Budget (Non-GAAP Budgetary Basis) to Actual (Non-GAAP Basis)—General Fund
For the Year Ended June 30, 2016

	401			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amount	
	Original	Final		
Revenues				
Property taxes	\$ 3,802,068	\$ 3,802,060	\$ 3,988,965	\$ 186,905
Local and state shared taxes	1,018,000	1,018,000	1,093,883	75,883
Payment in lieu of taxes	299,960	299,960	358,517	58,557
Intergovernmental sources – state	270,000	270,000	274,000	4,000
Interest	2,300	2,300	898	(1,402)
Charges for services	152,750	152,750	153,174	424
Other	<u>73,457</u>	<u>85,996</u>	<u>79,996</u>	<u>(6,000)</u>
Total revenues	<u>5,618,535</u>	<u>5,631,066</u>	<u>5,949,433</u>	<u>318,367</u>
Expenditures				
General government	3,339,287	3,470,091	3,326,631	143,460
Public safety	1,469,968	1,503,007	1,474,533	28,474
Capital outlay	<u>50,000</u>	<u>77,867</u>	<u>68,406</u>	<u>9,461</u>
Total expenditures	<u>4,859,255</u>	<u>5,050,965</u>	<u>4,869,570</u>	<u>181,395</u>
Excess (deficiency) of revenues over expenditures	<u>759,280</u>	<u>580,101</u>	<u>1,079,863</u>	<u>136,972</u>
Other Financing Sources (Uses)				
Operating transfers in	-	177,000	177,000	-
Operating transfers out	<u>(1,120,377)</u>	<u>(1,121,882)</u>	<u>(1,121,882)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,120,377)</u>	<u>(944,882)</u>	<u>(944,882)</u>	<u>-</u>
Net change in fund balances	(361,097)	(364,781)	<u>\$ 134,981</u>	<u>\$ 136,972</u>
Prior-year cash balance to balance the budget	<u>1,626,287</u>	<u>1,626,287</u>		
	<u>\$ 1,265,190</u>	<u>\$ 1,261,506</u>		
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balance – budget to actual			\$ 134,981	
Change in intergovernmental receivable			(128,854)	
Change in property tax receivable			1,737	
Change in prepaid expenses			25,318	
Change in accounts payable			123,634	
Change in accrued payroll and taxes			105,227	
Change in due to other governmental units			<u>131,259</u>	
Net change in fund balance – GAAP basis			<u>\$ 393,302</u>	

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

State of New Mexico
Torrance County
Statement of Revenues, Expenditures and Changes in Fund Balance—
Budget (Non-GAAP Budgetary Basis) to Actual (Non-GAAP Basis)—Road Fund
For the Year Ended June 30, 2016

402

	Budgeted Amounts		Actual Amount	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Local and state shared taxes	\$ 654,500	\$ 654,500	\$ 697,655	\$ 43,155
Intergovernmental sources – federal	75,000	75,000	93,912	18,912
Intergovernmental sources – state	490,152	490,152	483,134	(7,018)
Interest	500	500	177	(323)
Charges for services	4,000	4,000	1,528	(2,472)
Other	3,800	3,800	5,969	2,169
Total revenues	<u>1,227,952</u>	<u>1,227,952</u>	<u>1,282,375</u>	<u>54,423</u>
Expenditures				
General government	1,500,149	1,500,149	1,186,028	314,121
Capital outlay	9,500	9,500	-	9,500
Total expenditures	<u>1,509,649</u>	<u>1,509,649</u>	<u>1,186,028</u>	<u>323,621</u>
Excess (deficiency) of revenues over expenditures	<u>(281,697)</u>	<u>(281,697)</u>	<u>96,347</u>	<u>(269,198)</u>
Net change in fund balances	(281,697)	(281,697)	\$ 96,347	\$ (269,198)
Prior-year cash balance to balance the budget	440,141	440,141		
	<u>\$ 158,444</u>	<u>\$ 158,444</u>		
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balance – budget to actual			\$ 96,347	
Change in intergovernmental receivables			(19,210)	
Change in accounts payable			(13,996)	
Change in accrued payroll and taxes			<u>23,994</u>	
Net change in fund balance – GAAP basis			<u>\$ 87,135</u>	

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

State of New Mexico
Torrance County
Statement of Fiduciary Assets and Liabilities Agency Funds
June 30, 2016

Assets

Property tax receivable	\$ 834,213
Due from other governmental units	<u>169,984</u>
Total assets	<u>\$ 1,004,197</u>

Liabilities

Due to other governmental units	\$ 834,213
Deposit held for others	<u>169,984</u>
Total liabilities	<u>\$ 1,004,197</u>

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

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

1) Summary of Significant Accounting Policies

The County of Torrance (County) was created by Section 4-30-1, New Mexico Statutes Annotated, 1978 Compilation. The powers of the County as a body politic and corporate are exercised by a three-member Board of Commissioners who are elected. At each general election in the State of New Mexico, a County Assessor, County Clerk, County Sheriff and County Treasurer are elected. The County assesses, collects and distributes property taxes; records property and legal documents; provides ambulance service and law enforcement services; and maintains County roads.

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 governmental units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the County's accounting policies are described below.

Reporting Entity

GASB Statement No. 14, as amended by GASB Statement No. 61, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the County is considered the *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the County may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The County has no *component units*, as defined by GASB Statement No. 14, as there are no other legally separate organizations for which the elected Commissioners are financially accountable.

Basic Financial Statements – GASB Statements No. 34, No. 63, and No. 65

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. The reporting model focuses on either the County as a whole or major individual funds (within the basic financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type activities. In the government-wide Statement of Net Position, both governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. The County did not have any business-type activities during the year ended June 30, 2016.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (general government, public safety, etc.). The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function or business-type activity) is normally covered by general revenues (taxes, intergovernmental revenues, interest income, etc.). Historically, the previous mode did not summarize or present net cost by function or activity. The County does not currently employ indirect cost allocation systems.

This government-wide focus is more on the sustainability of the County as an entity and in aggregate financial position resulting from activities of the current fiscal period.

The governmental fund statements are presented on a current financial resource and modified accrual basis of accounting. This presentation is deemed appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the County's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statement's governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities column on the governmental-wide presentation.

Internal activity between the various funds is eliminated in the government-wide financial statements. Interfund receivables and payables at June 30, 2016, have been eliminated. These consist of amounts titled "Interfund receivable (payable)" and "Due from (to) other funds."

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

The County's fiduciary funds (agency funds) are presented in the fund financial statements. Since by definition these assets are being held for the benefit of third parties and cannot be used to address activities or obligations of the County, these funds are presented separately in the governmental funds and are not incorporated into the government-wide statements.

Basis of Presentation

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the County are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and description of each existing fund type follow.

Governmental funds are used to account for the County's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

General Fund—the primary operating fund of the County accounts for all financial resources, except those required to be accounted for in other funds.

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

Debt Service Funds—account for the servicing of general long-term debt not being financed by proprietary or nonexpendable trust funds.

Capital Projects Funds—account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Under the requirements of GASB Statement No. 34, the County is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following:

General Fund—The primary operating fund of the County accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is always considered to be a major fund.

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

Road Fund—To account for funds used to maintain roads for which the County has responsibility. Financing is provided by motor vehicle fees flowing through the State. Expenditures are restricted to the construction and maintenance of County roads. Authority is Section 67-4-1 NMSA 1978.

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the County. The County only reports agency funds during the year ended June 30, 2016.

Agency funds—used to account for assets that government holds for others in an agency capacity.

Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements and the fiduciary fund financial statements are presented on an accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange transactions are recognized when the exchange takes place. The governmental funds in the fund financial statements are presented on a modified accrual basis.

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers all property tax revenues available if they are collected within 60 days of year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

Property taxes are recognized when levied. Derived tax revenues are recognized when the exchange transaction takes place. Property tax and interest revenue are susceptible to accrual. Gross receipt taxes collected and held by the State at year-end on behalf of the government are also recognized as revenue. These are generally received within 60 days of year-end. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grants requirements have been met.

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

In applying the “susceptible to accrual” concept to intergovernmental revenues pursuant to GASB Statement No. 33, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and unearned revenue by the recipient.

Property Taxes

The County Treasurer receives deposits of monies from and collects taxes for the various County funds and other entities located within the County. These monies are deposited by the Treasurer into banks. In the accompanying financial statements, monies held for other than County entities are presented as agency fund monies.

Taxes are collected directly from taxpayers by the County with the Treasurer acting as an employee of the County and as an agent for the entities for whom the collections are ultimately distributed.

The County property tax bills must be mailed by November 1st, the first half of the assessed tax is due November 10th, and becomes delinquent December 10th, the second half of the assessed tax is due April 10th and becomes delinquent May 10th. The applicable property is subject to lien and penalties and interest are assessed when property taxes become delinquent. When property taxes are delinquent three years, the property is transferred to the State Property Tax Department for public sale.

Chapter 7, Articles 35 through 38, NMSA 1978, is the Property Tax Code. The code provides for valuation, administration and enforcement of property taxes. The Department of Finance and Administration (DFA) sets tax rates for the governmental units sharing in the tax.

The Constitution of the State of New Mexico provides the following maximum tax rates and restrictions concerning the use of tax proceeds.

Taxes levied upon tangible property shall be in proportion to the value thereof and taxes shall be equal and uniform upon subjects of taxation of the same class. Different methods may be provided by law to determine value of different kinds of property, but the percentage of value against which tax rates are assessed shall not exceed thirty-three and one-third percent. The Legislature shall provide by law for the valuation of residential property for property taxation purposes in a manner that limits annual increases in valuation of residential property. The limitation may be applied to classes of residential property taxpayers based on owner-occupancy, age or income. The limitations may be authorized state-wide or at the option of a local jurisdiction and may include conditions under which the limitation is applied. Any valuation limitations authorized as a local

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

jurisdiction option shall provide for applying state-wide or multi-jurisdictional property tax rates to the value of the property as if the evaluation increase limitation did not apply.

Taxes levied upon real or personal property for state revenue shall not exceed four mils annually on each dollar of the assessed valuation thereof except for the support of the educational, penal and charitable institutions of the State, payment of the State debt and interest thereon; and the total annual tax levy upon such property for all State purposes exclusive of necessary levies for the state debt shall not exceed ten mils provided, however, that taxes levied upon real or personal tangible property for all purposes, except special levies on specific classes of property and except necessary levies for public debt, shall not exceed twenty mils annually on cash dollar of the assessed valuation thereof, but laws may be passed authorizing additional taxes to be levied outside of such limitations when approved by at least a majority of the qualified electors of the taxing district who paid a property tax therein during the preceding year voting on such proposition.

The County's operational tax rate for the 2015 property tax year was 10.944 mils for residential property and 11.613 mils for nonresidential property. The debt service tax rate was 0.926 mils for both types of property.

All property tax receivables are shown net of allowance for uncollectibles. The property tax receivable allowance is equal to .97% of property taxes billed for each year and for 100% of the outstanding receivable that are no longer collectible under state statute. The total allowance for all property taxes is \$726,549, with \$377,991 reported in the County's governmental funds and \$348,558 reported in the agency funds.

Budgetary Information

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

1. Prior to June 1, the County submits a proposed budget to the Local Government Division of the DFA.
2. The Local Government Division shall:
 - a. Examine each proposed budget, and on or before July 1 of each year, approve and certify for the County an operating budget for use pending approval of a final budget;
 - b. Hold public hearings on proposed budgets;
 - c. Make such corrections, revisions, and amendments to proposed budgets as may be necessary to meet the requirements of law;

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

- d. Certify a final budget for the County prior to the first Monday of September of each year. Such budgets, when approved, shall be binding upon all officials of the State;
 - e. Upon the approval of the director of the DFA, authorize the transfer of funds from one budget item to another when such transfer is requested and an emergency condition exists meriting such transfer and such transfer is not prohibited by law. In case of emergency necessitating the expenditure for item or items not provided for in the budget, upon approval of the director of the DFA, the budget may be revised to authorize such expenditures;
 - f. With written approval of the director of the DFA, increase the total budget of the County in the event the County undertakes an activity, service, project or construction program which was not contemplated at the time of the final budget was adopted and approved and which activity, service, project or construction program will produce sufficient revenue to cover such increase in the budget or the County has surplus funds on hand not necessary to meet the expenditures provided for in the budget with which to cover such increase in the budget;
 - g. Supervise the disbursement of funds to the end that expenditures will not be made in excess of budgeted items or for items not budgeted and that there will not be illegal expenditures;
 - h. Prescribe the form for all budgets, books, records and accounts for the County; and
 - i. With the approval of the director of the DFA, make rules and regulations relating to budgets, records, reports, handling and disbursement of public funds, or in any matter relating to the financial affairs of the County.
3. The County Manager is authorized to transfer budgeted amounts between departments within any fund.
 4. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Fund.
 5. Budgets for the General, Special Revenue, Debt Service, and Capital Projects Fund are adopted on a basis inconsistent with GAAP. Budgetary and actual comparisons presented for these funds in this report are on the non-GAAP (cash) budgetary basis.
 6. Budgeted amounts are as originally adopted, or as amended by the County Commissioners and approved by the DFA.
 7. The level of classification detail in which expenditures may not legally exceed appropriations for budget is at the fund level.

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

Assets, Liabilities and Fund Equity

Deposits and Investments—The County’s cash and investments are considered to be cash on hand, demand deposits and short-term investments with original maturities of one year or less from the date of acquisition. State statutes (Public Monies Act 6-10 through 6-10-63 NMSA 1978) authorize the County to invest in (1) bond or negotiable securities of the United States, the State or any county, municipality or school district which has a taxable valuation of real property for the last preceding year of at least one million dollars (\$1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bond at maturity at any time within five years last preceding; or (2) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government. The County may also invest in repurchase agreements and in the State Treasurer’s Local Government Investment Pool (LGIP). Sections 6-10-16 and 6-10-17 NMSA 1978 requires that the deposit of public money be secured by securities of the United States, its agencies, instrumentalities, counties, municipalities or other subdivisions or by securities that are guaranteed by the United States or the State of New Mexico equal to one-half the amount of public money on deposit.

Accounts Receivable—Accounts receivable are recorded in the various governmental funds. They consist of amounts receivable from local governments relating to various grant agreements and property taxes receivable. In the government-wide statements, property taxes are recognized in the year for which the taxes are levied. As of June 30, 2016, there was an allowance for uncollectable property taxes. However, there is no allowance for all other accounts receivable because there is no history of write-offs. In the governmental funds statements, those property taxes receivable which are not available within sixty days are deferred. Nonexchange transactions, including grants and contributions, which are not measurable (reasonably estimated) are not recognized.

Capital Assets—Capital assets are recorded at historical cost and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the County as assets with an initial individual cost of more than \$5,000 in accordance with Section 12-6-10 NMSA 1978 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized.

Other costs incurred for repairs and maintenance are expensed as incurred. The County does not capitalize interest in regards to its capital assets. The County capitalizes purchased software, but has not internally developed software.

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

Estimated useful life is management’s estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Buildings and improvements	15 - 45 years
Vehicles, machinery and equipment	4 - 20 years
Infrastructure (roads)	10 years

GASB Statement No. 34 requires the recording and depreciation of infrastructure assets, which include roads, bridges, traffic signals, etc. The County infrastructure assets consist of roads only. These are depreciated over an estimated useful life of 10 years. In accordance with the provisions of GASB Statement No. 34, the County is considered to be a Phase 3 Government (total annual revenues of less than \$10 million) and has elected to report infrastructure assets in a prospective manner only. That is, infrastructure in place before July 1, 2003, is not reported.

Unearned Revenues and Deferred Inflows of Resources—The County reports unearned revenues on its statement of net position and funds balance sheet. Unearned revenues arise when resources are received by the County before it has legal claim to them. Delinquent property taxes receivable are not considered available financial resources and therefore are reported as deferred inflows of resources in the fund financial statements. In subsequent periods, when the County has a legal claim to the resources, the deferred inflows of resources for unavailable revenue is removed from the balance sheet and the revenue is recognized.

Compensated Absences—Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. 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 Assets. The General Fund is typically the fund used to liquidate compensated absences not liquidated by another fund.

Long-term Liabilities—For government-wide reporting, the costs associated with bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34, the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34. For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as other financing sources net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

Pension—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.

Net Position—Net position represents the difference between assets plus deferred outflows of resources and liabilities less deferred inflows of resources. The County classifies net position in the government-wide fund financial statements as follows:

- ◆ *Net Investment in Capital Assets* includes the County’s capital assets (net of accumulated depreciation) reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds.
- ◆ *Restricted Net Position* includes assets that have limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments (statutory, bond covenant, or granting agency). The County typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a future project.
- ◆ *Unrestricted Net Position* typically includes the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, that are not included in the determination of net investment of capital assets or restricted net position.

Fund Balance—GASB Statement No. 54 requires fund balance amounts to be reported within one of the fund balance categories list below:

- ◆ *Nonspendable*—includes amounts that cannot be spent because (1) they are either not in spendable form or (2) they are legally or contractually required to be maintained intact.
- ◆ *Restricted*—fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

- ◆ *Committed*—fund balance classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government’s highest level of decision-making authority removes or changes the specified use by taking the same action it employed to previously commit those amounts.
- ◆ *Assigned*—fund balance classification intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.
- ◆ *Unassigned*—fund balance is the residual classification for the government’s general fund and includes all spendable amounts not contained in the other classifications.

The County would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

According to New Mexico State Statute and the DFA, the County is required to reserve 3/12ths of the general fund’s budgeted expenditures for subsequent year expenditures as a reserve requirement. The DFA also requires that 1/12th of the road fund budgeted expenditures be reserved. These balances are reported as restricted fund balance for subsequent years expenditures in the general fund and the road fund. Reserves can be spent during the course of the fiscal year as long as they are replenished by fiscal year-end.

Interfund Transactions—Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

Recently Issued Accounting Pronouncements

GASB has issued several statements which have not been implemented by the County at June 30, 2016. The County will implement the new GASB pronouncements in the fiscal year no later than the required effective date. Management is still evaluating the financial impact that these pronouncements will have.

2) Cash and Investments

Cash

The County operates a pooled cash fund. That is, all cash is maintained in a single bank account and is accounted for internally by fund. In the fund financial statements, total cash and investments are reported in the general fund. Cash in other governmental funds is reported as “due from other funds” (or as “due to other funds” in the case of a fund overdraft) with a corresponding amount in the general fund. Cash in the agency funds is reported as “due from other governmental units,” with a corresponding entry in the general fund.

Cash and investments at June 30, 2016, is made up of the following:

Deposits	\$ 2,127,941
Cash on hand	300
Local government investment pool	<u>3,108,151</u>
Total cash and investments	<u><u>\$ 5,236,392</u></u>

Cash and investments of the General Fund only is calculated as follows:

Total cash and investments	\$ 5,236,392
Due to other funds	(2,639,084)
Due to other governmental units	<u>(169,984)</u>
Cash and investments, general fund	<u><u>\$ 2,427,324</u></u>

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

Pledged Collateral

New Mexico statutes provide that deposits of public monies in financial institutions must be secured by pledged collateral in an aggregate value equal to one-half of the amount of the public monies deposited after deducting the amount of Federal Deposit Insurance Corporation insurance coverage for each financial institution. Pledged collateral for the County's deposits is shown below at June 30, 2016:

Total amount of deposits	\$ 2,490,323
Less: FDIC coverage	(250,000)
	2,240,323
Total uninsured public funds	2,240,323
50% collateral requirement	1,120,162
	2,503,860
Pledged securities, fair value	2,503,860
Pledged in excess of requirement	\$ (1,383,698)

Custodial Credit Risk

Custodial credit is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County's policy regarding custodial credit risk is to comply with Section 6-10-17, NMSA 1978. At June 30, 2016, there were no bank balances exposed to custodial credit risk.

Investments

The County has invested funds in the LGIP operated by the New Mexico State Treasurer. The investments are valued at fair value based on quoted market prices as of the valuation date.

The LGIP is not SEC registered. Section 6-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investments fund in securities that are issued by the United States Government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States Government or are agencies sponsored by the United States Government. The LGIP investments are monitored by the same investment committee and the same policies and procedures that apply to all other State investments.

The LGIP does not have unit shares. According to Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amount deposited in the fund and the length of time the amounts in the LGIP were invested. Participation in the LGIP is voluntary. The LGIP is rated a Standard and Poors AAAM rated money market fund. The LGIP maintains 99% of its holdings as investment grade (A-1+ or

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

AAA) or better, a weighted average maturity specific to the WAM(R) of 44 days, and WAM(F) of 77 days.

3) Interfund Receivables/Payables

In the fund financial statements, total cash and investments are reported in the general fund. Cash in other governmental funds is reported as “due from other funds” (or as “due to other funds” in the case of a fund overdraft) with a corresponding amount in the general fund. These are summarized as follows:

	Due From	Due To
Major funds		
General fund	\$ -	\$ 3,196,447
Road fund	536,488	-
Nonmajor governmental funds	3,217,322	557,363
Total	\$ 3,753,810	\$ 3,753,810

These interfund receivables and payables are eliminated in the government-wide financial statements. The following are the interfund receivables/payables that have not been eliminated and are reported as due to other governmental entities in the fund balance sheet:

	Due From	Due To
General fund	\$ -	\$ 169,984
Agency funds	169,984	-

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

4) Capital Assets

The following is a summary of changes in capital assets during the year:

	Balance June 30, 2015 (as restated)	Additions	Deletions	Transfers	Balance June 30, 2016
Governmental Activities					
<i>Capital assets not being depreciated</i>					
Land and right-of-way	\$ 482,098	\$ -	\$ -	\$ -	\$ 482,098
Artwork and antiques	<u>372,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>372,500</u>
Total capital assets not being depreciated	<u>854,598</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>854,598</u>
<i>Capital assets being depreciated</i>					
Buildings and improvements	9,130,489	-	-	-	9,130,489
Vehicles, machinery and equipment	6,659,128	790,906	-	-	7,450,034
Infrastructure (roads)	<u>1,952,608</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,952,608</u>
Total capital assets being depreciated	<u>17,742,225</u>	<u>790,906</u>	<u>-</u>	<u>-</u>	<u>18,533,131</u>
<i>Less accumulated depreciation for</i>					
Buildings and improvements	(3,317,408)	(202,247)	-	-	(3,519,655)
Vehicles, machinery and equipment	(4,112,649)	(390,522)	-	-	(4,503,171)
Infrastructure (roads)	<u>(875,969)</u>	<u>(195,261)</u>	<u>-</u>	<u>-</u>	<u>(1,071,230)</u>
Total accumulated depreciation	<u>(8,306,026)</u>	<u>(788,030)</u>	<u>-</u>	<u>-</u>	<u>(9,094,056)</u>
Total capital assets being depreciated, net	<u>9,436,199</u>	<u>2,876</u>	<u>-</u>	<u>-</u>	<u>9,439,075</u>
Governmental activities capital assets, net	<u>\$ 10,290,797</u>	<u>\$ 2,876</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,293,673</u>

Depreciation expense was charged as a direct expense to the functions of the government as follows:

General government	\$ 232,173
Public safety	317,694
Highways and streets	228,116
Health and welfare	<u>10,047</u>
Total depreciation expense	<u>\$ 788,030</u>

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

5) Long-Term Debt

During the fiscal year ended June 30, 2016, the following changes occurred in long-term debt:

	Balance June 30, 2015	Additions	Retirements	Balance June 30, 2016	Due Within One Year
General obligation bonds payable	\$ 650,000	\$ -	\$ 325,000	\$ 325,000	\$ 325,000
Notes payable	1,688,916	503,716	194,271	1,998,361	207,192
Compensated absences payable	180,269	25,436	-	205,705	-
Total long-term obligations	<u>\$ 2,519,185</u>	<u>\$ 529,152</u>	<u>\$ 519,271</u>	<u>\$ 2,529,066</u>	<u>\$ 532,192</u>

General Obligation Bonds

During the fiscal year ended June 30, 2002, the County issued \$3,050,000 of general obligation bonds to acquire and improve a necessary site for and acquiring constructing, furnishing, equipping and improving a new County courthouse. The bonds are secured by the full faith and credit of the County and are payable from taxes levied on all property located within the County. The annual debt service requirements of the general obligation bonds are as follows:

	Principal	Interest	Total
Year ending June 30, 2017	\$ 325,000	\$ 7,800	\$ 332,800
Totals	<u>\$ 325,000</u>	<u>\$ 7,800</u>	<u>\$ 332,800</u>

Long-Term Notes

The County's long-term notes consist of the following:

- ◆ During the year ended June 30, 2007, the County received approval for a loan from the New Mexico Finance Authority in the amount of \$581,320, 2.875% interest, for the construction of a fire station in the Northeast Torrance Fire District. Revenues from the District's State Fire Allotment and Fire Protection Excise Tax will be pledged in repayment of this loan and are by the Finance Authority. The balance as of June 30, 2016, is \$359,354 and matures on May 1, 2027.
- ◆ During the year ended June 30, 2008, the County received approval for a loan from the New Mexico Finance Authority in the amount of \$166,667, 3% interest, for the construction of a new fire station for the Fire Protection Districts within the County. Revenues from the County Fire Excise Tax will be pledged in repayment of this loan and are by the Finance Authority. The balance as of June 30, 2016, is \$86,125 and matures on May 1, 2023.

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

- ◆ During the year ended June 30, 2008, the County received approval for a loan from the New Mexico Finance Authority in the amount of \$50,000, .25% interest, for the construction, renovation and completion of the interior of the Homestead Estates Fire Station. Revenues from the State Fire Protection Fund and State Fire Excise Tax will be pledged in repayment of this loan and are by the Finance Authority. The balance as of June 30, 2016, is \$30,300 and matures on May 1, 2028.
- ◆ During the year ended June 30, 2009, the County received approval for a loan from the New Mexico Finance Authority in the amount of \$30,450, 3.0% interest for the renovation and completion of the McIntosh Fire Station. Revenues from First Protection Excise Tax will be pledged in repayment for this loan and are by the Finance Authority. The balance as of June 30, 2016, is \$16,197 and matures on May 1, 2023.
- ◆ During the year ended June 30, 2010, the County received approval for a loan from the New Mexico Finance Authority in the amount of \$493,201, 3.776% interest, for the designing, constructing, equipping, and furnishing a new County Dispatch Center. The County Gross Receipts Tax will be imposed on all gross receipts of all persons engaging in business within the governmental unit, which provides for the pledged revenues for the loan and are by the New Mexico Finance Authority. The balance as of June 30, 2016, is \$357,168 and matures on May 1, 2029.
- ◆ During the year ended June 30, 2010, the County received approval for a loan from the New Mexico Finance Authority in the amount of \$382,729, 2.618% interest, for the cost of purchasing and equipping a fire pumper for the use by Fire District #2. One fourth of one percent (.25%) of the County Fire Protection Excise Tax on the gross receipts of all persons engaging in business within the governmental unit will provide the pledged revenues, are intercepted by the New Mexico Finance Authority. The balance as of June 30, 2016, is \$163,922 and matures on May 1, 2019.
- ◆ During the year ended June 30, 2010, the County received approval for a loan from the New Mexico Finance Authority in the amount of \$382,729, 2.726% interest, for the cost of purchasing and equipping a fire pumper for the use by Fire District #2. State Fire Protection Funds will provide pledged revenues that are by the New Mexico Finance Authority beginning in fiscal year 2011. The balance as of June 30, 2016, is \$126,792 and matures on May 1, 2020.
- ◆ During the year ended June 30, 2010, the County received approval for a loan from the New Mexico Finance Authority in the amount of \$65,975, 4.925% interest, for the cost of purchasing, designing and building a communications tower dispatch center. Pledged Revenues of the County's Gross Receipts are by the New Mexico Finance Authority beginning in fiscal year 2011. The balance as of June 30, 2016, is \$51,092 and matures on May 1, 2030.
- ◆ During the year ended June 30, 2010, the County received approval for a loan from the New Mexico Finance Authority in the amount of \$86,275, 2.767% interest, for

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

the cost of purchasing, designing and building a communications tower dispatch center. Pledged Revenues of the County's Gross Receipts are by the New Mexico Finance Authority beginning in fiscal year 2011. The balance as of June 30, 2016, is \$62,522 and matures on May 1, 2029.

- ◆ During the year ended June 30, 2013, the County received approval for a loan from the New Mexico Finance Authority in the amount of \$203,000, 2.403% blended interest rate, for the cost of purchasing a fire tanker truck. Pledged Revenues of the County's Fire Protection Funds are intercepted by the New Mexico Finance Authority in fiscal year 2014. The balance as of June 30, 2016, is \$168,146 and matures on May 1, 2028.
- ◆ During the year ended June 30, 2015, the County received approval to transfer a loan from the Village of Willard to the County in the amount of \$96,215. Pledged Revenues of the County's Fire Protection Funds are intercepted by the New Mexico Finance Authority beginning in fiscal year 2016. The balance as of June 30, 2016, is \$73,027 and matures on July 1, 2018.
- ◆ During the year ended June 30, 2016, the County received approval for a loan from NMFA in the amount of \$503,716, 3.0165% blended interest rate, for the cost of purchasing a fire tanker. Pledged revenues of the County's Fire Protection Funds are intercepted by NMFA beginning in fiscal year 2017. The balance as of June 30, 2016 is \$503,716 and matures on May 1, 2036.

Debt service requirements for all notes is as follows:

	Principal	Interest	Total
Year ending June 30,			
2017	\$ 207,192	\$ 61,797	\$ 268,989
2018	215,882	53,244	269,126
2019	221,487	47,784	269,271
2020	157,020	41,699	198,719
2021	117,102	37,407	154,509
2022-2026	586,959	138,560	725,519
2027-2031	339,118	54,188	393,306
2032-2036	153,601	16,627	170,228
Totals	\$ 1,998,361	\$ 451,306	\$ 2,449,667

In fiscal year 2017, voters of the County authorized the Board of County Commissioners to issue general obligations bonds of \$2.4 million for the purposes of constructing, equipping, and acquiring communication equipment and towers for the County law enforcement, fire protection, and emergency medical responders, as well as to construct

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

and repair public roads in the County. The bonds were sold in a private placement to New Mexico Finance Authority in December 2016 at a rate of 1.6919%. The bonds mature annually on August 1 each year from fiscal year 2017 through fiscal year 2032.

Accrued Compensated Absences

It is the County’s policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave. Sick leave accumulates at the rate of 3.69 hours per bi-weekly pay period. Accrued sick leave is forfeited upon termination of employment.

Full-time county employees accrue annual leave based on hours per bi-weekly pay period and years of service, according to the following schedule:

Hours Per Bi-Weekly Pay Period	Accrual Rate Range Per Bi-Weekly Pay Period
64	2.46 - 4.92
72	2.77 - 5.54
80	3.08 - 6.15

Annual leave must be taken within the calendar year. Employees are only allowed to carry over one hundred (100) hours of annual leave to the next calendar year. Also included in accrued compensated absences is the liability for unused compensatory time.

6) Industrial Revenue Bonds

On September 15, 2008, the County issued \$195 million in industrial revenue bonds related to the High Lonesome Wind Project for the purposes of constructing a wind farm. As of June 30, 2016, the outstanding balance was \$149.5 million plus accrued interest. The County has no obligation to pay this debt. It is the responsibility of High Lonesome Mesa, LLC. The County’s sole responsibility is to lease the project site property to High Lonesome Mesa, LLC through at least November 2038.

On December 17, 2015, the County issued \$575 million in industrial revenue bonds related to the El Cabo Wind Project for the purposes of constructing a wind farm. As of June 30, 2016, the outstanding balance was \$575 million plus accrued interest. The County has no obligation to pay this debt. It is the responsibility of El Cabo Wind, LLC. The County’s sole responsibility is to lease the project site property to El Cabo Wind, LLC through at least December 2045.

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

7) Tax Roll Reconciliation

Property taxes receivable, beginning of year		\$ 1,614,255
Changes to tax roll		
Taxes charged to treasurer for fiscal year		9,097,910
Adjustments		
Net adjustments		622,300
Uncollected taxes for 2005 tax year		<u>(40,900)</u>
Total receivables prior to collections		11,293,565
Collection for fiscal year ended June 30, 2016		<u>(8,952,114)</u>
Property taxes receivable, end of year		2,341,451
Allowance for uncollectible		<u>(726,548)</u>
Property taxes receivable, net end of year		<u><u>\$ 1,614,903</u></u>
Property taxes receivable by years, net		
2006-2014		\$ 857,204
2015		<u>757,699</u>
Total property taxes receivable, net		<u><u>\$ 1,614,903</u></u>

8) Transfers

The following transfers occurred during the year. These transfers served the following purposes: (a) close out grant funds which had deficit fund balances; (b) subsidize the operations of the road fund and corrections fund; and (c) transfer the required matching funds to grant funds.

Transfers From	Transfers To	Amounts
Major funds		
General fund	Nonmajor governmental funds	\$ 1,121,882
Nonmajor funds		
Other governmental funds	General fund	177,000
Other governmental funds	Other governmental funds	143,644

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

9) PERA 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 refunds of member contributions, to any of the plan members or beneficiaries, as defined by the terms of this plan. Certain coverage plans are only applicable to a specific division. Eligibility for membership in the PERA Fund is set forth in the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). Except as provided for in the Volunteer Firefighters Retirement Act (10-11A-1 to 10-11A-7, NMSA 1978), the Judicial Retirement Act (10-12B-1 to 10-12B-19, NMSA 1978), the Magistrate Retirement Act (10-12C-1 to 10-12C-18, NMSA 1978), and the Educational Retirement Act (Chapter 22, Article 11, NMSA 1978), and the provisions of Sections 29-4-1 through 29-4-11, NMSA 1978 governing the State Police Pension Fund, each employee and elected official of every affiliated public employer is required to be a member in the PERA Fund.

PERA issues a publicly available financial report and a comprehensive annual financial report that can be obtained at <http://www.saonm.org/>.

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.

Contributions. The contribution requirements of defined benefit plan members and the County are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for fiscal year 2015 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures of the PERA fiscal year 2015 annual audit report. The PERA coverage options that apply to the County are the Municipal General Division and the Municipal Police Division. Statutorily required contributions to the pension plan from the County were \$339,972 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2015. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30,

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement dated June 30, 2015.

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

PERA Municipal Government Division

For the PERA Municipal General Division, at June 30, 2016, the County reported a liability of \$3,084,250 for its proportionate share of the net pension liability. At June 30, 2015, the County's proportion was 0.3025%.

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

For the year ended June 30, 2016, the County recognized PERA Municipal General Division pension expense of \$120,958. At June 30, 2016, the County reported PERA Municipal General Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 1,201
Net difference between projected and actual earnings on pension plan investments	-	9,757
Net difference between expected and actual experience	-	68,318
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,574	-
County contributions subsequent to the measurement date	269,754	-
	<u>\$ 273,328</u>	<u>\$ 79,276</u>

\$269,754 reported as deferred outflows of resources related to pensions resulting from the County contributions subsequent to the measurement date June 30, 2015, will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows and deferred inflows related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2017	\$ 188,909
2018	(80,845)
2019	(80,845)
2020	166,639
2021	194
	<u>\$ 194,052</u>

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

PERA Municipal Police Division

For the PERA Municipal Police Division, at June 30, 2016, the County reported a liability of \$809,281 for its proportionate share of the net pension liability. At June 30, 2015, the County's proportion was 0.1683%.

For the year ended June 30, 2016, the County recognized PERA Municipal Police Division pension expense of \$87,289. At June 30, 2016, the County reported PERA Fund Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 33,482
Net difference between projected and actual earnings on pension plan investments	-	2,245
Net difference between expected and actual experience	56,549	
Changes in proportion and differences between employer contributions and proportionate share of contributions	37,338	-
County contributions subsequent to the measurement date	70,218	-
	<u>\$ 164,105</u>	<u>\$ 35,727</u>

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

\$70,218 reported as deferred outflows of resources related to pensions resulting from the County contributions subsequent to the measurement date June 30, 2015, will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and deferred inflows related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2017	\$ 72,154
2018	1,936
2019	1,936
2020	50,322
2021	2,030
	<u>\$ 128,378</u>

Actuarial Assumptions—As described above, the PERA Fund member group pension liabilities and net pension liabilities are based on actuarial valuations performed as of June 30, 2014, for each of the membership groups. Then each PERA Fund member group pension liability was rolled from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. There were not significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2015. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2015, actuarial valuation.

Actuarial valuation date	June 30, 2015
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay
Amortization period	Solved for based on statutory rates
Asset valuation method	4 year Smoothed Market
Actuarial assumptions:	
– Investment rate of return	7.75% annual rate, net of investment expense
– Payroll growth	3.50% annual rate
– Projected salary increases	4.00% to 14.25% annual rate
– Included inflation at	3.00% annual rate

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

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

allocation percentage and by adding expected inflation. The target asset allocation and most recent best estimates of arithmetic real times 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
U.S. Equity	21.1 %	5.00 %
International Equity	24.8	5.20
Core and Global Fixed Income	26.1	1.85
Fixed Income Plus	5.0	4.80
Private Equity	7.0	8.20
Absolute Return	4.0	4.15
Real Estate	5.0	5.30
Real Assets	7.0	5.70
Total	<u>100.0 %</u>	

Discount Rate: The discount rate used to measure the total pension liability was 7.75%. 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 GASB Statement No. 67. Therefore, the 7.75% assumed long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
PERA Municipal General Division			
County’s proportionate share of the net pension liability	<u>\$ 5,251,253</u>	<u>\$ 3,084,250</u>	<u>\$ 1,282,533</u>

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
PERA Municipal Police Division			
County's proportionate share of the net pension liability	<u>\$ 1,336,478</u>	<u>\$ 809,281</u>	<u>\$ 376,800</u>

Pension Plan Fiduciary Net Position. Detailed information about the pension's fiduciary net position is available in the separately issued fiscal year 2015 PERA financial report.

10) Post-Employment Benefits – State Retiree Health Care Plan

Plan Description. The County contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment health care 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 health care 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 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 post-employment health care plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, New Mexico 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 health care benefits. Each participating retiree pays a monthly

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

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, 2016, 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, 2016, 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.

The County's contributions to the RHCA for the years ended June 30, 2016, 2015, and 2014, were \$67,481, \$62,038, and \$59,901, respectively, which equal the required contributions for each year.

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

11) Insurance Coverage

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters, for which the County carries insurance through the New Mexico Insurance Authority and the New Mexico Association of Counties Multi-Line Pool. The following is a summary of some of the more significant insurance coverage information related to the County.

Coverage provided to the County through membership in the New Mexico County Insurance Authority Multi-Line Pool (Authority) includes tort liability limits for casualty coverage (general automobile, civil rights and public officials' liability) on a "claim made" basis with an additional \$200,000 for defense costs above the tort limits. Property is subject to a limit of \$50,000,000 each occurrence, with sublimits for certain coverage extensions. Crime coverage has a limit of \$200,000. The County pays a deductible of \$500 for each property or crime loss, and a deductible of \$3,000 for each civil rights claim. The Authority pays losses up to \$150,000 for property and \$250,000 for liability per occurrence.

Coverage provided by the Authority's Worker's Compensation Pool includes up to \$300,000 for each accident and up to \$300,000 for each employee or occupational disease. The County also has volunteer firefighters and boiler and machine insurance coverage through the Authority's multi-line pool.

Coverage provided to the County through membership in the New Mexico Association of Counties Law Enforcement Liability Program (Association) includes tort liability limits for police professional liability coverage on a "claims made" basis. The County pays an operational deductible of \$15,000 per occurrence. The Association pays covered losses above the deductible up to \$250,000 per occurrence from the Association's funds collected for law enforcement only. Excess coverage is provided in an amount up to \$12,750,000 for the annual pool aggregate for covered claims which exceed the self-insured retention.

12) Commitments, Contingent Liabilities and Litigation

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

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County’s legal counsel the resolution of these matters will not have a material adverse effect on the financial statements of the County.

The County accepts prisoners from the State of New Mexico Department of Corrections and U.S. Marshal Service and subcontracts with the Corrections Corporation of America (CCA) for housing those prisoners. If CCA fails to meet the contract requirements, the County could be liable for awards or damages resulting from legal actions filed by prisoners.

13) Operating Leases

The County is obligated to Caterpillar Financial Services Corporation under a lease for seven motor graders accounted for as an operating lease. The lease is a five-year lease and the monthly payment is \$13,271. Expenses related to this lease were \$132,721 for 2016. The minimum lease payments are as follows:

	Total Payments
Year ended June 30,	
2017	\$ 159,276
2018	39,814
Totals	\$ 199,090

14) Environmental Gross Receipts Tax—Pledged Revenues

Torrance County and other members of the Torrance County Solid Waste Authority, now known as the Estancia Valley Solid Waste Authority, entered into a loan agreement with the New Mexico Finance Authority in 1999. The loan amount was \$556,119 and the proceeds were used to (a) refund Torrance County Series 1992 Environmental Revenue Bonds and (b) construct solid waste facilities for the Solid Waste Authority.

As part of the above agreement, the County pledged the revenues received from its 1/8 of 1% county environmental services gross receipts tax as security for payment of the loan agreement. The City of Moriarty, Town of Estancia, Town of Mountainair, and the Village of Willard, as members of the Solid Waste Authority, also pledged revenues

State of New Mexico
Torrance County
Notes to the Financial Statements
June 30, 2016

received from the 1/16 of 1% municipal environmental services gross receipts tax imposed by them. These revenues are all intercepted by the New Mexico Finance Authority.

The above referenced loan is payable solely from the pledged revenues noted above, and the note holder cannot look to any other revenues of the County in payment. The loan is not considered to be a general obligation of the County and it is not included in the financial statements of the County.

15) Restatement of Beginning Net Position

During fiscal year 2016, the County performed an inventory count of its capital assets and input the results of this count into its newly implemented capital assets system. As a result of this count, the County identified several errors in its reported capital assets and accumulated depreciation at July 1, 2015. Therefore, the County has restated its beginning net position of governmental activities by \$96,949 to correct these errors.

16) Fund Deficits

The following funds reported fund deficits at June 30, 2016:

- ◆ Adolescent Pregnancy Prevention (fund 626) – this fund reports a fund deficit of \$274
- ◆ Home Visiting Grant (fund 629) – this fund reports a fund deficit of \$16,737
- ◆ Forest Service Patrol (fund 808) – this fund reports a fund deficit of \$2,201
- ◆ NM Primary Care Association (fund 819) – this fund reports a fund deficit of \$12,675
- ◆ NMDHLS EMPG (fund 826) – this fund reports a fund deficit of \$10,757
- ◆ NMDHLS Mitigation Grant (fund 828) – this fund reports a fund deficit of \$28,595
- ◆ EMW 2015 EP Grant (fund 833) – this fund reports a fund deficit of \$7,413
- ◆ Dog Head Fire (fund 834) – this fund reports a fund deficit of \$58,236.

The fund deficits in funds 626, 819, and 826 will be recovered through future transfers from the County's general fund.

The fund deficits in funds 629, 808, 828, 833, and 834 will be recovered through grant reimbursements received by these funds after June 30, 2016.

Required Supplementary Information

State of New Mexico
Torrance County
Schedule of the County's Proportionate Share
of the PERA Net Pension Liability
Last 10 Fiscal Years*

Municipal General Division

	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability (asset)	0.3025%	0.3019%
County's proportionate share of the net pension liability (asset)	\$ 3,084,250	\$ 2,355,144
County's covered-employee payroll	\$ 2,824,653	\$ 2,489,956
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	109.19%	94.59%
Plan fiduciary net position as a percentage of the total pension liability	76.99%	81.29%

Municipal Police Division

	<u>2016</u>	<u>2015</u>
County's proportion of the net pension liability (asset)	0.1683%	0.1533%
County's proportionate share of the net pension liability (asset)	\$ 809,281	\$ 499,741
County's covered-employee payroll	\$ 675,169	\$ 600,201
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	119.86%	83.26%
Plan fiduciary net position as a percentage of the total pension liability	76.99%	81.29%

*The amounts presented were determined as of June 30, 2016. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is completed, the County will present information for those years for which information is available.

State of New Mexico
Torrance County
Schedule of the County's PERA Contributions
Last 10 Fiscal Years*

Municipal General Division

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 269,754	\$ 239,140
Contributions in relation to the contractually required contribution	<u>(269,754)</u>	<u>(239,140)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	<u>\$ 2,824,653</u>	<u>\$ 2,489,956</u>
Contributions as a percentage of covered-employee payroll	10%	10%

Municipal Police Division

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 70,218	\$ 62,331
Contributions in relation to the contractually required contribution	<u>(70,218)</u>	<u>(62,331)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	<u>\$ 675,169</u>	<u>\$ 600,201</u>
Contributions as a percentage of covered-employee payroll	10%	10%

*The amounts presented were determined as of June 30, 2016. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is completed, the County will present information for those years for which information is available.

State of New Mexico
Torrance County
Notes to the Required Supplementary Information
June 30, 2016

1) 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.

2) 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

State of New Mexico
Torrance County
Nonmajor Special Revenue, Debt Service, and
Capital Projects Funds Description
June 30, 2016

Nonmajor Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Farm and Range Fund—To account for the operations of farm and range activities, including soil and water conservation, predatory animal and insect control. Financing is provided from distributions made under the Taylor Grazing Act. Authority is Section 6-11-6, NMSA 1978.

CR A085 Developer Fee Fund—To account for fees received for improvements, as may be necessary to County Road A-085. Financing is provided by a developer as a condition of approving a special use permit from the County and as defined in a Road Maintenance Agreement. Authority is the County Commission.

Fire District Funds—To account for the operations of the five fire districts, which are defined by the area served. The individual fire districts are Northeast Torrance, Torrance County District II, Duran, McIntosh, and Torreon-Tajique. Financing is provided from the County's share of the fire allotment issued by the State Fire Marshal under 59A-53-5, NMSA 1978, and also by gross receipts taxes approved by the voters of the County.

Law Enforcement Protection Fund—To account for a grant from the State of New Mexico Corrections Department through the Law Enforcement Protection Act. The funding is to be used for law enforcement improvements. Authority is 29-13-1, NMSA 1978.

Fire Pool 1/4% Tax Fund—To account for expenditures incurred in providing services and equipment purchases for the fire districts. Financing is provided by the County's share of gross receipts tax and may be used only for that purpose. Authority granted by Section 7-20E-15 and 7-20E-16, NMSA 1978.

County Fair Board Fund—To account for the proceeds and expenditures of all revenue associated with the Torrance County Fair. Authority is the County Commission.

Fire Department Administration Fund—This fund is used to provide resources to administer the volunteer fire districts. Funds are provided by an allotment from the State Fire Marshal and gross receipts taxes. Authorized by 59A-53-5, NMSA 1978.

Indigent Fund—To account for expenditures incurred in providing services for the care of indigents. Financing is provided by the County's share of gross receipts tax and may be used only for that purpose. Authority is 27-5-7, NMSA 1978.

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

State of New Mexico
Torrance County
Nonmajor Special Revenue, Debt Service, and
Capital Projects Funds Description — continued
June 30, 2016

Corrections Fund—To account for resources used to pay for the housing and care of Torrance County inmates. Funding is provided by charges to local municipalities, the New Mexico Department of Corrections, local gross receipts tax option, and transfers from the Torrance County General Fund. This fund also accounts for the Community Monitoring Program. Authority is the County Commission.

Environmental Gross Receipts Tax Fund—To account for funds received for environmental gross receipts taxes that are then provided to the Torrance County Solid Waste Authority to help repay a loan arranged with the New Mexico Finance Authority. Authority is the County Commission.

WIPP Funding—To account for the WIPP funding received from the State Fire Marshal's Office as defined by the contract with the State Fire Marshal's Office. Authority is the State Fire Marshal's Office.

Volunteer Recruitment/Retention —To account for a grant from the National Rifle Association for yearly membership fees for deputies to an indoor shooting range. Authority is the National Rifle Association.

Animal Shelter Fund—To be used to account for fundraising money and donations given to the Torrance County Animal Shelter. Authority is the County Commission.

Safety Program Fund—To be used to account for fees received from the use of a separate dumping area (asbestos and construction). The proceeds are used in the County's safety program. Authority is the County Commission.

Civil Defense Fund—To account for a grant from the State of New Mexico for the operation of the Civil Defense Unit. Proceeds are 25% from the State of New Mexico and 75% from reimbursements from the Federal Emergency Management Agency (FEMA). Authority is FEMA.

DWI Program Fund—To account for a grant from the State of New Mexico Department of Finance and Administration for D.W.I. detection and prevention pursuant to Chapter 65, New Mexico Laws of 1993. Authority is Section 6-5-8, NMSA 1978.

DWI School Fund—To account for fees generated by the DWI School. Authority is the County Commission.

Treasurer's Fee Fund—To account for certain fees collected by the County Treasurer's Office. Resources are to be used for the upgrade of equipment in the office. Authorized by County Commission Resolution #2005-24.

State of New Mexico
Torrance County
Nonmajor Special Revenue, Debt Service, and
Capital Projects Funds Description — continued
June 30, 2016

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

Clerk’s Equipment Fund—To account for an additional \$7.00 recording fee collected by the Clerk’s Office to pay for equipment/supplies for the Clerk’s Office. Authority is the Absentee-Early Voting Act (Section 14-89-12.2, NMSA 1978).

RPHCA Grant—To account for a grant from the State of New Mexico Department of Health, to provide health services at the Mountainair Family Health Clinic. Authority is the State of New Mexico Department of Health.

Community Development Block Grant—To account for a grant from the U.S. Department of Housing and Urban Development for capital improvements. Authority is the NM Department of Finance and Administration and the County Commission.

Adolescent Pregnancy Prevention—To account for a grant from the State of New Mexico Department of Health, to provide adult mentoring and education. Authority is the State of New Mexico Department of Health.

Recycling & Illegal Dumping Grant—To account for a grant from the State of New Mexico Environment Department, to clean up illegal tire dumps within Torrance County. Authority is the State of New Mexico Environment Department.

Home Visiting Grant—To account for a grant from the State of New Mexico Children, Youth and Families Department to be used for prenatal home visiting services. Authority is the State of New Mexico Children, Youth and Families Department.

Esperanza Clinic—To account for funds received for rent on the Esperanza Clinic. The lease agreement calls for these proceeds to be in a separate fund to help offset maintenance and repair costs of the clinic. Authority is the County Commission.

Senior Citizens Program—To account for proceeds from the sale of senior program vehicles. Funds to be used for senior citizen program operations. Authority is the County Commission.

Court Forfeiture—To accounts for funds forfeited to the County by the court system. This money also includes any cash evidence seized by the Sheriff’s Department for safekeeping until release by the court. This money can only be used as defined by the court system on a case-by-case basis.

Juvenile Justice Grant—To account for a grant received from the State of New Mexico Children Youth and Families Department to be used for the support and defense of juveniles. The Authority is the State of New Mexico Children Youth and Families Department.

State of New Mexico
Torrance County
Nonmajor Special Revenue, Debt Service, and
Capital Projects Funds Description — continued
June 30, 2016

Wind PILT Fund—To account for the payment in lieu of taxes payments received from High Lonesome Mesa, LLC according to the lease agreement and Ordinance 2008-01. Authority is the County Commission.

Estancia Basin Water Study Fund—To account for funds received from local grants and from sales of water conservation booklets to study water issues and to help inform and educate the County’s residents about the Estancia Basin. Authority is the County Commission.

Rural Addressing Fund—To account for the proceeds of a part of the local option gross receipts tax to be used to mark rural addresses for use by emergency personnel. Authority is Section 67-3-28.2 NMSA 1978.

NM Forest Re-Leaf Fund—To account for the New Mexico State Forestry Re-Leaf program funding. Authority is New Mexico Energy, Minerals and Natural Resources Department.

Planning and Zoning Court Fees Fund—To account for the court fees which are the result of a zoning case. Authority is the County Commission.

Domestic Violence Fund—To account for a grant from the of New Mexico Children Youth and Families Department, to be used for the prevention of domestic violence. Authority is the State of New Mexico Children Youth and Families Department.

DV Victim Restitution—To account for supplemental funding and donations received to assist victims of domestic violence. Authority is the County Commission.

Title III Forest Reserve Fund—To account for resources received from the Secure Rural Schools and Community Self Determination Act of 2000 to be used only for search, rescue and emergency services, community service work camps or easement purchases. Authority is P.L. 106-393.

U.S. Marshal JLEO Fund—To account for funds allocated to reimburse Torrance County for overtime incurred in association with the Joint Law Enforcement Operations task force. Authority is the U.S. Marshals.

Drug Education Program Fund—To account for fees received from offenders (instead of a fine) to be used to educate people about the dangers of drug use. Authority is 9-17-17 NMSA 1978.

Traffic Safety Fund—To account for funds received from the U.S. Department of Transportation passed through the State of New Mexico Highway and Transportation Department for the purpose of helping local law enforcement officers reduce highway deaths and injuries resulting from individuals riding unrestrained or improperly restrained in motor vehicles, to increase seatbelt use rates, and to discourage drunk driving. Authority is the U.S. Department of Transportation.

State of New Mexico
Torrance County
Nonmajor Special Revenue, Debt Service, and
Capital Projects Funds Description — continued
June 30, 2016

Teen Court Donation Fund—To account for a donations made to the Teen Court Program. Authority is the County Commission.

Forest Service Patrol Fund—To account for funds received from the U.S. Forest Service for the provision of police services in and around national forest areas. Authority is the U.S. Forest Service.

NM Primary Care Association Fund—To account for a grant from NM Primary Care Association to provide a community based intervention program designed to increase outreach and enrollment for all medical assistance division programs. Authority is the NM Primary Care Association.

ICE Inmate Care—To account for the payments for Immigration & Customs Enforcement inmates that are housed at Corrections Corporation of America – Torrance County Detention Facility under Torrance County’s agreement. Authority is the County Commission.

NMDHLS EMPG Fund—To account for the Emergency Management Performance Grant funding from NM Department of Homeland Security. Authority is State of New Mexico Department of Homeland Security.

NMDHLS FY14 HL Security Fund—To account for the NM Department of Homeland Security FY14 grant funding. Authority is State of New Mexico Department of Homeland Security.

NMDHLS Mitigation Grant Fund— To account for the NM Department of Homeland Security Mitigation grant funding. Authority is State of New Mexico Department of Homeland Security.

NMDOH Cities Readiness Initiative Fund—To account for the NM Department of Health Cities Readiness Initiative contract funding. Authority is State of New Mexico Department of Health.

Disaster Public Assistance Fund—To account for the FEMA disaster – public assistance funding for a declared flooding disaster that occurred in Torrance County. Authority is FEMA.

EMW 2013 EP Grant Fund—To account for the EMPG 2013 Equipment grant funding. Authority is State of New Mexico Department of Homeland Security.

NMDHLS FY15 HL Security Fund—To account for the NM Department of Homeland Security FY15 grant funding. Authority is State of New Mexico Department of Homeland Security.

EMW 2015 EP Grant Fund—To account for the EMPG 2015 Equipment grant funding. Authority is State of New Mexico Department of Homeland Security.

Dog Head Fire Fund—To account for Federal Emergency Management Agency (FEMA) disaster public assistance funding for the Dog Head Fire. Authority is FEMA.

State of New Mexico
Torrance County
Nonmajor Special Revenue, Debt Service, and
Capital Projects Funds Description — continued
June 30, 2016

Goliath Winter Storm Fund— To account for FEMA disaster public assistance funding for the Dog Head Fire. Authority is FEMA.

Emergency 911 Fund—To account for local option gross receipts tax proceeds and a training grant from the State of New Mexico Department of Finance and Administration. The training grant funds that are to be used to pay for 911 training. Financing is provided by a grant from New Mexico Department of Finance and Administration pursuant to Section 63-9D-1, NMSA 1978, “Enhanced 911 Act.” Authority is the County Commission.

Nonmajor Debt Service Fund

Debt Service Fund—This fund accounts for gross receipts and state allotment revenues collected to pay the current year’s debt service on New Mexico Finance Authority Loans. It also accounts for property tax revenues collected to pay off the current year’s debt service on the 2001 general obligation bonds of the County.

Nonmajor Capital Projects Fund

Capital projects funds are used to account for the acquisition, construction and repair of major capital assets.

County Infrastructure GRT—To account for funds received for the County infrastructure gross receipts taxes. County Ordinance 2006-1 states the specific purposes for which this tax can be used. Authority is the County Commission.

Capital Outlay GRT—To account for funds received for the capital outlay gross receipts taxes. County ordinance 2014-03 states the specific purposes for which this tax can be used. Authority is County Commission.

Legislative Appropriations—To account for resources received from State of New Mexico Legislative Appropriations for the acquisition of capital assets for Torrance County. This was authorized by the legislation involved.

State of New Mexico
Torrance County
Combining Balance Sheet—Nonmajor Governmental Funds
June 30, 2016

	403	404	405	406	407	408	409	410	411	412
	Farm and Range Fund	CR A085 Developer Fee	District 5 Volunteer Fire District	District 2 Volunteer Fire District	District 1 Volunteer Fire District	District 3 Volunteer Fire District	District 4 Volunteer Fire District	Law Enforcement Protection	Fire Pool 1/4% Tax	County Fair Board
Assets										
Due from other funds – pooled cash	\$ 468	\$ 520	\$ 17,806	\$ 31,079	\$ 39,448	\$ 50,601	\$ 18,876	\$ 5,214	\$ 53,077	\$ 36,878
Intergovernmental receivable	-	-	-	-	-	-	-	-	19,758	-
Property tax receivable	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 468</u>	<u>\$ 520</u>	<u>\$ 17,806</u>	<u>\$ 31,079</u>	<u>\$ 39,448</u>	<u>\$ 50,601</u>	<u>\$ 18,876</u>	<u>\$ 5,214</u>	<u>\$ 72,835</u>	<u>\$ 36,878</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances										
Liabilities										
Due to other funds – pooled cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	5,582	4,292	3,023	4,046	2,770	709	-	1,128
Accrued payroll and taxes	-	-	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>5,582</u>	<u>4,292</u>	<u>3,023</u>	<u>4,046</u>	<u>2,770</u>	<u>709</u>	<u>-</u>	<u>1,128</u>
Deferred inflows of resources										
Unavailable revenue	-	-	-	-	-	-	-	-	-	-
Fund balances										
Restricted										
Special projects	468	520	12,224	26,787	36,425	46,555	16,106	4,505	72,835	35,750
Capital projects	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Unassigned										
Total fund balances	<u>468</u>	<u>520</u>	<u>12,224</u>	<u>26,787</u>	<u>36,425</u>	<u>46,555</u>	<u>16,106</u>	<u>4,505</u>	<u>72,835</u>	<u>35,750</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 468</u>	<u>\$ 520</u>	<u>\$ 17,806</u>	<u>\$ 31,079</u>	<u>\$ 39,448</u>	<u>\$ 50,601</u>	<u>\$ 18,876</u>	<u>\$ 5,214</u>	<u>\$ 72,835</u>	<u>\$ 36,878</u>

State of New Mexico
Torrance County
Combining Balance Sheet—Nonmajor Governmental Funds — continued
June 30, 2016

	413	414	415	418	420	423	427	428	430	600
	Fire Department Administration	Indigent	Emergency Medical Services	District 6 Volunteer Fire District	Corrections Fund	Environmental Gross Receipts Tax	WIPP Funding	Volunteer Recruitment/ Retention	Animal Shelter	Safety Program
Assets										
Due from other funds – pooled cash	\$ 29,000	\$ 237,075	\$ 71,230	\$ 18,011	\$ 560,631	\$ -	\$ -	\$ 25,000	\$ 3,618	\$ 3,180
Intergovernmental receivable	-	22,338	3,357	-	37,786	-	-	-	-	-
Property tax receivable	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 29,000</u>	<u>\$ 259,413</u>	<u>\$ 74,587</u>	<u>\$ 18,011</u>	<u>\$ 598,417</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ 3,618</u>	<u>\$ 3,180</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances										
Liabilities										
Due to other funds – pooled cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	6,393	-	-	395	60,585	-	-	-	-	85
Accrued payroll and taxes	-	-	-	-	2,754	-	-	-	-	136
Accrued interest	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>6,393</u>	<u>-</u>	<u>-</u>	<u>395</u>	<u>63,339</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>221</u>
Deferred inflows of resources										
Unavailable revenue	-	-	-	-	-	-	-	-	-	-
Fund balances										
Restricted										
Special projects	22,607	259,413	74,587	17,616	535,078	-	-	25,000	3,618	2,959
Capital projects	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balances	<u>22,607</u>	<u>259,413</u>	<u>74,587</u>	<u>17,616</u>	<u>535,078</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>3,618</u>	<u>2,959</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 29,000</u>	<u>\$ 259,413</u>	<u>\$ 74,587</u>	<u>\$ 18,011</u>	<u>\$ 598,417</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ 3,618</u>	<u>\$ 3,180</u>

State of New Mexico
Torrance County
Combining Balance Sheet—Nonmajor Governmental Funds — continued
June 30, 2016

	604	605	606	609	610	612	616	623	626	628
	Civil Defense	DWI Program	DWI School	Treasurer's Fee	Reappraisal	Clerk's Equipment	RPHCA Grant	Community Development Block Grant	Adolescent Pregnancy Prevention	Recycling and Illegal Dumping
Assets										
Due from other funds – pooled cash	\$ 51,409	\$ -	\$ 1,468	\$ 46,921	\$ 231,810	\$ 3,986	\$ 8,500	\$ -	\$ -	\$ -
Intergovernmental receivable	4,699	27,686	-	-	-	-	8,500	6,000	-	-
Property tax receivable	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 56,108	\$ 27,686	\$ 1,468	\$ 46,921	\$ 231,810	\$ 3,986	\$ 17,000	\$ 6,000	\$ -	\$ -
Liabilities, Deferred Inflows of Resources, and Fund Balances										
Liabilities										
Due to other funds – pooled cash	\$ -	\$ 13,636	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,000	\$ 274	\$ -
Accounts payable	408	348	-	-	418	172	17,000	-	-	-
Accrued payroll and taxes	-	1,200	-	-	916	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	-	-	-	-
Total liabilities	408	15,184	-	-	1,334	172	17,000	6,000	274	-
Deferred inflows of resources										
Unavailable revenue	-	-	-	-	-	-	-	-	-	-
Fund balances										
Restricted										
Special projects	55,700	12,502	1,468	46,921	230,476	3,814	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	(274)	-
Total fund balances	55,700	12,502	1,468	46,921	230,476	3,814	-	-	(274)	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 56,108	\$ 27,686	\$ 1,468	\$ 46,921	\$ 231,810	\$ 3,986	\$ 17,000	\$ 6,000	\$ -	\$ -

State of New Mexico
Torrance County
Combining Balance Sheet—Nonmajor Governmental Funds — continued
June 30, 2016

	629	630	631	634	635	641	650	675	680	685
	Home Visiting Grant	Esperanza Clinic	Senior Citizens Program	Court Forfeiture	Juvenile Justice Grant	Wind PILT	Estancia Basin Water Study	Rural Addressing	NM Forest Re-Leaf	Planning & Zoning Court Fees
Assets										
Due from other funds – pooled cash	\$ -	\$ 10,868	\$ 1,341	\$ 10,215	\$ -	\$ 485,483	\$ -	\$ 18,502	\$ -	\$ 2,670
Intergovernmental receivable	60,912	-	-	-	37,264	-	10,000	3,357	3,998	-
Property tax receivable	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ 60,912</u>	<u>\$ 10,868</u>	<u>\$ 1,341</u>	<u>\$ 10,215</u>	<u>\$ 37,264</u>	<u>\$ 485,483</u>	<u>\$ 10,000</u>	<u>\$ 21,859</u>	<u>\$ 3,998</u>	<u>\$ 2,670</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances										
Liabilities										
Due to other funds – pooled cash	\$ 58,857	\$ -	\$ -	\$ -	\$ 17,570	\$ -	\$ 9,257	\$ -	\$ -	\$ -
Accounts payable	253	-	-	-	25	4,797	-	183	-	196
Accrued payroll and taxes	1,802	-	-	-	-	-	-	713	-	-
Accrued interest	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>60,912</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,595</u>	<u>4,797</u>	<u>9,257</u>	<u>896</u>	<u>-</u>	<u>196</u>
Deferred inflows of resources										
Unavailable revenue	<u>16,737</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances										
Restricted										
Special projects	-	10,868	1,341	10,215	19,669	480,686	743	20,963	3,998	2,474
Capital projects	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Unassigned	(16,737)	-	-	-	-	-	-	-	-	-
Total fund balances	<u>(16,737)</u>	<u>10,868</u>	<u>1,341</u>	<u>10,215</u>	<u>19,669</u>	<u>480,686</u>	<u>743</u>	<u>20,963</u>	<u>3,998</u>	<u>2,474</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 60,912</u>	<u>\$ 10,868</u>	<u>\$ 1,341</u>	<u>\$ 10,215</u>	<u>\$ 37,264</u>	<u>\$ 485,483</u>	<u>\$ 10,000</u>	<u>\$ 21,859</u>	<u>\$ 3,998</u>	<u>\$ 2,670</u>

State of New Mexico
Torrance County
Combining Balance Sheet—Nonmajor Governmental Funds — continued
June 30, 2016

	690	691	693	802	804	805	807	808	819	825
	Domestic Violence	DV Victim Restitution	Title III Forest Reserve	U.S. Marshal JLEO	Drug Education Program	Traffic Safety	Teen Court Donation	Forest Service Patrol	NM Primary Care Association	ICE Inmate Care
Assets										
Due from other funds – pooled cash	\$ -	\$ 25,348	\$ 148,463	\$ -	\$ 25,208	\$ -	\$ 391	\$ -	\$ -	\$ 2,854
Intergovernmental receivable	11,935	-	-	11,546	-	3,989	-	2,201	5,399	98,322
Property tax receivable	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 11,935	\$ 25,348	\$ 148,463	\$ 11,546	\$ 25,208	\$ 3,989	\$ 391	\$ 2,201	\$ 5,399	\$ 101,176
Liabilities, Deferred Inflows of Resources, and Fund Balances										
Liabilities										
Due to other funds – pooled cash	\$ 10,134	\$ -	\$ -	\$ 3,576	\$ -	\$ 2,549	\$ -	\$ 1,979	\$ 17,831	\$ -
Accounts payable	35	-	-	-	374	-	-	-	-	98,359
Accrued payroll and taxes	643	-	-	306	-	244	-	222	243	-
Accrued interest	-	-	-	-	-	-	-	-	-	-
Total liabilities	10,812	-	-	3,882	374	2,793	-	2,201	18,074	98,359
Deferred inflows of resources										
Unavailable revenue	-	-	-	-	-	-	-	2,201	-	-
Fund balances										
Restricted										
Special projects	1,123	25,348	148,463	7,664	24,834	1,196	391	-	-	2,817
Capital projects	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	(2,201)	(12,675)	-
Total fund balances	1,123	25,348	148,463	7,664	24,834	1,196	391	(2,201)	(12,675)	2,817
Total liabilities, deferred inflows of resources, and fund balances	\$ 11,935	\$ 25,348	\$ 148,463	\$ 11,546	\$ 25,208	\$ 3,989	\$ 391	\$ 2,201	\$ 5,399	\$ 101,176

State of New Mexico
Torrance County
Combining Balance Sheet—Nonmajor Governmental Funds — continued
June 30, 2016

	826	827	828	829	830	831	832	833	834	835
	NMDHLS EMPG	NMDHLS FY 2014 HL Security	NMDHLS Mitigation Grant	NMDOH Cities Readiness Initiative	Disaster Public Assistance	EMW 2013 EP Grant	NMDHLS FY 2015 HL Security	EMW 2015 EP Grant	Dog Head Fire	Goliath Winter Storm
Assets										
Due from other funds – pooled cash	\$ -	\$ -	\$ -	\$ 19,400	\$ 85,291	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental receivable	-	-	28,595	-	-	-	-	7,413	58,236	-
Property tax receivable	-	-	-	-	-	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,595</u>	<u>\$ 19,400</u>	<u>\$ 85,291</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,413</u>	<u>\$ 58,236</u>	<u>\$ -</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances										
Liabilities										
Due to other funds – pooled cash	\$ 10,163	\$ -	\$ 28,595	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,525	\$ -
Accounts payable	-	-	-	-	-	-	-	7,413	12,641	-
Accrued payroll and taxes	594	-	-	-	-	-	-	-	70	-
Accrued interest	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>10,757</u>	<u>-</u>	<u>28,595</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,413</u>	<u>58,236</u>	<u>-</u>
Deferred inflows of resources										
Unavailable revenue	-	-	28,595	-	-	-	-	7,413	58,236	-
Fund balances										
Restricted										
Special projects	-	-	-	19,400	85,291	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Unassigned	(10,757)	-	(28,595)	-	-	-	-	(7,413)	(58,236)	-
Total fund balances	<u>(10,757)</u>	<u>-</u>	<u>(28,595)</u>	<u>19,400</u>	<u>85,291</u>	<u>-</u>	<u>-</u>	<u>(7,413)</u>	<u>(58,236)</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,595</u>	<u>\$ 19,400</u>	<u>\$ 85,291</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,413</u>	<u>\$ 58,236</u>	<u>\$ -</u>

State of New Mexico
Torrance County
Combining Balance Sheet—Nonmajor Governmental Funds — continued
June 30, 2016

	911		562,636		620		621		803		
	Emergency 911	Special Revenue Total	Debt Service	Capital Projects – County Infrastructure GRT	Capital Projects – Capital Outlay GRT	Capital Projects – Legislative Appropriations	Total Nonmajor Governmental Funds				
Assets											
Due from other funds – pooled cash	\$ 127,734	\$ 2,509,574	\$ 357,826	\$ 111,488	\$ 238,434	\$ -	\$ 3,217,322				
Intergovernmental receivable	55,722	529,013	-	12,965	65,496	338,295	945,769				
Property tax receivable	-	-	63,071	-	-	-	63,071				
Total assets	<u>\$ 183,456</u>	<u>\$ 3,038,587</u>	<u>\$ 420,897</u>	<u>\$ 124,453</u>	<u>\$ 303,930</u>	<u>\$ 338,295</u>	<u>\$ 4,226,162</u>				
Liabilities, Deferred Inflows of Resources, and Fund Balances											
Liabilities											
Due to other funds – pooled cash	\$ -	\$ 225,946	\$ -	\$ -	\$ -	\$ 331,417	\$ 557,363				
Accounts payable	2,679	234,309	-	7,170	-	-	241,479				
Accrued payroll and taxes	8,619	18,462	-	-	-	-	18,462				
Accrued interest	-	-	13,868	-	-	-	13,868				
Total liabilities	<u>11,298</u>	<u>478,717</u>	<u>13,868</u>	<u>7,170</u>	<u>-</u>	<u>331,417</u>	<u>831,172</u>				
Deferred inflows of resources											
Unavailable revenue	-	113,182	53,222	-	-	-	166,404				
Fund balances											
Restricted											
Special projects	172,158	2,583,576	-	-	-	-	2,583,576				
Capital projects	-	-	-	117,283	303,930	6,878	428,091				
Debt service	-	-	353,807	-	-	-	353,807				
Unassigned	-	(136,888)	-	-	-	-	(136,888)				
Total fund balances	<u>172,158</u>	<u>2,446,688</u>	<u>353,807</u>	<u>117,283</u>	<u>303,930</u>	<u>6,878</u>	<u>3,228,586</u>				
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 183,456</u>	<u>\$ 3,038,587</u>	<u>\$ 420,897</u>	<u>\$ 124,453</u>	<u>\$ 303,930</u>	<u>\$ 338,295</u>	<u>\$ 4,226,162</u>				

State of New Mexico
Torrance County
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances—Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	403	404	405	406	407	408	409	410	411	412
	Farm and Range Fund	CR A085 Developer Fee	District 5 Volunteer Fire District	District 2 Volunteer Fire District	District 1 Volunteer Fire District	District 3 Volunteer Fire District	District 4 Volunteer Fire District	Law Enforcement Protection	Fire Pool 1/4% Tax	County Fair Board
Revenues										
Intergovernmental sources – federal	\$ 1,635	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental sources – state	-	-	127,222	103,555	49,309	130,834	32,812	26,600	-	-
State and local shared taxes	-	-	-	-	-	-	-	-	138,673	-
Property taxes	-	-	-	-	-	-	-	-	-	-
Payment in lieu of taxes	-	-	-	-	-	-	-	-	-	-
Charges for services	-	150	-	-	-	-	-	-	-	163,540
Interest	-	-	-	-	-	-	-	-	124	-
Other	-	-	-	-	-	-	-	-	48	13,213
Total revenues	<u>1,635</u>	<u>150</u>	<u>127,222</u>	<u>103,555</u>	<u>49,309</u>	<u>130,834</u>	<u>32,812</u>	<u>26,600</u>	<u>138,845</u>	<u>176,753</u>
Expenditures										
Current										
General government	-	-	-	-	-	-	-	-	-	202,914
Public safety	-	-	150,933	104,667	119,350	117,760	27,658	24,573	186,135	-
Health and welfare	29,500	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service – principal	-	-	-	-	-	-	-	-	-	-
Debt service – interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>29,500</u>	<u>-</u>	<u>150,933</u>	<u>104,667</u>	<u>119,350</u>	<u>117,760</u>	<u>27,658</u>	<u>24,573</u>	<u>186,135</u>	<u>202,914</u>
Excess (deficiency) of revenues over expenditures	<u>(27,865)</u>	<u>150</u>	<u>(23,711)</u>	<u>(1,112)</u>	<u>(70,041)</u>	<u>13,074</u>	<u>5,154</u>	<u>2,027</u>	<u>(47,290)</u>	<u>(26,161)</u>
Other Financing Sources (Uses)										
Transfers in	28,218	-	-	-	-	-	-	-	-	35,000
Transfers out	-	-	-	-	-	-	-	-	(52,862)	-
Proceeds from loan issuance	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>28,218</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(52,862)</u>	<u>35,000</u>
Net change in fund balances	353	150	(23,711)	(1,112)	(70,041)	13,074	5,154	2,027	(100,152)	8,839
Fund balances (deficits), beginning of year	115	370	35,935	27,899	106,466	33,481	10,952	2,478	172,987	26,911
Fund balances (deficits), end of year	<u>\$ 468</u>	<u>\$ 520</u>	<u>\$ 12,224</u>	<u>\$ 26,787</u>	<u>\$ 36,425</u>	<u>\$ 46,555</u>	<u>\$ 16,106</u>	<u>\$ 4,505</u>	<u>\$ 72,835</u>	<u>\$ 35,750</u>

State of New Mexico
Torrance County
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances—Nonmajor Governmental Funds — continued
For the Year Ended June 30, 2016

	413	414	415	418	420	423	427	428	430	600
	Fire Department Administration	Indigent	Emergency Medical Services	District 6 Volunteer Fire District	Corrections Fund	Environmental Gross Receipts Tax	WIPP Funding	Volunteer Recruitment/ Retention	Animal Shelter	Safety Program
Revenues										
Intergovernmental sources – federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental sources – state	70,068	100	15,543	23,644	13,321	-	-	-	-	-
State and local shared taxes	-	205,954	22,565	-	229,600	74,966	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-	-
Payment in lieu of taxes	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	106,496	-	-	-	-	6,395
Interest	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	149	-	-	-	918	7,000
Total revenues	<u>70,068</u>	<u>206,054</u>	<u>38,108</u>	<u>23,644</u>	<u>349,566</u>	<u>74,966</u>	<u>-</u>	<u>-</u>	<u>918</u>	<u>13,395</u>
Expenditures										
Current										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	65,226	-	24,843	6,028	830,099	-	12,383	-	1,654	17,433
Health and welfare	-	180,851	-	-	-	89,653	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service – principal	-	-	-	-	-	-	-	-	-	-
Debt service – interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>65,226</u>	<u>180,851</u>	<u>24,843</u>	<u>6,028</u>	<u>830,099</u>	<u>89,653</u>	<u>12,383</u>	<u>-</u>	<u>1,654</u>	<u>17,433</u>
Excess (deficiency) of revenues over expenditures	<u>4,842</u>	<u>25,203</u>	<u>13,265</u>	<u>17,616</u>	<u>(480,533)</u>	<u>(14,687)</u>	<u>(12,383)</u>	<u>-</u>	<u>(736)</u>	<u>(4,038)</u>
Other Financing Sources (Uses)										
Transfers in	-	-	-	-	735,000	-	-	25,000	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Proceeds from loan issuance	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>735,000</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	4,842	25,203	13,265	17,616	254,467	(14,687)	(12,383)	25,000	(736)	(4,038)
Fund balances (deficits), beginning of year	17,765	234,210	61,322	-	280,611	14,687	12,383	-	4,354	6,997
Fund balances (deficits), end of year	<u>\$ 22,607</u>	<u>\$ 259,413</u>	<u>\$ 74,587</u>	<u>\$ 17,616</u>	<u>\$ 535,078</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ 3,618</u>	<u>\$ 2,959</u>

State of New Mexico
Torrance County
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances—Nonmajor Governmental Funds — continued
For the Year Ended June 30, 2016

	604	605	606	609	610	612	616	623	626	628
	Civil Defense	DWI Program	DWI School	Treasurer's Fee	Reappraisal	Clerk's Equipment	RPHCA Grant	Community Development Block Grant	Adolescent Pregnancy Prevention	Recycling and Illegal Dumping
Revenues										
Intergovernmental sources – federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ -	\$ -
Intergovernmental sources – state	-	187,462	-	-	-	-	109,600	-	-	-
State and local shared taxes	31,590	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	89,481	-	-	-	-	-
Payment in lieu of taxes	-	-	-	-	-	-	-	-	-	-
Charges for services	-	677	1,550	6,073	11,391	20,925	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	296	-	-	-	-	-
Total revenues	<u>31,590</u>	<u>188,139</u>	<u>1,550</u>	<u>6,073</u>	<u>101,168</u>	<u>20,925</u>	<u>109,600</u>	<u>20,000</u>	<u>-</u>	<u>-</u>
Expenditures										
Current										
General government	-	-	-	6,099	204,295	18,658	-	-	-	-
Public safety	-	193,283	1,068	-	-	-	-	-	-	-
Health and welfare	13,737	-	-	-	-	-	109,600	15,000	4,823	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service – principal	-	-	-	-	-	-	-	-	-	-
Debt service – interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>13,737</u>	<u>193,283</u>	<u>1,068</u>	<u>6,099</u>	<u>204,295</u>	<u>18,658</u>	<u>109,600</u>	<u>15,000</u>	<u>4,823</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>17,853</u>	<u>(5,144)</u>	<u>482</u>	<u>(26)</u>	<u>(103,127)</u>	<u>2,267</u>	<u>-</u>	<u>5,000</u>	<u>(4,823)</u>	<u>-</u>
Other Financing Sources (Uses)										
Transfers in	-	-	-	-	40,487	-	-	-	-	-
Transfers out	(2,174)	-	-	-	-	-	-	-	-	-
Proceeds from loan issuance	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>(2,174)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,487</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	15,679	(5,144)	482	(26)	(62,640)	2,267	-	5,000	(4,823)	-
Fund balances (deficits), beginning of year	40,021	17,646	986	46,947	293,116	1,547	-	(5,000)	4,549	-
Fund balances (deficits), end of year	<u>\$ 55,700</u>	<u>\$ 12,502</u>	<u>\$ 1,468</u>	<u>\$ 46,921</u>	<u>\$ 230,476</u>	<u>\$ 3,814</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (274)</u>	<u>\$ -</u>

State of New Mexico
Torrance County
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances—Nonmajor Governmental Funds — continued
For the Year Ended June 30, 2016

	629	630	631	634	635	641	650	675	680	685
	Home Visiting Grant	Esperanza Clinic	Senior Citizens Program	Court Forfeiture	Juvenile Justice Grant	Wind PILT	Estancia Basin Water Study	Rural Addressing	NM Forest Re-Leaf	Planning & Zoning Court Fees
Revenues										
Intergovernmental sources – federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental sources – state	231,062	-	-	-	80,197	-	10,000	-	-	-
State and local shared taxes	-	-	-	-	-	-	-	22,565	-	-
Property taxes	-	-	-	-	-	-	-	-	-	-
Payment in lieu of taxes	-	-	-	-	-	660,250	-	-	-	-
Charges for services	-	1,300	-	-	-	-	-	3,907	-	6,200
Interest	-	-	-	-	-	88	-	-	-	-
Other	-	-	-	-	-	-	-	-	3,998	-
Total revenues	<u>231,062</u>	<u>1,300</u>	<u>-</u>	<u>-</u>	<u>80,197</u>	<u>660,338</u>	<u>10,000</u>	<u>26,472</u>	<u>3,998</u>	<u>6,200</u>
Expenditures										
Current										
General government	-	-	-	-	109,318	180,291	10,000	71,096	-	15,115
Public safety	-	-	-	-	-	-	-	-	-	-
Health and welfare	250,959	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service – principal	-	-	-	-	-	-	-	-	-	-
Debt service – interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>250,959</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,318</u>	<u>180,291</u>	<u>10,000</u>	<u>71,096</u>	<u>-</u>	<u>15,115</u>
Excess (deficiency) of revenues over expenditures	<u>(19,897)</u>	<u>1,300</u>	<u>-</u>	<u>-</u>	<u>(29,121)</u>	<u>480,047</u>	<u>-</u>	<u>(44,624)</u>	<u>3,998</u>	<u>(8,915)</u>
Other Financing Sources (Uses)										
Transfers in	-	-	-	-	-	-	-	35,000	-	1,505
Transfers out	-	-	-	-	-	(202,000)	-	-	-	-
Proceeds from loan issuance	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(202,000)</u>	<u>-</u>	<u>35,000</u>	<u>-</u>	<u>1,505</u>
Net change in fund balances	(19,897)	1,300	-	-	(29,121)	278,047	-	(9,624)	3,998	(7,410)
Fund balances (deficits), beginning of year	3,160	9,568	1,341	10,215	48,790	202,639	743	30,587	-	9,884
Fund balances (deficits), end of year	<u>\$ (16,737)</u>	<u>\$ 10,868</u>	<u>\$ 1,341</u>	<u>\$ 10,215</u>	<u>\$ 19,669</u>	<u>\$ 480,686</u>	<u>\$ 743</u>	<u>\$ 20,963</u>	<u>\$ 3,998</u>	<u>\$ 2,474</u>

State of New Mexico
Torrance County
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances—Nonmajor Governmental Funds — continued
For the Year Ended June 30, 2016

	690	691	693	802	804	805	807	808	819	825
	Domestic Violence	DV Victim Restitution	Title III Forest Reserve	U.S. Marshal JLEO	Drug Education Program	Traffic Safety	Teen Court Donation	Forest Service Patrol	NM Primary Care Association	ICE Inmate Care
Revenues										
Intergovernmental sources – federal	\$ 84,463	\$ -	\$ 10,985	\$ 22,834	\$ -	\$ 12,841	\$ -	\$ 2,651	\$ -	\$ -
Intergovernmental sources – state	-	90	-	-	-	-	-	-	5,721	-
State and local shared taxes	-	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-	-
Payment in lieu of taxes	-	-	-	-	-	-	-	-	-	-
Charges for services	-	2,609	-	-	-	-	35	-	-	138,836
Interest	-	-	-	-	-	-	-	-	-	-
Other	-	1,359	-	-	279	-	447	-	-	-
Total revenues	<u>84,463</u>	<u>4,058</u>	<u>10,985</u>	<u>22,834</u>	<u>279</u>	<u>12,841</u>	<u>482</u>	<u>2,651</u>	<u>5,721</u>	<u>138,836</u>
Expenditures										
Current										
General government	-	-	-	-	-	-	191	-	-	-
Public safety	-	-	-	14,393	-	12,693	-	10,165	-	142,866
Health and welfare	85,858	3,029	-	-	7,466	-	-	-	19,642	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service – principal	-	-	-	-	-	-	-	-	-	-
Debt service – interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>85,858</u>	<u>3,029</u>	<u>-</u>	<u>14,393</u>	<u>7,466</u>	<u>12,693</u>	<u>191</u>	<u>10,165</u>	<u>19,642</u>	<u>142,866</u>
Excess (deficiency) of revenues over expenditures	<u>(1,395)</u>	<u>1,029</u>	<u>10,985</u>	<u>8,441</u>	<u>(7,187)</u>	<u>148</u>	<u>291</u>	<u>(7,514)</u>	<u>(13,921)</u>	<u>(4,030)</u>
Other Financing Sources (Uses)										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Proceeds from loan issuance	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,395)	1,029	10,985	8,441	(7,187)	148	291	(7,514)	(13,921)	(4,030)
Fund balances (deficits), beginning of year	2,518	24,319	137,478	(777)	32,021	1,048	100	5,313	1,246	6,847
Fund balances (deficits), end of year	<u>\$ 1,123</u>	<u>\$ 25,348</u>	<u>\$ 148,463</u>	<u>\$ 7,664</u>	<u>\$ 24,834</u>	<u>\$ 1,196</u>	<u>\$ 391</u>	<u>\$ (2,201)</u>	<u>\$ (12,675)</u>	<u>\$ 2,817</u>

State of New Mexico
Torrance County
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances—Nonmajor Governmental Funds — continued
For the Year Ended June 30, 2016

	826	827	828	829	830	831	832	833	834	835
	NMDHLS EMPG	NMDHLS FY 2014 HL Security	NMDHLS Mitigation Grant	NMDOH Cities Readiness Initiative	Disaster Public Assistance	EMW 2013 EP Grant	NMDHLS FY 2015 HL Security	EMW 2015 EP Grant	Dog Head Fire	Goliath Winter Storm
Revenues										
Intergovernmental sources – federal	\$ 11,538	\$ -	\$ -	\$ 11,000	\$ 1,289	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental sources – state	-	60,211	-	-	-	99,120	6,000	-	-	70,165
State and local shared taxes	-	-	-	-	-	-	-	-	-	-
Property taxes	-	-	-	-	-	-	-	-	-	-
Payment in lieu of taxes	-	-	-	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	49,864	-	-	-	-
Total revenues	<u>11,538</u>	<u>60,211</u>	<u>-</u>	<u>11,000</u>	<u>1,289</u>	<u>148,984</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>70,165</u>
Expenditures										
Current										
General government	-	-	-	-	-	-	-	-	-	-
Public safety	-	60,211	28,595	-	43,390	198,240	6,000	7,413	58,236	70,165
Health and welfare	43,752	-	-	3,600	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service – principal	-	-	-	-	-	-	-	-	-	-
Debt service – interest	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>43,752</u>	<u>60,211</u>	<u>28,595</u>	<u>3,600</u>	<u>43,390</u>	<u>198,240</u>	<u>6,000</u>	<u>7,413</u>	<u>58,236</u>	<u>70,165</u>
Excess (deficiency) of revenues over expenditures	<u>(32,214)</u>	<u>-</u>	<u>(28,595)</u>	<u>7,400</u>	<u>(42,101)</u>	<u>(49,256)</u>	<u>-</u>	<u>(7,413)</u>	<u>(58,236)</u>	<u>-</u>
Other Financing Sources (Uses)										
Transfers in	22,672	-	-	-	-	2,174	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Proceeds from loan issuance	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>22,672</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,174</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(9,542)	-	(28,595)	7,400	(42,101)	(47,082)	-	(7,413)	(58,236)	-
Fund balances (deficits), beginning of year	(1,215)	-	-	12,000	127,392	47,082	-	-	-	-
Fund balances (deficits), end of year	<u>\$ (10,757)</u>	<u>\$ -</u>	<u>\$ (28,595)</u>	<u>\$ 19,400</u>	<u>\$ 85,291</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,413)</u>	<u>\$ (58,236)</u>	<u>\$ -</u>

State of New Mexico
Torrance County
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances—Nonmajor Governmental Funds — continued
For the Year Ended June 30, 2016

	911	562, 636	620	621	803		
	Emergency 911	Special Revenue Total	Debt Service	Capital Projects – County Infrastructure GRT	Capital Projects – Capital Outlay GRT	Capital Projects – Legislative Appropriations	Total Nonmajor Governmental Funds
Revenues							
Intergovernmental sources – federal	\$ -	\$ 179,236	\$ -	\$ -	\$ -	\$ -	\$ 179,236
Intergovernmental sources – state	-	1,452,636	-	-	-	374,572	1,827,208
State and local shared taxes	374,574	1,100,487	147,557	87,794	442,979	-	1,778,817
Property taxes	-	89,481	344,080	-	-	-	433,561
Payment in lieu of taxes	-	660,250	-	-	-	-	660,250
Charges for services	138,051	608,135	-	-	-	-	608,135
Interest	57	269	-	-	-	-	269
Other	3,850	81,421	-	-	-	-	81,421
Total revenues	<u>516,532</u>	<u>4,171,915</u>	<u>491,637</u>	<u>87,794</u>	<u>442,979</u>	<u>374,572</u>	<u>5,568,897</u>
Expenditures							
Current							
General government	-	817,977	-	-	-	-	817,977
Public safety	814,487	3,349,947	-	-	-	-	3,349,947
Health and welfare	-	857,470	-	-	-	-	857,470
Capital outlay	-	-	503,716	150,335	139,049	374,572	1,167,672
Debt service – principal	-	-	519,271	-	-	-	519,271
Debt service – interest	-	-	85,838	-	-	-	85,838
Total expenditures	<u>814,487</u>	<u>5,025,394</u>	<u>1,108,825</u>	<u>150,335</u>	<u>139,049</u>	<u>374,572</u>	<u>6,798,175</u>
Excess (deficiency) of revenues over expenditures	<u>(297,955)</u>	<u>(853,479)</u>	<u>(617,188)</u>	<u>(62,541)</u>	<u>303,930</u>	<u>-</u>	<u>(1,229,278)</u>
Other Financing Sources (Uses)							
Transfers in	240,000	1,165,056	100,470	-	-	-	1,265,526
Transfers out	(47,608)	(304,644)	-	(16,000)	-	-	(320,644)
Proceeds from loan issuance	-	-	503,716	-	-	-	503,716
Total other financing sources (uses)	<u>192,392</u>	<u>860,412</u>	<u>604,186</u>	<u>(16,000)</u>	<u>-</u>	<u>-</u>	<u>1,448,598</u>
Net change in fund balances	(105,563)	6,933	(13,002)	(78,541)	303,930	-	219,320
Fund balances (deficits), beginning of year	277,721	2,439,755	366,809	195,824	-	6,878	3,009,266
Fund balances (deficits), end of year	<u>\$ 172,158</u>	<u>\$ 2,446,688</u>	<u>\$ 353,807</u>	<u>\$ 117,283</u>	<u>\$ 303,930</u>	<u>\$ 6,878</u>	<u>\$ 3,228,586</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balance—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Farm and Range
For the Year Ended June 30, 2016

	403			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ 1,282	\$ 1,282	\$ 1,635	\$ 353
Total revenues	<u>1,282</u>	<u>1,282</u>	<u>1,635</u>	<u>353</u>
Expenditures				
Health and welfare	<u>37,017</u>	<u>37,017</u>	<u>37,015</u>	<u>2</u>
Total expenditures	<u>37,017</u>	<u>37,017</u>	<u>37,015</u>	<u>2</u>
Excess (deficiency) of revenues over expenditures	<u>(35,735)</u>	<u>(35,735)</u>	<u>(35,380)</u>	<u>355</u>
Other Financing Sources (Uses)				
Operating transfers in	<u>28,218</u>	<u>28,218</u>	<u>28,218</u>	<u>-</u>
Total other financing sources (uses)	<u>28,218</u>	<u>28,218</u>	<u>28,218</u>	<u>-</u>
Net change in fund balances	<u>(7,517)</u>	<u>(7,517)</u>	<u>\$ (7,162)</u>	<u>\$ 355</u>
Prior-year cash balance to balance the budget	<u>7,631</u>	<u>7,631</u>		
	<u>\$ 114</u>	<u>\$ 114</u>		
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balances – budget to actual			\$ (7,162)	
Change in accounts payable			<u>7,515</u>	
Net change in fund balances – GAAP basis			<u>\$ 353</u>	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—CR A085 Developer Fee
For the Year Ended June 30, 2016

	404			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Charges for services	\$ -	\$ -	\$ 150	\$ 150
Total revenues	<u>-</u>	<u>-</u>	<u>150</u>	<u>150</u>
Expenditures				
Highways and streets	<u>370</u>	<u>370</u>	<u>370</u>	<u>-</u>
Total expenditures	<u>370</u>	<u>370</u>	<u>370</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(370)</u>	<u>(370)</u>	<u>(220)</u>	<u>150</u>
Net change in fund balances	<u>(370)</u>	<u>(370)</u>	<u>\$ (220)</u>	<u>\$ 150</u>
Prior-year cash balance to balance the budget	<u>370</u>	<u>370</u>		
	<u>\$ -</u>	<u>\$ -</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (220)
Change in due from other funds	<u>370</u>
Net change in fund balances – GAAP basis	<u>\$ 150</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—District 5 Volunteer Fire Department
For the Year Ended June 30, 2016

	405			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 119,480	\$ 119,480	\$ 127,222	\$ 7,742
Total revenues	119,480	119,480	127,222	7,742
Expenditures				
Public safety	156,588	156,588	146,523	10,065
Total expenditures	156,588	156,588	146,523	10,065
Excess (deficiency) of revenues over expenditures	(37,108)	(37,108)	(19,301)	17,807
Net change in fund balances	(37,108)	(37,108)	\$ (19,301)	\$ 17,807
Prior-year cash balance to balance the budget	37,108	37,108		
	\$ -	\$ -		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (19,301)
Change in accounts payable	(4,410)
Net change in fund balances – GAAP basis	\$ (23,711)

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds— District 2 Volunteer Fire Department
For the Year Ended June 30, 2016

	406			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 103,599	\$ 103,599	\$ 103,555	\$ (44)
Total revenues	<u>103,599</u>	<u>103,599</u>	<u>103,555</u>	<u>(44)</u>
Expenditures				
Public safety	<u>133,848</u>	<u>133,848</u>	<u>102,725</u>	<u>31,123</u>
Total expenditures	<u>133,848</u>	<u>133,848</u>	<u>102,725</u>	<u>31,123</u>
Excess (deficiency) of revenues over expenditures	<u>(30,249)</u>	<u>(30,249)</u>	<u>830</u>	<u>31,079</u>
Net change in fund balances	<u>(30,249)</u>	<u>(30,249)</u>	<u>\$ 830</u>	<u>\$ 31,079</u>
Prior-year cash balance to balance the budget	<u>30,249</u>	<u>30,249</u>		
	<u>\$ -</u>	<u>\$ -</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ 830
Change in accounts payable	<u>(1,942)</u>
Net change in fund balances – GAAP basis	<u>\$ (1,112)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds— District 1 Volunteer Fire Department
For the Year Ended June 30, 2016

	407			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 49,324	\$ 49,324	\$ 49,309	\$ (15)
Total revenues	<u>49,324</u>	<u>49,324</u>	<u>49,309</u>	<u>(15)</u>
Expenditures				
Public safety	<u>156,084</u>	<u>156,084</u>	<u>116,622</u>	<u>39,462</u>
Total expenditures	<u>156,084</u>	<u>156,084</u>	<u>116,622</u>	<u>39,462</u>
Excess (deficiency) of revenues over expenditures	<u>(106,760)</u>	<u>(106,760)</u>	<u>(67,313)</u>	<u>39,447</u>
Net change in fund balances	(106,760)	(106,760)	\$ (67,313)	\$ 39,447
Prior-year cash balance to balance the budget	<u>106,760</u>	<u>106,760</u>		
	<u>\$ -</u>	<u>\$ -</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (67,313)
Change in accounts payable	<u>(2,728)</u>
Net change in fund balances – GAAP basis	<u>\$ (70,041)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds— District 3 Volunteer Fire Department
For the Year Ended June 30, 2016

	408			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 131,304	\$ 131,304	<u>130,834</u>	(470)
Total revenues	<u>131,304</u>	<u>131,304</u>	<u>130,834</u>	<u>(470)</u>
Expenditures				
Public safety	<u>165,530</u>	<u>165,530</u>	<u>114,459</u>	51,071
Total expenditures	<u>165,530</u>	<u>165,530</u>	<u>114,459</u>	51,071
Excess (deficiency) of revenues over expenditures	<u>(34,226)</u>	<u>(34,226)</u>	<u>16,375</u>	50,601
Net change in fund balances	(34,226)	(34,226)	<u>\$ 16,375</u>	<u>\$ 50,601</u>
Prior-year cash balance to balance the budget	<u>34,226</u>	<u>34,226</u>		
	<u>\$ -</u>	<u>\$ -</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ 16,375
Change in accounts payable	<u>(3,301)</u>
Net change in fund balances – GAAP basis	<u>\$ 13,074</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds— District 4 Volunteer Fire Department
For the Year Ended June 30, 2016

	409			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 32,828	\$ 32,828	\$ 32,812	\$ (16)
Total revenues	<u>32,828</u>	<u>32,828</u>	<u>32,812</u>	<u>(16)</u>
Expenditures				
Public safety	<u>43,990</u>	<u>43,990</u>	<u>25,098</u>	<u>18,892</u>
Total expenditures	<u>43,990</u>	<u>43,990</u>	<u>25,098</u>	<u>18,892</u>
Excess (deficiency) of revenues over expenditures	<u>(11,162)</u>	<u>(11,162)</u>	<u>7,714</u>	<u>18,876</u>
Net change in fund balances	<u>(11,162)</u>	<u>(11,162)</u>	<u>\$ 7,714</u>	<u>\$ 18,876</u>
Prior-year cash balance to balance the budget	<u>11,162</u>	<u>11,162</u>		
	<u>\$ -</u>	<u>\$ -</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balance – budget to actual	\$ 7,714
Change in accounts payable	<u>(2,560)</u>
Net change in fund balances – GAAP basis	<u>\$ 5,154</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Law Enforcement Protection
For the Year Ended June 30, 2016

	410			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 26,600	\$ 26,600	\$ 26,600	\$ -
Total revenues	<u>26,600</u>	<u>26,600</u>	<u>26,600</u>	<u>-</u>
Expenditures				
Public safety	<u>29,077</u>	<u>29,077</u>	<u>25,282</u>	<u>3,795</u>
Total expenditures	<u>29,077</u>	<u>29,077</u>	<u>25,282</u>	<u>3,795</u>
Excess (deficiency) of revenues over expenditures	<u>(2,477)</u>	<u>(2,477)</u>	<u>1,318</u>	<u>3,795</u>
Net change in fund balances	<u>(2,477)</u>	<u>(2,477)</u>	<u>\$ 1,318</u>	<u>\$ 3,795</u>
Prior-year cash balance to balance the budget	<u>2,478</u>	<u>2,478</u>		
	<u>\$ 1</u>	<u>\$ 1</u>		
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balance – budget to actual			\$ 1,318	
Change in accounts payable			<u>709</u>	
Net change in fund balances – GAAP basis			<u>\$ 2,027</u>	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Fire Pool ¼% Tax
For the Year Ended June 30, 2016

411

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Local and state shared taxes	\$ 138,000	\$ 138,000	\$ 142,083	\$ 4,083
Interest	-	-	124	124
Other	-	-	48	48
Total revenues	<u>138,000</u>	<u>138,000</u>	<u>142,255</u>	<u>4,255</u>
Expenditures				
Public safety	<u>234,956</u>	<u>234,956</u>	<u>189,135</u>	<u>45,821</u>
Total expenditures	<u>234,956</u>	<u>234,956</u>	<u>189,135</u>	<u>45,821</u>
Excess (deficiency) of revenues over expenditures	<u>(96,956)</u>	<u>(96,956)</u>	<u>(46,880)</u>	<u>(41,566)</u>
Other Financing Sources (Uses)				
Operating transfers out	<u>(52,862)</u>	<u>(52,862)</u>	<u>(52,862)</u>	-
Total other financing sources (uses)	<u>(52,862)</u>	<u>(52,862)</u>	<u>(52,862)</u>	-
Net change in fund balances	(149,818)	(149,818)	\$ (99,742)	\$ (41,566)
Prior-year cash balance to balance the budget	<u>152,818</u>	<u>152,818</u>		
	<u>\$ 3,000</u>	<u>\$ 3,000</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (99,742)
Change in intergovernmental receivables	(3,410)
Change in accounts payable	<u>3,000</u>
Net change in fund balances – GAAP basis	<u>\$ (100,152)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—County Fair Board
For the Year Ended June 30, 2016

412

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for services	\$ 143,968	\$ 147,880	\$ 163,540	\$ 15,660
Other	<u>1,300</u>	<u>12,843</u>	<u>13,213</u>	<u>370</u>
Total revenues	<u>145,268</u>	<u>160,723</u>	<u>176,753</u>	<u>16,030</u>
Expenditures				
General government	<u>191,993</u>	<u>223,448</u>	<u>202,600</u>	<u>20,848</u>
Total expenditures	<u>191,993</u>	<u>223,448</u>	<u>202,600</u>	<u>20,848</u>
Excess (deficiency) of revenues over expenditures	<u>(46,725)</u>	<u>(62,725)</u>	<u>(25,847)</u>	<u>(4,818)</u>
Other Financing Sources (Uses)				
Operating transfers in	<u>19,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Total other financing sources (uses)	<u>19,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Net change in fund balances	<u>(27,725)</u>	<u>(27,725)</u>	<u>\$ 9,153</u>	<u>\$ (4,818)</u>
Prior-year cash balance to balance the budget	<u>27,726</u>	<u>27,726</u>		
	<u>\$ 1</u>	<u>\$ 1</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balance – budget to actual	\$ 9,153
Change in accounts payable	<u>(314)</u>
Net change in fund balances – GAAP basis	<u>\$ 8,839</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Fire Department Administration
For the Year Ended June 30, 2016

	413			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 66,196	\$ 66,196	\$ 70,068	\$ 3,872
Total revenues	<u>66,196</u>	<u>66,196</u>	<u>70,068</u>	<u>3,872</u>
Expenditures				
Public safety	<u>84,245</u>	<u>84,245</u>	<u>59,118</u>	<u>25,127</u>
Total expenditures	<u>84,245</u>	<u>84,245</u>	<u>59,118</u>	<u>25,127</u>
Excess (deficiency) of revenues over expenditures	<u>(18,049)</u>	<u>(18,049)</u>	<u>10,950</u>	<u>28,999</u>
Net change in fund balances	<u>(18,049)</u>	<u>(18,049)</u>	<u>\$ 10,950</u>	<u>\$ 28,999</u>
Prior-year cash balance to balance the budget	<u>18,049</u>	<u>18,049</u>		
	<u>\$ -</u>	<u>\$ -</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balance – budget to actual	\$ 10,950
Change in accounts payable	<u>(6,108)</u>
Net change in fund balances – GAAP basis	<u>\$ 4,842</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Indigent
For the Year Ended June 30, 2016

414

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Local and state shared taxes	\$ 290,200	\$ 290,200	\$ 220,878	\$ (69,322)
Intergovernmental sources – state	-	-	100	100
Total revenues	<u>290,200</u>	<u>290,200</u>	<u>220,978</u>	<u>(69,222)</u>
Expenditures				
Health and welfare	<u>490,752</u>	<u>490,752</u>	<u>184,851</u>	<u>305,901</u>
Total expenditures	<u>490,752</u>	<u>490,752</u>	<u>184,851</u>	<u>305,901</u>
Excess (deficiency) of revenues over expenditures	<u>(200,552)</u>	<u>(200,552)</u>	<u>36,127</u>	<u>236,679</u>
Net change in fund balances	(200,552)	(200,552)	<u>\$ 36,127</u>	<u>\$ 236,679</u>
Prior-year cash balance to balance the budget	<u>200,948</u>	<u>200,948</u>		
	<u>\$ 396</u>	<u>\$ 396</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ 36,127
Change in accounts receivables	(14,924)
Change in accounts payable	<u>4,000</u>
Net change in fund balances – GAAP basis	<u>\$ 25,203</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Emergency Medical Services (EMS)
For the Year Ended June 30, 2016

	415			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Local and state shared taxes	\$ 24,000	\$ 24,000	\$ 23,347	\$ (653)
Intergovernmental sources – state	<u>15,543</u>	<u>15,543</u>	<u>15,543</u>	<u>-</u>
Total revenues	<u>39,543</u>	<u>39,543</u>	<u>38,890</u>	<u>(653)</u>
Expenditures				
Public safety	<u>88,963</u>	<u>88,963</u>	<u>24,979</u>	<u>63,984</u>
Total expenditures	<u>88,963</u>	<u>88,963</u>	<u>24,979</u>	<u>63,984</u>
Excess (deficiency) of revenues over expenditures	<u>(49,420)</u>	<u>(49,420)</u>	<u>13,911</u>	<u>63,331</u>
Net change in fund balance	<u>(49,420)</u>	<u>(49,420)</u>	<u>\$ 13,911</u>	<u>\$ 63,331</u>
Prior-year cash balance to balance the budget	<u>57,319</u>	<u>57,319</u>		
	<u>\$ 7,899</u>	<u>\$ 7,899</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balance – budget to actual	\$ 13,911
Change in intergovernmental receivables	(782)
Change in accounts payable	<u>136</u>
Net change in fund balances – GAAP basis	<u>\$ 13,265</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds— District 6 Volunteer Fire Department
For the Year Ended June 30, 2016

418

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental sources - state	\$ -	\$ 23,644	\$ 23,644	\$ -
Total revenues	<u>-</u>	<u>23,644</u>	<u>23,644</u>	<u>-</u>
Expenditures				
Public safety	-	23,644	5,633	18,011
Total expenditures	<u>-</u>	<u>23,644</u>	<u>5,633</u>	<u>18,011</u>
Excess (deficiency) of revenues over expenditures	-	-	18,011	18,011
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,011</u>	<u>\$ 18,011</u>

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balance – budget to actual	\$ 18,011
Change in accounts payable	<u>(395)</u>
Net change in fund balances – GAAP basis	<u>\$ 17,616</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Corrections Fund
For the Year Ended June 30, 2016

420

	Budgeted Amounts		Actual Amount	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Local and state shared taxes	\$ 299,885	\$ 299,885	\$ 222,842	\$ (77,043)
Charges for services	50,000	50,000	106,496	56,496
Intergovernmental sources – state	25,601	25,601	13,321	(12,280)
Other	-	-	149	149
Total revenues	<u>375,486</u>	<u>375,486</u>	<u>342,808</u>	<u>(32,678)</u>
Expenditures				
Public safety	<u>1,407,522</u>	<u>1,407,522</u>	<u>828,993</u>	<u>578,529</u>
Total expenditures	<u>1,407,522</u>	<u>1,407,522</u>	<u>828,993</u>	<u>578,529</u>
Excess (deficiency) of revenues over expenditures	<u>(1,032,036)</u>	<u>(1,032,036)</u>	<u>(486,185)</u>	<u>545,851</u>
Other Financing Sources (Uses)				
Operating transfers in	<u>735,000</u>	<u>735,000</u>	<u>735,000</u>	-
Total other financing sources (uses)	<u>735,000</u>	<u>735,000</u>	<u>735,000</u>	-
Net change in fund balances	297,036	297,036	<u>\$ 248,815</u>	\$ -
Prior-year cash balance to balance the budget	<u>298,300</u>	<u>298,300</u>		
	<u>\$ 1,264</u>	<u>\$ 1,264</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balance – budget to actual	\$ 248,815
Change in intergovernmental receivables	6,758
Change in accounts payable	(8,451)
Change in accrued payroll and taxes	<u>7,345</u>
Net change in fund balances – GAAP basis	<u>\$ 254,467</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Environmental Gross Receipts Tax
For the Year Ended June 30, 2016

423

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Local and state shared taxes	\$ 90,000	\$ 90,000	\$ 89,653	\$ (347)
Total revenues	<u>90,000</u>	<u>90,000</u>	<u>89,653</u>	<u>(347)</u>
Expenditures				
Health and welfare	90,000	90,000	89,653	347
Total expenditures	<u>90,000</u>	<u>90,000</u>	<u>89,653</u>	<u>347</u>
Excess (deficiency) of revenues over expenditures	-	-	-	694
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ -
Change in intergovernmental receivables	<u>(14,687)</u>
Net change in fund balances – GAAP basis	<u>\$ (14,687)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—WIPP Funding
For the Year Ended June 30, 2016

427

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 7,000	\$ 7,000	\$ -	\$ (7,000)
Total revenues	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>(7,000)</u>
Expenditures				
Public safety	<u>19,382</u>	<u>19,382</u>	<u>12,383</u>	<u>6,999</u>
Total expenditures	<u>19,382</u>	<u>19,382</u>	<u>12,383</u>	<u>6,999</u>
Excess (deficiency) of revenues over expenditures	<u>(12,382)</u>	<u>(12,382)</u>	<u>(12,383)</u>	<u>(1)</u>
Net change in fund balances	<u>(12,382)</u>	<u>(12,382)</u>	<u>\$ (12,383)</u>	<u>\$ (1)</u>
Prior-year cash balance to balance the budget	<u>12,383</u>	<u>12,383</u>		
	<u>\$ 1</u>	<u>\$ 1</u>		

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Volunteer Recruitment/Retention
For the Year Ended June 30, 2016

428

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Other	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Public safety	<u>-</u>	25,000	<u>-</u>	25,000
Total expenditures	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(25,000)</u>	<u>-</u>	<u>25,000</u>
Other Financing Sources (Uses)				
Operating transfers in	<u>-</u>	25,000	<u>25,000</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Animal Shelter
For the Year Ended June 30, 2016

	430			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Other	\$ 1,900	\$ 1,900	\$ 918	\$ (982)
Total revenues	<u>1,900</u>	<u>1,900</u>	<u>918</u>	<u>(982)</u>
Expenditures				
Public safety	<u>6,100</u>	<u>6,100</u>	<u>1,654</u>	<u>4,446</u>
Total expenditures	<u>6,100</u>	<u>6,100</u>	<u>1,654</u>	<u>4,446</u>
Excess (deficiency) of revenues over expenditures	<u>(4,200)</u>	<u>(4,200)</u>	<u>(736)</u>	<u>3,464</u>
Net change in fund balance	(4,200)	(4,200)	\$ (736)	\$ 3,464
Prior-year cash balance to balance the budget	<u>4,354</u>	<u>4,354</u>		
	<u>\$ 154</u>	<u>\$ 154</u>		

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Safety Program
For the Year Ended June 30, 2016

	600			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Charges for services	\$ 12,322	\$ 12,322	\$ 6,445	\$ (5,877)
Other	-	-	7,000	7,000
Total revenues	12,322	12,322	13,445	1,123
Expenditures				
Public safety	18,327	18,327	17,212	1,115
Total expenditures	18,327	18,327	17,212	1,115
Excess (deficiency) of revenues over expenditures	(6,005)	(6,005)	(3,767)	2,238
Net change in fund balances	(6,005)	(6,005)	\$ (3,767)	\$ 2,238
Prior-year cash balance to balance the budget	6,948	6,948		
	\$ 943	\$ 943		
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balance – budget to actual			\$ (3,767)	
Change in intergovernmental receivables			(50)	
Change in accounts payable			(221)	
Net change in fund balances – GAAP basis			\$ (4,038)	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Civil Defense
For the Year Ended June 30, 2016

604

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Local and state shared taxes	\$ 33,000	\$ 35,174	\$ 32,686	\$ (2,488)
Total revenues	<u>33,000</u>	<u>35,174</u>	<u>32,686</u>	<u>(2,488)</u>
Expenditures				
Health and welfare	<u>67,300</u>	<u>67,300</u>	<u>13,737</u>	<u>53,563</u>
Total expenditures	<u>67,300</u>	<u>67,300</u>	<u>13,737</u>	<u>53,563</u>
Excess (deficiency) of revenues over expenditures	<u>(34,300)</u>	<u>(32,126)</u>	<u>18,949</u>	<u>51,075</u>
Other Financing Sources (Uses)				
Operating transfers out	<u>-</u>	<u>(2,174)</u>	<u>(2,174)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(2,174)</u>	<u>(2,174)</u>	<u>-</u>
Net change in fund balances	(34,300)	(34,300)	\$ 16,775	\$ 51,075
Prior-year cash balance to balance the budget	<u>34,671</u>	<u>34,671</u>		
	<u>\$ 371</u>	<u>\$ 371</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ 16,775
Change in intergovernmental receivables	<u>(1,096)</u>
Net change in fund balances – GAAP basis	<u>\$ 15,679</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—DWI Program
For the Year Ended June 30, 2016

	605			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 209,854	\$ 220,116	\$ 183,913	\$ (36,203)
Charges for services	<u>1,000</u>	<u>1,000</u>	<u>677</u>	<u>(323)</u>
Total revenues	<u>210,854</u>	<u>221,116</u>	<u>184,590</u>	<u>(36,526)</u>
Expenditures				
Public safety	<u>206,182</u>	<u>216,444</u>	<u>193,673</u>	<u>22,771</u>
Total expenditures	<u>206,182</u>	<u>216,444</u>	<u>193,673</u>	<u>22,771</u>
Excess (deficiency) of revenues over expenditures	<u>4,672</u>	<u>4,672</u>	<u>(9,083)</u>	<u>(13,755)</u>
Net change in fund balances	<u>\$ 4,672</u>	<u>\$ 4,672</u>	<u>\$ (9,083)</u>	<u>\$ (13,755)</u>
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balances – budget to actual			\$ (9,083)	
Change in intergovernmental receivables			3,549	
Change in accounts payable			(159)	
Change in accrued payroll and taxes			<u>549</u>	
Net change in fund balances – GAAP basis			<u>\$ (5,144)</u>	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—DWI School
For the Year Ended June 30, 2016

	606			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Charges for services	\$ 2,000	\$ 2,000	\$ 1,550	\$ (450)
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>1,550</u>	<u>(450)</u>
Expenditures				
Public safety	<u>2,986</u>	<u>2,986</u>	<u>1,068</u>	<u>1,918</u>
Total expenditures	<u>2,986</u>	<u>2,986</u>	<u>1,068</u>	<u>1,918</u>
Excess (deficiency) of revenues over expenditures	<u>(986)</u>	<u>(986)</u>	<u>482</u>	<u>1,468</u>
Net change in fund balances	(986)	(986)	\$ 482	\$ 1,468
Prior-year cash balance to balance the budget	<u>986</u>	<u>986</u>		
	<u>\$ -</u>	<u>\$ -</u>		

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Treasurer’s Fee
For the Year Ended June 30, 2016

	609			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Charges for services	\$ 7,500	\$ 7,500	\$ 6,073	\$ (1,427)
Total revenues	<u>7,500</u>	<u>7,500</u>	<u>6,073</u>	<u>(1,427)</u>
Expenditures				
General government	<u>54,400</u>	<u>54,400</u>	<u>6,099</u>	<u>48,301</u>
Total expenditures	<u>54,400</u>	<u>54,400</u>	<u>6,099</u>	<u>48,301</u>
Excess (deficiency) of revenues over expenditures	<u>(46,900)</u>	<u>(46,900)</u>	<u>(26)</u>	<u>46,874</u>
Net change in fund balances	(46,900)	(46,900)	\$ (26)	\$ 46,874
Prior-year cash balance to balance the budget	<u>46,947</u>	<u>46,947</u>		
	<u>\$ 47</u>	<u>\$ 47</u>		

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Reappraisal
For the Year Ended June 30, 2016

	610			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Property taxes	\$ 85,000	\$ 85,000	\$ 89,481	\$ 4,481
Charges for services	7,200	7,200	11,391	4,191
Other	-	-	296	296
Total revenues	92,200	92,200	101,168	8,968
Expenditures				
General government	316,961	316,961	204,764	112,197
Total expenditures	316,961	316,961	204,764	112,197
Excess (deficiency) of revenues over expenditures	(224,761)	(224,761)	(103,596)	121,165
Other Financing Sources (Uses)				
Operating transfers in	40,487	40,487	40,487	-
Total other financing sources (uses)	40,487	40,487	40,487	-
Net change in fund balances	(184,274)	(184,274)	\$ (63,109)	\$ 121,165
Prior-year cash balance to balance the budget	249,919	249,919		
	\$ 65,645	\$ 65,645		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (63,109)
Change in prepaid expenses	(705)
Change in accounts payable	(228)
Change in accrued payroll and taxes	1,402
Net change in fund balances – GAAP basis	\$ (62,640)

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Clerk’s Equipment
For the Year Ended June 30, 2016

	612			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Charges for services	\$ 22,500	\$ 22,500	\$ 20,925	\$ (1,575)
Total revenues	22,500	22,500	20,925	(1,575)
Expenditures				
General government	23,200	23,200	18,564	4,636
Total expenditures	23,200	23,200	18,564	4,636
Excess (deficiency) of revenues over expenditures	(700)	(700)	2,361	3,061
Net change in fund balances	(700)	(700)	\$ 2,361	\$ 3,061
Prior-year cash balance to balance the budget	1,625	1,625		
	\$ 925	\$ 925		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balance – budget to actual	\$ 2,361
Change in accounts payable	(94)
Net change in fund balances – GAAP basis	\$ 2,267

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—RPHCA Grant
For the Year Ended June 30, 2016

	616			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 118,100	\$ 118,100	\$ 109,600	\$ (8,500)
Total revenues	<u>118,100</u>	<u>118,100</u>	<u>109,600</u>	<u>(8,500)</u>
Expenditures				
Health and welfare	118,100	118,100	101,100	17,000
Total expenditures	<u>118,100</u>	<u>118,100</u>	<u>101,100</u>	<u>17,000</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>8,500</u>	<u>8,500</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,500</u>	<u>\$ 8,500</u>
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balance – budget to actual			\$ 8,500	
Change in accounts payable			<u>(8,500)</u>	
Net change in fund balances – GAAP basis			<u>\$ -</u>	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Community Development Block Grant
For the Year Ended June 30, 2016

623

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ 6,250	\$ 20,000	\$ 20,000	\$ -
Total revenues	<u>6,250</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Expenditures				
Health and welfare	6,250	20,000	20,000	-
Total expenditures	<u>6,250</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balance – budget to actual	\$ -
Change in accounts payable	<u>5,000</u>
Net change in fund balances – GAAP basis	<u>\$ 5,000</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Adolescent Pregnancy Prevention
For the Year Ended June 30, 2016

	626			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ 31,691	\$ 31,691	\$ 3,441	\$ (28,250)
Total revenues	<u>31,691</u>	<u>31,691</u>	<u>3,441</u>	<u>(28,250)</u>
Expenditures				
Health and welfare	<u>28,700</u>	<u>28,700</u>	<u>4,934</u>	<u>23,766</u>
Total expenditures	<u>28,700</u>	<u>28,700</u>	<u>4,934</u>	<u>23,766</u>
Excess (deficiency) of revenues over expenditures	<u>2,991</u>	<u>2,991</u>	<u>(1,493)</u>	<u>(4,484)</u>
Net change in fund balances	<u>\$ 2,991</u>	<u>\$ 2,991</u>	<u>\$ (1,493)</u>	<u>\$ (4,484)</u>
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balances – budget to actual			\$ (1,493)	
Change in intergovernmental receivables			(3,441)	
Change in accrued payroll and taxes			<u>111</u>	
Net change in fund balances – GAAP basis			<u>\$ (4,823)</u>	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Recycling and Illegal Dumping Grant
For the Year Ended June 30, 2016

628

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 14,700	\$ 14,700	\$ 14,700	\$ -
Total revenues	<u>14,700</u>	<u>14,700</u>	<u>14,700</u>	<u>-</u>
Expenditures				
Health and welfare	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>14,700</u>	<u>14,700</u>	<u>14,700</u>	<u>-</u>
Net change in fund balances	<u>\$ 14,700</u>	<u>\$ 14,700</u>	<u>\$ 14,700</u>	<u>\$ -</u>
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balances – budget to actual			\$ 14,700	
Change in intergovernmental receivables			<u>(14,700)</u>	
Net change in fund balances – GAAP basis			<u>\$ -</u>	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Home Visiting Grant
For the Year Ended June 30, 2016

629

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 307,155	\$ 307,155	<u>\$ 239,202</u>	\$ (67,953)
Total revenues	<u>307,155</u>	<u>307,155</u>	<u>239,202</u>	<u>(67,953)</u>
Expenditures				
Health and welfare	<u>261,121</u>	<u>261,121</u>	<u>252,112</u>	<u>9,009</u>
Total expenditures	<u>261,121</u>	<u>261,121</u>	<u>252,112</u>	<u>9,009</u>
Excess (deficiency) of revenues over expenditures	<u>46,034</u>	<u>46,034</u>	<u>(12,910)</u>	<u>(58,944)</u>
Net change in fund balances	<u>\$ 46,034</u>	<u>\$ 46,034</u>	<u>\$ (12,910)</u>	<u>\$ (58,944)</u>

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (12,910)
Change in intergovernmental receivables	(8,140)
Change in accounts payable	(253)
Change in accrued payroll and taxes	<u>1,406</u>
Net change in fund balances – GAAP basis	<u>\$ (19,897)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Esperanza Clinic
For the Year Ended June 30, 2016

	630			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Charges for services	\$ 1,200	\$ 1,200	\$ 1,300	\$ 100
Total revenues	<u>1,200</u>	<u>1,200</u>	<u>1,300</u>	<u>100</u>
Expenditures				
Health and welfare	<u>10,600</u>	<u>10,600</u>	<u>-</u>	<u>10,600</u>
Total expenditures	<u>10,600</u>	<u>10,600</u>	<u>-</u>	<u>10,600</u>
Excess (deficiency) of revenues over expenditures	<u>(9,400)</u>	<u>(9,400)</u>	<u>1,300</u>	<u>10,700</u>
Net change in fund balances	<u>(9,400)</u>	<u>(9,400)</u>	<u>\$ 1,300</u>	<u>\$ 10,700</u>
Prior-year cash balance to balance the budget	<u>9,568</u>	<u>9,568</u>		
	<u>\$ 168</u>	<u>\$ 168</u>		

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Senior Citizens Program
For the Year Ended June 30, 2016

	631			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Health and welfare	<u>1,341</u>	<u>1,341</u>	<u>-</u>	<u>1,341</u>
Total expenditures	<u>1,341</u>	<u>1,341</u>	<u>-</u>	<u>1,341</u>
Excess (deficiency) of revenues over expenditures	<u>(1,341)</u>	<u>(1,341)</u>	<u>-</u>	<u>1,341</u>
Net change in fund balances	<u>(1,341)</u>	<u>(1,341)</u>	<u>\$ -</u>	<u>\$ 1,341</u>
Prior-year cash balance to balance the budget	<u>1,341</u>	<u>1,341</u>		
	<u>\$ -</u>	<u>\$ -</u>		

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Court Forfeiture
For the Year Ended June 30, 2016

634

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Public safety	<u>10,215</u>	<u>10,215</u>	<u>-</u>	<u>10,215</u>
Total expenditures	<u>10,215</u>	<u>10,215</u>	<u>-</u>	<u>10,215</u>
Excess (deficiency) of revenues over expenditures	<u>(10,215)</u>	<u>(10,215)</u>	<u>-</u>	<u>10,215</u>
Net change in fund balances	<u>(10,215)</u>	<u>(10,215)</u>	<u>\$ -</u>	<u>\$ 10,215</u>
Prior-year cash balance to balance the budget	<u>10,215</u>	<u>10,215</u>		
	<u>\$ -</u>	<u>\$ -</u>		

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Juvenile Justice Grant
For the Year Ended June 30, 2016

	635			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 170,736	\$ 170,736	\$ 90,602	\$ (80,134)
Total revenues	<u>170,736</u>	<u>170,736</u>	<u>90,602</u>	<u>(80,134)</u>
Expenditures				
General government	<u>173,211</u>	<u>173,211</u>	<u>111,747</u>	<u>61,464</u>
Total expenditures	<u>173,211</u>	<u>173,211</u>	<u>111,747</u>	<u>61,464</u>
Excess (deficiency) of revenues over expenditures	<u>(2,475)</u>	<u>(2,475)</u>	<u>(21,145)</u>	<u>(18,670)</u>
Net change in fund balances	<u>(2,475)</u>	<u>(2,475)</u>	<u>\$ (21,145)</u>	<u>\$ (18,670)</u>
Prior-year cash balance to balance the budget	<u>3,575</u>	<u>3,575</u>		
	<u>\$ 1,100</u>	<u>\$ 1,100</u>		
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balances – budget to actual			\$ (21,145)	
Change in intergovernmental receivables			(10,405)	
Change in accounts payable			<u>2,429</u>	
Net change in fund balances – GAAP basis			<u>\$ (29,121)</u>	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Wind PILT
For the Year Ended June 30, 2016

	641			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Payment in lieu of taxes	\$ 325,000	\$ 325,000	\$ 660,250	\$ 335,250
Interest	<u>225</u>	<u>225</u>	<u>88</u>	<u>(137)</u>
Total revenues	<u>325,225</u>	<u>325,225</u>	<u>660,338</u>	<u>335,113</u>
Expenditures				
General government	<u>524,500</u>	<u>322,500</u>	<u>175,494</u>	<u>147,006</u>
Total expenditures	<u>524,500</u>	<u>322,500</u>	<u>175,494</u>	<u>147,006</u>
Excess (deficiency) of revenues over expenditures	<u>(199,275)</u>	<u>2,725</u>	<u>484,844</u>	<u>188,107</u>
Other Financing Sources (Uses)				
Operating transfers out	<u>-</u>	<u>(202,000)</u>	<u>(202,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(202,000)</u>	<u>(202,000)</u>	<u>-</u>
Net change in fund balances	(199,275)	(199,275)	<u>\$ 282,844</u>	<u>\$ 188,107</u>
Prior-year cash balance to balance the budget	<u>202,639</u>	<u>202,639</u>		
	<u>\$ 3,364</u>	<u>\$ 3,364</u>		
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balances – budget to actual			<u>\$ 282,844</u>	
Change in accounts payable			<u>(4,797)</u>	
Net change in fund balances – GAAP basis			<u>\$ 278,047</u>	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Estancia Basin Water Study
For the Year Ended June 30, 2016

	650			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
Expenditures				
General government	<u>10,742</u>	<u>10,742</u>	<u>10,000</u>	<u>742</u>
Total expenditures	<u>10,742</u>	<u>10,742</u>	<u>10,000</u>	<u>742</u>
Excess (deficiency) of revenues over expenditures	<u>(742)</u>	<u>(742)</u>	<u>(10,000)</u>	<u>(9,258)</u>
Net change in fund balances	<u>(742)</u>	<u>(742)</u>	<u>\$ (10,000)</u>	<u>\$ (9,258)</u>
Prior-year cash balance to balance the budget	<u>743</u>	<u>743</u>		
	<u>\$ 1</u>	<u>\$ 1</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (10,000)
Change in intergovernmental receivables	<u>10,000</u>
Net change in fund balances – GAAP basis	<u>\$ -</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Rural Addressing
For the Year Ended June 30, 2016

	675			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Local and state shared taxes	\$ 24,000	\$ 24,000	\$ 23,347	\$ (653)
Charges for services	<u>4,600</u>	<u>4,600</u>	<u>3,907</u>	\$ (693)
Total revenues	<u>28,600</u>	<u>28,600</u>	<u>27,254</u>	<u>(1,346)</u>
Expenditures				
General government	<u>91,936</u>	<u>91,936</u>	<u>73,727</u>	<u>18,209</u>
Total expenditures	<u>91,936</u>	<u>91,936</u>	<u>73,727</u>	<u>18,209</u>
Excess (deficiency) of revenues over expenditures	<u>(63,336)</u>	<u>(63,336)</u>	<u>(46,473)</u>	<u>16,863</u>
Other Financing Sources (Uses)				
Operating transfers in	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Total other financing sources (uses)	<u>35,000</u>	<u>35,000</u>	<u>35,000</u>	<u>-</u>
Net change in fund balances	(28,336)	(28,336)	<u>\$ (11,473)</u>	<u>\$ 16,863</u>
Prior-year cash balance to balance the budget	<u>29,975</u>	<u>29,975</u>		
	<u>\$ 1,639</u>	<u>\$ 1,639</u>		
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balances – budget to actual			\$ (11,473)	
Change in intergovernmental receivables			(782)	
Change in accounts payable			574	
Change in accrued payroll and taxes			<u>2,057</u>	
Net change in fund balances – GAAP basis			<u>\$ (9,624)</u>	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—NM Forest Re-Leaf
For the Year Ended June 30, 2016

	680			Variance with Final Budget - Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Other	\$ -	\$ 3,998	\$ -	\$ (3,998)
Total revenues	-	3,998	-	(3,998)
Expenditures				
General government	-	3,998	-	3,998
Total expenditures	-	3,998	-	3,998
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net change in fund balance	\$ -	\$ -	\$ -	\$ -

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ -
Change in intergovernmental receivables	3,998
Net change in fund balances – GAAP basis	\$ 3,998

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Planning and Zoning Court Fees
For the Year Ended June 30, 2016

	685			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Charges for services	\$ 7,077	\$ 7,077	\$ 6,200	\$ (877)
Total revenues	<u>7,077</u>	<u>7,077</u>	<u>6,200</u>	<u>(877)</u>
Expenditures				
General government	<u>17,100</u>	<u>18,605</u>	<u>15,131</u>	<u>3,474</u>
Total expenditures	<u>17,100</u>	<u>18,605</u>	<u>15,131</u>	<u>3,474</u>
Excess (deficiency) of revenues over expenditures	<u>(10,023)</u>	<u>(11,528)</u>	<u>(8,931)</u>	<u>2,597</u>
Total other financing sources (uses)				
Operating transfers in	<u>-</u>	<u>1,505</u>	<u>1,505</u>	<u>-</u>
Total other financing sources (uses)	<u>(10,023)</u>	<u>(11,528)</u>	<u>1,505</u>	<u>2,597</u>
Net change in fund balances	<u>(10,023)</u>	<u>(10,023)</u>	<u>\$ (7,426)</u>	<u>\$ 2,597</u>
Prior-year cash balance to balance the budget	<u>10,096</u>	<u>10,096</u>		
	<u>\$ 73</u>	<u>\$ 73</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (7,426)
Change in accounts payable	<u>16</u>
Net change in fund balances – GAAP basis	<u>\$ (7,410)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Domestic Violence
For the Year Ended June 30, 2016

	690			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ 118,299	\$ 118,299	\$ 106,010	\$ (12,289)
Total revenues	<u>118,299</u>	<u>118,299</u>	<u>106,010</u>	<u>(12,289)</u>
Expenditures				
Health and welfare	<u>88,113</u>	<u>88,113</u>	<u>86,114</u>	<u>1,999</u>
Total expenditures	<u>88,113</u>	<u>88,113</u>	<u>86,114</u>	<u>1,999</u>
Excess (deficiency) of revenues over expenditures	<u>30,186</u>	<u>30,186</u>	<u>19,896</u>	<u>(10,290)</u>
Net change in fund balances	<u>\$ 30,186</u>	<u>\$ 30,186</u>	<u>\$ 19,896</u>	<u>\$ (10,290)</u>

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ 19,896
Change in intergovernmental receivables	(21,547)
Change in accounts payable	(35)
Change in accrued payroll and taxes	<u>291</u>
Net change in fund balances – GAAP basis	<u>\$ (1,395)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—DV Victim Restitution
For the Year Ended June 30, 2016

	691			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Charges for services	\$ 5,000	\$ 5,000	\$ 2,609	\$ (2,391)
Intergovernmental sources - state	-	-	90	90
Other	-	-	1,359	1,359
Total revenues	5,000	5,000	4,058	(942)
Expenditures				
Health and welfare	29,000	29,000	3,046	25,954
Total expenditures	29,000	29,000	3,046	25,954
Excess (deficiency) of revenues over expenditures	(24,000)	(24,000)	1,012	25,012
Net change in fund balances	(24,000)	(24,000)	\$ 1,012	\$ 25,012
Prior-year cash balance to balance the budget	24,336	24,336		
	\$ 336	\$ 336		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ 1,012
Change in accounts payable	17
Net change in fund balances – GAAP basis	\$ 1,029

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Title III Forest Reserve
For the Year Ended June 30, 2016

	693			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ 9,000	\$ 9,000	\$ 10,985	\$ 1,985
Total revenues	<u>9,000</u>	<u>9,000</u>	<u>10,985</u>	<u>1,985</u>
Expenditures				
General government	<u>146,477</u>	<u>146,477</u>	<u>-</u>	<u>146,477</u>
Total expenditures	<u>146,477</u>	<u>146,477</u>	<u>-</u>	<u>146,477</u>
Excess (deficiency) of revenues over expenditures	<u>(137,477)</u>	<u>(137,477)</u>	<u>10,985</u>	<u>148,462</u>
Net change in fund balances	<u>(137,477)</u>	<u>(137,477)</u>	<u>\$ 10,985</u>	<u>\$ 148,462</u>
Prior-year cash balance to balance the budget	<u>137,478</u>	<u>137,478</u>		
	<u>\$ 1</u>	<u>\$ 1</u>		

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—U.S. Marshal JLEO
For the Year Ended June 30, 2016

	802			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ 12,687	\$ 17,867	\$ 14,291	\$ (3,576)
Total revenues	12,687	17,867	14,291	(3,576)
Expenditures				
Public safety	10,000	15,000	15,000	-
Total expenditures	10,000	15,000	15,000	-
Excess (deficiency) of revenues over expenditures	2,687	2,867	(709)	(3,576)
Net change in fund balances	\$ 2,687	\$ 2,867	\$ (709)	\$ (3,576)

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balance – budget to actual	\$ (709)
Change in intergovernmental receivables	8,543
Change in accrued payroll and taxes	607
Net change in fund balances – GAAP basis	\$ 8,441

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Drug Education Program
For the Year Ended June 30, 2016

	804		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts			
	Original	Final		
Revenues				
Other	\$ 4,000	\$ 4,000	\$ 279	\$ (3,721)
Total revenues	4,000	4,000	279	(3,721)
Expenditures				
Health and welfare	36,000	36,000	7,792	28,208
Total expenditures	36,000	36,000	7,792	28,208
Excess (deficiency) of revenues over expenditures	(32,000)	(32,000)	(7,513)	24,487
Net change in fund balances	(32,000)	(32,000)	\$ (7,513)	\$ 24,487
Prior-year cash balance to balance the budget	32,721	32,721		
	\$ 721	\$ 721		
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balances – budget to actual			\$ (7,513)	
Change in accounts payable			326	
Net change in fund balances – GAAP basis			\$ (7,187)	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Traffic Safety
For the Year Ended June 30, 2016

	805			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ 7,955	\$ 19,001	\$ 11,347	\$ (7,654)
Total revenues	7,955	19,001	11,347	(7,654)
Expenditures				
Public safety	6,845	17,891	12,787	5,104
Total expenditures	6,845	17,891	12,787	5,104
Excess (deficiency) of revenues over expenditures	1,110	1,110	(1,440)	(2,550)
Net change in fund balances	\$ 1,110	\$ 1,110	\$ (1,440)	\$ (2,550)

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (1,440)
Change in intergovernmental receivables	1,494
Change in accrued payroll and taxes	94
Net change in fund balances – GAAP basis	\$ 148

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Teen Court Donation
For the Year Ended June 30, 2016

807

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for services	\$ -	\$ -	\$ 35	\$ 35
Other	100	100	447	347
Total revenues	<u>100</u>	<u>100</u>	<u>482</u>	<u>382</u>
Expenditures				
General government	200	200	191	9
Total expenditures	<u>200</u>	<u>200</u>	<u>191</u>	<u>9</u>
Excess (deficiency) of revenues over expenditures	(100)	(100)	291	391
Net change in fund balances	(100)	(100)	\$ 291	\$ 391
Prior-year cash balance to balance the budget	100	100		
	<u>\$ -</u>	<u>\$ -</u>		

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Forest Service Patrol
For the Year Ended June 30, 2016

	808			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ 10,000	\$ 10,000	\$ 3,004	\$ (6,996)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>3,004</u>	<u>(6,996)</u>
Expenditures				
Public safety	<u>16,450</u>	<u>16,450</u>	<u>11,433</u>	<u>5,017</u>
Total expenditures	<u>16,450</u>	<u>16,450</u>	<u>11,433</u>	<u>5,017</u>
Excess (deficiency) of revenues over expenditures	<u>(6,450)</u>	<u>(6,450)</u>	<u>(8,429)</u>	<u>(1,979)</u>
Net change in fund balances	<u>(6,450)</u>	<u>(6,450)</u>	<u>\$ (8,429)</u>	<u>\$ (1,979)</u>
Prior-year cash balance to balance the budget	<u>6,450</u>	<u>6,450</u>		
	<u>\$ -</u>	<u>\$ -</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (8,429)
Change in intergovernmental receivables	(353)
Change in accrued payroll and taxes	<u>1,268</u>
Net change in fund balances – GAAP basis	<u>\$ (7,514)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—NM Primary Care Association
For the Year Ended June 30, 2016

819

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 25,000	\$ 25,000	\$ 1,001	\$ (23,999)
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>1,001</u>	<u>(23,999)</u>
Expenditures				
Health and welfare	25,000	25,000	19,511	5,489
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>19,511</u>	<u>5,489</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(18,510)</u>	<u>(18,510)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,510)</u>	<u>\$ (18,510)</u>

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (18,510)
Change in intergovernmental receivables	4,720
Change in accrued payroll and taxes	(131)
Net change in fund balances – GAAP basis	<u>\$ (13,921)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—ICE Inmate Care
For the Year Ended June 30, 2016

	825			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Charges for services	\$ 65,000	\$ 65,000	\$ 47,360	\$ (17,640)
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>47,360</u>	<u>(17,640)</u>
Expenditures				
Public safety	<u>65,000</u>	<u>65,000</u>	<u>44,507</u>	<u>20,493</u>
Total expenditures	<u>65,000</u>	<u>65,000</u>	<u>44,507</u>	<u>20,493</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>2,853</u>	<u>2,853</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,853</u>	<u>\$ 2,853</u>

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ 2,853
Change in intergovernmental receivables	91,476
Change in accounts payable	<u>(98,359)</u>
Net change in fund balances – GAAP basis	<u>\$ (4,030)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—NMDHLS EMPG
For the Year Ended June 30, 2016

	826			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ 28,613	\$ 28,613	\$ 17,479	\$ (11,134)
Total revenues	<u>28,613</u>	<u>28,613</u>	<u>17,479</u>	<u>(11,134)</u>
Expenditures				
Health and welfare	<u>45,316</u>	<u>45,316</u>	<u>45,315</u>	<u>1</u>
Total expenditures	<u>45,316</u>	<u>45,316</u>	<u>45,315</u>	<u>1</u>
Excess (deficiency) of revenues over expenditures	<u>(16,703)</u>	<u>(16,703)</u>	<u>(27,836)</u>	<u>(11,133)</u>
Other Financing Sources (Uses)				
Operating transfers in	<u>22,672</u>	<u>22,672</u>	<u>22,672</u>	<u>-</u>
Total other financing sources (uses)	<u>22,672</u>	<u>22,672</u>	<u>22,672</u>	<u>-</u>
Net change in fund balances	<u>\$ 5,969</u>	<u>\$ 5,969</u>	<u>\$ (5,164)</u>	<u>\$ (11,133)</u>
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balances – budget to actual			\$ (5,164)	
Change in intergovernmental receivables			(5,941)	
Change in accrued payroll and taxes			<u>1,563</u>	
Net change in fund balances – GAAP basis			<u>\$ (9,542)</u>	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—NMDHLS FY 14 HL Security
For the Year Ended June 30, 2016

827

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ 60,905	\$ 60,905	\$ 60,211	\$ (694)
Total revenues	<u>60,905</u>	<u>60,905</u>	<u>60,211</u>	<u>(694)</u>
Expenditures				
Public safety	26,718	26,718	26,024	694
Total expenditures	<u>26,718</u>	<u>26,718</u>	<u>26,024</u>	<u>694</u>
Excess (deficiency) of revenues over expenditures	<u>34,187</u>	<u>34,187</u>	<u>34,187</u>	<u>-</u>
Net change in fund balances	<u>\$ 34,187</u>	<u>\$ 34,187</u>	<u>\$ 34,187</u>	<u>\$ -</u>

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ 34,187
Change in intergovernmental receivables	<u>(34,187)</u>
Net change in fund balances – GAAP basis	<u>\$ -</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—NMDHLS Mitigation Grant
For the Year Ended June 30, 2016

	828		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts			
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ 33,750	\$ 33,750	\$ -	\$ (33,750)
Total revenues	33,750	33,750	-	(33,750)
Expenditures				
Public safety	33,750	33,750	28,595	5,155
Total expenditures	33,750	33,750	28,595	5,155
Excess (deficiency) of revenues over expenditures	-	-	(28,595)	(28,595)
Net change in fund balances	\$ -	\$ -	\$ (28,595)	\$ (28,595)

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—NMDOH Cities Readiness Initiative
For the Year Ended June 30, 2016

829

	Budgeted Amounts		Actual Amounts	Variance with Final Budget – Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ -	\$ -	\$ 19,400	\$ 19,400
Total revenues	<u>-</u>	<u>-</u>	<u>19,400</u>	<u>19,400</u>
Expenditures				
Health and welfare	<u>3,600</u>	<u>3,600</u>	<u>3,600</u>	<u>-</u>
Total expenditures	<u>3,600</u>	<u>3,600</u>	<u>3,600</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(3,600)</u>	<u>(3,600)</u>	<u>15,800</u>	<u>19,400</u>
Net change in fund balances	<u>(3,600)</u>	<u>(3,600)</u>	<u>\$ 15,800</u>	<u>\$ 19,400</u>
Prior-year cash balance to balance the budget	<u>3,600</u>	<u>3,600</u>		
	<u>\$ -</u>	<u>\$ -</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ 15,800
Change in intergovernmental receivables	<u>(8,400)</u>
Net change in fund balances – GAAP basis	<u>\$ 7,400</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Disaster Public Assistance
For the Year Ended June 30, 2016

	830			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ 42,464	\$ 42,464	\$ 1,289	\$ (41,175)
Total revenues	<u>42,464</u>	<u>42,464</u>	<u>1,289</u>	<u>(41,175)</u>
Expenditures				
Public safety	<u>169,855</u>	<u>169,855</u>	<u>43,390</u>	<u>126,465</u>
Total expenditures	<u>169,855</u>	<u>169,855</u>	<u>43,390</u>	<u>126,465</u>
Excess (deficiency) of revenues over expenditures	<u>(127,391)</u>	<u>(127,391)</u>	<u>(42,101)</u>	<u>85,290</u>
Net change in fund balances	(127,391)	(127,391)	\$ (42,101)	\$ 85,290
Prior-year cash balance to balance the budget	<u>127,392</u>	<u>127,392</u>		
	<u><u>\$ 1</u></u>	<u><u>\$ 1</u></u>		

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—EMW 2013 EP Grant
For the Year Ended June 30, 2016

	831			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – federal	\$ 75,579	\$ 75,579	\$ 99,120	\$ 23,541
Intergovernmental sources – state	<u>75,579</u>	<u>75,579</u>	<u>49,864</u>	<u>(25,715)</u>
Total revenues	<u>151,158</u>	<u>151,158</u>	<u>148,984</u>	<u>(2,174)</u>
Expenditures				
Public safety	<u>198,240</u>	<u>200,414</u>	<u>198,240</u>	<u>2,174</u>
Total expenditures	<u>198,240</u>	<u>200,414</u>	<u>198,240</u>	<u>2,174</u>
Excess (deficiency) of revenues over expenditures	<u>(47,082)</u>	<u>(49,256)</u>	<u>(49,256)</u>	<u>-</u>
Other Financing Sources (Uses)				
Operating transfers in	<u>-</u>	<u>2,174</u>	<u>2,174</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>2,174</u>	<u>2,174</u>	<u>-</u>
Net change in fund balances	(47,082)	(47,082)	<u>\$ (47,082)</u>	<u>\$ -</u>
Prior-year cash balance to balance the budget	<u>47,082</u>	<u>47,082</u>		
	<u>\$ -</u>	<u>\$ -</u>		

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—NMDHLS FY 2015 HL Security
For the Year Ended June 30, 2016

832

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ -	\$ 6,000	\$ 6,000	\$ -
Total revenues	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
Expenditures				
Public safety	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds— EMW 2015 EP Grant
For the Year Ended June 30, 2016

833

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ -	\$ 11,000	\$ -	\$ (11,000)
Total revenues	<u>-</u>	<u>11,000</u>	<u>-</u>	<u>(11,000)</u>
Expenditures				
Public safety	-	11,000	-	11,000
Total expenditures	<u>-</u>	<u>11,000</u>	<u>-</u>	<u>11,000</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ -
Change in accounts payable	<u>(7,413)</u>
Net change in fund balances – GAAP basis	<u>\$ (7,413)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Dog Head Fire
For the Year Ended June 30, 2016

834

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ -	\$ 46,000	\$ -	\$ (46,000)
Total revenues	<u>-</u>	<u>46,000</u>	<u>-</u>	<u>(46,000)</u>
Expenditures				
Public safety	-	46,000	<u>45,525</u>	<u>475</u>
Total expenditures	<u>-</u>	<u>46,000</u>	<u>45,525</u>	<u>475</u>
Excess (deficiency) of revenues over expenditures	-	-	<u>(45,525)</u>	<u>(45,525)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (45,525)</u>	<u>\$ (45,525)</u>

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (45,525)
Change in accounts payable	(12,641)
Change in accrued payroll and taxes	<u>(70)</u>
Net change in fund balances – GAAP basis	<u>\$ (58,236)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Goliath Winter Storm
For the Year Ended June 30, 2016

	835			Variance with Final Budget - Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources – state	\$ -	\$ 70,165	\$ 70,165	\$ -
Total revenues	-	70,165	70,165	-
Expenditures				
Public safety	-	70,165	70,165	-
Total expenditures	-	70,165	70,165	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Net change in fund balance	\$ -	\$ -	\$ -	\$ -

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Special Revenue Funds—Emergency 911
For the Year Ended June 30, 2016

	911			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Local and state shared taxes	\$ 400,000	\$ 400,000	\$ 387,919	\$ (12,081)
Charges for services	150,499	150,499	138,051	(12,448)
Interest	150	150	57	(93)
Other	-	-	3,850	3,850
Total revenues	<u>550,649</u>	<u>550,649</u>	<u>529,877</u>	<u>(20,772)</u>
Expenditures				
Public safety	<u>913,254</u>	<u>913,254</u>	<u>837,703</u>	<u>75,551</u>
Total expenditures	<u>913,254</u>	<u>913,254</u>	<u>837,703</u>	<u>75,551</u>
Excess (deficiency) of revenues over expenditures	<u>(362,605)</u>	<u>(362,605)</u>	<u>(307,826)</u>	<u>54,779</u>
Other Financing Sources (Uses)				
Operating transfers in	192,392	240,000	240,000	-
Operating transfers out	<u>-</u>	<u>(47,608)</u>	<u>(47,608)</u>	<u>-</u>
Total other financing sources (uses)	<u>192,392</u>	<u>192,392</u>	<u>192,392</u>	<u>-</u>
Net change in fund balances	(170,213)	(170,213)	\$ (115,434)	\$ 54,779
Prior-year cash balance to balance the budget	<u>243,168</u>	<u>243,168</u>		
	<u>\$ 72,955</u>	<u>\$ 72,955</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (115,434)
Change in intergovernmental receivables	(13,345)
Change in accounts payable	2,993
Change in accrued payroll and taxes	<u>20,223</u>
Net change in fund balances – GAAP basis	<u>\$ (105,563)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Debt Service Fund
For the Year Ended June 30, 2016

	636 & 562			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Local and state shared taxes	\$ 128,843	\$ 154,508	\$ 153,763	\$ (745)
Property taxes	<u>348,000</u>	<u>348,000</u>	<u>342,301</u>	<u>(5,699)</u>
Total revenues	<u>476,843</u>	<u>502,508</u>	<u>496,064</u>	<u>(6,444)</u>
Expenditures				
Debt service	<u>577,580</u>	<u>603,245</u>	<u>591,241</u>	<u>12,004</u>
Total expenditures	<u>577,580</u>	<u>603,245</u>	<u>591,241</u>	<u>12,004</u>
Excess (deficiency) of revenues over expenditures	<u>(100,737)</u>	<u>(100,737)</u>	<u>(95,177)</u>	<u>5,560</u>
Other Financing Sources (Uses)				
Operating transfers in	<u>100,470</u>	<u>100,470</u>	<u>100,470</u>	<u>-</u>
Total other financing sources (uses)	<u>100,470</u>	<u>100,470</u>	<u>100,470</u>	<u>-</u>
Net change in fund balance	(267)	(267)	<u>\$ 5,293</u>	<u>\$ 5,560</u>
Prior-year cash balance to balance the budget	<u>352,533</u>	<u>352,333</u>		
	<u>\$ 352,266</u>	<u>\$ 352,066</u>		
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balances – budget to actual			\$ 5,293	
Change in property tax receivable			(6,206)	
Change in intergovernmental receivables			(2,258)	
Change in accrued interest			(13,868)	
Change in deferred inflows of resources			<u>4,037</u>	
Net change in fund balances – GAAP basis			<u>\$ (13,002)</u>	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Capital Projects Funds—County Infrastructure GRT
For the Year Ended June 30, 2016

	620			Variance with Final Budget – Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Local and state shared taxes	\$ 88,000	\$ 88,000	\$ 89,485	\$ 1,485
Total revenues	<u>88,000</u>	<u>88,000</u>	<u>89,485</u>	<u>1,485</u>
Expenditures				
Capital outlay	<u>265,000</u>	<u>249,000</u>	<u>143,165</u>	<u>105,835</u>
Total expenditures	<u>265,000</u>	<u>249,000</u>	<u>143,165</u>	<u>105,835</u>
Excess (deficiency) of revenues over expenditures	<u>(177,000)</u>	<u>(161,000)</u>	<u>(53,680)</u>	<u>107,320</u>
Other Financing Sources (Uses)				
Operating transfers out	<u>-</u>	<u>(16,000)</u>	<u>(16,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>(16,000)</u>	<u>(16,000)</u>	<u>-</u>
Net change in fund balances	(177,000)	(177,000)	<u>\$ (69,680)</u>	<u>\$ 107,320</u>
Prior-year cash balance to balance the budget	<u>181,168</u>	<u>181,168</u>		
	<u>\$ 4,168</u>	<u>\$ 4,168</u>		

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balances – budget to actual	\$ (69,680)
Change in intergovernmental receivables	(1,691)
Change in accounts payable	<u>(7,170)</u>
Net change in fund balances – GAAP basis	<u>\$ (78,541)</u>

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Capital Projects Funds—Capital Outlay GRT
For the Year Ended June 30, 2016

	621			Variance with Final Budget - Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Local and state shared taxes	\$ 400,000	\$ 400,000	\$ 377,482	\$ (22,518)
Total revenues	<u>400,000</u>	<u>400,000</u>	<u>377,482</u>	<u>(22,518)</u>
Expenditures				
Capital outlay	<u>394,718</u>	<u>394,718</u>	<u>139,049</u>	<u>255,669</u>
Total expenditures	<u>394,718</u>	<u>394,718</u>	<u>139,049</u>	<u>255,669</u>
Excess (deficiency) of revenues over expenditures	<u>5,282</u>	<u>5,282</u>	<u>238,433</u>	<u>233,151</u>
Net change in fund balance	<u>\$ 5,282</u>	<u>\$ 5,282</u>	<u>\$ 238,433</u>	<u>\$ 233,151</u>
Budgetary Compliance—Non-GAAP Financial Statement Reconciliation				
Net change in fund balances – budget to actual			\$ 238,433	
Change in intergovernmental receivables			<u>65,497</u>	
Net change in fund balances – GAAP basis			<u>\$ 303,930</u>	

State of New Mexico
Torrance County
Schedule of Revenues, Expenditures, and
Changes in Fund Balances—Budget to Actual—Non-GAAP Budgetary Basis
Nonmajor Capital Projects Funds—Legislative Appropriations
For the Year Ended June 30, 2016

	803			Variance with Final Budget - Favorable (Unfavorable)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental sources	\$ 90,000	\$ 421,400	\$ 36,277	\$ (385,123)
Total revenues	<u>90,000</u>	<u>421,400</u>	<u>36,277</u>	<u>(385,123)</u>
Expenditures				
Capital outlay	<u>90,000</u>	<u>421,400</u>	<u>374,572</u>	<u>46,828</u>
Total expenditures	<u>90,000</u>	<u>421,400</u>	<u>374,572</u>	<u>46,828</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(338,295)</u>	<u>(431,951)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (338,295)</u>	<u>\$ (431,951)</u>

Budgetary Compliance—Non-GAAP Financial Statement Reconciliation

Net change in fund balance – budget to actual	\$ (338,295)
Change in intergovernmental receivables	<u>338,295</u>
Net change in fund balances – GAAP basis	<u>\$ -</u>

State of New Mexico
Torrance County
Fiduciary Funds—Agency Funds Description
June 30, 2016

AGENCY FUNDS

Agency funds are used to account for assets held by the County as an agent for other governments and/or other funds.

Children’s Trust Fund—To account for a \$15.00 fee collected by the County Clerk for issuing, acknowledging and recording a marriage license and marriage certificate in accordance with Section 40-1-11E, NMSA 1978. The \$15.00 fee shall be remitted by the County Treasurer to the State Treasurer within 15 days of the last day of each month for credit to the Children’s Trust Fund.

Undistributed Taxes—To account for property taxes collected by the County Treasurer and distributed to other governmental units in accordance with Section 7-38-43, NMSA 1978.

Overpayment of Taxes 7-38-38—To account for the overpayment of property taxes in accordance with Section 7-38-38B NMSA 1978. The fund is used to account for excess property taxes paid until a refund can be made to the taxpayer.

Taxes Paid in Advance—To account for the prepayment of property taxes in accordance with Section 7-38-38.2 NMSA 1978, which are not legally due.

Penalty and Interest—To account for costs collected for the State of New Mexico and for penalty and interest on delinquent taxes collected for the State.

State of New Mexico
Torrance County
Fiduciary Funds—
Combining Schedule of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended June 30, 2016

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
Children's Trust Fund				
Assets				
Due from other governmental units	\$ 155	\$ 1,285	\$ 1,270	\$ 170
Liabilities				
Deposits held in trust for others	\$ 155	\$ 1,285	\$ 1,270	\$ 170
Undistributed Taxes				
Assets				
Property tax receivable	\$ 833,044	\$ 4,365,946	\$ 4,364,777	\$ 834,213
Due from other governmental units	101,294	4,364,418	4,334,291	131,421
	<u>\$ 934,338</u>	<u>\$ 8,730,364</u>	<u>\$ 8,699,068</u>	<u>\$ 965,634</u>
Liabilities				
Due to other governmental units	\$ 833,044	\$ 4,365,946	\$ 4,364,777	\$ 834,213
Deposits held in trust for others	101,294	4,364,418	4,334,291	131,421
	<u>\$ 934,338</u>	<u>\$ 8,730,364</u>	<u>\$ 8,699,068</u>	<u>\$ 965,634</u>
Overpayment of Taxes				
Assets				
Due from other governmental units	\$ 4,531	\$ 16,750	\$ 15,253	\$ 6,028
Liabilities				
Deposits held in trust for others	\$ 4,531	\$ 16,750	\$ 15,253	\$ 6,028
Taxes Paid in Advance				
Assets				
Due from other governmental units	\$ 12,478	\$ -	\$ -	\$ 12,478
Liabilities				
Deposits held in trust for others	\$ 12,478	\$ -	\$ -	\$ 12,478
Penalty and Interest				
Assets				
Due from other governmental units	\$ 12,801	\$ 98,990	\$ 91,904	\$ 19,887
Liabilities				
Deposits held in trust for others	\$ 12,801	\$ 98,990	\$ 91,904	\$ 19,887
Total – All Agency Funds				
Assets				
Property tax receivable	\$ 833,044	\$ 4,365,946	\$ 4,364,777	\$ 834,213
Due from other governmental units	131,259	4,481,443	4,442,718	169,984
Total assets	<u>\$ 964,303</u>	<u>\$ 8,847,389</u>	<u>\$ 8,807,495</u>	<u>\$ 1,004,197</u>
Liabilities				
Due to other governmental units	\$ 833,044	\$ 4,365,946	\$ 4,364,777	\$ 834,213
Deposits held for others	131,259	4,481,443	4,442,718	169,984
Total liabilities	<u>\$ 964,303</u>	<u>\$ 8,847,389</u>	<u>\$ 8,807,495</u>	<u>\$ 1,004,197</u>

State of New Mexico
Torrance County
Schedule of Joint Power Agreement
June 30, 2016

Joint Power Agreement	Participants	Responsible Party	Description	Beginning and Ending Dates	Total Estimated Project Amount and Amount Applicable to County	Amount Contributed by County During Fiscal Year	Audit Responsibility	Fiscal Agent and Responsible Reporting Entity
Estancia Valley Solid Waste Authority	County of Torrance, City of Moriarty, Town of Estancia and Mountainair, Village of Willard and Encino	Estancia Valley Solid Waste Authority	Coordinate solid waste resources in the area	When parties decide	Unknown	\$ -	Estancia Valley Solid Waste Authority	N/A

**State of New Mexico
Torrance County
Schedule of Deposit Accounts
June 30, 2016**

Depository	Account Name	Account Type	Bank Balance	Reconciled Balance
Wells Fargo Bank	Checking	Checking	\$ 2,490,323	\$ 2,127,941
Petty cash			-	300
Total deposit accounts			<u>2,490,323</u>	<u>2,128,241</u>
New Mexico Treasury	Investment	Investment	<u>3,108,151</u>	<u>3,108,151</u>
Total investment accounts			<u>3,108,151</u>	<u>3,108,151</u>
Total deposit and investment accounts			<u>\$ 5,598,474</u>	<u>\$ 5,236,392</u>

**State of New Mexico
Torrance County
Schedule of Pledged Collateral
June 30, 2016**

	<u>Wells Fargo Bank</u>
Deposits	\$ 2,490,323
Less FDIC coverage	<u>250,000</u>
Uninsured public funds	2,240,323
Pledged collateral held by the pledging bank's trust department or agent but not in the County's name	<u>2,503,860</u>
Uninsured and uncollateralized	<u>\$ -</u>
Total pledged collateral	\$ 2,503,860
50% pledged collateral requirement per statute	<u>1,120,162</u>
Pledged collateral over the requirement	<u>\$ 1,383,698</u>

Security Description	CUSIP Number	Maturity Date	Fair Market Value
FN MA FNMA 3.000%	3138ML5J9	12/01/2042	\$ 688,456
FN MA FNMS 3.000%	3138W1C88	02/01/2043	<u>1,815,404</u>
Subtotal Wells Fargo Bank			<u>\$ 2,503,860</u>

State of New Mexico
Torrance County
Property Tax Schedule—10 year
June 30, 2016

Agency	Taxes Levied w/Add & Del	Reporting Period Paid	To-Date Paid	Reporting Period Distribution	To-Date Distribution	Undistributed at Year End	Allowable Uncollectible	Net Receivable	Outstanding Tax Receivable
NM Debt Service/Levy									
2006-2014	\$ 3,744,638	\$ 39,010	\$ 3,662,044	\$ 38,651	\$ 3,657,252	\$ 4,792	\$ 36,323	\$ 46,271	\$ 82,594
2015	512,751	465,688	465,688	461,018	455,839	9,849	4,974	42,089	47,063
Total NM Debt Service	4,257,389	504,698	4,127,732	499,669	4,113,091	14,641	41,297	88,360	129,657
County Operation									
				Included in		Included in			
2006-2014	31,436,909	316,774	30,759,457	2015	30,759,457	2015	304,938	372,514	677,452
2015	4,263,114	3,876,657	3,876,657	4,151,878	3,757,093	119,564	41,352	345,105	386,457
Total County Operation	35,700,023	4,193,431	34,636,114	4,151,878	34,516,550	119,564	346,290	717,619	1,063,909
County Debt Service									
				Included in		Included in			
2006-2014	2,919,005	28,577	2,856,275	2015	2,856,275	2015	28,314	34,416	62,730
2015	349,102	317,060	317,060	342,300	306,839	10,221	3,386	28,656	32,042
Total County Debt Service	3,268,107	345,637	3,173,335	342,300	3,163,114	10,221	31,700	63,072	94,772
Total County	38,968,130	4,539,068	37,809,449	4,494,178	37,679,664	129,785	377,990	780,691	1,158,681
Village of Willard									
2006-2014	55,361	1,579	54,304	1,564	54,062	242	537	520	1,057
2015	7,220	6,455	6,455	6,390	6,175	280	70	695	765
Total Village of Willard	62,581	8,034	60,759	7,954	60,237	522	607	1,215	1,822
Town of Estancia									
2006-2014	160,225	1,526	158,805	1,511	158,590	215	1,419	1	1,420
2015	17,464	15,923	15,923	15,764	15,777	146	169	1,372	1,541
Total Town of Estancia	177,689	17,449	174,728	17,275	174,367	361	1,588	1,373	2,961
City of Moriarty									
2006-2014	598,312	5,951	592,301	5,892	591,667	634	5,804	207	6,011
2015	78,843	73,319	73,319	72,586	71,850	1,469	765	4,759	5,524
Total City of Moriarty	677,155	79,270	665,620	78,478	663,517	2,103	6,569	4,966	11,535
Town of Mountainair									
2006-2014	439,866	5,980	434,666	5,921	433,299	1,367	4,267	933	5,200
2015	56,811	50,313	50,313	49,810	48,082	2,231	551	5,947	6,498
Total Town of Mountainair	496,677	56,293	484,979	55,731	481,381	3,598	4,818	6,880	11,698
Village of Encino									
2006-2014	13,977	131	13,705	130	13,609	96	136	136	272
2015	2,110	2,025	2,025	2,005	1,986	39	20	65	85
Total Village of Encino	16,087	2,156	15,730	2,135	15,595	135	156	201	357
Total Municipalities	1,430,189	163,202	1,401,816	161,573	1,395,097	6,719	13,738	14,635	28,373
Estancia Schools Operational									
2006-2014	348,675	2,952	342,438	2,952	342,438	-	3,382	2,855	6,237
2015	44,793	41,005	41,005	40,562	39,697	1,308	434	3,354	3,788
Total Estancia Schools Operational	393,468	43,957	383,443	43,514	382,135	1,308	3,816	6,209	10,025
Estancia Schools Debt Service									
2006-2014	2,439,556	32,460	2,385,578	32,460	2,385,578	-	23,664	30,314	53,978
2015	571,478	524,668	524,668	519,280	508,663	16,005	5,543	41,267	46,810
Total Estancia Schools Debt Service	3,011,034	557,128	2,910,246	551,740	2,894,241	16,005	29,207	71,581	100,788
Estancia Schools Capital Improvement									
2006-2014	1,564,414	13,530	1,536,150	13,530	1,536,150	-	15,175	13,089	28,264
2015	213,091	195,526	195,526	193,500	189,439	6,087	2,067	15,498	17,565
Total Estancia Schools Capt Improv	1,777,505	209,056	1,731,676	207,030	1,725,589	6,087	17,242	28,587	45,829
Estancia Schools Tech Debt									
2006-2014	1,428,906	2,007	1,414,239	1,987	1,414,199	40	13,860	807	14,667
2015	-	-	-	-	-	-	-	-	-
Total Estancia Schools Tech Debt	1,428,906	2,007	1,414,239	1,987	1,414,199	40	13,860	807	14,667
Total Estancia Schools	6,610,913	812,148	6,439,604	804,271	6,416,164	23,440	64,125	107,184	171,309

State of New Mexico
Torrance County
Property Tax Schedule—10 year — continued
June 30, 2016

Agency	Taxes Levied w/Add & Del	Reporting Period Paid	To-Date Paid	Reporting Period Distribution	To-Date Distribution	Undistributed at Year End	Allowable Uncollectible	Net Receivable	Outstanding Tax Receivable
Moriarty Schools Operational									
2006-2014	560,536	6,912	542,929	6,912	542,929	-	5,437	12,170	17,607
2015	78,152	69,368	69,368	68,579	67,232	2,136	758	8,026	8,784
Total Moriarty Schools Operational	638,688	76,280	612,297	75,491	610,161	2,136	6,195	20,196	26,391
Moriarty Schools Debt Service									
2006-2014	11,329,759	150,758	10,965,433	150,758	10,965,433	-	109,899	254,427	364,326
2015	1,575,884	1,392,077	1,392,077	1,376,645	1,346,201	45,876	15,286	168,521	183,807
Total Moriarty Schools Debt Service	12,905,643	1,542,835	12,357,510	1,527,403	12,311,634	45,876	125,185	422,948	548,133
Moriarty Schools Capital Improvement									
2006-2014	2,671,867	33,546	2,588,317	33,546	2,588,317	-	25,917	57,633	83,550
2015	356,212	314,664	314,664	268,505	259,076	9,429	3,455	38,093	41,548
Total Moriarty Schools Capt Improv	3,028,079	348,210	2,902,981	302,051	2,847,393	9,429	29,372	95,726	125,098
Moriarty Schools Tech Debt									
2006-2014	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-
Total Moriarty Schools Tech Debt	-	-	-	-	-	-	-	-	-
Total Moriarty Schools	16,572,410	1,967,325	15,872,788	1,904,945	15,769,188	57,441	160,752	538,870	699,622
Estancia Valley Classical Academy (ECVA) Capital Improvement									
2006-2014	-	-	-	-	-	-	-	-	-
2015	-	-	-	42,679	42,679	921	-	-	-
Total EVCA	-	-	-	42,679	42,679	921	-	-	-
Mountainair Schools Operational									
2006-2014	201,653	1,918	199,666	1,918	199,666	-	1,956	31	1,987
2015	25,697	23,743	23,743	23,478	22,834	909	249	1,705	1,954
Total Mountainair Schools Operational	227,350	25,661	223,409	25,396	222,500	909	2,205	1,736	3,941
Mountainair Schools Debt Service									
2006-2014	2,334,063	22,020	2,311,294	22,020	2,311,294	-	22,640	129	22,769
2015	269,313	248,421	248,421	245,713	238,279	10,142	2,612	18,280	20,892
Total Mountainair Schools Debt Service	2,603,376	270,441	2,559,715	267,733	2,549,573	10,142	25,252	18,409	43,661
Mountainair Schools Capital Improvement									
2006-2014	862,328	8,661	853,513	8,661	853,513	-	8,365	450	8,815
2015	113,608	104,793	104,793	103,659	99,517	4,142	1,102	7,713	8,815
Total Mountainair Schools Capital Improvement	975,936	113,454	958,306	112,320	953,030	4,142	9,467	8,163	17,630
Mountainair Schools Tech Debt									
2006-2014	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-
Total Mountainair Schools Tech Debt	-	-	-	-	-	-	-	-	-
Total Mountainair Schools	3,806,662	409,556	3,741,430	405,449	3,725,103	15,193	36,924	28,308	65,232
Vaughn Schools Operational									
2006-2014	92,468	185	92,265	185	92,265	-	203	-	203
2015	12,073	11,944	11,944	11,818	11,869	75	117	12	129
Total Vaughn Schools Operational	104,541	12,129	104,209	12,003	104,134	75	320	12	332
Vaughn Schools Debt Service									
2006-2014	841,789	1,344	840,117	1,344	840,117	-	1,671	1	1,672
2015	77,846	77,019	77,019	76,236	76,446	573	755	72	827
Total Vaughn Schools Debt Service	919,635	78,363	917,136	77,580	916,563	573	2,426	73	2,499
Vaughn Schools Capital Improvement									
2006-2014	370,358	742	369,543	742	369,543	-	815	-	815
2015	48,745	48,227	48,227	47,737	47,926	301	473	45	518
Total Vaughn Schools Capital Improvement	419,103	48,969	417,770	48,479	417,469	301	1,288	45	1,333

State of New Mexico
Torrance County
Property Tax Schedule—10 year — continued
June 30, 2016

Agency	Taxes Levied w/Add & Del	Reporting Period Paid	To-Date Paid	Reporting Period Distribution	To-Date Distribution	Undistributed at Year End	Allowable Uncollectible	Net Receivable	Outstanding Tax Receivable
Vaughn Schools Tech Debt									
2006-2014	39,749	285	39,582	285	39,582	-	168	(1)	167
2015	26,420	26,139	26,139	25,875	26,042	97	256	25	281
Total Vaughn Schools Tech Debt	66,169	26,424	65,721	26,160	65,624	97	424	24	448
Total Vaughn Schools	1,509,448	165,885	1,504,836	164,222	1,503,790	1,046	4,458	154	4,612
Corona Schools Operational									
2006-2014	26,276	155	26,185	155	26,185	-	90	1	91
2015	4,102	3,999	3,999	3,956	3,875	124	40	63	103
Total Corona Schools Operational	30,378	4,154	30,184	4,111	30,060	124	130	64	194
Corona Schools Debt Service									
2006-2014	148,711	802	148,252	802	148,252	-	459	-	459
2015	17,620	17,170	17,170	16,990	16,615	555	171	279	450
Total Corona Schools Debt Service	166,331	17,972	165,422	17,792	164,867	555	630	279	909
Corona Schools Capital Improvement									
2006-2014	106,052	629	105,681	629	105,681	-	370	1	371
2015	16,975	16,542	16,542	16,370	16,026	516	165	268	433
Total Corona Schools Capital Improvement	123,027	17,171	122,223	16,999	121,707	516	535	269	804
Corona Schools Tech Debt									
2006-2014	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-
Total Corona Schools Tech Debt	-	-	-	-	-	-	-	-	-
Total Corona Schools	319,736	39,297	317,829	38,902	316,634	1,195	1,295	612	1,907
Total School Districts	28,819,169	3,394,211	27,876,487	3,360,468	27,773,558	99,236	267,554	675,128	942,682
Cattle Levy									
2006-2014	285,462	285	279,484	282	279,484	-	2,769	3,209	5,978
2015	49,739	46,820	46,820	46,352	44,029	2,791	482	2,437	2,919
Total Cattle Levy	335,201	47,105	326,304	46,634	323,513	2,791	3,251	5,646	8,897
Sheep/Goat Levy									
2006-2014	3,100	32	3,077	32	3,077	-	23	-	23
2015	305	280	280	277	276	4	3	22	25
Total Sheep/Goat Levy	3,405	312	3,357	309	3,353	4	26	22	48
Equine Levy									
2006-2014	8,967	77	8,780	77	8,780	-	87	100	187
2015	1,288	1,097	1,097	1,086	896	201	12	179	191
Total Equine Levy	10,255	1,174	9,877	1,163	9,676	201	99	279	378
Dairy Cattle Levy									
2006-2014	32,261	-	32,259	-	32,259	-	2	-	2
2015	8,112	8,112	8,112	8,030	8,112	-	-	-	-
Total Dairy Cattle Levy	40,373	8,112	40,371	8,030	40,371	-	2	-	2
Swine/Bison/Ratites Levy									
2006-2014	3,222	1	3,215	1	3,215	-	8	(1)	7
2015	530	517	517	511	517	-	5	8	13
Total Swine/Bison Levy	3,752	518	3,732	512	3,732	-	13	7	20
Total Livestock Levy	392,986	57,221	383,641	56,648	380,645	2,996	3,391	5,954	9,345
Non-Rendition									
2006-2014	3,046	118	3,046	118	3,046	-	-	-	-
2015	-	-	-	-	-	-	-	-	-
Total Non-Rendition	3,046	118	3,046	118	3,046	-	-	-	-
Administrative									
2006-2014	44,499	469	43,231	469	43,231	-	432	836	1,268
2015	4,764	4,203	4,203	4,203	4,203	-	46	515	561
Total Administrative	49,263	4,672	47,434	4,672	47,434	-	478	1,351	1,829

State of New Mexico
Torrance County
Property Tax Schedule—10 year — continued
June 30, 2016

Agency	Taxes Levied w/Add & Del	Reporting Period Paid	To-Date Paid	Reporting Period Distribution	To-Date Distribution	Undistributed at Year End	Allowable Uncollectible	Net Receivable	Outstanding Tax Receivable
Edgewood SWCD									
2006-2014	727,159	9,126	700,966	9,126	700,966	-	7,054	19,139	26,193
2015	99,400	87,238	87,238	86,279	83,939	3,299	965	11,197	12,162
Total Edgewood SWCD	826,559	96,364	788,204	95,405	784,905	3,299	8,019	30,336	38,355
Claunch Pinto SWCD									
2006-2014	447,092	3,391	443,721	3,391	443,721	-	3,370	-	3,371
2015	62,902	59,565	59,565	58,935	57,792	1,773	610	2,727	3,337
Total Claunch Pinto SWCD	509,994	62,956	503,286	62,326	501,513	1,773	3,980	2,727	6,708
East Torrance SWCD									
2006-2014	909,622	8,139	893,782	8,139	893,782	-	8,823	7,017	15,840
2015	131,437	121,454	121,454	115,749	118,285	3,169	1,275	8,708	9,983
Total East Torrance SWCD	1,041,059	129,593	1,015,236	123,888	1,012,067	3,169	10,098	15,725	25,823
Carrizozo SWCD									
2006-2014	69	-	69	-	69	-	-	-	-
2015	11	11	11	10	11	-	-	-	-
Total Carrizozo SWCD	80	11	80	10	80	-	-	-	-
Total SWCDs	2,377,692	288,924	2,306,806	281,629	2,298,565	8,241	22,097	48,788	70,886
Grand total	\$ 76,297,864	\$ 8,952,114	\$ 73,956,411	\$ 8,858,955	\$ 73,691,100	\$ 261,618	\$ 726,545	\$ 1,614,907	\$ 2,341,453

<i>Agency Number</i>	<i>Agency Name</i>	<i>Agency Type</i>	<i>RFB/RFP# (if applicable)</i>	<i>Type of Procurement</i>	<i>Bidder/Vendor Name</i>	<i>Did Bidder/Vendor Win Contract?</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Estimated Contract Value</i>	<i>Physical address of vendor (City, State)</i>	<i>Did the Vendor provide documentation of eligibility for in-state preference?</i>	<i>Did the Vendor provide documentation of eligibility for veterans' preference?</i>	<i>Brief Description of the Scope of Work</i>	<i>If the procurement is attributable to a Component Unit, Name of Component Unit</i>
5030	Torrance County	Counties	2016-02	Request for Proposals	Intellichoice, Inc. DBA eFORCE Software	Yes	\$269,265.70	N/A		Logan, UT	No	No	Computer Aided Dispatch and records Management System	
5030	Torrance County	Counties	2016-02	Request for Proposals	Motorola Solutions-PremierOne	No				Westminster, CO	No	No	Computer Aided Dispatch and Records Management System	
5030	Torrance County	Counties	2016-03	Invitation for Bids	Holly Frontier Refining & Marketing	Yes	\$131,857.78	N/A		Albuquerque, NM	No	No	HFE 100P Oil	

Compliance Section

Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards*

Mr. Timothy Keller, State Auditor
and
To the Honorable Members of the Board of County Commissioners
Torrance County, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *Government Auditing Standards*, issued by the Comptroller General of the United States of America, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and the major special revenue funds of the County of Torrance, New Mexico (the "County") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and the combining and individual funds and related budgetary comparisons of the County, presented as supplementary information, and have issued our report thereon dated June 14, 2017.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and responses as item 2016-001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2016-002, 2016-003, 2016-004, 2016-005 and 2016-006 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2016-007 and 2016-008.

The County's Responses to Findings

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

Purpose of this Report

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

REDW LLC

Albuquerque, New Mexico
June 14, 2017

State of New Mexico
Torrance County
Schedule of Findings and Responses
For the Year Ended June 30, 2016

Section I — Financial Statement Findings

2016-001 [2008-006] — Internal Control Over Financial Reporting (Material Weakness)

Criteria: Monthly maintenance of the trial balance and preparation of annual financial statements and footnotes in accordance with generally accepted accounting principles (GAAP) helps ensure that timely, accurate and useful information is available to management and those charged with governance.

Condition: The County maintains its fund trial balances on a cash basis throughout the year. This is the method preferred by the County to monitor revenues and expenditures on a budgetary basis. However, as in previous years, the County does not make adjustments to report on an accrual basis as required by GAAP at year-end. As a result, material adjusting journal entries were required after the fiscal year 2016 accounting records were closed, and material prior-period adjustments to capital assets were made during the fiscal year 2016 audit. There was a lack of progress toward resolving this deficiency in the current year.

2016 Progress: The County contracted with an external consultant to assist the County is performing 2016 year-end reconciliations on an accrual basis to resolve this finding. However, the external consultant did not complete these reconciliations.

Cause: The County has determined that, due to its size and complexity, it is most effective and beneficial to maintain its trial balances on a basis consistent with its budgetary basis and only perform accrual basis reconciliations at year-end.

Effect: The fund trial balances and prior-year financial statements required material corrections to conform to GAAP.

Auditor's Recommendation: The County should perform a more detailed review and analysis of its year-end trial balances to ensure these are reported in accordance with GAAP. The County might consider contracting with an outside contractor to perform year-end reconciliations.

Management's Response: The County will continue to operate on a Cash Basis for the day-to-day financial operations. The County Manager will make a proposal to the Commissioners to approve a consulting contract with a licensed accounting firm. The accounting firm will guide and train the Financial Department on correct practices for making journal entries on converting general ledgers from a cash basis to an accrual basis to meet audit requirements. The County Manager and Finance Director will ensure this occurs by December 31, 2017.

State of New Mexico
Torrance County
Schedule of Findings and Responses — continued
For the Year Ended June 30, 2016

Section I — Financial Statement Findings — continued

2016-002 [2015-004] — Compensated Absences (Significant Deficiency)

Criteria: According to section 10.4 of the County’s Personnel Policy, employees are only allowed to carry over 100 hours of annual leave to the next calendar year. Upon termination of employment from the County, an employee shall be paid for any unused accrued annual leave.

Condition: At June 30, 2016, there were several employees who had accrued annual leave hours in excess of 180 hours. Based upon the County’s accrual schedule, there should not be any employees with this amount of hours accrued if the County had eliminated excess hours at calendar year-end 2015.

2016 Progress: The County did not make progress in resolving this finding in 2016.

Cause: The County did not eliminate excess annual leave at calendar year-end 2015 in accordance with their approved Personnel Policy.

Effect: The County may be paying out more annual leave hours to employees than approved upon termination of employment.

Auditor’s Recommendation: The County should enforce its policy to eliminate excess annual leave hours at each calendar year-end. Alternatively, the County could approve a revision to its existing policy to mirror the County’s current practice.

Management’s Response: All leave balances will be reviewed on pay date December 29, 2017. All required adjustments will be completed and reflected on pay date January 11, 2018. The County Manager and Human Resources Manager will ensure this occurs.

State of New Mexico
Torrance County
Schedule of Findings and Responses — continued
For the Year Ended June 30, 2016

Section I — Financial Statement Findings — continued

2016-003 — Information Technology (Significant Deficiency)

Criteria or Specific Requirement: Information technology (IT) including systems and infrastructure are essential and integral to the efficiency of the County's operations. IT internal controls are essential to maintain the confidentiality, integrity and availability of data and are as important as the internal controls that surround the input of financial transactions into the County's general ledger.

Condition: Several areas of the IT infrastructure were identified as needing enhanced controls. These areas are:

- ◆ Governance over IT functions
- ◆ Updated IT general policies and procedures
- ◆ Documented disaster recovery policies and procedures
- ◆ User set up and termination policies and procedures

Cause: The County outsources several responsibilities in IT to an external contractor. There does not appear to be any IT governance structure, formal reporting structure, and established leadership for IT. As a result, formal policies and procedures have not been implemented.

Effect: Without strong internal controls over the County's IT infrastructure there is the potential for the confidentiality, integrity and/or availability of data to be compromised. This compromise could be by an internal user of the system, by an external source (hacker) and could be intentional or unintentional.

Auditor Recommendation: The County should design and implement an IT governance structure. Once IT governance is established, the person charged with governance should work with the County's external contractor to draft policies and procedures for general IT functions, disaster recovery and user controls. These procedures should then be approved by the Board of County Commissioners.

State of New Mexico
Torrance County
Schedule of Findings and Responses — continued
For the Year Ended June 30, 2016

Section I — Financial Statement Findings — continued

2016-003 — Information Technology (Significant Deficiency)— continued

Management Response: The County Manager met with its IT external contractor (Ambitions Consulting Group) on May 17, 2017. All of the conditions listed in the finding were addressed on that day. The following corrections were discussed:

- ◆ The overall governance over IT functions will be reviewed and evaluated for necessary changes to ensure the integrity of the County’s IT systems.
- ◆ All IT general policies and procedures will be reviewed and evaluated for necessary changes to ensure the integrity of the County’s IT systems.
- ◆ All Departments within the Torrance County Government will be brought up to required specifications on IT Disaster Recovery. Policies and procedures will be documented.
- ◆ User set up and termination policies and procedures will be reviewed and evaluated for necessary changes to ensure the integrity of the County’s IT systems.

The County Manager will ensure these corrections are made by December 31, 2017.

State of New Mexico
Torrance County
Schedule of Findings and Responses — continued
For the Year Ended June 30, 2016

Section I — Financial Statement Findings — continued

2016-004 — Payroll Changes (Significant Deficiency)

Criteria: Changes in payroll information, pay status, job description and any other significant payroll changes should be approved by appropriate members of management and documented. These changes are ordinarily documented through use of a Personnel Action Form (PAF) or similar document.

Condition: During our testwork over a sample of twelve employees and elected officials, it was noted that one employee was paid at a rate different than their approved pay rate.

Cause: The County did not enforce its policy to properly document and approve payroll changes.

Effect: When payroll changes are not sufficiently documented and/or approved, the County could be paying its employees at unreasonable or incorrect rates.

Auditor's Recommendation: The County should enforce its current personnel policy requiring use of a formal Payroll Change Notice to document payroll changes.

Management Response No payroll change will be allowed without proper documentation. The County Manager, Human Resources Manager, and Finance Director will ensure any payroll changes going forward are properly documented immediately.

State of New Mexico
Torrance County
Schedule of Findings and Responses — continued
For the Year Ended June 30, 2016

Section I — Financial Statement Findings — continued

2016-005 — Personnel Policies (Significant Deficiency)

Criteria: Fundamental to a good system of internal controls is properly documented personnel policies and procedures. These should include documentation of eligible employment status, conditions of employment, hiring and termination procedures, compensation and benefits, as well as communicate internal controls over many of these processes.

Condition: The County has not updated its Personnel Policies since 2000.

Cause: There has been turnover in many key positions at the County, which has made it difficult to ensure policies and procedures are sufficiently updated.

Effect: Some areas of the Personnel Policy are not being consistently followed during the year, which could result in operational difficulties or inefficiency for County employees.

Auditor's Recommendation: Current processes in this area should be evaluated to ensure they comply with any applicable statutes, as well as incorporate strong internal controls. This information should then be used to update its Personnel Policy. The updated policy should be approved by the Board of County Commissioners.

Management Response: The process of updating all Personnel Policies will be implemented. A review of applicable laws will be conducted in the re-writing of the policies. The County Manager and Human Resources Manager will ensure these policies are updated by December 31, 2018.

State of New Mexico
Torrance County
Schedule of Findings and Responses — continued
For the Year Ended June 30, 2016

Section I — Financial Statement Findings — continued

2016-006 — Capital Assets and Depreciation Policies (Significant Deficiency)

Criteria: Fundamental to a good system of internal controls over capital assets is properly documented policies and procedures. These should include documentation of applicable state statutes over the capitalization and maintenance of capital assets, as well as policies over depreciation of applicable assets.

Condition: The County does not have documented policies over capital assets and depreciation.

Cause: There has been turnover in many key positions at the County, which has made it difficult to ensure policies and procedures are in place in this area.

Effect: The County could risk not complying with certain state statutes without documented policies in this area. Additionally, estimated depreciable lives for assets or groups of assets could vary without documented policies.

Auditor's Recommendation: Current processes in this area should be evaluated to ensure they comply with any applicable statutes, as well as incorporate strong internal controls. This information should then be used to establish and formally document policies and procedures. The policy should be approved by the Board of County Commissioners.

Management Response: The County Manager will present a proposal to the Commissioners for approval of a Fixed Asset Manager position. There is currently a vacant position in the Finance Department that may be reclassified to fulfill the job duties of Capital Assets and Depreciation management for the County. The County Manager, Human Resources Manager, and Purchasing Director hope to have this completed by June 30, 2018.

State of New Mexico
Torrance County
Schedule of Findings and Responses — continued
For the Year Ended June 30, 2016

Section II — Section 12-6-5 NMSA 1978 Findings

2016-007 [2012-003] — Tracking Fuel Costs (Findings that do not Rise to the Level of a Significant Deficiency)

Criteria: Control should be in place to track fuel costs and deter and detect the theft of fuel.

Condition: While the County Commissioners mandated the use of fuel logs during fiscal year 2015, individual departments within the County continue to inconsistently use fuel logs. As such, there are inconsistencies regarding how the County tracks fuel costs.

2016 Progress: The County did not make progress in resolving this finding in 2016.

Cause: The County has not enforced its policy of maintaining fuel logs for each vehicle.

Effect: The County does not have adequate controls in place to track fuel costs, nor are there controls in place that would enable the County to detect the theft of fuel in a timely manner.

Auditor's Recommendation: The County should enforce its policy for tracking fuel costs and usage. Alternatively, the County could update its policy for tracking fuel usage and costs to mirror its current practice.

Management's Response: The County Manager's Office and the Finance Department has issued a standard fuel tracking log that will be utilized by all departments. The new log usage will be implemented on July 1, 2017. All receipts of fuel cards will be turned into the Department Head along with the fuel logs each month. The receipts shall be reconciled back to the log and the billing statement. The County Manager's Office and the Finance Department are currently in the process of having all Honstein Fuel cards canceled and new ones issued with internal tracking controls in place. The collection of all fuel cards will be part of an exit interview when an employee is leaving the County.

State of New Mexico
Torrance County
Schedule of Findings and Responses — continued
For the Year Ended June 30, 2016

Section I — Section 12-6-5 NMSA 1978 Findings — continued

2016-008 — Late Audit Report (Other Noncompliance)

Criteria or Specific Requirement: Section 9A of 2.2.2 NMAC (Audit Rule 2016) requires that annual audit reports be received by the Office of the State Auditor (OSA) on or before November 1st for County's with a fiscal year-end of June 30th.

Condition: The fiscal year 2016 financial statements of the County were not submitted by the November 1, 2016, submission deadline.

Cause: The County did not complete its account reconciliations over several areas and funds until early 2017. Additionally, the County has not implemented an annual financial reporting and closing process.

Effect: The County is not in compliance with the Audit Rule 2016.

Auditor Recommendation: The County should implement a formal annual financial reporting and closing process to ensure the Audit Rule deadline is met. The County might consider contracting with an outside contractor to assist in implementing this process and completing year-end reconciliations.

Management Response: The County Manager's Office and the Finance Department will work with the proposed accounting firm to ensure all audit requirements are met within the allotted timeframes. They will also work with the accounting firm who is conducting the audit to ensure all paperwork is submitted timely for review. The County Manager, Human Resources Manager, and Purchasing Director will ensure the audit is submitted by December 1, 2017.

**State of New Mexico
Torrance County
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2016**

Prior-Year Number	Description	Current Status
2008-006	Internal Control over Financial Reporting	Unresolved; see current year finding 2016-001
2012-003	Tracking Fuel Costs	Unresolved; see current year finding 2016-007
2015-001	Segregation of Duties over Tax Disbursements	Resolved
2015-002	Capital Asset Records	Resolved
2015-003	Disposition of Capital Assets	Resolved
2015-004	Compensated Absences	Unresolved; see current year finding 2016-002
2015-005	Agency Funds Accounting	Resolved

State of New Mexico
Torrance County
Exit Conference
For the Year Ended June 30, 2016

An exit conference was held on June 6, 2017, during a closed session of a Commissioner meeting with the following in attendance:

County Personnel

Javier Sanchez, Commission Chair
Jim Frost, Commissioner
Julia DuCharme, Commissioner
Belinda Garland, County Manager
Annette Ortiz, Deputy County Manager
Tracy Sedillo, County Treasurer
Amanda Tenorio, Finance Director

REDWLLC Personnel

Joshua Trujillo, Principal

Financial Statement Preparation

The County's independent public accountants prepared the accompanying financial statements; however, the County is responsible for the contents of the financial statements and related footnotes.