

STATE OF NEW MEXICO
VALENCIA COUNTY

Annual Financial Report

June 30, 2015



AXIOM

*Certified Public Accountants
and Business Advisors LLC*

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STATE OF NEW MEXICO

Valencia County
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STATE OF NEW MEXICO

Valencia County

Official Roster

June 30, 2015

BOARD OF COUNTY COMMISSIONERS

Charles D. Eaton	Chairman
Alicia Aguilar	Vice – Chair
Helen Y. Cole	Member
David Hyder	Member
Jhonathan Aragon	Member

ELECTED OFFICIALS

Peggy Carabajal	County Clerk
Dorothy Lovato	County Treasurer
Michelle Milam	County Assessor
Louis Burkhard	County Sherriff
Jamie Goldberg	County Probate Judge

ADMINISTRATIVE OFFICIALS

Danny Monette	County Manager
Christina Card	Finance Director

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Mr. Timothy Keller
New Mexico State Auditor
To the Board of Valencia County Commissioners
Los Lunas, NM

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Valencia County (the "County") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the County's nonmajor governmental funds, fiduciary funds, and the budgetary comparisons for all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material 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, 2015, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the County as of June 30, 2015, and the respective changes in financial position thereof and the respective budgetary comparisons for all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 18 to the financial statements, in 2015 the County adopted new accounting guidance, *GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information. Accounting principles generally accepted in the United States of America require that the Schedule of the County's Proportionate Share of the Net Pension Liability, and Schedule of County Contributions on pages 54 through 57, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2015 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Albuquerque, New Mexico
October 30, 2015

BASIC FINANCIAL STATEMENTS

**STATE OF NEW MEXICO
 VALENCIA COUNTY
 STATEMENT OF NET POSITION
 June 30, 2015**

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 15,658,991
Receivables:	
Property taxes receivable	3,286,318
Due from other governments	2,095,732
Other receivables	580,695
Prepaid expenses	863,214
Inventory	67,319
Total Current Assets	<u>22,552,269</u>
Restricted cash and cash equivalents	1,421,797
Capital assets, net of depreciation	36,286,224
Total Assets	<u>60,260,290</u>
DEFERRED OUTFLOWS	
Pension related	1,156,193
Total deferred outflows	<u>1,156,193</u>

See Notes to Financial Statements.

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

	<u>Governmental Activities</u>
LIABILITIES	
Current Liabilities	
Accounts payable	334,887
Accrued payroll expenses	351,334
Deferred revenue	1,148,481
Accrued interest	178,731
Current portion of accrued compensated absences	375,172
Current portion of capital leases payable	18,463
Current portion of bonds and notes payable	1,097,241
Total Current Liabilities	<u>3,504,309</u>
Noncurrent portion of accrued compensated balances	76,948
Landfill liability	438,500
Noncurrent portion of bonds and notes payable	10,999,577
Net pension liability	8,226,458
Total Liabilities	<u>23,245,792</u>
DEFERRED INFLOWS	
Pension related	3,381,146
Total deferred inflows	3,381,146
NET POSITION	
Net investment in capital assets	24,189,406
Restricted for:	
Debt service	1,441,249
Capital projects	11,776
Special revenue	12,669,144
Unrestricted	(3,522,030)
Total net position	<u>\$ 34,789,545</u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
VALENCIA COUNTY
STATEMENT OF ACTIVITIES
Year ended June 30, 2015**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Primary government					
General government	\$ 4,690,137	1,085,253	1,876,199	-	(1,728,685)
Public safety	12,027,581	357,302	912,593	-	(10,757,686)
Public works	2,170,291	235,602	10,310	263,805	(1,660,574)
Culture and recreation	3,261,497	-	-	-	(3,261,497)
Health and welfare	2,980,681	-	243,573	355,837	(2,381,271)
Interest on long-term debt	241,176	-	-	-	(241,176)
Loss on disposal of assets	767,907	-	-	-	(767,907)
<i>Total governmental activities</i>	<u>\$ 26,139,270</u>	<u>1,678,157</u>	<u>3,042,675</u>	<u>619,642</u>	<u>(20,798,796)</u>
General Revenue and Special Items:					
Taxes					
Property taxes, levied for general purpose and debt service					12,446,132
Gross receipts taxes					10,616,738
Gasoline, motor vehicle and cigarette taxes					697,167
Investment loss					(5,982)
Miscellaneous income					707,498
Total general revenues and special items					<u>24,461,553</u>
Change in net position					3,662,757
Net position, beginning					<u>42,128,071</u>
Prior period adjustment (Note 18)					<u>(11,001,283)</u>
Net position, as restated					<u>31,126,788</u>
Net position, ending					<u>\$ 34,789,545</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
VALENCIA COUNTY
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2015

	General Fund 401	Road 402	County Indigent Claims 435
Assets			
Cash and cash equivalents	\$ 2,614,218	402,572	1,303,878
Restricted cash	-	-	-
Property taxes receivable	3,008,508	-	-
Due from other governments	167,687	-	-
Other receivables	432,123	34,678	-
Prepaid expenses	658,922	32,094	4,039
Inventory	-	67,319	-
Due from other funds	993,507	-	-
<i>Total assets</i>	<u>\$ 7,874,965</u>	<u>536,663</u>	<u>1,307,917</u>
Liabilities, Deferred Inflows and fund balances			
<i>Liabilities</i>			
Accounts payable	\$ 56,869	47,250	290
Accrued payroll expenses	196,927	30,493	667
Unearned Revenue	-	206,280	-
Due to other funds	-	-	-
<i>Total liabilities</i>	<u>253,796</u>	<u>284,023</u>	<u>957</u>
Deferred Inflows			
Property taxes	2,843,620	-	-
<i>Total deferred inflows</i>	<u>2,843,620</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>			
Nonspendable			
Prepaid expenses	658,922	32,094	4,039
Inventory	-	67,319	-
Spendable			
Restricted for:			
General county operations	-	-	-
Maintenance of roads	-	153,227	-
Fire departments	-	-	-
Older American programs	-	-	1,302,921
Public safety	-	-	-
Healthcare	-	-	-
Recreation	-	-	-
Capital improvements and acquisitions	-	-	-
Debt service expenditures	-	-	-
Committed to:			
Minimum fund balance	-	-	-
Senior center	-	-	-
Unassigned	4,118,627	-	-
<i>Total fund balances</i>	<u>4,777,549</u>	<u>252,640</u>	<u>1,306,960</u>
<i>Total liabilities, deferred inflows, and fund balances</i>	<u>\$ 7,874,965</u>	<u>536,663</u>	<u>1,307,917</u>

See Notes to Financial Statements.

Fire Protection 209	Adult Detention Center 422	Other Governmental Funds	Total
509,262	49,212	10,779,849	15,658,991
-	-	1,421,797	1,421,797
-	-	277,810	3,286,318
-	163,105	1,764,940	2,095,732
-	97,916	15,978	580,695
12,468	125,237	30,454	863,214
-	-	-	67,319
-	-	-	993,507
521,730	435,470	14,290,828	24,967,573
89,996	57,028	83,454	334,887
-	83,740	39,507	351,334
528,020	-	414,181	1,148,481
929	-	992,578	993,507
618,945	140,768	1,529,720	2,828,209
-	-	258,358	3,101,978
-	-	-	3,101,978
12,468	125,237	30,454	863,214
-	-	-	67,319
-	-	3,915,090	3,915,090
-	-	6,611,423	6,764,650
-	-	374,178	374,178
-	-	125,402	1,428,323
-	169,465	17,438	186,903
-	-	-	-
-	-	-	-
-	-	11,776	11,776
-	-	1,441,249	1,441,249
-	-	-	-
-	-	-	-
(109,683)	-	(24,260)	3,984,684
(97,215)	294,702	12,502,750	19,037,386
521,730	435,470	14,290,828	24,967,573

**STATE OF NEW MEXICO
VALENCIA COUNTY
RECONCILIATION OF THE BALANCE SHEET GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
Year Ended June 30, 2015**

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

Fund balances - total governmental funds	\$ 19,037,386
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Cost of capital assets	54,231,519
Accumulated depreciation	<u>(17,945,295)</u>
Total capital assets	36,286,224
Delinquent ad valorem assessments receivable are not available to pay current year expenditures and, therefore, are reported as deferred inflows in the fund financial statements	3,101,978
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds	(2,224,953)
Accrued interest is not due and payable with current financial resources and, therefore, is not reported in the funds	(178,731)
Certain liabilities, including bonds payable and current and long-term portions of accrued compensated absences, are not due and payable in the current period and therefore are not reported in the funds:	
Bonds and notes payable	(12,096,818)
Capital leases	(18,463)
Net pension liability	(8,226,458)
Landfill liability	(438,500)
Compensated absences	<u>(452,120)</u>
Net position - governmental activities (Statement of Net Position)	<u>\$ 34,789,545</u>

See Notes to Financial Statements.

**STATE OF NEW MEXICO
VALENCIA COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUN BALANCES-GOVERNMENTAL FUNDS
Year Ended June 30, 2015**

	General Fund 401	Road 402	County Indigent Claims 435
Revenues			
Taxes:			
Property	\$ 10,615,340	-	-
Gross receipts	1,643,663	-	1,366,393
Gasoline, motor vehicle and cigarette taxes	553,008	144,159	-
Intergovernmental:			
Federal operating grants	72,718	10,310	-
State operating grants	1,803,481	-	-
State capital grants	-	263,805	-
Charges for services	370,846	-	-
Licenses and fees	706,887	-	-
Investment income	(10,481)	-	4,499
Miscellaneous	50,570	100,383	11,774
Total revenues	15,806,032	518,657	1,382,666
Expenditures			
Current			
General government	1,874,132	30,493	667
Public safety	4,485,699	-	-
Public works	-	1,991,852	-
Culture and recreation	2,348,384	200	-
Health and welfare	613,662	14,161	1,308,974
Capital outlay	457,467	356,152	-
Debt service:			
Principal	-	-	-
Interest	-	-	-
Bond issuance cost	-	-	-
Total expenditures	9,779,344	2,392,858	1,309,641
Excess (deficiency) of revenues over expenditures	6,026,688	(1,874,201)	73,025
Other Financing Sources (Uses)			
Transfers in	1,000,021	1,586,905	-
Proceeds from issuance of debt	-	-	-
Transfers out, governmental funds	(5,324,133)	-	(544,117)
Transfers out, agency funds	-	-	-
Total other financing sources (uses)	(4,324,112)	1,586,905	(544,117)
Net change in fund balances	1,702,576	(287,296)	(471,092)
Fund balance - beginning of year	3,074,973	539,936	1,778,052
Fund balance - end of year	\$ 4,777,549	252,640	1,306,960

See Notes to Financial Statements.

Fire Protection 209	Adult Detention Center 422	Other Governmental Funds	Total
-	-	1,491,849	12,107,189
928,343	407,669	6,270,670	10,616,738
-	-	-	697,167
-	4,020	243,573	330,621
-	-	912,593	2,716,074
-	-	355,837	619,642
-	357,302	235,602	963,750
-	-	3,500	710,387
-	-	-	(5,982)
7,115	343,510	194,146	707,498
935,458	1,112,501	9,707,770	29,463,084
-	83,740	412,480	2,401,512
468,001	3,661,772	3,318,738	11,934,210
-	-	-	1,991,852
-	-	859,160	3,207,744
-	-	1,901,512	3,838,309
444,668	12,815	2,361,475	3,632,577
-	-	1,015,029	1,015,029
-	-	112,691	112,691
-	-	128,485	128,485
912,669	3,758,327	10,109,570	28,262,409
22,789	(2,645,826)	(401,800)	1,200,675
1,945	3,088,886	1,431,411	7,109,168
-	-	7,559,688	7,559,688
(123,688)	-	(1,117,230)	(7,109,168)
-	-	-	-
(121,743)	3,088,886	7,873,869	7,559,688
(98,954)	443,060	7,472,069	8,760,363
1,739	(148,358)	5,030,681	10,277,023
(97,215)	294,702	12,502,750	19,037,386

**STATE OF NEW MEXICO
 VALENCIA COUNTY
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 June 30, 2015**

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

Net change in fund balances - total governmental funds	\$ 8,760,363
Change in net pension liability	549,872

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital assets reported as capital outlay expenditures	3,063,658
Depreciation expense	(2,039,788)
Loss on disposal of assets	(767,907)

Revenues that do not provide current financial resources are not reported as revenues in the fund statements but are reported in the Statement of Activities. This is the amount by which the deferred inflow of property taxes from the end of the year \$3,101,978 was less than the deferred inflow of property taxes from the beginning of the year (\$2,763,035).	338,943
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The issuance of long-term (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:

Increase in accrued compensated absences	(11,174)
Proceeds from debt issuance	(7,175,000)
Decrease in lease obligation	54,400
Decrease in landfill liability	6,500
Increase in accrued interest	(132,139)
Principal payments on long-term debt	<u>1,015,029</u>

Change in net position governmental activities	<u>\$ 3,662,757</u>
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See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 GENERAL FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Favorable (Unfavorable)
Revenues				
Taxes:				
Property	\$ 10,930,525	11,980,525	11,077,401	(903,124)
Gross receipts	2,950,858	3,036,959	1,643,663	(1,393,296)
Gasoline, motor vehicle and cigarette taxes	528,847	521,758	553,008	31,250
Intergovernmental:				
Federal operating grants	-	-	72,718	72,718
State operating grants	49,293	98,586	1,803,481	1,704,895
State capital grants	-	-	-	-
Charges for services	471,745	481,553	370,846	(110,707)
Licenses and fees	126,226	138,515	706,887	568,372
Investment income	(36,331)	(36,331)	(10,481)	25,850
Miscellaneous	279,449	46,006	50,570	4,564
Total revenues	15,300,612	16,267,571	16,268,093	522
Expenditures				
Current:				
General government	5,385,266	4,930,169	4,036,852	893,317
Public safety	5,600,435	5,367,272	4,449,151	918,121
Public works	-	-	-	-
Culture and recreation	137,085	147,205	-	147,205
Health and welfare	-	-	613,662	(613,662)
Capital outlay	-	-	457,467	(457,467)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	11,122,786	10,444,646	9,557,132	887,514
<i>Excess (deficiency) of revenues over expenditures</i>	4,177,826	5,822,925	6,710,961	888,036
<i>Other financing sources (uses)</i>				
Transfers in	917,400	1,000,021	1,000,021	-
Proceeds from issuance of debt	-	-	-	-
Transfers out, governmental funds	(6,176,036)	(6,213,654)	(5,324,133)	889,521
Transfers out, agency funds	-	-	-	-
Total other financing sources (uses)	(5,258,636)	(5,213,633)	(4,324,112)	889,521
Net change in fund balance	\$ (1,080,810)	609,292	2,386,849	1,777,557
Changes in accounts receivable			(462,061)	
Changes in accounts payable			(185,664)	
Changes in accrued liabilities			(36,548)	
Net change in fund balance (GAAP Basis)			\$ 1,702,576	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 ROAD - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline, motor vehicle and cigarette taxes	413,293	368,231	177,571	(190,660)
Intergovernmental:				
Federal operating grants	11,974	11,974	10,310	(1,664)
State operating grants	-	-	-	-
State capital grants	-	-	263,805	263,805
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	79,498	109,432	100,383	(9,049)
Total revenues	504,765	489,637	552,069	62,432
Expenditures				
Current:				
General government	2,651,991	2,530,787	30,493	2,500,294
Public safety	-	-	-	-
Public works	265,398	265,398	1,835,793	(1,570,395)
Culture and recreation	-	-	200	(200)
Health and welfare	-	-	14,161	(14,161)
Capital outlay	-	-	356,152	(356,152)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	2,917,389	2,796,185	2,236,799	559,386
<i>Excess (deficiency) of revenues over expenditures</i>	<i>(2,412,624)</i>	<i>(2,306,548)</i>	<i>(1,684,730)</i>	<i>621,818</i>
<i>Other financing sources (uses)</i>				
Transfers in	2,179,852	2,060,039	1,586,905	(473,134)
Transfers out	-	-	-	-
Total other financing sources (uses)	2,179,852	2,060,039	1,586,905	(473,134)
Net change in fund balance	\$ (232,772)	(246,509)	(97,825)	148,684
Changes in accounts receivable			(33,412)	
Changes in accounts payable			(186,552)	
Changes in accrued liabilities			30,493	
Net change in fund balance (GAAP Basis)			\$ (287,296)	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 COUNTY INDIGENT CLAIMS - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	917,400	1,600,021	1,366,393	(233,628)
Gasoline, motor vehicle and cigarette taxes	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	4,499	4,499
Miscellaneous	-	16,271	11,774	(4,497)
Total revenues	917,400	1,616,292	1,382,666	(233,626)
Expenditures				
Current:				
General government	-	-	667	(667)
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	1,760,860	2,360,860	1,219,585	1,141,275
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,760,860	2,360,860	1,220,252	1,140,608
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(843,460)</u>	<u>(744,568)</u>	<u>162,414</u>	<u>906,982</u>
<i>Other financing sources (uses)</i>				
Transfers in	(650,000)	(650,000)	-	650,000
Transfers out	-	-	(544,117)	(544,117)
Total other financing sources (uses)	<u>(650,000)</u>	<u>(650,000)</u>	<u>(544,117)</u>	<u>1,194,117</u>
Net change in fund balance	\$ <u>(1,493,460)</u>	<u>(1,394,568)</u>	(381,703)	<u>2,101,099</u>
Changes in accounts receivable			-	
Changes in accounts payable			(119,882)	
changes in accrued liabilities			<u>30,493</u>	
Net change in fund balance (GAAP Basis)			\$ <u>(471,092)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 FIRE PROTECTION - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	596,123	918,196	928,343	10,147
Gasoline, motor vehicle and cigarette taxes	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	7,115	7,115	-
Total revenues	596,123	925,311	935,458	10,147
Expenditures				
Current:				
General government	-	-	-	-
Public safety	510,482	1,050,784	481,564	569,220
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	444,668	(444,668)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	510,482	1,050,784	926,232	124,552
<i>Excess (deficiency) of revenues over expenditures</i>	<u>85,641</u>	<u>(125,473)</u>	<u>9,226</u>	<u>134,699</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	1,945	1,945	-
Transfers out	(123,688)	(123,688)	(123,688)	-
Total other financing sources (uses)	<u>(123,688)</u>	<u>(121,743)</u>	<u>(121,743)</u>	<u>-</u>
Net change in fund balance	<u>\$ (38,047)</u>	<u>(247,216)</u>	<u>(112,517)</u>	<u>134,699</u>
Changes in accounts receivable			-	
Changes in accounts payable			13,563	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			<u>\$ (98,954)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 ADULT DETENTION CENTER - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	250,000	244,563	407,669	163,106
Intergovernmental:				
Federal operating grants	-	-	4,020	4,020
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	499,885	349,015	-	(349,015)
Investment income	-	-	-	-
Charges for services	224,818	343,449	357,302	13,853
Miscellaneous	10,755	4,559	343,510	338,951
Total revenues	985,458	941,586	1,112,501	170,915
Expenditures				
Current:				
General government	-	-	83,740	(83,740)
Public safety	3,971,359	4,260,161	3,661,772	598,389
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	12,815	(12,815)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	3,971,359	4,260,161	3,758,327	501,834
<i>Excess (deficiency) of revenues over expenditures</i>	<i>(2,985,901)</i>	<i>(3,318,575)</i>	<i>(2,645,826)</i>	<i>672,749</i>
<i>Other financing sources (uses)</i>				
Transfers in	2,985,900	3,319,351	3,088,886	(230,465)
Transfers out	-	-	-	-
Total other financing sources (uses)	2,985,900	3,319,351	3,088,886	(230,465)
Net change in fund balance	\$ (1)	776	443,060	442,284
Changes in accounts receivable			\$ -	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			\$ 443,060	

See Notes to Financial Statements.

**STATE OF NEW MEXICO
VALENCIA COUNTY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
Year Ended June 30, 2015**

Assets

Cash and cash equivalents	\$	26,520,831
Property taxes receivable		<u>6,972,570</u>
<i>Total assets</i>	\$	<u><u>33,493,401</u></u>

Liabilities

Deposits held in trust for others	\$	922,741
Deposits held in trust for hospital levy		25,598,090
Due to other taxing entities		<u>6,972,570</u>
<i>Total liabilities</i>	\$	<u><u>33,493,401</u></u>

See Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Valencia County (the County) is a political subdivision of the State of New Mexico established in 1876 under the provisions of Section 4-5-1 of NMSA, 1978 Compilation and regulated by the constitution of the State of New Mexico. The County operates under a Board of County Commissioners-manager form of government and provides the following services as authorized by public law: public safety (sheriff, fire, emergency medical, etc.), roads, health and social services, recreation, sanitation, planning and zoning, property assessment, tax collection and general administrative services.

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

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

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

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Financial Reporting Entity

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

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

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the County does not have any component units required to be reported under GASB Statements No. 61, and is not a component unit of another governmental agency.

B. Government-Wide and Fund Financial Statements

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

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

exchange takes place, regardless of the timing of the related cash flows. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

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

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

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

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

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

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

The County reports the following major governmental funds:

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

The *Road Special Revenue Fund* was created to account for funds used to maintain roads for which the County has responsibility. Financing sources include motor vehicle registration fees and New Mexico State Highway Department Cooperative Agreement. Expenditures are restricted for the construction and maintenance of county roads. The fund was created by authority of State Statute Section 67-41-1, NMSA, 1978 Compilation.

The *County Indigent Claims Special Revenue Fund* was created by Section 7-20-3, New Mexico Statutes Annotated, 1978 Compilation to account for funds reserved from a County excise tax equal to one eighth of one percent of the "county gross receipts tax" adopted through County Ordinance 86-17. Expenditures are restricted to indigent care.

The *Fire Protection Special Revenue Fund* was created to account for the operation and maintenance of the County's several fire protection districts. Funding is provided by an allotment from the State Fire Marshall's Office. The Fund was created by authority of State Statute Section 59A-53-1, NMSA 1978 Compilation.

The *Adult Detention Center Special Revenue Fund* is used to account for the operation of the County's Adult Detention Center. This fund was created by County Resolution No. 2005-66.

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Additionally, the government reports the following agency fund:

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

D. Assets, Liabilities and Net Position or Fund Equity

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

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

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

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

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

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Property tax receivables are recognized

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

when levied net of estimated refunds and uncollectible amounts, if applicable. Based upon management's estimate, all receivables are deemed fully collectible.

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after November 10th and April 10th are considered delinquent and the County may assess penalties and interest. The taxes attach as an enforceable lien on property thirty (30) days thereafter, at which time they become delinquent.

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

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

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

Capital Assets: Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Valencia County was a Phase I government for purposes of implementing GASB Statement No. 34. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets (retroactive to 1980) is included as part of the governmental capital assets reported in the government-wide statements. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.2.20.1.9 C (5). Donated capital assets are recorded at estimated fair market value at the date of donation.

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

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

Building and improvements	40-50 years
Equipment	5-20 years
Infrastructure	30-40 years

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

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

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

Compensated Absences: Qualified employees are entitled to accumulate annual leave according to a graduated annual leave schedule. Depending on the length of service, employees may accrue 10

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

to 20 days per year. Annual leave may be accumulated from year to year up to a maximum of 30 days. Annual leave balances in excess of 30 days as of December 31 of any calendar year will be lost. The employee or the employee's estate will be paid for each day of the unused annual leave at the time of the employee's voluntary or involuntary termination, retirement, death, or total disability up to a maximum of 30 days plus the number of days accrued and unused during the current calendar year.

Qualified employees are entitled to accumulate sick leave at a rate of 12 days per year. There is no accrual limitation and upon separation or retirement of an employee who has served five or more years, the County shall pay the employee a sum equal to 25% of the value of the accumulated and unused sick leave, based on his/her average rate of pay for the preceding 12 months. Part-time employees accrue sick leave on a pro-rata basis. Casual and temporary employees do not accrue sick leave.

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

Long-term Obligations: In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are expensed as incurred. Bonds payable are reported net of the applicable bond premium or discount. There were no bond premiums or discounts at June 30, 2015. 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 an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

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

For assigned fund balance, the County Commission or an official or body to which the County Commission delegates the authority is authorized to assign amounts to a specific purpose. The authorization policy is in governmental funds other than the general fund, assigned fund balance

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

Non-spendable Fund Balance: At June 30, 2015, the non-spendable fund balances in the funds are made up of inventory in the amount of \$67,319 and prepaid expenses in the amount of \$863,214 that are not in spendable form.

Restricted and Committed Fund Balance: At June 30, 2015, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of 13,968,774 for various County operations as restricted by enabling legislation. The details of these fund balance items are located on the governmental funds balance sheet on pages 7-8.

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

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

- a. Net investment in capital assets: Net position invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position: Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for "special revenue, debt service, and capital projects" is described on page 53.
- c. Unrestricted Net Position: All other net position items that do not meet the definition of "restricted" or "net investment in capital assets"

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

Recent Accounting Pronouncements: In April 2013, the GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. This statement, which is effective for financial statements for periods beginning after June 15, 2013, requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This Statement requires a government that has issued an obligation guaranteed in a nonexchange transaction to recognize revenue to the extent of the reduction in its guaranteed liabilities. The requirements of this Statement will enhance comparability of financial statements among governments by requiring consistent reporting by those governments that extend nonexchange financial guarantees and by those governments that receive nonexchange financial guarantees. The adoption of this pronouncement had no effect on the County's financial statements.

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

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

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

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

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

NOTE 3. DEPOSITS AND INVESTMENTS

State statute authorize the investment of County funds in a wide variety of instruments including certificates of deposit and other similar obligations, the state investment pool, money market accounts, and United States Government obligations. The County is not aware of any invested funds that did not meet the State investment requirements as of June 30, 2015.

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

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

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

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

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

Custodial Credit Risk – Custodial credit risk is the risk that in the event of bank failure, the County's deposits may not be returned to it. The County does not have a policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63 NMSA 1978). New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the County for at least one half of the amount on deposit with the institution. At June 30, 2015, \$ 44,518,852 of the County's deposits were exposed to custodial credit risk; this uninsured amount was collateralized by collateral held by the pledging bank's department or agent, not in the County's name.

Credit Risk – The New MexiGROW Local Government Investment Pool's (LGIP) investments are valued at fair value based on quoted market prices as of the valuation date. The LGIP is not SEC registered. The New Mexico State Treasurer is authorized to invest the short-term investment funds, with the advice and consent of the State Board of Finance, in accordance with Sections 6-10-10(I) through 6-10-10(P) and Sections 6-10-10.1(A) and (E), NMSA 1978. The LGIP's investments are monitored by the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per Section 6-10-10.1(F), NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the LGIP is voluntary.

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 3. DEPOSITS AND INVESTMENTS (CONTINUED)

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

<u>Investment Type</u>	<u>Rating</u>	<u>Fair Value</u>	<u>Weighted Average Maturity (WAM)</u>
New MexiGROW LGIP	AAAm	\$ 32,169	60 days
NM Bank and Trust Money Market	Unrated	\$ 2,309,547	0 days
NM Bank and Trust Money Market	Unrated	\$ 19,839	0 days
Certificate of Deposit	Unrated	\$ 1,000,000	< 1 year

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

Concentration of Credit Risk – Investments. For an investment, concentration of credit risk is when any one issuer is 5% or more of the investment portfolio of the County. The County holds certificates of deposit approximating 29.75% of the investment portfolio with one financial institution. Since each institution has pledged collateral on those investments, the additional concentration is not viewed to be an additional risk by the County. The County’s policy related to concentration credit risk is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

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

A reconciliation of cash and investments for the County is on page 77.

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 4. RECEIVABLES

Receivables as of June 30, 2015 consisted of the following. All receivables as of June 30, 2015 were deemed to be fully collectible.

	General Fund	Road Fund	County Indigent Claims Fund	Adult Detention Center	Other Govt. Funds	Total
Property taxes:	\$ 3,008,508	-	-	-	277,810	3,286,318
Due from other governments:	167,687	-	-	163,105	1,764,940	2,095,732
Other receivables:	432,123	34,678	-	97,916	15,978	580,695
Allowance for doubtful accounts:	-	-	-	-	-	-
Total:	\$ 3,608,318	34,678	-	261,021	2,058,728	5,962,745

Property taxes receivable in the amount of \$3,286,318 reported on the Statement of Net Position, at June 30, 2015, includes \$3,101,978 that is not considered a current economic resource; therefore, excluded from the Statement of Revenues, Expenditures and Changes in Fund Balances.

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 5. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

<u>Governmental Funds</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 1,000,021	5,324,132
Debt Service Fund		-
Road Fund	1,586,905	-
Other Funds		
Juvenile Detention		-
Adult Detention Center	3,088,886	-
County Indigent		544,118
Environmental/Solid Waste		-
Fire Protection	1,945	123,688
Gross Receipts		1,000,021
Non-Major Governmental Funds	1,431,411	117,209
	<u>\$ 7,109,168</u>	<u>\$ 7,109,168</u>

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

The composition of interfund balances as of June 30, 2015 is as follows:

<u>Governmental Funds</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$ 993,507	-
Fire Protection	-	929
Senior Citizens	-	159,972
Other Funds	-	772,185
Intergovernmental Grants	-	60,421
	<u>\$ 993,507</u>	<u>993,507</u>

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

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 6. CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2015 follows:

	Restated Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Governmental Activities				
Capital Assets not being depreciated				
Land	\$ 2,732,226	-	-	2,732,226
Construction in progress	-	-	-	-
Total capital assets not being depreciated	<u>2,732,226</u>	-	-	<u>2,732,226</u>
Capital assets being depreciated				
Buildings and improvements	23,660,659	671,940	416,355	23,916,244
Equipment	664,886	862,585	14,054	1,513,417
Vehicles	11,488,574	1,001,151	1,796,649	10,693,076
Infrastructure	14,848,574	527,982	-	15,376,556
Total capital assets being depreciated	<u>50,662,693</u>	<u>3,063,658</u>	<u>2,227,058</u>	<u>51,499,293</u>
Less accumulated depreciation:				
Buildings and improvements	6,502,373	499,919	283,121	6,719,171
Equipment	159,341	273,369	2,811	429,899
Vehicles	6,765,508	829,817	1,173,219	6,422,105
Infrastructure	3,937,436	436,683	-	4,374,119
Total accumulated depreciation	<u>17,364,658</u>	<u>2,039,788</u>	<u>1,459,219</u>	<u>17,945,295</u>
Total capital assets, net of depreciation	<u>\$ 36,030,261</u>	<u>1,023,870</u>	<u>767,907</u>	<u>36,286,224</u>

Depreciation expense for the year ended June 30, 2015 was charged to the following functions:

General Government	\$ 122,387
Public Safety	1,121,883
Public Works	652,733
Culture and Recreation	142,785
Total depreciation expense	<u>\$ 2,039,788</u>

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 7. LONG-TERM DEBT

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

	Balance June 30, 2014	Additions	Deletions	Balance June 30,2015	Due Within One Year
Governmental Activities					
Bonds:					
GO Bonds-Series 2011-Judicial Complex	\$ 4,445,000	-	810,000	3,635,000	890,000
GO Bonds-Series 2011-Public Safety Bonds	320,000	-	60,000	260,000	60,000
Gross Receipts Tax Revenue Improvement Bonds	-	7,175,000	-	7,175,000	-
Subtotal bonds	<u>4,765,000</u>	<u>7,175,000</u>	<u>870,000</u>	<u>11,070,000</u>	<u>950,000</u>
NMFA loans:					
Jarales/Pueblitos Fire Dept. Truck	87,463	-	11,683	75,780	11,870
El Cerro Fire Department Truck	145,401	-	17,312	128,089	17,461
Los Chavez Fire Pumper	207,007	-	21,697	185,310	21,896
Manzano Vista Fire Dept. Truck	165,480	-	19,696	145,784	19,867
Highland Meadow Pumper	75,617	-	14,095	61,522	14,583
Fire/EMS Response Truck	210,944	-	28,111	182,833	28,603
Tome Adelino Fire Department	279,935	-	32,435	248,500	32,961
Subtotal NMFA loans	<u>1,171,847</u>	<u>-</u>	<u>145,029</u>	<u>1,026,818</u>	<u>147,241</u>
Total bonds and NMFA Loans	<u>5,936,847</u>	<u>7,175,000</u>	<u>1,015,029</u>	<u>12,096,818</u>	<u>1,097,241</u>
Capital Lease Obligation	72,863	-	54,400	18,463	18,463
Accrued compensated absences	440,946	329,071	317,897	452,120	375,172
Total Long Term Debt	<u>\$ 6,450,656</u>	<u>7,504,071</u>	<u>1,387,326</u>	<u>12,567,401</u>	<u>1,490,876</u>

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 7. LONG-TERM DEBT (CONTINUED)

Bonds Payable

On March 11, 2011, voters of the County authorized the issuance of \$6,665,000 General Obligation Judicial Complex Bonds at a special election held within the County. The bonds were issued in the amount of \$6,665,000 and sold to the New Mexico Finance Authority for 100% of the principal with an interest rate of 0.63% to 2.76%. Principal payments are due annually on August 1 while interest payments are due semi-annually in August and February. The bond repayment ends in August 1, 2018.

<u>Fiscal Year Ending June 30,</u>		<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2016	\$	890,000	75,836	965,836
2017		890,000	58,392	948,392
2018		930,000	37,155	967,155
2019		925,000	12,765	937,765
	\$	<u>3,635,000</u>	<u>184,148</u>	<u>3,819,148</u>

On June 3, 2011, voters of the County authorized the issuance of \$425,000 General Obligation Public Safety bonds at a special election held within the County. The bonds were issued in the amount of \$425,000 and sold to the New Mexico Finance Authority for 100% of the principal with an interest rate of 2.39%. Payments are due semi-annually on May 1 and November 1. The bond repayment ends in 2019.

<u>Fiscal Year Ending June 30,</u>		<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2016	\$	60,000	6,075	66,075
2017		65,000	4,698	69,698
2018		65,000	3,047	68,047
2019		70,000	1,080	71,080
	\$	<u>260,000</u>	<u>14,900</u>	<u>274,900</u>

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 7. LONG-TERM DEBT (CONTINUED)

On December 17, 2014, the County Commission passed Valencia County Ordinance No. 2014-08 authorizing issuance of the Series 2015 Gross Receipts Tax Improvement Revenue Bonds, Series 2015, in the amount of \$7,175,000 for the purposes of acquiring and installing equipment for various projects and repairing and improving roads throughout the County. The Bonds are payable and collectible solely from the revenues derived from the revenues derived from the gross receipt tax imposed by the County pursuant to Section 7-20E-28 NMSA 1978 and Valencia County Ordinance No. 2014-05. The Bonds bear interest ranging from 2.75% to 5.00% payable semi-annually on June 1 and December 1 each year, commencing on December 1, 2015 thru 2035.

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2016	\$ -	328,810	328,810
2017	465,000	241,575	706,575
2018	475,000	227,625	702,625
2019	490,000	213,375	703,375
2020	505,000	198,675	703,675
Thereafter,	5,240,000	1,223,975	6,463,975
	<u>\$ 7,175,000</u>	<u>2,434,035</u>	<u>9,609,035</u>

NMFA Revenue Notes

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

<u>Description</u>	<u>Date of Issue</u>	<u>Term</u>	<u>Interest Rate</u>	<u>Original Amount of Issue</u>	<u>Balance June 30, 2015</u>
Highland Meadow Pumper	September 19, 2008	May 1, 2019	3.477%	\$ 137,025	61,522
Fire/EMS Response Truck	May 13, 2011	May 1, 2021	2.748%	293,496	182,833
Tome Adelino Fire Pumper	June 10, 2011	May 1, 2022	2.643%	343,762	247,500
Jarales/Pueblitos Fire Truck	October 28, 2011	May 1, 2021	0.582%	112,966	75,780
El Cerro Fire Truck	October 28, 2011	May 1, 2022	1.102%	177,625	128,089
Manzano Vista Fire Truck	October 28, 2011	May 1, 2022	1.907%	203,000	145,784
Los Chavez Fire Pumper	January 27, 2012	May 1, 2023	2.050%	248,574	185,310
Total NMFA Revenue Notes				<u>\$ 1,516,448</u>	<u>1,026,818</u>

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 7. LONG-TERM DEBT (CONTINUED)

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

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2016	145,029	24,752	169,781
2017	147,241	22,750	169,991
2018	149,871	20,387	170,258
2019	152,986	17,590	170,576
2020	156,631	14,333	170,964
2021-2024	420,089	21,888	441,977
	\$ <u>1,171,847</u>	<u>121,700</u>	<u>1,293,547</u>

Operating Leases

The County leases equipment under cancelable operating leases. The total costs for such leases were approximately \$53,226 for the year ended June 30, 2015. The future minimum lease payments for these leases are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Payment</u>
2016	\$63,846
2017	\$45,384
2018	\$37,820

Capital Leases

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

<u>Description</u>	<u>Year of Issue</u>	<u>Term</u>	<u>Interest Rate</u>	<u>Original Amount of Issue</u>	<u>Balance June 30, 2015</u>
Caterpillar Financial B9M00959	2011	5 years	0.00%	92,140	9,214
Caterpillar Financial B9D02780	2011	5 years	0.00%	92,478	9,249
				\$ <u>184,618</u>	<u>18,463</u>

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 7. LONG-TERM DEBT (CONTINUED)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2014, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2016	63,846	-	63,846
2017	45,384	-	45,384
2018	37,820		37,820
	<u>\$ 147,049</u>		<u>147,049</u>

Compensated Absences – Employees of the County are able to accrue a limited amount of vacation and other compensatory time during the year. During the fiscal year ended June 30, 2015, compensated absences increased \$11,174 from the prior year accrual.

NOTE 8. LANDFILL CLOSURE AND POSTCLOSURE CARE

The County stopped accepting solid waste at its landfill in 1995. State law, federal law and various regulations require that the County perform certain maintenance and monitoring functions at the landfill for 30 years after closure. The estimated liability for the County’s landfill post-closure care was \$438,500 as of June 30, 2015. These estimates may change in the future due to inflation or deflation, changes in technology, and applicable laws or regulations governing landfill post-closure care.

NOTE 9. RISK MANAGEMENT

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

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

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 10. OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

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

Deficit fund balance of individual funds. The following fund reflected a deficit fund balance as of June 30, 2015:

<u>Fund</u>	<u>Deficit Balance</u>
Intergovernmental Grants	(6,255)
Farm and Range	(4,022)
Juvenile Detention	(3,088)
Law Enforcement	(10,895)
Fire Protection	(97,215)
Total Fund Deficit	<u>\$(121,475)</u>

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

A. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2015:

<u>Fund</u>	<u>Excess of Expenditures over Appropriations</u>
Law Enforcement	\$ (7,181)
Traffic Safety	(3,779)
Total Excess of Expenditures over Appropriations	<u>\$ (10,960)</u>

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

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 11. 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 healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies. Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years. The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

Funding Policy. The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

**NOTE 11. POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN
(CONTINUED)**

statutes required each participating employer to contribute **2.5%** of each participating employee's annual salary; and each participating employee was required to contribute **1.25%** of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended **June 30, 2015**, the statute required each participating employer to contribute **2.0%** of each participating employee's annual salary; each participating employee was required to contribute **1.0%** of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act. The County's contributions to the RHCA for the years ended June 30, 2015, 2014 and 2013 were \$152,672, \$233,344 and \$155,944, respectively, which equal the required contributions for each year.

NOTE 12. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT

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

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

Benefits provided: For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2014 available at http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2014.pdf.

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 12. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)

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 FY14 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY14 annual audit report at http://osanm.org/media/audits/366_Public_Employees_Retirement_Association_2014.pdf. The PERA coverage options that apply to County are Municipal Plan 2 and Municipal Police Plan 5. Statutorily required contributions to the pension plan from the County were \$1,156,193 and employer paid member benefits that were “picked up” by the employer were \$0 for the year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2014. 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, 2014. Only employer contributions for the pay period end dates that fell within the period of July 1, 2013 to June 30, 2014 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2014 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 12. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)

For PERA Fund Division Municipal Plan 2, at June 30, 2015, the County reported a liability of \$5,657,338 for its proportionate share of the net pension liability. At June 30, 2014, the County’s proportion was 0.7252% percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the County recognized PERA Fund Division Municipal Plan 2 pension expense of \$235,992. At June 30, 2015, the County reported PERA Fund Division Municipal Plan 2 deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,213,300
Changes in assumptions	-	3,834
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between County’s contributions and proportionate share of contributions	-	-
County’s contributions subsequent to the measurement date	<u>712,443</u>	<u>-</u>
Total	<u>\$ 712,443</u>	<u>2,217,134</u>

\$712,443 reported as deferred outflows of resources related to pensions resulting from the County’s contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	(554,279)
2017	(554,279)
2018	(554,279)
2019	(554,279)
2020	(18)
Thereafter	-

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 12. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)

For PERA Fund Division Municipal Police Plan 5, at June 30, 2015, the County reported a liability of \$2,569,120 for its proportionate share of the net pension liability. At June 30, 2014, the County's proportion was 0.7881% percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the County recognized PERA Fund Division Municipal Police Plan 5 pension expense of \$172,523. At June 30, 2015, the County reported PERA Fund Division Municipal Police Plan 5 deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 955,312
Changes in assumptions	-	208,700
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and differences between County's contributions and proportionate share of contributions	-	-
County's contributions subsequent to the measurement date	<u>443,750</u>	<u>-</u>
Total	<u>\$ 443,750</u>	<u>1,164,012</u>

\$443,750 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 12. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)

Year ended June 30:

2016	(290,744)
2017	(290,744)
2018	(290,744)
2019	(290,744)
2020	(1,036)
Thereafter	-

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

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

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

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 12. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)

asset allocation and most recent best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

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

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

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

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 12. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ACT (CONTINUED)

PERA Fund Division Municipal Plan 2

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
County's proportionate share of the net pension liability	<u>\$ 10,665,355</u>	<u>5,657,338</u>	<u>1,788,406</u>

PERA Fund Division Municipal Police Plan 5

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
County's proportionate share of the net pension liability	<u>\$ 4,899,316</u>	<u>2,569,120</u>	<u>829,194</u>

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

Payables to the pension plan: The County accrued \$4,608 in PERA benefits at June 30, 2015 for the pay period beginning June 22, 2015, and ending July 5, 2015.

NOTE 13. JOINT POWERS AGREEMENTS

The County's Detention Center is a participant in a joint powers agreement with the Central New Mexico Correction Facility wherein both parties agree to maintain personnel and equipment for the preservation of peace within its own jurisdiction, and enforce security and control in and to their various establishments, directs, agencies, and municipalities. Both of the parties to the agreement are responsible. The agreement was entered into on June 8, 2009 and will remain in full force until by mutual agreement of the parties or by written notice by one party to the other giving 30 day notice of cancellation. The amount of the project and the County contributions are not readily determinable. Each party is responsible for the audit of its own related expenditures.

The County is a participant in separate joint powers agreements with the Village of Bosque Farms, Village of Los Lunas, City of Belen, and Pueblo of Isleta to provide for the holding of impounded

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 13. JOINT POWERS AGREEMENTS (Continued)

animals at the Valencia County Animal Control Center. Valencia County agrees to report revenues while the other participants agree to report expenditures. All parties are responsible to perform their share of the agreement. The agreement was entered into on July 1, 2002 and will remain in full force until by mutual agreement of the parties or by written notice by one party to the other giving 30 day notice of cancellation. The term of the agreement is indefinite. The amount of the project and County contributions are not readily determinable. The participants are responsible for the audit of their own related expenditures.

The County is a participant in separate joint powers agreements with the Socorro County, Village of Los Lunas, Pueblo of Isleta, Village of Bosque Farms, City of Belen, Otero County, Town of Peralta, and Santo Domingo Pueblo to provide for the housing and care of adult prisoners arrested by the above jurisdictions. Valencia County agrees to report revenues while the other participants agree to report expenditures. All parties are responsible for their share of the agreement. The agreements were entered into in December 2005 and continued to be effective through June 30, 2016. The amount of the project and the County contributions are not readily determinable. The participants are responsible for the audit of their own related expenditures.

NOTE 14. FEDERAL AND STATE GRANTS

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

NOTE 15. CONCENTRATIONS

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

**STATE OF NEW MEXICO
VALENCIA COUNTY
NOTES TO FINANCIALS
JUNE 30, 2015**

NOTE 16. NET POSITION

In the Statement of Net Position, \$14,062,535 of net position is reported as restricted, all of which is restricted by enabling legislation.

NOTE 17. PRIOR PERIOD ADJUSTMENT

The prior period statements were restated as a result of implementing GASB Statement No. 68 in fiscal year 2015. As a result of recording the net entries related to the statement of net position and statement of activities, the prior period net position decreased in the amount of \$11,001,283.

NOTE 18. NEW ACCOUNTING PRONOUNCEMENTS

The following GASB pronouncements have been issued, but are not yet effective at June 30, 2015.

GASB Statement No. 72, Fair Value Measurement and Application

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
 VALENCIA COUNTY
 SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 JUNE 30, 2015

Statement A-1

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
County's Proportion of the Net Pension Liability (Asset)	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
County's Proportionate Share of Net Pension Liability (Asset)	\$ 8,226	-	-	-	-	-	-	-	-	-
County's Covered-Employee Payroll	\$ 8,158	-	-	-	-	-	-	-	-	-
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	100.83%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.29%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

STATE OF NEW MEXICO
 VALENCIA COUNTY
 SCHEDULE OF COUNTY CONTRIBUTIONS
 JUNE 30, 2015

Statement A-2
 (Page 1 of 3)

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 820	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	820	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 3,381	5		\$ 845	845	845	845	1				
2015	-	5			-	-	-	-	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										-
	<u>\$ 3,381</u>			<u>\$ 845</u>	<u>845</u>	<u>845</u>	<u>845</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

*Excess contributions represent the employee portion covered by the employer

STATE OF NEW MEXICO
 VALENCIA COUNTY
 SCHEDULE OF COUNTY CONTRIBUTIONS
 JUNE 30, 2015

Statement A-2
 (Page 2 of 3)

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 539	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	539	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 2,217	5		\$ 554	554	554	554	1				
2015	-	5			-	-	-	-	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										-
	<u>\$ 2,217</u>			<u>\$ 554</u>	<u>554</u>	<u>554</u>	<u>554</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

*Excess contributions represent the employee portion covered by the employer

STATE OF NEW MEXICO
 VALENCIA COUNTY
 SCHEDULE OF COUNTY CONTRIBUTIONS
 JUNE 30, 2015

Statement A-2
 (Page 3 of 3)

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 281	-	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	281	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
			2014	\$ 1,164	5	\$ 291	291	291	291	1		
2015	-	5			-	-	-	-	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										-
	\$ 1,164		\$ 291	291	291	291	291	1	-	-	-	-

*Excess contributions represent the employee portion covered by the employer

SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
VALENCIA COUNTY
DESCRIPTION OF FUNDS
JUNE 30, 2015**

Special Revenue Funds

403 – Farm and Range – To account for soil conservation and predator control activities within the County. Funding is provided by the Taylor Grazing Act. Expenditures may be made only for the purposes specified in the grant. Funding authorized by Section 6-11-6, NMSA 1978.

404 – Recreation – To account for recreational funds. Financing is provided by cigarette taxes and special Federal Grants used in park development. The fund was created by authority of State Statute Section 7-12-15, NMSA 1978.

408 – Juvenile Detention – This fund was created by County Resolution No. 2002-37 to account for the operation of the County's Juvenile Detention Center.

420 – Valuation Maintenance – To account for the County's property reappraisal program pursuant to Section 7-38-38.1, NMSA Compilation. Expenditures from the County property valuation fund may be made pursuant to a property valuation program presented by the county assessor and approved by the majority of the county commissioners.

424 – Law Enforcement – To account for a state grant restricted to equipment purchases for use in law enforcement planning and training. The fund was created under the authority of Section 29-13-4, NMSA, 1978.

446 – Solid Waste GRT – This fund was created by Section 7-20E-17, New Mexico Section Annotated, 1978 Compilation to account for operation and maintenance of the Valencia County Sanitary Landfill.

449 – Clerk's Equipment – To account for funds restricted for the repair and replacement of equipment used in the County Clerk's office. The fund was created under the authority of Section 14-8-12.2, NMSA, 1978.

463 – Road GRT – This fund is used to account for grant monies used for capital outlay, leasing, and purchasing road equipment. The fund was created under the authority of State Statute 07-20E-9 thru 7-20E-11. This fund constitutes part of the County Gross receipts tax enacted by Ordinance 2001-01.

465 – Traffic Safety – This education and enforcement fund was created under Resolution No. 2002-48.

**STATE OF NEW MEXICO
VALENCIA COUNTY
DESCRIPTION OF FUNDS
JUNE 30, 2015**

Special Revenue Funds (Continued)

219 – Senior Citizens – To account for operation of the County’s Senior Citizen Program. Funding is provided through the Department of Health and Human Services. The Fund was created by authority of the Older Americans Act of 1965, Title III, Parts A and F, Public Law 89-73, as amended; Public Law 90-42, 81 Stat. 106; Public Law 91-69, 83 Stat. 108; Public Law 93-29, 87 Stat. 30; Public Law 93-351, 88 Stat. 357; Public Law 94-135, 89 Stat. 713; Public Law 95-65, 91 Stat. 269; Public Law 95-478, 92 Stat. 1513; Public Law 97-115, 95 Stat. 1595; Public Law 98-459, 98 Stat. 1767; Public Law 100-175, 101 Stat. 926; Section 705, Public Law 100-628; 42 U.S.C 3022-3030(m); Public Law 102-375.

218 - Intergovernmental Grants To account for Legislative Appropriations and Special Purpose Grants from, CDBG; Department of Justice Assistance Programs; Homeland Security and Bioterrorist Preparedness.

206 – EMS – To account for grants from the State of New Mexico Health Department to be utilized for emergency services provided within the County. Funding is authorized by Section 24-10A-6, NMSA, 1978.

222 – County Fire Protection – To account for funds received from a dedicated gross receipts tax used to supplement the County’s fire districts. The Fund was created by authority of State Statute Section 7-20E-15, NMSA 1978.

413 – GRT- Regional Transit – This fund is used to account for grant monies used for Management, operations, capital, construction or maintenance of the transit district system. This fund was created under the authority of State Statute 7-20E-23. This fund constitutes part of the County Gross Receipts enacted by Ordinance 2008-05.

299 - Other Funds – This fund is used to account for a variety of Special Gross Receipts Tax funds for EMS, Sheriff, Corrections, and Fire. In addition it includes funds for the Bonds for the Judicial Renovation, the Wildfire Reimbursement; Law Enforcement Explorer Program; G.R.E.A.T. Grant and Solid Waste Performance.

300 – Revenue Bond Fund – To account for the proceeds of a revenue bond issued in December 2014.

**STATE OF NEW MEXICO
VALENCIA COUNTY
DESCRIPTION OF FUNDS
JUNE 30, 2015**

Debt Service Funds

561 – County Debt Service – This fund accounts for the resources designated for the retirement of NMFA Notes Payable. This fund also administers the bond reserve fund and the payment of certain obligations for which notes were issued.

400 - Other Debt Service Funds – To account for various funding sources used primarily to service debt and other revolving loans. Creation of the majority of the funds was under the authority of the County Commission.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 June 30, 2015

	Special Revenue			
	Farm and Range 403	Recreation 404	Juvenile Detention 408	Valuation Maintenance 420
ASSETS				
Cash and cash equivalents	\$ -	7,276	-	473,174
Restricted cash	-	-	-	-
Property taxes receivable	-	-	-	-
Due from other governments	-	4,500	37,214	-
Other receivables	-	-	-	-
Prepaid expenses	-	-	-	12,382
Inventory	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ -</u>	<u>11,776</u>	<u>37,214</u>	<u>485,556</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
<i>Liabilities</i>				
Accounts payable	\$ -	-	357	511
Accrued payroll expenses	-	-	-	6,719
Unearned revenue	-	-	-	-
Due to other funds	4,022	-	39,945	-
<i>Total liabilities</i>	<u>4,022</u>	<u>-</u>	<u>40,302</u>	<u>7,230</u>
<i>Deferred Inflows</i>				
Property taxes	-	-	-	-
<i>Total deferred inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
<i>Nonspendable</i>				
Prepaid expenses	-	-	-	12,382
Inventory	-	-	-	-
<i>Spendable</i>				
<i>Restricted for:</i>				
General county operations	-	-	-	465,944
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	-
Older American programs	-	-	-	-
Public safety	-	-	-	-
Healthcare	-	-	-	-
Recreation	-	11,776	-	-
Capital improvements and acquisitions	-	-	-	-
Debt service expenditures	-	-	-	-
<i>Committed to:</i>				
Senior center	-	-	-	-
Unassigned	(4,022)	-	(3,088)	-
<i>Total fund balance (Deficit)</i>	<u>(4,022)</u>	<u>11,776</u>	<u>(3,088)</u>	<u>478,326</u>
<i>Total liabilities, deferred inflows and fund balances</i>	<u>\$ -</u>	<u>11,776</u>	<u>37,214</u>	<u>485,556</u>

See Notes to Financial Statements.

Special Revenue

Law Enforcement 424	Solid Waste GRT 446	Clerk's Equipment 449	Road GRT 463	Traffic Safety 465
13,535	11,107	141,109	264,638	13,411
-	-	-	-	-
-	12,063	-	-	7,905
-	9,186	-	-	-
-	14,169	532	-	-
-	-	-	-	-
-	-	-	-	-
13,535	46,525	141,641	264,638	21,316
9,125	14,277	9,677	-	-
-	3,826	-	-	4,804
15,305	-	-	-	-
-	-	-	-	-
24,430	18,103	9,677	-	4,804
-	-	-	-	-
-	-	-	-	-
-	14,169	532	-	-
-	-	-	-	-
-	14,253	131,432	-	-
-	-	-	264,638	-
-	-	-	-	-
-	-	-	-	16,512
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(10,895)	-	-	-	-
(10,895)	28,422	131,964	264,638	16,512
13,535	46,525	141,641	264,638	21,316

STATE OF NEW MEXICO
 VALENCIA COUNTY
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 June 30, 2015

	Special Revenue			
	Senior Citizens	Intergovernmental	EMS	County Fire
	219	Grants 218	206	Protection 222
ASSETS				
Cash and cash equivalents	\$ 211,881	417,885	34,872	381,926
Restricted cash	-	-	-	-
Property taxes receivable	-	-	-	-
Due from other governments	89,985	5,865	-	37,041
Other receivables	-	-	-	-
Prepaid expenses	2,972	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 304,838</u>	<u>423,750</u>	<u>34,872</u>	<u>418,967</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
<i>Liabilities</i>				
Accounts payable	\$ 15,477	-	2,849	23,420
Accrued payroll expenses	1,015	-	-	-
Unearned revenue	-	369,584	29,292	-
Due to other funds	159,972	60,421	1,805	21,369
<i>Total liabilities</i>	<u>176,464</u>	<u>430,005</u>	<u>33,946</u>	<u>44,789</u>
Deferred Inflows				
Property taxes	-	-	-	-
<i>Total deferred inflows</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Nonspendable				
Prepaid expenses	2,972	-	-	-
Inventory	-	-	-	-
Spendable				
Restricted for:				
General county operations	-	-	-	-
Maintenance of roads	-	-	-	-
Fire departments	-	-	-	374,178
Older American programs	125,402	-	-	-
Public safety	-	-	926	-
Healthcare	-	-	-	-
Recreation	-	-	-	-
Capital improvements and acquisitions	-	-	-	-
Debt service expenditures	-	-	-	-
Committed to:				
Senior center	-	-	-	-
Unassigned	-	(6,255)	-	-
<i>Total fund balance (Deficit)</i>	<u>128,374</u>	<u>(6,255)</u>	<u>926</u>	<u>374,178</u>
<i>Total liabilities, deferred Inflows and fund balances</i>	<u>\$ 304,838</u>	<u>423,750</u>	<u>34,872</u>	<u>418,967</u>

See Notes to Financial Statements.

Special Revenue			Debt Service		Total
Regional Transit			County Debt	Other	Nonmajor
GRT	Other Funds	Revenue Bond	Service	Debt Service	Governmental
413	299	300	561	400	Funds
-	1,915,066	6,343,685	-	550,284	10,779,849
-	-	-	1,421,797	-	1,421,797
-	-	-	277,810	-	277,810
139,232	1,431,135	-	-	-	1,764,940
-	3,692	-	-	-	12,878
-	399	-	-	-	30,454
-	-	-	-	-	-
-	-	3,100	-	-	3,100
<u>139,232</u>	<u>3,350,292</u>	<u>6,346,785</u>	<u>1,699,607</u>	<u>550,284</u>	<u>14,290,828</u>
-	7,761	-	-	-	83,454
-	23,143	-	-	-	39,507
-	-	-	-	-	414,181
-	636,602	-	-	68,442	992,578
-	667,506	-	-	68,442	1,529,720
-	-	-	258,358	-	258,358
-	-	-	-	-	-
-	399	-	-	-	30,454
-	-	-	-	-	-
139,232	2,682,387	-	-	481,842	3,915,090
-	-	6,346,785	-	-	6,611,423
-	-	-	-	-	374,178
-	-	-	-	-	125,402
-	-	-	-	-	17,438
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	11,776
-	-	-	1,441,249	-	1,441,249
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	(24,260)
<u>139,232</u>	<u>2,682,786</u>	<u>6,346,785</u>	<u>1,441,249</u>	<u>481,842</u>	<u>12,502,750</u>
<u>139,232</u>	<u>3,350,292</u>	<u>6,346,785</u>	<u>1,699,607</u>	<u>550,284</u>	<u>14,290,828</u>

STATE OF NEW MEXICO
 VALENCIA COUNTY
 NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 Year Ended June 30, 2015

	Special Revenue			
	Farm and Range 403	Recreation 404	Juvenile Detention 408	Valuation Maintenance 420
Revenues				
Taxes:				
Property	\$ -	-	-	391,455
Gross receipts	-	-	-	-
Gasoline, motor vehicle and cigarette taxes	-	-	-	-
Intergovernmental:				
Federal operating grants	2,878	-	-	-
State operating grants	-	-	99,257	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	350
Miscellaneous	-	11,484	31,019	3,312
<i>Total revenues</i>	<u>2,878</u>	<u>11,484</u>	<u>130,276</u>	<u>395,117</u>
Expenditures				
Current				
General government	-	-	-	309,995
Public safety	-	-	389,858	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	11,734	-	36,756
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>11,734</u>	<u>389,858</u>	<u>346,751</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>2,878</u>	<u>(250)</u>	<u>(259,582)</u>	<u>48,366</u>
Other Financing Sources (Uses)				
Transfers in	-	-	261,796	-
Proceeds from issuance of debt	-	-	-	-
Transfers out, governmental funds	-	-	-	-
Proceeds from issuance of debt	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>261,796</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>2,878</u>	<u>(250)</u>	<u>2,214</u>	<u>48,366</u>
Fund balance (Deficit) - beginning of year	<u>(6,900)</u>	<u>12,026</u>	<u>(5,302)</u>	<u>429,960</u>
Fund balance (Deficit) - end of year	<u>\$ (4,022)</u>	<u>11,776</u>	<u>(3,088)</u>	<u>478,326</u>

See Notes to Financial Statements.

Special Revenue

Law Enforcement 424	Solid Waste GRT 446	Clerk's Equipment 449	Road GRT 463	Traffic Safety 465
-	-	-	-	-
55,800	165,638	75,271	127,153	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	234,171	-	-	-
-	-	-	711	42,118
55,800	399,809	75,271	127,864	42,118
-	3,826	40,300	-	4,804
21,156	-	-	-	27,910
-	-	-	-	-
-	-	-	-	-
-	463,420	-	-	-
47,191	9,284	33,942	121,227	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
68,347	476,530	74,242	121,227	32,714
(12,547)	(76,721)	1,029	6,637	9,404
-	77,481	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	77,481	-	-	-
(12,547)	760	1,029	6,637	9,404
1,652	27,662	130,935	258,001	7,108
(10,895)	28,422	131,964	264,638	16,512

**STATE OF NEW MEXICO
VALENCIA COUNTY
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Year Ended June 30, 2015**

	Special Revenue			
	Senior Citizens	Intergovernmental	EMS	County Fire
	219	Grants 218	206	Protection 222
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	32,848	54,414	337,577
Gasoline, motor vehicle and cigarette taxes	-	-	-	-
Intergovernmental:				
Federal operating grants	240,695	-	-	-
State operating grants	-	187,994	230	-
State capital grants	355,837	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	57,291	1,652	603	2,846
<i>Total revenues</i>	<u>653,823</u>	<u>222,494</u>	<u>55,247</u>	<u>340,423</u>
Expenditures				
Current				
General government	12,729	16,970	-	-
Public safety	-	48,660	51,914	256,488
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	882,414	11,561	-	-
Capital outlay	-	158,381	1,508	104,970
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>895,143</u>	<u>235,572</u>	<u>53,422</u>	<u>361,458</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(241,320)</u>	<u>(13,078)</u>	<u>1,825</u>	<u>(21,035)</u>
Other Financing Sources (Uses)				
Transfers in	287,740	21,325	2,000	-
Transfers out	-	-	-	(46,093)
Loan proceeds	-	-	-	-
Proceeds from issuance of debt	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>287,740</u>	<u>21,325</u>	<u>2,000</u>	<u>(46,093)</u>
<i>Net change in fund balances</i>	46,420	8,247	3,825	(67,128)
Fund balance (Deficit) - beginning of year	<u>81,954</u>	<u>(14,502)</u>	<u>(2,899)</u>	<u>441,306</u>
Fund balance (Deficit) - end of year	<u>\$ 128,374</u>	<u>(6,255)</u>	<u>926</u>	<u>374,178</u>

See Notes to Financial Statements.

Regional GRT 413	Other Funds 299	Revenue Bond 300	Debt Service		Total Nonmajor Governmental Funds
			County Debt Service 561	Other Debt Service 400	
-	-	-	1,100,394	-	1,491,849
867,918	4,531,505	-	-	22,546	6,270,670
-	-	-	-	-	-
-	-	-	-	-	243,573
-	625,112	-	-	-	912,593
-	-	-	-	-	355,837
-	3,500	-	-	-	3,500
-	-	-	-	-	-
-	15	717	-	349	235,602
-	43,110	-	-	-	194,146
867,918	5,203,242	717	1,100,394	22,895	9,707,770
-	23,856	-	-	-	412,480
-	2,522,752	-	-	-	3,318,738
-	-	-	-	-	-
859,154	3	-	-	3	859,160
-	544,117	-	-	-	1,901,512
-	751,347	1,085,135	-	-	2,361,475
-	-	-	786,806	228,223	1,015,029
-	-	-	112,691	-	112,691
-	-	128,485	-	-	128,485
859,154	3,842,075	1,213,620	899,497	228,226	10,109,570
8,764	1,361,167	(1,212,903)	200,897	(205,331)	(401,800)
-	544,117	-	-	236,952	1,431,411
-	(1,071,137)	-	-	-	(1,117,230)
-	-	-	-	-	-
-	-	7,559,688	-	-	7,559,688
-	(527,020)	7,559,688	-	236,952	7,873,869
8,764	834,147	6,346,785	200,897	31,621	7,472,069
130,468	1,848,639	-	1,240,352	450,221	5,030,681
139,232	2,682,786	6,346,785	1,441,249	481,842	12,502,750

STATE OF NEW MEXICO
 VALENCIA COUNTY
 FARM AND RANGE - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Intergovernmental:				
Federal operating grants	4,000	2,877	2,878	1
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>4,000</u>	<u>2,877</u>	<u>2,878</u>	<u>1</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	10,000	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(6,000)</u>	<u>2,877</u>	<u>2,878</u>	<u>1</u>
<i>Other financing sources (uses)</i>				
Transfers in	6,000	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>\$ -</u>	<u>2,877</u>	<u>2,878</u>	<u>1</u>
Changes in accounts receivable			-	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			<u>\$ 2,878</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 RECREATION - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	12,200	18,460	11,484	(6,976)
<i>Total revenues</i>	<u>12,200</u>	<u>18,460</u>	<u>11,484</u>	<u>(6,976)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	12,200	12,200	11,734	466
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,200</u>	<u>12,200</u>	<u>11,734</u>	<u>466</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	6,260	(250)	(6,510)
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	\$ <u>-</u>	<u>6,260</u>	<u>(250)</u>	<u>(6,510)</u>
Changes in accounts receivable			-	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			<u>\$ (250)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 JUVENILE DETENTION - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	160,315	199,782	99,257	(100,525)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	31,019	31,019
<i>Total revenues</i>	<u>160,315</u>	<u>199,782</u>	<u>130,276</u>	<u>(69,506)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	646,315	544,763	389,858	154,905
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>646,315</u>	<u>544,763</u>	<u>389,858</u>	<u>154,905</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(486,000)</u>	<u>(344,981)</u>	<u>(259,582)</u>	<u>85,399</u>
<i>Other financing sources (uses)</i>				
Transfers in	486,000	376,000	261,796	(114,204)
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>486,000</u>	<u>376,000</u>	<u>261,796</u>	<u>(114,204)</u>
<i>Net change in fund balance</i>	<u>\$ -</u>	<u>31,019</u>	<u>2,214</u>	<u>(28,805)</u>
Changes in accounts receivable			\$ -	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			<u>\$ 2,214</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 VALUATION MAINTENANCE - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ 283,493	402,182	391,455	(10,727)
Gross receipts	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	1,794	1,794	350	(1,444)
Miscellaneous	-	-	3,312	3,312
<i>Total revenues</i>	<u>285,287</u>	<u>403,976</u>	<u>395,117</u>	<u>(8,859)</u>
Expenditures				
Current:				
General government	497,477	416,618	309,995	106,623
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	36,756	(36,756)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>497,477</u>	<u>416,618</u>	<u>346,751</u>	<u>69,867</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(212,190)</u>	<u>(12,642)</u>	<u>48,366</u>	<u>61,008</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	\$ <u>(212,190)</u>	<u>(12,642)</u>	<u>48,366</u>	<u>61,008</u>
Changes in accounts receivable and prepaid expenditure			\$ -	
Changes in accounts payable			-	
Changes in accrued liabilities and deferred revenue			-	
Net change in fund balance (GAAP Basis)			<u>\$ 48,366</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 LAW ENFORCEMENT - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	55,800	55,800	55,800	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>55,800</u>	<u>55,800</u>	<u>55,800</u>	<u>-</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	70,232	70,232	30,222	40,010
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	47,191	(47,191)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>70,232</u>	<u>70,232</u>	<u>77,413</u>	<u>(7,181)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(14,432)</u>	<u>(14,432)</u>	<u>(21,613)</u>	<u>(7,181)</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>\$ (14,432)</u>	<u>(14,432)</u>	<u>(21,613)</u>	<u>(7,181)</u>
Changes in accounts receivable			\$ -	
Changes in accounts payable			9,066	
Changes in accrued liabilities			-	
<i>Net change in fund balance (GAAP Basis)</i>			<u>\$ (12,547)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 SOLID WASTE GRT - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	152,028	178,989	164,503	(14,486)
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	234,171	234,171
Miscellaneous	209,698	214,741	-	(214,741)
Total revenues	361,726	393,730	398,674	4,944
Expenditures				
Current:				
General government	-	-	3,826	(3,826)
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	526,358	530,930	472,486	58,444
Capital outlay	-	-	9,284	(9,284)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	526,358	530,930	485,596	45,334
<i>Excess (deficiency) of revenues over expenditures</i>	<i>(164,632)</i>	<i>(137,200)</i>	<i>(86,922)</i>	<i>50,278</i>
<i>Other financing sources (uses)</i>				
Transfers in	164,632	137,200	77,481	(59,719)
Transfers out	-	-	-	-
Total other financing sources (uses)	164,632	137,200	77,481	(59,719)
Net change in fund balance	\$ -	-	(9,441)	(9,441)
Changes in accounts receivable			\$ 1,135	
Changes in accounts payable			9,066	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			\$ 760	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 CLERK'S EQUIPMENT - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	92,769	92,769	75,271	(17,498)
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	92,769	92,769	75,271	(17,498)
Expenditures				
Current:				
General government	110,897	120,897	47,035	73,862
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	33,942	(33,942)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	110,897	120,897	80,977	39,920
<i>Excess (deficiency) of revenues over expenditures</i>	(18,128)	(28,128)	(5,706)	22,422
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ (18,128)	(28,128)	(5,706)	22,422
Changes in accounts receivable			\$ -	
Changes in accounts payable			6,735	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			\$ 1,029	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 ROAD GRT - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	137,610	150,003	127,153	(22,850)
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	711	711
<i>Total revenues</i>	<u>137,610</u>	<u>150,003</u>	<u>127,864</u>	<u>(22,139)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	171,600	171,600	119,771	51,829
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>171,600</u>	<u>171,600</u>	<u>119,771</u>	<u>51,829</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(33,990)</u>	<u>(21,597)</u>	<u>8,093</u>	<u>29,690</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>\$ (33,990)</u>	<u>(21,597)</u>	<u>8,093</u>	<u>29,690</u>
Changes in accounts receivable			\$ -	
Changes in accounts payable			(1,456)	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			<u>\$ 6,637</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 TRAFFIC SAFETY - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	35,670	35,670	42,118	6,448
Total revenues	35,670	35,670	42,118	6,448
Expenditures				
Current:				
General government	-	-	4,804	(4,804)
Public safety	35,670	35,670	34,645	1,025
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	35,670	35,670	39,449	(3,779)
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	2,669	2,669
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	2,669	2,669
Changes in accounts receivable			\$ -	
Changes in accounts payable			6,735	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			\$ 9,404	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 SENIOR CITIZENS - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Intergovernmental:				
Federal operating grants	302,663	317,259	240,695	(76,564)
State operating grants	-	-	-	-
State capital grants	327,548	366,956	355,837	(11,119)
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	51,600	58,456	57,291	(1,165)
<i>Total revenues</i>	<u>681,811</u>	<u>742,671</u>	<u>653,823</u>	<u>(88,848)</u>
Expenditures				
Current:				
General government	-	-	12,729	(12,729)
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	958,311	1,030,411	882,529	147,882
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>958,311</u>	<u>1,030,411</u>	<u>895,258</u>	<u>135,153</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(276,500)</u>	<u>(287,740)</u>	<u>(241,435)</u>	<u>46,305</u>
<i>Other financing sources (uses)</i>				
Transfers in	276,500	287,740	287,740	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>276,500</u>	<u>287,740</u>	<u>287,740</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>\$ -</u>	<u>-</u>	<u>46,305</u>	<u>46,305</u>
Changes in accounts receivable			\$ -	
Changes in accounts payable			(900)	
Changes in accrued liabilities			<u>1,015</u>	
<i>Net change in fund balance (GAAP Basis)</i>			<u>\$ 46,420</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 INTERGOVERNMENTAL GRANTS - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	32,848	32,848
Intergovernmental:				
Federal operating grants	-	853,211	187,994	(665,217)
State operating grants	-	-	-	-
State capital grants	988,037	2,278,477	-	(2,278,477)
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	1,652	1,652
<i>Total revenues</i>	<u>988,037</u>	<u>3,131,688</u>	<u>222,494</u>	<u>(2,909,194)</u>
Expenditures				
Current:				
General government	-	-	16,970	(16,970)
Public safety	1,065,189	1,416,725	55,395	1,361,330
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	11,561	(11,561)
Capital outlay	-	-	158,381	(158,381)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,065,189</u>	<u>1,416,725</u>	<u>242,307</u>	<u>1,174,418</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(77,152)</u>	<u>1,714,963</u>	<u>(19,813)</u>	<u>(1,734,776)</u>
<i>Other financing sources (uses)</i>				
Transfers in	77,152	33,325	21,325	(12,000)
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>77,152</u>	<u>33,325</u>	<u>21,325</u>	<u>(12,000)</u>
<i>Net change in fund balance</i>	<u>\$ -</u>	<u>1,748,288</u>	<u>1,512</u>	<u>(1,746,776)</u>
Changes in accounts receivable			\$ -	
Changes in accounts payable			6,735	
Changes in accrued liabilities			-	
<i>Net change in fund balance (GAAP Basis)</i>			<u>\$ 8,247</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 EMS - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	54,088	52,346	54,414	2,068
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	230	230
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	603	603	-
<i>Total revenues</i>	<u>54,088</u>	<u>52,949</u>	<u>55,247</u>	<u>2,298</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	54,088	54,346	51,296	3,050
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	4,830	1,508	3,322
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>54,088</u>	<u>59,176</u>	<u>52,804</u>	<u>6,372</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(6,227)</u>	<u>2,443</u>	<u>8,670</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	2,000	2,000	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>2,000</u>	<u>2,000</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>\$ -</u>	<u>(4,227)</u>	<u>4,443</u>	<u>8,670</u>
Changes in accounts receivable			\$ -	
Changes in accounts payable			(618)	
Changes in accrued liabilities			-	
<i>Net change in fund balance (GAAP Basis)</i>			<u>\$ 3,825</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 COUNTY FIRE PROTECTION - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	295,969	409,342	337,577	(71,765)
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	7,900	19,788	2,846	(16,942)
<i>Total revenues</i>	<u>303,869</u>	<u>429,130</u>	<u>340,423</u>	<u>(88,707)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	360,139	445,463	34,276	411,187
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	104,970	(104,970)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>360,139</u>	<u>445,463</u>	<u>139,246</u>	<u>306,217</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(56,270)</u>	<u>(16,333)</u>	<u>201,177</u>	<u>217,510</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	46,093	46,093	46,093	-
<i>Total other financing sources (uses)</i>	<u>(46,093)</u>	<u>(46,093)</u>	<u>(46,093)</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>\$ (102,363)</u>	<u>(62,426)</u>	<u>155,084</u>	<u>217,510</u>
Changes in accounts receivable			\$ -	
Changes in accounts payable			(185,664)	
Changes in accrued liabilities			(36,548)	
Net change in fund balance (GAAP Basis)			<u>\$ (67,128)</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 REGIONAL GRT - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	761,326	859,156	867,918	8,762
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	761,326	859,156	867,918	8,762
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	761,326	859,154	859,154	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	761,326	859,154	859,154	-
<i>Excess (deficiency) of revenues over expenditures</i>	<i>-</i>	<i>2</i>	<i>8,764</i>	<i>8,762</i>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	2	8,764	8,762
Changes in accounts receivable			\$ -	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			\$ 8,764	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 OTHER FUNDS - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	3,257,423	4,024,621	4,515,600	490,979
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	625,112	625,112
State capital grants	-	-	-	-
Licenses and fees	-	-	3,500	3,500
Investment income	-	-	-	-
Charges for services	-	-	15	15
Miscellaneous	-	-	43,110	43,110
<i>Total revenues</i>	<u>3,257,423</u>	<u>4,024,621</u>	<u>5,187,337</u>	<u>1,162,716</u>
Expenditures				
Current:				
General government	-	-	23,856	(23,856)
Public safety	4,114,810	4,291,735	2,541,941	1,749,794
Public works	-	-	-	-
Culture and recreation	-	-	3	(3)
Health and welfare	-	-	544,117	(544,117)
Capital outlay	-	-	751,347	(751,347)
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,114,810</u>	<u>4,291,735</u>	<u>3,861,264</u>	<u>430,471</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(857,387)</u>	<u>(267,114)</u>	<u>1,326,073</u>	<u>1,593,187</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	544,117	544,117
Transfers out	(334,571)	(421,134)	1,071,137	1,492,271
<i>Total other financing sources (uses)</i>	<u>334,571</u>	<u>421,134</u>	<u>(527,020)</u>	<u>(948,154)</u>
<i>Net change in fund balance</i>	<u>\$ (522,816)</u>	<u>154,020</u>	<u>799,053</u>	<u>645,033</u>
Changes in accounts receivable			\$ 15,905	
Changes in accounts payable			(406)	
Changes in accrued liabilities			19,595	
Net change in fund balance (GAAP Basis)			<u>\$ 834,147</u>	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 REVENUE BOND - SPECIAL REVENUE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	717	717
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	717	717
Expenditures				
Current:				
General government	-	134,767	128,485	6,282
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	7,392,901	1,085,135	6,307,766
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	-	7,527,668	1,213,620	6,314,048
<i>Excess (deficiency) of revenues over expenditures</i>	-	(7,527,668)	(1,212,903)	6,314,765
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Bond Proceeds	-	7,560,444	7,559,688	756
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	756
Net change in fund balance	\$ -	(7,527,668)	6,346,785	6,315,521
Changes in accounts receivable			\$ -	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			\$ 6,346,785	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 COUNTY DEBT SERVICE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ 825,165	1,065,634	1,378,204	312,570
Gross receipts	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	825,165	1,065,634	1,378,204	312,570
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	870,000	870,000	786,806	83,194
Interest	96,671	96,671	112,691	(16,020)
Total expenditures	966,671	966,671	899,497	67,174
<i>Excess (deficiency) of revenues over expenditures</i>	<i>(141,506)</i>	<i>98,963</i>	<i>478,707</i>	<i>379,744</i>
<i>Other financing sources (uses)</i>				
Transfers in	61,171	61,171	-	(61,171)
Transfers out	-	-	-	-
Total other financing sources (uses)	61,171	61,171	-	(61,171)
Net change in fund balance	\$ (80,335)	160,134	478,707	318,573
Changes in accounts receivable			\$ (277,810)	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			\$ 200,897	

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 OTHER DEBT SERVICE FUND
 STATEMENT OF REVENUES AND EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	137,610	154,131	22,546	(131,585)
Intergovernmental:				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Charges for services	-	-	349	349
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>137,610</u>	<u>154,131</u>	<u>22,895</u>	<u>(131,236)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	3	(3)
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	341,381	548,350	228,223	320,127
Interest	-	-	-	-
<i>Total expenditures</i>	<u>341,381</u>	<u>548,350</u>	<u>228,226</u>	<u>320,124</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(203,771)</u>	<u>(394,219)</u>	<u>(205,331)</u>	<u>(451,360)</u>
<i>Other financing sources (uses)</i>				
Transfers in	169,781	169,781	(236,952)	(406,733)
Transfers out	-	-	-	-
Proceeds from issuance of debt	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>169,781</u>	<u>169,781</u>	<u>236,952</u>	<u>(406,733)</u>
<i>Net change in fund balance</i>	<u>\$ (33,990)</u>	<u>(224,438)</u>	<u>31,621</u>	<u>(858,093)</u>
Changes in accounts receivable			\$ -	
Changes in accounts payable			-	
Changes in accrued liabilities			-	
Net change in fund balance (GAAP Basis)			<u>\$ 31,621</u>	

See Notes to Financial Statements.

OTHER SUPPLEMENTAL SCHEDULES

STATE OF NEW MEXICO
VALENCIA COUNTY
SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY FOR PUBLIC FUNDS
Year Ended June 30, 2015

	Bank of West	NM Bank and Trust	US Bank	Wells Fargo	Bank of Albuquerque	NM LGIP	NMFA	My Bank	Total
Deposits in Bank or Savings and Loan									
Cash Deposits	\$ 34,314,245	2,329,481	(5)	42,479	6,637,065	32,169	55,112	1,215,323	44,625,869
Certificate of Deposit	-	-	-	-	-	-	-	-	-
Total Deposits	34,314,245	2,329,481	(5)	42,479	6,637,065	32,169	55,112	1,215,323	44,625,869
Less: FDIC insurance	(500,000)	(250,000)	5	(42,479)	(250,000)	(32,169)	(55,112)	(250,000)	(1,379,755)
Total uninsured public funds	33,814,245	2,079,481	-	-	6,387,065	-	-	965,323	43,246,114
Collateral requirement @ 50%	16,907,123	1,039,741	-	-	3,193,533	-	-	482,662	21,623,057
Pledges and securities									
(Type of Security/CUSIP number/Maturity Date)									
Municipal Bonds / 388240FR9 / 04-15-19								676,593	676,593
Municipal Bonds / 545562QT0 / 07-15-19								102,676	102,676
Municipal Bonds / 802751DR5 / 05-15-19								358,302	358,302
									-
Municipal Bond / 013595QQ9 / 08-01-21		287,922							287,922
Municipal Bond / 077571CS4 / 06-01-26		1,145,362							1,145,362
FHLMC / 312904MG7 / 10-15-20		16,603							16,603
FNMA / 31418MH39 / 04-01-37		1,475,967							1,475,967
GNMA / 36296QTP4 / 06-15-40		398,675							398,675
									-
Municipal Bond / 843789DF2 / 08-01-15	200,530								200,530
Municipal Bond / 914684CM5 / 08-01-15	200,654								200,654
Municipal Bond / 843789DL9 / 08-01-20	155,414								155,414
Municipal Bond / 843789DGO / 08/01/16	100,253								100,253
Municipal Bond / 722054FS7 / 07/01/18	129,450								129,450
Municipal Bond / 914684CU7 / 08-01-22	250,543								250,543
GNMA / 36179M6H8 / 03-20-43	117,940								117,940
FNMA / 3138M8J61 / 09-01-42	1,223,862								1,223,862
GNMA / 36202FYD2 / 10-20-26	757,533								757,533
FNMA / 31419KD69 / 12-01-40	1,621,553								1,621,553
Municipal Bond / 843789DK1 / 08-01-19	350,921								350,921
FNMA / 3138MAKS6 / 09-01-42	1,233,358								1,233,358
GNMA / 36179ME22 / 06-20-42	822,557								822,557
FHLMC / 31300MHQ9 / 01-01-44	764,211								764,211
FNMA / 3138M8J61 / 09-01-42	48,954								48,954
FNMA / 3138W7JL9 / 04-01-43	4,767,746								4,767,746
GNMA / 36176W7E5 / 01-15-42	5,470,503								5,470,503
FNMA / 3138X3ED0 / 09-01-43	843,693								843,693
GNMA / 36179MYH7 / 01-20-43	1,758,958								1,758,958
									-
FHLB / 3128PWW54 / 10-01-26					1,840,852				1,840,852
FHLB / 3136AGQM7 / 05-25-18					6,014,941				6,014,941
	20,818,633	3,324,529	-	-	7,855,793			1,137,571	25,280,733
	<u>\$ 3,911,510</u>	<u>2,284,788</u>	<u>-</u>	<u>-</u>	<u>4,662,260</u>			<u>654,909</u>	<u>3,657,676</u>

Safekeeping locations for the above securities include Wells Fargo - Minneapolis, Minnesota, Commerce Bank and Federal Home Loan Bank - Dallas Texas.

STATE OF NEW MEXICO
 VALENCIA COUNTY
 SCHEDULE OF DEPOSIT AND INVESTMENT ACCOUNTS
 Year Ended June 30, 2015

Bank Name	Acct. Type	Bank Balance	Deposits in Transit	Outstanding Checks	Book Balance
Deposits:					
Bank of the West					
Operational Checking Account	Checking	\$ 9,208,411	57,338	1,004,673	8,261,076
Money market plus		25,105,834	-	-	25,105,834
Payroll	Checking	-	1,451	17,307	(15,856)
Wells Fargo					
Judicial Complex	Savings	42,479	-	-	42,479
US Bank					
Elec Fed Tax Pymt System Account	Savings	(5)	1,081	-	1,076
NM Bank & Trust					
Money market account -acct 333		19,839	-	-	19,839
Money market account -acct 893		2,309,642	-	-	2,309,642
Bank of Albuquerque					
Bond issue account		6,357,549	-	13,864	6,343,685
GRT fund		279,516	-	-	279,516
New Mexico Finance Authority					
Reserve Accounts	Deposit - State Treasurer	55,112	-	-	55,112
MyBank					
Inmate Account	Checking	124,167	3,673	37,446	90,394
Commissary Account	Checking	91,156	-	14,503	76,653
Certificate of Deposit	Certificate of Deposit	500,000	-	-	500,000
Certificate of Deposit	Certificate of Deposit	500,000	-	-	500,000
Subtotal Deposits		<u>44,593,700</u>	<u>63,543</u>	<u>1,087,793</u>	<u>43,569,450</u>
New Mexico State Treasurer					
LGIP	LGIP	<u>32,169</u>	-	-	<u>32,169</u>
Total deposits and investments per financial statements		\$ <u>44,625,869</u>	<u>63,543</u>	<u>1,087,793</u>	<u>43,601,619</u>

Total cash and cash equivalents per Statement of Net Position	
Total investments per Statement of Net Position	15,658,991
Total restricted cash and cash equivalents per Statement of Net Position	1,421,797
Total cash and cash equivalents per Statement of Fiduciary Assets and Liabilities	<u>26,520,831</u>
Total cash, cash equivalents and investments	<u><u>43,601,619</u></u>

**STATE OF NEW MEXICO
 VALENCIA COUNTY
 TAX ROLL RECONCILIATION - CHANGES IN PROPERTY TAXES RECEIVABLE
 Year Ended June 30, 2015**

Property taxes receivable, beginning of year	\$	9,540,476
Changes to tax roll:		
Net tax charges to treasurer for fiscal year		43,834,291
Adjustments:		
Allowance for uncollectible taxes receivable		-
Charge off of taxes receivable		-
		<hr/>
Total receivable prior to collections		53,374,767
Collections for fiscal year ended June 30, 2015		(43,115,879)
		<hr/>
Property taxes receivable at June 30, 2014	\$	<u>10,258,888</u>
Property taxes are reported as follows		
Governmental funds:		
County portion	\$	3,286,318
Agency portion		6,972,570
		<hr/>
Total property taxes receivable	\$	<u>10,258,888</u>
Property taxes receivable by years:		
2005	\$	220,225
2006		282,658
2007		408,659
2008		482,476
2009		592,602
2010		716,835
2011		934,782
2012		1,227,796
2013		1,843,139
2014		3,549,716
		<hr/>
	\$	<u>10,258,888</u>

STATE OF NEW MEXICO
VALENCIA COUNTY
TREASURERS PROPERTY TAX SCHEDULE
June 30, 2015

	Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed In Current Year	Distributed To-Date	Current Amount Uncollect.	To-Date Amount Uncollect.	Undistr. At Year End	County Receivable At Year-End
VALENCIA COUNTY DEBT									
2005	\$ 785,107	324	777,289	404	777,250	1	1	38	7,818
2006	1,351,871	839	1,335,686	1,172	1,335,577	-	-	109	16,185
2007	1,177,432	1,233	1,161,752	1,692	1,161,580	-	-	172	15,680
2008	1,034,005	1,663	1,018,784	2,285	1,018,543	-	-	241	15,221
2009	954,498	2,297	938,909	2,807	938,567	-	-	343	15,588
2010	934,203	3,171	916,238	3,851	915,704	-	58	534	17,907
2011	652,574	3,831	637,033	4,623	636,201	-	59	833	15,482
2012	892,369	13,661	864,604	13,736	861,595	-	83	3,009	27,681
2013	1,162,213	44,248	1,109,280	61,856	1,104,568	1	1	4,711	52,932
2014	1,113,814	1,020,524	1,020,525	1,005,784	992,681	1	1	27,843	93,288
Total	10,058,086	1,091,792	9,780,100	1,098,210	9,742,267	3	203	37,833	277,782
VALENCIA COUNTY OPERATIONAL NON-RES									
2005	2,989,864	1,191	2,914,317	985	2,913,936	-	0	381	75,547
2006	3,076,278	1,824	2,982,750	2,050	2,982,392	-	0	358	93,528
2007	3,390,086	4,562	3,272,724	4,840	3,272,105	-	0	620	117,361
2008	3,628,995	6,346	3,491,938	7,109	3,490,836	-	0	1,101	137,058
2009	4,173,034	12,941	4,018,490	12,704	4,016,199	-	5	2,291	154,539
2010	4,290,926	16,507	4,116,872	17,313	4,114,977	-	864	1,895	173,189
2011	4,440,145	24,761	4,232,088	29,140	4,227,716	-	1,325	4,372	206,733
2012	4,478,885	67,492	4,233,023	68,894	4,223,295	-	1,337	9,729	244,524
2013	4,451,949	156,528	4,163,850	256,754	4,152,407	-	-	11,442	288,099
2014	4,549,995	4,125,538	4,125,538	4,078,394	4,039,898	-	-	85,640	424,457
Total	39,470,156	4,417,688	37,551,589	4,478,182	37,433,760	-	3,531	117,829	1,915,036
VALENCIA COUNTY OPERATIONAL RES									
2005	3,410,595	1,427	3,399,927	2,039	3,399,881	5	5	46	11,506
2006	3,841,263	2,432	3,826,307	3,667	3,826,056	-	-	251	14,956
2007	4,413,314	4,078	4,393,414	6,361	4,392,837	-	-	577	19,900
2008	4,906,414	7,610	4,880,300	11,342	4,879,300	-	-	1,000	26,114
2009	5,296,449	11,153	5,257,346	15,337	5,255,880	-	-	1,465	39,104
2010	5,361,689	17,120	5,309,334	22,312	5,305,961	-	-	3,373	52,355
2011	5,527,496	33,170	5,451,876	40,420	5,444,112	-	-	7,764	75,620
2012	5,731,368	88,331	5,611,542	88,248	5,589,264	-	28	22,278	119,797
2013	5,904,192	231,922	5,682,228	303,341	5,654,660	8	8	27,568	221,955
2014	6,418,555	5,906,353	5,906,353	5,813,755	5,729,444	9	9	176,909	512,192
Total	50,811,335	6,303,597	49,718,628	6,306,822	49,477,396	22	50	241,232	1,093,500
Total Valencia County	100,339,577	11,813,077	97,050,317	11,883,214	96,653,423	25	3,785	396,894	3,286,318

**STATE OF NEW MEXICO
VALENCIA COUNTY
TREASURERS PROPERTY TAX SCHEDULE
June 30, 2015**

	Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed In Current Year	Distributed To-Date	Current Amount Uncollect.	To-Date Amount Uncollect.	Undistr. At Year End	County Receivable At Year-End
STATE OF NEW MEXICO									
2005	1,028,261	416	1,018,192	520	1,018,143	1	1	49	10,068
2006	1,124,881	683	1,111,684	956	1,111,595	-	-	89	13,197
2007	1,219,296	1,251	1,202,960	1,719	1,202,785	-	-	174	16,336
2008	1,343,572	2,126	1,323,700	2,920	1,323,392	-	-	308	19,872
2009	1,365,114	3,236	1,342,825	3,954	1,342,343	-	1	482	22,289
2010	1,857,322	6,227	1,821,708	7,563	1,820,641	-	113	1,416	35,131
2011	1,707,289	9,914	1,666,753	11,960	1,664,600	-	154	2,153	40,382
2012	1,735,637	26,457	1,681,800	26,588	1,675,997	-	159	5,803	53,678
2013	1,771,840	67,013	1,692,317	93,472	1,685,212	2	2	7,105	79,521
2014	1,808,100	1,656,818	1,656,818	1,632,853	1,610,170	2	2	46,648	151,280
Total State of New Mexico	14,961,311	1,774,140	14,518,757	1,782,504	14,454,879	-	431	64,226	441,754
MIDDLE RIO GRANDE CONSERVANCY									
2005	2,172,303	777	2,168,528	989	2,168,527	-	-	1	3,775
2006	2,117,021	1,028	2,111,517	1,646	2,111,452	-	-	65	5,504
2007	2,110,855	1,597	2,103,355	2,660	2,103,270	-	-	84	7,500
2008	2,207,675	3,363	2,195,641	4,808	2,195,393	-	-	248	12,034
2009	2,347,061	6,315	2,328,321	8,385	2,327,695	-	79	626	18,661
2010	2,398,071	9,898	2,373,027	12,425	2,370,985	-	-	2,042	25,045
2011	2,613,345	16,691	2,576,202	21,261	2,571,944	-	-	4,258	37,143
2012	2,652,183	50,022	2,591,925	50,155	2,580,777	-	42	11,148	60,216
2013	2,850,065	127,533	2,736,052	165,015	2,719,455	-	-	16,597	114,013
2014	3,412,260	3,125,087	3,125,087	3,068,172	3,016,734	57	57	108,352	287,116
Total	24,880,840	3,342,311	24,309,656	3,335,515	24,166,233	57	177	143,422	571,008
SOIL & WATER CONSERVATION									
2014	354,703	324,766	324,766	319,599	315,155	57	57	9,611	29,881
BOSQUE FARMS									
2005	44,128	-	44,118	-	44,118	-	-	-	10
2006	46,884	1	46,870	1	46,870	-	-	-	13
2007	51,591	1	51,577	1	51,577	-	-	-	13
2008	126,967	2	126,891	2	126,891	-	-	-	76
2009	134,382	9	134,122	9	134,088	-	-	35	260
2010	166,012	117	165,648	146	165,600	-	-	48	363
2011	169,503	751	168,614	876	168,325	-	-	290	889
2012	175,320	2,704	173,302	2,723	172,571	-	-	732	2,017
2013	181,126	6,687	177,336	8,539	176,712	-	-	624	3,790
2014	183,553	172,557	172,557	170,400	168,454	-	-	4,103	10,996
Total	1,279,465	182,828	1,261,037	182,696	1,255,205	-	-	5,831	18,427

**STATE OF NEW MEXICO
VALENCIA COUNTY
TREASURERS PROPERTY TAX SCHEDULE
June 30, 2015**

	Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed In Current Year	Distributed To-Date	Current Amount Uncollect.	To-Date Amount Uncollect.	Undistr. At Year End	County Receivable At Year-End
CITY OF BELEN									
2005	486,696	-	486,401	-	486,401	-	-	-	295
2006	501,476	-	492,813	-	492,813	-	-	-	8,663
2007	536,868	321	527,017	321	527,017	-	-	-	9,850
2008	568,813	794	565,626	946	565,626	-	-	-	3,185
2009	613,748	1,160	607,267	1,305	607,209	-	1	58	6,480
2010	627,018	1,471	617,888	1,714	617,597	-	306	291	8,824
2011	645,566	3,607	634,195	4,414	633,501	-	366	693	11,005
2012	664,927	10,663	645,278	10,421	643,078	-	393	2,200	19,256
2013	683,304	29,447	651,516	37,083	648,366	2	2	3,150	31,786
2014	690,437	636,080	636,080	622,698	615,217	1	1	20,863	54,356
Total	6,018,853	683,543	5,864,082	678,902	5,836,826	3	1,070	27,255	153,699
BELEN CONSOLIDATED SCHOOLS									
2005	3,380,410	1,212	3,330,712	1,570	3,330,338	-	-	2,517	47,540
2006	3,406,401	2,346	3,341,548	3,327	3,340,228	-	-	320	65,853
2007	3,771,767	6,153	3,688,023	7,982	3,686,939	-	13	1,074	80,109
2008	4,045,902	6,807	3,885,660	9,883	3,953,221	-	-	963	91,718
2009	4,634,056	12,081	4,442,888	15,402	4,529,314	-	1	862	99,792
2010	4,750,050	16,833	4,625,558	20,651	4,623,432	-	545	2,126	123,947
2011	5,001,942	28,147	4,850,461	34,224	4,844,194	-	801	6,266	150,680
2012	5,058,037	73,710	4,859,147	73,565	4,841,046	-	846	18,101	198,043
2013	5,143,641	206,125	4,857,962	298,918	4,837,386	11	11	20,576	278,354
2014	5,219,644	4,727,120	4,727,120	4,644,343	4,585,650	4	4	141,471	492,518
Total	44,411,848	5,080,534	42,609,079	5,109,867	42,571,748	16	2,221	194,275	1,628,554
SCHOOL OF DREAMS									
2005	11,343	-	11,342	-	11,342	-	-	-	1
2006	10,050	-	10,050	-	10,050	-	-	-	1
2007	11,660	-	11,660	-	11,660	-	-	-	1
2008	11,669	-	11,667	-	11,667	-	-	-	4
2009	-	-	-	-	-	-	-	-	-
2010	-	-	-	-	-	-	-	-	-
2011	-	-	-	-	-	-	-	-	-
2012	66,865	1,055	65,142	1,065	64,926	-	3	216	1,720
2013	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-
Total	111,587	1,055	109,860	1,065	109,644	-	3	216	1,727

STATE OF NEW MEXICO
 VALENCIA COUNTY
 TREASURERS PROPERTY TAX SCHEDULE
 June 30, 2015

	Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed In Current Year	Distributed To-Date	Current Amount Uncollect.	To-Date Amount Uncollect.	Undistr. At Year End	County Receivable At Year-End
LOS LUNAS CONSOLIDATED SCHOOLS									
2005	6,380,202	2,882	6,336,590	3,512	6,336,552	10	10	38	43,602
2006	6,832,124	3,938	6,782,191	5,412	6,781,693	-	-	498	49,932
2007	8,027,447	5,497	7,963,216	8,117	7,962,760	-	-	456	64,231
2008	8,728,543	13,675	8,641,150	18,024	8,639,139	-	-	2,011	87,393
2009	9,451,694	21,534	9,332,848	25,374	9,328,359	-	3	4,488	118,843
2010	9,620,702	31,728	9,478,399	38,185	9,472,111	-	270	6,285	142,033
2011	9,885,928	59,640	9,690,975	71,574	9,678,239	-	463	12,736	194,489
2012	10,062,633	158,963	9,802,104	160,591	9,769,721	-	461	32,381	260,068
2013	10,301,837	377,895	9,899,446	514,882	9,857,509	1	1	41,937	402,389
2014	10,538,807	9,729,009	9,729,009	9,608,239	9,481,045	12	12	247,964	809,786
Total	89,829,915	10,404,761	87,655,928	10,453,912	87,307,129	23	1,220	348,795	2,172,766
VILLAGE OF LOS LUNAS									
2005	1,229,771	77	1,229,465	123	1,229,465	-	-	-	307
2006	1,431,602	477	1,431,165	634	1,431,140	-	-	25	437
2007	1,746,184	201	1,744,867	362	1,744,867	-	-	-	1,317
2008	2,016,312	1,532	2,013,726	2,432	2,013,369	-	-	357	2,586
2009	2,215,622	2,835	2,209,364	3,786	2,208,349	-	2	1,015	6,255
2010	2,238,125	4,139	2,227,690	5,692	2,226,937	-	151	753	10,283
2011	2,363,780	7,921	2,347,341	10,043	2,345,736	-	259	1,605	16,179
2012	2,431,591	24,523	2,406,996	24,432	2,403,252	-	259	3,744	24,336
2013	2,469,143	61,950	2,430,164	82,796	2,423,678	-	-	6,485	38,980
2014	2,512,635	2,417,751	2,417,751	2,398,497	2,379,721	-	-	38,030	94,884
Total	20,654,765	2,521,406	20,458,528	2,528,797	20,406,514	-	672	52,015	195,565
TOWN OF PERALTA									
2014	175,774	161,390	161,390	157,756	154,709	-	-	6,702	14,385

**STATE OF NEW MEXICO
VALENCIA COUNTY
TREASURERS PROPERTY TAX SCHEDULE
June 30, 2015**

	Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed In Current Year	Distributed To-Date	Current Amount Uncollect.	To-Date Amount Uncollect.	Undistr. At Year End	County Receivable At Year-End
UNM VALENCIA									
2005	1,783,222	734	1,764,757	910	1,764,667	2	2	91	18,463
2006	1,140,411	707	1,125,991	980	1,125,898	-	-	94	14,419
2007	2,741,916	2,884	2,704,572	3,941	2,704,170	-	-	402	37,344
2008	3,009,740	4,844	2,964,906	6,644	2,964,204	-	-	702	44,834
2009	3,315,481	7,998	3,260,721	9,752	3,259,526	-	1	1,195	54,758
2010	3,394,798	11,532	3,329,044	13,993	3,327,107	-	213	1,937	65,541
2011	4,465,266	26,206	4,358,099	31,611	4,352,410	-	414	5,689	106,754
2012	3,520,165	53,883	3,409,959	54,185	3,398,123	-	334	11,836	109,873
2013	3,586,728	136,477	3,422,851	191,017	3,408,351	4	4	14,500	163,874
2014	3,639,528	3,334,334	3,334,334	3,286,277	3,243,585	4	4	90,749	305,190
Total	30,597,256	3,579,598	29,675,234	3,599,309	29,548,042	9	971	127,193	921,049
VALENCIA COUNTY HOSPITAL									
2005	-	-	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-	-	-
2007	2,689,317	2,817	2,653,503	3,865	2,653,110	-	-	393	17,705
2008	2,907,477	4,676	2,864,678	6,424	2,864,001	-	-	677	42,799
2009	3,197,480	7,697	3,145,159	9,403	3,144,010	-	1	1,148	52,321
2010	3,252,212	11,035	3,189,789	13,407	3,187,930	-	201	1,859	62,223
2011	3,356,739	19,706	3,276,633	23,774	3,272,350	-	307	4,282	79,799
2012	3,451,545	52,838	3,344,058	53,129	3,332,424	-	322	11,634	107,165
2013	3,518,366	133,947	3,358,077	187,268	3,343,818	4	4	14,260	160,285
2014	3,599,281	3,297,817	3,297,817	3,250,184	3,207,842	4	4	89,975	301,461
Total	25,972,418	3,530,533	25,129,714	3,547,454	25,005,486	7	838	124,227	823,756
GRAND TOTAL	\$ 359,588,312	43,399,944	349,128,346	43,580,589	347,784,993	196	11,445	1,500,662	10,258,888

STATE OF NEW MEXICO
 VALENCIA COUNTY
 SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
 Year Ended June 30, 2015

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
ASSETS				
Cash and cash equivalents	\$ 22,271,221	31,302,802	27,053,192	26,520,831
Property taxes receivable	6,504,321	12,355,864	11,887,615	6,972,570
<i>Total assets</i>	<u>\$ 28,775,542</u>	<u>43,658,666</u>	<u>38,940,807</u>	<u>33,493,401</u>
LIABILITIES				
Deposits held in trust for others	\$ 1,799,456	26,176,477	27,053,192	922,741
Deposits held in trust for hospital levy	20,471,765	5,126,325	-	25,598,090
Due to other taxing entities	6,504,321	12,355,864	11,887,615	6,972,570
<i>Total liabilities</i>	<u>\$ 28,775,542</u>	<u>43,658,666</u>	<u>38,940,807</u>	<u>33,493,401</u>

**STATE OF NEW MEXICO
 VALENCIA COUNTY
 SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000
 (EXCLUDING GRT)
 FOR THE YEAR ENDED JUNE 30, 2015**

<i>RFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>
IFB-FY15-014	Water Pump Maintenance	Metamorphosis Technologies, LLC	\$66,703	\$0
IFB#VCB-FY15-015	Safety Breathing	Artesia Fire Equipment, Inc.	\$95,635	\$0
IFB#VCB-FY15-013	Animal Control	C.C. Construction	\$103,005	\$0
VCB-FY15-012	Animal Control	Mason Company	137258	\$0

<i>Name and Physical Address per the procurement documentation, of <u>ALL</u> Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N)</i>	<i>Was the vendor in-state and chose Veteran's</i>	<i>Brief Description of the Scope of Work</i>
Metalmorphosis Technologies, LLC - 1860 Bosque Farms Blvd., Bosque Farms, NM 87068	In-State	No	Refitting of Tank and Pump for El Cerro Fire Dept.
Artesia Fire Equipment, Inc. - 7011 Huseman Pl. SW, Albuquerque, NM 87121	In-State	No	VC Safety Breathing Apparatus and associated accessories and parts
Municipal Emergency Services - 11510 Sunset Gardens Rd. SW, Albuquerque, NM 87121			
Essential Safety Products - 7216 Washington St. NE, Albuquerque, NM 87109			
C.C. Construction - 2415 Don Andres Rd. SW, Albuquerque, NM 87105	In-State	No	Spay and neuter clinic tenant improvement project
Anchor Built, Inc. - 304 Indiana St. SE, Albuquerque, NM 87108			
Anissa - 1232 Western Meadows Rd. NW, Albuquerque, NM 87114			
Longhorn Construction - 9208 Lona Ln. NE, Albuquerque, NM 87111			
McIntosh & Dutton - 301 Arno St. NE, Albuquerque, NM 87107			
RCC, LLC - 4300 Standfier Ct. SW, Albuquerque, NM 87105			
TFC Construction - 7 Calle De La Escuela, La Joya, NM 87028			
Vigil Contracting, Inc. - 1512 Coors Blvd. SW, Albuquerque, NM			
Mason Company - 260 Depot Street, Leesburg, OH 45135	Out of State	No	Installation of dog kennels
Valley Fence Co. - 1932 Coors Blvd SW, Albuquerque, NM 87121			

COMPLIANCE SECTION

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

Mr. Timothy Keller
New Mexico State Auditor
The Board of Valencia County Commissioners
Valencia County
Los Lunas, New Mexico

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

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did not identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses, that we consider significant deficiencies. 2011-004 and 2015-001

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Responses as items 2010-004 and 2015-002.

Management's Responses to Findings

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

Purpose of this Report

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

A handwritten signature in blue ink that reads "Axiom".

Albuquerque, New Mexico
October 30, 2015

OTHER DISCLOSURES

**STATE OF NEW MEXICO
VALENCIA COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

FINANCIAL STATEMENT FINDINGS

**2011-004 Cash Disbursements Transaction Cycle Control Deficiencies (Significant Deficiency)
Repeated and Modified**

CONDITION: Out of 40 items sampled for cash disbursements testing, a total of 4 transactions aggregating \$8,339 did not contain purchase orders supporting the purchase(s).

The County has continued to make progress as the number of exceptions continues to decrease.

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

CAUSE: Controls over cash disbursements were not adequate to prevent these exceptions.

EFFECT: The County was not in compliance with controls over disbursements in accordance with aforementioned statute.

RECOMMENDATION: We recommend that management continue to refine the processes required to maintain compliance with statutory requirements.

COUNTY RESPONSE: The Finance Director will make changes to the internal control policy and create more defined guidelines to prevent violations to state and federal law and rules related to financial matters. These abovementioned changes will be completed by the end of the current fiscal year and implemented after approval and adoption by the governing body.

PROGRESS: The Purchasing Department and the Finance Department have implemented policies and provided training. There has been a significant reduction in non-compliance. These documented internal policies will be modified and additional training will occur during fiscal 2016.

**STATE OF NEW MEXICO
VALENCIA COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

2015-001 - Capital Asset Records (Significant Deficiency)

CONDITION: Capital Asset records had not been accurately reconciled to reflect all transactions that occurred during the fiscal year, and thus, year end balances with respect to capital purchases and related depreciation were not properly stated.

CRITERIA: Pursuant to 2.20.1.8 (A) NMAC, "Agencies should implement systematic and well documented methods for accounting for their fixed assets".

EFFECT: Capital Assets were not properly stated and adjustments to the client schedules were required to reconcile the governmental fund statements to the government wide statements.

CAUSE: Management has not fully implemented a comprehensive system to properly account for its capital transactions. Subsequent to year end, management did demonstrate that it was in the process of evaluating prospective plans to address this issue.

RECOMMENDATION: We recommend that the County proceed with its evaluation of optimizing the capital asset recordkeeping process to potentially alleviate this matter.

COUNTY RESPONSE: Valencia County's Finance Director will ensure compliance with our documented methods for the accounting of fixed assets. The County's Senior Accountant has been working to improve the method of recording and tracking fixed assets to include complete use of our accounting software and establishing a committee to reconcile any additions, deletions or improvements to the fixed asset listings. The Finance Department has already begun working on accomplishing these tasks and is working to accomplish a standard method of accounting for fixed assets before the end of fiscal year 2016 and will implement new tracking software.

**STATE OF NEW MEXICO
VALENCIA COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
JUNE 30, 2015**

OTHER MATTERS REQUIRED TO BE COMMUNICATED

2015-002 - Public Monies not deposited timely (Other Matters and Non-Compliance)

CONDITION: A cash deposit made on June 25, 2015 sampled for testing was determined to consist of collections that were dated up to 6 days prior to the date of deposit.

CRITERIA: Pursuant to 6-10-3 NMSA 1978, all receipts of public monies must be deposited within the next business day.

EFFECT: The County is out of compliance with this requirement as it has not complied with the deposit rule.

CAUSE: A department within the County has not implemented procedures to be compliant with this requirement.

RECOMMENDATION: The County should continue its ongoing training with respect to best practices and compliance with state requirements. All departments that handle or process public funds should become familiarized with the statutes that pertain to them.

COUNTY RESPONSE: Management is aware of this issue and has provided training to all departments that handle cash. The Finance Department will continue to provide training throughout fiscal year 2016 in an effort to alleviate this issue. The deposits are monitored by the Treasurer and Finance is notified of any deposits not consistent with policy and statute.

**STATE OF NEW MEXICO
 VALENCIA COUNTY
 SCHEDULE OF FINDINGS AND RESPONSES
 JUNE 30, 2015**

OTHER MATTERS REQUIRED TO BE COMMUNICATED (CONTINUED)

2010-004 – Expenditures in Excess of Budget (Other Matters and Noncompliance) – Revised and Repeated

CONDITION: The County over expended its budget at the fund level in the following funds:

<u>Fund</u>	<u>Excess of Expenditures over Appropriations</u>
Law Enforcement (424)	(7,181)
Traffic Safety (465)	(3,779)
Total Excess of Expenditures over Appropriations	\$ (10,960)

The County is making progress as the number of funds over budget continues to decrease.

CRITERIA: Pursuant to NMSA 1978 Article 6-6-11, yearly expenditures are limited to income.

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

CAUSE: Management did not properly budget and monitor these funds for compliance with the budget requirements.

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

COUNTY RESPONSE: The Finance Department will re-evaluate the procedures for ensuring agency fund distributions and end of year accruals will not cause excess expenditures. The year-end budget will be more closely evaluated and compared to year end accruals. The Finance Administrator will complete the evaluations at least quarterly.

PROGRESS: The procedures for ensuring accruals would not create excess expenditures were implemented but the extensiveness of these procedures proves to be insufficient.

**STATE OF NEW MEXICO
VALENCIA COUNTY
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
JUNE 30, 2015**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding #	Finding	Status
20011-004	Cash Disbursements Transaction Cycle Control Deficiencies	Repeated/modified
2007-012	No Ten Year Property Tax Schedule	Resolved
2007-017	Property Tax Roll	Resolved
2010-004	Expenditures in Excess of Budget	Repeated

**STATE OF NEW MEXICO
VALENCIA COUNTY
EXIT CONFERENCE
JUNE 30, 2015**

Exit Conference

An exit conference was conducted on October 23, 2015 in closed session, in accordance with New Mexico statutes, with the following individuals:

Valencia County

Alicia Aguilar, Commissioner
David Hyder, Commissioner
Danny Monette, County Manager
Adren Nance, County Attorney
Dorothy Lovato, County Treasurer
Kendra Kaneshiro, Bookkeeper
Jill Gaines, Bookkeeper
Christina Card, Finance Director
Nanette Sanchez, Accounts Payable Specialist
Monica Gonzales, Payroll Specialist
Lisa Storey, Senior Accountant
Peggy Carabajal, County Clerk
Aurora D. Chavez, Chief Deputy Clerk

Axiom Certified Public Accountants and Business Advisors, LLC

Chris Garner, CPA, Partner

Auditor Prepared Financial Statements

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