

**STATE OF NEW MEXICO
DEPARTMENT OF GAME AND FISH**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2016



Wealth Advisory

Outsourcing

Audit, Tax, and Consulting

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2016**

INDEPENDENT AUDITORS' REPORT	2
MANAGEMENT'S DISCUSSION AND ANALYSIS	5
FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	13
STATEMENT OF ACTIVITIES	14
BALANCE SHEET – GOVERNMENTAL FUNDS	15
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION	16
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	17
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	18
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS – BUDGET AND ACTUAL (BUDGETARY BASIS)	19
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES – AGENCY FUNDS	20
NOTES TO FINANCIAL STATEMENTS	21
SUPPLEMENTARY INFORMATION	
COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS	46
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS	48
HABITAT MANAGEMENT FUND – 49400 – STATEMENT OF REVENUES AND EXPENDITURES –BUDGET AND ACTUAL (BUDGETARY BASIS	50
BIG GAME ENHANCEMENT FUND – 77200 – STATEMENT OF REVENUES AND EXPENDITURES –BUDGET AND ACTUAL (BUDGETARY BASIS	51

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2016**

BIG GAME DEPREDATION FUND – 54900 – STATEMENT OF REVENUES AND EXPENDITURES –BUDGET AND ACTUAL (BUDGETARY BASIS	52
TRAIL SAFETY FUND – 10840 – STATEMENT OF REVENUES AND EXPENDITURES –BUDGET AND ACTUAL (BUDGETARY BASIS	53
SIKES ACT FUND – 09700 – STATEMENT OF REVENUES AND EXPENDITURES –BUDGET AND ACTUAL (BUDGETARY BASIS	54
SHARE WITH WILDLIFE FUND – 30700 – STATEMENT OF REVENUES AND EXPENDITURES –BUDGET AND ACTUAL (BUDGETARY BASIS	55
BOND INTEREST RETIREMENT FUND – 42800 – STATEMENT OF REVENUES AND EXPENDITURES –BUDGET AND ACTUAL (BUDGETARY BASIS	56
MAJOR CAPITAL PROJECTS FUND – 88700 – STATEMENT OF REVENUES AND EXPENDITURES –BUDGET AND ACTUAL (BUDGETARY BASIS	57
SUPPLEMENTARY SCHEDULES	
SCHEDULE 1 – SUPPLEMENTARY SCHEDULE OF CASH ACCOUNTS INCLUDING INVESTMENTS	58
SCHEDULE 2 – SUPPLEMENTARY SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES – AGENCY FUNDS	59
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS	60
SCHEDULE 4 – SUPPLEMENTARY SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) - UNAUDITED	73
SINGLE AUDIT	
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	77
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS	78

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2016**

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	79
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN REQUIRED BY THE UNIFORM GUIDANCE	81
SCHEDULE OF FINDINGS AND QUESTIONED COSTS	83
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS	87
EXIT CONFERENCE	88

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
OFFICIAL ROSTER
YEAR ENDED JUNE 30, 2016**

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Robert Griego	Colonel Field Operation

INDEPENDENT AUDITORS' REPORT

Members of the Commission
State of New Mexico Department of Game and Fish and
Mr. Timothy Keller
New Mexico State Auditor

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 comparison for the general fund of State of New Mexico Department of Game and Fish (the Department) as of and for the year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Department's non-major governmental funds, fiduciary funds and the budgetary comparisons for the major capital project fund and all non-major funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2016, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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.

Members of the Commission
State of New Mexico Department of Game and Fish and
Mr. Timothy Keller
New Mexico State Auditor

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 Department, as of June 30, 2016, and the respective changes in financial position and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each non-major governmental, and fiduciary fund of the Department as of June 30, 2016, and the respective changes in financial position and the respective budgetary comparisons for the major capital project fund, and all non-major funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 2, the financial statements of the Department are intended to present the financial position and changes in financial position of only that portion of the governmental activities, each major fund, the aggregate remaining fund information and all respective budgetary comparisons of the State of New Mexico that is attributable to the transactions of the Department. They do not purport to, and do not present fairly the financial position of the entire State of New Mexico as of June 30, 2016, and the changes in the financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Members of the Commission
State of New Mexico Department of Game and Fish and
Mr. Timothy Keller
New Mexico State Auditor

Other Information

Our audit was conducted for the purpose of forming opinions on the Department's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the schedule of cash accounts including investments, the schedule of changes in assets and liabilities – agency funds, the schedule of joint powers agreements, and the schedule of vendor information required by Section 2.2.2.NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedule of expenditures of federal awards and the schedule of cash accounts including investments, schedule of changes in assets and liabilities – agency funds, and the schedule of joint powers agreements required by Section 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and the schedule of cash accounts including investments, schedule of changes in assets and liabilities – agency funds, and the schedule of joint powers agreements required by Section 2.2.2 NMAC NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of vendor information for purchases exceeding \$60,000 (excluding gross receipt tax) has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2016 on our consideration of the Department'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 Department's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Albuquerque, New Mexico
November 30, 2016

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

The Management's Discussion and Analysis (MD&A) of State of New Mexico Department of Game and Fish (the Department) is designed to assist the reader in focusing on significant financial issues, provide an overview of the Department's financial activity, and identify changes in the Department's financial position (ability to address future year challenges), identify any material deviations from the financial plan, and identify any fund issues of concern.

The MD&A is designed to focus on the past year's activities, resulting changes and currently known facts; please read it in conjunction with the Department's financial statements and notes which follow this section.

Overview of the Financial Statements

This annual report consists of three parts: 1) management's discussion and analysis, 2) the basic financial statements, and 3) an optional section that presents combining statements for non-major governmental funds.

The basic financial statements include two kinds of statements that provide different views of the Department. The first two statements are **government-wide financial statements** that provide both long-term and short-term information about the Department's overall financial status. The remaining statements are **fund financial statements** that focus on individual parts, specifically short term information of the Department's operations in greater detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by combining statements that provide details about non-major governmental funds.

The MD&A should provide an objective and easily readable analysis of the government's financial activities, based on currently known facts, decisions or conditions. It should provide an analysis of the government's overall financial position and results of operations to assist users in assessing whether the financial position has improved as a result of the year's activities. Additionally, it should provide an analysis of significant changes that occur in funds and significant budget variances.

Government-wide Financial Statements. The Statement of Net Position shows the Department's overall financial position as of June 30, 2016. This financial statement is comparable to the balance sheet in a private sector entity's financial statements. A Statement of Net Position differs from a balance sheet in several ways, but there is one main difference. The Department is a government agency and a trustee of public assets rather than a company with shareholders or owners. In a private sector balance sheet, the surplus (or deficit) of assets compared to liabilities is the owners' equity. In governmental financial statements, this excess is labeled net position.

The next government-wide statement is the Statement of Activities. This statement provides information about revenue and expenditure activity throughout the course of fiscal year 2016. The statement provides the net position at the beginning of the year and the balance at the end of the year. The difference between revenue and expenditure amounts provides for the change in net position.

The remaining financial statements report the Department's operations in greater detail than the government-wide statements.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

Fund Financial Statements. The fund financial statements provide more detailed information about the Department's significant funds. Funds are accounting devices that are used to keep track of specific sources of funding and spending for particular purposes.

The Department has two types of funds:

Governmental Funds – Most of the Department's services are included in governmental funds, which focus on (a) how cash, and other financial assets that can be readily converted to cash, flow in and out; and (b) the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view that helps the user determine whether there are more or fewer financial resources that can be spent in the near future to finance the Department's programs. Since this information does not include the additional long-term focus of the government-wide statements, reconciliation between the government-wide statements and the fund financial statements is provided for governmental-type activities.

Fiduciary Funds – A fiduciary fund is used to report assets held in a trustee or agency capacity for others and therefore are not available to support Department programs. The reporting focus is upon net position and changes in net position and employs accounting principles similar to proprietary funds. The Department's fiduciary fund is maintained to receive donations. The money is used to reward anonymous callers who turn in wildlife violators to the Department.

Financial Analysis of the Department as a Whole

Net Position. The total Department net position for the fiscal year ended June 30, 2016 is \$132,846,443. That entire amount is either restricted as to the purposes it can be used for, or is net investment in capital assets. The restricted net position in Governmental Activities was \$56,492,776 at the end of the fiscal year.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

The Department's Net Position

	<u>FY 2016</u>	<u>FY 2015</u>	<u>Amount Change</u>	<u>Total % Change</u>
Assets:				
Current and Other Assets	\$ 63,705,641	\$ 66,966,235	\$ (3,260,594)	-4.9%
Capital Assets	<u>76,353,667</u>	<u>71,779,317</u>	<u>4,574,350</u>	6.4%
Total Assets	<u>\$ 140,059,308</u>	<u>\$ 138,745,552</u>	<u>\$ 1,313,756</u>	0.9%
Liabilities:				
Current Liabilities	\$ 7,212,865	\$ 5,060,560	\$ 2,152,305	42.5%
Non-Current Liabilities	<u>-</u>	<u>67,917</u>	<u>(67,917)</u>	-100.0%
Total Liabilities	<u>7,212,865</u>	<u>5,128,477</u>	<u>2,084,388</u>	40.6%
Net Position:				
Investment in				
Capital Assets	76,353,667	71,779,317	4,574,350	6.4%
Restricted	<u>56,492,776</u>	<u>61,837,758</u>	<u>(5,344,982)</u>	-8.6%
Total Net Position	<u>132,846,443</u>	<u>133,617,075</u>	<u>(770,632)</u>	-0.6%
Total Liabilities and Net Position	<u>\$ 140,059,308</u>	<u>\$ 138,745,552</u>	<u>\$ 1,313,756</u>	0.9%

The Department total assets are comprised of \$76,353,667 in capital assets and \$63,705,641 in current assets, for a total asset balance of \$140,059,308. The overall decrease in total position from the previous fiscal year is 0.6%. Liabilities are also broken out into two segments: current liabilities and noncurrent liabilities. The total amount of current liabilities is \$7,212,865, an increase of 43% from the prior year balance of \$5,060,560. This increase is attributable to an increase in accounts payable and third party liabilities at the fiscal year end, which include payables for capital projects throughout the state and payroll expenses payable at year end. In previous Fiscal Years, non-current liabilities were limited to the amount due for unused employee leave balances that is not likely to be expended within the next fiscal year. Since the annual leave and sick leave balances could hypothetically be paid out at any time, the entire compensated absences balances are classified as short term. Therefore, the non-current liability amount is \$-0-.

Currently Known Facts, Conditions, or Decisions: The Department does not anticipate any significant impacts or changes to net position. However, the Department is subject to possible litigation from outside entities. The Department does not foresee any litigation affecting net position or the financial statements.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

Governmental Activities: The table below summarizes the Department's activities for the fiscal years ending June 30, 2016 and 2015. The change in net position was \$770,632 at the end of the fiscal year.

Changes in the Department's Net Position

	FY 2016	FY 2015	Amount Change	Total % Change
Program Revenues	\$ 44,020,625	\$ 43,105,000	\$ 915,625	2.1%
General Revenues	119,727	64,722	55,005	85.0%
Total Revenues	<u>44,140,352</u>	<u>43,169,722</u>	<u>970,630</u>	2.2%
Program Expenses	<u>43,728,684</u>	<u>36,306,190</u>	<u>7,422,494</u>	20.4%
Total Expenses	43,728,684	36,306,190	7,422,494	20.4%
Transfers	<u>(1,182,300)</u>	<u>(519,635)</u>	<u>(662,665)</u>	127.5%
Change in Net Position	(770,632)	6,343,897	(7,114,529)	-112.1%
Net Position - Beginning of Year	<u>133,617,075</u>	<u>127,273,178</u>	<u>6,343,897</u>	5.0%
Net Position - End of Year	<u>\$ 132,846,443</u>	<u>\$ 133,617,075</u>	<u>\$ (770,632)</u>	-0.6%

The Department manages eight operating fund accounts (excluding the capital project fund); the Game Protection Fund (major fund) and seven (7) non-major funds that receive funding from sources created by the laws of the State of New Mexico. The Department's capital fund is managed based on the appropriation of funding through the State's legislative process. The revenue allocated to the capital fund is done on a project basis and depends on the approved funding. Therefore, the capital fund does not accumulate revenues beyond those required to support the capital projects.

For the year ending June 30, 2016, depreciation expense has been allocated to the program expense category of Game and Fish Resource Conservation. Interagency transfers include transfers to outside agencies, including the Energy, Minerals, and Natural Resources Department.

Information on Individual Funds

The Department is responsible for the management of nine individual fund accounts, including the capital project fund. The Game Protection Fund is considered the Department's one major operating fund. The cash balance increased in five of the seven non-major funds and the Game Protection Fund experienced an increase in the cash balance in fiscal year 2016. In totality, the Department ended fiscal year 2016 in an overall healthy financial position for all of its funds. The first table below lists the beginning and ending cash and investment balances for each fund managed by the Department.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

Fund Name	Fund	Balance, June 30, 2016	Balance, June 30, 2015	Total % Change
Game Protection Fund	19800	\$ 16,193,049	\$ 36,560,525	-55.7%
Sikes Act Fund	09700	1,663,188	1,816,135	-8.4%
Share With Wildlife Fund	30700	130,871	158,724	-17.5%
Trail Safety Fund	10840	1,006,256	2,218,075	-54.6%
Bond Interest & Retirement Fund	42800	477,105	920,993	-48.2%
Big Game Depredation Damage Fund	54900	1,690,822	1,373,273	23.1%
Big Game Enhancement Fund	77200	4,760,788	4,277,237	11.3%
Habitat Management Fund	49400	3,521,303	2,983,051	18.0%
Game & Fish Capital Improvement Fund	88700	26,872,613	11,360,206	136.6%

The tables below list the total revenue and expenditures for each fund managed by the Department.

Fund Name	SHARE Fund	Revenue		Total % Change
		Fiscal Year Ended	Fiscal Year Ended	
		June 30, 2016	June 30, 2015	
Game Protection Fund	19800	\$ 34,812,727	\$ 34,409,653	1.2%
Sikes Act Fund	09700	1,469,776	559,090	162.9%
Share With Wildlife Fund	30700	149,723	142,888	4.8%
Trail Safety Fund	10840	743,024	753,025	-1.3%
Bond Interest & Retirement Fund	42800	244,920	230,596	6.2%
Big Game Depredation Damage Fund	54900	890,810	226,511	293.3%
Big Game Enhancement Fund	77200	1,895,732	1,801,065	5.3%
Habitat Management Fund	49400	1,591,274	1,064,968	49.4%
Game & Fish Capital Improvement Fund	88700	2,112,933	3,981,926	-46.9%
Total Revenues		<u>\$ 43,910,919</u>	<u>\$ 43,169,722</u>	

Fund Name	SHARE Fund	Expenditures		Total % Change
		Fiscal Year Ended	Fiscal Year Ended	
		June 30, 2016	June 30, 2015	
Game Protection Fund	19800	\$ 37,184,974	\$ 32,112,303	15.8%
Sikes Act Fund	09700	683,144	480,303	42.2%
Share With Wildlife Fund	30700	164,732	164,976	-0.1%
Trail Safety Fund	10840	628,675	663,082	-5.2%
Bond Interest & Retirement Fund	42800	-	-	0.0%
Big Game Depredation Damage Fund	54900	497,590	360,097	38.2%
Big Game Enhancement Fund	77200	825,561	786,978	4.9%
Habitat Management Fund	49400	698,587	731,200	-4.5%
Game & Fish Capital Improvement Fund	88700	7,562,001	5,616,990	34.6%
Total Expenditures		<u>\$ 48,245,264</u>	<u>\$ 40,915,929</u>	

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

Budgets, Revenue and Expenditures

The Department recorded several adjustments to the original budget amounts during the fiscal year; all the adjustments were due to additional federal grant funds made available to the Department. The variance in federal grant revenue is due to additional federal grants received throughout the fiscal year. Federal grants awarded to the Department include: restoration projects throughout the state, construction of the Red River cold water pipeline and purchase of land in Albuquerque for the NWA field office. The variance in other revenue is attributed to additional grants received by the Department in 2016. The variance in other financing sources is the budgeting of 2017 capital projects in fiscal year 2016. DFA allows appropriated 2017 capital projects to be budgeted in 2016.

Since the Department generates all of its revenues via dedicated, non-reverting funds, there is little incentive to spend all available funds to justify higher future budgets or to minimize reversions to other funds. If funds remain unspent, they remain in the fund's cash balance, where they will be available for appropriation and expenditure in future fiscal years. Summary of all funds excluding Capital Projects Fund is presented below:

	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Variance - Positive (Negative)
Revenues:				
Service Revenue	\$ 24,203,200	\$ 24,203,200	\$ 26,064,949	\$ 1,861,749
Federal Grants	13,842,900	22,885,343	16,965,886	(5,919,457)
Interest Earned	-	-	111,911	111,911
Other Revenue	-	-	768,173	768,173
Other Financing Sources	9,200,000	20,550,000	20,799,337	249,337
	<u>47,246,100</u>	<u>67,638,543</u>	<u>64,710,256</u>	<u>(2,928,287)</u>
Fund Balance Budgeted	<u>1,527,600</u>	<u>22,635,433</u>	<u>-</u>	<u>(22,635,433)</u>
Total Revenues and Budgeted Fund Balance	<u>\$ 48,773,700</u>	<u>\$ 90,273,976</u>	<u>\$ 64,710,256</u>	<u>\$ (25,563,720)</u>
Expenditures:				
Personal Services/Benefits	\$ 20,497,600	\$ 20,876,200	\$ 20,895,802	\$ (19,602)
Contractual Services	4,518,800	6,208,526	4,341,682	1,866,844
Other	23,075,000	41,456,950	23,007,780	18,449,170
Other Financing Uses	682,300	21,732,300	21,732,300	-
Total Expenditures	<u>\$ 48,773,700</u>	<u>\$ 90,273,976</u>	<u>\$ 69,977,564</u>	<u>\$ 20,296,412</u>

As the Department continues to move forward with filling vacant positions, the Department projects that the variance of revenues to expenditures will decrease due to higher spending on salaries and benefit expenses. The Department continues to take a conservative approach on expending funds due to the fact that we are an Agency that generates its own revenues and is not dependent on the State of New Mexico's general fund to provide funding for Department operations.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

The largest single source of Department revenue comes from the sale of hunting and fishing licenses. This is shown as Charges for Service on the Statement of Activities within the financial statements. This revenue category accounts for \$26,064,949 of the Department's revenue. The expenditures include \$40,509,104 expended for Game and Fish Resources Conservation.

The remaining expenditures result from a charge for Depreciation Expense. This represents a charge to account for the declining value of assets owned by the Department as they age.

Capital Asset and Long-term Debt Activity

The following table shows the Department's capital assets:

	Governmental Activities		Total % Change
	June 30, 2016	June 30, 2015	
Land	\$ 37,834,955	\$ 35,044,492	8.0%
Land Improvements	5,472,921	5,274,510	3.8%
Infrastructures and Easements	22,628,118	20,147,559	12.3%
Property, Plant and Equipment	44,314,167	42,701,535	3.8%
Work in Process	93,554	93,554	0.0%
	110,343,715	103,261,650	6.9%
Less Depreciation	(33,990,048)	(31,482,333)	8.0%
Net Capital Assets	\$ 76,353,667	\$ 71,779,317	6.4%

The net value of the Department's capital assets as of June 30, 2016 is \$76,353,667. This net value increased by 6.4% during fiscal year 2016, primarily due to necessary improvements of land, infrastructure and easements, property, plant, and equipment. Due to various fires and flooding throughout the state, improvements and precautions needed to be completed in 2016.

The Department had no long-term debt activity during fiscal year 2016. All funds appropriated and expended from the Game and Fish Bond Interest and Retirement Fund come from existing cash balances in the fund. There are no outstanding bonds, debts or other obligations requiring repayment from this fund.

The ability to issue long-term debt is provided in the New Mexico statutes, but if the Department wished to incur additional long-term debt, the State Legislature would need to amend the current statutory language to authorize the State Game Commission to issue and sell bonds.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2016**

Anticipated Future Conditions and Changes

New Mexico law mandates the State Game Commission and the Department of Game and Fish with the management of the Game Protection Fund, which is the Department's general operating fund. The projected cash balance of the Game Protection Fund through fiscal year 2020 reflects a healthy balance which will allow the Department to forego requesting a fee increase for hunting, fishing and trapping licenses in the next few years. The last time the Department requested a license fee increase was 2005. The healthy cash balance in the Game Protection Fund is a result of cost savings in the recent few years and the effects of previous hiring freezes on the utilization of the Department's budget.

The Department continues to successfully implement the Aquatic Invasive Species and Off-Highway Vehicle programs statewide. As these programs grow, the Department has worked to form new partnerships across the State to improve implementation and service delivery. By fiscal year 2016, the Department will have implemented a significant reorganization of staff. The reorganization shifted the alignment of staff to more closely align organization with statute. The updated organizational structure has not altered duties of staff, nor has it changed agency responsibilities, but rather the new structure provides for more efficient delivery of services to the citizens of New Mexico.

In keeping with the theme of delivering programs to citizens in a more efficient manner, the Department continues to implement and improve an electronic license sales system that allows customers to purchase licenses from their homes and local vendors statewide. The Department continues to take advantage of technological advances that provide customers a more efficient license buying experience while reducing administrative costs, allowing the Department to accomplish more on the ground.

Again this year, the state of New Mexico's economic health and economic conditions elsewhere are major influences on the Department and how we will operate in the future. Although the Department has not felt large-scale negative repercussions from the economic downturn; we remain cognizant of it and continue to find ways to control costs without adversely affecting services provided to the public.

The Department, and the State as a whole, will need to continue to determine how the public will pay for wildlife management. The beneficiaries of healthy wildlife populations and habitats are not limited to just those who purchase hunting and fishing licenses. Whether the benefits from wildlife resources are financial or merely aesthetic, it is a reasonable argument that everybody who benefits should also contribute financially to that management.

Contacting the Department's Financial Management

The Department's financial statements are designed to provide a general overview of the Department's finances and to show accountability for the money it receives. If you have questions about this report or need additional information, contact the Department's Administrative Services Division Chief or the Assistant Director for Support Services at P.O. Box 25112, Santa Fe, New Mexico 87504.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
STATEMENT OF NET POSITION
JUNE 30, 2016**

ASSETS	<u>Governmental Activities</u>
Current Assets:	
Cash	\$ 3,300
Investment in State Treasurer General Fund Investment Pool	56,312,695
Long-Term Investments	761,413
Prepaid Items	150,000
Receivables:	
Accounts Receivable	148,648
Due from Other State Agencies	158,633
Due from Federal Government	6,170,952
Total Current Assets	<u>63,705,641</u>
Non-Current Assets:	
Net Capital Assets	<u>76,353,667</u>
Total Assets	<u><u>\$ 140,059,308</u></u>
LIABILITIES AND NET POSITION	
LIABILITIES	
Current Liabilities:	
Accounts Payable	\$ 5,185,400
Accrued Compensated Absences	1,061,476
Accrued Payroll	735,396
Other Liabilities	90,037
Due to Other State Agencies	140,556
Total Current Liabilities	<u>7,212,865</u>
Non-Current Liabilities:	
Long-Term Portion of Compensated Absences	-
Total Liabilities	<u>7,212,865</u>
NET POSITION	
Investment in Capital Assets	76,353,667
Restricted for:	
Wildlife and Fisheries	29,737,648
Debt Services	477,105
Capital Projects	26,278,023
Total Net Position	<u>132,846,443</u>
Total Liabilities and Net Position	<u><u>\$ 140,059,308</u></u>

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental Activities:				
Game and Fish Resource Conservation	\$ 43,728,684	\$ 27,054,739	\$ 16,965,886	\$ 291,941
Total Governmental Activities	\$ 43,728,684	\$ 27,054,739	\$ 16,965,886	291,941
GENERAL REVENUES AND TRANSFERS				
				7,816
				111,911
				(1,182,300)
				(1,062,573)
				(770,632)
				133,617,075
				\$ 132,846,443

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2016**

	Major Funds			Total Governmental Funds
	Game Protection Fund - 19800	Capital Projects - 88700	Other Governmental Funds	
ASSETS				
Cash on Hand	\$ 3,300	\$ -	\$ -	\$ 3,300
Investment in State Treasurer General Fund Investment Pool	16,189,749	26,872,613	13,250,333	56,312,695
Long-Term Investments	-	-	761,413	761,413
Prepaid Items	150,000	-	-	150,000
Receivables:				
Accounts Receivable	148,648	-	-	148,648
Due from Other State Agencies	86,702	-	71,931	158,633
Due from Federal Government	3,831,092	1,651,990	687,870	6,170,952
Total Assets	<u>\$ 20,409,491</u>	<u>\$ 28,524,603</u>	<u>\$ 14,771,547</u>	<u>\$ 63,705,641</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 1,943,186	\$ 2,210,914	\$ 1,031,300	\$ 5,185,400
Accrued Payroll	717,680	-	17,716	735,396
Other Liabilities	50,632	35,666	3,739	90,037
Due to Other State Agencies	134,076	-	6,480	140,556
Total Liabilities	<u>2,845,574</u>	<u>2,246,580</u>	<u>1,059,235</u>	<u>6,151,389</u>
FUND BALANCES				
Nonspendable	150,000	-	-	150,000
Restricted	17,413,917	26,278,023	13,712,312	57,404,252
Total Fund Balances	<u>17,563,917</u>	<u>26,278,023</u>	<u>13,712,312</u>	<u>57,554,252</u>
Total Liabilities and Fund Balances	<u>\$ 20,409,491</u>	<u>\$ 28,524,603</u>	<u>\$ 14,771,547</u>	<u>\$ 63,705,641</u>

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2016**

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$	57,554,252
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Cost of Capital Assets is		110,343,715
Accumulated Depreciation is		(33,990,048)
Total Capital Assets		76,353,667

Long-term and certain other liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.

Long-term and other liabilities at year end consist of:

Compensated Absences Payable		(1,061,476)
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Net Position of Governmental Activities (Statement of Net Position)	\$	132,846,443
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**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016**

	Major Funds			Total Governmental
	Game Protection Fund - 19800	Capital Projects - 88700	Other Governmental Funds	
REVENUES				
Service Revenue	\$ 20,660,426	\$ -	\$ 5,404,523	\$ 26,064,949
Federal Grants	13,357,915	2,112,933	1,495,038	16,965,886
Penalties	130,540	-	-	130,540
Interest Earned	86,907	-	25,004	111,911
Realized/Unrealized Gain or Loss on Investments	-	-	7,816	7,816
Other Revenue	576,939	-	52,878	629,817
Total Revenues	<u>34,812,727</u>	<u>2,112,933</u>	<u>6,985,259</u>	<u>43,910,919</u>
EXPENDITURES				
Game and Fish Resource Conservatio	35,467,167	2,002,031	3,039,906	40,509,104
Capital Outlay	1,717,807	5,559,970	458,383	7,736,160
Total Expenditures	<u>37,184,974</u>	<u>7,562,001</u>	<u>3,498,289</u>	<u>48,245,264</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,372,247)	(5,449,068)	3,486,970	(4,334,345)
OTHER FINANCING SOURCES (USES)				
Inter-Agency Transfers	(682,300)	-	(500,000)	(1,182,300)
Proceeds from Sale of Equipment	249,337	-	-	249,337
Intra-Agency Transfers	(17,049,986)	20,538,851	(3,488,865)	-
Net Other Financing Sources (Uses)	<u>(17,482,949)</u>	<u>20,538,851</u>	<u>(3,988,865)</u>	<u>(932,963)</u>
NET CHANGE IN FUND BALANCES	(19,855,196)	15,089,783	(501,895)	(5,267,308)
Fund Balances - Beginning of Year	<u>37,419,113</u>	<u>11,188,240</u>	<u>14,214,207</u>	<u>62,821,560</u>
FUND BALANCES - END OF YEAR	<u>\$ 17,563,917</u>	<u>\$ 26,278,023</u>	<u>\$ 13,712,312</u>	<u>\$ 57,554,252</u>

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2016**

Net Changes in Fund Balances - Total Governmental Funds
(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ (5,267,308)

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

In the Statement of Activities, certain operating expenses - compensated absences (sick and annual leave) are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are measured by the amounts of financial resources used (essentially, the amounts actually paid). The increase in the liabilities for the fiscal year was: (77,674)

The Statement of Activities reports the loss on sale of equipment, while the Statement of Revenues, Expenditures and Changes in Fund Balances reports the proceeds. The reconciling amount is the difference. (19,904)

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. In the current period, these amounts were:

Capital Outlay	7,736,160
Depreciation Expense	(3,141,906)
Excess of Depreciation Expense over Capital Outlay	<u>4,594,254</u>

Change in Net Position of Governmental Activities (Statement of Activities) \$ (770,632)

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2016**

GAME PROTECTION FUND - 19800				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts	Final Budget
			(Budgetary Basis)	Positive (Negative)
REVENUES AND OTHER FINANCING SOURCES				
Service Revenue	\$ 21,721,400	\$ 21,721,400	\$ 20,660,426	\$ 1,060,974
Federal Grants	12,409,400	16,881,843	13,357,915	3,523,928
Interest Earned	-	-	86,907	(86,907)
Other Revenue	-	-	576,939	(576,939)
Other Penalties	-	-	130,540	(130,540)
Other Financing Sources	-	-	249,337	(249,337)
Total Revenues and Other Financing Sources	<u>34,130,800</u>	<u>38,603,243</u>	<u>35,062,064</u>	<u>3,541,179</u>
Fund Balance Budgeted	<u>961,100</u>	<u>18,255,333</u>		
Total Revenues and Fund Balance Budgeted	35,091,900	56,858,576	35,062,064	3,541,179
EXPENDITURES AND OTHER FINANCING USES				
Personal Services and Benefits	20,252,500	20,367,500	20,492,608	(125,108)
Contractual Services	3,082,300	3,857,743	3,072,254	785,489
Other Costs	11,074,800	14,901,033	13,620,098	1,280,935
Other Financing Uses	682,300	17,732,300	17,732,300	-
Total Expenditures and Other Financing Uses	<u>\$ 35,091,900</u>	<u>\$ 56,858,576</u>	<u>\$ 54,917,260</u>	<u>\$ 1,941,316</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES			<u>\$ (19,855,196)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (19,855,196)</u>	

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES – AGENCY FUNDS
JUNE 30, 2016**

	<u>Agency Funds</u>
ASSETS	
Cash on Deposit	\$ 118,814
Total Assets	<u>\$ 118,814</u>
LIABILITIES	
Deposits Held in Custody for Others	\$ 118,814
Total Liabilities	<u>\$ 118,814</u>

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 DEFINITION OF REPORTING ENTITY

The State Game Commission and the Department of Game and Fish were created by the laws of 1921, Chapter 17 (17-1-1 through 17-7-3) NMSA, 1978 Compilation.

Management

The Department of Game and Fish is headed by the State Game Commission. Under the terms of Section 17-1-2, NMSA, 1978, the Commission is composed of seven members appointed by the Governor with the advice and consent of the Senate for four-year terms. A director is employed by the Commission.

Role of the Department

Under Chapter 17 of the New Mexico Statutes, 1978 Compilation, State of New Mexico Department of Game and Fish (the Department) is charged with the following responsibilities: to provide an adequate and flexible system for the protection of the game and fish of New Mexico; the use of these resources for public recreation and food supply; and for the propagation of game by planting, protection, regulation and conservation to the extent necessary to maintain an adequate supply of game and fish within the State of New Mexico.

The principal goal of the Department is to manage all of the State's wildlife resources and their habitat for the enjoyment, appreciation, economic benefit and scientific instruction of present and future generations of New Mexicans.

Divisions

In order to meet the goals and legislative mandates, the Department is organized by operational divisions. A summary of the functions of each division is set forth as follows:

The Administration Division is primarily responsible for the overall administration of day-to-day field activities. The Director's office coordinates the overall directives of the State Game Commission and administers all fish and wildlife activities of the Department. The deputy director and two assistant directors administer and direct the activities and management of the divisions. Human Resources, Planning, Aircraft, Resource Partnership and Equal Employment Opportunity are under the Administration Division.

The Administrative Services Division provides and maintains fiscal and financial control records necessary for sound management of the Department. They develop effective internal control procedures to protect and establish accountability for all cash funds and other assets of the Department. Accounting records include hunting and fishing licenses, property inventories and supporting documents, financial reports and claims for reimbursements.

The Conservation Services Division ensures the integrity of fish and wildlife habitats in conjunction with the Department's principal obligation of maintaining the viability of all species of wildlife in New Mexico. The Conservation Services Division oversees the endangered species, habitat environment, lands, fish and wildlife resource education and the administration of the Sikes Act and Share with Wildlife programs.

STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 1 DEFINITION OF REPORTING ENTITY (CONTINUED)

The Wildlife Management Division plans and coordinates all programs and activities involving research, management, regulation, propagation, planting and habitat concerning game birds and game mammals. This Division participates and coordinates in delineating wildlife research needs that are essential to properly formulate management strategies with respect to a holistic approach to habitat management.

The Fisheries Management Division is concerned with the production and distribution of game fish, development of fishing waters, and management and research programs needed to protect and expand the sport fishing resources of the State. The State trout hatcheries are: Parkview Hatchery in Rio Arriba County; Red River Hatchery in Taos County; Seven Springs Hatchery in Sandoval County; Rock Lake Hatchery in Guadalupe County; Glenwood in Catron County; and Lisboa Springs in San Miguel County.

The Public Information & Outreach Division plans and coordinates the dissemination of information statewide. This includes public information and awareness programs concerning Department policies, programs and activities. They utilize newspapers and other publications; produce radio and television programs; handle the state fair booth and other exhibits; assist all personnel with personal appearance programs before schools and organizations; publish *New Mexico Wildlife* magazine, informational literature and hunting and fishing regulations; and supervise the conservation education and mandatory hunter training programs required by State Law.

The Law Enforcement and Field Operations Divisions consist of the four area offices of the Department, their district wildlife officers and the staff in Santa Fe. Responsibilities of the Divisions include field patrol; investigations; hunter, angler and trapper check; depredation control; acquisition of research and management data; covert enforcement operations; and support of virtually all Department functions.

The Information Systems Division provides database design and support; systems analysis; and software design, development, implementation, training and support for computer applications used by the various divisions of the Department of Game and Fish. In addition, it maintains an extensive network of computers and communications equipment, along with a complete backup and disaster recovery system. It provides technical assistance to all users of both networked and personal computers. Its primary interest, however, is in ensuring that Department personnel have ready access to all available information and data needed by the Commission or the Department's administration for making well informed decisions in wildlife management issues.

Endangered Species

The Department's responsibilities under Section 17-2-41, NMSA, 1978, Endangered species is as follows:

- A. On the basis of investigations concerning wildlife, other available scientific and commercial data and after consultation with wildlife agencies in other states,

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 DEFINITION OF REPORTING ENTITY (CONTINUED)

Endangered Species (Continued)

appropriate federal agencies, local and tribal governments and other interested persons and organizations, the commission shall by regulation develop a list of those species of wildlife indigenous to the state that are determined to be threatened or endangered within the state, giving their common and scientific names by species and subspecies.

- B. The director shall conduct a review of the state list of threatened or endangered species and shall present biennially to the commission his recommendations for appropriate action. The commission shall act on the director's biennial recommendations at its next regularly scheduled meeting. The commission shall adopt, no later than January 1, 1996, regulations providing procedures for commission actions on the director's recommendations to continue to list or to upgrade or downgrade a species.
- C. Except as otherwise provided in the Wildlife Conservation Act [17-2-37 to 17-2-46 NMSA 1978], it is unlawful for any person to take, possess, transport, export, process, sell or offer for sale or ship any species of wildlife appearing on any of the following lists:
- (1) the list of wildlife indigenous to the state determined to be endangered within the state as set forth by regulations of the commission; and
 - (2) the United States lists of endangered native and foreign fish and wildlife as set forth in Section 4 of the Endangered Species Act of 1973 as endangered or threatened species, but only to the extent that those lists are adopted for this purpose by regulations of the commission; provided that any species of wildlife appearing on any of the lists set forth in this subsection, transported into the state from another state or from a point outside the territorial limits of the United States and which is destined for a point beyond the state, may be transported across the state without restriction in accordance with the terms of any federal permit or permit issued under the laws or regulations of another state or otherwise in accordance with the laws of another state.
- D. The provisions of Subsection C of this section shall not apply to a taking of wildlife by a Native American for religious purposes, unless it materially and negatively affects an endangered species or threatened species.

Future Objectives

The Department's primary concern will continue to be the protection, conservation and management of the State's wildlife resources. The Department will become increasingly involved in broader areas of environmental concern, particularly if man-made changes in the total environment and wildlife habitat have impacts upon the wildlife resource.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates in Preparing Financial Statements

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

Financial Reporting Entity

The Department is part of the primary government of the State of New Mexico, and its financial data should be included with the financial data of the State.

Included within the financial report of the Department are all of the programs and funds that are administered or controlled by the Department.

No entities were noted that should be considered component units of the Department. No entities were specifically excluded as none were noted as meeting any of the criteria for potential inclusion. The Department has no component units.

Basic Financial Statements

The financial statements for the Department have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the Department as a whole) and fund financial statements. The reporting model focus is on either the Department as a whole or major individual fund (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as governmental activities. In the government-wide Statement of Net Position, the governmental activities column is presented on a consolidated basis by column, and is reflected on a full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. Funds that are fiduciary in nature are excluded from the government-wide statements and the fund statements.

The government-wide Statement of Activities reflects both the gross and net cost per functional category, which are otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Fund Financial Statements (Continued)

associated with the function. Inter-fund balances have been eliminated in the government-wide financial statements.

The net cost (by function) is normally covered by general revenues (intergovernmental revenues, interest income, etc.).

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

Emphasis in fund financial statements is on the major funds in the governmental category.

The governmental fund statements are presented on a current financial resource and modified accrual basis of accounting. This presentation is deemed appropriate to (1) demonstrate legal compliance, (2) demonstrate the source and use of liquid resources, and (3) demonstrate how the Department's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column on the government-wide presentation.

The financial transactions of the Department are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expense. The various funds are reported by generic classification within the financial statements.

Basis of Presentation - Fund Accounting

The following fund types and account groups are used by the Department:

Governmental Funds – All governmental fund types are accounted for on a spending or financial flow measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of available spendable resources. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation - Fund Accounting (Continued)

Due to their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. However, they are reported as liabilities in the government-wide financial statements.

Game Protection Fund – SHARE Fund No. 19800. The Game Protection Fund is the general operating fund of the Department. It is used to account for all financial resources, except those required to be accounted for in another fund. Under Section 17-1-14, NMSA, 1978, the Game Protection Fund is a non-reverting fund. The State Game Commission shall have general control over the collection and disbursement of all money collected or received under the State laws for the protection and propagation of game and fish. The money shall be paid over to the State Treasurer to the credit of the Game Protection Fund, and the Fund, including all earned income there from, shall not be transferred to another fund. Chapter 17 NMSA 1978 shall be a guaranty to the person who pays for hunting and fishing licenses and permits that the money in the Fund shall not be used for any purpose other than as provided in Chapter 17 NMSA 1978.

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

Habitat Management Fund – SHARE Fund No. 49400. The Habitat Management Fund was created under Section 17-2-14, NMSA, 1978. The fund is a non-reverting fund. The purpose of the fund is for the improvement, maintenance, development and operation of property for fish and wildlife habitat management. It is funded through the sale of habitat management stamps. Anyone purchasing a resident or nonresident license or a wildlife-associated recreation permit must purchase a habitat management stamp. The Habitat Management Fund is a non-major fund.

Big Game Enhancement Fund – SHARE Fund No. 77200. Under the terms of Section 17-3-16.1, NMSA, 1978 compilation, all money collected from the issuance and sale of the bighorn sheep and elk enhancement permits shall be credited to the Game Protection Fund to be used exclusively for bighorn sheep, elk and deer preservation, restoration and management. Under Section 17-1-14, NMSA, 1978, the fund is a non-reverting fund. The Big Game Enhancement Fund is a non-major fund.

Big Game Depredation Fund – SHARE Fund No. 54900. The Big Game Depredation Fund was created by the 2001 Legislature to establish a program to correct damage to federal, state or private land caused by big game and to prevent such damage in the future. It is funded through the sale of big game depredation stamps. Anyone purchasing a big game hunting license must purchase a big game

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation - Fund Accounting (Continued)

depreciation stamp. Under Section 17-3-13.3, the fund is a non-reverting fund. The Big Game Depreciation Fund is a non-major fund.

Trail Safety Fund – SHARE Fund No.10840. The Trail Safety Fund was established under statute 66-3-1019, NMSA 1978. The fund is non-reverting and consists of revenues from off-highway motor vehicle registration and user fees, grants and donations. The Trail Safety Fund is a non-major fund.

Sikes Act Fund – SHARE Fund No. 09700. The Sikes Act Fund was created by U.S. Public Law 93-452 (Sikes Act). The fund is used to account for the issuance and sale of public land management area stamps. The fees collected for these stamps are used exclusively in carrying out conservation and rehabilitation programs as defined in the Sikes Act. Under Section 17-1-14, NMSA, 1978, the fund is a nonreverting fund. The Sikes Act Fund is a non-major fund.

Share with Wildlife Fund – SHARE Fund No. 30700. The need for a "Share with Wildlife Fund" was established by Chapter 343, Laws of 1981, which required that additional wildlife funds be provided from a voluntary check-off designation of tax refunds due to the taxpayer on the New Mexico state income tax form. This program is supplemental to any other funding and is in no way intended to take the place of the funding that would otherwise be appropriated to the Department. Under Section 17-1-14, NMSA, 1978, the fund is a non-reverting fund. The Share with Wildlife Fund is a non-major fund.

Debt Service Fund – Debt Service Funds are funds used to account for the repayment of principal and interest of long-term debt. The Debt Service Fund is:

Bond Interest and Retirement Fund – SHARE Fund No. 42800. Under Section 17-1- 22, NMSA, 1978, the fund is a non-reverting fund and is used to account for the accumulation of resources and the payment of principal and interest of bonds issued under the Game and Fish Bond Act. The Bond Interest and Retirement Fund is a non-major fund.

Capital Projects – Capital Projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Capital Outlay Fund – SHARE Fund No. 88700. Under Section 17-1-22, NMSA, 1978, the fund is a non-reverting fund and is used to account for the capital projects undertaken by the Department, as approved by the State Game Commission. Funds deposited and utilized to finance the projects include the remaining monies from the Fish and Wildlife Conservation Bonds of 1976 or surplus funds from the Bond Interest and Retirement Fund, as well as severance tax bond proceeds. The Capital Outlay Fund is a major fund.

STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation - Fund Accounting (Continued)

Fiduciary (Agency) Funds – Fiduciary Funds include the Department's expendable trust and agency funds, which are used to account for assets held by the Department in the capacity of trustee or agent for individuals, other governmental entities, and/or other funds. Expendable trust funds are classified for accounting purposes in essentially the same manner as agency fund types, using the same measurement focus and basis of accounting. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. These funds are not incorporated into the government-wide financial statements. The Agency account is:

Operation Game Thief/Law Enforcement – SHARE Fund No. 78700. The cash balance in the Operation Game Thief/Law Enforcement Fund consists of donations and unused special hunt fees. The money is used to reward anonymous callers who turn in wildlife violators to the Department. This fund is not maintained by the Department of Finance and Administration. It has a separate bank account.

Basis of Accounting

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

Accrual Basis – The accrual basis of accounting is utilized by the fiduciary funds and governmental activities. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Modified Accrual Basis – All governmental funds (in the fund financial statements) are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

Reconciliation is presented on the pages following the Fund Balance Sheets and the Statement of Revenues, Expenditures and Changes in Fund Balance. The reconciliations briefly explain the adjustments necessary to transform the fund-based financial statements (modified accrual basis) into the government-wide presentation (full accrual).

Cash

Cash consists of cash on deposit with area banks, which is held for use by the Law Enforcement Division. It also reflects a minor amount of cash maintained in petty cash accounts. In the normal course of cash activity, the Department maintains cash at financial institutions below the FDIC insured limits.

STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments Held by State Treasurer's Office and the State Investment Council

Investments held by the State Treasurer's Office consist of required deposits made to the State Treasurer's Office. The State Treasurer's Office monitors the accounts and the State Treasurer issues separate financial statements, which disclose the collateral pledged to secure these deposits. The investments are valued at fair value based on quoted market prices as of the valuation date.

The State Treasurer invests all public monies held in excess of the minimum compensating balance maintained with the fiscal agent bank in accordance with an investment policy approved by the State Board of Finance.

It is the Department's position that all deposits at the State Treasurer's Office are reported at carrying value, which reasonably estimates fair value.

The Investment Council is a component of the primary government of the State of New Mexico. The Investment Council pool of investments is monitored by the same investment committee, and the same policies and procedures apply that apply to all other state investments at the Investment Council.

The Department also maintains an investment account at the New Mexico State Investment Council (Investment Council) for the Share with Wildlife Fund 30700. The investments are valued at fair value based on quoted market prices as of the valuation date. Participation in the Investment Council is voluntary under a Joint Powers Agreement. Other auditors perform the audit of the Investment Council.

The Investment Council is a component of the primary government of the State of New Mexico. Investment Council pool of investments is monitored by the same investment committee, and the policies and procedures apply that apply to all other state investments at the Investment Council.

The Department participates in three investment pools that are offered by the Investment Council, which include both equity and fixed investments. Investments are stated at fair value in accordance with Statement No. 31 of the Governmental Accounting Standards Board (GASB 31). Investment transactions are recorded on the trade date. Dividends are recognized as income when declared.

The pool participation is based at the rate of \$1,000 per unit at the time the funds were placed into the pool by the participant. The pool invests in U.S. Treasury bonds and notes, government-sponsored enterprise and agency issues and corporate bonds and notes. The original investment was \$550,000 or 550 units.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables

Federal – Various reimbursement procedures are used for federal awards received by the Department. Consequently, timing differences between expenditures and program reimbursements can exist at any time during the fiscal year. Receivable balances at fiscal year end represent an excess of modified accrual basis expenditures over cash reimbursements received to date. The expenditures on federal grants are disclosed in the accompanying Schedule of Expenditures of Federal Awards.

Vendors – Accounts receivable from vendors represent amounts due from the sale of hunting and fishing licenses for June 2016. Amounts are to be remitted to the Department by the tenth (10th) of the month following the month of sale. All receivables are believed to be fully collectible; therefore, no allowance has been recorded.

Interest – Interest on investments is recorded as revenue in the year the interest is earned and is available to pay liabilities of the current period.

Fund Balance

Governmental Funds – In the governmental fund financial statements, fund balances are classified as nonspendable, restricted, or unrestricted (committed, assigned, or unassigned). Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches of the State. Assigned fund balance is constrained by the Legislature's and Executive Branch's intent to be used for specific purposes or in some cases by legislation. See Note 17 for additional information about fund balances.

Use of Restricted Resources – When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the State's policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned, and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the State's policy to spend committed resources first, followed by assigned resources, and then unassigned resources.

Interfund Receivables and Payables

Short-term amounts owed between funds are classified as "Due to/from other funds" in the fund statements. In the government-wide statements, these amounts are eliminated.

Capital Assets

Capital assets are recorded as expenditures in the governmental funds and capitalized at cost in the government-wide statements. The valuation bases for capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement. Items purchased or acquired with an original cost of \$5,000 or more are

STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

capitalized and reported at cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlay that significantly extend the useful life of an asset are also capitalized. Costs for repairs and maintenance are expensed as incurred. In fiscal year 2006, the capitalization policy changed from \$1,000 to \$5,000 for capitalizing capital assets. The Department has elected to include assets that cost less than \$5,000 but equal to or more than \$1,000, and were purchased prior to July 1, 2005, on its capital asset inventory and financial statements.

Depreciation on assets is provided on a straight-line basis with no salvage value over the following estimated useful lives: Fencing – 15 years; Furniture and Fixtures – 10 years; Data Processing Equipment – 5 years; Equipment – 5 to 15 years; Automobiles – 6 to 12 years; Buildings and Structures – 25 to 50 years; and Infrastructure – 30 years. Land, Land Improvements, and Work in Progress are not depreciated. Software acquired is capitalized and depreciated over 5 years. The Department has no internally developed software that requires capitalization. All capital assets are free of related debt.

Compensated Absences

Qualified employees are entitled to accumulate annual leave according to a graduated leave schedule of 80 to 160 hours per year, depending upon length of service and employee's hire date. A maximum of 30 working days (240 hours) of such accumulated annual leave may be carried forward into the beginning of the calendar year and any excess leave is lost.

When employees terminate, they are compensated for accumulated unpaid annual leave as of the date of termination, up to a maximum of 240 hours. Accumulated annual leave is not expected to be liquidated with expendable available financial resources and is reported only in the government-wide financial statements.

Qualified employees are entitled to accumulate sick leave at the rate of one day for each calendar month of service. There is no limit to the amount of sick leave that an employee may accumulate. Once per fiscal year in either January or July, employees may elect to be paid up to 50% of accrued sick leave in excess of 600 up to 720 hours, but not to exceed 120 hours (net 60 hours can be paid). In the case of retiring employees, up to 200 net hours in excess of the 600 hour minimum limit can be paid. Sick leave balances from 600 to 720 hours are recorded at 50% of the employee's current hourly rate in the compensated absences category.

Program Revenues

Revenue items included in program revenues consist of sales of fishing and hunting licenses, sales of special use stamps, penalties and fines, special hunt application fees and miscellaneous permits. Items included in other revenue consist of penalties and fines, sale of crops and lease of land and equipment.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

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

Legal compliance is monitored through the establishment of a budget and a financial control system that permits a budget to actual expenditure comparison. Expenditures by category may not legally exceed appropriations. Budgeted line-item classifications may be amended upon approval from the State Budget Division. The basis of accounting for the budget, as appropriated by the State Legislature and approved by the State Budget Division, differs from the basis of accounting required by GAAP.

Per the General Appropriation Act, Laws of 2007, Chapter 28, Section 3, item N, "For the purpose of administering the General Appropriation Act of 2008 and approving operating budgets, the state of New Mexico shall follow the modified accrual basis of accounting for governmental funds in accordance with the manual of model accounting practices issued by the department of finance and administration." The budget is adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of the fiscal year that do not get paid by statutory deadline per Section 6-10-4 NMSA 1978. Those accounts payable that do not get paid timely must be paid out of the next year's budget.

Encumbrances related to single year appropriations lapse at year end. Appropriation periods are sometimes for periods in excess of twelve months (multiple-year appropriations). When multiple-year appropriation periods lapse, the authority for the budget also lapses and encumbrances can no longer be charged to that budget. The legal level of budgetary control should be disclosed. There are no encumbrances outstanding at year-end with the exception of Capital Projects, Fund 887, because the Capital Projects Funds include multi-year appropriations.

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 consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Department did not have any items that qualified for reporting in this category as of June 30, 2016.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Department did not have any items that were required to be reported in this category as of June 30, 2016.

STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*. This Statement improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards governing accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

In January 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Compliant with the requirements of Government Accounting Standards Board Statement No.68 and No.71, the State of New Mexico has implemented the standards for the fiscal year ending June 30, 2015.

The Department, as part of the primary government of the State of New Mexico, is a contributing employer to a cost-sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement Association (PERA). Overall, the total pension liability exceeds Plan net position resulting in a Net pension liability. The State has determined the State's share of the net pension liability to be a liability of the State as a whole, rather than any agency or department of the State and will not be reported in the department or agency level financial statements of the State. All required disclosures will be presented in the Comprehensive Annual Financial Report (CAFR) of the State of New Mexico.

Information concerning the net pension liability, pension expense, and pension-related deferred inflows and outflows of resources of the primary government will be contained in the General Fund and the CAFR and will be available, when issued, from the Office of State Controller, Room 166, Bataan Memorial Building, 407 Galisteo Street, Santa Fe, New Mexico, 87501.

Net Position

The government-wide statements utilize a net position presentation categorized as follows:

Net investment in capital assets – This category reflects the portion of net position that are associated with capital assets less outstanding capital asset related debt.

STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position (Continued)

Restricted net position – For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position used are imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – This category reflects net position of the Department not restricted for any project or other purpose.

NOTE 3 CASH

Cash in banks consists of cash on deposit with area banks, amounting to \$122,114, which is primarily held for use by the Law Enforcement Division. These deposits are insured or collateralized with securities held by its agent in the entity's name. The Department completes cash reconciliation, by fund, to verify the cash balances that are stated in the State's central account system, SHARE. This process has been in place prior to the implementation of SHARE and it will continue monthly for the Department.

NOTE 4 STATE GENERAL FUND INVESTMENT POOL

Compliant with statute 6-10-3 (NMSA 1978), and to optimize state cash management and investment practices, funds of various state agencies are deposited in the State General Fund Investment Pool (SGFIP). This pool is managed by the New Mexico State Treasurer's Office (STO). Claims on the SGFIP are reported as financial assets by the various agencies investing in the SGFIP.

Agency claims against the SGFIP and fiduciary resources held at STO to fulfill those claims were not reconciled from the inception of SHARE (the State's centralized accounting system), in July 2006 through January 2013, which caused uncertainty as to the validity of the claims and the ability of fiduciary resources to fulfill those claims. As a result of business process and systems configuration changes made during the Cash Management Remediation Project Phase I, the Board of Finance and Administration's Financial Control division began reconciling transactional activity reported by the State's fiscal agent bank to the SHARE general ledger on a point-forward basis beginning February 1, 2013. In March 2015, the Financial Control Division implemented a reconciliation process that compares statewide agency claims against the resources held in the SGFIP at STO. This process is known as the claims to resources reconciliation.

The State Controller indicated on August 8, 2016 that calculated difference between resources maintained by STO and the agency claims has remained stable and within a narrow and acceptable range (< \$200k standard deviation) over the last twelve months; resources are sufficient to cover claims and there is no need to adjust any specific business unit claim on the SGFIP and that all claims will be honored at face value.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 4 STATE GENERAL FUND INVESTMENT POOL (CONTINUED)

The Department has established daily and monthly procedures that mitigate the risk of misstatement of the Department's balances within the Pool. In addition, as required by Section 6-5-2.1 (J) NMSA 1978, DFA/FCD is to complete, on a monthly basis, reconciliation with the balances and accounts kept by the state treasurer and adopt and promulgate rules regarding reconciliation for state agencies.

NOTE 5 INTEREST IN THE STATE GENERAL FUND INVESTMENT POOL

State law (Section 8-6-3 NMSA 1978) requires the Department's cash be managed by the New Mexico State Treasurer's Office. Accordingly, the investments of the Department consist of an interest in the State General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

At June 30, 2016, the Department had \$56,312,695 invested in the State General Fund Investment Pool. This balance is considered a cash equivalent and is not measured using fair value estimates.

Interest Rate Risk

The New Mexico State Treasurer's Office has an investment policy that limits investment maturities to five years or less on allowable investments. This policy is a means of managing exposure to fair value losses arising from increasing interest rates. This policy is reviewed and approved annually by the New Mexico State Board of Finance.

Credit Risk

The New Mexico State Treasurer pools are not rated.

For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer, the reader should see the separate audit report for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2016.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 6 INVESTMENTS

State law requires the Department's investments to be managed by the New Mexico State Treasurer's Office, with the exception of those belonging to the Share with Wildlife Fund (see Schedule 1). The Department has entered into a joint powers agreement with the State Investment Council, which is authorized to offer investment advisory or management services, including the Pooled Investment Funds, pursuant to section 6-8-7.G, NMSA 1978. Accordingly, the investments of the Department consist of investments in the investment pools managed by these two entities.

The fair value of the investments maintained at the State Investment Council External Pooled Investment Funds are as follows at June 30, 2016:

Investment	Maturities	Fair Value
State Investment Council:		
Equity funds:		
Non-U.S. Developed Markets	N/A	\$ 43,556
Emerging Markets	N/A	18,662
Fixed Income:		
U.S. Core Bonds	1 to 39 years	232,276
Large Cap Index	N/A	375,138
Mid/Small Cap Index	N/A	91,780
State Investment Council Total		<u>761,412</u>
Total Investments		<u>\$ 761,412</u>

Interest Rate Risk

The Department does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

For additional GASB 40 disclosure information related to the above investment pools, the reader should refer to the separate audit reports for the State Treasurer's Office and the State Investment Council for the fiscal year ended June 30, 2016.

Fair Value of Financial Instruments

The objective of the fair value measurement is to determine the price that an asset or liability is exchanged in an orderly transaction between market participants to sell the asset or transfer the liability at the measurement date. Valuation techniques used to measure fair value shall maximize the use of observable inputs and minimize the use of unobservable inputs. In determining this amount, three valuation techniques are available:

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 6 INVESTMENTS (CONTINUED)

Fair Value of Financial Instruments (Continued)

Market approach — This approach uses the market prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.

Cost approach — This method uses the amount required to replace the current asset or Liability, and is mainly used in valuing donations of capital assets etc.

Income approach — This method uses the present value cashflow method of approach converts future amounts (such as cash flows) into a current discounted amount.

The fair value hierarchy prioritizes the inputs into valuation techniques to measure fair value into three broad levels. They are as follows:

- *Level 1*—Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;
- *Level 2*—Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets; and
- *Level 3*—Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models and similar techniques not based on market, exchange, dealer or broker-traded transactions.

The fair value hierarchy gives the highest priority for quoted prices (unadjusted) in active markets (Level 1) and the lowest priority to unobservable inputs (Level 3).

The following table presents assets and liabilities measured at fair value by classification within the fair value hierarchy as of June 30, 2016:

Details	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Strategy Equity Fund:				
Non-U.S. Developed Markets	\$ 43,556	\$ -	\$ -	\$ 43,556
Non-US Emerging Markets	18,662	-	-	18,662
Fixed Income:				
U.S. Core Bonds	-	232,276	-	232,276
Large Cap Index	-	375,138	-	375,138
Mid/Small Cap Index	91,780	-	-	91,780
Total Assets at Fair Value	<u>\$ 153,998</u>	<u>\$ 607,414</u>	<u>\$ -</u>	<u>\$ 761,412</u>

The State Investment council categorizes its fair value measurements within the fair value hierarchy established by the Generally Accepted Accounting Principles (GAAP). The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 6 INVESTMENTS (CONTINUED)

Fair Value of Financial Instruments (Continued)

The fair value measurement is dependent on the investment pool(s) the Department is invested in. Below are the levels by investment pool:

- Investments in the Large Cap Active Pool –Level 1
- Investments In the Large Cap Index Pool (investments are in a commingled fund) – Level 2
- Investments in Small/Mid Cap Active Pool –Level 1
- Investments in Non US Developed Markets Index Pool –Level 1
- Investments In Non US Emerging Markets Index Pool –Level 1
- Investments in Core Plus Bonds Pool – Level 2
- Investments in Credit & Structured Finance Pool, Real Estate Pool, Absolute Return Pool and Private Equity Pool –Level 3

NOTE 7 DUE FROM AND DUE TO OTHER STATE AGENCIES

Due from and due to other state agencies represent interagency receivables and payables arising from interagency transactions.

Due From Other State Agencies	Fund No.	Amount	Due From Agency/Fund	Fund No.	Amount
Office of the State Engineer	21400	\$ 85,987	Game Protection Fund	19800	\$ 85,987
NM Taxation & Revenue	81900	531	Share with Wildlife Fund	30700	531
NM Taxation & Revenue	82500	67,020	Trail Safety Fund	10840	67,020
NM Taxation & Revenue	82500	715	Game Protection Fund	19800	715
NM Taxation & Revenue	82500	4,380	Share with Wildlife Fund	30700	4,380
Total		<u>\$ 158,633</u>	Total		<u>\$ 158,633</u>
Due To Other State Agencies	Fund No.	Amount	Due To Agency/Fund	Fund No.	Amount
Game Protection Fund	19800	\$ 76	New Mexico Taxation & Revenue	83200	\$ 76
Game Protection Fund	19800	31,841	Energy, Minerals, & Natural Resources	20010	31,841
Game Protection Fund	19800	780	Department of Health	6104	780
Game Protection Fund	19800	440	General Services Department	36002	440
Trail Safety Fund	10840	360	Tourism Department	26200	360
Trail Safety Fund	10840	4,320	NM Taxation & Revenue	82500	4,320
Trail Safety Fund	10840	1,800	NM Taxation & Revenue	17200	1,800
Game Protection Fund	19800	100,939	Energy, Minerals, & Natural Resources	19902	100,939
Total		<u>\$ 140,556</u>	Total		<u>\$ 140,556</u>

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 8 CAPITAL ASSETS

A summary of changes in capital assets follows:

Governmental-Type Activities	Balance, June 30, 2015	Additions	Deletions	Balance, June 30, 2016
Assets Being Depreciated:				
Infrastructure	\$ 19,749,500	\$ 2,480,559	\$ -	\$ 22,230,059
Fencing	5,274,510	198,411	-	5,472,921
Furniture and Fixtures	841,081	-	-	841,081
Data Processing Equipment	704,795	194,477	-	899,272
Equipment	6,907,093	312,705	(216,487)	7,003,311
Automobiles	7,371,923	769,274	(437,608)	7,703,589
Buildings and Structures	26,875,643	990,271	-	27,865,914
Total Assets Being Depreciated	<u>67,724,545</u>	<u>4,945,697</u>	<u>(654,095)</u>	<u>72,016,147</u>
Less Accumulated Depreciation:				
Infrastructure	(7,131,815)	(765,451)	-	(7,897,266)
Fencing	(3,824,112)	(305,883)	-	(4,129,995)
Furniture and Fixtures	(406,181)	(32,088)	-	(438,269)
Data Processing Equipment	(450,157)	(96,662)	-	(546,819)
Equipment	(4,796,091)	(289,083)	198,888	(4,886,286)
Automobiles	(3,682,314)	(734,989)	435,303	(3,982,000)
Buildings and Structures	(11,191,663)	(917,750)	-	(12,109,413)
Total Accumulated Depreciation	<u>(31,482,333)</u>	<u>(3,141,906)</u>	<u>634,191</u>	<u>(33,990,048)</u>
Assets Not Being Depreciated:				
Land	35,044,492	2,790,463	-	37,834,955
Rights and Easements	398,059	-	-	398,059
Library and Museum	1,000	-	-	1,000
Work in Progress	93,554	-	-	93,554
Total Assets Not Being Depreciated	<u>35,537,105</u>	<u>2,790,463</u>	<u>-</u>	<u>38,327,568</u>
Net Total Capital Assets	<u>\$ 71,779,317</u>	<u>\$ 4,594,254</u>	<u>\$ (19,904)</u>	<u>\$ 76,353,667</u>

Depreciation of \$3,141,906 was charged to the Game and Fish Resource Conservation Program.

NOTE 9 LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2016:

Governmental-Type Activities	Balance at June 30, 2015	Increase	Decrease	Balance at June 30, 2016	Due Within One Year
Compensated Absences Payable	\$ 983,802	\$ 1,354,879	\$ (1,277,205)	\$ 1,061,476	\$ 1,061,476

The Game Protection Fund is used to liquidate compensated absences.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 10 OPERATING TRANSFERS

Operating transfers consist of the following for the year ending June 30, 2016:

Intra-Agency Transfers			
Agency/Fund	Transfers In	Transfers Out	Total
516-19800 Game Protection Fund - Major Fund	\$ -	\$ (17,049,986)	\$ (17,049,986)
516-42800 Bond Interest and Retirement Fund	-	(688,865)	(688,865)
516-09700 Sikes Act Fund	-	(1,000,000)	(1,000,000)
516-10840 Trail Safety Fund	-	(800,000)	(800,000)
516-49400 Habitat Management Fund	-	(500,000)	(500,000)
516-77200 Big Game Enhancement Fund	-	(500,000)	(500,000)
516-88700 Capital Projects Fund	20,538,851	-	20,538,851
	<u>\$ 20,538,851</u>	<u>\$ (20,538,851)</u>	<u>\$ -</u>

Inter-Agency Transfers			
Agency/Fund	Transfers In	Transfers Out	Total
516-19800 Game Protection Fund - Major Fund	\$ -	\$ (682,300)	\$ (682,300)
516-09700 Sikes Act Fund	-	(500,000)	(500,000)
	<u>\$ -</u>	<u>\$ (1,182,300)</u>	<u>\$ (1,182,300)</u>
521-20010 Energy and Minerals	\$ 1,000,000	\$ -	\$ 1,000,000
550-21400 Office of the State Engineer	182,300	-	182,300
	<u>\$ 1,182,300</u>	<u>\$ -</u>	<u>\$ 1,182,300</u>

Transfers are the result of Federal sub-recipient payments to both the Energy, Minerals & Natural Resources Department and the Office of the State Engineer.

NOTE 11 PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description

Substantially all of the Department's full-time employees participate in a public employee retirement system authorized under the Public Employees' Retirement Act (Chapter 10, Article 11 NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is also available on PERA's website at <http://www.pera.state.nm.us>.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 11 PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

Funding Policy

The contribution requirements of plan members and the Department are established in State statute under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The department contributions to PERA for the years ended June 30, 2016, 2015 and 2014 were \$2,335,419, \$1,970,816, and \$1,965,278, respectively, equal to the amount of the required contributions for each fiscal year.

NOTE 12 POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

Plan Description

The Department 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 the 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.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

**NOTE 12 POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN
(CONTINUED)**

Funding Policy (Continued)

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3,4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2016, 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 Department's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were 277,724, \$242,619, and \$237,255 respectively, which equal the required contributions for each year.

NOTE 13 OPERATING LEASE OBLIGATIONS

The Department is committed under several leases for office space, grounds and various equipment. These leases are considered for accounting purposes to be operating leases and are not reflected in the Department's liabilities accrued at June 30, 2016.

The following is a schedule by years of future minimum lease payments required under operating leases that have initial or remaining non-cancelable terms in excess of one year as of June 30, 2016.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 13 OPERATING LEASE OBLIGATIONS (CONTINUED)

Year Ending December 31,	Amount
2017	\$ 463,882
2018	455,154
2019	456,791
2020	463,563
2021	297,363
2021 and Thereafter	-
Total	\$ 2,136,753

Total lease expense for the year ended June 30, 2016 was \$1,617,501.

NOTE 14 FEDERAL GRANTS

The Department receives federal grants, which may be refundable in the event that all terms of the grants are not complied with. In the opinion of management, no material refunds will occur.

NOTE 15 RISK MANAGEMENT

The Department is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the agency carries insurance (Workers' Compensation, Unemployment Compensation, Employee Liability and Transportation Property) with the State of New Mexico Risk Management Division (RMD) of the General Services Department. There are no pending or known threatened legal proceedings involving material matters to which the Department is party. There were no significant reductions or changes in insurance coverage from the prior year. Settled claims did not exceed coverage in any of the past three fiscal years.

NOTE 16 JOINT POWERS AGREEMENTS

Details of Joint Powers Agreements are disclosed in Supplemental Schedule 3.

NOTE 17 GOVERNMENTAL FUND BALANCES

The Department's fund balances represent: 1) Non-spendable, which include amounts that cannot be spent because they are in a non-spendable form or because they are legally or contractually required to be maintained intact; 2) Restricted purposes, which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; 3) Committed purposes, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches; 4) Assigned purposes, which includes balances that are constrained

STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016

NOTE 17 GOVERNMENTAL FUND BALANCES (CONTINUED)

by the government's intent to be used for specific purposes, but are neither restricted nor committed. A summary of the nature and purpose of these reserves by fund type at June 30, 2016, follows:

The Department's fund balances are restricted under the Code of Federal Regulation – Title 50: Wildlife and Fisheries.

50CFR 80.3 – Assent Legislation states: A State fish and wildlife agency must certify the number of people having paid licenses to hunt and paid licenses to fish because the Service uses these data in statutory formulas to apportion funds in the Wildlife Restoration and Sport Fish Restoration programs among the States.

50 CFR 80.4 – Diversion of license fees states: Revenues from license fees paid by hunters and fishermen shall not be diverted to purposes other than administration of the State fish and wildlife agency.

- (a) Revenues from license fees paid by hunters and fishermen are any revenues the State receives from the sale of licenses issued by the State conveying to a person the privilege to pursue or take wildlife or fish. For the purpose of this rule, revenue with respect to license sales by vendors is considered to be the net income to the State after deducting reasonable vendor fees or similar amounts retained by sales agents. License revenues include income from:
 - (1) General or special licenses, permits, stamps, tags, access and recreation fees or other charges imposed by the State to hunt or fish for sport or recreation.
 - (2) Sale, lease, rental, or other granting of rights of real or personal property acquired or produced with license revenues. Real property includes, but is not limited to, lands, building, minerals, energy resources, timber, grazing, and animal products. Personal property includes, but is not limited to, equipment, vehicles, machine, tools, and annual crops.
 - (3) Interest, dividends, or other income earned on license revenues.
 - (4) Project reimbursements to the States to the extent that license revenues originally funded the project for which the reimbursement is being made.
- (b) For purposes of this rule, administration of the State fish and wildlife agency include only those functions required to manage the fish and wildlife-oriented resources of the State for which the agency has authority under State law.
- (c) A diversion of license fee revenues occurs when any portion of license revenues is used for any purpose other than the administration of the State fish and wildlife agency.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 17 GOVERNMENTAL FUND BALANCES (CONTINUED)

(d) If a diversion of license revenues occurs, the State becomes ineligible to participate under the pertinent Act from the date the diversion is declared by the Director until:

(1) Adequate legislative prohibitions are in place to prevent diversion of license revenue, and

(2) All license revenues or assets acquired with license revenues are restored, or an amount equal to license revenue diverted or current market value of assets diverted (whichever is greater) is returned and properly available for use for the administration of the State fish and wildlife agency.

(e) Federal funds obligated for projects approved prior to the date a diversion is declared remain available for expenditure on such projects without regard to the intervening period of the State's ineligibility.

	General Fund	Major Capital		Nonmajor Special Revenue Funds					Debt Service Bond Interest and Retirement Fund 42800
		Game Protection Fund 19800	Projects Capital Projects 88700	Habitat Management 49400	Big Game Enhancement 77200	Big Game Depredation 54900	Trail Safety Fund 10840	Sikes Act 97000	
Nonspendable prepaid	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted for: 50 CFR 80.3 and 80.4 Wildlife and Fisheries	17,413,917	26,278,023	3,392,721	4,918,566	1,716,296	1,009,006	1,344,054	854,564	477,105
Committed	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
Total	\$ 17,563,917	\$ 26,278,023	\$ 3,392,721	\$ 4,918,566	\$ 1,716,296	\$ 1,009,006	\$ 1,344,054	\$ 854,564	\$ 477,105

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
COMBINING BALANCE SHEET – NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016**

	Special		
	Habitat Management Fund - 49400	Big Game Enhancement Fund - 77200	Big Game Depredation Fund - 54900
ASSETS			
Investment in State Treasurer General Fund Investment Pool	\$ 3,521,303	\$ 4,760,788	\$ 1,690,822
Long-Term Investments	-	-	-
Receivables:			
Due from Other State Agencies	-	-	-
Due from Federal Government	46,971	251,944	310,616
Total Assets	<u>\$ 3,568,274</u>	<u>\$ 5,012,732</u>	<u>\$ 2,001,438</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 175,553	\$ 89,435	\$ 285,142
Accrued Payroll	-	4,731	-
Other Liabilities	-	-	-
Due to other funds	-	-	-
Due to Other State Agencies	-	-	-
Total Liabilities	<u>175,553</u>	<u>94,166</u>	<u>285,142</u>
FUND BALANCES			
Restricted	<u>3,392,721</u>	<u>4,918,566</u>	<u>1,716,296</u>
Total Fund Balances	<u>3,392,721</u>	<u>4,918,566</u>	<u>1,716,296</u>
Total Liabilities and Fund Balances	<u>\$ 3,568,274</u>	<u>\$ 5,012,732</u>	<u>\$ 2,001,438</u>

Revenue Funds				Debt Service Fund Bond	
Trail Safety Fund - 10840	Sikes Act Fund - 09700	Share with Wildlife Fund - 30700	Interest and Retirement Fund - 42800		Total
\$ 1,006,256	\$ 1,663,188	\$ 130,871	\$ 477,105		\$ 13,250,333
-	-	761,413	-		761,413
67,020	-	4,911	-		71,931
-	16,580	61,759	-		687,870
<u>\$ 1,073,276</u>	<u>\$ 1,679,768</u>	<u>\$ 958,954</u>	<u>\$ 477,105</u>		<u>\$ 14,771,547</u>
\$ 47,872	\$ 328,908	\$ 104,390	\$ -		\$ 1,031,300
9,918	3,067	-	-		17,716
-	3,739	-	-		3,739
-	-	-	-		-
6,480	-	-	-		6,480
<u>64,270</u>	<u>335,714</u>	<u>104,390</u>	<u>-</u>		<u>1,059,235</u>
1,009,006	1,344,054	854,564	477,105		13,712,312
<u>1,009,006</u>	<u>1,344,054</u>	<u>854,564</u>	<u>477,105</u>		<u>13,712,312</u>
<u>\$ 1,073,276</u>	<u>\$ 1,679,768</u>	<u>\$ 958,954</u>	<u>\$ 477,105</u>		<u>\$ 14,771,547</u>

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016**

	Special		
	Habitat Management Fund - 49400	Big Game Enhancement Fund - 77200	Big Game Depredation Fund - 54900
REVENUES			
Service Revenue	\$ 1,166,902	\$ 1,283,945	\$ 576,760
Federal Grants	424,372	601,174	310,616
Interest Earned	-	10,613	3,434
Other Revenue	-	-	-
Realized/Unrealized Gain or Loss on Investments	-	-	-
Total Revenues	<u>1,591,274</u>	<u>1,895,732</u>	<u>890,810</u>
EXPENDITURES			
Game and Fish Resource Conservation	426,444	824,818	421,159
Capital Outlay	272,143	743	76,431
Total Expenditures	<u>698,587</u>	<u>825,561</u>	<u>497,590</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	892,687	1,070,171	393,220
OTHER FINANCING SOURCES (USES)			
Inter-Agency Transfers	-	-	-
Intra-Agency Transfers	(500,000)	(500,000)	-
Total Other Financing Sources (Uses)	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	392,687	570,171	393,220
Fund Balances - Beginning of Year	<u>3,000,034</u>	<u>4,348,395</u>	<u>1,323,076</u>
FUND BALANCES - END OF YEAR	<u>\$ 3,392,721</u>	<u>\$ 4,918,566</u>	<u>\$ 1,716,296</u>

Revenue Funds			Debt Service Fund Bond	
Trail Safety Fund - 10840	Sikes Act Fund - 09700	Share with Wildlife Fund - 30700	Interest and Retirement Fund - 42800	Total
\$ 736,403	\$ 1,391,448	\$ 5,690	\$ 243,375	\$ 5,404,523
2,229	72,970	83,677	-	1,495,038
4,392	4,702	318	1,545	25,004
-	656	52,222	-	52,878
-	-	7,816	-	7,816
<u>743,024</u>	<u>1,469,776</u>	<u>149,723</u>	<u>244,920</u>	<u>6,985,259</u>
519,609	683,144	164,732	-	3,039,906
109,066	-	-	-	458,383
<u>628,675</u>	<u>683,144</u>	<u>164,732</u>	<u>-</u>	<u>3,498,289</u>
114,349	786,632	(15,009)	244,920	3,486,970
(500,000)	-	-	-	(500,000)
<u>(800,000)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>(688,865)</u>	<u>(3,488,865)</u>
<u>(1,300,000)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>(688,865)</u>	<u>(3,988,865)</u>
(1,185,651)	(213,368)	(15,009)	(443,945)	(501,895)
<u>2,194,657</u>	<u>1,557,422</u>	<u>869,573</u>	<u>921,050</u>	<u>14,214,207</u>
<u>\$ 1,009,006</u>	<u>\$ 1,344,054</u>	<u>\$ 854,564</u>	<u>\$ 477,105</u>	<u>\$ 13,712,312</u>

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
HABITAT MANAGEMENT FUND – 49400
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2016**

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance From Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES AND OTHER FINANCING SOURCES				
Service Revenue	\$ 500,000	\$ 500,000	\$ 1,166,902	\$ (666,902)
Federal Grants	300,000	300,000	424,372	(124,372)
Other Revenue	-	-	-	-
Total Revenues and Other Financing Sources	<u>800,000</u>	<u>800,000</u>	<u>1,591,274</u>	<u>(791,274)</u>
FUND BALANCE BUDGETED				
Total Revenues and Fund Balance Budgeted	<u>\$ 800,000</u>	<u>\$ 1,300,000</u>	<u>1,591,274</u>	<u>\$ (791,274)</u>
EXPENDITURES AND OTHER FINANCING USES				
Contractual Services	\$ 200,000	\$ 200,000	155,994	\$ 44,006
Other Costs	600,000	600,000	542,593	57,407
Other Financing Uses	-	500,000	500,000	-
Total Expenditures and Other Financing Uses	<u>\$ 800,000</u>	<u>\$ 1,300,000</u>	<u>1,198,587</u>	<u>\$ 101,413</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES			<u>\$ 392,687</u>	

NOTE: There were no reconciling items required for GAAP presentation.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
BIG GAME ENHANCEMENT FUND – 77200
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Service Revenue	\$ 332,100	\$ 332,100	\$ 1,283,945	\$ (951,845)
Federal Grants	823,000	823,000	601,174	221,826
Interest Earned	-	-	10,613	(10,613)
Total Revenues and Other Financing Sources	1,155,100	1,155,100	1,895,732	(740,632)
FUND BALANCE BUDGETED				
Total Revenues and Fund Balance Budgeted	\$ 1,155,100	\$ 1,655,100	1,895,732	\$ (740,632)
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Benefits	\$ 95,100	\$ 95,100	79,542	\$ 15,558
Contractual Services	555,000	555,000	302,802	252,198
Other Costs	505,000	505,000	443,217	61,783
Other Financing Uses	-	500,000	500,000	-
Total Expenditures and Other Financing Uses	\$ 1,155,100	\$ 1,655,100	1,325,561	\$ 329,539
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES			\$ 570,171	

NOTE: There were no reconciling items required for GAAP presentation.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
BIG GAME DEPREDATION FUND – 54900
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Service Revenue	\$ 311,000	\$ 311,000	\$ 576,760	\$ (265,760)
Federal Grants	-	-	310,616	(310,616)
Interest Earned	-	-	3,434	(3,434)
Total Revenues and Other Financing Sources	311,000	311,000	890,810	(579,810)
FUND BALANCE BUDGETED	214,000	214,000	-	-
Total Revenues and Fund Balance Budgeted	\$ 525,000	\$ 525,000	890,810	\$ (579,810)
EXPENDITURES AND OTHER FINANCING USES				
Contractual Services	\$ 25,000	\$ 25,000	16,082	\$ 8,918
Other Costs	500,000	500,000	481,508	18,492
Total Expenditures and Other Financing Uses	\$ 525,000	\$ 525,000	497,590	\$ 27,410
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES			\$ 393,220	

NOTE: There were no reconciling items required for GAAP presentation.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
TRAIL SAFETY FUND – 10840
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Service Revenue	\$ 629,000	\$ 629,000	\$ 736,403	\$ (107,403)
Federal Grants	-	-	2,229	(2,229)
Interest Earned	-	-	4,392	(4,392)
Other Revenue	-	-	-	-
Total Revenues and Other Financing Sources	629,000	629,000	743,024	(114,024)
FUND BALANCE BUDGETED	352,500	1,466,100	-	-
Total Revenues and Fund Balance Budgeted	\$ 981,500	\$ 2,095,100	743,024	\$ (114,024)
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Benefits	\$ 313,600	\$ 313,600	236,610	76,990
Contractual Services	50,000	50,000	18,701	31,299
Other Costs	431,500	431,500	373,364	58,136
Other Financing Uses	500,000	1,300,000	1,300,000	-
Total Expenditures and Other Financing Uses	\$ 981,500	\$ 2,095,100	1,928,675	\$ 166,425
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES			\$ (1,185,651)	

NOTE: There were no reconciling items required for GAAP presentation.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SIKES ACT FUND – 09700
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Service Revenue	\$ 627,200	\$ 627,200	\$ 1,391,448	\$ (764,248)
Federal Grants	228,000	228,000	72,970	155,030
Interest Earned	-	-	4,702	(4,702)
Other Revenue	-	-	656	(656)
Total Revenues and Other Financing Sources	855,200	855,200	1,469,776	(614,576)
FUND BALANCE BUDGETED	-	1,000,000	-	-
Total Revenues and Fund Balance Budgeted	\$ 855,200	\$ 1,855,200	1,469,776	\$ (614,576)
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Benefits	\$ 100,000	\$ 100,000	87,042	\$ 12,958
Contractual Services	-	-	-	-
Other Costs	755,200	755,200	596,102	159,098
Other Financing Uses	-	1,000,000	1,000,000	-
Total Expenditures and Other Financing Uses	\$ 855,200	\$ 1,855,200	1,683,144	\$ 172,056
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES			\$ (213,368)	

NOTE: There were no reconciling items required for GAAP presentation.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
 SHARE WITH WILDLIFE FUND – 30700
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Service Revenue	\$ 82,500	\$ 82,500	\$ 5,690	\$ 76,810
Federal Grants	82,500	82,500	83,677	(1,177)
Interest Earned	-	-	318	(318)
Other Revenue	-	-	52,222	(52,222)
Net of Unrealized Loss	-	-	7,816	(7,816)
Total Revenues and Other Financing Sources	165,000	165,000	149,723	(15,277)
FUND BALANCE BUDGETED				
Total Revenues and Fund Balance Budgeted	\$ 165,000	\$ 165,000	149,723	\$ (15,277)
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	165,000	165,000	164,732	268
Other Costs	-	-	-	-
Total Expenditures and Other Financing Uses	\$ 165,000	\$ 165,000	164,732	\$ 268
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES			\$ (15,009)	

NOTE: There were no reconciling items required for GAAP presentation.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
 BOND INTEREST AND RETIREMENT FUND – 42800
 STATEMENT OF REVENUES AND EXPENDITURES –
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Service Revenue	\$ -	\$ -	\$ 243,375	\$ (243,375)
Other Financing Sources	-	-	11,135	(11,135)
Interest on Investments	-	-	1,545	(1,545)
Total Revenues and Other Financing Sources	-	-	256,055	256,055
FUND BALANCE BUDGETED	-	700,000	-	-
Total Revenues and Fund Balance Budgeted	<u>\$ -</u>	<u>\$ 700,000</u>	256,055	<u>\$ 256,055</u>
EXPENDITURES AND OTHER FINANCING USES				
Personnel Services and Benefits	\$ -	\$ -	-	\$ -
Other Costs	-	-	-	-
Other Financing Uses	-	700,000	700,000	-
Total Expenditures and Other Financing Uses	<u>\$ -</u>	<u>\$ 700,000</u>	700,000	<u>\$ -</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES			<u>\$ (443,945)</u>	

NOTE: There were no reconciling items required for GAAP presentation.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
MAJOR CAPITAL PROJECTS FUND – 88700
STATEMENT OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Total Revenue	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES AND OTHER FINANCING SOURCES				
Federal Sources	\$ -	\$ 4,570,000	\$ 2,112,933	\$ (2,457,067)
Other Financing Sources	9,200,000	20,550,000	20,538,851	(11,149)
Total Revenues and Other Financing Sources	<u>\$ 9,200,000</u>	<u>\$ 25,120,000</u>	22,651,784	<u>\$ (2,468,216)</u>
	Budgeted Amounts		Expended Current Year	Variance From Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
Contractual Services	\$ 60,000	\$ 1,355,783	611,117	\$ 744,666
Other Costs	9,140,000	23,764,217	6,950,884	16,813,333
Other Financing Uses	-	-	-	-
Total Expenditures	<u>\$ 9,200,000</u>	<u>\$ 25,120,000</u>	<u>7,562,001</u>	<u>\$ 17,557,999</u>
NET CHANGE IN FUND BALANCES			<u>\$ 15,089,783</u>	

NOTE: There were no reconciling items required for GAAP presentation.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 1 – SUPPLEMENTARY SCHEDULE OF CASH ACCOUNTS INCLUDING INVESTMENTS
YEAR ENDED JUNE 30, 2016**

Name of Depository	Account Name	Fund Type	SHARE System Fund No.	Type of Account	Bank/Book Balance	Book Amount
New Mexico State Treasurer	Game Protection Fund	General	19800	State Treasury	\$ 16,189,749	\$ 16,189,749
New Mexico State Treasurer	Trail Safety Fund	Special Revenue	10840	State Treasury	1,006,256	1,006,256
New Mexico State Treasurer	Sikes Fund	Special Revenue	09700	State Treasury	1,663,188	1,663,188
New Mexico State Treasurer	Capital Projects Fund	Capital	88700	State Treasury	26,872,613	26,872,613
New Mexico State Treasurer	Share with Wildlife Fund	Special Revenue	30700	State Treasury	130,871	130,871
New Mexico State Treasurer	Big Game Depredation Fund	Special Revenue	54900	State Treasury	1,690,822	1,690,822
New Mexico State Treasurer	Big Game Enhancement Fund	Special Revenue	77200	State Treasury	4,760,789	4,760,789
New Mexico State Treasurer	Habitat Management Fund	Special Revenue	49400	State Treasury	3,521,303	3,521,303
New Mexico State Treasurer	Bond Interest & Retirement Fund	Debt Service	42800	State Treasury	477,104	477,104
	Total State Treasurer's Office Investment Pool				<u>\$ 56,312,695</u>	<u>\$ 56,312,695</u>
State Investment Council	Share with Wildlife Fund	Special Revenue	30700	Investment	<u>\$ 761,413</u>	<u>\$ 761,413</u>
	Cash Held in Banks:					
Wells Fargo Bank	Agency Funds Cash: Law Enforcement Account			Checking		\$ 33,143
Wells Fargo Bank	Agency Funds Cash: Game Thief Account			Checking		85,671
Dept. of Game and Fish	Petty Cash - Cashier - Santa Fe			Petty Cash		<u>3,300</u>
	Total Cash Held in Bank - Department of Game and Fish					<u>\$ 122,114</u>

STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 2 – SUPPLEMENTARY SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES –
AGENCY FUNDS
YEAR ENDED JUNE 30, 2016

Operation Game Thief Fund				
	Balance, June 30, 2015	Additions	Deletions	Balance, June 30, 2016
ASSETS				
Cash on Deposit	\$ 93,678	\$ 19,960	\$ 27,968	\$ 85,670
Total Assets	\$ 93,678	\$ 19,960	\$ 27,968	\$ 85,670
LIABILITIES				
Deposits Held in Custody for Others	\$ 93,678	\$ 19,960	\$ 27,968	\$ 85,670
Total Liabilities	\$ 93,678	\$ 19,960	\$ 27,968	\$ 85,670

Law Enforcement Fund				
	Balance, June 30, 2015	Additions	Deletions	Balance, June 30, 2016
ASSETS				
Cash on Deposit	\$ 4,011	\$ 30,003	\$ 870	\$ 33,144
Total Assets	\$ 4,011	\$ 30,003	\$ 870	\$ 33,144
LIABILITIES				
Deposits Held in Custody for Others	\$ 4,011	\$ 30,003	\$ 870	\$ 33,144
Total Liabilities	\$ 4,011	\$ 30,003	\$ 870	\$ 33,144

Operation Game Thief/Law Enforcement				
	Balance, June 30, 2015	Additions	Deletions	Balance, June 30, 2016
ASSETS				
Cash on Deposit	\$ 97,689	\$ 49,963	\$ 28,838	\$ 118,814
Total Assets	\$ 97,689	\$ 49,963	\$ 28,838	\$ 118,814
LIABILITIES				
Deposits Held in Custody for Others	\$ 97,689	\$ 49,963	\$ 28,838	\$ 118,814
Total Liabilities	\$ 97,689	\$ 49,963	\$ 28,838	\$ 118,814

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Engineering and project management services for Bear Canyon Restoration Project.	USFS, Region 3	1/1/2002	Ongoing	\$ -	\$ -	NMDGF
Master agreement to work cooperatively in managing wildlife on national forest lands.	USFS, Region 3	4/1/1958	Ongoing	\$ -	\$ -	NMDGF
Agreement to consult with the Department regarding livestock use permitted numbers on the Horsethief.	USFS, Santa Fe	4/1/1960	Ongoing	\$ -	\$ -	NMDGF
Amendment to clarify national forests and lands meaning in original 1958 agreement.	USFS, Region 3	2/1/1961	Ongoing	\$ -	\$ -	NMDGF
Amendment to 1958 agreement regarding constructing hunting and angling facilities in national forests.	USFS, Region 3	8/1/1964	Ongoing	\$ -	\$ -	NMDGF
Amendment to 1958 agreement regarding resource or land management in which state listed species or habitat may be affected.	USFS, Region 3	1/1/1980	Ongoing	\$ -	\$ -	NMDGF
Agreement to conserve and protect the peregrine falcon.	USFS, Region 3	3/1/1985	Ongoing	\$ -	\$ -	NMDGF
Revision to establish a new master agreement to manage wildlife on national forest land.	USFS, Region 3	4/1/1991	Ongoing	\$ -	\$ -	NMDGF
Establish a framework in which to share electronic data and other forms of information.	USFS, Region 3	5/1/1991	Ongoing	\$ -	\$ -	NMDGF
Release and study of gemsbok onto the range.	White Sands M.R.	6/1/1969	Ongoing	\$ -	\$ -	NMDGF
Coordination of vegetal control projects.	BLM	7/1/1972	Ongoing	\$ -	\$ -	NMDGF
Develop Jackson Lake Wildlife Management Area.	BLM	5/1/1987	Ongoing	\$ -	\$ -	NMDGF
Agency relationships and duties in the Pecos River EIS development.	U.S. BOR	2/1/2000	Ongoing	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Restoration and management of Rio Grande Cutthroat Trout.	USFWS, Region 2	8/1/2000	Ongoing	\$ -	\$ -	NMDGF
Conservation of candidate, proposed and listed species and their habitats in the State of New Mexico.	USFWS, Region 2	10/094	Ongoing	\$ -	\$ -	NMDGF
Management of fish and wildlife on National Park Service property.	Ntl. Park Service	7/1/1972	Ongoing	\$ -	\$ -	NMDGF
Wildlife management activities on public lands under the purview of the BLM.	U.S. BLM	12/1/1990	Ongoing	\$ -	\$ -	NMDGF
Cooperative measures specific to construction of new highways and impact to wildlife and proposed developments affecting streams flows or highway facilities.	NM State Highway Comm.	9/1/1963	Ongoing	\$ -	\$ -	NMDGF & State Hwy. Dept.
Cooperative effort in wildlife management on State Trust lands leased by the Department.	State Land Office	4/1/1987	Ongoing	\$ -	\$ -	NMDGF & State Land Office
Agreement to develop and maintain Ute Dam Lake.	Interstate Stream Comm.	8/1/1962	Ongoing	\$ 147,300	147300	NMDGF
Cooperative effort to develop resource management plans that affect wildlife and forest health.	EMNRD-State Forestry Division	2/1/1978	Ongoing	\$ -	\$ -	NMDGF
Utilize inmate work crews on habitat improvement projects on the Department's properties.	EMNRD - Forestry Div.	4/1/1998	Ongoing	Depends on amt. in oper. Budget	\$ -	NMDGF
Establishes process for accepting mine remediation funds to conduct remediation of mine waste at the upper Pecos site, including Lisboa Springs Hatchery.	NM DFA	6/1/1998	Ongoing	\$ -	\$ -	EMNRD
Agreement to initiate a bear study project on the Philmont Scout Ranch.	Philmont Scout Ranch	11/1/1987	Ongoing	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Management agreement for the restoration of Rio Grande Cutthroat Trout on South Ponil Creek.	Philmont Scout Ranch	9/1/1999	Ongoing	\$ -	\$ -	NMDGF
Allows the Department to modify existing fences to minimize any restriction of movements by Desert Bighorn Sheep.	Mr. R. Evans, Mr. A. Foster, Mr. R. Winkler	5/1/1981	Ongoing	\$ -	\$ -	NMDGF
Allows the Department to transplant sheep onto property owned by NMRP on the Fra Cristobal Mountains.	NM Ranch Properties	8/1/1995	Ongoing	\$ -	\$ -	NMDGF
Policy and procedures for handling depredating and nuisance bears by Vermejo Park personnel or agents.	Vermejo Park Ranch	5/1/2000	Ongoing	\$ -	\$ -	NMDGF
Develop and implement turkey projects in NM with funding by NWTF.	Ntl. Wild Turkey Federation	9/1/1988	Ongoing	\$ -	\$ -	NMDGF
Allows the Department to transplant sheep on TGIA land in the Manzano Mountains.	Tierra Grande Improv. Assoc.	7/1/1998	Ongoing	\$ -	\$ -	NMDGF
Data collecting, processing and sharing of use of fish and wildlife resource information.	Nature Conservancy	5/1/1992	Ongoing	\$ -	\$ -	NMDGF
Parameters to develop, construct, monitor and maintain pilot wetland project on the SGC Picacho Bosque Wetland Project.	Southwest Env. Center	7/1/2001	Ongoing	\$ -	\$ -	NMDGF
Establishes the bighorn sheep study on the San Andres National Wildlife Refuge.	WSMR & USFWS	6/1/1975	Ongoing	\$ -	\$ -	NMDGF
Conservation and management of wildlife on national forest and BLM lands (Sikes Act provisions).	USFS, Region 3 & BLM	11/1/1984	Ongoing	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Management of wildlife on the missile range and the San Andres Refuge.	WSMR, USFWS, San Andres Ref.	6/1/1985	Ongoing	\$ -	\$ -	NMDGF
Establish mountain lion study and mule deer study areas, terms and conditions.	WSMR, USFWS, San Andres Ref.	7/1/1985	Ongoing	\$ -	\$ -	NMDGF
Implement collective management programs to sustain and enhance distribution and abundance of sage grouse in each state/province.	Western Assoc. of Fish & Wildlife Agencies	8/1/1999	Ongoing	\$ -	\$ -	NMDGF
Work with NM Cowbells to develop and promote Operation Respect.	BLM, USFS, NM Land Office	7/1/1983	Ongoing	\$ -	\$ -	NMDGF
Temporary agreement concerning administration of Navajo Reservoir for recreation and fish and wildlife management.	EMNRD State Pks. Div. & BOR	5/1/1997	Ongoing	\$ -	\$ -	NMDGF & EMNRD St. Parks
Establishes Middle Rio Grande Endangered Species Act Collaborative Program	USFWS, SEO, ISC, NMAG & BOR	1/1/2000	Ongoing	\$ -	\$ -	NMDGF
Establishes animal damage control guidelines.	USFWS, BLM, USFS, NM Ag.	2/1/1978	Ongoing	\$ -	\$ -	NMDGF
Analysis of data, report, recommendations and development of water management plans for Pecos Bluntnose Shiner.	CID, BOR, USFWS, NM State Engineer	2/1/1997	Ongoing	\$ -	\$ -	NMDGF
Conservation strategies for the jaguar in Arizona and New Mexico.	AZDGF, USFWS, BLM, USFS, NPS, APHIS, NMDag., NMSLO, Hidalgo, Otero, Pima & Cochise Counties	UNK	UNK	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Cooperative management of Vermejo Park Ranch, Valle Vidal and Carson National Forest lands.	USFS Reg. 3, Vermejo Park Corp.	2/1/1982	Ongoing	\$ -	\$ -	NMDGF
Establishes partnership for the protection and restoration of native fisheries.	Rio Grande chptr. of T.U., NM Trout Un., USFS Reg. 3, BLM	1/1/1997	Ongoing	\$ -	\$ -	NMDGF
Agreement to restore Rio Grande Cutthroat Trout in Poso Creek and Willow Creek.	Jicarilla Tribe, Running Elk Corp., USFWS Reg. 2	9/1/1998	Ongoing	\$ -	\$ -	NMDGF
Establish a relationship between the Department and the SIC.	SIC	7/28/1998	Ongoing	Depends on Fund	\$ 253	NMDGF
Ensure water is acquired and used for protection of listed threatened species.	Interstate Stream Commission, NMGF	4/1/2002	Ongoing	\$ -	\$ -	NMDGF & Int. Stream Comm
Development, issuance and withdrawals of fish consumption advisories resulting from the presence of contaminants in fish tissues.	NMDGF, NMDOH, NMED	3/31/2004	Ongoing	\$ -	\$ -	NMDGF & Int. Stream Comm
Establish broad policies for operation of a statewide Sikes Act Public Land Management Stamp Program in New Mexico.	USDA, Forest Svc., NMDGF, USD	1/8/2005	Ongoing	Funds gen. by sale of stamp	\$ 1,402,900	NMDGF
Manage the elk population to improve herd quality; redistribution of voluntarily returned unused landowner authorization certificates.	NMDGF, Unit 4 Coop. Pilot Project.	7/15/2003	Ongoing	\$ -	\$ -	NMDGF
Installation of a trick tank in the Ranger District of Carson National Forest.	NMDGF, USDA Forest Service	12/11/2002	Ongoing	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Management of the WIPP withdrawal area.	USDE, NMDGF, EMNR, OCA, SLO	4/25/1997	Ongoing	\$ -	\$ -	NMDGF
Environmental Impact Statement for amendment to the Mimbres Resource Management Plan and Revision to White Sands RMP.	DOI, BLM, Las Cruces Dist. Ofc. NMDGF	3/13/2006	Ongoing	\$ -	\$ -	NMDGF
Maintain, manage and supervise all state parks and state owned or leased recreation areas; acquire, develop, improve and manage lands for game refuge.	EMNRD, NMDGF	2/14/1989	Ongoing	\$ -	\$ -	NMDGF
Reimburse ISC an amount not to exceed \$40,000 for costs for managing and operating Eagle Nest Dam.	NMDGF, State Eng. Ofc., Interstate Stream Comm.	9/25/2003	Ongoing	\$ 40,000	\$ 40,000	NMDGF
Maintain specimens of fishes collected for scientific studies or other activities.	NMDGF, Regents of UNM thru Div. of Fishes, Museum of SW Biol., UNM-ABQ	7/18/2006	Ongoing	\$ -	\$ -	NMDGF
Governing the relationship between the Department and BLM regarding Special Status Species Resource Management Plan Amendment (SSSRMPA).	NMDGF, Pecos District of BLM	3/24/2005	Ongoing	\$ -	\$ -	NMDGF
Set forth conditions for license across SGC land in Taos County for proposed public access trail known as the Pescado Trail.	US Dept. of Interior, BLM-Taos Field Office	7/1/2007	6/30/2017	\$ -	\$ -	NMDGF
Establish a formal framework by which the Department will work with Virginia Tech to maintain and improve the BISON-M.	NMDGF, VPISU	5/7/2007	N/A	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
The Department will conduct the Rio Grande cutthroat trout spawning project within the municipal reservoirs operated by the Water Division.	NMDGF, City of SF Water Div.	9/11/2007	N/A	\$ -	\$ -	NMDGF
Agreement between the NMSGC and the City of Hobbs to manage the property and lake, and their associated uses, cooperatively and effectively.	NMSGC, City of Hobbs	11/3/2008	Ongoing	\$ -	\$ -	NMDGF
For the Conservation, Protection and Management of multi-state aquatic resources in adjacent waters.	Colo. DGF, Utah DGF, Wyoming DGF	3/6/2008	Ongoing	\$ -	\$ -	NMDGF
Collaborative planning and the production of an Environmental Impact Statement for a revision to the Rio Puerco Resource Management Plan.	NMDGF, USBLM	1/28/2009	Ongoing	\$ -	\$ -	NMDGF
The Off-highway Motor Vehicle Act provides that responsibility and authority for management of personnel, property, records and appropriations is transferred from the NM Tourism Department to the Department.	NMDGF, NMTD	4/22/2009	Ongoing	\$ -	\$ -	NMDGF
Appropriation of New Mexico's portion of the Arizona Water Settlement Act of 2004 for the Gila River Project.	NMDGF, DFA	1/8/2009	6/30/2009	\$ -	\$ -	NMDGF
Agreement for the construction of a game resistant fence on property owned by Stockton.	NMDGF, Gene Stockton	5/29/2009	Ongoing	\$ -	\$ -	NMDGF
To provide a framework for cooperation and coordination between the BLM and the Cooperator that will ensure successful completion of RMP/EIE in a timely, efficient, and thorough manner.	NMDGF, USED-BLM Taos Field Office	12/15/2009	Ongoing	\$ -	\$ -	NMDGF
To promote effective communication and collaboration between the state agency and New Mexico Indian nations, tribes and pueblos.	NMDGF, 22 Indian Nations, Tribes and Pueblos	12/16/2009	Ongoing	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
The Department grants and assigns to EMNDR authorization to operate State Parks in the areas designated for use as State Parks.	NMDGF, NMSGC, EMNRD	12/21/2010	Ongoing	\$ -	\$ -	NMDGF
To protect and monitor the water quality, water availability, and conservation of water resources in the reservoir.	NMDGF, ISC EMNRD, SPD, Ute Reservoir	12/22/2010	Ongoing	\$ -	\$ -	NMDGF
To utilize water from Bear Canyon Reservoir pertaining to New Mexico State Engineer for emergency fire suppression.	NMDGF, Forest Service and OSE OSE	6/7/2011	Ongoing	\$ -	\$ -	NMDGF
Irrigation of Storrie project lands located within the New Mexico (McAllister) Wildlife Refuge or for storage within McAllister Lake.	NMDGF, City of Las Vegas	6/21/2011	Ongoing	\$ -	\$ -	NMDGF
To protect and preserve against adverse effects to cultural properties when implementing programs under Chapter 17, NMSA 1978.	NMDGF, NM Historic Pres.	10/11/2011	Ongoing	\$ -	\$ -	NMDGF
To establish a cooperative relationship between Jicarilla G&F and DGF with regards to the importation of fish and cervids.	NMDGF, Jicarilla DGF	4/30/2012	Ongoing	\$ -	\$ -	NMDGF
Exercises common power over the use of the National Resource Center on the State Fair Grounds for enjoyment and education.	NMDGF, NM State Fair	5/17/2012	Ongoing	\$ -	\$ -	NMDGF
An amendment to establish a policy for Statewide Sikes Act Public Land Management Stamp (Habitat Stamp) Program.	NMDGF, NM Historic Pres.	10/11/2011	Ongoing	\$ -	\$ -	NMDGF
An amendment to allow leverage funding for wildlife conservation in developing wildlife habitat along the middle Rio Grande River corridor.	NMDGF, USDI and USDA NRCS	7/27/2012	Ongoing	\$ -	\$ -	NMDGF
Agreement for the City of Raton to operate a public trash management system using "roll off" containers that have bear proof lids that will be provided by DGF.	NMDGF, City of Raton	8/7/2012	Ongoing	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
On-line course amendment.	Kalkomey	7/27/2013	Ongoing	\$ -	\$ -	NMDGF
Set aside a contiguous block of land open to hunting/fishing and minimize interference to the grazing lessee/holder.	L Bar & Pintosa Ranches	8/8/2013	Ongoing	\$ -	\$ -	NMDGF
Set aside a contiguous block of land open to hunting/fishing and minimize interference to the grazing lessee/holder.	Pajarito Ranch	8/8/2013	Ongoing	\$ -	\$ -	NMDGF
Set aside a contiguous block of land open to hunting/fishing and minimize interference to the grazing lessee/holder.	Armstrong Ranch	8/8/2013	Ongoing	\$ -	\$ -	NMDGF
Set aside a contiguous block of land open to hunting/fishing and minimize interference to the grazing lessee/holder.	Betis Stoval Ranch	8/8/2013	Ongoing	\$ -	\$ -	NMDGF
Set aside a contiguous block of land open to hunting/fishing and minimize interference to the grazing lessee/holder.	I Bar X Ranch	8/8/2013	Ongoing	\$ -	\$ -	NMDGF
Provide land which meets the Department's required specifications for the development of an OHV site on the Village's property.	Los Lunas Village, NMDGF (OHV)	8/27/2013	Ongoing	\$ -	\$ -	NMDGF
The Karr Farm Land Transfer in Eddy County, NM	USBOR, Karr Farm Land, NMSHPO	9/3/2013	Ongoing	\$ -	\$ -	NMDGF
Provide land which meets the Department's required specifications for the development of an OHV site on the County's property.	Rio Arriba County & NMDGF (OHV)	9/6/2013	Ongoing	\$ -	\$ -	NMDGF
To provide entry upon and through certain state trust lands. Expires March 31, 2015.	State Game Commission NMDGF	12/12/2013	Ongoing	\$ -	\$ -	NMDGF
Pave Marina Way in order to provide improved access to boating and fishing recreational opportunities.	Village of Eagle Nest and NMDGF	12/12/2013	Ongoing	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Edwards Ranch doesn't want to participate in OPEN GATE at this time.	Edward Stokes Ranch and NMDGF	12/12/2013	Ongoing	\$ -	\$ -	NMDGF
Only for deer and barbary sheep hunting season, the landowner will keep gates unlocked during the deer and Barbary Sheep hunting seasons only.	Felix Canyon Ranch and NMDGF	12/12/2013	Ongoing	\$ -	\$ -	NMDGF
Revise the 1998 Mexican Wolf nonessential experimental population rule.	Ariz. BLM, NM BLM, BIA, US Customs & Border Protec., Ntl. Park Svc., US Army Ft. Huachuca, WSMR, USFWS	12/12/2013	Ongoing	\$ -	\$ -	NMDGF
Management of Lake Roberts on behalf of State Game Commission.	DOT and NMDGF	2/5/2014	Ongoing	\$ -	\$ -	NMDGF
Changes made to the original Grant Agreement "Buckman MX & OHV Track" Section B Subparts 1&2 Direct documented assessment - recommended plan development - Reimbursement for approved expenditures	City of Santa Fe & NMDGF	2/11/2014	Ongoing	\$ -	\$ -	NMDGF
Changes made to the original Grant Agreement Section B Subpart 1 & 2. Provide monies for law enforcement patrols, education & expenditures.	BLM Socorro Field Office & NMDGF	2/21/2014	Ongoing	\$ -	\$ -	NMDGF
Cooperative effort to prepare a resource management plan for the Rio Grande del Norte National Monument. "The Monument Plan"	BLM Taos Field Office & NMDGF	4/16/2014	Ongoing	\$ -	\$ -	NMDGF
A cooperative effort for BLM & NMDGF to work together. To share information concerning Aquatic, Special Hunt Species and Wildlife Conservation	Dept. of Interior, BLM Farmington and NMDGF	12/10/2014	Ongoing	\$ -	\$ -	NMDGF
To cooperatively manage fish and wildlife resources on National Forestry Lands throughout the State of New Mexico.	USDA - Forest Svc. and NMDGF	12/16/2014	Ongoing	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
To provide cooperation for the advancement, organization, research, education, training, public relations & programs relating to fish & wildlife	US Geol. Survey, Dept. of Interior, Regents of NMSU, NMDGF, Wildlife Mgt. Inst. & US Fish & Wildlife Svc. Dept. of Interior,	1/16/2015	Ongoing	\$ -	\$ -	NMDGF
To cooperatively enforce laws & regulations relating to fish & wildlife in their states.	Colo. Parks & Wildlife & NMDGF	2/4/2015	Ongoing	\$ -	\$ -	NMDGF
Right-of-Way easement for access to Morphy Lake.	NMDGF, EMNRD & Acequia De La Isla & La San Jose Commun. Ditch Assoc.	2/17/2015	Ongoing	\$ -	\$ -	NMDGF
Set aside a contiguous block of land open to hunting/fishing and minimize interference to the grazing lessee/holder.	Armstrong Ranch	3/24/2015	Ongoing	\$ -	\$ -	NMDGF
Set aside a contiguous block of land open to hunting/fishing and minimize interference to the grazing lessee/holder.	I Bar X Ranch	3/24/2015	Ongoing	\$ -	\$ -	NMDGF
Set aside a contiguous block of land open to hunting/fishing and minimize interference to the grazing lessee/holder.	L-Bar Pintosa Ranch / McCall	3/24/2015	Ongoing	\$ -	\$ -	NMDGF
Set aside a contiguous block of land open to hunting/fishing and minimize interference to the grazing lessee/holder.	Pajarito Ranch / Taylor	3/24/2015	Ongoing	\$ -	\$ -	NMDGF
Set aside a contiguous block of land open to hunting/fishing and minimize interference to the grazing lessee/holder.	Betis Stoval Ranch/Ward	3/24/2015	Ongoing	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Big Horn Sheep Authorization, License & Hunter Access onto Black Mesa Ranch & Pacheco Ranch	Black Mesa Ranch / Pacheco Ranch & NMDGF	4/1/2015	Ongoing	\$ -	\$ -	NMDGF
To restore and maintain the aquatic habitats & ecosystems throughout the upper Costilla Watershed.	Vermeijo Park & NMDGF	4/1/2015	Ongoing	\$ -	\$ -	NMDGF
Non Binding Charter to support collaborative efforts to protect forest in the Rio Grande Watershed from wildfire & to restore the watershed.	Rio Grande Wildfire & Water Source Prot. Collab. Charter & NMDGF	5/21/2015	Ongoing	\$ -	\$ -	NMDGF
To establish a public shooting range "Cibola County Shooting Complex".	Cibola County & NMDGF	6/10/2015	Ongoing	\$ -	\$ -	NMDGF
Collect and analyze data on prairie and desert grassland ecosystems of the Western Great Plains	Western Association of Fish and Wildlife Agencies and NMDGF	10/1/2015	9/30/2020	\$ -	\$ -	NMDGF
Tracking, dispatching, and supporting unit communication needs for NMDGF Officers	NM Dept. of Public Safety and NMDGF	11/5/2015	11/5/2017	\$ -	\$ -	NMDGF
Right-of-Way Easement No. R-34359, Luera Road, Catron County	State of NM Commissioner of Public Lands and NMDGF	1/28/2016	1/28/2051	\$ 13,211	\$ -	NMDGF
Provide entry upon and through certain state trust lands to authorized hunters, anglers	State of NM Commissioner of Public Lands and NMDGF	4/1/2016	3/31/2017	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 3 – SUPPLEMENTARY SCHEDULE OF JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2016**

	Participants	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Statewide e-learning services via the Innovative Digital Education and Learning (IDEAL-NM) Program	State of NM Public Education Department and NMDGF	4/21/2016	6/30/2018	\$ -	\$ -	NMDGF
Maintain existing Habitat Stamp Program infrastructure, and implement fish and wildlife	US Dept. of Interior, Bureau of Land Management, NM Land Office and NMDGF	5/1/2016	12/31/2017	\$ 200,000	\$ -	NMDGF
Pre production and production of Game Warden TV show	Engel Entertainment and NMDGF	5/10/2016	Ongoing	\$ -	\$ -	NMDGF
Construction and maintenance of boat use facilities on public-use waters in New Mexico	NM Energy, Minerals and Natural Resources Dept.	6/14/2016	Ongoing	\$ 465,000.00	\$ -	NMDGF
Archaeological surveys, excavation, monitoring, testing, laboratory analysis, etc.	The Office of Archaeological Studies, Dept. of Cultural Affairs, and NMDGF	6/30/2016	6/30/2017	\$ -	\$ -	NMDGF

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 4 – SUPPLEMENTARY SCHEDULE OF VENDOR INFORMATION
FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) - UNAUDITED
YEAR ENDED JUNE 30, 2016**

RFB#/RFP# ITB#	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the vendor in-state and chose Veteran's preference (Y or N) for federal funds answer N/A	Brief Description of the Scope of Work	
15-516-1201-00002	Professional Service Contract/ Request for Proposals	ECOSPHERE ENVIRONMEENTAL SERVICES INC	\$152,144.08	N/A	Blue Earth Ecological Consultants, Inc. 1345 Pacheco Street Santa Fe, NM 87505	Y	N/A	Environmental Services	
					Daniel B. Stephens & Associates, Inc. 6020 Academy Road NE Suite 100 Albuquerque, NM 87109	Y	N/A		
					Ecosphere Environmental Services 776 East Second Avenue Durango, Colorado 81301	N	N/A		
					Ecosystems Management Inc. 3737 Princeton Dr NE Suite 150 Albuquerque, NM 87107	Y	N/A		
					Epsilon Systems Solutions Mission Solutions Group, Inc PO Box 25112 Santa Fe, NM 87504	Y	N/A		
					GL Environmental, Inc. PO Box 1746 Las Vegas, New Mexico 87701	Y	N/A		
					RECON Environmental, Inc. 2033 E. Grant Road Tucson, AZ 85719	N	N/A		
					Rocky Mountain Ecology, LLC PO Box 1441 Bernalillo, NM 87004	Y	N/A		
					Smith Environmental & Engineering 1490 W 121st Ave, Suite 101 Westminster, CO 80234	N	N/A		
					SWCA Environmental Consultants 5647 Jefferson Street NE Albuquerque, NM 87109	Y	N/A		
					UNM Office of Contract Archeology 1700 Lomas Blvd NE, Suite 2200 Albuquerque, NM 87131	Y	N/A		
					Zia Engineering & Environmental Consultants, LLC 755 S. Telshor Blvd Las Cruces, NM 88007	Y	N/A		
					REDW LLC 7425 Jefferson Street NE Albuquerque, NM 87109	Y	N		Financial Audit
					Moss Adams LLP 6565 Americas Parkway NE Suite 600 Albuquerque, NM 87110	Y	N		
Clifton Larson Allen LLP 500 Marquette Ave., Suite 800 Albuquerque, NM 87102	Y	N							
Harshwal & Company LLP 6739 Academy Road NE Suite 130 Albuquerque, NM 87109	Y	N							
Atkinson & Co., LTD PO Box 25246 Albuquerque, NM 87125	Y	N							
Barraclough & Associates PC 807 Camino de Monte Rey Santa Fe, NM 87505	Y	N							
Accounting & Consulting Group LLP 2700 San Pedro NE Albuquerque, NM 87110	Y	N							
AECOM Company One Park Square, 6501 Americas Parkway NE Albuquerque, NM 87100	Y	N/A	Engineering Services						
Bohannan Huston, Inc. 7500 Jefferson St NE Albuquerque, NM 87109	Y	N/A							
Engineers Inc., 3400 Highway 480 East Suite A Silver City, NM 88061	Y	N/A							
Forsgren Associates Inc. 6100 Indian School Rd NE, Ste. 205 Albuquerque, NM 87110	Y	N/A							
HDR Engineering Inc. 2155 Louisiana Blvd. NE Suite 9500 Albuquerque, NM 87110	Y	N/A							
Ideals, Inc. 644 Papen Memorial Plaza Las Cruces, NM 88001	Y	N/A							
Morris Surveying Engineering 1216-A Parkway Drive Santa Fe, NM 87507	Y	N/A							
Riverbend Engineering LLC 5929 Pauline St. SW Albuquerque, NM 87107	Y	N/A							
Smith Engineering Company 2201 San Pedro Dr NE Building 4 Albuquerque, NM 87110	Y	N/A							
WHPacific, Inc. 6501 Americas Parkway, NE Suite 400 Albuquerque, New Mexico 87110	Y	N/A							
William J Miller Engineers 2019 Galisteo Street Suite M-4 Santa Fe, NM 87505	Y	N/A							
Wilson & Company Inc. 4900 Lang Ave. NE Albuquerque, NM 87109	Y	N/A							
15-516-1201-00005	Professional Service Contract/ Request for Proposals	RIVERBEND ENGINEERING LLC		\$134,503.46	N/A	Natural Channel Design, Inc. 206 S. Elden St. Flagstaff, AZ 86001	N	N/A	Barrier Design
						Pecos Management Services, Inc. PO Box 13343 Albuquerque, NM 87192	Y	N/A	
			Pioneer Technical Services, Inc. 1101 S. Montana Street Butte, MT 59701			N	N/A		
			Riverbend Engineering, LLC 5929 Pauline St. SW Albuquerque, NM 87107			Y	N/A		
			Tetra Tech, Inc. 6121 Indian School Road, NE Albuquerque, New Mexico 87110			Y	N/A		
			AECOM Company One Park Square, 6501 Americas Parkway NE Albuquerque, NM 87100			Y	N/A	Engineering Services	
			Bohannan Huston, Inc. 7500 Jefferson St NE Albuquerque, NM 87109			Y	N/A		
			Engineers Inc., 3400 Highway 480 East Suite A Silver City, NM 88061			Y	N/A		
			Forsgren Associates Inc. 6100 Indian School Rd NE, Ste. 205 Albuquerque, NM 87110			Y	N/A		
			HDR Engineering Inc. 2155 Louisiana Blvd. NE Suite 9500 Albuquerque, NM 87110			Y	N/A		
			Ideals, Inc. 644 Papen Memorial Plaza Las Cruces, NM 88001			Y	N/A		
			Morris Surveying Engineering 1216-A Parkway Drive Santa Fe, NM 87507			Y	N/A		
			Riverbend Engineering LLC 5929 Pauline St. SW Albuquerque, NM 87107			Y	N/A		
			Smith Engineering Company 2201 San Pedro Dr NE Building 4 Albuquerque, NM 87110			Y	N/A		
WHPacific, Inc. 6501 Americas Parkway, NE Suite 400 Albuquerque, New Mexico 87110	Y	N/A							
William J Miller Engineers 2019 Galisteo Street Suite M-4 Santa Fe, NM 87505	Y	N/A							
Wilson & Company Inc. 4900 Lang Ave. NE Albuquerque, NM 87109	Y	N/A							

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 4 – SUPPLEMENTARY SCHEDULE OF VENDOR INFORMATION
FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) - UNAUDITED
YEAR ENDED JUNE 30, 2016**

RFB#/RFP# ITB#	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the vendor in-state and chose Veteran's preference (Y or N) for federal funds answer N/A	Brief Description of the Scope of Work						
15-516-1201-00005	Professional Service Contract/ Request for Proposals	HDR ENGINEERING, INC	\$199,792.87	N/A	AECOM Company One Park Square, 6501 Americas Parkway NE Albuquerque, NM 87100	Y	N/A	Engineering Services						
					Bohannan Huston, Inc. 7500 Jefferson St NE Albuquerque, NM 87109	Y	N/A							
					Engineers Inc., 3400 Highway 480 East Suite A Silver City, NM 88061	Y	N/A							
					Forsgren Associates Inc. 6100 Indian School Rd NE, Ste. 205 Albuquerque, NM 87110	Y	N/A							
					HDR Engineering Inc. 2155 Louisiana Blvd. NE Suite 9500 Albuquerque, NM 87110	Y	N/A							
					Ideals, Inc. 644 Papen Memorial Plaza Las Cruces, NM 88001	Y	N/A							
					Morris Surveying Engineering 1216-A Parkway Drive Santa Fe, NM 87507	Y	N/A							
					Riverbend Engineering LLC 5929 Pauline St. SW Albuquerque, NM 87107	Y	N/A							
					Smith Engineering Company 2201 San Pedro Dr NE Building 4 Albuquerque, NM 87110	Y	N/A							
					WHPacific, Inc. 6501 Americas Parkway, NE Suite 400 Albuquerque, New Mexico 87110	Y	N/A							
					William J Miller Engineers 2019 Galisteo Street Suite M-4 Santa Fe, NM 87505	Y	N/A							
					Wilson & Company Inc. 4900 Lang Ave. NE Albuquerque, NM 87109	Y	N/A							
					AECOM Company One Park Square, 6501 Americas Parkway NE Albuquerque, NM 87100	Y	N/A							
					Bohannan Huston, Inc. 7500 Jefferson St NE Albuquerque, NM 87109	Y	N/A							
					Engineers Inc., 3400 Highway 480 East Suite A Silver City, NM 88061	Y	N/A							
15-516-1201-00005	Professional Service Contract/ Request for Proposals	MORIS SURVEYING ENGINEERING, LLC	\$161,971.22	N/A	Forsgren Associates Inc. 6100 Indian School Rd NE, Ste. 205 Albuquerque, NM 87110	Y	N/A	Engineering Services						
					HDR Engineering Inc. 2155 Louisiana Blvd. NE Suite 9500 Albuquerque, NM 87110	Y	N/A							
					Ideals, Inc. 644 Papen Memorial Plaza Las Cruces, NM 88001	Y	N/A							
					Morris Surveying Engineering 1216-A Parkway Drive Santa Fe, NM 87507	Y	N/A							
					Riverbend Engineering LLC 5929 Pauline St. SW Albuquerque, NM 87107	Y	N/A							
					Smith Engineering Company 2201 San Pedro Dr NE Building 4 Albuquerque, NM 87110	Y	N/A							
					WHPacific, Inc. 6501 Americas Parkway, NE Suite 400 Albuquerque, New Mexico 87110	Y	N/A							
					William J Miller Engineers 2019 Galisteo Street Suite M-4 Santa Fe, NM 87505	Y	N/A							
					Wilson & Company Inc. 4900 Lang Ave. NE Albuquerque, NM 87109	Y	N/A							
					Keitha Leonard, P.O. Box 522 Tesuque, NM 87574	Y	N/A							
					Nossaman LLP. 18101 Von Karman Avenue, Suite 1800 Irvine, GA 92612	N	N/A							
					Kelley Drye & Warren LLP. 3050 K Street, NW Suite 400 Washington, DC 20007	N	N/A							
					LAW & RESOURCE PLANNING ASSOCIATES, P.C. 201 Third Street NW, Suite 1750 Albuquerque, New Mexico 87102	Y	N/A							
					Sheehan & Sheehan, P.A. 6001 Indian School Rd., N.E., Suite 400 Albuquerque, NM 87110	Y	N/A							
					15-516-1201-00002	Professional Service Contract/ Request for Proposals	SWCA		\$60,765.66	N/A	Blue Earth Ecological Consultants, Inc. 1345 Pacheco Street Santa Fe, NM 87505	Y	N/A	Environmental Services
Daniel B. Stephens & Associates, Inc. 6020 Academy Road NE Suite 100 Albuquerque, NM 87109	Y	N/A												
Ecosphere Environmental Services 776 East Second Avenue Durango, Colorado 81301	N	N/A												
Ecosystems Management Inc. 3737 Princeton Dr NE Suite 150 Albuquerque, NM 87107	Y	N/A												
Epsilon Systems Solutions Mission Solutions Group, Inc PO Box 25112 Santa Fe, NM 87504	Y	N/A												
GL Environmental, Inc. PO Box 1746 Las Vegas, New Mexico 87701	Y	N/A												
RECON Environmental, Inc. 2033 E. Grant Road Tucson, AZ 85719	N	N/A												
Rocky Mountain Ecology, LLC PO Box 1441 Bernalillo, NM 87004	Y	N/A												
Smith Environmental & Engineering 1490 W 121st Ave, Suite 101 Westminster, CO 80234	N	N/A												
SWCA Environmental Consultants 5647 Jefferson Street NE Albuquerque, NM 87109	Y	N/A												
UNM Office of Contract Archeology 1700 Lomas Blvd NE, Suite 2200 Albuquerque, NM 87131	Y	N/A												
Zia Engineering & Environmental Consultants, LLC 755 S. Telshor Blvd Las Cruces, NM 88007	Y	N/A												
30-516-12-05969	Price Agreement/ ITB	ASI CONSTRUCTORS INC	\$190,652.22	N/A				AJAC Enterprises, Inc. 8359 Corona Loop NE Albuquerque, NM 87113			Y	N/A	Lake Roberts Dam	
								ASI Contractors, Inc. 1850 E. Platteville Boulevard Pueblo West, CO 81007			N	N/A		
								Alexander Construction Services LLC 643 State Road 344 Edgewood, New Mexico 87015			Y	N/A		
40-516-13-05184	Price Agreement/ ITB	FOREST FITNESS LLC	\$844,230.00	N/A	Conservation Services, LLC PO Box 216 Jarales, New Mexico 87023	Y	N/A	Vegetation Management Services						
					Forest Fitness, LLC 6 Tall Piñons Tijeras, New Mexico 87059	Y	N/A							
					Forrester & Associates PO Box 1217 Ackerman, Mississippi 39735	N	N/A							
					Giles Construction, LLC 612 N. Main Street Tooele, Utah 84074	N	N/A							
					Nelson Revegetation, LLC 3040 Southside River Road Farmington, New Mexico 87401	Y	N/A							
					Summitt Forests Inc. 2305 Ashland Street, Suite C PMB 432 Ashland, Oregon 97520	N	N/A							
					Sweat LLC PO Box 30174 Pensacola, Florida 32503	N	N/A							

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SCHEDULE 4 – SUPPLEMENTARY SCHEDULE OF VENDOR INFORMATION
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YEAR ENDED JUNE 30, 2016**

RFB#/RFP#/ ITB#	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State/ Out-of- State Vendor (Y or N) (Based on Statutory Definition)	Was the vendor in- state and chose Veteran's preference (Y or N) for federal funds answer N/A	Brief Description of the Scope of Work
40-516-13-05184	Price Agreement/ ITB	FORRESTER & ASSOCIATES LLC	\$655,000.00	N/A	Alexander Construction Services LLC 643 State Road 344 Edgewood, New Mexico 87015	Y	N/A	Vegetation Management Services
					Conservation Services, LLC PO Box 216 Jarales, New Mexico 87023	Y	N/A	
					Forest Fitness, LLC 6 Tall Piñons Tijeras, New Mexico 87059	Y	N/A	
					Forrester & Associates PO Box 1217 Ackerman, Mississippi 39735	N	N/A	
					Giles Construction, LLC 612 N. Main Street Tooele, Utah 84074	N	N/A	
					Nelson Revegetation, LLC 3040 Southside River Road Farmington, New Mexico 87401	Y	N/A	
					Summitt Forests Inc. 2305 Ashland Street, Suite C PMB 432 Ashland, Oregon 97520	N	N/A	
31-516-13-05096	Price Agreement/ ITB	HELIQWEST INTERNATIONAL INC	\$332,492.10	N/A	Sweat LLC PO Box 30174 Pensacola, Florida 32503	N	N/A	Helicopter Rental
					AeroWest Helicopters Services, Inc. 7401 Paseo del Volcan NW Albuquerque, NM 87120	Y	N/A	
40-516-14-05205	Price Agreement/ ITB	SKRETTING USA	\$412,751.53	N/A	HeliQwest International, Inc. 11915 Airport Way Unit #6 Broomfield, CO 80021	N	N/A	Fish Feed
					Rangen, Inc. 115 13th Ave South Buhl, ID 83316-0706	N	N/A	
60-516-15-05294	Price Agreement/ ITB	RANGEN INC	\$55,492.20	N/A	Nelson & Sons, Inc. dba: Stretting USA Tooele, UT 84074	N	N/A	Fish Feed
					Rangen, Inc. 115 13th Ave South Buhl, ID 83316-0706	N	N/A	
30-516-12-05072	Price Agreement/ ITB	NEVE'S UNIFORMS & EQUIP INC	\$102,706.87	N/A	Nelson & Sons, Inc. dba: Stretting USA Tooele, UT 84074	N	N/A	Clothing and Uniform Items
					Kaufman's West LLC 1660 Eubank NE Albuquerque, New Mexico 87112	Y	N/A	
					Neve's Uniforms, Inc. 2520 San Mateo NE Albuquerque, New Mexico 87110	Y	N/A	
30-516-12-05070	Price Agreement/ ITB	GROUNDSKEEPER, THE	\$75,166.16	N/A	Uniforms and More 2524 Vermont NE Albuquerque, New Mexico 87110	Y	N/A	Clean-Up Services
					Zia Graphics 2730 Carlisle Blvd. NE Albuquerque, New Mexico 87110	Y	N/A	
					Advanced Environmental Solutions, Inc. 2318 Roldan Drive Belen, New Mexico 87002	Y	N/A	
					Blue Collar Construction, LLC. Albuquerque, NM 87192 1000 Grefco, Rd. Socorro, NM 87192	Y	N/A	
					Century Club Construction, LLC. 8201 Golf Course NW, Ste. D3-295 Albuquerque, NM 87120	Y	N/A	
					Done Right Construction, LLC. PO Box 252 11 Rancho De Valencia Pecos, NM 87552	Y	N/A	
					Hernandez Builders 578 Atrisco Drive SW Albuquerque, NM 87105	Y	N/A	
					Mevacon LLC 1207 Scoggins Ave. Las Cruces, NM 88005	Y	N/A	
					The Groundskeeper PO Box 10490 Albuquerque, NM 87184	Y	N/A	
					American Spirit Homes, Inc. 1201 Paseo de Onate Espanola NM 87532	Y	N/A	
60-516-15-05305	Price Agreement/ ITB	AMERICAN SPIRIT HOMES INC	\$225,411.00	N/A	Century Club Construction, LLC 8201 Golf Course Road NW Suite D3-295 Albuquerque, NM 87120	Y	N/A	Purchase of Mobile Home
					Advanced Telemetry Systems 470 First Avenue North Isanti, Minnesota 55040	N	N/A	
30-516-12-05062	Price Agreement/ ITB	ADVANCED TELEMETRY SYSTEMS INC	\$310,450.70	N/A	Lotek Wireless 115 Pony Drive Newmarket, Ontario L3Y 7B5 Canada	N	N/A	Purchase of Telemetry Equipment
					Sirtrack Limited 845 Pheasant Lane North Liberty, Iowa 52317	N	N/A	
					Aero Tech, LLC 5333 E. 21st Street Clovis, NM 88101	Y	N/A	
30-516-13-05096	Price Agreement/ ITB	SOUTHWEST HELISERVICES LLC	\$66,440.75	N/A	AeroWest Helicopters 7401 Paseo del Volcan NW Albuquerque, NM 87120	Y	N/A	Helicopter Rental
					Heli-Flite, Inc. dba Aris Helicopters 6871 Airport Drive Riverside, CA 92504	N	N/A	
					HeliQwest International, Inc. 11915 Airport Way Unit #6 Broomfield, CO 80021	N	N/A	
					Heliwild LLC dba Blu Vista Aviation 7901 Cameron Road, Suite 2-136 Auston, TX 78754	N	N/A	
					Mountain Air Helicopters, Inc. 14 Elaine Drive Los Lunas, NM 87031	Y	N/A	
					Quicksilver Air, Inc. 2721 Cormorant Street Fairbanks, AK 99709	N	N/A	
					Southwest Heliservices, LLC Tucson International Airport 2101 E. Elvira Road Tucson, AZ 85756	N	N/A	
					Harbin Fish & Bait Farm 1001 N. Anthony Anthony, KS 67003	N	N/A	
					Wallace Fish Farm PO Box 56 3244 Road L Allen, KS 66833	N	N/A	
					Carus Corporation, 315 Fifth Street Peru, IL 61354	N	N/A	
60-516-15-05287	Price Agreement/ ITB	CARUS CORPORATION	\$143,135.29	N/A	Central Garden & Pet Co. PO Box 504336 St. Louis, MO 63150	N	N/A	Pesticides
					Carus Corporation, 315 Fifth Street Peru, IL 61354	N	N/A	
60-516-15-05287	Price Agreement/ ITB	CENTRAL GARDEN & PET COMPANY	\$210,428.34	N/A	Central Garden & Pet Co. PO Box 504336 St. Louis, MO 63150	N	N/A	Pesticides
					AAC Construction, LLC 18 La Luna Rd. Santa Fe, NM 87507	Y	N/A	
60-516-16-05346	Price Agreement/ ITB	GRANDYDANCER, LLC	\$280,384.99	N/A	GandyDancer, LLC 5801 Bobby Foster Rd. Suite A Albuquerque, NM 87105	N	N/A	Construction of Water Line
					Sasquatch, Inc. 1274 Calle De Comercio, Suite 6 Santa Fe, NM 87507	Y	N/A	

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE 4 – SUPPLEMENTARY SCHEDULE OF VENDOR INFORMATION
FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) - UNAUDITED
YEAR ENDED JUNE 30, 2016**

RFB#/RFP#/ ITB#	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded	In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the vendor in-state and chose Veteran's preference (Y or N) for federal funds answer N/A	Brief Description of the Scope of Work
20-516-00-04998	Price Agreement/ ITB	TROUTLODGE INC.	\$ 113,678.77	N/A	Troutlodge Inc. PO Box 1290, Summer, WA 98390	N	N/A	Female Triploid Rainbow Trout Eggs
60-516-15-05289	Price Agreement/ ITB	TROUTLODGE INC.	\$ 82,057.12	N/A	Troutlodge Inc. PO Box 1290, Summer, WA 98390	N	N/A	Female Triploid Rainbow Trout Eggs
60-516-15-05280	Price Agreement/ ITB	L & J CONSTRUCTION INC	\$ 65,663.10	N/A	AFC LLC, PO Box 26868, Albuquerque, NM 87125	N	N/A	Wire Fence and/or Pipe Fence
					Apache Construction, Co. Inc. DBA: Valley Fence Company PO Box 12312, Albuquerque, NM 87195	N	N/A	
					Keller Inc. DBA: Keller Fencing, PO Box 199, Cliff, NM 88025	N	N/A	
					L&J Construction, Inc. PO Box 1943, Anthony, NM 88021	N	N/A	
20-516-00-04980	Price Agreement/ ITB	RANGEN INC	\$ 84,599.50	N/A	Nelson & Sons, Inc. 712 East 2900 North Tooele, UT 84074	N	N/A	Low Posphorus Fish Feed
					Rangen, Inc. 115 13th Ave South Buhl, ID 83316-0706	N	N/A	

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2016**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
U.S. Department of Interior:				
Sport Fish and Wildlife Restoration Cluster:				
Sport Fish Restoration *	15.605		<u>\$ 1,182,300</u>	\$ 6,108,636
Wildlife Restoration *	15.611			<u>9,069,224</u>
Total Sport Fish and Wildlife Restoration Cluster				<u>15,177,860</u>
San Juan River	15.529			193,058
USFWS CAP 2012	15.608			13,822
Cooperative Endangered Species	15.615			193,982
Hunter Safety Education Section 10	15.626			71,688
State Wildlife Grants	15.634			1,078,993
Passed through Bureau of Land Management:				
Western Governor's Association	15.xxx			<u>236,483</u>
Total U.S. Department of Interior				<u>16,965,886</u>
Total Expenditures of Federal Awards				<u>\$ 16,965,886</u>

* Tested as major programs.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2016**

GENERAL

The accompanying Supplemental Schedule of Expenditures of Federal Awards presents the activities of all federal awards of the Department.

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of State of New Mexico Department of Game and Fish (the Department) under programs of the federal government for the year ended June 30, 2016. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the Department, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Department. The Department has an approved indirect cost rate of 39.28%.

NON-CASH ASSISTANCE

The Department did not receive any federal non-cash assistance during the year ended June 30, 2016.

SUBRECIPIENTS

The Department records disbursements to subrecipients on the cash basis of accounting for the purpose of requesting reimbursement from the federal grantor agencies:

Type	Amount
Boating Access, State Parks Division, New Mexico Energy, Minerals and Natural Resources Dept. - CFDA No. 15.605	\$ 1,000,000
Boating Access, Office of the State Engineer - CFDA No. 15.065	182,300
Total Disbursed to Subrecipients	\$ 1,182,300



CliftonLarsonAllen

INDEPENDENT AUDITORS' 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*

Members of the Commission
State of New Mexico Department of Game and Fish and
Mr. Timothy Keller
New Mexico State Auditor

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, the aggregate remaining fund information, and the budgetary comparison of the general fund of the State of New Mexico Department of Game and Fish (the Department) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements, and the combining and individual funds and related budgetary comparisons of the Department, presented as supplementary information, and have issued our report thereon dated November 30, 2016.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Department'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 Department's internal control. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control.

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

Members of the Commission of
State of New Mexico Department of Game and Fish and
Mr. Timothy Keller
New Mexico State Auditor

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as findings 2016-001 and 2016-002.

The Department's Responses to Findings

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Albuquerque, New Mexico
November 30, 2016

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Members of the Commission
State of New Mexico Department of Game and Fish and
Mr. Timothy Keller
New Mexico State Auditor

Report on Compliance for Each Major Federal Program

We have audited State of New Mexico Department of Game and Fish's (the Department) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Department's major federal programs for the year ended June 30, 2016. The Department's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Department's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Department's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Members of the Commission of
State of New Mexico Department of Game and Fish and
Mr. Timothy Keller
New Mexico State Auditor

Opinion on Each Major Federal Program

In our opinion, the Department complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



CliftonLarsonAllen LLP

Albuquerque, New Mexico
November 30, 2016

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2016**

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiencies identified that are not considered to be material weakness(es)? yes none reported

Type of auditor’s report issued on compliance for major program: Unmodified.

Any audit findings, disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? yes no

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
15.605/15.611	Fish and Wildlife Cluster

Dollar threshold used to distinguish between type A and type B programs \$750,000

Auditee qualified as low-risk auditee? yes no

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2016**

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding 2016-001 Terminated Employees' Access to SHARE

Condition: During our testing of the Department's internal controls over access to its information system, it was identified that some terminated employees (not working as contractors) had access to SHARE and other Department network systems after their termination dates. During our test work, we noted the following delays between termination date and SHARE access removal:

- Termination date effective on 4/1/2016, access was removed on 5/24/2016
- Termination date effective on 9/5/2015, access was removed on 9/15/2015

Criteria: Per the Department's internal policy, a terminated employee's access should be terminated immediately when the employee's termination becomes effective. Some terminated employees who later return to work in the Department as contractors are re-granted access into the SHARE and other Game and Fish systems.

Cause: Lack of timely communication between Human Resources (HR) and the SHARE Liaison. The SHARE Liaison was not immediately notified of terminated employees in order for the latter to deactivate the terminated employee's access.

Effect: Improper access of terminated employee to the Department's system increases the risk of possible misappropriation of assets and manipulation of financial information leading to misstatement of the financial statements. It also increases the risk of unauthorized individuals accessing sensitive departmental information.

Recommendation: We recommend improved communication between HR and the SHARE Liaison to ensure that the SHARE Liaison is promptly advised of each termination or other circumstances that would require an employee's access to be restricted.

Management's Response: The Department recognizes its responsibility to deactivate an employee's access to all Department and other Governmental computer systems, and email service upon their separation from the Department. The Department does have a process in place to notify appropriate Divisions of the separation, however; the Department will ensure that the separation notification is promptly distributed to ensure all access has been terminated. The Department has already taken steps to ensure the distribution of the paperwork is handled in a timely manner. The Department will continue to improve the internal control process to reduce the potential for human error when deactivating a terminated employee's network access.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2016**

SECTION II – FINANCIAL STATEMENT FINDINGS (CONTINUED)

Finding 2016-002 Budget Overage

Condition: The Department identified to the engagement team that the personal services and benefits category in the Fund 19800 budget had actual expenditures of \$20,492,608, which exceeded budgeted expenditure of \$20,367,500 by \$125,108. It was noted that total expenditures in Fund 19800 did not exceed the total budgeted amount.

Criteria: According to NMAC 2.2.2.10 (O)(1a), if actual expenditures exceed budgeted expenditures at the legal level of budgetary control, that fact must be reported in a finding and disclosed in the notes to the financial statements.

Cause: There was excess expenditure over revenue in Fund 19800 at the category level, which is the legal level of budgetary control. This was due to an untimely submission of a Budget Adjustment Request to make an adjustment to the specific category.

Effect: Over-expenditure at the legal level of compliance, which is the category level.

Auditor's Recommendation: We recommend management evaluate the applicable statutes and review current procedures to ensure compliance. Specifically, management must ensure that expenditures are appropriately tracked and budget adjustment requests are made as soon as possible.

Management's Response: The Department recognizes its responsibility to ensure expenditures do not exceed budgeted expenditures. Currently, the Department does track and analyze all budget categories, including the Salaries and Benefits category for each pay period. In this case, at the end of FY16 the Department identified the potential shortfall of budget authority in the Salaries and Benefits category and submitted a budget adjustment request (BAR) to the Department of Finance and Administration. This was done to ensure that the budget was sufficient enough to cover the end of year payroll expenses. However, the Department underestimated the amount needed for the BAR and when the Department discovered a larger BAR amount was needed, the deadline to submit an additional BAR to DFA had passed. The Department has implemented improved budget reports to more accurately identify potential budget shortfalls and take corrective action.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2016**

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings reported for the year ended June 30, 2016.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2016**

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding 2014-001 Interagency Transactions (Other Non-compliance) – Resolved in FY 2016

Condition: During testwork over inter-fund balances, the following items were noted:

- Testing of Due to/Due from transactions, it was identified that prior year due from other state agencies were not properly recognized when received during the fiscal year. This resulted in revenue and due from other state agency balances to be overstated; an adjusting entry was required in the amount of \$62,835.
- During fieldwork it was identified an invoice sent out by the Department for fiscal year 2015 activity of approximately \$15,942 was not properly recognized at year end. An adjustment was required to properly record interagency due from other state agencies at June 30, 2015.

Finding 2015-001 Cash Receipts (Other Non-compliance)- Resolved in FY 2016

Condition: During our internal control testwork over cash receipts, 1 out 22 cash receipt packets tested in the amount of \$20 was not deposited within 24 hours of receipt. The deposit was eventually made 26 days after it was received.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings reported for the year ended June 30, 2015.

**STATE OF NEW MEXICO DEPARTMENT OF GAME AND FISH
EXIT CONFERENCE
JUNE 30, 2016**

An exit conference was held with the Department on November 15, 2016 starting at 1:30 pm. The conference was held at the Department's offices in Santa Fe, New Mexico. The conference was held in a closed meeting to preserve the confidentiality of the audit information prior to the official release of the financial statements by the State Auditor. In attendance were:

**STATE OF NEW MEXICO
DEPARTMENT OF GAME AND FISH**

Alexa Sandoval, Director
Angelica Ruiz, HR Manager
Chris Chadwick, Assistant Director
Donald Jaramillo, Deputy Director
Gail Craven, Federal Aid Coordinator
James Comins III, Assistant Director
Joseph Miano, Accountant/Auditor
Paul Kienzle, Chairman, State Game Commission
Paul Varela, Admin Services Division Chief/CFO

CLIFTONLARSONALLEN LLP

Raul Anaya, CPA, CGFM, CFE, Principal
Ayiku Momoh, Senior Associate

PREPARATION OF FINANCIAL STATEMENTS

The financial statements presented in this report have been prepared by the Department, with guidance from the independent auditor. They are the responsibility of management, as addressed in the Independent Auditors' Report.