

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE

Audited Financial Statements
and Other Financial Information

June 30, 2016



VILLAGE OF ANGEL FIRE, NEW MEXICO

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VILLAGE OF ANGEL FIRE, NEW MEXICO

OFFICIAL ROSTER

Year Ended June 30, 2016

Village Council

Barbara Cottam	Mayor (Current)
Chuck Howe	Mayor Pro-Tem
D. Rogers Lanon	Councilor
Steve Larson	Councilor
Brinn Colenda	Councilor

Village Officials

Richard Tafoya	Village Manager
Terry Cordova	Village Clerk

INDEPENDENT AUDITOR'S REPORT

To Mr. Timothy Keller
New Mexico State Auditor
and the Village of Angel Fire Council Members
of the Village of Angel Fire

Report on Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business type activities, the general fund, and the aggregate remaining fund information of the Village, as of June 30, 2016, and the respective changes in financial position and where applicable, cash flows thereof and the respective 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 nonmajor governmental fund and fiduciary fund of the Village as of June 30, 2016, and the respective changes in financial position thereof and the respective budgetary comparisons for the major enterprise funds and major debt service fund, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not 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. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the Schedule of the Village's Proportionate Share of the Net Pension Liability, and the Schedule of the Village's Contributions on pages 50 - 54, respectively, be presented to supplement the basic financial statements. Such information, although not a part basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2016 on our consideration of the Village'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 Village's internal control over financial reporting and compliance.

The logo for Axiom, featuring the word "Axiom" in a blue, cursive script font.

Albuquerque, New Mexico
December 15, 2016

FINANCIAL SECTION

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF NET POSITION
JUNE 30, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 2,478,553	706,871	3,185,424
Receivables:			
Taxes	715,719	6,751	722,470
Receivables from external parties	38,120	853,268	891,388
Special assessment districts	112,622	-	112,622
Accounts receivable, net of allowance	63,282	-	63,282
Inventories	109,057	79,821	188,878
Internal balances	46,340	(44,962)	1,378
Notes Receivable	1,128,569	-	1,128,569
Capital assets, net of accumulated depreciation	31,094,488	9,996,159	41,090,647
<i>Total assets</i>	<u>35,786,750</u>	<u>11,597,908</u>	<u>47,384,658</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	247,183	71,784	318,967
Total deferred outflows of resources	<u>247,183</u>	<u>71,784</u>	<u>318,967</u>
LIABILITIES			
Accounts payable	40,699	40,466	81,165
Accrued payroll liabilities	45,483	11,680	57,163
Due to other external parties	3,212	144,318	147,530
Interest payable	33,412	118,520	151,932
Deposits payable	4,480	67,872	72,352
Current portion of compensated absences	150,262	34,105	184,367
Current portion of long-term debt	504,890	247,447	752,337
Net pension liability	2,393,932	695,217	3,089,149
Noncurrent portion of long-term debt	6,731,938	4,966,064	11,698,002
<i>Total liabilities</i>	<u>9,908,308</u>	<u>6,325,689</u>	<u>16,233,997</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related	124,604	36,186	160,790
Total deferred inflows of resources	<u>124,604</u>	<u>36,186</u>	<u>160,790</u>
NET POSITION			
Net investment in capital assets	23,857,660	4,782,648	28,640,308
Restricted for:			
Special revenues	855,240	-	855,240
Capital projects	309,834	-	309,834
Debt service	-	-	-
Unrestricted	978,287	525,169	1,503,456
<i>Total net position</i>	<u>\$ 26,001,021</u>	<u>5,307,817</u>	<u>31,308,838</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

Functions/Programs	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		Total
	Expenses	Charges for Service	Operating Grants and Contributions	Governmental	Business Type	
				Activities	Activities	
Primary government:						
Governmental activities:						
General government	\$ 2,325,901	353,102	90,000	(1,882,799)		(1,882,799)
Public safety	1,402,177	62,605	347,920	(991,652)		(991,652)
Economic and physical development	305,707	-	-	(305,707)		(305,707)
Highways and streets	944,979	-	378,329	(566,650)		(566,650)
Culture and recreation	298,941	141,461	-	(157,480)		(157,480)
Planning	179,620	-	-	(179,620)		(179,620)
Interest relating to long-term debt	296,435	-	-	(296,435)		(296,435)
Total governmental activities	5,753,760	557,168	816,249	(4,380,343)		(4,380,343)
Business-type activities:						
Waste Water	940,515	529,536	-	-	(410,979)	(410,979)
Solid Waste	910,555	850,895	-	-	(59,660)	(59,660)
Water	1,212,475	1,779,542	-	-	567,067	567,067
Total business-type activities	3,063,545	3,159,973	-	-	96,428	(4,283,915)
Total primary government	\$ 8,817,305	3,717,141	816,249	(4,380,343)	96,428	(8,664,258)
General Revenues:						
Taxes:						
Franchise				168,075	-	168,075
Gasoline				36,033	-	36,033
Gross receipts				2,642,584	-	2,642,584
Property				1,565,487	-	1,565,487
Lodgers				280,649	-	280,649
Special Assessments				195,254	-	195,254
Miscellaneous				40,547	20,550	61,097
Gain on sale of capital assets				-	-	-
Interest				5,901	-	5,901
Total general revenues				4,934,530	20,550	4,955,080
Transfers				456,655	(456,655)	-
Change in net position				1,010,842	(339,677)	671,165
Beginning net position, as restated				24,990,179	5,647,494	30,637,673
Ending net position				\$ 26,001,021	5,307,817	31,308,838

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

	General Fund 101	Debt Service 402	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments	\$ 1,716,058	4,376	758,119	2,478,553
Receivables:				
Taxes	681,766	-	33,953	715,719
Receivables from external parties	-	-	38,120	38,120
Special assessment districts	-	-	112,622	112,622
Accounts Receivable, net allowance	63,282	-	-	63,282
Inventories	109,057	-	-	109,057
Due from other funds	-	-	286,910	286,910
<i>Total assets</i>	<u>\$ 2,570,163</u>	<u>4,376</u>	<u>1,229,724</u>	<u>3,804,263</u>
LIABILITIES AND FUND BALANCE				
<i>Liabilities:</i>				
Accounts payable	\$ 26,452	-	14,247	40,699
Accrued payroll liabilities	43,608	-	1,875	45,483
Deposits payable	4,480	-	-	4,480
Due to other external parties	3,212	-	-	3,212
Due to other funds	116,641	75,401	48,528	240,570
<i>Total liabilities</i>	<u>194,393</u>	<u>75,401</u>	<u>64,650</u>	<u>334,444</u>
DEFERRED INFLOWS				
Property taxes	440,061	-	-	440,061
<i>Total deferred inflows</i>	<u>440,061</u>	<u>-</u>	<u>-</u>	<u>440,061</u>
<i>Fund Balance:</i>				
Nonspendable - inventory	109,057	-	-	109,057
Restricted for:				
Special revenue funds	-	-	855,240	855,240
Capital projects funds	-	-	309,834	309,834
Debt service	-	-	-	-
Unassigned for:				
General fund	1,826,652	-	-	1,826,652
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Debt service	-	(71,025)	-	(71,025)
<i>Total fund balance (deficit)</i>	<u>1,935,709</u>	<u>(71,025)</u>	<u>1,165,074</u>	<u>3,029,758</u>
<i>Total liabilities, deferred inflows and fund balance</i>	<u>\$ 2,570,163</u>	<u>4,376</u>	<u>1,229,724</u>	<u>3,804,263</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
JUNE 30, 2016

Fund balances - total governmental funds	\$ 3,029,758
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.	31,094,488
Receivables are not available to pay for current-period expenditures and, therefore, are deferred in the funds	440,061
Notes receivable used in governmental activities are not financial resources and, therefore, are not reported in the funds.	1,128,569
Defined benefit pension plan deferred outflows are not financial resources and, therefore, are not reported in the funds	247,183
Defined benefit pension plan deferred inflows are not due and payable in the current period and therefore, are not reported in the funds	(124,604)
Long-term liabilities, including bonds payable, are not due and payable in the current period and accordingly are not reported in the funds:	
Accrued interest expense	(33,412)
Notes payable	(7,236,828)
Net pension liability	(2,393,932)
Compensated absences	(150,262)
	<hr/>
Total net position	<u>\$ 26,001,021</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	General Fund 101	Debt Service 402	Nonmajor Governmental Funds	Total Governmental Funds
<i>Revenues:</i>				
Taxes	\$ 4,056,934	-	381,465	4,438,399
Licenses, permits, fees and fines	92,217	-	4,552	96,769
Charges for services	203,029	-	257,370	460,399
Intergovernmental - state sources	90,000	-	726,249	816,249
Intergovernmental - federal sources	-	-	-	-
Special assessments	-	-	195,254	195,254
Contributions and donations	557	-	333	890
Investment earnings	4,437	3	1,461	5,901
Other	33,068	-	6,589	39,657
<i>Total revenues</i>	<u>4,480,242</u>	<u>3</u>	<u>1,573,273</u>	<u>6,053,518</u>
<i>Expenditures:</i>				
Current				
General government	1,283,183	-	187,336	1,470,519
Public safety	999,373	-	145,569	1,144,942
Economic and physical development	34,215	-	248,568	282,783
Highways and streets	587,624	-	47,426	635,050
Culture and recreation	150,486	-	12,282	162,768
Planning	165,872	-	279	166,151
Capital outlay	370,712	-	399,467	770,179
Debt service				
Principal	-	1,066,174	-	1,066,174
Interest and administrative fees	-	334,014	-	334,014
<i>Total expenditures</i>	<u>3,591,465</u>	<u>1,400,188</u>	<u>1,040,927</u>	<u>6,032,580</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>888,777</u>	<u>(1,400,185)</u>	<u>532,346</u>	<u>20,938</u>
<i>Other financing sources (uses):</i>				
Transfers in	383,000	1,878,095	206,081	2,467,176
Transfers out	(985,586)	(552,021)	(472,914)	(2,010,521)
Sale of capital assets	-	-	-	-
Proceeds from issuance of debt	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(602,586)</u>	<u>1,326,074</u>	<u>(266,833)</u>	<u>456,655</u>
<i>Net change in fund balances</i>	<u>286,191</u>	<u>(74,111)</u>	<u>265,513</u>	<u>477,593</u>
<i>Fund balances (deficits) - beginning of year</i>	<u>1,649,518</u>	<u>3,086</u>	<u>899,561</u>	<u>2,552,165</u>
<i>Fund balances(deficits) - end of year</i>	<u>\$ 1,935,709</u>	<u>(71,025)</u>	<u>1,165,074</u>	<u>3,029,758</u>

See Notes to Financial Statements

**STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

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

Net change in fund balances - total governmental funds	\$ 477,593
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Governmental funds report capital outlays as expenditures, However, in the statement of activities, the cost of certain capital outlays is allocated over the estimated useful lives of the assets acquired and reported as depreciation expense. As a result, fund balance decreased by the amount of financial resources expended, whereas net position decreased by the amount of depreciation expense charged for the year:

Capital expenditures	647,326
Depreciation expense	(1,393,487)

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

Change in property taxes receivable	254,429
Change in note receivable	(217,317)

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

Decrease in accrued interest payable	66,236
Change in net pension liability	142,167
Increase in accrued compensated absences	(30,701)
Principal payments on notes	<u>1,064,596</u>
Change in net position of governmental activities	<u>\$ 1,010,842</u>

See Notes to Financial Statements

**STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 3,890,191	\$ 3,890,191	\$ 4,119,634	\$ 229,443
Licenses, permits, fees & fines	83,676	83,676	92,217	8,541
Charges for services	72,252	72,252	203,029	130,777
Intergovernmental - state sources	90,000	90,000	90,000	-
Contributions and donations	-	-	557	557
Investment earnings	1,200	1,200	4,437	3,237
Other	36,424	42,774	33,068	(9,706)
<i>Total revenues</i>	<u>4,173,743</u>	<u>4,180,093</u>	<u>4,542,942</u>	<u>362,849</u>
<i>Expenditures:</i>				
General government	1,241,721	1,202,266	1,522,905	(320,639)
Public safety	1,050,548	1,050,548	999,373	51,175
Economic and physical development	35,256	42,831	34,215	8,616
Highways and streets	1,144,767	1,130,752	587,624	543,128
Culture and recreation	184,253	250,487	150,486	100,001
Planning	203,463	193,183	165,872	27,311
Capital outlay	235,497	241,342	370,712	(129,370)
<i>Total expenditures</i>	<u>4,095,505</u>	<u>4,111,409</u>	<u>3,831,187</u>	<u>280,222</u>
<i>Other financing sources (uses):</i>				
Transfers in	-	483,778	383,000	(100,778)
Transfers out	(809,448)	(1,168,764)	(985,586)	183,178
Sale of capital assets	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(809,448)</u>	<u>(684,986)</u>	<u>(602,586)</u>	<u>82,400</u>
<i>Net change in fund balances</i>	<u>\$ (731,210)</u>	<u>\$ (616,302)</u>	<u>109,169</u>	<u>\$ 165,027</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			239,722	
Changes in expenses			(62,700)	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 286,191</u>	

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF NET POSITION-PROPRIETARY FUNDS
JUNE 30, 2016

	Major Proprietary Funds			Total
	Waste Water 503	Solid Waste 504	Water 505	
ASSETS				
<i>Current assets:</i>				
Cash and investments	\$ -	102,466	604,405	706,871
<i>Receivables:</i>				
Accounts receivable, net of allowance	111,078	157,278	584,912	853,268
Taxes receivable	-	6,751	-	6,751
Inventory	19,157	11,285	49,379	79,821
Due from other funds	-	47,959	-	47,959
<i>Total current assets</i>	<u>130,235</u>	<u>325,739</u>	<u>1,238,696</u>	<u>1,694,670</u>
<i>Capital assets:</i>				
Land and water rights	376,475	49,856	4,684,000	5,110,331
Buildings	7,244,811	1,397,595	8,316,301	16,958,707
Machinery and equipment	42,073	1,408,151	393,707	1,843,931
Less accumulated depreciation	(4,791,333)	(1,786,422)	(7,445,310)	(14,023,065)
Construction in progress	-	-	106,255	106,255
Total capital assets, net of accumulated depreciation	<u>2,872,026</u>	<u>1,069,180</u>	<u>6,054,953</u>	<u>9,996,159</u>
Total assets	<u>3,002,261</u>	<u>1,394,919</u>	<u>7,293,649</u>	<u>11,690,829</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related	14,832	26,805	30,147	71,784
Total deferred outflows of resources	<u>14,832</u>	<u>26,805</u>	<u>30,147</u>	<u>71,784</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	7,839	14,557	18,070	40,466
Accrued expenses	5,203	3,603	2,874	11,680
Due to other funds	49,712	-	43,209	92,921
Due to other governments	18,487	18,765	107,066	144,318
Interest payable	92,906	2,842	22,772	118,520
Deposits payable	-	1,810	66,062	67,872
Compensated absences current	5,480	7,199	21,426	34,105
Bonds payable-current	116,000	-	-	116,000
<i>Total current liabilities</i>	<u>295,627</u>	<u>48,776</u>	<u>281,479</u>	<u>625,882</u>
<i>Noncurrent liabilities</i>				
Loans payable	-	416,264	131,247	547,511
Bonds payable	4,550,000	-	-	4,550,000
Net pension liability	143,643	259,601	291,973	695,217
<i>Total noncurrent liabilities</i>	<u>4,693,643</u>	<u>675,865</u>	<u>423,220</u>	<u>5,792,728</u>
Total liabilities	<u>4,989,270</u>	<u>724,641</u>	<u>704,699</u>	<u>6,418,610</u>
DEFERRED INFLOWS OF RESOURCES				
Pension related	7,477	13,512	15,197	36,186
Total deferred inflows of resources	<u>7,477</u>	<u>13,512</u>	<u>15,197</u>	<u>36,186</u>
NET POSITION				
Nonspendable-inventory	19,157	11,285	49,379	79,821
Net investment in capital assets	(1,793,974)	652,916	5,923,706	4,782,648
Unrestricted	(204,837)	19,370	630,815	445,348
Total net position	\$ <u>(1,979,654)</u>	<u>683,571</u>	<u>6,603,900</u>	<u>5,307,817</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Major Proprietary Funds			Total
	Waste Water 503	Solid Waste 504	Water 505	
<i>Operating Revenues:</i>				
Sales and Services	\$ 529,183	791,302	1,776,367	3,096,852
<i>Operating Expenses:</i>				
Operating expenses	418,774	774,131	1,008,238	2,201,143
Depreciation	297,070	116,834	199,003	612,907
<i>Total operating expenses</i>	<u>715,844</u>	<u>890,965</u>	<u>1,207,241</u>	<u>2,814,050</u>
<i>Operating (loss) income</i>	<u>(186,661)</u>	<u>(99,663)</u>	<u>569,126</u>	<u>282,802</u>
<i>Non-operating revenues (expenses)</i>				
Gross receipts tax	-	58,100	-	58,100
Earnings on investments	353	1,493	3,175	5,021
Miscellaneous revenues	103	6,413	14,034	20,550
Transfers in/(out)	209,785	139,310	(805,750)	(456,655)
Gain on sale of capital assets	-	-	-	-
Interest expense	(224,671)	(19,590)	(5,234)	(249,495)
<i>Total non-operating revenues (expenses)</i>	<u>(14,430)</u>	<u>185,726</u>	<u>(793,775)</u>	<u>(622,479)</u>
<i>Change in net position</i>	<u>(201,091)</u>	<u>86,063</u>	<u>(224,649)</u>	<u>(339,677)</u>
<i>Net position, beginning of year</i>	<u>(1,778,563)</u>	<u>597,508</u>	<u>6,828,549</u>	<u>5,647,494</u>
<i>Net position, end of year</i>	<u>\$ (1,979,654)</u>	<u>683,571</u>	<u>6,603,900</u>	<u>5,307,817</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2016

	Waste Water Fund	Solid Waste Fund	Water Fund	Total
Cash Flows From Operating Activities				
Cash received from customers	\$ 504,620	792,238	1,670,514	2,967,372
Cash payments to vendors and employees	(350,318)	(776,478)	(1,073,834)	(2,200,630)
Net cash provided by operating activities	<u>154,302</u>	<u>15,760</u>	<u>596,680</u>	<u>766,742</u>
Cash Flows From Non-Capital Financing				
Gross receipts tax revenue	-	58,100	-	58,100
Interfund balances	209,888	139,310	(805,750)	(456,552)
Miscellaneous	-	6,413	14,034	20,447
Interest earnings	353	1,493	3,175	5,021
Net cash (used) provided by non-capital financing activities	<u>210,241</u>	<u>205,316</u>	<u>(788,541)</u>	<u>(372,984)</u>
Cash Flows From Capital and Related				
Purchase of capital assets	(29,872)	(25,325)	(240,111)	(295,308)
Gain on disposal of capital assets	-	-	-	-
Principal payment on bonds	(110,000)	-	(114,350)	(224,350)
Principal payment on loans	-	(73,695)	-	(73,695)
Interest payment on bonds, loans, and leases	(224,671)	(19,590)	(5,234)	(249,495)
Net cash used by capital and related financing activities	<u>(364,543)</u>	<u>(118,610)</u>	<u>(359,695)</u>	<u>(842,848)</u>
Net (decrease) increase in cash and cash equivalents	-	102,466	(551,556)	(449,090)
Cash and cash equivalents, beginning of year	-	-	1,155,961	1,155,961
Cash and cash equivalents, end of year	<u>\$ -</u>	<u>102,466</u>	<u>604,405</u>	<u>706,871</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
Operating income (loss)	\$ (186,661)	(99,663)	569,126	282,802
Noncash items				
Depreciation expense	297,070	116,834	199,003	612,907
PERA Pension plan expense proportion	20,236	14,203	(13,108)	21,331
Adjustments to operating income				
Accounts receivable	(24,563)	41,237	(160,161)	(143,487)
Inventory	(6,610)	(10,124)	(20,825)	(37,559)
Accounts payable	(300)	2,395	(37,564)	(35,469)
Meter deposit	-	-	3,440	3,440
Accrued liabilities	(833)	(3,503)	(6,484)	(10,820)
Due to other governments	604	(3,409)	4,217	1,412
Interfund balances	54,112	(40,301)	54,308	68,119
Compensated absences	1,247	(1,909)	4,728	4,066
Net cash provided (used) by operating activities	<u>\$ 154,302</u>	<u>15,760</u>	<u>596,680</u>	<u>766,742</u>

See Notes to Financial Statements.

STATE OF NEW MEXICO
 VILLAGE OF ANGEL FIRE
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 YEAR ENDED JUNE 30, 2016

	Balance June 30, 2016
ASSETS	
Cash on deposit	\$ 15,260
Due from other funds	<u>-</u>
<i>Total assets</i>	<u><u>\$ 15,260</u></u>
LIABILITIES	
Amount due to individuals (for release bonds)	\$ 13,882
Due to other funds	<u>1,378</u>
<i>Total liabilities</i>	<u><u>\$ 15,260</u></u>

See Notes to Financial Statements

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Village of Angel Fire, New Mexico (the “Village”) was incorporated in 1971 under the laws of the State of New Mexico. The Village operates under a Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, health and social services, culture and recreation, public improvements, planning and zoning and general administrative services.

B. Basis of Presentation – Fund Accounting

The financial statements for the Village have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. As required by GAAP, the financial statements present the Village and entities for which the Village is considered to be financially accountable. There are no component units for the fiscal year ended June 30, 2016.

The government-wide financial statements report information on all of the non-fiduciary activities of the Village. Where appropriate, the effect of Interfund activity has been removed from the statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds and enterprise funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities, and deferred inflows and outflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Private-sector standard of accounting and financial reporting issued prior to December 1989, generally are followed in the government-wide statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). Governments also have the option of following subsequent private-sector guidance for their business-type activities, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Fund Accounting (Continued)

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principle ongoing operations.

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

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

The Village follows the following revenue recognition principles applied to non-exchange transactions which are in Accordance with GASB Statement 33, *Accounting and Reporting for Non-exchange Transactions*:

Derived tax revenues are recognized as revenue in the period when the underlying exchange transaction has occurred and the resources are available. Derived tax revenues include gross receipts tax, gasoline taxes and cigarette taxes.

Imposed non-exchange revenue – property taxes are levied and collected by the Colfax County treasurer on behalf of the Village. The taxes are levied in November and payable in two installments, November 10 and April 10. The County remits to the Village a percentage of the collections made during the month. Taxes are considered delinquent and subject to lien, penalty and interest 30 days after the date on which they are due.

Imposed non-exchange revenue other than property taxes is recognized in the period when an enforceable legal claim has arisen and the resources are available.

Government-mandated non-exchange transactions and voluntary non-exchange transactions are recognized when all applicable eligibility requirements have been met and the resources are available. These include grant revenues, state shared taxes and intergovernmental revenue. Grant revenues are recognized as revenues when the related costs are incurred.

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Fund Accounting (Continued)

Other revenues susceptible to accrual are investment income and charges for services. All other revenues are recognized when they are received and are not susceptible to accrual because they are usually not measurable until payment is actually received.

The Village reports the following major governmental funds:

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

Debt Service – to account for the accumulation of resources for the payment of principal, interest, and related costs on general long-term debt.

Proprietary funds financial statements are reported using the measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place.

The Village uses the following enterprise funds to account for its proprietary funds, which are all major funds:

Wastewater – to account for the provision of waste water services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance billing and collection.

Solid Waste – to account for the provision of landfill services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance billing and collection.

Water – to account for the provision of water services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund. Financing is provided through charges to customers for service.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Fund Accounting (Continued)

The Village reports the following fund types:

General Fund is the general operating fund of the Village. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. Many of the more important functions of the Village, including the Village's general services and administration, are accounted for in this fund.

Special Revenue Funds are used to account for revenues derived from specific sources, which are usually required by law or regulation to be accounted for in separate funds.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those constructed for proprietary funds.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of general long-term principal, interest and related costs.

Agency Funds are used to account for monies held by the Village in a custodial capacity on behalf of third parties or other agencies.

Cash and Investments

Cash includes amounts in demand deposits. Cash deposits are reported at carrying amount, which reasonably estimates fair value. State statutes authorize the Village to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Pool.

Investments

Investments are stated at fair value. Interest income, realized gains and losses on investment transactions, and amortization of premiums and discounts on investment purchases are included in investment income and are allocated to participating funds based on the specific identification of the source of funds for a given investment.

Inventory

Inventory is valued at lower of cost (first-in, first-out) or market. Inventory in the General fund consists of Diesel, gasoline, bulk oil fuels and street and vehicle maintenance supplies. Inventory in the Waste Water and Water funds consist of pipes, valves, and other supply items used to maintain and repair the Village's wastewater and water infrastructure systems.

Capital Assets

Capital assets, which include software, library books, property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or

**VILLAGE OF ANGEL FIRE, NEW MEXICO
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Fund Accounting (Continued)

business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost of more than \$5,000 per Section 12-6-10 NMSA 1978 and an estimated useful life in excess of one year.

Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets’ lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Such assets, including infrastructure assets have high limits that must be met before they are capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Buildings	25 years
Software	3 – 5 years
Vehicle and vehicles under capital lease	5 – 7 years
Machinery and equipment	5 –15 years
Infrastructure	5 – 30 years

Capital assets in proprietary funds are depreciated using the straight-line method over the following estimated useful lives:

Plant and system	5 – 50 years
Equipment	5 – 25 years
Vehicles	5 years

Compensated Absences

The Village provides Paid Time Off (PTO) for needs such as vacation, personal or family illness. The Village accrues PTO based on a full time employee’s length of service in accordance with the following schedule (each regular part time employee accrues at one-half of the rates):

Length of Service	Accrual Rate Per Pay Period	Working Days Per Year
0-1 years	4.62	15
2-5 years	5.54	18
6-10 years	6.79	22
11-15 years	7.69	25
16-20 years	8.62	28
More than 20 years	9.23	30

Regular full time employees shall be allowed to accumulate and carry forward PTO on an annual basis based on length of service, in accordance with the following schedule (each regular part time employee accrues at one-half of the rates):

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Fund Accounting (Continued)

Length of Service	Max Carry Forward (hours)
0-1 years	120
2-5 years	212
6-10 years	264
11-15 years	300
16-20 years	336
More than 20 years	360

Pensions

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

Fund Balance Classifications

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are non-spendable, restricted, and unrestricted, which includes committed, assigned, and unassigned fund balance classifications.

Non-spendable. The non-spendable fund balance classification includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact.

Restricted. Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed. The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of the Village. Those committed amounts cannot be used for any other purpose unless the Village removes or changes the specified use by taking the same type of action it employed to previously commit those accounts.

Assigned. Amounts in the assigned fund balance classification are intended to be used by the Village for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Fund Accounting (Continued)

restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Village, or a management official delegated that authority by the formal Village action.

Unassigned. Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The Village applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other Interfund transfers are reported as operating transfers. All Interfund activity has been eliminated at the government wide level.

Net Position

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. Net assets are reported as restricted when there are limitation imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt” are included in unrestricted net assets. The Government-wide Statement of Net Position reports \$26,001,021 of governmental activities restricted net position of which \$1,094,049 is restricted by enabling legislation.

Cash Flows

For purposes of the Statement of Cash Flows, all highly liquid assets with a maturity of three months or less are considered to be cash equivalents.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation – Fund Accounting (Continued)

Budgetary Information

Actual amounts on the budgetary basis are prepared on the GAAP basis of accounting, which recognizes revenues when earned and expenditures when incurred. Annual budgets are adopted for the general, special revenue, capital projects and enterprise funds. The Village follows the following procedures for establishing the budgetary data reflected in the financial statements:

1. Prior to June, the Village Administrator submits to the Village Council a proposed operating budget for the fiscal year commencing the following July. The operating budget includes proposed expenditures and the means of financing them based on previous years' history. Public hearings are conducted at the Village Hall to obtain taxpayer comments. Prior to July 1, the budget is legally enacted through passage of a resolution.
2. The Village Administrator is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any funds must be approved by the Village Council and New Mexico State Department of Finance, Division of Local Governments.
3. Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds, capital projects fund and enterprise funds.
4. The level of classification detail in which expenditures or expenses may not legally exceed appropriations for each budget is in fund total. Appropriations lapse at year-end.

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 estimated.

NOTE 2 – CASH AND INVESTMENTS

Custodial Credit Risk—Deposits

Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the Village will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Village does not have a deposit policy for custodial credit risk. Deposits are exposed to custodial credit risk if they are not covered by depository insurance and are: 1) uncollateralized, 2) collateralized with securities held by the pledging financial institution, or 3) collateralized with securities held by the pledging financial institution's trust department or agent but not in the Village's name. A schedule of pledged collateral for the Village is on page 95.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 2 – CASH AND INVESTMENTS (CONTINUED)

The total balance in any single financial institution may at times exceed the \$250,000 in FDIC coverage available to individual depositors. The Village is required to obtain from each bank that is a depository for public funds pledged collateral in an aggregate amount equal to one half of the public money in each account in accordance with Section 6-10-17 NMSA 1978. See page 94 for a reconciliation of bank to book balances.

Concentration of Credit Risk – Investments

Concentration of credit risk is the risk of loss attributable to the magnitude of the investment in a single issuer. The Village has no formal policy limiting the amount of investments or deposits at any single institution or with any single issuer.

As of June 30, 2016, the State Treasurer Local Government Investment Pool (LGIP) was rated by Standard's & Poor's as AAAM. At June 30, 2016, the Village had \$176,477 in the LGIP. The State Treasurer Local Government Investment Pool (LGIP) is not SEC registered. The State Treasurer is authorized to invest the short-term investment funds, with the advice and consent of the State Board of Finance. The investments are valued at fair value based on quoted market prices as of the valuation date. The LGIP investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments.

The New Mexico State Treasurer is responsible for approving all changes in the pledged collateral and monitoring the collateral requirements for all deposits maintained by the State Treasurer. The State Treasurer's Office issues separate financial statements which disclose the collateral pledged to secure those deposits.

LGIP does not have unit shares. Monthly, all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in this pool is voluntary. The independent auditor's report, together with the financial statements, the accompanying notes to the financial statements and the independent auditor's report on compliance and internal controls are available from the State Investment Council, 2055 South Pacheco Street, Suite 100, Santa Fe, New Mexico 87505, upon written request.

Interest Rate Risk – Investments

GASB Statement No. 40 defines interest rate risk as the risk that interest variations may adversely affect the fair value of an investment. According to the Statement, an acceptable method of reporting interest rate risk is weighted average maturity ("WAM"). The State Treasurer's Office uses this method for reporting purposes for the Local Government Investment Pool (LGIP). The WAM of the LGIP is identified on the monthly LGIP investment report found on the State Treasurer's Office website at www.nmsto.gov. As of June 30, 2016, the LGIP had a credit risk rating of AAAM and a WAM(R) of 44 days and a WAM(F) of 77 days.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 3 – ACCOUNTS RECEIVABLE

Governmental accounts receivables – customers represent billings for ambulance transport services. Business-Type Activities accounts receivable – customers represents billings for water, waste water and solid waste fees. It is management’s policy to cut off water and waste water service for non-payment. A lien is place on the properties which have outstanding balances. Accounts receivable is comprised of the following at June 30, 2016:

<u>Accounts Receivable</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total Primary Government</u>
Accounts Receivable - Customers	\$ 301,353	\$ 2,353,377	\$ 2,654,730
Less Allowance for uncollectible	(238,071)	(1,506,522)	(1,744,593)
Net Accounts Receivables	<u>63,282</u>	<u>846,855</u>	<u>870,137</u>
Intergovernmental:			
Motor Vehicle	4,187	-	4,187
Capital Projects – 312	1,433	-	1,433
Co-op / MAP Grant	32,500	6,413	38,913
Total Intergovernmental Rec.	<u>38,120</u>	<u>6,413</u>	<u>84,533</u>
Notes Receivable:	1,128,569	-	1,128,569
Taxes Receivable:			
Property Tax	301,010	-	301,010
Gross Receipts Tax	352,455	6,751	359,206
Special Assessment Districts	112,662	-	112,662
Franchise Tax	35,802	-	35,802
Lodgers Tax	14,493	-	14,493
Gas Taxes	5,881	-	5,881
Sports & Recreation	6,038	-	6,038
Total Taxes Receivable	<u>828,341</u>	<u>6,751</u>	<u>835,092</u>
Total Accounts Receivable	<u>\$ 2,058,312</u>	<u>\$ 860,019</u>	<u>\$ 2,918,331</u>

Management has determined that all receivables in excess of 120 days comprise the allowance for uncollectible accounts.

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 4 – CAPITAL ASSETS

Capital Asset activity for the year was as follows:

<u>Governmental Activities</u>	<u>Beg. Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 689,750	-	-	689,750
Land – right of way	2,622,459	-	-	2,622,459
Construction in progress	79,604	23,660	(71,636)	31,628
Water Rights	750,000	-	-	750,000
Total capital assets not being depreciated	4,141,813	23,660	(71,636)	4,093,837
Capital assets being depreciated:				
Buildings	2,263,385	-	-	2,268,385
Software	186,728	8,000	-	194,728
Vehicles	2,470,696	162,558	-	2,466,090
Capital lease vehicles	111,380	-	-	111,380
Sports complex	1,730,321	-	-	1,730,321
Machinery and equipment	425,932	30,015	-	500,307
Infrastructure	35,000,545	494,729	-	35,495,274
Total capital assets being depreciated	42,071,183	695,302	-	42,766,485
Less accumulated depreciation for:				
Buildings	(1,412,525)	(332,605)	-	(1,745,130)
Software	(185,597)	(1,352)	-	(186,949)
Vehicles	(1,967,555)	(131,577)	-	(2,099,132)
Capital lease vehicles	(111,380)	-	-	(111,380)
Sports complex	(346,065)	(115,354)	-	(461,419)
Machinery and equipment	(338,413)	(33,608)	-	(372,021)
Infrastructure	(10,010,812)	(778,991)	-	(10,789,803)
Total accumulated depreciation	(14,372,347)	(1,393,487)	-	(15,765,834)
Total capital assets being depreciated, net	27,698,836	(698,185)	-	27,000,651
Governmental activities capital assets, net	\$ 31,840,649	\$ (674,525)	\$ (71,636)	\$ 31,094,488

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 4 – CAPITAL ASSETS (Continued)

<u>Business-type Activities</u>	<u>Beg. Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>End Balance</u>
Capital assets not being depreciated:				
Land	\$ 860,331	-	-	860,331
Construction in progress	112,445	-	(6,190)	106,255
Water rights	4,250,000	-	-	4,250,000
Total capital assets not being depreciated	5,222,776	-	(6,190)	5,216,586
Capital assets being depreciated:				
Plant and system	16,958,707	-	-	16,958,707
Equipment	956,273	279,078	-	1,235,351
Vehicles	586,160	22,240	-	608,580
Total capital assets being depreciated	18,501,140	301,498	-	18,802,638
Total capital assets	23,723,916	301,498	(6,190)	24,019,224
Less accumulated depreciation for:				
Plant and system	(12,077,089)	(516,008)	-	(12,593,097)
Equipment	(778,078)	(43,058)	-	(821,136)
Vehicles	(554,991)	(53,841)	-	(608,832)
Total accumulated depreciation	(13,410,158)	(612,907)	-	(14,023,065)
Total capital assets being depreciated, net	5,090,982	(311,409)	-	4,779,573
Business-type activities capital assets, net	\$ 10,313,758	(311,409)	(6,190)	9,996,159

Governmental activities:	
General government	\$ (847,640)
Public safety	(164,420)
Culture and recreation	(122,978)
Highways and streets	(258,449)
Total depreciation expense	\$ <u>(1,393,487)</u>
Business-type activities:	
Waste water	\$ (297,070)
Solid waste	(116,834)
Water	(199,003)
Total depreciation expense	\$ <u>(612,907)</u>

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES

During the year ended June 30, 2016, the following changes occurred:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Loans Payable	\$ 4,124,876	\$ -	\$ 540,571	\$ 3,584,305	\$ 217,090
Bonds Payable	4,135,600	-	483,075	3,652,523	287,800
Capital Leases	40,948	-	40,948	-	-
Compensated Absences	119,561	130,610	99,909	150,262	150,262
Total	\$ 8,420,985	\$ 130,610	\$ 1,164,503	\$ 7,387,090	\$ 655,152

Compensated absences related to employees of a given fund are liquidated with money from that fund. Payroll is tracked on a per-fund basis. The majority of compensated absences will be liquidated with money from the general fund.

Management records the pledged revenue related to the debt in another fund and transfer funds to the debt service fund for principal and interest payments.

Loans Payable

On November 25, 2008, the Village obtained a loan from New Mexico Finance Authority in the amount of \$167,212, with a variable interest rate, with an interest rate of 2.70% during the current fiscal year, for the purpose of purchasing equipment for use by the Village. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	19,495	1,439	20,934
2018	20,187	747	20,934
Totals	\$ 39,682	\$ 2,186	\$ 41,868

On September 23, 2008, the Village obtained a loan from the USDA Rural Services Department in the amount of \$700,000, with an interest rate of 4.25%, for the purpose of acquiring, constructing, equipping and improving fire protection facilities and equipment for the Village of Angel Fire. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 31,000	\$ 22,015	53,015
2018	32,000	20,698	52,698
2019	33,000	19,338	52,338
2020	35,000	17,935	52,935
2021	36,000	16,448	52,448
2022-2026	206,000	57,844	263,844
2027-2029	145,000	12,539	157,539
Totals	\$ 518,000	\$ 166,817	\$ 648,817

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES (CONTINUED)

On October 7, 2008, the Village obtained a loan from the USDA Rural Services Department in the amount of \$110,000, with an interest rate of 4.50%, for the purpose of acquiring, constructing, equipping and improving fire protection facilities and equipment for the Village of Angel Fire. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 5,000	\$ 3,735	\$ 8,735
2018	5,000	3,510	8,510
2019	5,000	3,285	8,285
2020	5,000	3,060	8,060
2021	6,000	2,835	8,835
2022-2026	32,000	10,080	42,080
2027-2029	25,000	2,385	27,385
Totals	\$ 83,000	\$ 28,890	\$ 111,890

On February 18, 2010, the Village obtained a loan from New Mexico Finance Authority Loan 2373-PP in the amount of \$1,118,245 for the purpose of Water Rights Refunding (CS Cattle Loan) for the Village of Angel Fire. The Village made a principal payment of \$58,842 during the year and had an outstanding balance of \$763,766 at the end of the year. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	60,377	28,874	89,251
2018	62,110	27,142	89,252
2019	64,017	25,235	89,252
2020	66,072	23,180	89,252
2021	64,109	20,900	85,009
2022-2026	362,462	64,958	427,795
2027	84,619	3,715	88,334
Totals	\$ 763,766	\$ 194,004	\$ 957,770

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES (CONTINUED)

On February 19, 2010, the Village obtained a loan from New Mexico Finance Authority Loan 2373-PP in the amount of \$923,091 for the purpose of Water Rights Refunding (CS Cattle Loan) for the Village of Angel Fire. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ -	\$ 42,146	\$ 42,146
2018	-	42,146	42,146
2019	-	42,146	42,146
2020	-	42,146	42,146
2021	13,481	42,146	55,627
2022-2026	73,051	202,708	275,385
2027-2031	451,984	162,523	529,957
2032-2034	384,575	37,078	562,204
Totals	\$ 923,091	\$ 613,039	\$ 1,536,130

On August 11, 2008, the Village obtained a line of credit with International Bank in the amount of \$500,000, with an interest rate of 5.00% per annum and for unpaid principal balance additional 1.25% floating rate to be applied. The Village paid the remaining outstanding balance of \$115,737 on this line of credit during the fiscal year. At the end of this fiscal year the Village does not have an outstanding balance.

On August 6, 2010, the Village obtained a Public Sports Facility loan from New Mexico Finance Authority in the amount of \$1,730,321 for the purpose of Construction of Public Sports Facilities within the Governmental Unit for the Village of Angel Fire. Management has maintained \$130,092 as reserve on the loan at Bank of New York Mellon Trust Company. The Village made a principal payment of \$84,413 during the year and had an outstanding balance of \$1,241,961 at the end of the year. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 86,413	\$ 43,347	\$ 129,760
2018	88,729	41,031	129,760
2019	91,311	38,449	129,760
2020	94,133	35,628	129,761
2021	97,201	32,559	129,760
2022-2026	539,190	109,612	648,802
2027-2028	244,984	14,536	259,520
Totals	\$ 1,241,961	\$ 315,162	1,557,123

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES (CONTINUED)

On September 17, 2010, the Village obtained a loan from the New Mexico Finance Authority in the amount of \$20,000, with a variable interest rate, with an interest rate ranging from 3.76%-3.97% during the current fiscal year, for the purpose of design and engineering costs associated with implementing phase one of six of the water reuse project in the Village of Angel Fire. The Village made a principal payment of \$15,094 during the year and did not have an outstanding balance at the end of the year due to the early redemption.

On November 16, 2012 the Village obtained a loan from the New Mexico Finance Authority in the amount of \$58,439, with a variable interest rate, with an interest rate ranging from 1.38%-1.86% during the current fiscal year, for the purpose of purchasing and equipping two Police cars. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	14,805	142	14,947
Totals	\$ 14,805	\$ 142	\$ 14,947

Bonds Payable

The Village issued \$700,000 in Rural Utilities Service Bonds on July 23, 1997. The bonds mature January 1, 2037 and were issued at 5.0%. The proceeds of the bonds were used to construct the community center. The future requirements for the 1997 Rural Utilities Service Bonds are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	15,000	26,200	41,200
2018	15,000	25,450	40,450
2019	16,000	24,700	40,700
2020	17,000	23,900	40,900
2021	18,000	23,050	41,050
2022-2026	105,000	100,750	205,750
2027-2031	132,000	71,950	203,950
2032-2036	168,000	35,550	203,550
2037	38,000	1,900	39,900
Totals	\$ 524,000	\$ 360,350	\$ 857,450

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES (CONTINUED)

On September 28, 2007, the Village issued \$1,886,042 in Joint Utility System Improvement Revenue Bonds, Series 2007. The bonds mature on September 28, 2027, and were issued at 4.25%. The proceeds of the bonds were available to the Village for improvement related expenses and were to be drawn down through USDA-RUS approved requisitions. The outstanding balance for these bonds at June 30, 2015 was \$1,396,042. The future requirements for the 2007 Joint Utility System Improvement Revenue Bonds are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 90,000	\$ 59,332	\$ 149,332
2018	90,000	55,932	145,932
2019	90,000	52,107	142,107
2020	100,000	48,282	148,282
2021	100,000	44,457	144,457
2022-2026	590,000	-	590,000
2027-2028	256,042	-	256,042
Totals	\$ 1,316,042	\$ 260,110	\$ 1,576,152

On June 1, 2007, the Village issued \$2,855,664 in Improvement District Bonds, Series 2007. The bonds mature on December 1, 2026, and were issued at 4.125%. The proceeds of the bonds were used to construct or otherwise acquire water and wastewater lines and facilities within the Village. The future requirements for the 2007 Improvement District Bonds are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 136,200	\$ 75,108	\$ 211,308
2018	141,800	69,713	211,513
2019	147,700	64,094	211,794
2020	153,800	58,245	212,045
2021	160,100	52,152	212,252
2022-2026	905,300	160,216	1,065,516
2027-2027	23,368	11,805	35,173
Totals	\$ 1,668,268	\$ 491,333	\$ 2,159,601

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 5 – LONG-TERM OBLIGATIONS—GOVERNMENTAL ACTIVITIES (CONTINUED)

On December 18, 2009, the Village issued \$417,975 in State Shared Gross Receipts Tax Revenue Bonds (Ladder Truck Loan), Series 2009. The date of maturity of the bonds is on May 1, 2019. The proceeds of the bonds were used to purchase a Ladder Truck within the Village. The future requirements for the 2009 State Shared Gross Receipts Tax Revenue Bonds (Ladder Truck Loan) are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	46,600	5,925	52,525
2018	48,017	4,643	52,660
2020	49,596	1,646	51,242
Totals	\$ <u>144,213</u>	\$ <u>12,214</u>	\$ <u>204,970</u>

Accrued Compensated Absences

It is the policy of the Village to grant each permanent and probationary full-time employee annual leave based on the following schedule. Any unused leave which an employee may accrue is 200 hours.

<u>Total Years of Service</u>	<u>Yearly Accumulation</u>
0 – 5 (inclusive)	10 days
6 – 19 (inclusive)	15 days
20 or more	18 days

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 6 – LONG-TERM DEBT—BUSINESS TYPE ACTIVITIES

Business-type activities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Loans Payable	\$ 735,556	\$ -	\$ 188,045	\$ 547,511	\$ 131,447
Bonds Payable	4,776,000	-	110,000	4,666,000	116,000
Compensated Absences	30,039	40,625	31,915	34,105	34,105
Total	<u>\$ 5,541,595</u>	<u>\$ 40,625</u>	<u>\$ 329,960</u>	<u>\$ 5,247,616</u>	<u>\$ 281,552</u>

Loans Payable

The Village is obligated to the New Mexico Finance Authority under certain loans that are accounted for as long-term loans payable. The assets purchased were for the Water Enterprise fund and the Solid Waste transfer station. The water loan is non-interest bearing. The interest rate for the transfer station loan ranges from 3.020% to 4.920%.

The future requirements for the water loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 9,147	\$ 92	\$ 9,239
2018	9,170	69	9,239
2019	9,193	46	9,239
2020	9,216	23	9,239
Totals	<u>\$ 36,726</u>	<u>\$ 230</u>	<u>\$ 36,956</u>

The future requirements for the transfer station are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	76,300	18,686	94,986
2018	79,619	15,376	94,995
2019	83,144	11,860	95,004
2020	86,882	8,131	95,013
2021	90,840	4,182	95,022
Totals	<u>\$ 416,785</u>	<u>\$ 58,235</u>	<u>\$ 475,020</u>

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 6 – LONG-TERM DEBT—BUSINESS TYPE ACTIVITIES (CONTINUED)

On November 25, 2008, the Village obtained a loan from the New Mexico Finance Authority in the amount of \$395,000 for the purchase of a Chipper. The future requirements for the loan are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 46,000	\$ 3,409	\$ 49,409
2018	48,000	1,776	49,776
Totals	\$ 94,000	\$ 5,185	\$ 99,185

Bonds Payable

The Village issued \$3,000,000 in Water System and Waste Water System Revenue Bonds, Series 1998, for the purpose of constructing water systems and a waste water system and related facilities. The bonds mature September, 2038 and have a stated interest rate of 4.75%. The bonds are secured by the revenue of the Water and Waste Water enterprises. The future requirements for the 1998 Water System and Waste Water System Revenue Bonds are payable as follow:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	58,000	110,818	168,818
2018	61,000	108,063	169,063
2019	64,000	105,165	169,165
2020	70,000	102,125	172,125
2021-2025	402,000	459,897	861,897
2026-2030	507,000	359,672	866,672
2031-2035	640,000	233,273	873,273
2036-2039	531,000	73,531	604,531
Totals	\$ 2,333,000	\$ 1,552,544	\$ 3,885,544

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 6 – LONG-TERM DEBT—BUSINESS TYPE ACTIVITIES (CONTINUED)

The Village issued \$3,000,000 in Water System and Waste Water System Revenue Bonds, Series 1999, for the purpose of constructing water systems and a waste water system and related facilities. The bonds mature June 2039, and have a stated interest rate of 4.75%. The bonds are secured by the revenue of the Water and Waste Water enterprises. The future requirements for the 1999 Water System and Waste Water System Revenue Bonds are payable as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	58,000	110,818	168,818
2018	61,000	108,063	169,063
2019	64,000	105,165	169,165
2020	70,000	102,125	172,125
2021-2025	402,000	459,897	861,897
2026-2030	507,000	359,672	866,672
2031-2035	640,000	233,273	873,273
2036-2039	531,000	73,531	604,531
Totals	\$ <u>2,333,000</u>	\$ <u>1,552,544</u>	\$ <u>3,885,544</u>

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 7 – INTERFUND BALANCES

The following are amounts owed between funds and are classified as due from/to other funds at June 30, 2016.

<u>Due From Other Funds</u>	<u>Amount</u>	<u>Due To Other Funds</u>	<u>Amount</u>
Major Governmental Funds:		Major Governmental Funds:	
General Fund	\$ -	General Fund	\$ 116,641
Debt Service Fund	-	Debt Service Fund	75,401
Total Major Governmental Funds	\$ -	Total Major Governmental Funds	\$ 192,042
Nonmajor Governmental Funds:		Nonmajor Governmental Funds:	
Corrections Fund	\$ 1,346	Corrections Fund	\$ -
Emergency Protection Fund	4,189	Emergency Protection Fund	-
Wildland Fires Fund	-	Wildland Fires Fund	4,712
Fire Protection Fund	118,119	Fire Protection Fund	-
Law Enforcement Protection Fund	-	Law Enforcement Protection Fund	1
Lodgers Tax Fund	-	Lodgers Tax Fund	41,710
New Mexico Clean & Beautiful Fund	-	New Mexico Clean & Beautiful Fund	2,105
Public Safety Building Fund	100,778	Public Safety Building Fund	-
MAP Grants Fund	56,864	MAP Grants Fund	-
Capital Projects Fund	5,061	Capital Projects Fund	-
Motor Vehicle Fund	553	Motor Vehicle Fund	-
Total Nonmajor Governmental Funds	\$ 286,910	Total Nonmajor Governmental Funds	\$ 48,528
Enterprise Funds:		Enterprise Funds:	
Waste Water Fund	\$ -	Waste Water Fund	\$ 49,712
Solid Waste Fund	47,959	Solid Waste Fund	-
Water Fund	-	Water Fund	43,209
Total Enterprise Funds	\$ 47,959	Total Enterprise Funds	\$ 92,921
Agency Fund		Agency Fund	
Municipal Court Fund	-	Municipal Court Fund	1,378
Grand Total	\$ 334,869	Grand Total	\$ 334,869

NOTE 8 – DEFICIT FUND BALANCE/NET ASSETS

The following funds had deficit fund balances at June 30, 2016:

Debt Service	\$	(71,025)
Wastewater		(1,979,654)
Total	\$	(3,050,679)

The Village is currently addressing the negative fund balances and is planning on taking the appropriate actions.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 9 – INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2016 consisted of the following:

Major Funds	Transfers In	Transfers Out
<i>Governmental Activities</i>		
General	\$ -	\$ 602,586
Debt Service	1,326,074	-
<i>Business-type Activities</i>		
Wastewater	209,785	-
Solid Waste	139,310	-
Water Fund	-	805,750
Total Major Funds		
Non-Major Funds		
<i>Governmental Activities</i>		
	-	266,833
	<u>\$ 1,675,169</u>	<u>\$ 1,675,169</u>

NOTE 10 – PROPERTY TAXES

Colfax County is responsible for assessing, collecting and distributing property taxes for the Village. Property taxes are assessed on November 1, of each year based on the assessed value the prior January 1 and are payable in two equal installments by November 10 of the year in which the tax bill is prepared and by May 10 of the following year. Property taxes are delinquent if not paid by December 10 and June 10. Taxes on real property are levied on January 1 of the year for which the taxes are imposed.

NOTE 11 – PENSION PLAN—PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

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

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

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

Benefits provided: For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2015 available at <http://www.nmpera.org/assets/uploads/downloads/comprehensive-annual-financial-reports/CAFR-2015.pdf>.

Contributions: The contribution requirements of defined benefit plan members and the Village are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY15 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY15 annual audit report at: http://saonm.org/media/audits/366_Public_Employees_Retirement_Association_2015.pdf. The PERA coverage options that apply to Village are Municipal Plan, Municipal Police Plan, and Municipal Fire Plan. Statutorily required contributions to the pension plan from the Village were \$225,930 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2016.

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

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

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

For PERA Fund Division Municipal Plan, at June 30, 2016, the Village reported a liability of \$1,912,745 for its proportionate share of the net pension liability. At June 30, 2015, the Village’s proportion was 0.1876% percent, which was unchanged from its proportion measured as of June 30, 2014, due to the insignificance of the difference.

For the year ended June 30, 2016, the Village recognized PERA Fund Division Municipal Plan pension expense of \$63,344. At June 30, 2016, the Village reported PERA Fund Division Municipal Plan deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	42,368
Changes in assumptions	-	745
Net difference between projected and actual earnings on pension plan investments	-	6,051
Changes in proportion and differences between Village’s contributions and proportionate share of contributions	-	28,593
Village’s contributions subsequent to the measurement date	<u>165,690</u>	<u>-</u>
Total	<u>\$ 165,690</u>	<u>77,757</u>

\$165,690 reported as deferred outflows of resources related to pensions resulting from the Village’s contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (59,513)
2018	(59,513)
2019	(59,513)
2020	100,783
2021	-
Total:	<u>\$ (77,757)</u>

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

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

For PERA Fund Division Municipal Police Plan, at June 30, 2016, the Village reported a liability of \$427,000 for its proportionate share of the net pension liability. At June 30, 2015, the Village’s proportion was 0.0888% percent, which was unchanged from its proportion measured as of June 30, 2014, due to the insignificance of the difference.

For the year ended June 30, 2016, the Village recognized PERA Fund Division Municipal Police Plan pension expense of \$23,190. At June 30, 2016, the Village reported PERA Fund Division Municipal Police Plan deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 29,837	-
Changes in assumptions	-	17,666
Net difference between projected and actual earnings on pension plan investments	-	1,184
Changes in proportion and differences between Village’s contributions and proportionate share of contributions	-	16,429
Village’s contributions subsequent to the measurement date	<u>38,334</u>	<u>-</u>
Total	<u>\$ 68,171</u>	<u>35,279</u>

\$38,334 reported as deferred outflows of resources related to pensions resulting from the Village’s contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (8,722)
2018	(8,722)
2019	(8,722)
2020	20,724
2021	-
Total:	<u>\$ (5,442)</u>

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

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

For PERA Fund Division Municipal Fire Plan, at June 30, 2016, the Village reported a liability of \$749,404 for its proportionate share of the net pension liability. At June 30, 2015, the Village’s proportion was 0.1452% percent, which was unchanged from its proportion measured as of June 30, 2014, due to the insignificance of the difference.

For the year ended June 30, 2016, the Village recognized PERA Fund Division Municipal Fire Plan pension expense of \$57,322. At June 30, 2016, the Village reported PERA Fund Division Municipal Fire Plan deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 29,513	-
Changes in assumptions	15,805	-
Net difference between projected and actual earnings on pension plan investments	-	901
Changes in proportion and differences between Village’s contributions and proportionate share of contributions	-	46,853
Village’s contributions subsequent to the measurement date	<u>39,787</u>	
Total	<u>\$ 85,106</u>	<u>47,754</u>

\$39,787 reported as deferred outflows of resources related to pensions resulting from the Village’s contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$ (5,606)
2018	(5,606)
2019	(5,606)
2020	14,383
	-
Total:	<u>\$ (2,435)</u>

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

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

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

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

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

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

VILLAGE OF ANGEL FIRE, NEW MEXICO
 NOTES TO FINANCIAL STATEMENTS
 YEAR ENDED JUNE 30, 2016

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

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

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

PERA Fund Division Municipal Plan

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Village’s proportionate share of the net pension liability	\$ 3,256,645	1,912,745	795,383

PERA Fund Division Municipal Police Plan

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Village’s proportionate share of the net pension liability	\$ 705,165	427,000	198,811

PERA Fund Division Municipal Fire Plan

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Village’s proportionate share of the net pension liability	\$ 1,016,377	749,404	529,381

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

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

Pension plan fiduciary net position: Detailed information about the pension plan’s fiduciary net position is available in the separately issued FY15 PERA financial report. The report is available at <http://www.pera.state.nm.us/publications.html>.

Payables to the pension plan: At June 30, 2016, the Village did not have any outstanding payables to PERA.

NOTE 12 – POST EMPLOYMENT HEALTH CARE PLAN

The Village does not participate in the Retiree Health Care Act (Act) (Chapter 10, Article 7C NMSA 1978), but provides comprehensive core group health insurance for persons who have retired from certain public service in New Mexico.

NOTE 13 – RISK MANAGEMENT

The Village 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 government carries commercial insurance. The Village participates in the State of New Mexico Self-Insurers Fund for workers’ compensation claims. In addition, the Village has obtained insurance through a commercial carrier operating as a common risk management and insurance program. The Village pays an annual premium to a commercial carrier for its general coverage and all risk of loss is transferred.

The Village had no significant reductions in insurance coverage from coverage in the prior year. In the fiscal years ended June 30, 2016, 2015 and 2014, there were no settlements that exceeded insurance coverage. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

Litigation

The Village is from time to time the defendant in various lawsuits. For fiscal year end June 30, 2016, there were no such lawsuits pending or ongoing.

Grant Compliance

The Village receives significant financial assistance from the State Government. Entitlement to the resources is generally based on compliance with terms and conditions of the grant agreements and applicable state regulations, including the expenditure of resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantor. As of June 30, 2016, management estimates that no material liabilities will result from such audits.

Commitments

The Village contracts with outside vendors for construction projects. At June 30, 2016, the total amount of contracts outstanding for capital projects could not be determined by the Village.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 14 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

Operating Leases

The Village is committed under several leases for various building and equipment rentals. These leases are considered for accounting purposes to be operating leases and are not reflected in the Village's liabilities at June 30, 2016. The following is a schedule by years of future minimum lease payments under operating leases that have initial or remaining non-cancelable terms in excess of one year as of June 30, 2016.

2017	\$	38,003
2018		20,088
2019		19,223
Total	\$	<u>77,314</u>

NOTE 15 – RECENT ACCOUNTING PRONOUNCEMENTS

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

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

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

VILLAGE OF ANGEL FIRE, NEW MEXICO
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016

NOTE 15 – RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

In December 2015, the GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement establishes criteria that must be met for an external investment pool to be permitted to measure its investments at the amortized cost for financial reporting purposes. This Statement also requires that the pool participants of external investment pools that meet the criteria also report their investments at the amortized cost for financial reporting purposes. External Investment Pools that not meet the requirement are required to follow paragraph 16 of GASB Statement No. 31. GASB Statement No. 79 requires additional note disclosures to be made in qualifying external investment pools financial statements. The additional note disclosures are also required to be made in the pool participants financial statements. The adoption of GASB Statement No. 79 did not have a significant impact on the Village's financial statements.

NOTE 16 – NEW ACCOUNTING PRONOUNCEMENTS

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

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

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

GASB Statement No. 77, *Tax Abatement Disclosures*

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

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

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

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

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

REQUIRED SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF THE VILLAGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2016**

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Village's Proportion of the Net Pension Liability (Asset)	0.01%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Village's Proportionate Share of Net Pension Liability (Asset)	\$ 2,479	3,089	-	-	-	-	-	-	-	-
Village's Covered-Employee Payroll	\$ 1,968	2,064	-	-	-	-	-	-	-	-
Village's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered-Employee Payroll	125.97%	149.65%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	81.29%	76.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30, 2015

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF VILLAGE CONTRIBUTIONS
JUNE 30, 2016

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 215	217	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	215	217	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-	-	-	-

			Increase (Decrease) in Pension Expense over Recognition Periods									
Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 798	5		\$ 199	199	199	199	2				
2015	348	5			71	71	71	135	-			
2016	-	5				-	-	-	-	-		
2017	-	5				-	-	-	-	-	-	
2018	-	5				-	-	-	-	-	-	-
2019	-	5				-	-	-	-	-	-	-
2020	-	5				-	-	-	-	-	-	-
2021	-	5				-	-	-	-	-	-	-
2022	-	5				-	-	-	-	-	-	-
2023	-	5				-	-	-	-	-	-	-
	\$ 1,146			\$ 199	270	270	270	137	-	-	-	-

*Excess contributions represent the employee portion covered by the employer

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF VILLAGE CONTRIBUTIONS
JUNE 30, 2016

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 143	148	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	143	148	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 588	5		\$ 147	147	147	147	-				
2015	268	5			56	56	56	100	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	<u>\$ 856</u>			<u>\$ 147</u>	<u>203</u>	<u>203</u>	<u>203</u>	<u>100</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

*Excess contributions represent the employee portion covered by the employer

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF VILLAGE CONTRIBUTIONS
JUNE 30, 2016

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 34	33	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	34	33	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 141	5		\$ 35	35	35	35	1				
2015	48	5			9	9	9	21	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ 189			\$ 35	44	44	44	22	-	-	-	-

*Excess contributions represent the employee portion covered by the employer

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF VILLAGE CONTRIBUTIONS
JUNE 30, 2016

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Contractually Required Contribution	\$ 38	36	-	-	-	-	-	-	-	-
Contributions in Relation to the Contractually Required Contribution	38	36	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)*	\$ -	-	-	-	-	-	-	-	-	-

Increase (Decrease) in Pension Expense over Recognition Periods

Year	Total Amount Deferred	Amortization Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2014	\$ 69	5		\$ 17	17	17	17	1				
2015	32.00	5			6	6	6	14	-			
2016	-	5				-	-	-	-	-		
2017	-	5					-	-	-	-	-	
2018	-	5						-	-	-	-	-
2019	-	5							-	-	-	-
2020	-	5								-	-	-
2021	-	5									-	-
2022	-	5										-
2023	-	5										
	\$ 101			\$ 17	23	23	23	15	-	-	-	-

*Excess contributions represent the employee portion covered by the employer

**STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016**

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

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

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

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

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

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

SUPPLEMENTARY INFORMATION

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
YEAR ENDED JUNE 30, 2016**

SPECIAL REVENUE FUNDS:

Corrections Fund 201 and Fund 210

To establish an additional source of funds for municipalities to offset the costs of corrections. The source of funds is a \$20 fee which must be paid by all persons violating laws relating to the operations of a motor vehicle. This fund was established by section 33-9-3 NMSA, 1978.

Emergency Medical Services Fund 206

To account for all rescue operations undertaken by the Fire Department and funded through State grants. The fund was established by sections 24-10A-1 through 24-10A-10 NMSA, 1978.

Wildland Fires Fund 208

To account for the State of New Mexico Energy, Minerals & Natural Resources Department grant funds to provide personnel and equipment to fight wild land fires. The fund is authorized by the Village Council.

State Fire Protection Fund 209

To account for the operations and maintenance of the Fire Department. The operations are financed by an allotment from the annual fire grant from the State of New Mexico. The fund was established by section 59-A-53-1 NMSA, 1978.

Law Enforcement Protection Fund 211

To account for the expenditures from the State of New Mexico for training, equipment and capital outlay. Authority is section 29-13-14 NMSA, 1978.

Lodgers Tax Reserve Fund 213

To account for lodgers tax collections. The tax is to be used for anything associated with tourist related facilities, attractions, and transportation systems. The fund was established by section 3-38-14 NMSA, 1978.

New Mexico Tourism Grant Fund 214

To account for New Mexico Department of Tourism grant funds to provide advertising and promotional services through various forms of media to promote tourism for the State of New Mexico in cooperation with the Village of Angel Fire. The fund was authorized under the New Mexico Tourism Act, NMSA 1978 and the Village Council.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
YEAR ENDED JUNE 30, 2016**

Sports and Recreation Fund 217

To account for Village revenues and expenditures relating to recreational facilities and sports and recreation programs. The monetary funds to support the activities carried out in this fund come from the State. The fund was established by section 7-12-15 NMSA, 1978.

Transportation Fund 224

To account for the cost of operating the local transit system. Revenues are derived from the fees collected from passengers and the grant from the Federal Transit Authority. This fund was established by CFR 49 USC 5311.

NM Clean and Beautiful Fund 230

To account for the grant from the New Mexico State Highway and Transportation Department for expenditures incurred for aid and litter control and beautification projects. The fund is authorized by the Village Council.

Motor Vehicle Fund 233

To account for the collection of motor vehicle fees and payment to the State of New Mexico. These fees are collected by the Village on behalf of the State of New Mexico.

Fire Donations Fund 260

To account for money donated to the Village for the purchase of ice rescue equipment. The fund is authorized by the Village Council.

Allen Fields 510

To account for revenues and expenditures, excluding facility debt activity to operate Allen Fields.

CAPITAL PROJECTS FUNDS

The following capital project funds were established for various construction projects and authorized by the Village Council.

Public Safety Building Fund 310

To account for the construction of a public safety building. Construction is to be financed by Municipal Infrastructure Gross Receipts Tax.

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
YEAR ENDED JUNE 30, 2016**

Capital Projects Fund 312

To account for financial resources to be used for the acquisition or construction of major capital facilities other than those constructed for proprietary funds. In FY12 activity included the MAP grant and the Capital Building Water Tank grant authorized by the Village Council.

Capital Building Water Tank Fund 314

Pursuant to Resolution number 2007-67, to account for money collected for the construction and/or replacement of the four water tanks that provide water to the condominium area, as well as the water line that extends to US 64.

Wildland Urban Interface Fund 317

To account for the State of New Mexico Energy, Minerals & Natural Resources Department grant funds relative to defensible space project within the Village. The fund is authorized by the Village Council.

Lagoon Cleanup Fund 318

To account for activity related to the fill-in and clean-up of the former Village lagoon. The fund was established by the provision in the New Mexico Environment Department grant.

Transfer Station Construction Fund 320

To account for the monies received and expended for construction associated with the transfer station.

CIP Water Project Fund 330

To account for the funds used to provide a new 300,000 gallon storage tank and related pipeline for the Village of Angel Fire. The fund is authorized by the Village Council.

GRT Road Project Fund 350

To account for improvements and maintenance of the Village's roads. Street Project is funded through the Municipal Capital Outlay Gross Receipts Tax and is authorized by the Village Council.

MAP Grant Fund 360

To account for the receipt and expenditure of funds from the Transportation Planning Division of New Mexico State Highway and Transportation Department's Municipal Arterial Program (MAP).

**VILLAGE OF ANGEL FIRE, NEW MEXICO
NONMAJOR GOVERNMENTAL FUND DESCRIPTIONS
YEAR ENDED JUNE 30, 2016**

Fire Protection Facility Fund 381

To account for acquiring, constructing, enlarging, improving and extending the fire protection facility to serve the area within the lawful jurisdiction of the Village. The fund was established by 59A-53-7 NMSA, 1978

HWY 434 Assessment Fund 507

To account for money collected from Special Assessment District(s) to provide necessary infrastructure to those areas identified in the proposed Public Improvement District application and other areas throughout the Village. This was passed and approved by the Village Council with Resolution 2007-06.

DEBT SERVICE FUNDS

Ambulance Service 405

To account for the accumulation of Village resources and payment of the Village of Angel Fire, New Mexico Gross Receipts Tax Revenue Bonds, Series 2008B (Ambulance Acquisition), general long-term debt principal, interest and related costs. This fund was passed, adopted and approved by the Village Council on May 20, 2008 with Village Resolution 2008-26.

AGENCY FUNDS

Municipal Court Bond Fund 704

To account for the collection and reimbursement of Municipal Court bonds.

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2016

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$ 738,465	19,654	-	758,119
Receivables:				
Taxes	20,531	13,422	-	33,953
Special assessment districts	-	112,622	-	112,622
Receivables from external parties	36,687	1,433	-	38,120
Due from other funds	<u>124,207</u>	<u>162,703</u>	<u>-</u>	<u>286,910</u>
<i>Total assets</i>	<u>\$ 919,890</u>	<u>309,834</u>	<u>-</u>	<u>1,229,724</u>
LIABILITIES AND FUND BALANCE				
<i>Liabilities:</i>				
Accounts payable	\$ 14,247	-	-	14,247
Accrued payroll liabilities	1,875	-	-	1,875
Deposits payable	-	-	-	-
Due to other external parties	-	-	-	-
Due to other funds	<u>48,528</u>	<u>-</u>	<u>-</u>	<u>48,528</u>
<i>Total liabilities</i>	<u>64,650</u>	<u>-</u>	<u>-</u>	<u>64,650</u>
<i>Fund Balance:</i>				
Nonspendable - inventory	-	-	-	-
Restricted for:				
Special revenue funds	855,240	-	-	855,240
Capital projects funds	-	309,834	-	309,834
Debt service	-	-	-	-
Unassigned for:				
General fund	-	-	-	-
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Debt service	-	-	-	-
<i>Total fund balance (deficit)</i>	<u>855,240</u>	<u>309,834</u>	<u>-</u>	<u>1,165,074</u>
<i>Total liabilities and fund balance</i>	<u>\$ 919,890</u>	<u>309,834</u>	<u>-</u>	<u>1,229,724</u>

See Notes to Financial Statements

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

	Special Revenue Funds	Capital Projects Funds	Debt Service Funds	Total Nonmajor Governmental Funds
<i>Revenues:</i>				
Taxes	\$ 280,649	100,816	-	381,465
Licenses, permits, fees and fines	4,552	-	-	4,552
Charges for services	257,370	-	-	257,370
Intergovernmental - state sources	347,920	378,329	-	726,249
Intergovernmental - federal sources	-	-	-	-
Special assessments	-	195,254	-	195,254
Contributions and donations	333	-	-	333
Investment earnings	1,440	21	-	1,461
Other	6,589	-	-	6,589
<i>Total revenues</i>	<u>898,853</u>	<u>674,420</u>	<u>-</u>	<u>1,573,273</u>
<i>Expenditures:</i>				
Current				
General government	11,144	176,192	-	187,336
Public safety	116,181	29,388	-	145,569
Economic and physical development	248,568	-	-	248,568
Highways and streets	47,426	-	-	47,426
Culture and recreation	12,282	-	-	12,282
Planning	279	-	-	279
Capital outlay	80,051	319,416	-	399,467
Debt service	-	-	-	-
Principal	-	-	-	-
Interest and administrative fees	-	-	-	-
<i>Total expenditures</i>	<u>515,931</u>	<u>524,996</u>	<u>-</u>	<u>1,040,927</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>382,922</u>	<u>149,424</u>	<u>-</u>	<u>532,346</u>
<i>Other financing sources (uses):</i>				
Transfers in	-	206,081	-	206,081
Transfers out	(245,771)	(227,143)	-	(472,914)
Sale of capital assets	-	-	-	-
Proceeds from issuance of debt	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(245,771)</u>	<u>(21,062)</u>	<u>-</u>	<u>(266,833)</u>
<i>Net change in fund balances</i>	137,151	128,362	-	265,513
<i>Fund balances (deficits) - beginning of year</i>	<u>718,089</u>	<u>181,472</u>	<u>-</u>	<u>899,561</u>
<i>Fund balances (deficits) - end of year</i>	<u>\$ 855,240</u>	<u>309,834</u>	<u>-</u>	<u>1,165,074</u>

See Notes to Financial Statements

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	<u>Special Revenue</u>		
	Corrections Fund 201 & 210	State EMS 206	Wildland Fires 208
ASSETS			
Cash and investments	\$ 22,651	6,964	47,670
Receivables:			
Taxes	-	-	-
Special Assessment Districts	-	-	-
Receivables from external parties	-	-	30,000
Due from other funds	<u>1,346</u>	<u>4,189</u>	<u>-</u>
<i>Total assets</i>	<u>\$ 23,997</u>	<u>11,153</u>	<u>77,670</u>
LIABILITIES AND FUND BALANCE			
<i>Liabilities:</i>			
Accounts payable	\$ -	-	-
Accrued payroll liabilities	-	-	215
Deposits payable	-	-	-
Due to other external parties	-	-	-
Due to other funds	<u>-</u>	<u>-</u>	<u>4,712</u>
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>4,927</u>
<i>Fund Balance:</i>			
Nonspendable - inventory	-	-	-
Restricted for:			
Special revenue funds	23,997	11,153	72,743
Capital projects funds	-	-	-
Debt service	-	-	-
Unassigned for:			
General fund	-	-	-
Special revenue funds	-	-	-
Capital projects funds	-	-	-
Debt service	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total fund balance (deficit)</i>	<u>23,997</u>	<u>11,153</u>	<u>72,743</u>
<i>Total liabilities and fund balance</i>	<u>\$ 23,997</u>	<u>11,153</u>	<u>77,670</u>

Special Revenue

	State Fire Protection 209	LEPF Fund 211	Lodgers Tax 213	NM Tourism Grant 214
\$	362,937	201	81,223	-
	-	-	14,493	-
	-	-	-	-
	-	-	-	-
	<u>118,119</u>	-	-	-
\$	<u>481,056</u>	<u>201</u>	<u>95,716</u>	<u>-</u>
\$	5,102	-	8,573	-
	-	-	1,046	-
	-	-	-	-
	-	-	-	-
	-	1	41,710	-
	<u>5,102</u>	<u>1</u>	<u>51,329</u>	<u>-</u>
	-	-	-	-
	475,954	200	44,387	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	<u>475,954</u>	<u>200</u>	<u>44,387</u>	<u>-</u>
\$	<u>481,056</u>	<u>201</u>	<u>95,716</u>	<u>-</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	<u>Special Revenue</u>		
	Sports & Recreation 217	Transit 5311 224	NM Clean & Beautiful 230
ASSETS			
Cash and investments	\$ 177,344	-	-
Receivables:			
Taxes	6,038	-	-
Special Assessment Districts	-	-	-
Receivables from external parties	-	-	2,500
Due from other funds	-	-	-
<i>Total assets</i>	<u>\$ 183,382</u>	<u>-</u>	<u>2,500</u>
LIABILITIES AND FUND BALANCE			
<i>Liabilities:</i>			
Accounts payable	\$ -	-	-
Accrued payroll liabilities	-	-	-
Deposits payable	-	-	-
Due to other external parties	-	-	-
Due to other funds	-	-	2,105
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>2,105</u>
<i>Fund Balance:</i>			
Nonspendable - inventory	-	-	-
Restricted for:			
Special revenue funds	183,382	-	395
Capital projects funds	-	-	-
Debt service	-	-	-
Unassigned for:			
General fund	-	-	-
Special revenue funds	-	-	-
Capital projects funds	-	-	-
Debt service	-	-	-
<i>Total fund balance (deficit)</i>	<u>183,382</u>	<u>-</u>	<u>395</u>
<i>Total liabilities and fund balance</i>	<u>\$ 183,382</u>	<u>-</u>	<u>2,500</u>

Special Revenue

	Fire Donations 260	Allen Fields 510	Motor Vehicle 233	Total Special Revenue Funds
\$	-	3,541	35,934	738,465
	-	-	-	20,531
	-	-	-	-
	-	-	4,187	36,687
	-	-	553	124,207
	<u>-</u>	<u>-</u>	<u>553</u>	<u>124,207</u>
\$	<u>-</u>	<u>3,541</u>	<u>40,674</u>	<u>919,890</u>
\$	-	-	572	14,247
	-	-	614	1,875
	-	-	-	-
	-	-	-	-
	-	-	-	48,528
	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,528</u>
	<u>-</u>	<u>-</u>	<u>1,186</u>	<u>64,650</u>
	-	-	-	-
	-	-	-	-
	-	3,541	39,488	855,240
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>3,541</u>	<u>39,488</u>	<u>855,240</u>
\$	<u>-</u>	<u>3,541</u>	<u>40,674</u>	<u>919,890</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Special Revenue</u>		
	Corrections Fund 201 & 210	State EMS 206	Wildland Fires 208
<i>Revenues:</i>			
Taxes	\$ -	-	-
Licenses, permits, fees and fines	4,552	-	-
Charges for services	-	6,074	51,979
Intergovernmental - state sources	-	33,417	30,000
Intergovernmental - federal sources	-	-	-
Special assessments	-	-	-
Contributions and donations	-	-	-
Investment earnings	9	-	-
Other	-	6,192	-
<i>Total revenues</i>	<u>4,561</u>	<u>45,683</u>	<u>81,979</u>
<i>Expenditures:</i>			
Current			
General government	-	-	-
Public safety	525	23,979	40,956
Economic and physical development	-	-	-
Highways and streets	-	1,732	4,508
Culture and recreation	-	-	-
Planning	-	279	-
Capital outlay	-	13,417	10,188
Debt service			
Principal	-	-	-
Interest and administrative fees	-	-	-
<i>Total expenditures</i>	<u>525</u>	<u>39,407</u>	<u>55,652</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>4,036</u>	<u>6,276</u>	<u>26,327</u>
<i>Other financing sources (uses):</i>			
Transfers in	-	-	-
Transfers out	-	-	-
Sale of capital assets	-	-	-
Proceeds from issuance of debt	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	4,036	6,276	26,327
<i>Fund balances (deficits) - beginning of year</i>	<u>19,961</u>	<u>4,877</u>	<u>46,416</u>
<i>Fund balances (deficits) - end of year</i>	<u>\$ 23,997</u>	<u>11,153</u>	<u>72,743</u>

Special Revenue

	State Fire Protection 209	LEPF Fund 211	Lodgers Tax 213	NM Tourism Grant 214
\$	-	-	280,649	-
	-	-	-	-
	-	-	-	-
	262,103	22,400	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	24	-	-
	342	-	-	-
	<u>262,445</u>	<u>22,424</u>	<u>280,649</u>	<u>-</u>
	10,208	-	131	-
	43,439	7,282	-	-
	-	-	248,568	-
	-	-	21	-
	-	-	-	-
	-	-	-	-
	56,446	-	-	-
	-	-	-	-
	-	-	-	-
	<u>110,093</u>	<u>7,282</u>	<u>248,720</u>	<u>-</u>
	<u>152,352</u>	<u>15,142</u>	<u>31,929</u>	<u>-</u>
	-	-	-	-
	(60,163)	(14,947)	(40,900)	-
	-	-	-	-
	-	-	-	-
	<u>(60,163)</u>	<u>(14,947)</u>	<u>(40,900)</u>	<u>-</u>
	92,189	195	(8,971)	-
	<u>383,765</u>	<u>5</u>	<u>53,358</u>	<u>-</u>
\$	<u><u>475,954</u></u>	<u><u>200</u></u>	<u><u>44,387</u></u>	<u><u>-</u></u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Special Revenue</u>		
	Sports & Recreation 217	Transit 224	NM Clean & Beautiful 230
	<u>217</u>	<u>224</u>	<u>230</u>
<i>Revenues:</i>			
Taxes	\$ -	-	-
Licenses, permits, fees and fines	-	-	-
Charges for services	130,064	-	2,722
Intergovernmental - state sources	-	-	-
Intergovernmental - federal sources	-	-	-
Special assessments	-	-	-
Contributions and donations	33	-	300
Investment earnings	1,401	-	-
Other	-	-	-
<i>Total revenues</i>	<u>131,498</u>	<u>-</u>	<u>3,022</u>
<i>Expenditures:</i>			
Current			
General government	-	-	-
Public safety	-	-	-
Economic and physical development	-	-	-
Highways and streets	-	-	-
Culture and recreation	75	-	2,627
Planning	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest and administrative fees	-	-	-
<i>Total expenditures</i>	<u>75</u>	<u>-</u>	<u>2,627</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>131,423</u>	<u>-</u>	<u>395</u>
<i>Other financing sources (uses):</i>			
Transfers in	-	-	-
Transfers out	(129,761)	-	-
Sale of capital assets	-	-	-
Proceeds from issuance of debt	-	-	-
<i>Total other financing sources (uses)</i>	<u>(129,761)</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	1,662	-	395
<i>Fund balances (deficits) - beginning of year</i>	<u>181,720</u>	<u>-</u>	<u>-</u>
<i>Fund balances (deficits) - end of year</i>	<u>\$ 183,382</u>	<u>-</u>	<u>395</u>

Special Revenue

	Fire Donations 260	Allen Fields 510	Motor Vehicle 233	Total Special Revenue Funds
\$	-	-	-	280,649
	-	-	-	4,552
	-	8,675	57,856	257,370
	-	-	-	347,920
	-	-	-	-
	-	-	-	333
	-	-	6	1,440
	-	-	55	6,589
	-	8,675	57,917	898,853
	-	-	805	11,144
	-	-	-	116,181
	-	-	-	248,568
	-	158	41,007	47,426
	-	9,580	-	12,282
	-	-	-	279
	-	-	-	80,051
	-	-	-	-
	-	-	-	-
	-	9,738	41,812	515,931
	-	(1,063)	16,105	382,922
	-	-	-	-
	-	-	-	(245,771)
	-	-	-	-
	-	-	-	-
	-	-	-	(245,771)
	-	(1,063)	16,105	137,151
	-	4,604	23,383	718,089
\$	-	3,541	39,488	855,240

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Capital Projects				
	Public Safety Building 310	Capital Projects 312	CB Water Tank 314	Wildland Urban Interface 317	Lagoon Cleanup 318
ASSETS					
Cash and investments	\$ 4,901	12,111	-	-	-
Receivables:					
Taxes	13,422	-	-	-	-
Special Assessment Districts	-	-	-	-	-
Receivables from external parties	-	1,433	-	-	-
Due from other funds	100,778	5,061	-	-	-
<i>Total assets</i>	<u>\$ 119,101</u>	<u>18,605</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES AND FUND BALANCE					
<i>Liabilities:</i>					
Accounts payable	\$ -	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Deposits payable	-	-	-	-	-
Due to other external parties	-	-	-	-	-
Due to other funds	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balance:</i>					
Nonspendable - inventory	-	-	-	-	-
Restricted for:					
Special revenue funds	-	-	-	-	-
Capital projects funds	119,101	18,605	-	-	-
Debt service	-	-	-	-	-
Unassigned for:					
General fund	-	-	-	-	-
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Debt service	-	-	-	-	-
<i>Total fund balance (deficit)</i>	<u>119,101</u>	<u>18,605</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 119,101</u>	<u>18,605</u>	<u>-</u>	<u>-</u>	<u>-</u>

Capital Projects

	Transfer Station Construction 320	CIP Water Project 330	GRT Road Project 350	MAP Grant 360
\$	-	-	-	2,012
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	56,864
\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,876</u>
\$	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	58,876
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	58,876
\$	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,876</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Capital Projects			Debt Service	
	Fire Protection Facility 381	HWY 434 Assessment 507	Total Capital Project Funds	Ambulance Debt Service Fund 405	Total Debt Service and Capital Projects Funds
ASSETS					
Cash and investments	\$ -	630	19,654	-	19,654
Receivables:					
Taxes	-	-	13,422	-	13,422
Special Assessment Districts	-	112,622	112,622	-	112,622
Receivables from external parties	-	-	1,433	-	1,433
Due from other funds	-	-	162,703	-	162,703
<i>Total assets</i>	\$ -	113,252	309,834	-	309,834
LIABILITIES AND FUND BALANCE					
<i>Liabilities:</i>					
Accounts payable	\$ -	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Deposits payable	-	-	-	-	-
Due to other external parties	-	-	-	-	-
Due to other funds	-	-	-	-	-
<i>Total liabilities</i>	-	-	-	-	-
<i>Fund Balance:</i>					
Nonspendable - inventory	-	-	-	-	-
Restricted for:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	113,252	309,834	-	309,834
Debt service	-	-	-	-	-
Unassigned for:					
General fund	-	-	-	-	-
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Debt service	-	-	-	-	-
<i>Total fund balance (deficit)</i>	-	113,252	309,834	-	309,834
<i>Total liabilities and fund balance</i>	\$ -	113,252	309,834	-	309,834

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Capital Projects				
	Public Safety Building 310	Capital Projects 312	CB Water Tank 314	Wildland Urban Interface 317	Lagoon Cleanup 318
<i>Revenues:</i>					
Taxes	\$ 100,816	-	-	-	-
Licenses, permits, fees and fines	-	-	-	-	-
Charges for services	-	-	-	-	-
Intergovernmental - state sources	-	1,433	-	-	-
Intergovernmental - federal sources	-	-	-	-	-
Special assessments	-	-	-	-	-
Contributions and donations	-	-	-	-	-
Investment earnings	-	-	-	-	-
Other	-	-	-	-	-
<i>Total revenues</i>	<u>100,816</u>	<u>1,433</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>					
Current					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Economic and physical development	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Planning	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service	-	-	-	-	-
Principal	-	-	-	-	-
Interest and administrative fees	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>100,816</u>	<u>1,433</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Proceeds from issuance of debt	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	100,816	1,433	-	-	-
<i>Fund balances (deficits) - beginning of year</i>	<u>18,285</u>	<u>17,172</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances (deficits) - end of year</i>	\$ <u><u>119,101</u></u>	<u><u>18,605</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

Capital Projects

	Transfer Station Construction 320	CIP Water Project 330	GRT Road Project 350	COOP/ MAP Grants 360
\$	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	376,896
	-	-	-	-
	-	-	-	-
	-	-	-	21
	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>376,917</u>
	-	-	-	-
	-	-	-	176,192
	-	-	-	29,388
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	-
	-	-	-	319,416
	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>524,996</u>
	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(148,079)</u>
	-	-	-	-
	-	-	-	155,587
	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>155,587</u>
	-	-	-	-
	-	-	-	7,508
	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,368</u>
\$	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>58,876</u></u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL PROJECT FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Capital Projects			Debt Service	
	Fire Protection Facility 381	HWY 434 Assessment 507	Total Capital Project Funds	Ambulance Debt Service Fund 405	Total Debt Service and Capital Projects Funds
<i>Revenues:</i>					
Taxes	\$ -	-	100,816	-	100,816
Licenses, permits, fees and fines	-	-	-	-	-
Charges for services	-	-	-	-	-
Intergovernmental - state sources	-	-	378,329	-	378,329
Intergovernmental - federal sources	-	-	-	-	-
Special assessments	-	195,254	195,254	-	195,254
Contributions and donations	-	-	-	-	-
Investment earnings	-	-	21	-	21
Other	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>195,254</u>	<u>674,420</u>	<u>-</u>	<u>674,420</u>
<i>Expenditures:</i>					
Current					
General government	-	-	176,192	-	176,192
Public safety	-	-	29,388	-	29,388
Economic and physical development	-	-	-	-	-
Highways and streets	-	-	-	-	-
Health	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Planning	-	-	-	-	-
Capital outlay	-	-	319,416	-	319,416
Debt service					
Principal	-	-	-	-	-
Interest and administrative fees	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>524,996</u>	<u>-</u>	<u>524,996</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>195,254</u>	<u>149,424</u>	<u>-</u>	<u>149,424</u>
<i>Other financing sources (uses):</i>					
Transfers in	-	50,494	206,081	-	206,081
Transfers out	-	(227,143)	(227,143)	-	(227,143)
Proceeds from issuance of debt	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(176,649)</u>	<u>(21,062)</u>	<u>-</u>	<u>(21,062)</u>
<i>Net change in fund balances</i>	-	18,605	128,362	-	128,362
<i>Fund balances (deficits) - beginning of year</i>	<u>-</u>	<u>94,647</u>	<u>181,472</u>	<u>-</u>	<u>181,472</u>
<i>Fund balances (deficits) - end of year</i>	<u>\$ -</u>	<u>113,252</u>	<u>309,834</u>	<u>-</u>	<u>309,834</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
CORRECTIONS - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive
	Original	Final		(Negative)
<i>Revenues:</i>				
Licenses, permits, fees & fines	\$ 4,000	\$ 4,000	\$ 4,561	\$ 561
<i>Total revenues</i>	<u>4,000</u>	<u>4,000</u>	<u>4,561</u>	<u>561</u>
<i>Expenditures:</i>				
Public safety	3,000	3,000	525	2,475
<i>Total expenditures</i>	<u>3,000</u>	<u>3,000</u>	<u>525</u>	<u>2,475</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ 1,000</u>	<u>\$ 1,000</u>	<u>4,036</u>	<u>\$ 3,036</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			-	
Changes in expenses			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 4,036</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
EMERGENCY MEDICAL SERVICES - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive
	Original	Final		(Negative)
<i>Revenues:</i>				
State operating grants	\$ 9,500	\$ 33,417	\$ 33,417	\$ -
Charges for services	1,000	1,000	12,266	11,266
Total revenues	10,500	34,417	45,683	11,266
<i>Expenditures:</i>				
General government	10,000	43,453	-	43,453
Public safety	-	-	23,979	(23,979)
Highways and streets	-	-	1,732	(1,732)
Planning	-	-	279	(279)
Capital outlay	-	-	13,417	(13,417)
Total expenditures	10,000	43,453	39,407	4,046
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	\$ 500	\$ (9,036)	6,276	\$ 15,312
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			-	
Changes in expenses			-	
Net Change in Fund Balances (GAAP Basis)			\$ 6,276	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
WILDLAND FIRES - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
State operating grants	\$ 43,000	\$ 94,979	\$ 30,000	\$ (64,979)
Charges for services	-	-	51,979	51,979
Total revenues	43,000	94,979	81,979	(64,979)
<i>Expenditures:</i>				
Public safety	40,040	92,019	41,171	50,848
Highways and streets	-	-	4,508	(4,508)
Capital Outlay	-	-	10,188	(10,188)
Total expenditures	40,040	92,019	55,867	36,152
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	\$ 2,960	\$ 2,960	26,112	\$ 23,152
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			215	
Changes in expenses			-	
Net Change in Fund Balances (GAAP Basis)			\$ 26,327	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
FIRE PROTECTION - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
State capital grants	\$ 207,000	\$ 262,103	\$ 262,445	\$ 342
<i>Total revenues</i>	<u>207,000</u>	<u>262,103</u>	<u>262,445</u>	<u>342</u>
<i>Expenditures:</i>				
General Government	310,000	365,103	15,147	349,956
Public Safety	-	-	43,439	(43,439)
Capital outlay	-	-	56,446	(56,446)
<i>Total expenditures</i>	<u>310,000</u>	<u>365,103</u>	<u>115,032</u>	<u>250,071</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Sale of capital assets	-	-	-	-
Transfers out	(62,000)	(61,015)	(60,163)	852
<i>Total other financing sources (uses)</i>	<u>(62,000)</u>	<u>(61,015)</u>	<u>(60,163)</u>	<u>852</u>
<i>Net change in fund balances</i>	<u>\$ (165,000)</u>	<u>\$ (164,015)</u>	<u>87,250</u>	<u>\$ 251,265</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			4,939	
Changes in expenses			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 92,189</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
LAW ENFORCEMENT PROTECTION- SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
State operating grants	\$ 22,400	\$ 22,400	\$ 22,424	\$ 24
Other	-	-	-	-
<i>Total revenues</i>	<u>22,400</u>	<u>22,400</u>	<u>22,424</u>	<u>24</u>
<i>Expenditures:</i>				
General government	-	-	-	-
Public safety	7,453	7,453	7,282	171
Capital Outlay	-	-	-	-
<i>Total expenditures</i>	<u>7,453</u>	<u>7,453</u>	<u>7,282</u>	<u>171</u>
<i>Other financing sources (uses)</i>				
Sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(14,947)	(14,947)	(14,947)	-
<i>Total other financing sources (uses)</i>	<u>(14,947)</u>	<u>(14,947)</u>	<u>(14,947)</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ 14,947</u>	<u>\$ 14,947</u>	<u>195</u>	<u>\$ (14,752)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			-	
Changes in expenses			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 195</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
LODGERS TAX RESERVE- SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 252,711	\$ 261,711	\$ 278,512	\$ 16,801
Other	-	-	-	-
<i>Total revenues</i>	<u>252,711</u>	<u>261,711</u>	<u>278,512</u>	<u>16,801</u>
<i>Expenditures:</i>				
General government	-	-	131	(131)
Economic & physical development	251,341	264,066	256,574	7,492
Highways and Streets	-	-	21	(21)
<i>Total expenditures</i>	<u>251,341</u>	<u>264,066</u>	<u>256,726</u>	<u>7,340</u>
<i>Other financing sources (uses)</i>				
Trasnfers in	-	72,100	-	(72,100)
Transfers out	(40,900)	(40,900)	(40,900)	-
<i>Total other financing sources (uses)</i>	<u>(40,900)</u>	<u>31,200</u>	<u>(40,900)</u>	<u>(72,100)</u>
<i>Net change in fund balances</i>	<u>\$ (39,530)</u>	<u>\$ 28,845</u>	<u>(19,114)</u>	<u>\$ (62,639)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			8,006	
Changes in expenses			<u>2,137</u>	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (8,971)</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SPORTS AND RECREATION - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Charges for services	\$ 121,301	\$ 121,301	\$ 129,606	\$ 8,305
Other	-	-	1,434	1,434
<i>Total revenues</i>	<u>121,301</u>	<u>121,301</u>	<u>131,040</u>	<u>9,739</u>
<i>Expenditures:</i>				
Culture and recreation	-	150	75	75
<i>Total expenditures</i>	<u>-</u>	<u>150</u>	<u>75</u>	<u>75</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	9,000	-	(9,000)
Transfers out	(120,760)	(129,760)	(129,761)	(1)
<i>Total other financing sources (uses)</i>	<u>(120,760)</u>	<u>(120,760)</u>	<u>(129,761)</u>	<u>(9,001)</u>
<i>Net change in fund balances</i>	<u>\$ 541</u>	<u>\$ 391</u>	<u>1,204</u>	<u>\$ 813</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			-	
Changes in expenses			458	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 1,662</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
NM CLEAN & BEAUTIFUL - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Charges for services	\$ 2,500	\$ 2,500	\$ 222	\$ (2,278)
Other	-	-	300	300
<i>Total revenues</i>	<u>2,500</u>	<u>2,500</u>	<u>522</u>	<u>(1,978)</u>
<i>Expenditures:</i>				
Culture and recreation	2,500	2,800	2,627	173
<i>Total expenditures</i>	<u>2,500</u>	<u>2,800</u>	<u>2,627</u>	<u>173</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ (300)</u>	<u>(2,105)</u>	<u>\$ (1,805)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			-	
Changes in expenses			2,500	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 395</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
ALLEN FIELDS - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Charges for services	\$ 10,000	\$ 10,000	\$ 8,675	\$ (1,325)
Other	5,000	5,000	-	(5,000)
<i>Total revenues</i>	<u>15,000</u>	<u>15,000</u>	<u>8,675</u>	<u>(6,325)</u>
<i>Expenditures:</i>				
Highways and streets	-	-	158	(158)
Culture and Recreation	15,000	15,000	9,580	5,420
<i>Total expenditures</i>	<u>15,000</u>	<u>15,000</u>	<u>9,738</u>	<u>5,262</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,063)</u>	<u>\$ (1,063)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			-	
Changes in expenses			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (1,063)</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
MVD - SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Charges for services	\$ 45,503	\$ 45,503	\$ 54,691	\$ 9,188
Investment earnings	-	-	6	6
<i>Total revenues</i>	<u>45,503</u>	<u>45,503</u>	<u>54,697</u>	<u>9,194</u>
<i>Expenditures:</i>				
General government	-	-	805	(805)
Highways and streets	41,747	42,236	41,100	1,136
<i>Total expenditures</i>	<u>41,747</u>	<u>42,236</u>	<u>41,905</u>	<u>331</u>
<i>Other financing sources (uses)</i>				
Transfer in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ 3,756</u>	<u>\$ 3,267</u>	<u>12,792</u>	<u>\$ 8,863</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			93	
Changes in expenses			3,220	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 16,105</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
PUBLIC SAFETY BUILDING- CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 86,717	\$ 86,717	\$ 100,778	\$ 14,061
<i>Total revenues</i>	<u>86,717</u>	<u>86,717</u>	<u>100,778</u>	<u>14,061</u>
<i>Expenditures:</i>				
Capital outlay	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ 86,717</u>	<u>\$ 86,717</u>	<u>100,778</u>	<u>\$ 14,061</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			-	
Changes in expenses			<u>38</u>	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 100,816</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
CAPITAL PROJECTS - CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Intergovernmental - state sources	\$ 147,405	\$ 147,405	\$ 6,495	\$ (140,910)
<i>Total revenues</i>	<u>147,405</u>	<u>147,405</u>	<u>6,495</u>	<u>(140,910)</u>
<i>Expenditures:</i>				
Capital outlay	147,397	147,397	-	147,397
<i>Total expenditures</i>	<u>147,397</u>	<u>147,397</u>	<u>-</u>	<u>147,397</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>\$ 8</u>	<u>\$ 8</u>	<u>6,495</u>	<u>\$ (288,307)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			-	
Changes in expenses			(5,062)	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 1,433</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
COOP-MAP GRANTS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Intergovernmental - state sources	\$ 717,000	\$ 717,000	\$ 466,294	\$ (250,706)
<i>Total revenues</i>	<u>717,000</u>	<u>717,000</u>	<u>466,294</u>	<u>(250,706)</u>
<i>Expenditures:</i>				
General government	600,000	600,000	148,735	451,265
Public safety	70,000	70,000	29,388	40,612
Highways and streets	32,000	32,000	-	32,000
Capital Outlay	-	-	319,416	(319,416)
<i>Total expenditures</i>	<u>702,000</u>	<u>702,000</u>	<u>497,539</u>	<u>204,461</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	155,587	155,587
Transfer out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>155,587</u>	<u>155,587</u>
<i>Net change in fund balances</i>	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>124,342</u>	<u>\$ (46,245)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			(27,457)	
Changes in expenses			(89,377)	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 7,508</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
HWY 434 ASSESSMENT -CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Special Assessments	\$ 212,450	\$ 212,450	\$ 176,499	\$ (35,951)
<i>Total revenues</i>	<u>212,450</u>	<u>212,450</u>	<u>176,499</u>	<u>(35,951)</u>
<i>Expenditures:</i>				
Highways and streets	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>212,450</u>	<u>212,450</u>	<u>176,499</u>	<u>(35,951)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	51,124	50,494	(630)
Operating transfers (out)	(212,450)	(227,143)	(227,143)	-
<i>Total other financing sources (uses)</i>	<u>(212,450)</u>	<u>(176,019)</u>	<u>(176,649)</u>	<u>(630)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ 36,431</u>	<u>(150)</u>	<u>\$ (36,581)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			-	
Changes in expenses			18,755	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 18,605</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
DEBT SERVICE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Investment earnings	\$ -	\$ -	\$ 3	\$ 3
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
<i>Expenditures:</i>				
Debt Service				
Principal	1,042,882	1,420,864	1,066,174	354,690
Interest and administrative fees	607,486	708,851	334,014	374,837
<i>Total expenditures</i>	<u>1,650,368</u>	<u>2,129,715</u>	<u>1,400,188</u>	<u>729,527</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,650,368)</u>	<u>(2,129,715)</u>	<u>(1,400,185)</u>	<u>729,530</u>
<i>Other financing sources (uses):</i>				
Transfers in	1,650,368	3,002,764	1,878,095	(1,124,669)
Transfers out	-	-	(552,021)	(552,021)
<i>Total other financing sources (uses)</i>	<u>1,650,368</u>	<u>3,002,764</u>	<u>1,326,074</u>	<u>(1,676,690)</u>
<i>Net change in fund balances</i>	<u>\$ -</u>	<u>\$ 873,049</u>	<u>(74,111)</u>	<u>\$ (947,160)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			-	
Changes in expenses			-	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (74,111)</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
WASTEWATER - ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Sales and Services	\$ 504,888	\$ 504,888	\$ 504,620	\$ (268)
Other	155	155	456	301
<i>Total revenues</i>	<u>505,043</u>	<u>505,043</u>	<u>505,076</u>	<u>33</u>
<i>Expenses:</i>				
Operating expenses	<u>480,770</u>	<u>519,574</u>	<u>418,245</u>	<u>101,329</u>
<i>Total expenditures</i>	<u>480,770</u>	<u>519,574</u>	<u>418,245</u>	<u>101,329</u>
<i>Non-operating revenues (expenses)</i>				
Transfers in	389,320	389,320	616,311	(226,991)
Transfers Out	(413,438)	(413,438)	(406,526)	6,912
Interest expense	-	-	(224,671)	(224,671)
<i>Total Other Financing Sources</i>	<u>(24,118)</u>	<u>(24,118)</u>	<u>(14,886)</u>	<u>(444,750)</u>
<i>Net change in fund balances</i>	<u>\$ (389,165)</u>	<u>\$ (427,969)</u>	<u>\$ 71,945</u>	<u>\$ (343,388)</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			(529)	
Changes in expenses			24,563	
Depreciation expense			<u>(297,070)</u>	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (201,091)</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SOLID WASTE - ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Sales and Services	\$ 906,071	\$ 920,051	\$ 774,973	\$ (145,078)
Gross receipts	44,313	44,313	58,100	13,787
Other	155	155	7,906	7,751
<i>Total revenues</i>	<u>950,539</u>	<u>964,519</u>	<u>840,979</u>	<u>(123,540)</u>
<i>Expenses:</i>				
Operating expenses	<u>855,539</u>	<u>774,519</u>	<u>757,890</u>	<u>16,629</u>
<i>Total expenses</i>	<u>855,539</u>	<u>774,519</u>	<u>757,890</u>	<u>16,629</u>
<i>Non-operating revenues (expenses)</i>				
Transfers in	-	50,499	291,856	241,357
Transfers Out	(94,970)	(104,195)	(94,980)	9,215
Interest expense	-	-	(19,590)	(19,590)
<i>Total Other Financing Sources</i>	<u>(94,970)</u>	<u>(53,696)</u>	<u>177,286</u>	<u>230,982</u>
<i>Net change in fund balances</i>	<u>\$ 30</u>	<u>\$ 85,805</u>	<u>\$ 260,375</u>	<u>\$ 174,570</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			(4,517)	
Changes in expenses			16,329	
Depreciation expense			(116,834)	
Net Change in Fund Balances (GAAP Basis)			<u>\$ 86,063</u>	

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
WATER - ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Sales and services	\$ 1,266,929	\$ 1,266,929	\$ 1,661,606	\$ 394,677
Other	2,655	2,655	17,209	14,554
<i>Total revenues</i>	<u>1,269,584</u>	<u>1,269,584</u>	<u>1,678,815</u>	<u>409,231</u>
<i>Expenses:</i>				
Operating expenses	<u>984,571</u>	<u>1,106,962</u>	<u>969,240</u>	<u>137,722</u>
<i>Total expenses</i>	<u>984,571</u>	<u>1,106,962</u>	<u>969,240</u>	<u>137,722</u>
<i>Non-operating revenues (expenses)</i>				
Transfers in	-	157,814	191,875	34,061
Transfers Out	(222,735)	(978,071)	(997,625)	(19,554)
Gain on sale of capital assets	-	-	-	-
Interest	-	-	(5,234)	(5,234)
<i>Total Other Financing Sources</i>	<u>(222,735)</u>	<u>(820,257)</u>	<u>(810,984)</u>	<u>9,273</u>
<i>Net change in fund balances</i>	<u>\$ 62,278</u>	<u>\$ (657,635)</u>	<u>\$ (101,409)</u>	<u>\$ 556,226</u>
<i>Reconciliation to GAAP basis:</i>				
Changes in revenues			(38,998)	
Changes in expenses			114,761	
Depreciation expense			<u>(199,003)</u>	
Net Change in Fund Balances (GAAP Basis)			<u>\$ (224,649)</u>	

SUPPORTING SCHEDULES

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2016

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS				
Cash	\$ 14,584	\$ 24,038	\$ (23,362)	\$ 15,260
Due from other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total assets</i>	\$ <u><u>14,584</u></u>	\$ <u><u>24,038</u></u>	\$ <u><u>(23,362)</u></u>	\$ <u><u>15,260</u></u>
LIABILITIES				
Amounts payable to others (for release bonds)	\$ 13,027	\$ 38,662	\$ (37,807)	\$ 13,882
Due to other funds	<u>1,557</u>	<u>8,527</u>	<u>(8,706)</u>	<u>1,378</u>
<i>Total liabilities</i>	\$ <u><u>14,584</u></u>	\$ <u><u>47,189</u></u>	\$ <u><u>(46,513)</u></u>	\$ <u><u>15,260</u></u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF CASH AND TEMPORARY INVESTMENTS ACCOUNTS
YEAR ENDED JUNE 30, 2016

	<u>Bank Balance</u>
Deposits in First National Bank of New Mexico:	
Enterprise Account - Checking	\$ 605,399
Wildlands Fire	47,670
Deposits in International Bank:	
Infrastructure - Checking	630
Allen Fields Op & Maint - Checking	3,994
Operating Account - Checking	1,385,662
Payroll - Clearing	146,419
Motor Vehicle Department - Checking	35,219
State EMS Fund - Checking	3,484
State Fire Protection Fund - Checking	362,952
Law Enforcement Protection Fund - Checking	521
Memorial Fund - Playground	-
Lodgers Tax - Checking	95,367
Municipal Court - Checking	6,733
Municipal Court - Bond	8,527
Sports and Recreation Facility Fee - Checking	33,796
Public Safety Building - Checking	4,901
Debt Service Account - Checking	170,165
EMS CPR Classes - Checking	4,927
Capital Projects - Checking	12,110
Deposits in Washington Federal Bank:	
COOP - Checking	12,228
Corrections - Checking	22,651
MAP - Checking	2,012
Reserve CD	200,633
Total bank balance	<u>3,166,000</u>
Reconciling items:	
Outstanding checks	(742,777)
Deposits in transit	102,482
Total adjustments	<u>(640,295)</u>
Total book balance	2,525,705
Petty cash fund	350
Investment Accounts:	
Office of State Treasurer - LGIP	76,477
New Mexico Finance Authority - Debt Service Cash Reserves	598,152
Total investment accounts	<u>674,629</u>
Total cash per book (general ledger)	\$ <u>3,200,684</u>
Total Cash for Primary Government per Statement of Net Position	3,185,424
Plus Municipal Court Agency Fund - Regular Checking	15,260
Total Cash per Primary Government and Agency Fund	\$ <u><u>3,200,684</u></u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF PLEDGED COLLATERAL
YEAR ENDED JUNE 30, 2016

Schedule 2

	International Bank	First National Bank	Washington Federal	Total All Banks
Total amount of deposits in bank:				
Infrastructure (SAD 434)	\$ 630	\$ -	\$ -	\$ 630
Allen Fields Operating & Maintenance	3,996	-	-	3,996
Capital Projects	12,110	-	-	12,110
Debt Service	170,165	-	-	170,165
State EMS Fund	3,484	-	-	3,484
EMS CPR Classes	4,927	-	-	4,927
Operating Account	1,385,662	-	-	1,385,662
LEPF	521	-	-	521
Lodgers Tax Account	95,367	-	-	95,367
Payroll Clearing Account	146,419	-	-	146,419
Public Safety Building	4,901	-	-	4,901
Municipal Court	6,733	-	-	6,733
Municipal Court Bond Account	8,527	-	-	8,527
Sports and Recreation Facility Fee	33,796	-	-	33,796
State Fire Protection Fund	362,952	-	-	362,952
MVD	35,219	-	-	35,219
Wildland Fires Fund	-	47,670	-	47,670
Utility Account	-	605,399	-	605,399
COOP Checking-WF	-	-	12,228	12,228
Corrections Checking - WF	-	-	22,651	22,651
MAP Checking - WF	-	-	2,012	2,012
CD - WF	-	-	200,633	200,633
Total Deposits	<u>2,275,407</u>	<u>653,069</u>	<u>237,524</u>	<u>3,166,000</u>
Less: FDIC insurance	<u>(250,000)</u>	<u>(250,000)</u>	<u>(237,524)</u>	<u>(737,524)</u>
Total Uninsured Public Funds	2,025,407	403,069	-	2,428,476
Pledged 50% Collateral Required	<u>1,012,704</u>	<u>201,534</u>	<u>-</u>	<u>1,214,238</u>
Total Required Collateralization				
Pledged securities:				
FHLB 0.625 12/28/16 CUSIP #3130A0C65	199,976	-	-	199,976
FNMA 1.250 01/30/17 CUSIP #3135G0GY3	125,061	-	-	125,061
FHF4LB 1.125 12/08/17 CUSIP #3130A3H	99,943	-	-	99,943
FNMA 1.200 12/20/18 '13 CUSIP #3136G12K4	99,989	-	-	99,989
FNMA 1.200 12/20/18 '13 CUSIP #3136G12K4	124,987	-	-	124,987
FNMA 1.200 12/20/18 '13 CUSIP #3136G12K4	149,984	-	-	149,984
FNMA 1.200 12/20/18 '13 CUSIP #3136G12K4	249,974	-	-	249,974
LANMPSD 2.000 8/01/15 CUSIP #54422NCE4	-	100,000	-	100,000
LOGANNM 5.00 4/15/21 CUSIP #541066BE5	-	125,000	-	125,000
BERNALILLONM 3.375 8/1/2019 CUSIP #085279PK7	-	150,000	-	150,000
DULCEISD 4.35 3/1/2019 CUSIP #264430HK8	-	150,000	-	150,000
Total pledged collateral at June 30, 2014	<u>1,049,914</u>	<u>525,000</u>	<u>-</u>	<u>1,574,914</u>
Excess (deficiency)	<u>\$ 37,211</u>	<u>323,466.00</u>	<u>-</u>	<u>360,677</u>

STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF JOINT POWERS AGREEMENT
FOR THE YEAR ENDED JUNE 30, 2016

Joint Power Agreement	Participants	Responsible Party	Description
Emergency Medical Services	Moreno Valley Village of Angel Fire	Joint Responsibility	To provide emergency medical services
Wildfire Suppression	NM - State Forestry Village of Angel Fire	Village of Angel Fire	To provide wildfire Suppression
Dispatch Services	Village of Angel Fire Red River	Town of Red River	To provided 911 emergency and non-emergency dispatching services for Angel Fire
The Enchanted Circle Regional Fire Protection Association (MOU)	The Town of Taos , The Village of Taos Ski Valley, The Village of Angel Fire, The Village of Eagle Nest, The Town of Red River, The Village of Questa, The County of Taos	Joint Responsibility	When firefighting personnel and/or equipment are requested by a party to this agreement from any other party to this agreement, no reimbursement for services rendered will be required or expected.
Blue Earth Agreement (MOU)	The Village of Angel Fire and The Angel Fire Public Improvement District (MOU)	Blue Earth Consultants Inc	Blue Earth Consultants Inc would provide annual monitoring and maintenance as required of the Woodland Drive Wetland Mitigation Area
United States Marshals Service - Violent Offender Task Force (MOU)	Angel Fire Police Department and United States Marshals Service	Each agency is responsible for the acts of it's employees	To investigate, arrest, as part of joint law enforcement operations, persons who have active state and federal warrants for their arrest
Colfax County and The Village of Angel Fire (MOU)	Colfax County and The Village of Angel Fire	Village of Angel Fire	To authorize sheriffs in all counties of this state to appoint deputies, who shall remain in office at the pleasure of such sheriffs. NMSA 1978 "Authorizes Sheriffs to appoint respectable and orderly persons as special deputies to

**STATE OF NEW MEXICO
VILLAGE OF ANGEL FIRE
SCHEDULE OF JOINT POWERS AGREEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Schedule 3

Beginning and Ending Dates	Total estimated Project Amount and Amount Applicable to Village	Amount Contributed by Village during Fiscal year	Audit Responsibility	Fiscal agent and responsible reporting entity
10/21/2003 ongoing until terminated	None	None	New Mexico Energy, Minerals & Natural Resources Deptment	New Mexico Energy, Minerals & Natural Resources Deptment
3/20/2001 or until terminated	None	None	Village of Angel Fire	Colfax County
Fiscal year 2003 with automatic renewal if funds are available	None	None	Village of Angel Fire	Colfax County
3/3/2009 or until completed	None	None	Taos Pueblo	Taos Pueblo
7/01/2001 or until terminated	\$50,000 Annually (four payments of \$12,500 each quarter)	\$50,000	Town of Red River	Town of Red River
12/19/2001	None	None	The Town of Taos	The Town of Taos
6/27/2013 , the agreement shall be extended from time to time unless both the Village and the AFPID mutually agree in writing to terminate this MOU.	\$62,595.87	\$6,182	Village of Angel Fire	Village of Angel Fire
11/17/15 , the agreement shall remain in effect until one of the agencies provides 30 days written notice to the District Chief Deputy U.S. Marshall	Not Specified	None	Village of Angel Fire	Village of Angel Fire
3/22/2016 , the term shall be perpetual unless either party gives 30 day written notice to the other party	Not Specified	None	Village of Angel Fire	Village of Angel Fire

<i>Agency Number</i>	<i>Agency Name</i>	<i>Agency Type</i>	<i>RFB#/RFP# (if applicable)</i>	<i>Type of Procurement</i>	<i>Vendor Name</i>	<i>Did Vendor Win Contract?</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Physical address of vendor (City, State)</i>	<i>Did the Vendor provide documentation of eligibility for in-state preference?</i>	<i>Did the Vendor provide documentation of eligibility for veterans' preference?</i>	<i>Brief Description of the Scope of Work</i>	<i>If the procurement is attributable to a Component Unit, Name of Component Unit</i>
6005	Village of Angel Fire	Municipalities	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

COMPLIANCE SECTION

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

To Mr. Timothy Keller
New Mexico State Auditor
and the Village of Angel Fire Council Members
of the Village of Angel Fire

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, the business type-activities, each major fund, the aggregate remaining fund information, and the budgetary comparison of the general fund of the Village of Angel Fire, New Mexico (the “Village”) as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Village’s basic financial statements, and the combining and individual funds and related budgetary comparisons of the Village, presented as supplemental information, and have issued our report thereon dated December 15, 2016.

Internal Control over Financial Reporting

In planning and performing our audit, of the financial statements, we considered the Village’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 Village’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Village’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 charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items:2015-001.

The Village's Response to Findings

The Village's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The Village'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 Village's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Albuquerque, New Mexico
December 14, 2015

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2016**

A – AUDIT FINDINGS IN RELATION TO FINANCIAL STATEMENTS

2011-001 INTERNAL CONTROL OVER CASH DISBURSEMENTS (Significant Deficiency) – Repeated and Modified

Condition: During our testwork of cash disbursements we noted the following:

- In 1 disbursements out of 40 tested totaling \$177, we noted that the purchase order was created subsequent to the services being performed and the goods received.

The Status has remained unchanged since FY 2014.

Criteria: According to the Village's Purchasing Policies, a purchase requisition and purchase order must be issued for all non-routine and non-recurring purchases. The Village is required to implement written policies and procedures for purchasing which shall be in compliance with the procurement Code, Section 12-1-21 et seq., NMSA 1978.

Effect: When purchases are made without proper authorization or support, items could be procured that are inappropriate and/or unallowed and the risk of misappropriation is increased.

Cause: The processes related to cash disbursements were not consistently followed or monitored to insure that the Village was adhering to its controls over cash disbursements.

Recommendation: We recommend all Requisition/Purchase Orders be completed and authorized for all purchases regardless of amount. We also recommend the Village train employees on the purchasing procedure and implement new procedures to properly review and approve expenditures.

Management's Response: In July of 2015 the Village of Angel Fire instituted a new set of policies, procedures and controls related to procurement which were approved by the Council. Prior to this date there were only basic policies related to procurement. The implementation and training related to these new procedures required several months. Since the completion of the implementation the Village now has controls in place to prevent a purchase prior to the approval of a requisition and issuance of a purchase order.

Estimated Completion Date: Immediate

Responsible Party: Finance Manager and the Chief Procurement Officer

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2016**

B – AUDIT FINDINGS IN RELATION TO FEDERAL AWARDS

None

C – OTHER MATTERS AS REQUIRED BY NEW MEXICO STATE STATUTE 12-6-5, NMSA 1978

2015-001 Improve IT General Controls (Other Matters)

Condition: During our review surrounding IT general controls that are significant to financial reporting, we noted the following.

- Network passwords are not set in the Active Directory to expire. In effect, the users are not required to change their passwords.

The Village has implemented a password expiration policy and implemented controls to ensure users are forced to update passwords after a specified amount of time. However, these changes went into effect subsequent to June, 30 2016.

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

In accordance with ISACA's Control Objectives for Information and related Technology (COBIT) 4.1, framework (DS5, Ensure System Security), provides that the need to maintain integrity of information and protect IT assets requires a security management process. This process includes establishing and maintaining IT security and roles and responsibilities, policies, standards, and procedures. Security management also includes performing security monitoring and periodic testing and implementing corrective actions for identified security weakness or incidents. Effective security management protects all IT assets to minimize the business/financial impact of security vulnerabilities and incidents.

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

Cause: The Village has been understaffed for several years and is in the process of developing and improving its processes and procedures.

Recommendation: We recommend that password policies both at network and application levels should be enhanced by enforcing parameters such as: minimum length of 8 characters, complexity requirements be enabled by requiring alpha numeric and symbols, and password expiration of 45 to 60 days. While the above are not required by any laws and regulations, such parameters are considered best practice within the industry to ensure a more secure network and infrastructure. The Village should work with Tyler to ensure that password requirements are set in the system.

VILLAGE OF ANGEL FIRE, NEW MEXICO
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2016

C – OTHER MATTERS AS REQUIRED BY NEW MEXICO STATE STATUTE 12-6-5, NMSA 1978 (CONTINUED)

2015-001 Improve IT General Controls (Continued) (Other Matters)

Management's Response: In May of 2016 the Village implemented a new password policy that complies with the above recommendation with the exception being that the passwords expire every 90 days.

Estimated Completion Date: Immediate

Responsible Party: Information Technology Manager

**VILLAGE OF ANGEL FIRE, NEW MEXICO
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2016**

STATUS OF PRIOR YEAR FINDINGS

2003-006 Budget overages – Resolved
2011-001 Internal control over cash disbursements – Repeated and Modified
2009-008 SAS-115 – Ineffective oversight of the financial reporting and internal controls – Resolved
2012-003 Updated Policy and Procedure Manuals – Resolved
2012-004 Monitoring of Ambulance Accounts Receivables – Resolved
2015-001 Improve IT General Controls – Repeated and Modified
2015-002 PERA Compliance – Resolved

**VILLAGE OF ANGEL FIRE, NEW MEXICO
EXIT SUMMARY
YEAR ENDED JUNE 30, 2016**

An exit conference was held with the Village on December 15, 2016.

In attendance were:

VILLAGE OF ANGEL FIRE, NEW MEXICO

D. Rogers Lanon, Councilor
Steve Larson, Councilor
Rick Tafoya, Village Manager
Brett Wier, Finance Manager
Waverly Bell, GL Accountant

AXIOM CPAS AND BUSINESS ADVISORS, LLC

Bryan Runyan, Supervisor

PREPARATION OF FINANCIAL STATEMENTS

The financial statements presented in this report have been prepared by the independent auditor. However, they are the responsibility of management, as addressed in the Independent Auditors' Report.