

State of
New Mexico
City of Anthony

Annual Financial Report
For the Year Ended June 30, 2016



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City of Anthony
Annual Financial Report
June 30, 2016
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STATE OF NEW MEXICO

City of Anthony

Official Roster

June 30, 2016

Name

Title

Board of Trustees

Diana M. Trujillo

Mayor

Erica Ramos

Mayor Pro-Term

Betty Gonzalez

Trustee

Fernie Herrera

Trustee

Gloria Gameros

Trustee

Administrative Officials

Fernando Ramirez

Chief Financial Officer

Christy Sifuentes

City Clerk

Judge Nellie Soriano

Municipal Judge

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Timothy Keller
New Mexico State Auditor
The Mayor and the Board of Trustees
City of Anthony
Anthony, New Mexico

Report on Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 City'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 City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Anthony, as of June 30, 2016, and the respective changes in financial position thereof, and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to above present fairly, in all material aspects, the respective financial position of each nonmajor governmental fund as of June 30, 2016, and the respective changes in financial position thereof, and the respective budgetary comparisons for all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the *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 Schedules I and II and the notes to the Required Supplementary Information on pages 60 through 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge 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

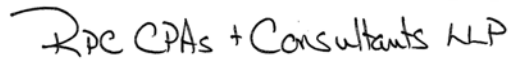
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The introductory section and Supporting Schedules III through VI 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.

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

The introductory section and Schedule VI 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 14, 2016, on our consideration of the City'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 City's internal control over financial reporting and compliance.



RPC CPAs + Consultants, LLP
Albuquerque, NM
December 14, 2016

**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO

City of Anthony

Statement of Net Position

June 30, 2016

	Governmental Activities
Assets	
Current assets	
Cash and cash equivalents	\$ 2,715,253
Receivables:	
Other taxes	215,762
Due from other governments	233,598
<i>Total current assets</i>	<u>3,164,613</u>
Noncurrent assets	
Restricted cash and cash equivalents	90,010
Restricted investments	118,556
Capital assets	6,536,716
Less: accumulated depreciation	<u>(415,431)</u>
<i>Total noncurrent assets</i>	<u>6,329,851</u>
<i>Total assets</i>	<u>9,494,464</u>
Deferred outflows of resources	
Difference between expected and actual experience	23,083
Changes in proportion	24,892
Employer contributions subsequent to the measurement date	<u>43,265</u>
<i>Total deferred outflows of resources</i>	<u>91,240</u>
<i>Total assets and deferred outflows of resources</i>	<u><u>\$ 9,585,704</u></u>

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

	Governmental Activities
Liabilities	
Current liabilities	
Accounts payable	\$ 71,221
Accrued payroll	35,258
Accrued compensated absences	16,749
Accrued interest	9,394
Current portion of loans payable	75,171
<i>Total current liabilities</i>	<u>207,793</u>
Noncurrent liabilities	
Loan payable	1,631,862
Net pension liability	578,108
<i>Total noncurrent liabilities</i>	<u>2,209,970</u>
<i>Total liabilities</i>	<u>2,417,763</u>
Deferred inflows of resources	
Change in assumptions	13,764
Difference between expected and actual experience	5,488
Changes in proportion	2,382
Net difference between projected and actual investment earnings on pension plan investments	1,700
<i>Total deferred inflows of resources</i>	<u>23,334</u>
Net Position	
Net investment in capital assets	4,414,252
Restricted for:	
Debt service	139,724
Special revenue	147,398
Unrestricted	2,443,233
<i>Total net position</i>	<u>7,144,607</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u><u>\$ 9,585,704</u></u>

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

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STATE OF NEW MEXICO
City of Anthony
Statement of Activities
For the Year Ended June 30, 2016

Exhibit A-2

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
General government	\$ 783,879	\$ 168,157	\$ 218,814	\$ 1,291,465	\$ 894,557
Public safety	580,332	50,781	28,340	-	(501,211)
Public works	210,548	-	-	232,542	21,994
Culture and recreation	104,050	-	10,844	-	(93,206)
Interest on long-term debt	43,847	-	-	-	(43,847)
<i>Total governmental activities</i>	<u>\$ 1,722,656</u>	<u>\$ 218,938</u>	<u>\$ 257,998</u>	<u>\$ 1,524,007</u>	<u>278,287</u>
General Revenues:					
Taxes:					
Gross receipts taxes					1,181,365
Gasoline and motor vehicle taxes					61,146
Other taxes					101,036
Investment income					1,282
Miscellaneous income					9,766
Gain on disposal of capital assets					12,178
					<u>1,366,773</u>
Total general revenues					<u>1,366,773</u>
Change in net position					<u>1,645,060</u>
Net position, beginning					4,878,862
Net position, restatement (Note 17)					620,685
Net position, beginning as restated					<u>5,499,547</u>
<i>Net position, ending</i>					<u>\$ 7,144,607</u>

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

STATE OF NEW MEXICO

City of Anthony

Balance Sheet

Governmental Funds

June 30, 2016

	<u>General Fund</u>	<u>Capital Outlay- Remodel Building</u>	<u>CIF3178 2014 Colonias</u>	<u>NM DOT CN C1150915</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 2,588,751	\$ 46,241	\$ 762	\$ -
Investments	-	-	-	-
Receivables:				
Other taxes	214,928	-	-	-
Due from other governments	8,295	27,627	-	89,253
Due from other funds	256,720	-	-	-
<i>Total assets</i>	<u>\$ 3,068,694</u>	<u>\$ 73,868</u>	<u>\$ 762</u>	<u>\$ 89,253</u>
 <i>Liabilities</i>				
Accounts payable	\$ 30,473	\$ -	\$ -	\$ -
Accrued payroll	33,614	-	-	-
Due to other funds	24,405	77,000	-	89,253
<i>Total liabilities</i>	<u>88,492</u>	<u>77,000</u>	<u>-</u>	<u>89,253</u>
 <i>Deferred inflows of resources</i>				
Unavailable revenue - grants	-	27,627	-	89,253
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>27,627</u>	<u>-</u>	<u>89,253</u>
 <i>Fund balances</i>				
Spendable				
Restricted for:				
General government	-	-	762	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Public works	-	-	-	-
Debt service expenditures	-	-	-	-
Unassigned	2,980,202	(30,759)	-	(89,253)
<i>Total fund balances</i>	<u>2,980,202</u>	<u>(30,759)</u>	<u>762</u>	<u>(89,253)</u>
 <i>Total liabilities and fund balances</i>	 <u>\$ 3,068,694</u>	 <u>\$ 73,868</u>	 <u>\$ 762</u>	 <u>\$ 89,253</u>

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

NM DOT CN C1150916	Other Governmental Funds	Total
\$ -	\$ 169,509	\$ 2,805,263
-	118,556	118,556
-	834	215,762
51,968	56,455	233,598
-	24,405	281,125
<u>\$ 51,968</u>	<u>\$ 369,759</u>	<u>\$ 3,654,304</u>
\$ 36,534	\$ 4,214	\$ 71,221
-	1,644	35,258
15,433	75,034	281,125
<u>51,967</u>	<u>80,892</u>	<u>387,604</u>
<u>51,968</u>	-	<u>168,848</u>
<u>51,968</u>	-	<u>168,848</u>
-	56,691	57,453
-	32,888	32,888
-	15,736	15,736
-	41,321	41,321
-	207,623	207,623
(51,967)	(65,392)	2,742,831
<u>(51,967)</u>	<u>288,867</u>	<u>3,097,852</u>
<u>\$ 51,968</u>	<u>\$ 369,759</u>	<u>\$ 3,654,304</u>

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

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STATE OF NEW MEXICO

City of Anthony

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position
June 30, 2016

Exhibit B-1

Page 2 of 2

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

Fund balances - total governmental funds	\$	3,097,852
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		6,121,285
Grant revenue are not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities		168,848
Interest on long-term debt is not accrued in the fund financial statements unless it is due and payable: Accrued interest		(9,394)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in funds:		
Deferred outflows of resources related to net difference between expected and actual experience		23,083
Deferred outflows of resources related to changes in proportion		24,892
Deferred outflows of resources related to employer contributions subsequent to the measurement date		43,265
Deferred inflows of resources related to change in assumptions		(13,764)
Deferred inflows of resources related to net difference between expected and actual experience		(5,488)
Deferred inflows of resources related to change in proportion		(2,382)
Deferred inflows of resources related to net difference between projected and actual investment earnings on pension plan investments		(1,700)
Some liabilities, including the loan and net pension liability are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued compensated absences		(16,749)
Loan payable		(1,707,033)
Net pension liability		(578,108)
		(2,361,890)
<i>Total net position of governmental activities</i>	\$	7,144,607

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

STATE OF NEW MEXICO
City of Anthony
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2016

	<u>General Fund</u>	<u>Capital Outlay- Remodel Building</u>	<u>CIF3178 2014 Colonias</u>	<u>NM DOT CN C1150915</u>
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ 1,181,365	\$ -	\$ -	\$ -
Gasoline and motor vehicle taxes	55,568	-	-	-
Other	99,043	-	-	-
Intergovernmental income:				
State operating grants	206,016	-	-	-
State capital grants	-	393,123	451,682	-
Charges for services	50,203	-	-	-
Licenses and fees	146,866	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,739,061</u>	<u>393,123</u>	<u>451,682</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	544,905	-	-	-
Public safety	541,455	-	-	-
Public works	173,351	-	-	-
Culture and recreation	100,203	-	-	-
Capital outlay	172,794	346,882	450,920	89,253
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,532,708</u>	<u>346,882</u>	<u>450,920</u>	<u>89,253</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>206,353</u>	<u>46,241</u>	<u>762</u>	<u>(89,253)</u>
<i>Other financing sources (uses)</i>				
Transfers in	3,081	-	-	-
Transfers (out)	(124,827)	-	-	-
Bond proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(121,746)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	84,607	46,241	762	(89,253)
<i>Fund balances - beginning</i>	<u>2,895,595</u>	<u>(77,000)</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ 2,980,202</u>	<u>\$ (30,759)</u>	<u>\$ 762</u>	<u>\$ (89,253)</u>

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

<u>NM DOT CN C1150916</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ -	\$ -	\$ 1,181,365
-	5,578	61,146
-	1,993	101,036
-	51,982	257,998
-	510,354	1,355,159
-	6,839	57,042
-	15,030	161,896
-	1,282	1,282
-	9,766	9,766
-	602,824	3,186,690
-	28,913	573,818
-	25,475	566,930
36,534	-	209,885
-	3,585	103,788
15,433	509,662	1,584,944
-	73,844	73,844
-	43,055	43,055
51,967	684,534	3,156,264
(51,967)	(81,710)	30,426
-	124,825	127,906
-	(3,079)	(127,906)
-	68,842	68,842
-	190,588	68,842
(51,967)	108,878	99,268
-	179,989	2,998,584
\$ (51,967)	\$ 288,867	\$ 3,097,852

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

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STATE OF NEW MEXICO

City of Anthony

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

Exhibit B-2

Page 2 of 2

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

Net change in fund balances - total governmental funds	\$	99,268
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:</p>		
Capital expenditures recorded in capital outlay		1,584,944
Depreciation expense		(208,692)
Gain of disposition of capital assets		12,178
<p>Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds:</p>		
Increase in unavailable revenue related to grants		168,848
<p>Governmental funds report City pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned, net of employee contributions is reported as pension expense:</p>		
City pension contributions		43,265
Pension expense		(48,199)
<p>The issuance of long-term debt (e.g. bonds, loans, 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 premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities:</p>		
Increase in accrued interest		(792)
Increase in accrued compensated absences		(10,762)
Proceeds from the issuance of debt		(68,842)
Principal payments on loan payable		73,844
		73,844
<i>Change in net position of governmental activities</i>	\$	<i>1,645,060</i>

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

STATE OF NEW MEXICO

Exhibit C-1

City of Anthony

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ 971,780	\$ 971,780	\$ 1,155,538	\$ 183,758
Gas and motor vehicle	9,000	9,000	48,045	39,045
Other	146,496	146,496	101,797	(44,699)
Intergovernmental income:				
State operating grants	401,400	401,400	206,016	(195,384)
Charges for services	51,000	51,000	50,164	(836)
Licenses and fees	220,350	220,350	140,007	(80,343)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,800,026</u>	<u>1,800,026</u>	<u>1,701,567</u>	<u>(98,459)</u>
<i>Expenditures</i>				
Current:				
General government	743,571	737,170	599,473	137,697
Public safety	574,804	579,804	542,835	36,969
Public works	197,160	208,900	159,736	49,164
Culture and recreation	166,356	157,269	98,451	58,818
Capital outlay	73,300	157,731	147,943	9,788
<i>Total expenditures</i>	<u>1,755,191</u>	<u>1,840,874</u>	<u>1,548,438</u>	<u>292,436</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>44,835</u>	<u>(40,848)</u>	<u>153,129</u>	<u>193,977</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(44,835)	165,676	-	(165,676)
Transfers in	-	-	3,081	3,081
Transfers out	-	(124,828)	(124,827)	1
<i>Total other financing sources (uses)</i>	<u>(44,835)</u>	<u>40,848</u>	<u>(121,746)</u>	<u>(162,594)</u>
<i>Net change in fund balance</i>	-	-	31,383	31,383
<i>Fund balance - beginning of year</i>	-	-	2,789,683	2,789,683
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,821,066</u>	<u>\$ 2,821,066</u>
Net change in fund balance (Budget Basis)				\$ 31,383
Adjustments to revenues for gross receipts and other taxes				37,494
Adjustments to expenditures for salaries, professional services, utilities, and other expenses				15,730
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 84,607</u>

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

STATE OF NEW MEXICO

Exhibit C-2

City of Anthony

Capital Outlay - Remodel Building Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gas and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
State operating grants	-	-	-	-
State capital grants	-	348,000	393,123	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>348,000</u>	<u>393,123</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	348,000	346,882	1,118
<i>Total expenditures</i>	<u>-</u>	<u>348,000</u>	<u>346,882</u>	<u>1,118</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>46,241</u>	<u>1,118</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	46,241	1,118
<i>Fund balance - beginning of year</i>	-	-	(77,000)	(77,000)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (30,759)</u>	<u>\$ (75,882)</u>
Net change in fund balance (Budget Basis)				\$ 46,241
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 46,241</u>

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

STATE OF NEW MEXICO

Exhibit C-3

City of Anthony

CIF3178 2014 Colonias Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gas and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
State operating grants	-	-	-	-
State capital grants	-	532,657	451,682	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>532,657</u>	<u>451,682</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	450,921	450,920	1
<i>Total expenditures</i>	<u>-</u>	<u>450,921</u>	<u>450,920</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>81,736</u>	<u>762</u>	<u>1</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	(81,736)	-	81,736
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(81,736)</u>	<u>-</u>	<u>81,736</u>
<i>Net change in fund balance</i>	-	-	762	81,737
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 762</u>	<u>\$ 81,737</u>
Net change in fund balance (Budget Basis)				\$ 762
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 762</u>

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

STATE OF NEW MEXICO

Exhibit C-4

City of Anthony

NM DOT CN C1150915 Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gas and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	89,253	89,253	-
<i>Total expenditures</i>	<u>-</u>	<u>89,253</u>	<u>89,253</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(89,253)</u>	<u>(89,253)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	89,253	-	(89,253)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>89,253</u>	<u>-</u>	<u>(89,253)</u>
<i>Net change in fund balance</i>	-	-	(89,253)	(89,253)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (89,253)</u>	<u>\$ (89,253)</u>
Net change in fund balance (Budget Basis)				\$ (89,253)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ (89,253)</u>

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

STATE OF NEW MEXICO

Exhibit C-5

City of Anthony

NM DOT CN C1150916 Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gas and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	15,433	15,433	-
<i>Total expenditures</i>	<u>-</u>	<u>15,433</u>	<u>15,433</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(15,433)</u>	<u>(15,433)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	15,433	-	(15,433)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>15,433</u>	<u>-</u>	<u>(15,433)</u>
<i>Net change in fund balance</i>	-	-	(15,433)	(15,433)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,433)</u>	<u>\$ (15,433)</u>
Net change in fund balance (Budget Basis)				\$ (15,433)
No adjustments to revenues				-
Adjustments to expenditures for professional services				(36,534)
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ (51,967)</u>

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

STATE OF NEW MEXICO
City of Anthony
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2016

Exhibit D-1

Assets	
Cash	<u>\$ 140,000</u>
<i>Total assets</i>	<u><u>\$ 140,000</u></u>
Liabilities	
Deposits payable	<u>\$ 140,000</u>
<i>Total liabilities</i>	<u><u>\$ 140,000</u></u>

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

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STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies

The City of Anthony (the “City”) was incorporated in 2010. The City operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police), streets, culture-recreation, and general administrative services.

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

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

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

During the year ended June 30, 2016, the City adopted GASB Statements No. 72, *Fair Value Measurement and Application*, a portion of No 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, No. 79, *Certain External Investment Pools and Pool Participants* and No. 82 *Pension Issues-an amendment of GASB Statement No. 67, No. 68, and No.73*. These five Statements are required to be implemented as of June 30, 2016, if applicable.

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government’s financial position.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

GASB Statement No. 73 establishes accounting and financial reporting standards for defined benefit pensions and defined contribution pensions that are not provided to employees of state and local government employers and are not within the scope of Statement 68. A portion of this pronouncement is effective for June 30, 2016 year end and a portion is effective for June 30, 2017 year end. Effective for June 30, 2016 are the amendments for Statement No.s 67 and 68 and assets accumulated for pensions not administered as trusts. The amendments of this pronouncement clarifies application of certain provisions of GASB 67 and 68 with regards to the following issues: (1) Information that is required to be presented as notes to the 10-year schedules of RSI about investment-related factors that significantly affect trends in reported amounts; (2) Accounting and financial reporting for separately financed specific liabilities of individual employers and nonemployer contributing entities for defined benefit pensions; and (3) Timing of employer recognition of revenue for the support of nonemployer contributing entities not in a special funding situation.

In addition, effective for June 30, 2016 year ends, the requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that, for accounting and financial reporting purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers and nonemployer contributing entities.

The objective of GASB Statement No. 76 is to identify-in the context of the current governmental financial reporting environment-the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The requirements in this Statement improve financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing the opportunity for broader public input on implementation guidance; (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in nonauthoritative literature. As a result, governments will apply financial reporting guidance with less variation, which will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments.

GASB Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement.

The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool for measuring all of its investments at amortized cost for financial reporting purposes. Professional judgement is required to determine if instances of noncompliance with the criteria established by this Statement during the reporting period, individually or in the aggregate, were significant. This Statement will enhance comparability of financial statements among governments by establishing specific criteria used to determine whether a qualifying external investment pool may elect to use an amortized cost exception to fair value measurement. Those criteria will provide for qualifying external investment pools and participants in those pools with consistent application of an amortized cost-based measurement for financial reporting purposes. That measurement approximates fair value and mirrors the operations of external investment pools that transact with participants at a stable net asset value per share.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

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

The objective of GASB Statement No. 82 is to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information; (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and; (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

A. Financial Reporting Entity

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

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

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

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the City has no component units, and is not a component unit of another governmental agency.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The City has no business-type activities.

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

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

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes, net of estimated refunds, 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.

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

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. This fund includes state shared gross receipts tax income fund and state shared gas tax income funds.

The *Capital Outlay- Remodel Building Special Revenue Fund* is used to account for the DFA appropriation 14-L-2269 to plan, design and construct a multipurpose municipal building in Anthony in Dona Ana County. The authority is the Laws of 2014, Chapter 64 and the NMSA 1978, Section 9-6-5 and 9-6-5-1.

The *CIF3178 2014 Colonias Special Revenue Fund* is used to account for funds from the Colonias Infrastructure Board for the construction of Putter Circle Drainage in Anthony, NM. The authority for the creation of the fund is NMSA 1978, 6-30-1 through 6-30-8. This fund is authorized by the Board of Trustees.

NM DOT CN1150915 *Special Revenue Fund* is used to account to funds from the New Mexico Department of Transportation for the plan, design, and construct improvements to the streets in Anthony, NM. Authority for creation of the fund is NMSA 1978, Section 67-3-28. This fund is authorized by the Board of Trustees.

NM DOT CN1150916 *Special Revenue Fund* is used to account for the funds from the New Mexico Department of Transportation for the plan, design, and construct improvements to the flood control facilities at the 4th street drainage pond in Anthony, NM. Authority for creation of the fund is NMSA 1978, Section 67-3-28. This fund is authorized by the Board of Trustees.

Additionally, the City also reports the following fund type:

The City accounts for resources held for others in a custodial capacity in agency funds. Assets equals liabilities and this fund does not include measurements or results of operations. The City's agency fund is the trustee account for a local company yet to start operations.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

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

Fair Value Measurements: The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). As of June 30, 2016, there are no items are required to be valued using valuation techniques.

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources in the event they are not received within 60 days of year end.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

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

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. The City estimates the allowance for uncollectible accounts based off the days delinquent. The City has estimated all accounts that are greater than 120 days to be uncollectible.

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

Capital Assets: Capital assets, which include buildings and improvements, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical costs of infrastructure assets (retroactive to 1979) are included as part of the governmental capital assets reported in the government wide statements. Information Technology Equipment including software is being capitalized and included in machinery and equipment in accordance with NMAC 2.20.1.9 C (5). Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Library books and periodicals are estimated to have a useful life of less than one year or are under the capitalization threshold and are expensed when purchased.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. There was no interest expense capitalized by the City during the current fiscal year. No interest was included as part of the cost of capital assets under construction.

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

<u>Assets</u>	<u>Years</u>
Buildings and improvements	10-40
Equipment	5-10
Infrastructure	25

Deferred Outflows of Resources: In addition to assets, the balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenditure) until that time. The City has three types of items that qualifies for reporting in this category in the governmental activities. Accordingly, the items are –net difference between expected and actual experience in the amount of \$23,083 – changes in proportion in the amount of \$24,892 – and employer contributions subsequent to measurement date in the amount of \$43,265. These amounts are reported in the Statement of Net Position. Employer contributions subsequent to the measurement date will directly reduce the net pension liability in the next fiscal year.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Deferred Inflows of Resources: In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred inflows of resources. The City does not have any deferred inflows which arise under the modified accrual basis of accounting that qualify for reporting in this category. The City has four types of items present on the Statement of Net Position which arise due to the implementation of GASB 68 and the related net pension liability. Accordingly, the items, change in assumptions of \$13,764, net difference between expected and actual experience of \$5,488, changes in proportion of \$2,382, and net difference between projected and actual investment earnings on pension plan investments of \$1,700, are reported on the Statement of Net Position. These amounts are reported as a deferred inflow and amortized into pension expense over the average remaining service life of employees.

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

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

Long-term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities, statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method or the straight-line method if the difference is minimal. Bonds payable are reported net of the applicable bond premium or discount. For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

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

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

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

For assigned fund balance, the Board of Trustees or an official or body to which the Board of Trustees delegates the authority is authorized to assign amounts to a specific purpose. The authorization policy is in governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

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

Nonspendable Fund Balance: At June 30, 2016, the City did not have any fund balances in nonspendable form.

Restricted Fund Balance: At June 30, 2016, the City has presented restricted fund balance on the governmental funds balance sheet in the amount of \$57,453 for various general government operations as restricted by enabling legislation, \$32,888 for public safety, \$15,736 for culture and recreation, \$41,321 for public works, and \$207,623 for debt service expenditures. The details of these fund balance items are located on the governmental funds balance sheet as detailed on pages 18 and 19.

Minimum Fund Balance Policy: The City's policy for maintaining a minimum amount of fund balance for operations is to minimize any sudden and unplanned discontinuity to programs and operations and for unforeseen contingencies. At a minimum, the budget shall ensure that the City holds cash reserves of 1/12th the General Fund expenditures. The amount at June 30, 2016 for the City is \$127,726.

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

- a. Net investment in capital assets: Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position: Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for "special revenue, debt service and capital projects" are described on pages 37 and 68-69.
- c. Unrestricted net position: Net position that does not meet the definition of "restricted" or "Net Investment in Capital Assets."

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

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates in the City's financial statements include depreciation on capital assets and the net pension liability.

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

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

Governmental fund budgets are prepared on the Non-GAAP budgetary basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

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

	Excess (deficiency) of revenues over expenditures	
	<u>Original Budget</u>	<u>Final Budget</u>
Budgeted Funds:		
General Fund	\$ 44,835	\$ (40,848)
Capital Outlay-Remodel Building	\$ -	\$ -
CIF3178 2014 Colonias	\$ -	\$ 81,736
NM DOT CN C1150915	\$ -	\$ (89,253)
NM DOT CN C1150916	\$ -	\$ (15,433)
Nonmajor Governmental Funds	\$ 20,004	\$ 18,894

The reconciliation between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis for each governmental fund are included in each individual budgetary comparison.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 3. Deposits and Investments

State statutes authorize the investment of City funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. The City is not aware of any invested funds that did not meet the State investment requirements as of June 30, 2016.

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

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

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

All of the City's accounts are at an insured depository institution, including all noninterest-bearing transaction accounts, which will be insured by the FDIC up to the Standard Maximum Deposit Insurance Amount of \$250,000.

Custodial Credit Risk – Deposits Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk, other than following state statutes as set forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2016, \$2,692,320 of the City's deposits of \$2,942,320 was exposed to custodial credit risk. \$2,692,320 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the City's name, and no amounts were uninsured and uncollateralized.

	First New Mexico Bank
Amount of deposits	\$ 2,942,320
FDIC Coverage	(250,000)
Total uninsured public funds	2,692,320
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the City of Anthony	
	2,692,320
Uninsured and uncollateralized	\$ -
Collateral requirement (50% of uninsured funds)	
	\$ 1,346,160
Pledged Collateral	2,880,786
Over (Under) collateralized	\$ 1,534,626

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 3. Deposits and Investments (continued)

The collateral pledged is listed on Schedule IV in this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

Reconciliation to the Statement of Net Assets:

Cash and cash equivalents per Exhibit A-1	\$ 2,855,232
Restricted cash and cash equivalents per Exhibit A-1	90,010
Restricted investments per Exhibit A-1	<u>118,556</u>
Total cash and cash equivalents	<u>3,063,798</u>
Add: outstanding checks	87,088
Less: deposits in transit	-
Less: U.S. Treasury Money Market Mutual Fund	<u>(208,566)</u>
Bank balance of deposits	<u><u>\$ 2,942,320</u></u>

Investments

The City has investments held in U.S. Treasury Money Market Mutual Funds at the Bank of Albuquerque in connection with New Mexico Finance Authority (NMFA) loans.

The City's investments at June 30, 2016 include the following:

<u>Investments</u>	<u>Rated</u>	<u>Weighted Average Maturity</u>	<u>Fair Value</u>
U.S. Treasury Money Market Mutual Funds	Aaa	** >365 Days	<u>\$ 208,566</u>

** Based Moody's rating

The City has funds which are managed by NMFA which are considered restricted cash and cash equivalents and restricted investments. Of the \$208,566 and amount of \$90,010 is considered restricted cash and cash equivalents and \$118,556 is considered to be restricted investments per Exhibit A-1.

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

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

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 4. Receivables

Receivables as of June 30, 2016, are as follows:

	General Fund	Capital Outlay Remodel Building	NM DOT CN C1150905	NM DOT CN C1150916	Total Nonmajor Funds	Total
Other taxes:						
Gross receipts taxes	\$ 197,260	\$ -	\$ -	\$ -	\$ -	\$197,260
Gasoline and oil taxes	-	-	-	-	834	834
Franchise taxes	17,668	-	-	-	-	17,668
Intergovernmental receivables:						
Licenses and fees	8,295	-	-	-	-	8,295
State Operating Grants	-	27,627	89,253	51,968	56,455	225,303
	<u>\$ 223,223</u>	<u>\$ 27,627</u>	<u>\$ 89,253</u>	<u>\$ 51,968</u>	<u>\$ 57,289</u>	<u>\$449,360</u>

Receivables for governmental activities are considered to be 100% collectible.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 5. Transfers and Interfund Receivables

Internal balances have primarily been recorded when funds overdraw their share of pooled cash. The composition of interfund balances as of June 30, 2016 is as follows:

<u>Governmental Activities</u>	<u>Due from other funds</u>	<u>Due to other funds</u>
General Fund	\$ 256,720	\$ 24,405
Capital Outlay-Landscape Project	-	1,560
DOT/LGRF Map Grant	24,405	-
Capital Outlay- DOT 13-1841	-	17,231
Stonegarden	-	4,500
Capital Outlay-Remodel Building	-	77,000
General obligation Bond	-	6,421
NM DOT MAP-7613(909)	-	42,461
NM DOT CN C1150915	-	89,253
NM DOT CN C1150916	-	15,433
End DWI	-	2,560
Buckle Up	-	301
Total	<u>\$ 281,125</u>	<u>\$ 281,125</u>

<u>Governmental Activities</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$ 3,081	\$ 124,827
TAC Action for Youth	-	2,209
Operation DWI	-	860
NMDOT CWS-SP 1-15	-	10
Capital Outlay/C1142057	7,356	-
Debt Service	117,469	-
Total	<u>\$ 127,906</u>	<u>\$ 127,906</u>

All interfund transactions are short-term and are expected to be repaid within a year.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows. Land and construction in progress are not subject to depreciation.

Governmental activities:	Balance June 30, 2015	Prior Period Adjustments	Additions	Transfers	Deletions	Balance June 30, 2016
Capital assets not being depreciated:						
Land	\$ -	\$ 151,800	\$ 2,000	\$ 300,000	\$ -	\$ 453,800
Construction in progress	1,362,053	-	540,194	(249,980)	-	1,652,267
Total capital assets not being depreciated	1,392,210	151,800	542,194	50,020	-	2,106,067
Capital assets being depreciated:						
Buildings and improvements	2,144,884	487,700	108,959	(50,020)	-	2,691,523
Equipment	517,011	-	145,819	-	34,976	627,854
Infrastructure	294,800	-	816,472	-	-	1,111,272
Total capital assets being depreciated	2,956,695	487,700	1,071,250	(50,020)	34,976	4,430,649
Total capital assets	4,318,748	639,500	1,613,444	-	34,976	6,536,716
Less accumulated depreciation:						
Buildings and improvements	56,158	18,125	64,945	-	-	139,228
Equipment	134,188	690	99,624	-	18,654	215,848
Infrastructure	16,232	-	44,123	-	-	60,355
Total accumulated depreciation	206,578	18,815	208,692	-	18,654	415,431
Total capital assets, net of depreciation	\$ 4,112,170	\$ 620,685	\$ 1,404,752	\$ -	\$ 16,322	\$ 6,121,285

The City received a trade in allowance of \$28,500 from disposition of vehicle which increased the cost of current year asset additions.

Depreciation expense for the year ended June 30, 2016 was charged to governmental activities as follows:

General government \$ 208,692

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 7. Long-term Debt

Governmental Activities:

During the year ended June 30, 2016, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2016</u>	<u>Due Within One Year</u>
NMFA Loans	\$ 1,712,035	\$ 68,842	\$ 73,844	\$ 1,707,033	\$ 75,171
Compensated Absences	5,987	17,235	6,473	16,749	16,749
Total long-term debt	<u>\$ 1,718,022</u>	<u>\$ 86,077</u>	<u>\$ 80,317</u>	<u>\$ 1,723,782</u>	<u>\$ 91,920</u>

NMFA Loans

In December 2013, the City borrowed \$1,790,102 from the New Mexico Finance Authority. The loan proceeds were used to finance the acquisition of a building and grounds for the City's municipal building. The new building will allow the City to expand and improve on municipal services for the constituents of the City. This loan matures on May 2033 and accrues interest at 2.90%. The payments of principal and interest are paid from the revenue pledged as security through Municipal Local Option GRT.

On February 26, 2016, the City borrowed \$68,842 from the New Mexico Finance Authority. The proceeds of the loan are to be used for Flood Control Project 3339. The note matures in June 2036 and does not accrue interest. The City has pledged revenues to the payment of the loan to the grantor. The payments of principal is paid from the revenue pledged as security through Municipal Local Option GRT.

<u>Description</u>	<u>Date of Issue</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Amount of Issue</u>	<u>Balance June 30, 2016</u>
NMFA Loan- Municipal Building	Jun-14	May-33	2.90%	\$ 1,790,102	\$ 1,638,191
NMFA Loan- Flood Control Project	Feb-16	Jun-36	0.00%	68,842	68,842
Total NMFA Loans					<u>\$ 1,707,033</u>

The annual requirements to amortize the NMFA loan as of June 30, 2016, including interest payments, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2017	\$ 75,171	\$ 46,815	\$ 121,986
2018	76,306	44,737	121,043
2019	78,445	42,598	121,043
2020	80,647	40,397	121,044
2021-2025	438,594	166,623	605,217
2026-2030	504,201	101,016	605,217
2031-2035	453,669	26,750	480,419
	<u>\$ 1,707,033</u>	<u>\$ 468,936</u>	<u>\$ 2,175,969</u>

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 7. Long-term Debt (continued)

Compensated Absences- Employees of the City are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2016, compensated absences decreased \$10,762 from the prior year accrual. Compensated absences are liquidated by the respective funds in which they are accrued.

Conduit debt obligation

The City of Anthony has issued Industrial Revenue Bonds to provide financial assistance to private entities for the acquisition and construction of industrial facilities deemed to be in public interest. The bonds are secured by the property financed and are payable solely from payments received from the entities involved. Upon repayment of the bonds, ownership of the acquired facilities transfers to the entity served the bond issuance. Neither the City or the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

NOTE 8. Risk Management

The City is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of property, errors and omissions and natural disasters. The City participates in the New Mexico Self-Insurers' Fund risk pool.

The City has not filed any claims for which the settlement amount exceeded the insurance coverage during the past three years. However, should a claim be filed against the City which exceeds the insurance coverage, the City would be responsible for a loss in excess of the coverage amounts. As claims are filed, the New Mexico Self-Insurers' Fund assesses and estimates the potential for loss and handles all aspects of the claim. Insurance coverage has not changed significantly from prior years and coverage's are expected to be continued.

At June 30, 2016, no unpaid claims have been filed which exceed the policy limits and to the best of management's knowledge and belief all known and unknown claims will be covered by insurance. The City is not aware of any major lawsuits that have been filed.

New Mexico Self-Insurers' Fund has not provided information on an entity by entity basis that would allow for a reconciliation of changes in the aggregate liabilities for claims for the current fiscal year and the prior fiscal year.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 9. Other Required Individual Fund Disclosures

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

- A. Deficit fund balance of individual funds. The following funds had deficit fund balances as of June 30, 2016.

Capital Outlay-Remodel Building	\$ (30,759)
NM DOT CN C1150915	(89,253)
NM DOT CN C1150916	(51,967)
Capital Outlay Landscape Porject	(1,560)
Capital Outlay/DOT 13-1841	(17,231)
General Obligation Bond	(3,365)
NM DOT MAO-7613 (909)	(42,461)
End DWI	(474)
Buckle Up	(301)
	\$ (237,371)

- B. Actual expenditures in excess of amount budgeted at the budgetary authority level. Budgetary legal level of control is at the fund level. There were no funds that exceeded approved budgetary authority for the year ended June 30, 2016.

- C. Designated cash appropriations in excess of available balances. The following funds in which designated cash appropriations were in excess of available balances are as follows.

	Designated Cash	Beginning Year Cash & AR Available	Cash Appropriation in excess of available
NM DOT CN C1150905	\$ 89,253	\$ -	\$ (89,253)
NM DOT CN C1150916	15,433	-	(15,433)
Law Enforcement Protection Fund	8,000	-	(8,000)
End DWI	2,560	-	(2,560)
Buckle Up	301	-	(301)

NOTE 10. Pension Plan - Public Employees Retirement Association

General Information about the Pension Plan

Plan description. The Public Employees Retirement Fund (PERA Fund) is a **cost-sharing, multiple employer defined benefit pension plan**. This fund has six divisions of members, including State General, State Police/Adult Correction Officer, Municipal General, Municipal Police/Detention Officers, Municipal fire, and State Legislative Divisions, and offers 24 different types of coverage within the PERA plan. All assets accumulated may be used to pay benefits, including 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.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

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

General Information about the Pension Plan (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.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2015.pdf.

Contributions. The contribution requirements of defined benefit plan members and the City of Anthony are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY14 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY15 annual audit report at http://osanm.org/media/audits/366_Public_Employees_Retirement_Association_2015.pdf. The PERA coverage options that apply to City of Anthony are: Municipal General Division, and Municipal Police Division. Statutorily required contributions to the pension plan from the City of Anthony were \$43,265 and there were no employer paid member benefits that were “picked up” by the employer 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, 2015.

The assets of the PERA fund are held in one trust, but there are six distinct membership groups (municipal general members, municipal police members, municipal fire members, state general members, state police members and legislative members) for whom separate contribution rates are determined each year pursuant to chapter 10, Article 11 NMSA 1978. Therefore, the calculations of the net pension liability, pension expense and deferred inflows and outflows were performed separately for each of the membership groups: municipal general members; municipal police members; municipal fire members; state general members; state police members and legislative members. City of Anthony’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.

Reallocation of Deferred Amounts

Due to changes in proportion in fiscal year 2015 the beginning deferred inflows and outflows were reclassified due to the employer’s change in proportion for fiscal year 2015. The total reallocation of deferred inflows and outflows increased pension expense by \$29,479 for fiscal year ending June 30, 2016. This amount is not included in pension expense in PERA’s Schedule of Employer Pension Amounts for the year ended June 30, 2015.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

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

General Information about the Pension Plan (continued)

For PERA Fund Municipal General Division, at June 30, 2016, City of Anthony reported a liability of \$247,760 for its proportionate share of the net pension liability. At June 30, 2015, City of Anthony's proportion was .0243 percent, which was a decrease of 0.0004 percent from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, City of Anthony recognized PERA Fund Municipal General Division pension expense of \$18,316. At June 30, 2016, City of Anthony reported PERA Fund Municipal General Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions	\$ -	\$ 97
Changes in proportion	-	2,382
Difference between expected and actual experience	-	5,488
Net difference between projected and actual earnings on pension plan investments	-	784
Contributions subsequent to the measurement date	22,861	-
	\$ 22,861	\$ 8,751

\$22,861 reported as deferred outflows of resources related to pensions resulting from City of Anthony'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, 2017. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2017	\$	(7,300)
2018		(7,300)
2019		(7,300)
Thereafter		13,149

For PERA Fund Municipal Police Division, at June 30, 2016, City of Anthony reported a liability of \$330,348 for its proportionate share of the net pension liability. At June 30, 2015, City of Anthony's proportion was 0.0687 percent, which was an increase of 0.010 percent from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, City of Anthony recognized PERA Fund Municipal Police Division pension expense of \$29,883. At June 30, 2016, City of Anthony reported PERA Fund Municipal Police Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

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

General Information about the Pension Plan (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions	\$ -	\$ 13,667
Changes in proportion	24,892	-
Difference between expected and actual experience	23,083	-
Net difference between projected and actual earnings on pension plan investments	-	916
Contributions subsequent to the measurement date	20,404	-
	\$ 68,379	\$ 14,583

\$20,404 reported as deferred outflows of resources related to pensions resulting from City of Anthony'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, 2017. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2017	\$	4,894
2018		4,894
2019		4,894
Thereafter		18,710

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.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

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

General Information about the Pension Plan (continued)

Actuarial valuation date	June 30, 2014
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay
Amortization period	Solved for based on statutory rates
Asset valuation method	Fair value
Actuarial assumptions:	
Investment rate of return	7.75% annual rate, net of investment expense
Projected benefit payment	100 years
Payroll growth	3.50% annual rate
Projected salary increases	3.50 to 14.25% annual rate
Includes inflation at	3.00% annual rate
Mortality assumptions	RP-200 mortality tables (combined table for healthy post-retirements, Employee table for active members, and disabled table for disabled retirees before retirement age) with projections to 2018 using scale AA.
Experience study date	July 1, 2008 to June 30, 2013

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

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

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

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

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

General Information about the Pension Plan (continued)

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

PERA Fund Municipal General Division

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
City of Anthony's proportionate share of the net pension liability	\$ 421,836	\$ 247,760	\$ 103,027

PERA Fund Municipal Police Division

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
City of Anthony's proportionate share of the net pension liability	\$ 545,550	\$ 330,348	\$ 153,810

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FY16 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 there was \$2,003 of contributions due and payable to PERA for the City.

NOTE 11. Contingent Liabilities

The City is party to various claims and lawsuits arising in the normal course of business. The City is insured through the New Mexico Self Insurers Fund. The maximum exposure of the City is not estimable as of June 30, 2016.

NOTE 12. Federal and State Grants

In the normal course of operations, the City receives grant funds from various federal and state agencies. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 13. Construction and Other Significant Commitments

The City has committed to pay for several construction contracts that were not completed at June 30, 2016 in the amount of \$1,080,271 as follows:

Project and Contractor	Year Ending	Remaining Amount
4th Street Project- Burns Construction	2017	\$ 208,599
Acosta Road- Burns Construction	2017	404,948
Putters Circle- Renegade Construction	2017	466,724

NOTE 14. Subsequent Events

The date to which events occurring after June 30, 2016, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosures is December 14, 2016, which is the date on which the financial statements were issued.

NOTE 15. Concentrations

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

NOTE 16. Restricted Net Position

The government-wide statement of net position reports \$287,122 of restricted net position for governmental activities, all of the special revenue funds which are restricted by enabling legislation. See pages 37 and 68-69 for descriptions of the related restrictions for special revenue, debt service and capital projects funds.

NOTE 17. Net Position/Fund Balance Restatement

The City has a prior period adjustment of \$620,685 to increase capital assets.

NOTE 18. Subsequent Pronouncements

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

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

STATE OF NEW MEXICO
City of Anthony
Notes to the Financial Statements
June 30, 2016

NOTE 18. Subsequent Pronouncements (continued)

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

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

In December 2015, GASB Statement No. 78 *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plan* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. Earlier application is encouraged. The City is still evaluating how this pronouncement will affect the financial statements.

In January 2016, GASB Statement No. 80 *Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Earlier application is encouraged. The City is still evaluating how this pronouncement will affect the financial statements.

In March 2016, GASB Statement No. 81 *Irrevocable Split-Interest Agreements* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after December 15, 2016. Earlier application is encouraged. The City is still evaluating how this pronouncement will affect the financial statements.

In November 2016, GASB Statement No. 83 *Certain Asset Retirement Obligations* was issued. Effective Date: The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged. The City is still evaluating how this pronouncement will affect the financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO

City of Anthony

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

	2016		2015
	Measurement Date		Measurement Date
	As of and for the		As of and for the
	Year Ended		Year Ended
	June 30, 2015		June 30, 2014
City of Anthony's proportion of the net pension liability	0.0243%		0.0247%
City of Anthony's proportionate share of the net pension liability	\$ 247,760	\$	192,687
City of Anthony's covered-employee payroll	\$ 252,160	\$	284,437
City of Anthony's proportionate share of the net pension liability as a percentage of its covered-employee payroll	98.26%		67.74%
Plan fiduciary net position as a percentage of the total pension liability	76.99%		81.29%

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

See independent auditors' report.
See notes to required supplementary information.

STATE OF NEW MEXICO

City of Anthony

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

	2016		2015
	Measurement Date		Measurement Date
	As of and for the		As of and for the
	Year Ended		Year Ended
	June 30, 2015		June 30, 2014
City of Anthony's proportion of the net pension liability	0.0687%		0.0587%
City of Anthony's proportionate share of the net pension liability	\$ 330,348	\$	191,356
City of Anthony's covered-employee payroll	\$ 230,538	\$	212,779
City of Anthony's proportionate share of the net pension liability as a percentage of its covered-employee payroll	143.29%		89.93%
Plan fiduciary net position as a percentage of the total pension liability	76.99%		81.29%

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

See independent auditors' report.
See notes to required supplementary information.

STATE OF NEW MEXICO

City of Anthony

Schedule of Employer Contributions

Public Employees Retirement Association (PERA) Plan

PERA Municipal General Division

Last 10 Fiscal Years*

	As of and for the Year Ended June 30, 2016	As of and for the Year Ended June 30, 2015
Contractually required contributions	\$ 22,861	\$ 16,526
Contributions in relation to the contractually required contribution	<u>(22,861)</u>	<u>(16,526)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
City of Anthony's covered-employee payroll	\$ 308,928	\$ 252,160
Contributions as a percentage of covered-employee payroll	7.4%	6.6%

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

See independent auditors' report.
See notes to required supplementary information.

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

	As of and for the Year Ended June 30, 2016	As of and for the Year Ended June 30, 2015
Contractually required contributions	\$ 20,404	\$ 24,463
Contributions in relation to the contractually required contribution	(20,404)	(24,463)
Contribution deficiency (excess)	\$ -	\$ -
City of Anthony's covered-employee payroll	\$ 196,192	\$ 230,538
Contributions as a percentage of covered-employee payroll	10.4%	10.6%

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

See independent auditors' report.
See notes to required supplementary information.

STATE OF NEW MEXICO
City of Anthony
Notes to Required Supplementary Information
June 30, 2016

Changes of benefit terms. The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY15 audit available at http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2015.pdf.

Changes of assumptions. The Public Employees Retirement Association (PERA) of the NEW Mexico Annual Actuarial Valuation as of June 30, 2015 is available at <http://www.nmpera.org/assets/uploads/downloads/retirement-fund-valuation-reports/6-30-2015-PERA-Valuation-Report-FINAL.pdf>. See Appendix B on pages 53-61 of the report which summarizes actuarial assumptions and methods effective with the June 30, 2014 valuation.

Changes in assumptions resulted in a decrease of \$91.8 million to the total pension liability for the PERA Fund and an increase of 0.42% to the funded ratio for the year ended June 30, 2015. See more details of actuarial methods and assumptions on Note 2 on page 34 of PERA's Schedule of Employer Allocations and Pension amounts at http://osanm.org/media/audits/366-B_PERA_Schedule_of_Employer_Allocations_FY2015.pdf

See independent auditors' report.

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
City of Anthony
Nonmajor Governmental Fund Descriptions
June 30, 2016

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts and major capital projects) that are legally restricted to expenditures for specified purposes.

AUTO GRANT – 35-14-11 Municipal ordinance; court costs; collection; purpose. (3) A court automation fee of six dollars (\$6.00); the fees are to be collected upon conviction from persons convicted of violating any ordinance relating to the operation of a motor vehicle or any ordinance that may be enforced by the imposition of a term of imprisonment. All money collected pursuant to Paragraph (3) of subsection B of this section shall be remitted monthly to the state treasurer for credit to the municipal court automation fund and shall be used for the purchase, maintenance and operation of court automation systems in the municipal courts.

CORRECTIONS – A special revenues fund that accounts for revenues and expenditures relating to the Corrections department. Financing is provided by correction fees. Section 35-14-11, NMSA 1978.

JUDICIAL EDUCATION – A court education fee of three dollars (\$3.00); the fees are to be collected upon citation payments. This fund is authorized by the Board of Trustees.

CAPITAL OUTLAY LANDSCAPE PROJECT– DFA Appropriation 14-L-1681 to plan, design, construct and landscape a walkway and exercise path along Anthony drive Anthony County of Dona Ana. The authority is the Laws of 2013, Chapter 226 and the NMSA 1978, Section 9-6-5 and 9-6-5.1.

DOT/LGRF MAP GRANT– Department of Transportation, Co-operative Grants to account for grants received by the City to aid in the design, reconstruction and drainage improvement of the City Street. Authority is Section 67-3-28 and 67-3-28.2 NMSA 1978 and Commission Policy No 44-12.

CAPITAL OUTLAY/DOT 13-1841– DFA Appropriation 13-1841 NMDOT Control Number C1131841 for the purpose of planning, designing, and constructing improvements to streets in Anthony in Dona Ana County. The authority is the Laws of 2013, SB60, Chapter 226 and the NMSA 1978, Section 67-3-28, as amended, and State Highway Commission Policy No 44.

LIBRARY– To account for funds designated for library uses. This fund was created administratively by ordinance.

OPERATION DWI – To account for grants awarded to City of Anthony for traffic enforcement and alcohol monitoring. This fund is authorized by the Board of Trustees.

STONEGARDEN – Approved memorandum of agreement between Dona Ana County, Dona Ana Sheriff's Office and the City of Anthony Police Department for increased Border Security and protection under Operation Stonegarden, 2013. This fund is authorized by the Board of Trustees.

LAW ENFORCEMENT PROTECTION – A special revenues fund that accounts for revenues and expenditures relating to Law Enforcement. Financing is provided by grants. Section 19-13-3F, NMSA

ACTION FOR YOUTH – To account for expenses made for and by a Youth Group in the City of Anthony that promotes the well-being of other young adults by putting together a Health Fair in the spring of each year. This fund is authorized by the Board of Trustees.

MUNICIPAL STREETS – A special revenues fund that accounts for funds to maintain roads for which the City is responsible. Funding is provided by the gas tax. Expenditures are restricted to the construction and maintenance of City roads. Authority is NMSA 7-1-6.27.

LODGER'S TAX – To account for the operations of tourist facilities or for half of advertising, promoting and publicizing such facilities and tourist attractions. State Statute Section 4-6-41 provides for this tax to be imposed by the City. Revenues received are pursuant to the Lodger's Tax Act (Section 3-38-15, NMSA 1978).

STATE OF NEW MEXICO
City of Anthony
Nonmajor Governmental Fund Descriptions
June 30, 2016

Special Revenue Funds (continued)

NMDOT CWS-SP-1-15-956 – To account for local government road funds utilized for the design, construction management, reconstruction and drainage improvement of the City’s streets, as described in project No SP-1-15(956), CONTROL No HW2 L100162. Authority is Section 67-3-28 and 67-3-28.2 NMSA 1978 and Commission Policy No 44-12.

NMFA COLONIA TRUST – To account for Colonia Infrastructure Project Fund for the benefit of the Colonia of the City of Anthony. The Authority is the Colonia Infrastructure Act, Section 6-21-1 through 6-21-31, as amended and section 6-30-1 through 6-30-8 of NMSA 1978.

CAPITAL OUTLAY-C1142057 – To account for Local Government Road Fund utilized for the design, construction management, reconstruction and drainage improvement of the City Streets, as described in Project No SP-1-16(906). The Authority is Section 67-3-28 and 67-3-28.2 of NMSA 1978 and Commission Policy No 44-12.

GENERAL OBLIGATION BOND – To account for expenses under the General Obligation Bond awarded to the City of Anthony’s Library. This fund is authorized by the Board of Trustees.

CITY WIDE STREETS SP-1-16-(906) – To account for Local Government Road Funds utilized for design, construction management, reconstruction and drainage improvements of city streets. This fund is authorized by the Board of Trustees

CAPITAL OUTLAY– CN:14-L-1904 PUTTERS CIRCLE DRAINAGE – To account for fund from the NMFA Local Government Division for the design of Putter Circle Drainage in Anthony, NM. This fund is authorized by the Board of Trustees

NM DOT MAP-7613 (909) – To account for Local Government Road Funds utilized for planning, design full depth reconstruction, drainage improvements and construction management of city streets. This fund is authorized by the Board of Trustees

KEEP NEW MEXICO TRUE – To account for funds from Keep New Mexico Beautiful, Inc. awarded to the City of Anthony for the Anthony Community Clean Up project. This fund is authorized by the Board of Trustees.

END DWI – To account for grants awarded to the City of Anthony for traffic enforcement and alcohol monitoring. This fund is authorized by the Board of Trustees.

BUCKLE UP – To account for grants awarded to the City of Anthony for traffic enforcement and alcohol monitoring. This fund is authorized by the Board of Trustees.

Debt Service Funds

DEBT SERVICE – To accumulate monies for the repayment of the loan received from NMFA. The City has acquired the building at 820 Highway 478 Anthony, NM 88021 to house their daily operations. This fund is authorized by the Board of Trustees.

DEBT SERVICE LOAN COMP GRANT CIF-3339 – To accumulate monies for the repayment of the loan received from NMFA. The loan is a component of grant CI-3339 used for flood, Drainage and road improvements in the City of Anthony, NM. This fund is authorized by the Board of Trustees.

STATE OF NEW MEXICO
City of Anthony
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	Special Revenue			
	Auto Grant Fund	Corrections Fund	Judicial Educational Fund	Capital Outlay Landscape Project
<i>Assets</i>				
Cash and cash equivalents	\$ 5,369	\$ 32,377	\$ 431	\$ -
Investments	-	-	-	-
Receivables:				
Other taxes	-	-	-	-
Due from other governments	2,930	-	-	-
Due from other funds	-	-	-	-
	<u>8,299</u>	<u>32,377</u>	<u>431</u>	<u>-</u>
<i>Total assets</i>	<u>\$ 8,299</u>	<u>\$ 32,377</u>	<u>\$ 431</u>	<u>\$ -</u>
<i>Liabilities</i>				
Accounts payable	\$ 741	\$ 196	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	1,560
	<u>741</u>	<u>196</u>	<u>-</u>	<u>1,560</u>
<i>Total liabilities</i>	<u>741</u>	<u>196</u>	<u>-</u>	<u>1,560</u>
<i>Fund balances</i>				
Spendable:				
Restricted for:				
General government	7,558	-	431	-
Public safety	-	32,181	-	-
Culture and recreation	-	-	-	-
Public works	-	-	-	-
Debt service payments	-	-	-	-
Unassigned	-	-	-	(1,560)
	<u>7,558</u>	<u>32,181</u>	<u>431</u>	<u>(1,560)</u>
<i>Total fund balances</i>	<u>7,558</u>	<u>32,181</u>	<u>431</u>	<u>(1,560)</u>
<i>Total liabilities and fund balances</i>	<u>\$ 8,299</u>	<u>\$ 32,377</u>	<u>\$ 431</u>	<u>\$ -</u>

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

Special Revenue

<u>DOT/LGRF Map Grant</u>	<u>Capital Outlay/DOT 13- 1841</u>	<u>Library</u>	<u>Operation DWI</u>	<u>Stonegarden</u>	<u>Law Enforcement Protection Fund</u>
\$ -	\$ -	\$ 15,736	\$ -	\$ -	\$ 2,643
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	6,542	-
<u>24,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 24,405</u>	<u>\$ -</u>	<u>\$ 15,736</u>	<u>\$ -</u>	<u>\$ 6,542</u>	<u>\$ 2,643</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,334
-	-	-	-	1,644	-
-	17,231	-	-	4,500	-
<u>-</u>	<u>17,231</u>	<u>-</u>	<u>-</u>	<u>6,144</u>	<u>2,334</u>
24,405	-	-	-	-	-
-	-	-	-	398	309
-	-	15,736	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>(17,231)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>24,405</u>	<u>(17,231)</u>	<u>15,736</u>	<u>-</u>	<u>398</u>	<u>309</u>
<u>\$ 24,405</u>	<u>\$ -</u>	<u>\$ 15,736</u>	<u>\$ -</u>	<u>\$ 6,542</u>	<u>\$ 2,643</u>

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

STATE OF NEW MEXICO
City of Anthony
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	Special Revenue			
	Action for Youth Fund	Municipal Streets	Lodger's Tax	NMDOT CWS- SP-1-15-956
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ 19,339	\$ 3,454	\$ -
Investments	-	-	-	-
Receivables:				
Other taxes	-	834	-	-
Due from other governments	-	-	520	-
Due from other funds	-	-	-	-
<i>Total assets</i>	\$ -	\$ 20,173	\$ 3,974	\$ -
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
<i>Total liabilities</i>	-	-	-	-
<i>Fund balances</i>				
Spendable:				
Restricted for:				
General government	-	20,173	3,974	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Public works	-	-	-	-
Debt service payments	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	-	20,173	3,974	-
<i>Total liabilities and fund balances</i>	\$ -	\$ 20,173	\$ 3,974	\$ -

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

Special Revenue

NMFA Colonia Trust	Capital Outlay-C1142057	General Obligation Bond	City Wide Streets SP-1-16-(906)	Capital Outlay-CN:14-L-1904 Putters Circle Drainage	NM DOT MAP-7613 (909)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	3,056	41,321	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,056</u>	<u>\$ 41,321</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	6,421	-	-	42,461
-	-	6,421	-	-	42,461
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	41,321	-	-
-	-	(3,365)	-	-	(42,461)
-	-	(3,365)	41,321	-	(42,461)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,056</u>	<u>\$ 41,321</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
City of Anthony
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	<u>Special Revenue</u>			<u>Debt Service</u>
	<u>Keep New Mexico True Grant</u>	<u>End DWI</u>	<u>Buckle Up</u>	<u>Debt Service</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 150	\$ -	\$ -	\$ 21,168
Investments	-	-	-	118,556
Receivables:				
Other taxes	-	-	-	-
Due from other governments	-	2,086	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 150</u>	<u>\$ 2,086</u>	<u>\$ -</u>	<u>\$ 139,724</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	2,560	301	-
<i>Total liabilities</i>	<u>-</u>	<u>2,560</u>	<u>301</u>	<u>-</u>
<i>Fund balances</i>				
Spendable:				
Restricted for:				
General government	150	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Public works	-	-	-	-
Debt service payments	-	-	-	139,724
Unassigned	-	(474)	(301)	-
<i>Total fund balances</i>	<u>150</u>	<u>(474)</u>	<u>(301)</u>	<u>139,724</u>
<i>Total liabilities and fund balances</i>	<u>\$ 150</u>	<u>\$ 2,086</u>	<u>\$ -</u>	<u>\$ 139,724</u>

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

<u>Debt Service</u>	
<u>Debt Service Loan Comp Grant CIF-3339</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 68,842	\$ 169,509
-	118,556
-	834
-	56,455
-	24,405
<u>\$ 68,842</u>	<u>\$ 369,759</u>
\$ 943	\$ 4,214
-	1,644
-	75,034
<u>943</u>	<u>80,892</u>
-	56,691
-	32,888
-	15,736
-	41,321
67,899	207,623
-	(65,392)
<u>67,899</u>	<u>288,867</u>
<u>\$ 68,842</u>	<u>\$ 369,759</u>

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

STATE OF NEW MEXICO
City of Anthony
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	Special Revenue			
	Auto Grant Fund	Corrections Fund	Judicial Educational Fund	Capital Outlay Landscape Project
<i>Revenues</i>				
Taxes:				
Gasoline and motor vehicle taxes	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
Intergovernmental income:				
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	6,839	-	-	-
Licenses and fees	-	13,024	2,006	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>6,839</u>	<u>13,024</u>	<u>2,006</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	4,729	4,808	1,851	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,729</u>	<u>4,808</u>	<u>1,851</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>2,110</u>	<u>8,216</u>	<u>155</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
Loan proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	2,110	8,216	155	-
<i>Fund balances - beginning</i>	<u>5,448</u>	<u>23,965</u>	<u>276</u>	<u>(1,560)</u>
<i>Fund balances - end of year</i>	<u>\$ 7,558</u>	<u>\$ 32,181</u>	<u>\$ 431</u>	<u>\$ (1,560)</u>

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

Special Revenue

<u>DOT/LGRF Map Grant</u>	<u>Capital Outlay/DOT 13- 1841</u>	<u>Library</u>	<u>Operation DWI</u>	<u>Stonegarden</u>	<u>Law Enforcement Protection Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	10,844	24,200
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	9,766	-	-	-
<u>-</u>	<u>-</u>	<u>9,766</u>	<u>-</u>	<u>10,844</u>	<u>24,200</u>
-	-	-	-	-	-
-	-	-	-	11,723	8,837
-	-	3,585	-	-	-
-	-	-	-	-	15,054
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>3,585</u>	<u>-</u>	<u>11,723</u>	<u>23,891</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>6,181</u>	<u>-</u>	<u>(879)</u>	<u>309</u>
-	-	-	-	-	-
-	-	-	(860)	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(860)</u>	<u>-</u>	<u>-</u>
-	-	6,181	(860)	(879)	309
<u>24,405</u>	<u>(17,231)</u>	<u>9,555</u>	<u>860</u>	<u>1,277</u>	<u>-</u>
<u>\$ 24,405</u>	<u>\$ (17,231)</u>	<u>\$ 15,736</u>	<u>\$ -</u>	<u>\$ 398</u>	<u>\$ 309</u>

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

STATE OF NEW MEXICO
City of Anthony
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	Special Revenue			
	Action for Youth Fund	Municipal Streets	Lodger's Tax	NMDOT CWS- SP-1-15-956
<i>Revenues</i>				
Taxes:				
Gasoline and motor vehicle taxes	\$ -	\$ 5,578	\$ -	\$ -
Other	-	-	1,993	-
Intergovernmental income:				
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	5,578	1,993	-
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	5,578	1,993	-
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	-
Transfers (out)	(2,209)	-	-	(10)
Loan proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	(2,209)	-	-	(10)
<i>Net change in fund balances</i>	(2,209)	5,578	1,993	(10)
<i>Fund balances - beginning</i>	2,209	14,595	1,981	10
<i>Fund balances - end of year</i>	\$ -	\$ 20,173	\$ 3,974	\$ -

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

Special Revenue

NMFA Colonia Trust	Capital Outlay- C1142057	General Obligation Bond	City Wide Streets SP-1-16- (906)	Capital Outlay- CN:14-L-1904 Putters Circle Drainage	NM DOT MAP- 7613 (909)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	4,358	-	-	-
119,033	300,000	-	41,321	50,000	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>119,033</u>	<u>300,000</u>	<u>4,358</u>	<u>41,321</u>	<u>50,000</u>	<u>-</u>
-	-	7,723	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
107,875	294,272	-	-	50,000	42,461
-	-	-	-	-	-
-	-	-	-	-	-
<u>107,875</u>	<u>294,272</u>	<u>7,723</u>	<u>-</u>	<u>50,000</u>	<u>42,461</u>
<u>11,158</u>	<u>5,728</u>	<u>(3,365)</u>	<u>41,321</u>	<u>-</u>	<u>(42,461)</u>
-	7,356	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>7,356</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
11,158	13,084	(3,365)	41,321	-	(42,461)
<u>(11,158)</u>	<u>(13,084)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,365)</u>	<u>\$ 41,321</u>	<u>\$ -</u>	<u>\$ (42,461)</u>

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

STATE OF NEW MEXICO
City of Anthony
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2016

	<u>Special Revenue</u>			<u>Debt Service</u>
	<u>Keep New Mexico True Grant</u>	<u>End DWI</u>	<u>Buckle Up</u>	<u>Debt Service</u>
<i>Revenues</i>				
Taxes:				
Gasoline and motor vehicle taxes	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
Intergovernmental income:				
State operating grants	8,440	2,473	1,667	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	1,282
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>8,440</u>	<u>2,473</u>	<u>1,667</u>	<u>1,282</u>
<i>Expenditures</i>				
Current:				
General government	8,290	-	-	1,512
Public safety	-	2,947	1,968	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	73,844
Interest	-	-	-	42,112
<i>Total expenditures</i>	<u>8,290</u>	<u>2,947</u>	<u>1,968</u>	<u>117,468</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>150</u>	<u>(474)</u>	<u>(301)</u>	<u>(116,186)</u>
<i>Other financing sources (uses)</i>				
Transfers in	-	-	-	117,469
Transfers (out)	-	-	-	-
Loan proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>117,469</u>
<i>Net change in fund balances</i>	150	(474)	(301)	1,283
<i>Fund balances - beginning</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>138,441</u>
<i>Fund balances - end of year</i>	<u>\$ 150</u>	<u>\$ (474)</u>	<u>\$ (301)</u>	<u>\$ 139,724</u>

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

<u>Debt Service</u>	
<u>Debt Service Loan Comp Grant CIF-3339</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 5,578
-	1,993
-	51,982
-	510,354
-	6,839
-	15,030
-	1,282
-	9,766
-	<u>602,824</u>
-	28,913
-	25,475
-	3,585
-	509,662
-	73,844
943	43,055
<u>943</u>	<u>684,534</u>
<u>(943)</u>	<u>(81,710)</u>
-	124,825
-	(3,079)
68,842	68,842
<u>68,842</u>	<u>190,588</u>
67,899	108,878
-	179,989
<u>\$ 67,899</u>	<u>\$ 288,867</u>

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

STATE OF NEW MEXICO

Statement B-1

City of Anthony

Auto Grant Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Lodger's taxes	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	6,180	6,180	3,909	(2,271)
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>6,180</u>	<u>6,180</u>	<u>3,909</u>	<u>(2,271)</u>
<i>Expenditures</i>				
Current:				
General government	6,180	6,180	3,988	2,192
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>6,180</u>	<u>6,180</u>	<u>3,988</u>	<u>2,192</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(79)</u>	<u>(79)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(79)	(79)
<i>Fund balance - beginning of year</i>	-	-	5,448	5,448
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,369</u>	<u>\$ 5,369</u>
Net change in fund balance (Budget basis)				\$ (79)
Adjustments to revenues for charges for services				2,930
Adjustments to expenditures for other contractual services				(741)
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 2,110</u>

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

STATE OF NEW MEXICO

Statement B-2

City of Anthony

Corrections Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	12,000	12,000	13,024	1,024
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>12,000</u>	<u>12,000</u>	<u>13,024</u>	<u>1,024</u>
<i>Expenditures</i>				
Current:				
General government	5,000	5,000	4,612	388
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,000</u>	<u>5,000</u>	<u>4,612</u>	<u>388</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>7,000</u>	<u>(7,000)</u>	<u>8,412</u>	<u>636</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(7,000)	(7,000)	-	7,000
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(7,000)</u>	<u>(7,000)</u>	<u>-</u>	<u>7,000</u>
<i>Net change in fund balance</i>	-	-	8,412	8,412
<i>Fund balance - beginning of year</i>	-	-	23,965	23,965
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,377</u>	<u>\$ 32,377</u>
Net change in fund balance (Budget basis)				\$ 8,412
No adjustments to revenues				-
Adjustments to expenditures for care of prisoners				(196)
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 8,216</u>

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

STATE OF NEW MEXICO

Statement B-3

City of Anthony

Judicial Education Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	1,800	1,800	2,006	206
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,800</u>	<u>1,800</u>	<u>2,006</u>	<u>206</u>
<i>Expenditures</i>				
Current:				
General government	1,800	1,860	1,851	9
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,800</u>	<u>1,860</u>	<u>1,851</u>	<u>9</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(60)</u>	<u>155</u>	<u>215</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	60	-	(60)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>60</u>	<u>-</u>	<u>(60)</u>
<i>Net change in fund balance</i>	-	-	155	155
<i>Fund balance - beginning of year</i>	-	-	276	276
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 431</u>	<u>\$ 431</u>
Net change in fund balance (Budget basis)				\$ 155
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 155</u>

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

STATE OF NEW MEXICO

Statement B-4

City of Anthony

Capital Outlay Landscape Project Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	(1,560)	(1,560)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,560)</u>	<u>\$ (1,560)</u>
Net change in fund balance (Budget basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ -</u>

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

STATE OF NEW MEXICO

Statement B-5

City of Anthony

DOT/LGRF Map Grant Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	24,405	24,405
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,405</u>	<u>\$ 24,405</u>
Net change in fund balance (Budget basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ -</u>

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

STATE OF NEW MEXICO

Statement B-6

City of Anthony

Capital Outlay/DOT 13-1841 Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	(17,231)	(17,231)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (17,231)</u>	<u>\$ (17,231)</u>
Net change in fund balance (Budget basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ -</u>

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

STATE OF NEW MEXICO

Statement B-7

City of Anthony

Library Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	8,000	8,000	9,766	1,766
<i>Total revenues</i>	<u>8,000</u>	<u>8,000</u>	<u>9,766</u>	<u>1,766</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	4,000	4,000	3,585	415
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,000</u>	<u>4,000</u>	<u>3,585</u>	<u>415</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>4,000</u>	<u>4,000</u>	<u>6,181</u>	<u>2,181</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(4,000)	(4,000)	-	4,000
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(4,000)</u>	<u>(4,000)</u>	<u>-</u>	<u>4,000</u>
<i>Net change in fund balance</i>	-	-	6,181	6,181
<i>Fund balance - beginning of year</i>	-	-	9,555	9,555
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,736</u>	<u>\$ 15,736</u>
Net change in fund balance (Budget basis)				\$ 6,181
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 6,181</u>

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

STATE OF NEW MEXICO

Statement B-8

City of Anthony

Operation DWI Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	860	-	(860)
Transfers in	-	-	-	-
Transfers out	-	(860)	(860)	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(860)</u>	<u>(860)</u>
<i>Net change in fund balance</i>	-	-	(860)	(860)
<i>Fund balance - beginning of year</i>	-	-	860	860
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Budget basis)				\$ (860)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ (860)</u>

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

STATE OF NEW MEXICO

Statement B-9

City of Anthony

Stonegarden Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	15,702	4,302	(11,400)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>15,702</u>	<u>4,302</u>	<u>(11,400)</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	15,702	8,074	7,628
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>15,702</u>	<u>8,074</u>	<u>7,628</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(3,772)</u>	<u>(3,772)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(3,772)	(3,772)
<i>Fund balance - beginning of year</i>	-	-	(728)	(728)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,500)</u>	<u>\$ (4,500)</u>
Net change in fund balance (Budget basis)				\$ (3,772)
Adjustments to revenues for state operating grants				6,542
Adjustments to expenditures for salaries				(3,649)
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ (879)</u>

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

STATE OF NEW MEXICO

Statement B-10

City of Anthony

Law Enforcement Protection Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	24,200	24,200	24,200	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>24,200</u>	<u>24,200</u>	<u>24,200</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	24,200	17,146	6,503	10,643
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	15,054	15,054	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>24,200</u>	<u>32,200</u>	<u>21,557</u>	<u>10,643</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(8,000)</u>	<u>2,643</u>	<u>10,643</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	8,000	-	(8,000)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>8,000</u>	<u>-</u>	<u>(8,000)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>2,643</u>	<u>2,643</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,643</u>	<u>\$ 2,643</u>
Net change in fund balance (Budget basis)				\$ 2,643
No adjustments to revenues				-
Adjustments to expenditures for non-capital equipment				(2,334)
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 309</u>

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

STATE OF NEW MEXICO

Statement B-11

City of Anthony

Action for Youth Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	2,209	-	(2,209)
Transfers in	-	-	-	-
Transfers out	-	(2,209)	(2,209)	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(2,209)</u>	<u>(2,209)</u>
<i>Net change in fund balance</i>	-	-	(2,209)	(2,209)
<i>Fund balance - beginning of year</i>	-	-	2,209	2,209
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Budget basis)				\$ (2,209)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ (2,209)</u>

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

STATE OF NEW MEXICO

Statement B-12

City of Anthony

Municipal Streets Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	5,004	5,004	5,578	574
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,004</u>	<u>5,004</u>	<u>5,578</u>	<u>574</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>5,004</u>	<u>5,004</u>	<u>5,578</u>	<u>574</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(5,004)	(5,004)	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(5,004)</u>	<u>(5,004)</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	5,578	5,578
<i>Fund balance - beginning of year</i>	-	-	13,761	13,761
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,339</u>	<u>\$ 19,339</u>
Net change in fund balance (Budget basis)				\$ 5,578
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 5,578</u>

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

STATE OF NEW MEXICO

Statement B-13

City of Anthony

Lodger's Tax Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	1,300	1,300	1,473	173
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,300</u>	<u>1,300</u>	<u>1,473</u>	<u>173</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,300</u>	<u>1,300</u>	<u>1,473</u>	<u>173</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	(1,300)	(1,300)	-	1,300
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(1,300)</u>	<u>(1,300)</u>	<u>-</u>	<u>1,300</u>
<i>Net change in fund balance</i>	-	-	1,473	1,473
<i>Fund balance - beginning of year</i>	-	-	1,981	1,981
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,454</u>	<u>\$ 3,454</u>
Net change in fund balance (Budget basis)				\$ 1,473
Adjustments to revenues for lodger's taxes				520
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 1,993</u>

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

STATE OF NEW MEXICO

Statement B-14

City of Anthony

NMDOT CWS-SP-1-15-956 Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	10	-	(10)
Transfers in	-	-	-	-
Transfers out	-	(10)	(10)	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(10)</u>	<u>(10)</u>
<i>Net change in fund balance</i>	-	-	(10)	(10)
<i>Fund balance - beginning of year</i>	-	-	10	10
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Budget basis)				\$ (10)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ (10)</u>

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

STATE OF NEW MEXICO

Statement B-15

City of Anthony

NMFA Colonia Trust Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	107,875	119,033	11,158
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>107,875</u>	<u>119,033</u>	<u>11,158</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	107,875	107,875	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>107,875</u>	<u>107,875</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>11,158</u>	<u>11,158</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	11,158	11,158
<i>Fund balance - beginning of year</i>	-	-	(11,158)	(11,158)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Budget basis)				\$ 11,158
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 11,158</u>

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

STATE OF NEW MEXICO

Statement B-16

City of Anthony

Capital Outlay - C1142057 Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	300,000	300,000	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	300,000	300,000	-
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	300,000	294,272	5,728
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	300,000	294,272	5,728
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	5,728	5,728
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	7,356	7,356	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	7,356	7,356	-
<i>Net change in fund balance</i>	-	7,356	13,084	5,728
<i>Fund balance - beginning of year</i>	-	-	(13,084)	(13,084)
<i>Fund balance - end of year</i>	\$ -	\$ 7,356	\$ -	\$ (7,356)
Net change in fund balance (Budget basis)				\$ 13,084
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				\$ 13,084

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

STATE OF NEW MEXICO
City of Anthony
General Obligation Bond Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2016

Statement B-17

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
State operating grants	7,927	7,927	1,302	(6,625)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>7,927</u>	<u>7,927</u>	<u>1,302</u>	<u>(6,625)</u>
<i>Expenditures</i>				
Current:				
General government	7,927	7,927	7,723	204
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>7,927</u>	<u>7,927</u>	<u>7,723</u>	<u>204</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,421)</u>	<u>(6,421)</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(6,421)</u>	<u>(6,421)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (6,421)</u>	<u>\$ (6,421)</u>
Net change in fund balance (Budget basis)				\$ (6,421)
Adjustments to revenues for state operating grants				3,056
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ (3,365)</u>

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

STATE OF NEW MEXICO

Statement B-18

City of Anthony

City Wide Street SP-1-16-(906) Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	55,095	-	(55,095)
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>55,095</u>	<u>-</u>	<u>(55,095)</u>
<i>Expenditures</i>				
Current:				
General government	-	55,095	-	55,095
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>55,095</u>	<u>-</u>	<u>55,095</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Budget basis)				\$ -
Adjustments to revenues for charges for services				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ -</u>

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

STATE OF NEW MEXICO

Statement B-19

City of Anthony

Capital Outlay- CN:14-L-1904 Putters Circle Drainage Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	50,000	50,000	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	50,000	50,000	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (Budget basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ -</u>

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

STATE OF NEW MEXICO

Statement B-20

City of Anthony

NM DOT MAP-7613 (909) Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	299,184	-	(299,184)
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	299,184	-	(299,184)
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	299,184	42,461	256,723
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	299,184	42,461	256,723
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(42,461)	(42,461)
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	(42,461)	(42,461)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ (42,461)	\$ (42,461)
Net change in fund balance (Budget basis)				\$ (42,461)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				\$ (42,461)

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

STATE OF NEW MEXICO

Statement B-21

City of Anthony

Keep New Mexico True Grant Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	13,100	8,440	(4,660)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>13,100</u>	<u>8,440</u>	<u>(4,660)</u>
<i>Expenditures</i>				
Current:				
General government	-	13,100	8,290	4,810
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>13,100</u>	<u>8,290</u>	<u>4,810</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>150</u>	<u>150</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>150</u>	<u>150</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150</u>	<u>\$ 150</u>
Net change in fund balance (Budget basis)				\$ 150
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 150</u>

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

STATE OF NEW MEXICO

Statement B-22

City of Anthony

End DWI Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	387	387	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>387</u>	<u>387</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	2,947	2,947	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2,947</u>	<u>2,947</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(2,560)</u>	<u>(2,560)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	2,560	-	(2,560)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>2,560</u>	<u>-</u>	<u>(2,560)</u>
<i>Net change in fund balance</i>	-	-	(2,560)	(2,560)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,560)</u>	<u>\$ (2,560)</u>
Net change in fund balance (Budget basis)				\$ (2,560)
Adjustments to revenues for state operating grants				2,086
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ (474)</u>

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

STATE OF NEW MEXICO

Statement B-23

City of Anthony

Buckle Up Special Revenue Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	1,667	1,667	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,667</u>	<u>1,667</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	1,968	1,968	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,968</u>	<u>1,968</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(301)</u>	<u>(301)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	301	-	(301)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>301</u>	<u>-</u>	<u>(301)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(301)</u>	<u>(301)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (301)</u>	<u>\$ (301)</u>
Net change in fund balance (Budget basis)				\$ (301)
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ (301)</u>

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

STATE OF NEW MEXICO

Statement B-24

City of Anthony

Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable) Final to Actual
	Original	Final		
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	1,282	1,282	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,282</u>	<u>1,282</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	1,512	1,512	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Debt service:				
Principal	-	73,844	73,844	-
Interest	-	42,112	42,112	-
<i>Total expenditures</i>	<u>-</u>	<u>117,468</u>	<u>117,468</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(116,186)</u>	<u>(116,186)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	(1,283)	-	1,283
Transfers in	-	117,469	117,469	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>116,186</u>	<u>117,469</u>	<u>1,283</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>1,283</u>	<u>1,283</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>138,441</u>	<u>138,441</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,724</u>	<u>\$ 139,724</u>
Net change in fund balance (Budget basis)				\$ 1,283
No adjustments to revenues				-
No adjustments to expenditures				-
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 1,283</u>

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

STATE OF NEW MEXICO

Statement B-25

City of Anthony

Debt Service Loan Comp Grant CIF-3339 Debt Service Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variances</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u> <u>Final to Actual</u>
<i>Revenues</i>				
Taxes:				
Gross receipts	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income:				
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash (budgeted increase in cash)	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Loan proceeds	-	-	68,842	68,842
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>68,842</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>68,842</u>	<u>-</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,842</u>	<u>\$ -</u>
Net change in fund balance (Budget basis)				\$ 68,842
No adjustments to revenues				-
Adjustments to expenditures for loan fees				(943)
<i>Net change in fund balance (GAAP basis)</i>				<u>\$ 67,899</u>

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

SUPPORTING SCHEDULES

STATE OF NEW MEXICO
City of Anthony
Schedule of Deposit and Investment Accounts
June 30, 2016

Schedule III

Bank Name/Account Name	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Book Balance
First National Bank					
Checking - Operational	Checking	\$ 2,942,320	\$ -	\$ 87,067	\$ 2,855,253
<i>Total First National Bank</i>		<u>2,942,320</u>	<u>-</u>	<u>87,067</u>	<u>2,855,253</u>
New Mexico Finance Authority					
Anthony 6 Land Purchase	State Treasurer				
	Debt Service	21,168	-	-	21,168
Anthony 6 Land Purchase	Reserve Fund				
	Payable	118,556	-	-	118,556
Anthony 13 Flood, drainage, road, improvements	Program Funds	68,842	-	-	68,842
<i>Total New Mexico Finance Authority</i>		<u>208,566</u>	<u>-</u>	<u>-</u>	<u>208,566</u>
<i>Total</i>		<u>\$ 3,150,886</u>	<u>\$ -</u>	<u>\$ 87,067</u>	<u>\$ 3,063,819</u>

Deposits and investments per financial statements:

Cash and cash equivalents - Exhibit A-1	\$ 2,715,253
Restricted cash and cash equivalents - Exhibit A-1	90,010
Restricted Investments - Exhibit A-1	118,556
Fiduciary funds cash and investments - Exhibit E-1	<u>140,000</u>
<i>Total deposits and investments</i>	<u>\$ 3,063,819</u>

See independent auditors' report.

STATE OF NEW MEXICO

Schedule IV

City of Anthony

Schedule of Collateral Pledged by Depository for Public Funds

June 30, 2016

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value at June 30, 2015	Location of Safekeeper
First New Mexico Bank					
	Mora NM Indpt S	7/1/2017	CUSIP 616412EK4	\$ 342,193	
	Alamogordo NM	8/1/2029	CUSIP 011446GC9	230,547	
	Tularosa NM Mut	5/1/2017	CUSIP 899172HK9	230,630	
	Lovington NM M	10/1/2018	CUSIP 547473CJ5	407,008	First New Mexico
	Bloomfield NM Mun	9/1/2021	CUSIP 094077KQ6	276,047	Bank, Las Cruces
	Grants & Cibola CNTYS	11/15/2018	CUSIP 388240ES8	313,836	P.O Box 429 Las
	Southern Sandoval NM	8/1/2021	CUSIP 1505110091	273,690	Cruces, NM 88004
	University NM Gallup	9/15/2023	CUSIP 914684DK8	313,985	
	Bernalillo NM MUN	8/1/2023	CUSIP 085279QB6	218,321	
	Cloudcroft NM MUN	8/1/2020	CUSIP 189134EQ8	274,529	
				<u>\$ 2,880,786</u>	
<i>Total Pledged Collateral</i>					

See independent auditors' report.

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STATE OF NEW MEXICO

Schedule V

City of Anthony

Schedule of Changes in Fiduciary Assets and Liabilities - Agency Funds

For the Year Ended June 30, 2016

	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2016</u>
<i>Assets</i>				
Cash	\$ -	\$ 140,000	\$ -	\$ 140,000
Total assets	<u>\$ -</u>	<u>\$ 140,000</u>	<u>\$ -</u>	<u>\$ 140,000</u>
<i>Liabilities</i>				
Due to others	\$ -	\$ 140,000	\$ -	\$ 140,000
Total liabilities	<u>\$ -</u>	<u>\$ 140,000</u>	<u>\$ -</u>	<u>\$ 140,000</u>

See independent auditors' report.

STATE OF NEW MEXICO
City of Anthony
Schedule of Joint Powers Agreements
June 30, 2016

<u>Agreement</u>	<u>The City Participates with</u>	<u>Party Responsible for Operation</u>	<u>Description</u>
Mesilla Valley Regional Dispatch Authority (MVRDA)	City of Las Cruces, Dona Ana County, Town of Mesilla, Village of Hatch, and the City of Sunland Park	Dona Ana County	Jointly operate, maintain and administer a combined communications center to provide emergency dispatch services
Detainee Housing	Dona Ana County	Dona Ana County	Detainee Housing assistance for adult and juvenile detainees

See independent auditors' report.

<u>Period</u>	<u>Cost to City</u>	<u>City Contributions</u>	<u>Audit Responsibility</u>
Perpetual	Various	\$ 84,981	MVRDA
Perpetual	\$98.77 per day per prisoner and Juvenile daily rate \$130.57	\$ 17,327	Dona Ana County

See independent auditors' report.

STATE OF NEW MEXICO
City of Anthony
Schedule of Vendor Information for Purchases Exceeding \$60,000 (excluding GRT)
For the Year Ended June 30, 2016

Prepared by: City of Anthony Title: Finance Department Date: 12/12/2016

Agency Number	Agency Name	Agency Type	RFB#/RFP# (If applicable)	Type of Procurement	Vendor Name	Did Vendor Win Contract?	\$ Amount of Awarded Contract
6007	City of Anthony	Municipalities	2015-001-CIF3178	Competitive (RFP or RFB)	Morrow Enterprises, Inc	Winner	\$ 686,031.41
6008	City of Anthony	Municipalities	2016-001-MAP7613	Competitive (RFP or RFB)	Burn Construction	Winner	\$ 288,894.00

See independent auditors' report.

<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>
\$ 688,305.62	Las Cruces, New Mexico	Yes	No	4th Stree/Acosta Road Drain Improvements	
\$ 293,302.78	Las Cruces, New Mexico	Yes	No	Acosta Road-Lopez Street Roadway improvements	

See independent auditors' report.

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COMPLIANCE SECTION

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

INDEPENDENT AUDITORS' REPORT

Timothy Keller
New Mexico State Auditor
The Mayor and Board of Trustees
City of Anthony
Anthony, New Mexico

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

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and responses as item FS 2015-001 to be a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and responses as item FS 2013-006 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

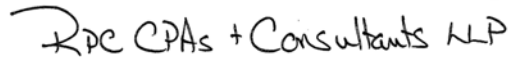
We noted certain matters that are required to be reported per section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of Section 12-6-5 NMSA 1978 Findings as items FS 2015-004 and NM 2016-001.

The City's Response to Findings

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



RPC CPAs + Consultants, LLP
El Paso, TX
December 14, 2016

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STATE OF NEW MEXICO
City of Anthony
Schedule of Findings and Responses
June 30, 2016

A. SUMMARY OF AUDITORS' RESULTS

Financial Statements:

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

B. FINDINGS - FINANCIAL STATEMENT AUDIT

FS 2013-006 Design Deficiencies in Internal Control (Repeated/Modified) (Significant Deficiency)

Condition: Management has not adopted sound accounting policies, established or maintained internal control that would initiate, authorize, record, processes and report transactions consistent with management's assertions embodied in the financial statements. During our audit, we noted the following internal control deficiencies:

- Manual journal entries are not being consistently reviewed by someone other than the individual entering the journal entry.
- The City does not have a routine close and reporting process to ensure all significant accounts are reconciled timely.
- Budget adjustments are not being reviewed consistently by someone other than the individual entering the budget adjustment.
- Management does not have internal controls in place to ensure all lease agreements are reviewed and the City's tenants are in compliance with all requirements.
- Management does not review employee timesheets.
- Adequate controls for access to computer programs and data have not been established by management for physical security and access to programs and data. Lack of such controls exist in the following areas:
 1. Information Security Policy/User Awareness
 2. Configuration of Access Rules/Access Administration
- Adequate controls are not in place to ensure recoverability from interruptions in service in a timely manner and to restore critical information services in the event of a disaster.

The City was not able to complete and implement a policies and procedures manual by June 30, 2016. However, they have hired a new CFO who is currently working on the manual and is expected to be completed by June 30, 2017.

Criteria: The Committee of Sponsoring Organizations (COSO) internal control integrated framework consists of five critical elements that must be present in carrying out the achievement objectives of an organization. These elements are known as the control environment, risk assessment, control activities, information and communication, and monitoring elements of internal control.

Effect: Because internal control is inadequate and not documented, management and staff are unsure about what procedures and processes to follow or what key controls are in place to properly safeguard assets. Adequate controls are not in place to prevent or detect intentional misstatements of accounting information and fraudulent access to computer systems.

Cause: For the fiscal year 2016, management did not have a documented policy to ensure internal controls were in place and working properly, which resulted in various errors.

Auditors' Recommendations: The City should ensure that a comprehensive internal control structure over financial information is designed, documented, and implemented. The City's Council is charged with governance and should provide effective oversight of the internal control and financial reporting process.

Agency's Response: The City is currently developing a new and improved Employee Handbook. This will list all the policies and procedures for the City and will be provided to the employees. The department in charge to develop the new Employee Handbook is the City Clerk department and we are expecting to have it ready and implemented by June 30, 2017. As well, the Finance department is currently developing a manual for the accounting and finance policies and procedures. These will outline the necessary policies and procedures to ensure that GASB standards are followed.

B. FINDINGS - FINANCIAL STATEMENT AUDIT (continued)

FS 2015-001 Capital Assets (Repeated/Modified) (Material Weakness)

Condition: During testwork of capital assets we noted the following:

- The City inadvertently excluded capital assets purchased or constructed in prior years from its records, resulting a restatement in the amount of \$620,685.

The City was not able to complete and implement an internal controls system by June 30, 2016. However, they have hired a new CFO who conducted an annual inventory and is currently working on an internal controls system to manage and monitor the City's capital asset listing which is expected to be completed by June 30, 2017.

Criteria: Section 2.20.1 of NMAC requires agencies to properly account for capital assets. The required capital asset accounting system is described in Section 2.20.1.8 of NMAC. Proper controls over the capital assets are described in Section 2.20.1.15 of NMAC.

Effect: The lack of proper implementation of controls over capital assets may result in the financial statements being misstated.

Cause: The City had not performed an inventory of its fixed assets prior to the current fiscal year to determine their fixed asset listing was complete.

Auditors' Recommendations: The City should implement an internal controls system to manage and monitor the City's capital asset listing. Furthermore, the City should perform an annual inventory as described in 2.20.1.16 of NMAC.

Agency's Response: The City Clerk department was in charge of maintained an accurate Capital Assets listing and to performed an annual inventory during the 2016 fiscal year. As of July 1, 2016, a Finance Department has been created. The Finance department has taken over the Capital Assets since July 2016. The Finance department is currently working in the Accounting and Finance policies and procedures. A mandatory annual inventory and a process for a proper Capital Assets monitoring will be implemented. The Finance Department is expecting to have this manual ready by June 30, 2017.

C. FINDINGS - SECTION 12-6-5 NMSA 1978

FS 2015-004 Travel and Per Diem (Repeated/Modified) (Other Noncompliance)

Condition: During test work we noted that 10 out of 10 transactions tested were reimbursed incorrectly, resulting in an overpayment to the employees of \$96.00. Additionally, 10 out of 10 transactions tested, were reimbursed without employees providing receipts for “actual expenses” in the amount of \$970.

The City did not follow the Per Diem and Mileage Act when paying per diem and travel reimbursements. They have hired a new CFO who is currently working on an internal controls system which is expected to be completed by June 30, 2017.

Criteria: NMAC 6.20.2.19 requires the City to comply with the Per Diem and Mileage Act, Sections 10-8-1 through 10-8-4, for all per diem and reimbursement rates.

Effect: The City has overpaid monies for reimbursements using public funds and is not in compliance with the Per Diem and Mileage Act.

Cause: The partial day per diem rates were paid for days for which the employees were not eligible to receive such reimbursement and reimbursements were made for actual expenses without proper documentation obtained from the employees.

Auditors’ Recommendation: We recommend the City follow the Per Diem and Mileage Act when paying per diem and travel reimbursements.

Agency’s Response: The City Clerk department was in charge of the per diem process during the 2016 fiscal year. As of July 1, 2016 a Finance department has been created. The Finance department has taken over the per diem process since July, 2016. As of July 2016 the city has been using an Excel Macros that minimize human intervention in the calculation of per diem. This Macros has been developed in accordance of the State of New Mexico Per Diem and Mileage Act.

C. FINDINGS - SECTION 12-6-5 NMSA 1978 (continued)

NM 2016-001 Cash Appropriations in Excess of Available Cash Balances (Other Noncompliance)

Condition: The City maintained a deficit budget in excess of available cash balances in the following funds:

	Designated Cash	Beginning Year Cash & AR Available	Cash Appropriation in excess of available
NM DOT CN C1150905	\$ 89,253	\$ -	\$ (89,253)
NM DOT CN C1150916	15,433	-	(15,433)
Law Enforcement Protection Fund	8,000	-	(8,000)
End DWI	2,560	-	(2,560)
Buckle Up	301	-	(301)

Criteria: Section 2.2.2.10. (O) (1), NMAC, states that the City’s cash balances rebudgeted to absorb budget deficits cannot exceed the actual cash balance available at the end of the prior year.

Effect: The City will have to supplement the budget deficit with other funds, which may lead to financial difficulties and deplete the budget in other funds. The City is in violation of the above statute.

Cause: Beginning balances were not considered for the above funds.

Auditors’ Recommendations: The budget should be reviewed to insure all funds have adequate budget authority and cash balances for budgeted expenditures. Greater attention should be given to the budget monitoring process end-of-the-year cash balance estimates. The City should work the DFA-LGD and its assigned budget analyst in order to ensure that available cash reported to DFA matches the cash balances in the audited financial statements.

Agency’s Response: The Finance department is currently developing a manual for the accounting and finance policies and procedures. These will outline the necessary policies and procedures to ensure that the New Mexico State standards are followed. The CFO is expecting to develop and implement a proper budget monitoring process by June 30, 2017.

D. PRIOR YEAR AUDIT FINDINGS

Prior Year Audit Findings

Financial Statement Findings

Disposition

FS 2013-06	Deficiencies in Internal Control	Modified and repeated
FS 2013-08	Legal Compliance with Budget	Resolved
FS 2015-001	Capital Assets	Modified and repeated
FS 2015-002	Preparation of Accounts Receivable and Accounts Payable	Resolved
FS 2015-003	Form SSA 1945	Resolved
FS 2015-004	Travel and Per Diem	Modified and repeated

STATE OF NEW MEXICO

City of Anthony
Other Disclosures
June 30, 2016

Exit Conference

An exit conference was held on December 14, 2016. In attendance were the following:

Representing City of Anthony:

Diana M. Trujillo, Mayor
Betty Gonzalez, Trustee
Fernando Ramirez, CFO
Velma Navarrete, City Clerk (as of fiscal year 2017)

Representing RPC CPAs + Consultants, LLP:

Sonya Moreno, CPA, Audit Manager
Ray Roberts, CPA, Managing Partner

Auditor Prepared Financial Statements

RPC CPAs + Consultants, LLP prepared the GAAP-basis financial statements and footnotes of City of Anthony from the original books and records provided to them by the management of the City. The responsibility for the financial statements remains with the City.