



# HINKLE + LANDERS

Certified Public Accountants + Business Consultants

**STATE OF NEW MEXICO  
CITY OF CLOVIS**

**FINANCIAL STATEMENTS**

**For The Year Ended June 30, 2015**



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CITY OF CLOVIS  
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For the Year Ended June 30, 2015**

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**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Official Roster  
As of June 30, 2015**

**City Officials**

Name	Title
David Lansford	Mayor
Chris Bryant	City Commissioner – District 4
Randy Crowder	City Commissioner – District 1
Juan F. Garza	Mayor Pro Tem – District 1
Fidel Madrid	City Commissioner – District 3
Robert Sandoval	City Commissioner – District 3
Thomas W. Martin III	City Commissioner – District 4
Sandra Taylor-Sawyer	City Commissioner – District 2
Gary L. Elliot	City Commissioner – District 2

**Administrative Officials**

Larry G. Fry	City Manager
Don Clifton	Director of Budget and Internal Operations
Leigh Ann Melancon	Finance Director



**INDEPENDENT AUDITOR’S REPORT**

Tim Keller  
New Mexico State Auditor  
To the City Manager and City Commission  
The City of Clovis  
Clovis, New Mexico

**Report on Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the City of Clovis (the City), as of and for the year ended June 30, 2015, 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, internal service funds, fiduciary funds, and the budgetary comparisons for the major capital project funds, debt service funds, proprietary funds, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents.

**Management’s Responsibility for the Financial Statements**

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

**Auditor’s Responsibility**

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

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

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

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2015, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and major

special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, internal service, and fiduciary fund of the City as of June 30, 2015, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project funds, debt service funds, proprietary funds, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 24 to the financial statements, the 2015 financial statements have been restated due to the implementation of GASB 68 and to correct misstatements. Our opinion is not modified with respect to this matter.

**Other Matters**

**Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5-10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

**Other Information**

Our audit was conducted for the purpose of forming opinions on the City's financial statements, the combining and individual fund financial statements, the schedule of changes in assets and liabilities - agency funds, and the budgetary comparisons. The Schedule of Expenditures of federal awards as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the other schedules listed as "other supplemental information" in the table of contents, required by 2.2.2.NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The *Schedule of Expenditures of federal awards and other schedules listed as "other supplemental information (audited)" in the table of contents, required by 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, the *Schedule of Expenditures and other schedules listed as "other supplemental information (audited)" in the table of contents required by 2.2.2 NMAC* are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



The “*other supplemental information (unaudited)*” as listed in the table of contents has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2015 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.



Hinkle + Landers, PC  
Albuquerque, New Mexico  
December 15, 2015

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Management's Discussion and Analysis  
For the Year Ended June 30, 2015**

As management of the City of Clovis, we offer the readers of the City of Clovis financial statements this narrative overview and analysis of the financial activities of the City of Clovis for the fiscal year ended June 30, 2015. We encourage readers to consider the information presented here in conjunction with the financial statements of the City of Clovis and additional information provided.

**Financial Highlights**

- The assets of the City of Clovis exceeded its liabilities at the close of the most recent fiscal year by \$130,679,003 (*net position*). Of this amount, \$24,879,860 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$10,370,400. The majority of this decrease is due to the adjustments and corrections in assets.
- As of the close of the current fiscal year, the City of Clovis' governmental funds reported combined ending fund balances of \$32,622,241 a decrease of \$369,083 in comparison with the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$10,009,625 or 46 percent of total general fund expenditures.
- The City of Clovis' total debt decreased by \$3,003,000 (9 percent), during the current fiscal year. There were no new issues in fiscal year 2015. The annual principal payments decreased the total debt.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the City of Clovis' basic financial statements. The City of Clovis' basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Clovis' finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of Clovis' assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Clovis is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Clovis that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Clovis include general government, public safety, public works, and culture and recreation. The business-type activities of the City of Clovis include an airport, solid waste, wastewater and golf course.

The government-wide financial statements can be found on pages 11 and 12 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Clovis, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Clovis can be divided into two categories: governmental funds and proprietary funds.

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Management's Discussion and Analysis  
For the Year Ended June 30, 2015**

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Clovis maintains thirty-eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the general, which is considered to be a major fund. Data from the other thirty-five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of Clovis adopts an annual appropriated budget for its general fund and all other governmental funds. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget. In addition, the individual financial statement of the remaining governmental fund types include budgetary comparison data.

The basic governmental fund financial statements can be found on pages 14 thru 17 of this report.

**Proprietary funds.** The City of Clovis maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Clovis uses enterprise funds to account for its airport, solid waste, wastewater, and golf course funds. *Internal Service Funds* accounts for workers compensation and unemployment insurance services provided to other departments of the government. Services are provided on a cost reimbursement basis.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the solid waste, wastewater airport and golf course, all of which are considered major funds of the City of Clovis.

The basic proprietary fund financial statements can be found on pages 20 thru 27 of this report

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 thru 58 of this report.

**Other Information.** The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 59 thru 115 of the report.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Clovis, assets exceeded liabilities by \$130,679,003 at the close of the most recent fiscal year.

The largest portion of the City of Clovis' net position (71 percent) reflect its investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. The City of Clovis uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Clovis' investment in its capital assets is reported net of related

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Management's Discussion and Analysis  
For the Year Ended June 30, 2015**

debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**City of Clovis  
Net Position  
(In thousands)**

	Governmental		Business-type		Total	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Current and other assets	\$ 38,580	39,562	11,712	11,680	50,292	51,242
Capital assets, net of accumulated depreciation	66,326	55,233	62,009	57,045	128,335	112,278
Deferred outflows of resources	863	-	-	-	863	-
Total assets and deferred outflows or resources	<u>105,769</u>	<u>94,795</u>	<u>73,721</u>	<u>68,725</u>	<u>179,489</u>	<u>163,520</u>
Long-term liabilities outstanding	18,597	10,476	23,779	25,171	42,376	35,647
Other Liabilities	2,546	4,573	1,676	1,634	4,223	6,207
Deferred inflows of resources	2,212	-	-	-	2,212	-
Total liabilities and deferred inflows of resources	<u>\$ 23,355</u>	<u>15,049</u>	<u>25,455</u>	<u>26,805</u>	<u>48,810</u>	<u>41,854</u>
Net position	<u>\$ 82,414</u>	<u>79,746</u>	<u>48,265</u>	<u>41,920</u>	<u>130,679</u>	<u>121,666</u>

An additional portion of the City of Clovis' net position of \$7,555,584 (6 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* \$24,879,860 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Clovis is able to report positive balances in all three categories of net position, both for the government as a whole as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

There was a net increase of \$16,057,273 in capital assets reported. The majority of this increase resulted from the purchase of vehicles and equipment and the adjustment of on-going building and infrastructure construction in progress.

**Governmental activities.** Governmental activities increased the City of Clovis' net position by \$5,431,449. Key elements of this increase are as follows:

- The total expenses for governmental activities increased by \$3,387,710, while revenues decreased \$2,156,050 due mainly to decreased operating grants.
- The gross receipts tax revenue increased \$334,906.

**Business-type activities.** Business-type activities increased the City of Clovis' net position by \$3,591,049. Revenues increased \$1,603,495 due to an increase in residential refuse rates in the Sanitation Fund. Expenses experienced an increase of 1,762,816.

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	Governmental Activities		Business-type Activities		Total	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Revenues						
Taxes	\$ 30,164	29,842	495	491	30,659	30,333
Intergovernmental	2,259	4,935	470	492	2,729	5,427
Charges for services	2,780	2,212	8,864	7,404	11,644	9,616
Other	2,627	2,997	581	719	3,207	3,716
<b>Total revenue</b>	<b>37,830</b>	<b>39,986</b>	<b>10,410</b>	<b>9,106</b>	<b>48,239</b>	<b>49,092</b>
Expenses						
General government	6,389	5,909	-	-	6,389	5,909
Public safety	16,125	15,159	-	-	16,125	15,159
Public works	6,439	6,870	-	-	6,439	6,870
Culture and recreation	6,583	5,971	-	-	6,583	5,971
Health and welfare	742	941	-	-	742	941
Interest on long-term debt	465	505	-	-	465	505
Solid waste	-	-	5,596	4,935	5,596	4,935
Wastewater	-	-	4,164	3,280	4,164	3,280
Airport	-	-	1,399	1,142	1,399	1,142
Golf Course	-	-	324	363	324	363
<b>Total expenses</b>	<b>36,743</b>	<b>35,355</b>	<b>11,483</b>	<b>9,720</b>	<b>48,226</b>	<b>45,075</b>
Transfers	(2,468)	1,311	2,468	(1,311)	-	-
Change in net position	\$ (1,382)	5,942	1,395	(1,925)	14	4,017

**Financial Analysis of the Government's Funds**

As noted earlier, the City of Clovis uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City of Clovis' governmental funds reported combined ending fund balances of \$32,662,241 a decrease of \$369,083 in comparison with the prior year. Approximately 31 percent of this total amount, \$10,009,625 constitutes *unassigned fund balance*, which is available for spending at the government's discretion. Of the remainder, \$22,612,616 is non-spendable as it is for inventory and prepaid expenses, restricted and committed expenses.

The general fund is the chief operating fund of the City of Clovis. At the end of the current fiscal year, unreserved fund balance of the general fund was \$10,033,759 and represents 46 percent of total general fund expenditures. The fund balance of the City of Clovis' general fund increased by \$1,032,128 during the current fiscal year.

**Proprietary funds.** The City of Clovis' proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

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Management's Discussion and Analysis  
For the Year Ended June 30, 2015**

**General Fund Budgetary Highlights**

There were no major differences between the original budget and the final amended budget.

Detailed budget performance is examined through the Statement of Revenues, Expenditures and Changes in Fund Balance for the general fund found on page 18. Actual general fund expenditures were \$2,584,266 less than the final budget amount (favorable variance). This was due primarily to the police department (public safety component) favorable variance of \$1,430,877.

**Capital Asset and Debt Administration**

**Capital assets.** The City of Clovis' amount invested in capital assets for its governmental and business type activities as of June 30, 2015, amounts to \$128,334,954 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, computers, equipment, furniture and fixtures, vehicles, infrastructure and zoo.

	<b>City of Clovis Capital Assets (In thousands)</b>					
	Governmental Activities		Business-type Activities		Total	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Land	\$ 5,008	1,088	6,256	6,176	11,264	7,264
Land improvements	510	487	116	84	626	571
Buildings and improvements	14,630	5,521	11,299	5,675	25,929	11,196
Equipment and vehicles	5,173	7,412	2,118	3,141	7,291	10,553
Infrastructure	40,507	37,456	41,495	35,834	82,002	73,290
Construction in progress	498	3,268	725	6,135	1,223	9,403
Net capital assets	<u>\$ 66,326</u>	<u>55,233</u>	<u>62,009</u>	<u>57,045</u>	<u>128,335</u>	<u>112,278</u>

Additional information on the City of Clovis' capital assets can be found in Note 6 on pages 40-41 of this report.

**Long-term debt.** At the end of the current fiscal year, the City of Clovis had total debt from outstanding bonds of \$17,173,035 and loans and notes outstanding of \$12,833,190.

	<b>City of Clovis Long-term Debt (In thousands)</b>					
	Governmental Activities		Business-type Activities		Total	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Revenue bonds	\$ 7,075	8,595	9,930	10,839	17,005	19,434
Notes payable	2,903	3,046	10,098	10,529	13,001	13,575
	<u>\$ 9,978</u>	<u>11,641</u>	<u>20,028</u>	<u>21,368</u>	<u>30,006</u>	<u>33,009</u>

Additional information on the City of Clovis' long-term debt can be found in Note 7 on pages 42-46 of this report.

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Management's Discussion and Analysis  
For the Year Ended June 30, 2015**

**Economic Factors and Next Year's Budget**

City of Clovis is located in Curry County. Curry County, like the rest of urban New Mexico, has a strong and balanced economy. Employment in the area has been stable for the past three years.

City of Clovis receives approximately 64 percent of its annual operating budget for general fund from gross receipts taxes.

**Request for Information**

This financial report is designed to provide a general overview of the City of Clovis' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, City of Clovis, P.O. Box 760, Clovis, New Mexico 88102. See Note 1 for requests for information in the separate financial statements of the component unit.

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Net Position  
As of June 30, 2015**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Current assets			
Cash and investments	\$ 30,574,292	6,584,485	37,158,777
Receivables:			
Property taxes receivable	149,145	-	149,145
Intergovernmental	5,126,351	194,129	5,320,480
Other receivables	1,477,816	7,662	1,485,478
Customer receivables	-	4,001,631	4,001,631
Prepays	391,550	81,366	472,916
Inventory	76,437	45,759	122,196
Internal balances	-	-	-
<b>Total Current Assets</b>	<b>37,795,591</b>	<b>10,915,032</b>	<b>48,710,623</b>
Noncurrent assets			
Restricted cash and investments	771,073	-	771,073
Bond discounts, net of amortization of \$12,083	13,425	-	13,425
Capital assets	124,197,882	104,802,612	229,000,494
Less: accumulated depreciation	(57,871,849)	(42,793,691)	(100,665,540)
<b>Total Noncurrent Assets</b>	<b>67,110,531</b>	<b>62,008,921</b>	<b>129,119,452</b>
<b>Total Assets</b>	<b>104,906,122</b>	<b>72,923,953</b>	<b>177,830,075</b>
<b>Deferred Outflows of Resources</b>	<b>862,722</b>	<b>796,680</b>	<b>1,659,402</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 105,768,844</b>	<b>73,720,633</b>	<b>179,489,477</b>

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



**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Net Position (continued)  
As of June 30, 2015**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Liabilities</b>			
Current liabilities			
Accounts payable	\$ 380,550	93,297	473,847
Accrued payroll expenses	570,417	59,335	629,752
Accrued compensated absences	801,621	117,472	919,093
Accrued interest	24,582	36,314	60,896
Meter and other refundable deposits	109,072	-	109,072
Current portion of bonds and notes payable	660,000	1,369,853	2,029,853
<b>Total Current Liabilities</b>	<b>2,546,242</b>	<b>1,676,271</b>	<b>4,222,513</b>
Noncurrent liabilities			
Accrued compensated absences	431,642	-	431,642
Meter and other refundable deposits	-	-	-
Landfill closure liability	-	4,314,871	4,314,871
Bond premium, net of amortization of \$9,463	85,170	9,272	94,442
Bonds and notes payable	9,318,000	18,658,372	27,976,372
Net pension liability	8,762,160	-	8,762,160
<b>Total noncurrent liabilities</b>	<b>18,596,972</b>	<b>22,982,515</b>	<b>41,579,487</b>
<b>Total Liabilities</b>	<b>21,143,214</b>	<b>24,658,786</b>	<b>45,802,000</b>
<b>Deferred Inflows of Resources</b>	<b>2,211,794</b>	<b>796,680</b>	<b>3,008,474</b>
<b>Net Position</b>			
Net investment in capital assets	56,262,863	41,980,696	98,243,559
Restricted for:			
Debt service	275,737	-	275,737
Capital projects and improvements	1,353,265	-	1,353,265
Other purposes	5,926,582	-	5,926,582
Unrestricted	18,595,389	6,284,471	24,879,860
<b>Total Net Position</b>	<b>82,413,836</b>	<b>48,265,167</b>	<b>130,679,003</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Net Position</b>	<b>\$ 105,768,844</b>	<b>73,720,633</b>	<b>179,489,477</b>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Activities  
For the Year Ended June 30, 2015**

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Changes in Net Position</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government</u>		
					<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Primary Government</b>							
General government	\$ 6,388,992	52,103	1,287,333	-	(5,049,556)	-	(5,049,556)
Public safety	16,125,106	2,518,893	791,125	-	(12,815,088)	-	(12,815,088)
Public works	6,439,085	-	37,500	18,213	(6,383,372)	-	(6,383,372)
Culture and recreation	6,582,855	167,920	32,925	-	(6,382,010)	-	(6,382,010)
Health and welfare	741,602	41,134	21,749	69,923	(608,796)	-	(608,796)
Interest on long-term debt	465,200	-	-	-	(465,200)	-	(465,200)
<i>Total governmental activities</i>	<u>36,742,840</u>	<u>2,780,050</u>	<u>2,170,632</u>	<u>88,136</u>	<u>(31,704,022)</u>	<u>-</u>	<u>(31,704,022)</u>
<b>Business-type Activities:</b>							
Solid Waste	5,596,380	4,697,554	-	-	-	(898,826)	(898,826)
Wastewater	4,163,777	3,959,392	-	-	-	(204,385)	(204,385)
Airport	1,399,049	137,274	-	469,797	-	(791,978)	(791,978)
Golf Course	323,609	69,807	-	-	-	(253,802)	(253,802)
<i>Total business-type activities</i>	<u>11,482,815</u>	<u>8,864,027</u>	<u>-</u>	<u>469,797</u>	<u>-</u>	<u>(2,148,991)</u>	<u>(2,148,991)</u>
<i>Total Primary Government</i>	<u><u>48,225,655</u></u>	<u><u>11,644,077</u></u>	<u><u>2,170,632</u></u>	<u><u>557,933</u></u>	<u><u>(31,704,022)</u></u>	<u><u>(2,148,991)</u></u>	<u><u>(33,853,013)</u></u>
<b>General Revenues:</b>							
Taxes							
Property taxes, levied for general purposes					\$ 1,992,091	-	1,992,091
Gross receipts taxes					25,916,196	495,051	26,411,247
Gasoline and motor vehicle taxes					536,064	-	536,064
Franchise taxes					1,087,577	-	1,087,577
Cigarette and lodger's taxes					632,360	-	632,360
Licenses and fees					374,592	-	374,592
Fines, forfeitures, and penalties					327,181	-	327,181
Investment income					81,614	263,228	344,842
Miscellaneous income					1,843,116	317,645	2,160,761
Gain/(loss) on sale of capital assets					-	-	-
Transfers					(2,468,470)	2,468,470	-
Total general revenues and transfers					<u>30,322,321</u>	<u>3,544,394</u>	<u>33,866,715</u>
Change in net position					(1,381,701)	1,395,403	13,702
Beginning net position					79,745,789	41,919,312	121,665,101
Restatement					4,049,748	4,950,452	9,000,200
Beginning net position as restated					<u>83,795,537</u>	<u>46,869,764</u>	<u>130,665,301</u>
Ending net position					<u>\$ 82,413,836</u>	<u>48,265,167</u>	<u>130,679,003</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Balance Sheet  
Governmental Funds  
As of June 30, 2015**

	Major Funds				Total
	01, 18	22	23		
	General Fund	Spec Revenue Street Improvement	Cap Projects Landfill Cell #5	Other Non-Major Governmental Funds	
<i>Assets</i>					
Cash and investments	\$ 6,772,050	672,370	-	18,748,080	26,192,500
Restricted cash and investments	-	-	-	771,073	771,073
Receivables:					
Property taxes	149,145	-	-	-	149,145
Intergovernmental	2,778,514	-	-	2,347,837	5,126,351
Other receivables	1,128,723	-	-	349,093	1,477,816
Inventory	8,923	-	-	67,514	76,437
Prepaid insurance	341,307	-	-	49,533	390,840
Due from other funds	49,141	-	-	-	49,141
<i>Total assets</i>	<u>\$ 11,227,803</u>	<u>672,370</u>	<u>-</u>	<u>22,333,130</u>	<u>34,233,303</u>
<i>Liabilities and fund balances</i>					
<i>Liabilities</i>					
Accounts payable	\$ 137,501	-	-	243,034	380,535
Accrued payroll expenses	469,621	-	-	98,593	568,214
Other accrued expenses	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-
Deposits held in trust	109,072	-	-	-	109,072
Accrued interest	-	-	-	24,582	24,582
Due to other funds	-	-	-	326,239	326,239
<i>Total liabilities</i>	<u>716,194</u>	<u>-</u>	<u>-</u>	<u>692,448</u>	<u>1,408,642</u>
<i>Deferred inflows of resources</i>	<u>127,620</u>	<u>-</u>	<u>-</u>	<u>74,800</u>	<u>202,420</u>
<i>Total Liabilities and Deferred Inflow of Resources</i>	<u>843,814</u>	<u>-</u>	<u>-</u>	<u>767,248</u>	<u>1,611,062</u>
<i>Fund balances</i>					
Nonspendable	350,230	-	-	117,047	467,277
Restricted	-	672,370	-	6,659,580	7,331,950
Committed	-	-	-	13,011,853	13,011,853
Assigned	-	-	-	1,801,536	1,801,536
Unassigned	10,033,759	-	-	(24,134)	10,009,625
<i>Total fund balances</i>	<u>10,383,989</u>	<u>672,370</u>	<u>-</u>	<u>21,565,882</u>	<u>32,622,241</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 11,227,803</u>	<u>672,370</u>	<u>-</u>	<u>22,333,130</u>	<u>34,233,303</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE  
TO STATEMENT OF NET POSITION  
As of June 30, 2015**

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

Fund balances - total governmental funds	\$	32,622,241
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		66,300,877
Delinquent property taxes and grant receivables not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		202,420
Other long-term assets are not available to pay for current period expenditures and therefore, are deferred in the funds:		
Bond discounts		13,425
Bond premium		(85,170)
Restatement - net pension liability		(10,109,156)
Net pension related deferrals and liability		(2,076)
Other liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Internal service funds assets and liabilities included governmental activities in the statement of net position		4,680,480
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds		
Current accrued compensated absences		(801,621)
Noncurrent accrued compensated absences (less internal service fund)		(429,584)
Current bonds and notes payable		(660,000)
Bonds payable		(9,318,000)
Differences due to rounding		-
Net position of governmental activities	\$	<u><u>82,413,836</u></u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2015**

	Major Funds			Other Non-major Governmental Funds	Total
	01, 18 General Fund	22 Spec Revenue Street Improvement	23 Cap Projects Landfill Cell #5		
<i>Revenues:</i>					
<i>Taxes:</i>					
Property	\$ 1,904,070	-	-	-	1,904,070
Gross receipts	14,579,311	-	-	11,336,884	25,916,195
Gasoline and motor vehicle	24,416	-	-	511,648	536,064
Other	1,087,577	-	-	632,360	1,719,937
<i>Intergovernmental:</i>					
Federal operating grants	108,624	-	-	79,674	188,298
Federal capital grants	-	-	-	460,346	460,346
State operating grants	180,445	151,161	-	1,128,992	1,460,598
State capital grants	-	-	-	18,213	18,213
Charges for services	2,584,775	-	-	668,086	3,252,861
Fines, forfeitures, and penalties	116,877	-	-	11,141	128,018
Licenses and fees	299,795	-	-	417,769	717,564
Investment income	22,619	680	9,483	35,245	68,027
Miscellaneous	395,810	-	-	240,162	635,972
<i>Total revenues</i>	<u>21,304,319</u>	<u>151,841</u>	<u>9,483</u>	<u>15,540,520</u>	<u>37,006,163</u>
<i>Expenditures:</i>					
<i>Current:</i>					
General government	4,143,777	-	-	927,721	5,071,498
Public safety	14,117,233	-	-	293,394	14,410,627
Public works	368,655	-	-	3,872,549	4,241,204
Culture and recreation	2,195,840	-	-	2,658,553	4,854,393
Health and welfare	313,470	-	-	386,222	699,692
Capital outlay	656,151	112,493	-	2,822,230	3,590,874
<i>Debt service:</i>					
Principal	-	-	-	1,663,000	1,663,000
Interest	-	-	-	468,909	468,909
<i>Total expenditures</i>	<u>21,795,126</u>	<u>112,493</u>	<u>-</u>	<u>13,092,578</u>	<u>35,000,197</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(490,807)</u>	<u>39,348</u>	<u>9,483</u>	<u>2,447,942</u>	<u>2,005,966</u>
<i>Other financing sources (uses)</i>					
Transfers in/(out)	1,542,083	(198,466)	(2,871,602)	(938,585)	(2,466,570)
Proceeds from sale of capital asset	-	-	-	-	-
Proceeds from debt issuance	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,542,083</u>	<u>(198,466)</u>	<u>(2,871,602)</u>	<u>(938,585)</u>	<u>(2,466,570)</u>
<i>Net change in fund balance</i>	1,051,276	(159,118)	(2,862,119)	1,509,357	(460,604)
<i>Beginning fund balance</i>	9,290,593	831,488	2,862,119	20,007,124	32,991,324
<i>Restatement</i>	42,120	-	-	49,401	91,521
<i>Beginning fund balance as restated</i>	<u>9,332,713</u>	<u>831,488</u>	<u>2,862,119</u>	<u>20,056,525</u>	<u>33,082,845</u>
<i>Ending fund balance</i>	<u>\$ 10,383,989</u>	<u>672,370</u>	<u>-</u>	<u>21,565,882</u>	<u>32,622,241</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
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, 2015**

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

Net change in fund balances - total governmental funds	\$	(460,604)
<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		3,590,874
Capital assets received as donations		-
Capital expenditures recorded in other expense lines		319,744
Capital asset transfer to proprietary fund		(4,999)
Less: CIP reclassifications		-
<p>Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore depreciation expense is not reported as expenditure in governmental funds.</p>		
		(6,879,780)
<p>In the Statement of Activities, a loss is recorded for assets that are removed from service that are not fully depreciated. Thus, the change in net position differs from the change in fund balance by the amount of loss recorded for deleted capital assets.</p>		
		-
<p>Internal service funds are used by management to charge the cost of certain activities, such as insurance to individual funds. The net change of the internal service funds resulting from transactions not recorded with governmental funds.</p>		
		256,844
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Pension expense		(2,076)
<p>The issuance of long-term debt (e.g. bonds, notes, capital 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 and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:</p>		
Amortization of bond discounts		(1,342)
Decrease in accrued interest		3,057
Change in noncurrent and current accrued compensated absences		(72,607)
Issuance of long-term debt		-
Principal payments on bonds and notes payable		1,663,000
<p>Other reclassifications are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting to show the revenue earned from the current year's tax levy.</p>		
		206,188
Change in net position of governmental activities	\$	<u><u>(1,381,701)</u></u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes				
Property	\$ 1,917,724	1,917,724	1,910,631	(7,093)
Gross receipts	13,730,000	13,730,000	14,563,509	833,509
Gasoline and motor vehicle	32,000	32,000	32,732	732
Other	1,033,230	1,033,230	1,110,836	77,606
Intergovernmental income:				
Federal operating grants	210,859	338,598	165,860	(172,738)
Federal capital grants	-	-	-	-
State operating grants	141,921	311,698	118,666	(193,032)
State capital grants	-	-	-	-
Charges for services	2,072,000	2,072,000	2,584,775	512,775
Licenses and fees	365,000	365,000	299,795	(65,205)
Fines, forfeitures and penalties	118,000	118,000	116,877	(1,123)
Investment income	29,000	29,000	22,619	(6,381)
Miscellaneous	124,000	202,636	250,885	48,249
<i>Total revenues</i>	19,773,734	20,149,886	21,177,185	1,027,299
<i>Expenditures:</i>				
Current:				
General government	4,676,231	4,923,785	4,139,405	784,380
Public safety	14,921,916	15,523,977	14,093,100	1,430,877
Public Works	375,000	375,000	370,362	4,638
Culture and recreation	2,406,619	2,464,087	2,198,442	265,645
Health and welfare	416,598	424,918	327,384	97,534
Capital outlay	507,259	657,343	656,151	1,192
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	23,303,623	24,369,110	21,784,844	2,584,266
<i>Excess (deficiency) of revenues over expenditures</i>	(3,529,889)	(4,219,224)	(607,659)	3,611,565
<i>Other financing sources (uses)</i>				
Designated cash	3,529,889	4,219,224	-	(4,219,224)
Transfers in	-	-	3,447,568	3,447,568
Transfers out	-	-	(1,905,485)	(1,905,485)
<i>Total other financing sources (uses)</i>	3,529,889	4,219,224	1,542,083	(2,677,141)
<i>Net change in fund balance</i>	-	-	934,424	934,424
<i>Fund balance - beginning of year</i>	-	-	9,290,593	9,290,593
<i>Fund balance - end of year</i>	\$ -	-	10,225,017	10,225,017
Net change in fund balance (GAAP)				\$ 1,051,276
Adjustments to revenue for tax accruals and other miscellaneous revenue accruals				127,134
Adjustments to expenditures for accrued wages, compensated absences, insurance and function expenditures				(10,282)
Net change in fund balance (non-GAAP budgetary basis)				\$ 934,424

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
2012 GRT Improvement Bonds - Street 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, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	250,000	250,000	151,162	(98,838)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	680	680
Miscellaneous	-	-	-	-
<i>Total revenues</i>	250,000	250,000	151,842	(98,158)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	407,466	452,958	168,688	284,270
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	407,466	452,958	168,688	284,270
<i>Excess (deficiency) of revenues over expenditures</i>	(157,466)	(202,958)	(16,846)	186,112
<i>Other financing sources (uses)</i>				
Designated cash/ other assets	157,466	202,958	-	(202,958)
Transfers in	-	-	-	-
Transfers out	-	-	(198,466)	(198,466)
Proceeds from debt issuance	-	-	-	-
<i>Total other financing sources (uses)</i>	157,466	202,958	(198,466)	(401,424)
<i>Net change in fund balance</i>	-	-	(215,312)	(215,312)
<i>Fund balance - beginning of year</i>	-	-	831,488	831,488
<i>Fund balance - end of year</i>	\$ -	-	616,176	616,176
Net change in fund balance (GAAP)			\$	(159,118)
No adjustments to revenues				-
Adjustments to expenditures for applicable accruals and payments				56,194
Net change in fund balance (non-GAAP budgetary basis)			\$	(215,312)

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



**STATE OF NEW MEXICO**  
**CITY OF CLOVIS**  
**Statement of Net Position**  
**Proprietary Funds**  
**As of June 30, 2015**

	Business-Type Activities		
	Enterprise Funds		
	Major Funds		
	2	10	12
<i>Assets</i>	Solid Waste	Wastewater	Airport
<i>Current Assets</i>			
Cash and investments	\$ 2,252,778	4,137,805	72,664
Receivables:			
Intergovernmental	81,241	-	112,888
Other receivables	-	-	-
Customer receivables, net of allowance	1,897,514	2,104,117	-
Inventory	11,520	34,239	-
Prepays	30,624	33,522	15,608
<i>Total current assets</i>	<u>4,273,677</u>	<u>6,309,683</u>	<u>201,160</u>
<i>Noncurrent Assets</i>			
Capital assets	22,346,627	58,354,251	21,829,359
Less: accumulated depreciation	(10,213,360)	(26,286,820)	(6,192,965)
<i>Total noncurrent assets</i>	<u>12,133,267</u>	<u>32,067,431</u>	<u>15,636,394</u>
<i>Total Assets</i>	<u>16,406,944</u>	<u>38,377,114</u>	<u>15,837,554</u>
<i>Deferred Outflows of Resources</i>	-	796,680	-
<i>Total Assets and Deferred Outflows of Resources</i>	<u>\$ 16,406,944</u>	<u>39,173,794</u>	<u>15,837,554</u>
<i>Liabilities and Net Position</i>			
<i>Liabilities:</i>			
<i>Current liabilities</i>			
Accounts payable	\$ 1,326	21,648	66,061
Accrued payroll expenses	47,278	7,915	4,142
Accrued compensated absences	91,792	20,580	5,100
Accrued interest	6,162	21,242	-
Due to other funds	-	-	-
Current portion of bonds and notes payable	470,751	784,102	-
<i>Total current liabilities</i>	<u>617,309</u>	<u>855,487</u>	<u>75,303</u>
<i>Noncurrent Liabilities</i>			
Landfill closure	4,314,871	-	-
Bonds and notes payable	3,957,284	12,355,088	-
Bond premium, net of amortization of \$2,782	-	9,272	-
<i>Total noncurrent liabilities</i>	<u>8,272,155</u>	<u>12,364,360</u>	<u>-</u>
<i>Total liabilities</i>	<u>8,889,464</u>	<u>13,219,847</u>	<u>75,303</u>
<i>Deferred Inflows of Resources</i>	-	796,680	-
<i>Net Position:</i>			
Net investment in capital assets	7,705,232	18,928,241	15,636,394
Unrestricted	(187,752)	6,229,026	125,857
<i>Total Net Position</i>	<u>7,517,480</u>	<u>25,157,267</u>	<u>15,762,251</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Net Position</i>	<u>\$ 16,406,944</u>	<u>39,173,794</u>	<u>15,837,554</u>

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

**STATE OF NEW MEXICO**  
**CITY OF CLOVIS**  
**Statement of Net Position**  
**Proprietary Funds, Cont.**  
**As of June 30, 2015**

	Business-Type Activities Enterprise Funds		Governmental Activities
	Major Funds		
	19 Golf Course	Total	48, 53, 54 Internal Service Funds
<i>Assets</i>			
<i>Current Assets</i>			
Cash and investments	\$ 121,238	6,584,485	4,381,792
Receivables:			
Intergovernmental	-	194,129	-
Other receivables	7,662	7,662	-
Customer receivables, net of allowance	-	4,001,631	-
Due from other funds	-	-	277,098
Inventory	-	45,759	-
Prepays	1,612	81,366	710
<i>Total current assets</i>	<u>130,512</u>	<u>10,915,032</u>	<u>4,659,600</u>
<i>Noncurrent Assets</i>			
Capital assets	2,272,375	104,802,612	97,115
Less: accumulated depreciation	(100,546)	(42,793,691)	(71,959)
<i>Total noncurrent assets</i>	<u>2,171,829</u>	<u>62,008,921</u>	<u>25,156</u>
<i>Total Assets</i>	<u>2,302,341</u>	<u>72,923,953</u>	<u>4,684,756</u>
<i>Deferred Outflows of Resources</i>	-	796,680	-
<i>Total Assets and Deferred Outflows of Resources</i>	<u>\$ 2,302,341</u>	<u>73,720,633</u>	<u>4,684,756</u>
<i>Liabilities and Net Position</i>			
<i>Liabilities:</i>			
<i>Current liabilities</i>			
Accounts payable	\$ 4,262	93,297	15
Accrued payroll expenses	-	59,335	2,203
Accrued compensated absences	-	117,472	2,058
Accrued interest	8,910	36,314	-
Due to other funds	-	-	-
Current portion of bonds and notes payable	115,000	1,369,853	-
<i>Total current liabilities</i>	<u>128,172</u>	<u>1,676,271</u>	<u>4,276</u>
<i>Noncurrent Liabilities</i>			
Landfill closure	-	4,314,871	-
Bonds and notes payable	2,346,000	18,658,372	-
Bond premium, net of amortization of \$2,782	-	9,272	-
<i>Total noncurrent liabilities</i>	<u>2,346,000</u>	<u>22,982,515</u>	<u>-</u>
<i>Total liabilities</i>	<u>2,474,172</u>	<u>24,658,786</u>	<u>4,276</u>
<i>Deferred Inflows of Resources</i>	-	796,680	-
<i>Net Position:</i>			
Net investment in capital assets	(289,171)	41,980,696	25,156
Unrestricted	(301,601)	5,865,530	4,655,324
<i>Total net position</i>	<u>(171,831)</u>	<u>48,265,167</u>	<u>4,680,480</u>
<i>Total Liabilities, Deferred Inflows or Resources, and Net Position</i>	<u>\$ 2,302,341</u>	<u>73,720,633</u>	<u>4,684,756</u>

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

**STATE OF NEW MEXICO**  
**CITY OF CLOVIS**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2015**

	Business-Type Activities		
	Enterprise Funds		
	Major Funds		
	2	10	12
	Solid Waste	Wastewater	Airport
<i>Operating revenues:</i>			
Charges for services	\$ 4,697,554	3,959,392	137,274
<i>Total operating revenues</i>	<u>4,697,554</u>	<u>3,959,392</u>	<u>137,274</u>
<i>Operating expenses:</i>			
General and administrative	335,249	54,757	-
Personnel services	1,756,422	740,467	170,493
Contractual services	-	-	-
Supplies and purchased power	500,171	156,727	-
Maintenance and materials	1,134,816	426,206	391,979
Utilities	16,429	240,021	49,979
Depreciation	1,770,822	2,206,167	786,598
Miscellaneous	-	14,506	-
<i>Total operating expenses</i>	<u>5,513,909</u>	<u>3,838,851</u>	<u>1,399,049</u>
<i>Operating income (loss)</i>	<u>(816,355)</u>	<u>120,541</u>	<u>(1,261,775)</u>
<i>Non-operating revenues (expenses):</i>			
Gain/loss on disposal of capital assets	-	-	-
Federal nonoperating grants	-	-	-
State nonoperating grants	-	-	469,797
Interest income	135,622	127,060	533
Interest expense	(82,471)	(324,926)	-
Gross receipts and other taxes	495,051	-	-
Miscellaneous	40,713	155,352	4,082
<i>Total non-operating revenues (expenses)</i>	<u>588,915</u>	<u>(42,514)</u>	<u>474,412</u>
Transfers in	2,913,637	618,921	-
Transfers out	(259,000)	(868,666)	(219,575)
<i>Net capital grants and transfers</i>	<u>2,654,637</u>	<u>(249,745)</u>	<u>(219,575)</u>
<i>Change in net position</i>	2,427,197	(171,718)	(1,006,938)
<i>Net position, beginning of year</i>	2,659,946	25,241,306	14,292,752
<i>Restatement</i>	2,430,337	87,679	2,476,437
<i>Beginning net position, as restated</i>	<u>5,090,283</u>	<u>25,328,985</u>	<u>16,769,189</u>
<i>Net position, end of year</i>	<u>\$ 7,517,480</u>	<u>25,157,267</u>	<u>15,762,251</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds, Cont.  
For the Year Ended June 30, 2015**

	Business-Type Activities		Governmental
	Enterprise Funds		Activities
	Major Funds		
	19		48, 53, 54
	Golf		Internal
	Course	Total	Service Funds
<i>Operating revenues:</i>			
Charges for services	\$ 69,807	8,864,027	531,864
<i>Total operating revenues</i>	<u>69,807</u>	<u>8,864,027</u>	<u>531,864</u>
<i>Operating expenses:</i>			
General and administrative	48	390,054	271,549
Personnel services	-	2,667,382	78,086
Contractual services	-	-	-
Supplies and purchased power	-	656,898	-
Maintenance and materials	214,048	2,167,049	-
Utilities	56,188	362,617	-
Depreciation	53,261	4,816,848	12,642
Miscellaneous	-	14,506	-
<i>Total operating expenses</i>	<u>323,545</u>	<u>11,075,354</u>	<u>362,277</u>
<i>Operating income (loss)</i>	<u>(253,738)</u>	<u>(2,211,327)</u>	<u>169,587</u>
<i>Non-operating revenues (expenses):</i>			
Gain/loss on disposal of capital assets	-	-	-
Federal nonoperating grants	-	-	-
State nonoperating grants		469,797	
Interest income	13	263,228	13,586
Interest expense	(64)	(407,461)	-
Gross receipts and other taxes	-	495,051	-
Miscellaneous	117,498	317,645	75,571
<i>Total non-operating revenues (expenses)</i>	<u>117,447</u>	<u>1,138,260</u>	<u>89,157</u>
Transfers in	283,153	3,815,711	-
Transfers out	-	(1,347,241)	(1,900)
<i>Net capital grants and transfers</i>	<u>283,153</u>	<u>2,468,470</u>	<u>(1,900)</u>
<i>Change in net position</i>	146,862	1,395,403	256,844
<i>Net position, beginning of year</i>	(274,692)	41,919,312	4,423,636
<i>Restatement</i>	(44,001)	4,950,452	-
<i>Beginning net position, as restated</i>	<u>(318,693)</u>	<u>46,869,764</u>	<u>4,423,636</u>
<i>Net position, end of year</i>	<u>\$ (171,831)</u>	<u>48,265,167</u>	<u>4,680,480</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Proprietary Funds  
Statement of Cash Flows  
For The Year Ended June 30, 2015**

	Business-Type Activities		
	Enterprise Funds		
	Major Funds		
	2	10	12
	Solid Waste	Wastewater	Airport
Cash flows from operating activities			
Receipts from customers and users	\$ 4,448,900	3,124,226	42,740
Receipts from interfund services provided	-	-	-
Payments to suppliers and employees	<u>(1,214,185)</u>	<u>(1,566,684)</u>	<u>1,931,956</u>
Net cash provided (used) by operating activities	<u>3,234,715</u>	<u>1,557,542</u>	<u>1,974,696</u>
Cash flows from noncapital financing activities:			
Transfers from other funds	2,913,637	618,921	-
Operating transfers to other funds	(259,000)	(868,666)	(219,575)
Payments received from note receivable	-	129,751	-
Tax receipts	495,051	-	-
Intergovernmental receipts	-	-	469,797
Miscellaneous income	<u>40,713</u>	<u>25,601</u>	<u>4,082</u>
Net cash provided (used) by noncapital financing activities	<u>3,190,401</u>	<u>(94,393)</u>	<u>254,304</u>
Cash flows from capital and related financing activities:			
Acquisitions and construction of capital assets	(6,380,482)	(684,133)	(2,764,083)
Loss from sale of capital assets	-	-	-
Principal paid on notes payable	(460,630)	(765,798)	-
Interest paid on notes payable	(82,471)	(324,926)	-
Long-term debt proceeds	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>(6,923,583)</u>	<u>(1,774,857)</u>	<u>(2,764,083)</u>
Cash flows from investing activities:			
Interest income	<u>135,622</u>	<u>127,060</u>	<u>533</u>
Net cash provided by investing activities	<u>135,622</u>	<u>127,060</u>	<u>533</u>
Net increase/(decrease) in cash and temporary investments	<u>\$ (362,845)</u>	<u>(184,648)</u>	<u>(534,550)</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Proprietary Funds  
Statement of Cash Flows  
For The Year Ended June 30, 2015**

	Business-Type Activities		
	Enterprise Funds		
	Major Funds		
	2	10	12
	Solid Waste	Wastewater	Airport
Net increase/(decrease) in cash and cash equivalents-previous page	\$ (362,845)	(184,648)	(534,550)
Cash and investments June 30, 2014	<u>2,615,623</u>	<u>4,322,453</u>	<u>607,214</u>
Cash and investments June 30, 2015	<u><u>\$ 2,252,778</u></u>	<u><u>4,137,805</u></u>	<u><u>72,664</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (816,355)	120,541	(1,261,775)
Restatement	2,430,337	87,679	2,476,437
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	1,770,822	2,206,167	786,598
(Increase) decrease in:			
Accounts receivable	(248,654)	(835,166)	(94,534)
Inventory	15,420	(449)	-
Prepays	1,845	(3,621)	3,777
(Decrease) increase in:			
Accounts payable	(27,086)	(6,223)	62,894
Accrued payroll	1,227	(11,750)	(530)
Unearned revenue	-	-	-
Compensated absences	(2,437)	1,185	1,829
Accrued interest	1,591	(821)	-
Due to other funds	-	-	-
Estimated landfill postclosure costs	<u>108,005</u>	<u>-</u>	<u>-</u>
Net cash provided (used) by operating activities	<u><u>\$ 3,234,715</u></u>	<u><u>1,557,542</u></u>	<u><u>1,974,696</u></u>
Non-cash transfer of capital assets	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Proprietary Funds  
Statement of Cash Flows, Cont.  
For The Year Ended June 30, 2015**

	Business-Type Activities		Governmental
	Enterprise Funds		Activities
	Major Funds		
	19		48, 53, 54
	Golf		Internal
	Course	Total	Service Funds
Cash flows from operating activities			
Receipts from customers and users	\$ 67,417	7,683,283	-
Receipts from interfund services provided	-	-	254,766
Payments to suppliers and employees	(320,044)	(1,168,957)	(350,038)
Net cash provided (used) by operating activities	(252,627)	6,514,326	(95,272)
Cash flows from noncapital financing activities:			
Transfers from other funds	283,153	3,815,711	-
Operating transfers to other funds	-	(1,347,241)	(1,900)
Payments received from note receivable	-	129,751	-
Tax receipts	-	495,051	-
Intergovernmental receipts	-	469,797	-
Miscellaneous income	161,499	231,895	75,572
Net cash provided (used) by noncapital financing activities	444,652	3,794,964	73,672
Cash flows from capital and related financing activities:			
Acquisitions and construction of capital assets	-	(9,828,698)	-
Proceeds from sale of capital assets	-	-	-
Principal paid on notes payable	(113,000)	(1,339,428)	-
Interest paid on notes payable	(64)	(407,461)	-
Long-term debt proceeds	-	-	-
Net cash provided (used) by capital and related financing activities	(113,064)	(11,575,587)	-
Cash flows from investing activities:			
Interest income	13	263,228	13,586
Net cash provided by investing activities	13	263,228	13,586
Net increase (decrease) in cash and temporary investments	\$ 78,974	(1,003,069)	(8,014)

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Proprietary Funds  
Statement of Cash Flows  
For The Year Ended June 30, 2015**

	Business-Type Activities Enterprise Funds		Governmental Activities
	Major Funds		
	19 Golf Course	Total	48, 53, 54 Internal Service Funds
Net increase (decrease) in cash and cash equivalents-previous page	\$ 78,974	(1,003,069)	(8,014)
Cash and investments June 30, 2014	<u>42,264</u>	<u>7,587,554</u>	<u>4,389,806</u>
Cash and investments June 30, 2015	<u>\$ 121,238</u>	<u>6,584,485</u>	<u>4,381,792</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (253,738)	(2,211,327)	169,587
Restatement	(44,001)	4,950,452	-
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	53,261	4,816,848	12,642
(Increase) decrease in:			
Accounts receivable	(2,390)	(1,180,744)	(277,098)
Inventory	-	14,971	-
Prepays	(1,087)	914	128
(Decrease) increase in:			
Accounts payable	(4,502)	25,083	15
Accrued payroll	-	(11,053)	325
Unearned revenue	-	-	-
Compensated absences	-	577	(871)
Accrued interest	(170)	600	-
Due to other funds	-	-	-
Estimated landfill postclosure costs	-	108,005	-
Net cash provided (used) by operating activities	<u>\$ (252,627)</u>	<u>6,514,326</u>	<u>(95,272)</u>
Non-cash transfer of capital assets	<u>\$ -</u>	<u>-</u>	<u>-</u>

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



**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
As of June 30, 2015**

Cash and investments	\$ <u>70,892</u>
<i>Total assets</i>	\$ <u><u>70,892</u></u>
<i>Liabilities</i>	
Deposits held in trust	\$ <u>70,892</u>
<i>Total liabilities</i>	\$ <u><u>70,892</u></u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Notes to Financial Statements  
For the Year Ended June 30, 2015**

**NOTE 1 – Summary of Significant Accounting Policies**

The City of Clovis (City) was incorporated during 1909 under the laws of the State of New Mexico. The City operates under an elected Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police and fire), streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, water supply, airport operations, and general government administrative services.

This summary of significant accounting policies of the City is presented to assist in the understanding of the City's financial statements. The financial statements and notes are the representation of the 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. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City has elected not to follow subsequent private-sector guidance. The more significant of the government's accounting policies are described below.

*A. Financial Reporting Entity*

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 No. 14 and No. 61. Blended component units, although legally separate entities, are in substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the City's reporting entity. Based upon the application of these criteria, there were no component units identified as needing to be disclosed or presented as part of the reporting entity.

*B. Government-wide and fund financial statements*

The government-wide financial statements (i.e., the statement of net position and the statement of activities and changes in net position) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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 recognized 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.

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Notes to Financial Statements  
For the Year Ended June 30, 2015**

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, if applicable, 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, if applicable. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as receivables in the year for which they are billed.

Grants and similar items are recognized as revenue as soon as all eligibility requirements of time, reimbursement and contingencies 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 property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant revenues are considered available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

*Street Improvement Fund (Ordinance 1985-2012)* - To account for all revenues directly related to or assigned to street improvements. This includes grants, charges for services, and other revenues.

*GRT Improvement Revenue Bonds Series 2014 (Cell#5)*- Acquiring, constructing, extending, enlarging, bettering, repairing and otherwise improving or maintaining the

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City's Landfill or any combination of the foregoing and paying the costs of issuance of the Bonds, providing that the bonds will be payable and collectible from and secured by a pledge of the State-shared gross receipts tax.

The government reports the following major proprietary funds:

The *Solid Waste Fund* accounts for the provision of garbage and refuse removal services to the residents of the City of Clovis. All activities necessary to provide such services are accounted for in this fund.

The *Wastewater Fund* accounts for the wastewater system service provided for residents of the City of Clovis, including administration, operation, maintenance, debt service, billing and collection.

The *Airport Fund* accounts for the activities of the City's airport. All activities necessary to provide such services are accounted for in this fund.

The *Golf Course Fund* for the activities of the City's golf course. All activities necessary to provide such services are accounted for in this fund

Additionally, the government reports the following fund types:

*Internal Service Funds* account for workers compensation, unemployment insurance services, and property and liability self-insurance provided to other departments of the government. Services are provided on a cost reimbursement basis.

*Fiduciary Funds* account for monies collected and expended to veterinarians on behalf of City residents who have had their unvaccinated animals detained and for the municipal court service used to account for bonds collected from alleged law violators.

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

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the City's taxpayer 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 services, facilities, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources are 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

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the airport, solid waste, wastewater, and golf course funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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*E. 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 Local Government Investment Pool.

Investments for the City are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

*F. 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.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, delinquent property taxes are recorded as revenue when levied, net of estimated refunds and uncollectable amounts.

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after May 10th are considered delinquent. The taxes attach as an enforceable lien on property as of January 1st.

*G. Inventories and Prepaid Items*

Inventories in governmental funds consist of expendable supplies held for consumption, and are valued at cost using a first-in, first-out (FIFO) method. Expendable supplies are accounted for using the consumption method. Proprietary fund inventories are recorded at the lower of cost or market on a first-in, first-out basis, and consist of operating supplies held for use in operations and are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

*H. Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 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 cost of infrastructure assets, (retroactive to 1979) are included as part of the

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governmental capital assets reported in the government wide statements. Information technology equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 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.

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. The total interest expense capitalized by the City during the current fiscal year was \$0. 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>Asset Type</u>	<u>Years</u>
Land	Perpetuity
Construction in progress	Perpetuity
Land improvements	40
Buildings and improvements	40
Infrastructure	25
Equipment and vehicles	3-10

*I. Accrued Expenses*

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

*J. Unearned Revenue/Deferred Revenue*

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

*K. Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of net position and/or the balance sheet for the governmental funds will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position/fund balance that applies to a future period and so will not be recognized as an expense or expenditure until then. In addition to liabilities, the statement of net position and/or the balance sheet for the governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue.

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*L. Compensated Absences*

City employees are entitled to certain compensated absences based on their employment classification and length of employment. With minor exceptions, the City allows 40-hour workweek employees to accumulate unused sick leave to a maximum of 1,000 hours. 24-hour shift employees can accumulate up to 1,400 hours. Earned vacation, up to the amount the employee accrues each year, is allowed to be carried over from one calendar year to the next. Upon termination, employees shall receive payment for unused accrued vacation. Employees with service to City in excess of 20 years will be paid for 50% of accumulated sick leave.

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the City. Part-time employees are granted vacation benefits on a prorated basis. Accumulated unused vacation is payable upon retirement or termination from employment. All vacation pay and applicable accumulated sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

*M. Long-term Obligations*

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. For bonds issued after GASB 34 was implemented, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. For fund financial reporting, bond premiums, 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.

*N. Net Position*

Equity is classified as net position and displayed in three components in the government-wide financial statements and the proprietary funds:

- *Net investment in capital assets* – Net position invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- *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.
- *Unrestricted Net Position* – All other net position that do not meet the definition of “restricted” or “investment in capital assets, net of related debt.”

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

*O. Governmental Fund Balances*

Beginning with fiscal year 2011, the City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent. The Statement only applies to Governmental

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funds and does not extend to Proprietary fund types. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable* – Amounts not in a spendable form, such as prepaid expenses, inventories, or long-term portion of receivables or property held for resale, if the use of the proceeds from the collection/sale of property held for resale is not otherwise constrained. Nonspendable amounts also include amounts legally or contractually required to remain intact, such as the principal of a permanent fund.
- *Restricted* – Amounts constrained to specific purposes that are externally imposed or imposed by law through constitutional provisions or enabling legislation (such as taxpayers, grantors, bondholders, and higher levels of government).
- *Committed* – Amounts constrained to specific purposes by the governmental entity's highest level of decision-making authority (the City Commission). To be reported as committed, amounts cannot be used for any other purpose unless the City Commission takes the same highest level action to remove or change the constraint.
- *Assigned* – Amounts constrained by the City intends to be used for a specific purposes. Intent can be expressed by the governing body (City Commission) or an official or body to which the governing body delegates authority.
- *Unassigned* – Balances available for any purpose. Positive amounts are reported only in the general fund.

The City Commission establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by City through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

See the Schedule of Fund Balances, per the table of contents, for additional information about fund balances.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Commission or the finance department has provided otherwise in its commitment or assignment actions.

*P. 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.

*Q. Indirect expenses*

The City allocated indirect expenses primarily comprised of central governmental services to operating functions and programs benefiting from those services. Central services include overall City management, centralized budgetary formulation and oversight, accounting, financial reporting, payroll, procurement contracting and oversight, investing and cash management, personnel services, and other administrative services. Allocations are charged to programs based on use of the services determined by various allocation methodologies.



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**NOTE 2 – Stewardship, Compliance and Accountability**

*Budgetary Information*

The City Charter establishes the City’s fiscal year as the twelve-month period beginning July 1 and ending June 30. Prior to June 1 the Budget Director submits to management a proposed operating budget of estimated revenues, expenditures, and transfers for the ensuing fiscal year for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Fund and Enterprise Funds. Management subsequently submits the budget (1) to the New Mexico Department of Finance and Administration for review and approval; and (2) to the City Council for review and enactment of a resolution legally adopting the budget. Once approved, the City Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations. Additionally, the New Mexico Department of Finance and Administration must approve any amendments to the budget.

Each fund’s appropriated budget is prepared on a Non-GAAP cash basis at the detailed line item level. Revenues are budgeted by department and general ledger account. Expenditures are budgeted by department and general ledger account. Expenditures may not exceed appropriations at the fund level. All budget revisions at this level are subject to final review and approval by the City Council. Revisions to the budget were made throughout the year.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds.

The accompanying Statements of Revenue, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

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

**NOTE 3 – Deposits and Investments**

The City’s cash, cash equivalents, investments, and collateral pledged are identified on the table of contents of this report.

A summary of the City’s cash and investments as of June 30, 2015 is as follows:

<u>Cash and investments</u>	<u>Amount</u>
Cash and cash equivalents	
Cash on hand	\$ 7,680
Cash	20,160,200
Subtotal cash and cash equivalents	<u>20,167,880</u>
Investments	
State Treasurer's Investment Pool	11,891,024
Certificates of deposit - maturities > 90 days	5,941,838
Subtotal investments	<u>17,832,862</u>
Total cash and investments	<u>\$ 38,000,742</u>

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<u>Cash and investments by fund type</u>	<u>Amount</u>
Governmental funds	\$ 26,963,573
Internal service funds	<u>4,381,792</u>
Subtotal governmental activities	31,345,365
 Enterprise funds	 6,584,485
 Fiduciary funds	 <u>70,892</u>
 Total cash and investments	 \$ <u><u>38,000,742</u></u>

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. All invested funds of the City properly followed State investment requirements as of June 30, 2015.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the City. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

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

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

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

*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. New Mexico State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the City for at least 50% of the amount on deposit or 102% of the amount on deposit in the case of repurchase agreements with the institution. At June 30, 2015, \$25,838,884 of the City's bank balances of \$26,821,012 was exposed to custodial credit risk because it was collateralized with collateral held by the pledging bank's trust department, not in the City's name. At June 30, 2015, \$-0- was exposed to custodial credit risk because it was not collateralized or insured.

For the custodial credit risk of the workers compensation deposit of \$72,958 in the NM Self Insurer's fund see the separately issued financial statements for the NM Municipal Self Insurer's Fund available through the New Mexico Office of the State Auditor at [www.saonm.org](http://www.saonm.org).

*Custodial Credit Risk – Investments*

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City does not have an investment policy for custodial credit risk. At June 30, 2015, the City's investment balances were exposed to custodial credit risk as follows. The local short-term investment fund, along with other public monies in the State Treasurer's investment account including amounts held by the NM Self Insurer's fund, is invested in repurchase agreements secured at

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102% by U.S. Government Securities. The State Treasurer has the responsibility to pledge collateral at 102% of investment balances for the City. All investing is performed in accordance with State Statutes and the City Charter. For more information, refer to separately issued financial statements for the State Treasurer, which disclose the collateral pledged to secure the State Treasurer's cash and investments.

The US Treasury Mutual Funds are all backed by the full faith and credit of the U.S. government and are therefore insured against loss.

The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, City or political subdivision of the State of New Mexico.

*Interest Rate Risk*

The City does not have a formal policy limiting investment maturities to manage its exposure to fair value losses from increasing interest rates. In addition, the City places no limit on the amount it may invest in any one issuer. More than 5 percent of the City's investments are in the State LGIP and certificates of deposit. These investments are 67% and 23%, respectively, of the City's total investments. The City's investments at June 30, 2015 include the following:

Investments	Maturity	Fair Value
New MexiGROW LGIP	WAM - 60 days	11,891,024
Certificates of deposit	12 months	5,941,838
Total	\$	17,832,862

The LGIP's portfolio's weighted average maturity (WAM) is a key determinant of the tolerance of a fund's investment to rising interest rates. In general, the longer the WAM, the more susceptible the fund is to rising interest rates. The LGIP portfolio's weighted average maturity (WAM) was 60 days as of June 30, 2015.

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

*Credit Risk*

As of June 30, 2015, the City's investments were rated as follows:

Investment Type	Rating
New MexiGROW LGIP	AAAm
Certificates of deposit	No rating
Repurchase agreements	No rating

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**NOTE 4 – Receivables**

Receivables as of June 30, 2015, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Funds	(01)	(22)	(23)	Nonmajor Funds	Total Governmental
	General Fund	Street Improvement	Landfill Cell #5		
Accounts	\$ 4,401,601	-	-	330,850	4,732,451
Taxes (Property, GRT, etc.)	2,810,613	-	-	1,976,978	4,787,591
Grants:					
State	69,035	-	-	316,009	385,044
Federal	48,011	-	-	73,093	121,104
Other	-	-	-	-	-
Subtotal	7,329,260	-	-	2,696,930	10,026,190
Less: Allowance for uncollectibles	(3,272,878)	-	-	-	(3,272,878)
Net receivables	\$ <u>4,056,382</u>	<u>-</u>	<u>-</u>	<u>2,696,930</u>	<u>6,753,312</u>

Proprietary Funds	(02)	(10)	(12)	(19)	Total Proprietary
	Solid Waste	Wastewater	Airport	Golf Course	
Accounts	\$ 2,309,106	2,104,117	151	7,662	4,421,036
Taxes (Property, GRT, etc.)	81,241	-	-	-	81,241
Grants:					
State	-	-	112,888	-	112,888
Federal	-	-	-	-	-
Other	-	796,680	-	-	796,680
Subtotal	2,390,347	2,900,797	113,039	7,662	5,411,845
Less: Allowance for uncollectibles	(411,592)	-	(151)	-	(411,743)
Net receivables	\$ <u>1,978,755</u>	<u>2,900,797</u>	<u>112,888</u>	<u>7,662</u>	<u>5,000,102</u>

In accordance with GASB No. 63 and 65, the property tax revenues totaling \$88,021 that were not collected within the period of availability have been reclassified as deferred inflow of resources in the governmental fund financial statements.

**NOTE 5 – Interfund Balances and Transfers**

The City recorded interfund receivable/payable to reflect a temporary loan between funds. The purpose of the loans were to cover cash shortages until grant reimbursements could be obtained. All interfund receivables/payables are expected to be repaid within one year. Interfund balances as of June 30, 2015, are as follows:

Due from other funds	Fund #	Due to other funds	Fund #	Amount
General Fund	01	Clovis Recycling Fund - Non-major Spec Rev Fund	76	7,842
General Fund	01	Dept of Justice Fund - Non-major Spec Rev Fund	96	18,243
General Fund	01	Drug Control Fund - Non-major Spec Rev Fund	98	23,056
Worker's Comp	48	Fire Equipment Fund - Non-major Spec Rev Fund	7	277,098
				\$ <u>326,239</u>

The City recorded interfund transfers to reflect transfers of cash in accordance with the budget. Transfers and payments within the City are substantially for the purpose of subsidizing operating functions and funding capital projects, primarily street projects. All transfers made during the year were considered routine and were consistent with the general characteristics of the City's transfer policy. The composition of interfund transfers during the year ended June 30, 2015 is as follows:

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	Transfers In										Total
	01	22	23	02, 20, 43	10, 11, 44 67, 68	12	19	Non-Major	49, 50	48, 53, 54	
	General	Street Improv.	Landfill Cell #5	Solid Waste	Waste- water	Airport	Golf Course	Govern- mental	Fidu- ciary	Internal Service	
General	\$ -	-	-	-	-	-	170,153	1,735,332	-	-	1,905,485
Street Improv.	-	-	-	-	-	-	-	198,466	-	-	198,466
Landfill #5	-	-	-	2,871,602	-	-	-	-	-	-	2,871,602
Solid Waste	259,000	-	-	-	-	-	-	-	-	-	259,000
Wastewater	150,000	-	-	23,978	-	-	-	694,688	-	-	868,666
Airport	201,518	-	-	18,057	-	-	-	-	-	-	219,575
Non-Major Governmental	2,835,150	-	-	-	618,921	-	113,000	2,672,941	-	-	6,240,012
Fiduciary	-	-	-	-	-	-	-	-	-	-	-
Internal Service	1,900	-	-	-	-	-	-	-	-	-	1,900
<b>Total</b>	<b>\$ 3,447,568</b>	<b>-</b>	<b>-</b>	<b>2,913,637</b>	<b>618,921</b>	<b>-</b>	<b>283,153</b>	<b>5,301,427</b>	<b>-</b>	<b>-</b>	<b>12,564,706</b>

Of the transfers in to the general fund shown above, a total of \$1,593,685- was related to the transfer of capital assets and debt into the general fund from other fund types. These amounts are not shown on the governmental fund financial statements, but are reflected on the government-wide financial statements.

**NOTE 6 – Capital Assets**

A summary of capital assets and changes occurring during the year ended June 30, 2015, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land and construction in progress are not subject to depreciation.

**Primary Government**

<i>Governmental Activities includes Internal Service Funds</i>	Balance June 30, 2014	Additions and Transfers In	Deletions and Transfers Out	Reclass and Adjustments	Balance June 30, 2015
Capital assets not being depreciated:					
Land	\$ 1,088,033	1,850,000	-	2,070,049	5,008,082
Construction in progress	3,268,361	435,926	-	(3,205,908)	498,379
Total capital assets not being depreciated	4,356,394	2,285,926	-	(1,135,859)	5,506,461
Capital assets being depreciated:					
Land improvements	644,276	75,543	(63,793)	(12,093)	643,933
Buildings and improvements	22,352,019	19,986	(219,192)	932,743	23,085,556
Equipment and vehicles	20,674,440	1,035,789	(1,115,671)	(534,361)	20,060,197
Infrastructure	76,726,766	493,374	(9,233,415)	6,915,011	74,901,736
Total capital assets being depreciated	120,397,501	1,624,692	(10,632,071)	7,301,300	118,691,422
Total capital assets	124,753,895	3,910,618	(10,632,071)	6,165,441	124,197,883
Less accumulated depreciation:					
Land improvements	(157,222)	(30,123)	63,793	(10,139)	(133,691)
Buildings and improvements	(16,830,887)	(649,133)	219,192	8,805,146	(8,455,682)
Equipment and vehicles	(13,262,012)	(2,965,947)	1,110,672	229,614	(14,887,673)
Infrastructure	(39,270,963)	(3,234,577)	9,233,415	(1,122,679)	(34,394,804)
Total accumulated depreciation	(69,521,084)	(6,879,780)	10,627,072	7,901,942	(57,871,850)
Total capital assets net of depreciation	\$ 55,232,811	(2,969,162)	(4,999)	14,067,383	66,326,033

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**Proprietary Funds**

<i>Business-Type Activities</i>	Balance June 30, 2014	Additions and Transfers In	Deletions and Transfers Out	Reclass and Adjustments	Balance June 30, 2015
Capital assets not being depreciated:					
Land	\$ 6,175,833	10,420	-	69,458	6,255,711
Construction in progress	6,135,045	3,986,919	-	(9,397,026)	724,938
Total capital assets not being depreciated	<u>12,310,878</u>	<u>3,997,339</u>	<u>-</u>	<u>(9,327,568)</u>	<u>6,980,649</u>
Capital assets being depreciated:					
Land improvements	159,294	-	(5,476)	50,822	204,640
Buildings and improvements	10,293,698	40,088	(21,334)	5,995,425	16,307,877
Equipment and vehicles	11,213,488	876,195	(415,526)	255,656	11,929,813
Infrastructure	61,436,185	343,046	(313,242)	7,913,643	69,379,632
Total capital assets being depreciated	<u>83,102,665</u>	<u>1,259,329</u>	<u>(755,578)</u>	<u>14,215,546</u>	<u>97,821,962</u>
Total capital assets	<u>95,413,543</u>	<u>5,256,668</u>	<u>(755,578)</u>	<u>4,887,978</u>	<u>104,802,611</u>
Less accumulated depreciation:					
Land improvements	(74,915)	(9,385)	251	(4,969)	(89,018)
Buildings and improvements	(4,618,656)	(398,561)	14,159	(5,436)	(5,008,494)
Equipment and vehicles	(8,072,709)	(2,048,552)	295,320	14,348	(9,811,593)
Infrastructure	(25,602,393)	(2,360,350)	67,870	10,288	(27,884,585)
Total accumulated depreciation	<u>(38,368,673)</u>	<u>(4,816,848)</u>	<u>377,600</u>	<u>14,231</u>	<u>(42,793,690)</u>
Total capital assets net of depreciation	<u>\$ 57,044,870</u>	<u>439,820</u>	<u>(377,978)</u>	<u>4,902,209</u>	<u>62,008,921</u>

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

Governmental activities:	
General government	\$ 402,131
Public safety	1,658,398
Public works	3,554,275
Culture and recreation	1,001,048
Health and welfare	64,696
Economic Development	186,590
Total	<u>6,867,138</u>
Internal Service Fund	12,642
Total governmental activities	<u>\$ 6,879,780</u>
Business type activities:	
Solid Waste	1,770,822
Wastewater	2,206,167
Airport	786,598
Golf Course	53,261
Total business-type activities	<u>\$ 4,816,848</u>

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**NOTE 7 – Long-term Debt**

Long-term liability activity for the year ended June 30, 2015, was as follows:

	Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015	Due Within One Year
<b>Governmental Activities:</b>					
Gross receipts tax revenue bonds					
Series 2005	\$ 2,280,000	-	(170,000)	2,110,000	175,000
Series 2012	6,315,000	-	(1,350,000)	4,965,000	340,000
Total bonds payable	<u>8,595,000</u>	<u>-</u>	<u>(1,520,000)</u>	<u>7,075,000</u>	<u>515,000</u>
NMFA Notes payable					
2011 Clovis 6-A - Park	3,046,000	-	(143,000)	2,903,000	145,000
Total notes payable	<u>3,046,000</u>	<u>-</u>	<u>(143,000)</u>	<u>2,903,000</u>	<u>145,000</u>
Compensated Absences	<u>1,160,656</u>	<u>923,561</u>	<u>(850,954)</u>	<u>1,233,263</u>	<u>801,621</u>
Net Pension Liability	<u>-</u>	<u>8,762,160</u>	<u>-</u>	<u>8,762,160</u>	<u>-</u>
Governmental-activities long-term liabilities	<u>\$ 12,801,656</u>	<u>9,685,721</u>	<u>(2,513,954)</u>	<u>19,973,423</u>	<u>1,461,621</u>
	Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015	Due Within One Year
<b>Business-type Activities:</b>					
Notes Payable					
NM Environmental Dept.	\$ 6,470,473	-	(405,064)	6,065,409	413,166
2011 Clovis 6-B - Golf Course	2,574,000	-	(113,000)	2,461,000	115,000
2013 NM Finance Authority	1,484,515	-	(80,734)	1,403,781	80,936
Total notes payable	<u>10,528,988</u>	<u>-</u>	<u>(598,798)</u>	<u>9,930,190</u>	<u>609,102</u>
Gross receipts tax revenue bonds					
Series 2010	5,950,000	-	(280,000)	5,670,000	290,000
Series 2014	4,888,665	-	(460,630)	4,428,035	470,751
Total bonds payable	<u>10,838,665</u>	<u>-</u>	<u>(740,630)</u>	<u>10,098,035</u>	<u>760,751</u>
Compensated Absences	<u>116,895</u>	<u>117,277</u>	<u>(116,700)</u>	<u>117,472</u>	<u>117,472</u>
Business-type-activities long-term liabilities	<u>\$ 21,484,548</u>	<u>117,277</u>	<u>(1,456,128)</u>	<u>20,145,697</u>	<u>1,487,325</u>

In prior years, the general fund has typically been used to liquidate long-term compensated absence liabilities.

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Bonds payable for governmental funds at June 30, 2015 are comprised of the following:

	Sales Tax Revenue Bonds Series June 1, 2005	Sales Tax Revenue Bonds Series October 3, 2012
Original issue:	6/1/2005	10/3/2012
Principal:	\$ 3,580,000	\$ 9,000,000
Interest:	June 1 & December 1	June 1 & December 1
Rates:	3.50% to 4.25%	2.00% to 2.50%

The June 1, 2004 Gross Receipts Tax Revenue Bonds, Series 2004, were issued to defray, in part (i) the cost of constructing, purchasing, furnishing, equipping or making improvement to the public buildings of the City, including a City Convention Center and (ii) paying all costs incidental to the issuance of the bonds. The Bonds are being issued pursuant to Sections 3-31-1 through 3-31-12 NMSA 1978, as amended. The 2004 Bonds and all payments of principal, premium, and interest thereon whether at maturity or on a redemption date shall be paid with pledged revenues payable from the revenues distributed to the City by the New Mexico Taxation and Revenue Department pursuant to Sections 7-9-4, NMSA 1978, as amended, 7-1-6.1 and 7-1-6.4 NMSA, as amended and 7-1-6.15 NMSA, 1978 as amended. The bonds mature on June 1, 2025.

The annual requirements to amortize the 2005 Bond Issue outstanding as of June 30, 2015, including interest payments are as follows:

**2005 Civic Center Bond Payables:**

Fiscal Year Ending June 30,		Principal	Interest	Total Debt Service
2016	\$	175,000	86,569	261,569
2017		185,000	79,569	264,569
2018		190,000	72,169	262,169
2019		200,000	64,568	264,568
2020		205,000	56,569	261,569
2021-2025		1,155,000	149,686	1,304,686
	\$	2,110,000	509,130	2,619,130

The October 3, 2012 Gross Receipts Tax Improvement Revenue Bonds, Series 2012, were issued for the purpose of acquiring, constructing, reconstructing, resurfacing, maintaining, repairing or otherwise improving municipal streets, including storm drainage and sanitary sewer projects directly related to a street project or combination of the foregoing and paying the costs of issuance of the bonds. The Bonds are being issued pursuant to Sections 3-31-1 through 3-31-12 NMSA 1978, as amended. The 2012 Bonds and all payments of principal, premium, and interest thereon whether at maturity or on a redemption date shall be paid with pledged revenues payable from the revenues distributed to the City by the New Mexico Taxation and Revenue Department pursuant to Sections 7-9-4, NMSA 1978, as amended, 7-1-6.1 and 7-1-6.4 NMSA, as amended and 7-1-6.15 NMSA, 1978 as amended. The bonds mature on June 1, 2025.



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The annual requirements to amortize the 2012 Bond Issue outstanding as of June 30, 2015, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 340,000	105,723	445,723
2017	340,000	98,925	438,925
2018	360,000	92,125	452,125
2019	440,000	84,924	524,924
2020	440,000	76,125	516,125
2021-2025	2,200,000	246,865	2,446,865
2026-2030	845,000	30,810	875,810
	<u>\$ 4,965,000</u>	<u>735,497</u>	<u>5,700,497</u>

Advanced refundings consisted of the following:

On July 22, 2011, the City borrowed \$3,527,000 with an average interest rate of 3.72% from the NM Finance Authority. The net proceeds of \$3,437,000 (after estimated issuance costs of \$37,095 and processing fees of \$52,905) were used to advance refund Gross Receipts Tax Revenue Bonds, Series 1999 with a total principal amount of \$880,000 and an average interest rate of 4.68%. The February 1, 1999 Gross Receipts Tax Revenue Bonds, Series 1999, were issued to defray, in part (i) the cost of constructing, purchasing, furnishing, equipment (including, specifically, the purchase of computer hardware and software for use in taking care of "Year 2000" issues that the City may have), rehabilitating, making addition to or making improvement to one or more public buildings or purchasing or improving any ground related thereto. The NM Finance Authority transferred \$2,594,095 to the Bank of New York Mellon Trust Company, N.A. for the City of Clovis. The Bank transferred the net proceeds to the City of Clovis to pay off the refunded bonds. As a result, the refundable bonds are considered to be defeased, and the related liability for the bonds has been removed from the City's liabilities.

The remaining proceeds were used for the improvement of park infrastructure. The note matures on June 30, 2031.

The annual requirements to amortize the note outstanding as of June 30, 2015, including interest payments are as follows:

**Governmental - Clovis 6-A Park**

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 145,000	102,702	247,702
2017	147,000	100,237	247,237
2018	150,000	97,252	247,252
2019	154,000	93,712	247,712
2020	158,000	89,631	247,631
2021-2025	866,000	369,308	1,235,308
2026-2030	1,046,000	190,181	1,236,181
2031	237,000	10,475	247,475
	<u>\$ 2,903,000</u>	<u>1,053,498</u>	<u>3,956,498</u>

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Bonds payable for proprietary funds at June 30, 2015 are comprised of the following:

	Sales Tax Revenue Bonds Series September 21, 2010	Sales Tax Revenue Bonds Series April 18, 2014
Original issue:	9/21/2010	4/18/2014
Principal:           \$	7,000,000	4,888,665
Interest:	June 1 & December 1	June 1 & December 1
Rates:	2.00% to 4.00%	0.25% to 2.79%

The September 21, 2010 Gross Receipts Tax Revenue Bonds, Series 2010, were issued to defray, in part (i) the cost of constructing, purchasing, furnishing, equipping or making improvement to the City's waste water treatment plant and (ii) paying all costs incidental to the issuance of the bonds. The Bonds are being issued pursuant to Sections 3-31-1 through 3-31-12 NMSA 1978, as amended. The 2010 Bonds and all payments of principal, premium, and interest thereon whether at maturity or on a redemption date shall be paid with pledged revenues payable from the revenues distributed to the City by the New Mexico Taxation and Revenue Department pursuant to Sections 7-9-4, NMSA 1978, as amended, 7-1-6.1 and 7-1-6.4 NMSA, as amended and 7-1-6.15 NMSA, 1978 as amended. The bonds mature on June 1, 2025.

The annual requirements to amortize the 2010 Bond Issue outstanding as of June 30, 2015, including interest payments are as follows:

**Proprietary - Series 2010 GRT Bonds**

Fiscal Year Ending June 30,		Principal	Interest	Total Debt Service
2016	\$	290,000	190,738	480,738
2017		300,000	184,938	484,938
2018		310,000	175,938	485,938
2019		315,000	166,638	481,638
2020		330,000	157,188	487,188
2021-2025		1,850,000	611,550	2,461,550
2026-2030		2,275,000	269,875	2,544,875
	\$	5,670,000	1,756,865	7,426,865

The April 18, 2014 Gross Receipts Tax Improvement Revenue Bonds, Series 2014 were issued for the purpose of acquiring, constructing, extending, enlarging, bettering, repairing, and otherwise improving or maintaining the City's landfill or any combination of the foregoing and paying the costs of issuance of the bonds. The Bonds are being issued pursuant to Sections 3-31-1 through 3-31-12 NMSA 1978 as amended. The 2014 Bonds and all payments of principal and interest thereon whether at maturity or on a redemption date shall be paid with pledged revenues payable from revenues distributed to the City by the New Mexico Taxation and Revenue Department pursuant to Sections 7-9-4, NMSA 1978, as amended, 7-1-6.1 and 7-1-6.4, as amended and 7-1-6.15, 1978 as amended. The Bonds mature June 1, 2014.

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The annual requirements to amortize the 2014 Bond Issue outstanding as of June 30, 2015, including interest payments are as follows:

**Proprietary - GRT Revenue Bonds Series 2014**

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 470,751	73,842	544,593
2017	472,539	72,152	544,691
2018	475,375	69,318	544,693
2019	479,605	65,086	544,691
2020	485,648	59,043	544,691
2021-2025	2,044,117	134,649	2,178,766
	<u>\$ 4,428,035</u>	<u>474,090</u>	<u>4,902,125</u>

The notes payable of the City's proprietary funds as of June 30, 2015 are comprised of the following:

Wastewater loan with the NM Environment Department dated, June 18, 2008 with annual principal installments ranging from \$359,686 to \$523,994 due June 30 annually. Interest rate at 2.0%. The loan matures on June 11, 2027.	\$ 6,065,409
Golf Course loan with the NM Finance Authority dated July 22, 2011, with annual principal installments ranging from \$80,000 to \$211,000 due June 30 annually. Blended interest rate at 4.53%. The loan matures on June 30, 2031.	2,461,000
Aeration Identification Treatment Plant Loan with NM Finance Authority with annual principal installments ranging from \$80,332 to \$84,233 due June 1, annually. Interest rate at 2.50%. The loan matures on June 1, 2032.	1,403,781
	<u>9,930,190</u>
Less current portion	<u>(609,102)</u>
Total outstanding long-term debt - proprietary funds	<u>\$ 9,321,088</u>

The annual requirements to amortize the proprietary fund loans outstanding as of June 30, 2015, including interest payments are as follows:

Total Proprietary - Notes Payable

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2016	\$ 609,102	242,076	851,178
2017	620,568	231,739	852,307
2018	632,199	220,630	852,829
2019	645,000	208,718	853,718
2020	657,973	196,130	854,103
2021-2025	3,514,637	768,723	4,283,360
2026-2030	2,871,353	350,416	3,221,769
2031-2034	379,358	34,018	413,376
	<u>\$ 9,930,190</u>	<u>2,252,450</u>	<u>12,182,640</u>

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**NOTE 8 – Risk Management**

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The City established limited risk management programs for workers' compensation (as discussed below) and unemployment claims. Premiums for unemployment claims are paid to the appropriate internal service fund by all other funds and are available to pay claims, claims reserves, and administrative costs of the program.

Effective January 1, 1991, the City established a limited risk management program for workers compensation. The City contracted with the New Mexico Self Insurer Fund (Fund) as administrator for this program. At the beginning of each policy period, the City pays a retention premium which covers expenses of the Fund, including, but not limited to, reinsurance expenses, claims adjusting, rating and underwriting, safety and loss control, reporting and administration. In the retention rating year (1/1/91 – 1/1/92), the City paid a "loss fund deposit" to the Fund equal to 15% of the estimated "manual premium". This deposit is retained by the Fund for the benefit of the City in paying all applicable claims and costs for all policy periods. Each anniversary date, the deposit will be reviewed and revised if necessary. The City's self-insured specific retention is \$250,000 per accident, with aggregate of 150% of the "manual premium" for a policy period.

The City accounts for this program in its Internal Service Fund, Workers Compensation. The Workers Compensation Fund allocates the cost of providing claim servicing and claim payments by charging a "premium" to each participating governmental and business-type activities fund, based on each fund's percentage of the estimated "manual premium". This charge considers recent trends in actual claims experience and makes provision for catastrophic loss.

The Workers Compensation fund liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are re-evaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of payout), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claims adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example from salvage or subrogation, are another component of the claims liability estimate. Settlements have not exceeded coverage for the current fiscal year.

The City continues to carry commercial insurance for all other risks. The City is in the process of establishing a fund for property and liability self-insurance. As of June 30, 2015, no claims activity had taken place in the fund. The only activity for the year ended June 30, 2015 consisted of interest earned from the fund's bank account.

**NOTE 9 – PERA Pension Plan**

*Plan Description:* Compliant with the requirements of Government Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions, the State of New Mexico has implemented the standard for the fiscal year ending June 30, 2015.

The City, as part of the primary government of the State of New Mexico, is a contributing employer to a cost-sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement Association (PERA). Disclosure requirements for governmental funds apply to the primary government as a whole, and as such, this information will be presented in the Component Appropriation Funds Annual Financial Report (General Fund) and the Comprehensive Annual Financial Report (CAFR) of the State of New Mexico.

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

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*Funding Policy:* Plan members are required to contribute the following percentages of their gross salary: 17.8% for law enforcement, 17.7% for fire protection employees; and 14.65% for municipal employees. The City was required to contribute the following percentages of the gross covered salary: 18.9% for law enforcement plan members, 21.26% for fire protection plan members; and 9.55% for municipal plan members. The contribution requirements of plan members and the City of Clovis are established in State Statute under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The City of Clovis' contributions to PERA for the years ending June 30, 2015, 2014 and 2013 were approximately \$675,397, \$731,401, and \$746,047, respectively, which equal the amount of the required contributions for all years.

**NOTE 10 – Pension Plan and Post-Employment Benefits**

**Summary of Significant Accounting Policies**

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

**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.

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

**Benefits provided.** For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2014 available at [http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366\\_Public\\_Employees\\_Retirement\\_Association\\_2014.pdf](http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2014.pdf).

**Contributions.** The contribution requirements of defined benefit plan members and the City are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY14 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY14 annual audit report at [http://osanm.org/media/audits/366\\_Public\\_Employees\\_Retirement\\_Association\\_2014.pdf](http://osanm.org/media/audits/366_Public_Employees_Retirement_Association_2014.pdf). The PERA coverage options that apply to the City are: Municipal General Division, Municipal Police Division, and Municipal Fire Division. Statutorily required contributions to the pension plan from the City were \$675,663 and employer paid member benefits that were "picked up" by the employer were \$0 for the year ended June 30, 2015.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:** The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of

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June 30, 2013. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2014. The assets of the PERA fund are held in one trust, but there are six distinct membership groups (municipal general members, municipal police members, municipal fire members, state general members, state police members and legislative members) for whom separate contribution rates are determined each year pursuant to chapter 10, Article 11 NMSA 1978. Therefore, the calculations of the net pension liability, pension expense and deferred Inflows and Outflows were performed separately for each of the membership groups: municipal general members; municipal police members; municipal fire members; state general members; state police members and legislative members. The City's proportion of the net pension liability for each membership group that the employer participates in is based on the employer contributing entity's percentage of that membership group's total employer contributions for the fiscal year ended June 30, 2014. Only employer contributions for the pay period end dates that fell within the period of July 1, 2013 to June 30, 2014 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2014 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.

**For PERA Fund Division; Municipal General Division**, at June 30, 2015, the City reported a liability of \$991,516 for its proportionate share of the net pension liability. At June 30, 2014, the City's proportion was 0.13 percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the City recognized PERA Fund Division; Municipal General Division pension expense of \$105,323.

At June 30, 2015, the City reported PERA Fund Division; Municipal General Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

<b>Municipal General Division</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	-
Changes of assumptions	-	672
Net difference between projected and actual earnings on pension plan investments	-	387,885
Change in proportion and differences between the City contributions and proportionate share of contributions	-	-
The City contributions subsequent to the measurement date	105,323	-
Total	<u>\$ 105,323</u>	<u>388,557</u>

\$105,323 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

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Year Ended June 30:	Amount
2016	\$ 97,144
2017	97,144
2018	97,144
2019	97,125
2020	-
Thereafter	-
	388,557

**For PERA Fund Division; Municipal Police Division**, at June 30, 2015, the City reported a liability of \$2,374,505 for its proportionate share of the net pension liability. At June 30, 2014, the City's proportion was 0.73 percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the City recognized PERA Fund Division; Municipal Police Division pension expense of \$255,307. At June 30, 2015, the City reported PERA Fund Division; Municipal Police Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

<b>Municipal Police Division</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	-
Changes of assumptions	-	192,891
Net difference between projected and actual earnings on pension plan investments	-	882,946
Change in proportion and differences between the City contributions and proportionate share of contributions	-	-
The City contributions subsequent to the measurement date	255,307	-
Total	\$ 255,307	1,075,837

\$255,307 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	Amount
2016	\$ 268,719
2017	268,719
2018	268,719
2019	268,719
2020	961
Thereafter	-
	1,075,837

**For PERA Fund Division; Municipal Fire Division**, at June 30, 2015, the City reported a liability of \$5,396,139 for its proportionate share of the net pension liability. At June 30, 2014, the City's proportion was 1.29 percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the City recognized PERA Fund Division; Municipal Fire Division pension expense of \$314,767. At June 30, 2015, the City reported PERA Fund Division; Municipal Fire

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Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

<b>Municipal Fire Division</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	-
Changes of assumptions	187,325	-
Net difference between projected and actual earnings on pension plan investments	-	747,400
Change in proportion and differences between the City contributions and proportionate share of contributions	-	-
The City contributions subsequent to the measurement date	314,767	-
Total	<u>\$ 502,092</u>	<u>747,400</u>

\$314,767 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	Amount
2016	\$ 140,252
2017	140,252
2018	140,252
2019	139,319
2020	-
Thereafter	-
	<u>560,075</u>

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

Actuarial valuation date	June 30, 2013
Actuarial cost method	Entry age normal
Amortization method	Level 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
Payroll growth	3.50% annual rate
Projected salary increases	3.50% to 14.25% annual rate
Includes inflation at	3.00% annual rate

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



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

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

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

**Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate.** The following tables show the sensitivity of the net pension liability to changes in the discount rate. In particular, the tables present the City's net pension liability in each Page 7 PERA Fund Division that the City 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.

<u>PERA Fund Division - Municipal General Division</u>	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
The City's proportionate share of the net pension liability	\$ <u>1,869,231</u>	\$ <u>991,516</u>	\$ <u>313,440</u>

<u>PERA Fund Division - Municipal Police Division</u>	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
The City's proportionate share of the net pension liability	\$ <u>4,528,184</u>	\$ <u>2,374,505</u>	\$ <u>766,381</u>

<u>PERA Fund Division - Municipal Fire Division</u>	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
The City's proportionate share of the net pension liability	\$ <u>7,624,340</u>	\$ <u>5,396,139</u>	\$ <u>3,752,755</u>

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

**Payables to the pension plan.** Employers should disclose the amount of payables to the Plan with a description of what gave rise to the payable per GASBS 68, paragraphs 122 and 124.

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**NOTE 11 – Notes to Required PERA Supplementary Information**

**Changes of benefit terms.** The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY14 audit available at [http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366\\_Public\\_Employees\\_Retirement\\_Association\\_2014.pdf](http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2014.pdf).

**Changes of assumptions.** The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2014 report is available at [www.pera.state.nm.us/pdf/Investments/RetirementFundValuationReports/6-30-2014%20PERA%20Valuation%20Report\\_FINAL.pdf](http://www.pera.state.nm.us/pdf/Investments/RetirementFundValuationReports/6-30-2014%20PERA%20Valuation%20Report_FINAL.pdf). The summary of Key Findings for the PERA Fund (on page 2 of the report) states “based on a recent experience study for the five-year period ending June 30, 2013, the economic and demographic assumptions were updated for this valuation. The changes in assumptions resulted in a decrease of \$30.8 million to Fund liabilities and an increase of 0.13% to the funded ratio. For details about changes in the actuarial assumptions, see Appendix B on page 60 of the report.

**NOTE 12 – Pension Plan**

The City contributes to a defined contribution pension plan adopted under the provision of Internal Revenue Code Section 401.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual’s account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant’s account and the returns earned on investment on those contributions. As established by local ordinance, all employees of the City participating in the Deferred Compensation Plan are eligible to participate. The City is required to contribute 14% of the employee’s gross earnings. Contributions by the City belong to the participant upon retirement or termination, provided the vesting requirements have been satisfied.

The vesting provisions for all new employees hired on or after July 8, 1990, are as follows:

- 30% after 3 years of completed service
- 40% after 4 years of completed service
- 100% after 5 years of completed service

All employees hired prior to July 8, 1990, were 100% vested on the date of hire.

For the years ended June 30, 2015, 2014, and 2013, the City’s required and actual contributions totaled \$1,294,144, \$1,320,328, and \$1,310,925, respectively.

**NOTE 13 – Deferred Compensation Plan**

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan is administered by International City/County Management Association.

The plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Employees are mandated to contribute a minimum of 3% of their gross salary but may elect to contribute up to 100% of their salary up to a maximum dollar amount of \$18,500 per year into the plan. Eligible employees may also make catch-up contributions totaling \$5,500 per year. There are employees that are making contributions to the Deferred Compensation Plan. All contributions withheld from participant’s wages by the City have been paid to the plan administrator. Employee contributions withheld and remitted to the plan were \$859,020, \$941,493 and \$943,814 for the years ended June 30, 2015, 2014 and 2013, respectively.

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**NOTE 14 – Post Employment Benefits – State Retiree Healthcare Plan**

*Plan Description:* The City of Clovis contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which the event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

*Funding Policy:* The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at [www.nmrhca.state.nm.us](http://www.nmrhca.state.nm.us).

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The City of Clovis' contributions to the RHCA for the years ended June 30, 2015, 2014, and 2013 were \$257,771, \$290,479, and \$263,790, respectively, which equal the required contributions for each year.

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**NOTE 15 – Contingencies**

The City of Clovis participates in a number of federal, state, and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the City of Clovis may be required to reimburse the grantor government. As of June 30, 2015, significant amounts of grant expenditures have not been audited by the grantor agencies. Management believes that any disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the City of Clovis.

The City of Clovis is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the City.

**NOTE 16 – Deficit Fund Balances, Excess of Expenditures Over Appropriations and Designated cash appropriation in excess of available balances**

U.S. generally accepted accounting principles require disclosures of certain information concerning individual funds including:

Deficit fund balances of individual funds:

Fund	Fund Type	Amount
Golf Course - 19	Proprietary	\$ (171,831)
Dept of Justice -96	Spec Rev	(17,208)
Street Improvement -40	Debt Service	(6,926)
		<u>\$ (195,965)</u>

Excess of expenditures over appropriations:

None

Designated cash appropriation in excess of available balances. The following funds exceeded approved budgetary authority for the year ended June 30, 2015:

None

**NOTE 17 – Landfill Closure and Post-closure Care**

State and federal laws and regulations require that the City of Clovis place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure of the landfill site. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste.

The recognition of these landfill closure and post-closure care costs is based on the amount of the landfill used during the year. The total estimated liability for landfill closure costs is \$4,314,872 as of June 30, 2015, which is based on the cumulative capacity to date as a percentage of projected capacity at the time of landfill closure. This represents an increase of \$108,005 from the prior year as a result of current engineering estimates. It is estimated that an additional \$646,461 will be recognized as closure and post-closure care costs between the balance sheet date and the date the landfill site is expected to close in accordance with State of New Mexico Environmental Division and Federal EPA regulations. Approximately 92.00% of the landfill capacity has been used to date and the estimated remaining landfill life is one year. The estimated total current cost of the landfill closure and post-closure care of \$4,961,333 is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2015. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in state and federal landfill laws and regulations.

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The City of Clovis is required by the State of New Mexico Environmental Regulation Board to demonstrate financial assurance for the closure and post-closure costs. The City of Clovis obtained permanent financing from the NM Finance Authority for landfill expansion, closure, and post-closure care. The agreement establishes terms for use of the proceeds, and repayment of amounts loaned. In addition, the City has designated funds totaling \$4,941,698 to offset the future estimated post-closure liability amounts. These are reported as restricted assets on the proprietary fund statement of net position. The City expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

**NOTE 18 – Leases in the Financial Statements of Lessors**

Operating leases arise from the leasing of the City’s land and buildings to customers in varying industries in Clovis. Initial lease terms generally range from 12 to 120 months. Leases are cancellable by the Lessee with 30-120 days’ notice as defined by the lease agreement. Depreciation expense for assets subject to operating leases is provided primarily on the straight-line method over the term of the lease in amounts necessary to reduce the carrying amount of the asset to its estimated residual value. Estimated and actual residual values are reviewed on a regular basis to determine that depreciation amounts are appropriate. Depreciation expense for the year ended June 30, 2015 related to land and buildings held as rental property under operating leases is included in depreciation expense of the Airport in the Proprietary Funds Statement of Revenues, Expenses, and Changes in Fund Net Position. Historical cost and accumulated depreciation as of June 30, 2015 related to land and buildings held as rental property under operating leases is included in property, plant and equipment of the Airport in the Proprietary Funds Statement of Net Position.

**NOTE 19–Operating Leases**

The reporting entity has entered into a number of operating leases, which contain cancellation provisions and are subject to annual appropriations. The rent expenditures for these leases were primarily from the General Fund. Future minimum lease payments are:

Fiscal Year		Amount
<u>Ending June 30,</u>		
2016	\$	242,020
2017		187,020
2018		187,020
2019		187,020
2020		<u>124,220</u>
	\$	<u><u>927,300</u></u>

Lease expenditures for the year ended June 30, 2015 were approximately \$240,577.

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**NOTE 20 – Commitments**

The City of Clovis has several projects under construction related to water and wastewater utilities. Below is a summary list of projects.

<u>Project</u>	<u>Contract Type</u>	<u>Contract Price</u>	<u>% of Completion</u>
Cell 5 Construction oversight	Professional Service	207,572	95.00%
Airport Master Plan	Professional Service	529,276	97.00%
Zoo Improvements	Construction	1,000,000	94.00%
Wilhite Design	Professional Service	371,042	35.00%
Master Drainage Plan	Professional Service	442,616	66.00%
Norris St Rt Turn Bay	Professional Service	26,258	0.00%
Effluent Reuse Phase 2	Professional Service	345,193	34.00%
		<u>\$ 2,921,957</u>	

**NOTE 21 – Restricted Net Position**

The government-wide statement of net position reports \$7,555,584 of restricted assets, all of which is restricted by enabling legislation. For descriptions of the related enabling legislation for special revenue, debt service and capital project funds, see schedules in the supplementary information section of this report.

**NOTE 22 – Surety Bonds**

The City maintains surety bonds for the following employees in the amounts of coverage listed below:

Employee Position	Coverage
Finance Director/City Clerk	\$ 50,000

**NOTE 23 – Deferred Inflows/Outflows of Resources**

The balance in deferred inflows/outflows of resources at year end is composed of the following elements:

<u>Deferred Outflows of Resources</u>	
Long-term note receivable (Wastewater Fund) - Government-Wide	\$ 796,680
Deferred property tax revenue (General Fund) - Fund Financials	88,021
Revenue not available due to 60 day rule - Fund Financials	114,399
Pension deferrals	<u>862,722</u>
	\$ 999,100
<u>Deferred Inflows of Resources</u>	
Deferred note receivable revenue (Wastewater Fund) - Government-Wide	\$ 796,680
Pension deferrals	<u>2,211,794</u>
	3,008,474

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**NOTE 24 – Restatement of Net Position**

Beginning net position were restated as follows:

<u>Description</u>	<u>Fund</u>	<u>Reason</u>	<u>Amount</u>
Government-wide statements	N/A	Prior period adjustment to agree depreciation expense, accumulated depreciation, and capital assets to current supporting documentation	\$ (6,150,929)
Government-wide statements	N/A	To record restatement due to GASB 68 implementation related to net pension liability	10,109,156
General fund	01	Prior period adjustment to agree federal receivables and federal revenues with current supporting documentation	42,120
Clovis Area Transit System - Spec rev fund	92	Prior period adjustment to agree federal receivables and federal revenues with current supporting documentation	49,401
		Total governmental activities	<u>4,049,748</u>
Sanitation - Major enterprise fund	02	Prior period adjustment to reduce landfill closure to current year engineering estimates.	48,242
Sanitation - Major enterprise fund	02	Prior period adjustment to agree depreciation expense, accumulated depreciation, and capital assets to current supporting documentation	2,382,095
Wastewater - Major enterprise fund	10	Prior period adjustment to agree depreciation expense, accumulated depreciation, and capital assets to current supporting documentation	87,679
Airport - Major enterprise fund	12	Prior period adjustment to agree depreciation expense, accumulated depreciation, and capital assets to current supporting documentation	2,476,437
Golf Course - Major enterprise fund	19	Prior period adjustment to agree depreciation expense, accumulated depreciation, and capital assets to current supporting documentation	(44,001)
		Total enterprise funds	<u>4,950,452</u>
		Total restatements	<u>\$ 9,000,200</u>

**NOTE 25 – Evaluation of Subsequent Events**

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued. The City recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing the financial statements. The City's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet but arose after the balance sheet date and before financial statements are available to be issued. The City has evaluated subsequent events through December 15, 2015, which is the date the financial statements were available to be issued.

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Nonmajor Funds  
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**NONMAJOR SPECIAL REVENUE FUNDS**

**Municipal Road Fund (NMSA, 7-24A-1 to 7-24A-21)** - To account for motor vehicle fees – 10 percent, which is to be used only for additions and improvements to the City's streets and highways.

**Recreation Fund (NMSA, 7-12-1 to 7-12-17)** - To account for state and city cigarette tax revenue, which is to be used to operate and maintain the City's various recreational facilities.

**Older Adults Division Fund (Authorized by Commission at Budget Approval)** - To account for the City's share of the cost of operating and administering a senior citizens facility. Funding is contributed directly to the facility from other governmental agencies.

**Environmental Tax Fund (NMSA, 7-19D-1 to 7-19D-11)** - To account for the City's share of gross receipts taxes that are to be used for environmental clean-up issues.

**Fire Equipment Fund (NMSA, 59-15-1 to 59-15-17)** – Annual grant from the State of New Mexico Fire Marshall's office. Funds are restricted for use on the maintenance of the fire department, the purchase, construction, maintenance, repair and operation of fire apparatus and equipment.

**Sanitary Sewer Improvement Fund (NMSA, 3-26)** - To account for the proceeds of wastewater connection fees, which are to be used for the improvement of sewer distribution lines.

**Ned Houk Park Fund (Ordinance 864)** - To account for state and county grants that are to be used for the operation, maintenance of and additions to park facilities.

**Carver Library Fund (Ordinance 864)** - To account for all revenues directly related to or assigned to use for Carver Library. This includes grants, charges for services, fines and other revenues.

**2011 GRT Park Improvement Fund (Ordinance 864)** - To account for all revenues directly related to or assigned to park improvements. This includes grants, charges for services, and other revenues.

**Infrastructure Improvement Fund (Authorized by Commission at Budget Approval)** - To account for the City's cost of rehabilitating, making additions to or making improvements to one or more public buildings, public parks, public recreational buildings and other public facilities.

**Special Parks Improvement Fund (Ordinance 1520-96)** – To account for municipal gross receipts revenue, which will be used for the acquisition, construction, operation and maintenance of parks and recreation facilities.

**Civic Center Fund (Ordinance 1520-96)** - To account for municipal gross receipts revenue, which will be used for the acquisition, construction, operation and maintenance of a multi-purpose special events center.

**Special Designated Fund (Authorized by Commission at Budget Approval)** – To account for excess revenues generated in various funds for use on specific department improvements.

**Economic Development Fund (Ordinance 1615-99)** – To account for municipal gross receipts revenue, which will be used for the purpose of furthering or implementing economic development plans and projects as defined in the Local Economic Act and in accordance with the regulation.

**Capital Outlay Gross Receipts Tax Fund (NMSA, 7-19-10 to 7-19-18)** – To account for the City's portion of gross receipts taxes collected by the State of New Mexico. These proceeds are used for various department capital asset replacements.

**Gross Receipts Tax Water Project (Ordinance 1953-2012)** – To account for the financing of the City's obligation to the Eastern New Mexico Water Utility Authority for the development, planning, financing, construction, operation, and the payment of bonds for the Ute Reservoir Pipeline Project.



**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Funds  
For the Year Ended June 30, 2015**

**Emergency Medical Services Fund (NMSA, 24-10A to 24-10A-9)** – To account for annual grant from the Emergency Medical Services Fund Act. Funding is made available to municipalities in proportion to their needs, for use in the establishment and enhancement of local emergency medical services that assist in reducing injury and loss of life.

**Special Street Fund (NMSA, 3-34-1 to 3-34-5; 7-19A-1 to 7-19A-7)** – To account for specifically designated state shared gross receipts taxes. Expenditures are restricted to street maintenance.

**Recycling Fund (Authorized by Commission at Budget Approval)** – To account for revenues and expenditures related to refuse recycling.

**Lodger's Tax Fund (NMSA, 3-38-18 to 3-38-24)** – To account for the collections and disbursement of local lodging tax whose use is restricted to the promotion of rural areas within the County.

**Special Fire & Police Fund (NMSA, 59A-53-1 to 59A-53-16)** – To account for the City's share of gross receipts taxes and the City's share of revenues that are restricted to expenditure for fire protection equipment and supplies.

**Local Government Corrections Fund (NMSA, 33-3-25)** – To account for the proceeds of State of New Mexico approved assessments by the City's municipal court, for which expenditures are designated for the care of prisoners.

**Law Enforcement Protection Fund (NMSA, 29-13-1 to 29-13-9)** – To account for state grant funds from the State of New Mexico which are to be utilized to enhance the efficiency and effectiveness of law enforcement protection.

**Clovis Area Transit System Fund (authorized by Commission at Budget Approval)** – To account for state and federal grants, which are to provide transportation service to the general public.

**Department of Justice Fund (Authorized by Commission at Budget Approval)** – To account for federal grants, which are to provide law enforcement with opportunities to reduce crime and improve public safety by increasing personnel and equipment resources.

**Drug Control Fund (Authorized by Commission at Budget Approval)** – To account for state and federal grants which are to be used for implementation of improved drug control and awareness.

**NONMAJOR DEBT SERVICE FUNDS**

**Drainage Improvement Fund** – To account for the accumulation of resources for, and the payment of governmental activities long-term debt principal, interest and related costs specifically for the drainage acquisition and improvement excise tax bonds. The fund's source of revenue is a one sixteenth of one percent gross receipts tax and a 1.5 property tax mill levy approved by the City of Clovis Commission for note obligation repayment.

**GRT Improvement Revenue Bonds Series 2014 (Cell#5)** – To account for the accumulation of resources for, and the payment of governmental activities long term debt principal, interest, and related costs specifically for acquiring, constructing, extending, enlarging, bettering, repairing and otherwise improving or maintaining the City's Landfill.

**Civic Center Fund** – To account for the accumulation of resources for, and the payment of governmental activities long-term debt principal, interest and related costs specifically for the civic center excise tax bonds. The fund's source of revenue is a one and two hundred and twenty-five thousandths percent gross receipts tax approved by the City of Clovis Commission for note obligation repayment.

**Parks & Infrastructure Fund** – To account for the accumulation of resources for, and the payment of governmental activities long-term debt principal, interest and related costs specifically for the parks and infrastructure excise tax bonds. The fund's source of revenue is a one eighth of one percent gross receipts tax approved by the City of Clovis Commission for note obligation repayment.

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Funds  
For the Year Ended June 30, 2015**

**NONMAJOR CAPITAL PROJECTS FUND**

**Street Construction** — To account for expenditures relating to state-shared projects, such as the repairs and maintenance of City streets, which are part of the State arterial system. Funding is from the Local Government road fund with matching funds transferred from the City of Clovis General Fund.

**Drainage Improvement Fund** — To account for the City's cost of constructing, acquiring and improving the City's storm drainage system.

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
COMBINING BALANCE SHEET  
NON-MAJOR GOVERNMENTAL FUNDS  
As of June 30, 2015**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
<i>Assets</i>				
Cash and investments	\$ 17,163,250	93,891	1,490,939	18,748,080
Restricted Cash and investments	564,645	206,428	-	771,073
Receivables:				
Property taxes	-	-	-	-
Intergovernmental	2,261,391	-	86,446	2,347,837
Other receivables	349,093	-	-	349,093
Inventory	67,514	-	-	67,514
Prepaid insurance	49,533	-	-	49,533
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>20,455,426</u>	<u>300,319</u>	<u>1,577,385</u>	<u>22,333,130</u>
<i>Liabilities</i>				
Accounts payable	18,914	-	224,120	243,034
Accrued payroll expenses	98,593	-	-	98,593
Other accrued expenses	-	-	-	-
Accrued compensated absences	-	-	-	-
Accrued interest	-	24,582	-	24,582
Due to other funds	326,239	-	-	326,239
<i>Total liabilities</i>	<u>443,746</u>	<u>24,582</u>	<u>224,120</u>	<u>692,448</u>
<i>Deferred Inflow of Resources</i>	<u>74,800</u>	<u>-</u>	<u>-</u>	<u>74,800</u>
<i>Total Liabilities and Deferred Inflow of Resources</i>	<u>518,546</u>	<u>24,582</u>	<u>224,120</u>	<u>767,248</u>
<i>Fund balances</i>				
Nonspendable	117,047	-	-	117,047
Restricted	5,247,286	282,663	1,129,631	6,659,580
Committed	12,788,219	-	223,634	13,011,853
Assigned	1,801,536	-	-	1,801,536
Unassigned	(17,208)	(6,926)	-	(24,134)
<i>Total fund balances</i>	<u>19,936,880</u>	<u>275,737</u>	<u>1,353,265</u>	<u>21,565,882</u>
<i>Total liabilities and fund balances</i>	<u>\$ 20,455,426</u>	<u>300,319</u>	<u>1,577,385</u>	<u>22,333,130</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
For The Year Ended June 30, 2015**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	10,831,057	-	505,827	11,336,884
Gasoline and motor vehicle	511,648	-	-	511,648
Other	632,360	-	-	632,360
<i>Intergovernmental:</i>				
Federal operating grants	79,674	-	-	79,674
Federal capital grants	460,346	-	-	460,346
State operating grants	1,026,827	-	102,165	1,128,992
State capital grants	-	-	18,213	18,213
Charges for services	668,086	-	-	668,086
Fines, forfeitures & penalties	11,141	-	-	11,141
Licenses and fees	417,769	-	-	417,769
Investment income	32,777	1,825	643	35,245
Miscellaneous	240,162	-	-	240,162
<i>Total revenues</i>	<u>14,911,847</u>	<u>1,825</u>	<u>626,848</u>	<u>15,540,520</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	927,721	-	-	927,721
Public safety	293,394	-	-	293,394
Public works	3,513,137	-	359,412	3,872,549
Culture and recreation	2,658,553	-	-	2,658,553
Health and welfare	386,222	-	-	386,222
Capital outlay	2,391,237	-	430,993	2,822,230
<i>Debt service:</i>				
Principal	-	1,663,000	-	1,663,000
Interest	3,711	465,198	-	468,909
<i>Total expenditures</i>	<u>10,173,975</u>	<u>2,128,198</u>	<u>790,405</u>	<u>13,092,578</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>4,737,872</u>	<u>(2,126,373)</u>	<u>(163,557)</u>	<u>2,447,942</u>
<i>Other financing sources (uses)</i>				
Transfers in/(out)	(3,540,554)	2,103,618	498,351	(938,585)
Proceeds from sale of capital assets	-	-	-	-
Proceeds from debt issuance	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(3,540,554)</u>	<u>2,103,618</u>	<u>498,351</u>	<u>(938,585)</u>
<i>Net change in fund balances</i>	1,197,318	(22,755)	334,794	1,509,357
<i>Fund balances - beginning of year</i>	<u>18,690,161</u>	<u>298,492</u>	<u>1,018,471</u>	<u>20,007,124</u>
<i>Restatement</i>	<u>49,401</u>	<u>-</u>	<u>-</u>	<u>49,401</u>
<i>Fund balance - beginning of year, as restated</i>	<u>18,739,562</u>	<u>298,492</u>	<u>1,018,471</u>	<u>20,056,525</u>
<i>Fund balances - end of year</i>	<u>\$ 19,936,880</u>	<u>275,737</u>	<u>1,353,265</u>	<u>21,565,882</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Governmental Funds - Special Revenue Funds  
Combining Balance Sheet  
As of June 30, 2015**

	3	4	5	6	7	8
	Municipal Road	Recreation	Older Adults Division	Environmental Tax	Fire Equipment	Sanitary Sewer Improvement
<i>Assets</i>						
Cash and investments	\$ -	34,215	17,429	4,941,698	277,098	87,045
Restricted Cash and investments	2,591	-	-	-	520,497	-
Receivables:						
Property taxes	-	-	-	-	-	-
Intergovernmental	9,875	-	4,280	81,232	-	-
Other receivables	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Prepaid insurance	-	3,530	6,096	-	-	-
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>12,466</u>	<u>37,745</u>	<u>27,805</u>	<u>5,022,930</u>	<u>797,595</u>	<u>87,045</u>
<i>Liabilities</i>						
Accounts payable	-	1,995	2,558	-	-	-
Accrued payroll expenses	-	5,748	5,521	-	-	-
Other accrued expenses	-	-	-	-	-	-
Due to other funds	-	-	-	-	277,098	-
<i>Total liabilities</i>	<u>-</u>	<u>7,743</u>	<u>8,079</u>	<u>-</u>	<u>277,098</u>	<u>-</u>
<i>Deferred Inflow of Resources</i>	<u>-</u>	<u>-</u>	<u>4,280</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Inflow of Resources</i>	<u>-</u>	<u>7,743</u>	<u>12,359</u>	<u>-</u>	<u>277,098</u>	<u>-</u>
<i>Fund balances</i>						
Nonspendable	-	3,530	6,096	-	-	-
Restricted	12,466	-	-	-	520,497	-
Committed	-	26,472	9,350	5,022,930	-	87,045
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<i>Total fund balances</i>	<u>12,466</u>	<u>30,002</u>	<u>15,446</u>	<u>5,022,930</u>	<u>520,497</u>	<u>87,045</u>
<i>Total liabilities and fund balances</i>	<u>\$ 12,466</u>	<u>37,745</u>	<u>27,805</u>	<u>5,022,930</u>	<u>797,595</u>	<u>87,045</u>

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Governmental Funds - Special Revenue Funds  
Combining Balance Sheet  
As of June 30, 2015

	13	14+95	21	60	61	62
	Ned Houk Park	Carver Library	2011 GRT Improvement Bonds-Park	Infrastructure Improvement	Special Parks Improvement	Civic Center
<i>Assets</i>						
Cash and investments	\$ 118,044	61,072	303,779	471,119	162,787	281,865
Restricted Cash and investments	-	-	-	-	-	-
Receivables:						
Property taxes	-	-	-	-	-	-
Intergovernmental	-	1,870	-	82,996	82,996	82,996
Other receivables	-	-	-	-	-	-
Inventory	953	-	-	-	-	-
Prepaid insurance	2,831	8,907	-	-	-	-
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>121,828</u>	<u>71,849</u>	<u>303,779</u>	<u>554,115</u>	<u>245,783</u>	<u>364,861</u>
<i>Liabilities</i>						
Accounts payable	512	2,011	3,000	-	-	882
Accrued payroll expenses	4,180	16,893	-	-	-	-
Other accrued expenses	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
<i>Total liabilities</i>	<u>4,692</u>	<u>18,904</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>882</u>
<i>Fund balances</i>						
Nonspendable	3,784	8,907	-	-	-	-
Restricted	-	-	300,779	-	-	-
Committed	-	-	-	554,115	245,783	-
Assigned	113,352	44,038	-	-	-	363,979
Unassigned	-	-	-	-	-	-
<i>Total fund balances</i>	<u>117,136</u>	<u>52,945</u>	<u>300,779</u>	<u>554,115</u>	<u>245,783</u>	<u>363,979</u>
<i>Total liabilities and fund balances</i>	<u>\$ 121,828</u>	<u>71,849</u>	<u>303,779</u>	<u>554,115</u>	<u>245,783</u>	<u>364,861</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Governmental Funds - Special Revenue Funds  
Combining Balance Sheet  
As of June 30, 2015**

	63	64	65	66	72	75
	Special Designated	Economic Development	Capital Outlay Gross Receipts Tax	GRT Water Project	Emergency Medical Services	Special Street
<i>Assets</i>						
Cash and investments	\$ 1,280,167	1,485,027	2,452,729	2,343,698	-	1,034,056
Restricted Cash and investments	-	-	-	-	1,650	-
Receivables:						
Property taxes	-	-	-	-	-	-
Intergovernmental	-	162,482	324,911	296,924	-	668,685
Other receivables	-	330,850	-	-	-	-
Inventory	-	-	-	-	-	66,561
Prepaid insurance	-	-	-	-	-	17,669
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>1,280,167</u>	<u>1,978,359</u>	<u>2,777,640</u>	<u>2,640,622</u>	<u>1,650</u>	<u>1,786,971</u>
<i>Liabilities</i>						
Accounts payable	-	-	-	-	-	2,617
Accrued payroll expenses	-	-	-	-	-	50,072
Due to other funds	-	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,689</u>
<i>Deferred Inflow of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,068</u>
<i>Total Liabilities and Deferred Inflow of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,757</u>
<i>Fund balances</i>						
Nonspendable	-	-	-	-	-	84,230
Restricted	-	-	-	2,640,622	1,650	-
Committed	-	1,978,359	2,777,640	-	-	1,607,984
Assigned	1,280,167	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<i>Total fund balances</i>	<u>1,280,167</u>	<u>1,978,359</u>	<u>2,777,640</u>	<u>2,640,622</u>	<u>1,650</u>	<u>1,692,214</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1,280,167</u>	<u>1,978,359</u>	<u>2,777,640</u>	<u>2,640,622</u>	<u>1,650</u>	<u>1,786,971</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Governmental Funds - Special Revenue Funds  
Combining Balance Sheet  
As of June 30, 2015**

	<u>76</u>	<u>77+78</u>	<u>86</u>	<u>89</u>	<u>90</u>	<u>92</u>
	Recycling	Lodger's Tax	Special Fire & Police	Local Government Corrections	Law Enforcement Protection	Clovis Area Transit System
<i>Assets</i>						
Cash and investments	\$ 3,973	1,395,309	142,583	27,122	-	227,114
Restricted Cash and investments	-	-	-	-	39,773	-
Receivables:						
Property taxes	-	-	-	-	-	-
Intergovernmental	7,842	67,467	331,984	-	-	34,964
Other receivables	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Prepaid insurance	-	-	-	-	-	10,500
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>11,815</u>	<u>1,462,776</u>	<u>474,567</u>	<u>27,122</u>	<u>39,773</u>	<u>272,578</u>
<i>Liabilities</i>						
Accounts payable	-	3,809	-	-	-	623
Accrued payroll expenses	-	-	-	-	-	16,179
Other accrued expenses	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	-
Due to other funds	7,841	-	-	-	-	-
<i>Total liabilities</i>	<u>7,841</u>	<u>3,809</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,802</u>
<i>Fund balances</i>						
Nonspendable	-	-	-	-	-	10,500
Restricted	-	1,458,967	-	27,122	39,773	245,276
Committed	3,974	-	474,567	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<i>Total fund balances</i>	<u>3,974</u>	<u>1,458,967</u>	<u>474,567</u>	<u>27,122</u>	<u>39,773</u>	<u>255,776</u>
<i>Total liabilities and fund balances</i>	<u>\$ 11,815</u>	<u>1,462,776</u>	<u>474,567</u>	<u>27,122</u>	<u>39,773</u>	<u>272,578</u>

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



STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Governmental Funds - Special Revenue Funds  
Combining Balance Sheet  
As of June 30, 2015

	<u>96</u>	<u>98</u>	
	Department of Justice	Drug Control	Total Special Revenue Funds
<i>Assets</i>			
Cash and investments	\$ 1,035	14,286	17,163,250
Restricted Cash and investments	-	134	564,645
Receivables:			-
Property taxes	-	-	-
Intergovernmental	-	19,887	2,261,391
Other receivables	18,243	-	349,093
Inventory	-	-	67,514
Prepaid insurance	-	-	49,533
Due from other funds	-	-	-
<i>Total assets</i>	<u>19,278</u>	<u>34,307</u>	<u>20,455,426</u>
<i>Liabilities</i>			
Accounts payable	-	907	18,914
Accrued payroll expenses	-	-	98,593
Other accrued expenses	-	-	-
Accrued compensated absences	-	-	-
Deferred property tax revenue	-	-	-
Due to other funds	18,243	23,057	326,239
<i>Total liabilities</i>	<u>18,243</u>	<u>23,964</u>	<u>443,746</u>
<i>Deferred Inflow of Resources</i>	<u>18,243</u>	<u>10,209</u>	<u>74,800</u>
<i>Total Liabilities and Deferred Inflow of Resources</i>	<u>36,486</u>	<u>34,173</u>	<u>518,546</u>
<i>Fund balances</i>			
Nonspendable	-	-	117,047
Restricted	-	134	5,247,286
Committed	-	-	12,788,219
Assigned	-	-	1,801,536
Unassigned	(17,208)	-	(17,208)
<i>Total fund balances</i>	<u>(17,208)</u>	<u>134</u>	<u>19,936,880</u>
<i>Total liabilities and fund balances</i>	<u>\$ 19,278</u>	<u>34,307</u>	<u>20,455,426</u>

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Governmental Funds - Debt Service Funds  
Combining Balance Sheet  
As of June 30, 2015

	40	41	46	47	
	Drainage Improvement	Landfill Cell #5	Civic Center	Parks & Infrastructure	Total Debt Service Funds
<i>Assets</i>					
Cash and investments	\$ -	78,119	7,214	8,558	93,891
Restricted Cash and investments	1,884	-	59,971	144,573	206,428
Receivables:					-
Property taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Other receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Prepaid insurance	-	-	-	-	-
Due from other funds	-	-	-	-	-
<i>Total assets</i>	<u>1,884</u>	<u>78,119</u>	<u>67,185</u>	<u>153,131</u>	<u>300,319</u>
<i>Liabilities</i>					
Accounts payable	-	-	-	-	-
Accrued payroll expenses	-	-	-	-	-
Accrued interest	8,810	-	7,214	8,558	24,582
Due to other funds	-	-	-	-	-
<i>Total liabilities</i>	<u>8,810</u>	<u>-</u>	<u>7,214</u>	<u>8,558</u>	<u>24,582</u>
<i>Fund balances</i>					
Nonspendable	-	-	-	-	-
Restricted	-	78,119	59,971	144,573	282,663
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(6,926)	-	-	-	(6,926)
<i>Total fund balances</i>	<u>(6,926)</u>	<u>78,119</u>	<u>59,971</u>	<u>144,573</u>	<u>275,737</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1,884</u>	<u>78,119</u>	<u>67,185</u>	<u>153,131</u>	<u>300,319</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Governmental Funds - Capital Project Funds  
Combining Balance Sheet  
As of June 30, 2015**

	<u>87</u>	<u>88</u>	
	<u>Street Construction</u>	<u>Drainage Improvement</u>	<u>Total Capital Project Funds</u>
<i>Assets</i>			
Cash and investments	\$ 1,133,921	357,018	1,490,939
Restricted Cash and investments	-	-	-
Receivables:			
Property taxes	-	-	-
Intergovernmental	3,450	82,996	86,446
Other receivables	-	-	-
Inventory	-	-	-
Prepaid insurance	-	-	-
Due from other funds	-	-	-
<i>Total assets</i>	<u>1,137,371</u>	<u>440,014</u>	<u>1,577,385</u>
<i>Liabilities</i>			
Accounts payable	7,740	216,380	224,120
Accrued payroll expenses	-	-	-
Other accrued expenses	-	-	-
Accrued compensated absences	-	-	-
Due to other funds	-	-	-
<i>Total liabilities</i>	<u>7,740</u>	<u>216,380</u>	<u>224,120</u>
<i>Fund balances</i>			
Nonspendable	-	-	-
Restricted	1,129,631	-	1,129,631
Committed	-	223,634	223,634
Assigned	-	-	-
Unassigned	-	-	-
<i>Total fund balances</i>	<u>1,129,631</u>	<u>223,634</u>	<u>1,353,265</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1,137,371</u>	<u>440,014</u>	<u>1,577,385</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Governmental Funds - Special Revenue Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2015**

	3	4	5	6	7	8
	Municipal Road	Recreation	Older Adults Division	Environmental Tax	Fire Equipment	Sanitary Sewer Improvement
<i>Revenues:</i>						
Taxes:						
Property	\$ -	-	-	-	-	-
Gross receipts	-	-	-	495,006	-	-
Gasoline and motor vehicle	102,756	-	-	-	-	-
Other	-	-	-	-	-	-
Intergovernmental:						
Federal operating grants	-	-	-	-	-	-
Federal capital grants	-	-	-	-	-	-
State operating grants	-	-	73,977	-	571,109	-
State capital grants	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines, forfeitures & penalties	-	-	-	-	-	-
Licenses and fees	-	-	-	-	-	54,205
Investment income	5	24	14	6,883	509	12
Miscellaneous	-	626	358	-	-	-
<i>Total revenues</i>	<u>102,761</u>	<u>650</u>	<u>74,349</u>	<u>501,889</u>	<u>571,618</u>	<u>54,217</u>
<i>Expenditures:</i>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	128,046	-
Public works	-	-	-	-	-	-
Culture and recreation	-	266,021	-	-	-	-
Health and welfare	-	-	349,179	-	-	-
Capital outlay	-	19,986	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>286,007</u>	<u>349,179</u>	<u>-</u>	<u>128,046</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>102,761</u>	<u>(285,357)</u>	<u>(274,830)</u>	<u>501,889</u>	<u>443,572</u>	<u>54,217</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	(106,529)	289,329	272,436	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Proceeds from debt issuance	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(106,529)</u>	<u>289,329</u>	<u>272,436</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(3,768)	3,972	(2,394)	501,889	443,572	54,217
<i>Fund balance - beginning of year</i>	16,234	26,030	17,840	4,521,041	76,925	32,828
<i>Fund balances - end of year</i>	<u>\$ 12,466</u>	<u>30,002</u>	<u>15,446</u>	<u>5,022,930</u>	<u>520,497</u>	<u>87,045</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Governmental Funds - Special Revenue Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2015**

	13	14+95	21	60	61	62
	Ned Houk Park	Carver Library	2011 GRT Improvement Bonds-Park	Infrastructure Improvement	Special Parks Improvement	Civic Center
<i>Revenues:</i>						
Taxes:						
Property	\$ -	-	-	-	-	-
Gross receipts	-	-	-	505,826	505,825	505,826
Gasoline and motor vehicle	-	-	-	-	-	-
Other	-	-	-	-	-	-
Intergovernmental:						
Federal operating grants	-	-	-	-	-	-
Federal capital grants	-	-	-	-	-	-
State operating grants	-	32,925	-	-	-	-
State capital grants	-	-	-	-	-	-
Charges for services	-	10,332	-	-	-	575,403
Fines, forfeitures & penalties	-	11,141	-	-	-	-
Licenses and fees	-	-	-	-	-	-
Investment income	82	19	2,521	883	343	138
Miscellaneous	37,656	295	-	-	-	36,761
<i>Total revenues</i>	<u>37,738</u>	<u>54,712</u>	<u>2,521</u>	<u>506,709</u>	<u>506,168</u>	<u>1,118,128</u>
<i>Expenditures:</i>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	57,987	-	-	-
Culture and recreation	229,776	783,620	-	-	-	1,049,683
Health and welfare	-	-	-	-	-	-
Capital outlay	9,761	-	113,633	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<i>Total expenditures</i>	<u>239,537</u>	<u>783,620</u>	<u>171,620</u>	<u>-</u>	<u>-</u>	<u>1,049,683</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(201,799)</u>	<u>(728,908)</u>	<u>(169,099)</u>	<u>506,709</u>	<u>506,168</u>	<u>68,445</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	192,964	705,343	-	(422,690)	(469,674)	(121,219)
Proceeds from sale of capital assets	-	-	-	-	-	-
Proceeds from debt issuance	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>192,964</u>	<u>705,343</u>	<u>-</u>	<u>(422,690)</u>	<u>(469,674)</u>	<u>(121,219)</u>
<i>Net change in fund balances</i>	(8,835)	(23,565)	(169,099)	84,019	36,494	(52,774)
<i>Fund balances - beginning of year</i>	125,971	76,510	469,878	470,096	209,289	416,753
<i>Fund balances - end of year</i>	<u>\$ 117,136</u>	<u>52,945</u>	<u>300,779</u>	<u>554,115</u>	<u>245,783</u>	<u>363,979</u>

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

**STATE OF NEW MEXICO**  
**CITY OF CLOVIS**  
**Nonmajor Governmental Funds - Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2015**

	63	64	65	66	72	75
	Special Designated	Economic Development	Capital Outlay Gross Receipts Tax	GRT Water Project	Emergency Medical Services	Special Street
<i>Revenues:</i>						
<i>Taxes:</i>						
Property	\$ -	-	-	-	-	-
Gross receipts	-	990,101	1,979,705	1,802,156	-	2,023,306
Gasoline and motor vehicle	-	-	-	-	-	408,892
Other	-	-	-	-	-	-
<i>Intergovernmental:</i>						
Federal operating grants	-	-	-	-	-	-
Federal capital grants	-	-	-	-	-	-
State operating grants	-	-	-	-	20,000	256,500
State capital grants	-	-	-	-	-	-
Charges for services	41,217	-	-	-	-	-
Fines, forfeitures & penalties	-	-	-	-	-	-
Licenses and fees	257,444	-	-	-	-	-
Investment income	454	2,750	5,123	3,754	-	6,797
Miscellaneous	19,563	52,000	-	-	-	70,082
<i>Total revenues</i>	<u>318,678</u>	<u>1,044,851</u>	<u>1,984,828</u>	<u>1,805,910</u>	<u>20,000</u>	<u>2,765,577</u>
<i>Expenditures:</i>						
<i>Current:</i>						
General government	-	137,008	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	1,094,025	-	2,361,125
Culture and recreation	-	-	-	-	-	-
Health and welfare	-	-	-	-	18,353	-
Capital outlay	-	1,850,000	-	-	-	397,857
<i>Debt service:</i>						
Principal	-	-	-	-	-	-
Interest	-	-	3,711	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,987,008</u>	<u>3,711</u>	<u>1,094,025</u>	<u>18,353</u>	<u>2,758,982</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>318,678</u>	<u>(942,157)</u>	<u>1,981,117</u>	<u>711,885</u>	<u>1,647</u>	<u>6,595</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	(234,514)	(341,850)	(1,563,459)	-	-	198,466
Proceeds from sale of capital assets	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(234,514)</u>	<u>(341,850)</u>	<u>(1,563,459)</u>	<u>-</u>	<u>-</u>	<u>198,466</u>
<i>Net change in fund balances</i>	84,164	(1,284,007)	417,658	711,885	1,647	205,061
<i>Fund balances - beginning of year</i>	1,196,003	3,262,366	2,359,982	1,928,737	3	1,487,153
<i>Fund balances - end of year</i>	<u>\$ 1,280,167</u>	<u>1,978,359</u>	<u>2,777,640</u>	<u>2,640,622</u>	<u>1,650</u>	<u>1,692,214</u>

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

**STATE OF NEW MEXICO**  
**CITY OF CLOVIS**  
**Nonmajor Governmental Funds - Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2015**

	76	77+78	86	89	90	92
	Recycling	Lodger's Tax	Special Fire & Police	Local Government Corrections	Law Enforcement Protection	Clovis Area Transit System
<i>Revenues:</i>						
Taxes:						
Property	\$ -	-	-	-	-	-
Gross receipts	-	-	2,023,306	-	-	-
Gasoline and motor vehicle	-	-	-	-	-	-
Other	-	632,360	-	-	-	-
Intergovernmental:						
Federal operating grants	-	-	-	-	-	-
Federal capital grants	-	-	-	-	-	460,346
State operating grants	12,316	-	-	-	60,000	-
State capital grants	-	-	-	-	-	-
Charges for services	-	-	-	-	-	41,134
Fines, forfeitures & penalties	-	-	-	-	-	-
Licenses and fees	-	-	-	106,120	-	-
Investment income	-	1,891	190	2	364	-
Miscellaneous	3,698	-	-	-	-	9,160
<i>Total revenues</i>	<u>16,014</u>	<u>634,251</u>	<u>2,023,496</u>	<u>106,122</u>	<u>60,364</u>	<u>510,640</u>
<i>Expenditures:</i>						
Current:						
General government	-	-	-	-	-	790,713
Public safety	-	-	-	-	39,752	-
Public works	-	-	-	-	-	-
Culture and recreation	-	329,453	-	-	-	-
Health and welfare	18,690	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<i>Total expenditures</i>	<u>18,690</u>	<u>329,453</u>	<u>-</u>	<u>-</u>	<u>39,752</u>	<u>790,713</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,676)</u>	<u>304,798</u>	<u>2,023,496</u>	<u>106,122</u>	<u>20,612</u>	<u>(280,073)</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	-	(150,000)	(2,037,434)	(79,000)	-	327,277
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(150,000)</u>	<u>(2,037,434)</u>	<u>(79,000)</u>	<u>-</u>	<u>327,277</u>
<i>Net change in fund balances</i>	(2,676)	154,798	(13,938)	27,122	20,612	47,204
<i>Fund balances - beginning of year</i>	6,650	1,304,169	488,505	-	19,161	159,171
<i>Restatement</i>	-	-	-	-	-	49,401
<i>Fund balance - beginning of year, as restated</i>	<u>6,650</u>	<u>1,304,169</u>	<u>488,505</u>	<u>-</u>	<u>19,161</u>	<u>208,572</u>
<i>Fund balances - end of year</i>	<u>\$ 3,974</u>	<u>1,458,967</u>	<u>474,567</u>	<u>27,122</u>	<u>39,773</u>	<u>255,776</u>

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

**STATE OF NEW MEXICO**  
**CITY OF CLOVIS**  
**Nonmajor Governmental Funds - Special Revenue Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2015**

	96	98	
	Dept of Justice	Drug Control	Total Special Revenue Funds
<i>Revenues:</i>			
<i>Taxes:</i>			
Property	\$ -	-	-
Gross receipts	-	-	10,831,057
Gasoline and motor vehicle	-	-	511,648
Other	-	-	632,360
<i>Intergovernmental:</i>			
Federal operating grants	6,049	73,625	79,674
Federal capital grants	-	-	460,346
State operating grants	-	-	1,026,827
State capital grants	-	-	-
Charges for services	-	-	668,086
Fines, forfeitures & penalties	-	-	11,141
Licenses and fees	-	-	417,769
Investment income	-	19	32,777
Miscellaneous	-	9,963	240,162
<i>Total revenues</i>	<u>6,049</u>	<u>83,607</u>	<u>14,911,847</u>
<i>Expenditures:</i>			
<i>Current:</i>			
General government	-	-	927,721
Public safety	24,291	101,305	293,394
Public works	-	-	3,513,137
Culture and recreation	-	-	2,658,553
Health and welfare	-	-	386,222
Capital outlay	-	-	2,391,237
<i>Debt service:</i>			
Principal	-	-	-
Interest	-	-	3,711
<i>Total expenditures</i>	<u>24,291</u>	<u>101,305</u>	<u>10,173,975</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(18,242)</u>	<u>(17,698)</u>	<u>4,737,872</u>
<i>Other financing sources (uses)</i>			
Transfers in/(out)	-	-	(3,540,554)
Proceeds from sale of capital assets	-	-	-
Proceeds from debt issuance	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(3,540,554)</u>
<i>Net change in fund balances</i>	(18,242)	(17,698)	1,197,318
<i>Fund balances - beginning of year</i>	1,034	17,832	18,690,161
<i>Restatement</i>	-	-	49,401
<i>Fund balance - beginning of year, as restated</i>	<u>1,034</u>	<u>17,832</u>	<u>18,739,562</u>
<i>Fund balances - end of year</i>	<u>\$ (17,208)</u>	<u>134</u>	<u>19,936,880</u>

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



**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Governmental Funds - Debt Service Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2015**

	40	41	46	47	
	Drainage Improvement	Landfill Cell #5	Civic Center	Parks & Infrastructure	Total Debt Service Funds
<i>Revenues:</i>					
<i>Taxes:</i>					
Property	\$ -	-	-	-	-
Gross receipts	-	-	-	-	-
Gasoline and motor vehicle	-	-	-	-	-
Other	-	-	-	-	-
<i>Intergovernmental:</i>					
Federal operating grants	-	-	-	-	-
Federal capital grants	-	-	-	-	-
State operating grants	-	-	-	-	-
State capital grants	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines, forfeitures & penalties	-	-	-	-	-
Licenses and fees	-	-	-	-	-
Investment income	779	295	253	498	1,825
Miscellaneous	-	-	-	-	-
<i>Total revenues</i>	<u>779</u>	<u>295</u>	<u>253</u>	<u>498</u>	<u>1,825</u>
<i>Expenditures:</i>					
<i>Current:</i>					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay	-	-	-	-	-
<i>Debt service:</i>					
Principal	1,350,000	-	170,000	143,000	1,663,000
Interest	141,535	-	101,433	222,230	465,198
<i>Total expenditures</i>	<u>1,491,535</u>	<u>-</u>	<u>271,433</u>	<u>365,230</u>	<u>2,128,198</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,490,756)</u>	<u>295</u>	<u>(271,180)</u>	<u>(364,732)</u>	<u>(2,126,373)</u>
<i>Other financing sources (uses)</i>					
Transfers in/(out)	1,482,725	-	264,219	356,674	2,103,618
<i>Total other financing sources (uses)</i>	<u>1,482,725</u>	<u>-</u>	<u>264,219</u>	<u>356,674</u>	<u>2,103,618</u>
<i>Net change in fund balances</i>	(8,031)	295	(6,961)	(8,058)	(22,755)
<i>Fund balances - beginning of year</i>	1,105	77,824	66,932	152,631	298,492
<i>Fund balances - end of year</i>	<u>\$ (6,926)</u>	<u>78,119</u>	<u>59,971</u>	<u>144,573</u>	<u>275,737</u>

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

**STATE OF NEW MEXICO**  
**CITY OF CLOVIS**  
**Nonmajor Governmental Funds - Capital Project Funds**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2015**

	87	88	
	Street Construction	Drainage Improvement	Total Capital Project Funds
<i>Revenues:</i>			
Taxes:			
Property	\$ -	-	-
Gross receipts	-	505,827	505,827
Gasoline and motor vehicle	-	-	-
Other	-	-	-
Intergovernmental:			
Federal operating grants	-	-	-
Federal capital grants	-	-	-
State operating grants	102,165	-	102,165
State capital grants	18,213	-	18,213
Charges for services	-	-	-
Fines, forfeitures & penalties	-	-	-
Licenses and fees	-	-	-
Investment income	155	488	643
Miscellaneous	-	-	-
<i>Total revenues</i>	<u>120,533</u>	<u>506,315</u>	<u>626,848</u>
<i>Expenditures:</i>			
Current:			
General government	-	-	-
Public safety	-	-	-
Public works	65,873	293,539	359,412
Culture and recreation	-	-	-
Health and welfare	-	-	-
Capital outlay	34,201	396,792	430,993
Debt service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>100,074</u>	<u>690,331</u>	<u>790,405</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>20,459</u>	<u>(184,016)</u>	<u>(163,557)</u>
<i>Other financing sources (uses)</i>			
Transfers in/(out)	498,351	-	498,351
<i>Total other financing sources (uses)</i>	<u>498,351</u>	<u>-</u>	<u>498,351</u>
<i>Net change in fund balances</i>	518,810	(184,016)	334,794
<i>Fund balances - beginning of year</i>	610,821	407,650	1,018,471
<i>Fund balances - end of year</i>	<u>\$ 1,129,631</u>	<u>223,634</u>	<u>1,353,265</u>

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

**STATE OF NEW MEXICO**  
**CITY OF CLOVIS**  
**Schedule of Changes in Fiduciary Assets and Liabilities**  
**Agency Funds**  
**For the Year Ended June 30, 2015**

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<b>ASSETS</b>				
Veterinary				
Cash and cash equivalents	\$ 62,256	5,447	-	67,703
Municipal Court				
Cash and cash equivalents	<u>1,267</u>	<u>1,922</u>	<u>-</u>	<u>3,189</u>
<i>Total assets</i>	<u>\$ 63,523</u>	<u>7,369</u>	<u>-</u>	<u>70,892</u>
 <b>LIABILITIES</b>				
Veterinary				
Deposits held in trust for others	\$ 62,256	5,447	-	67,703
Municipal Court				
Deposits held in trust for others	<u>1,267</u>	<u>1,922</u>	<u>-</u>	<u>3,189</u>
<i>Total liabilities</i>	<u>\$ 63,523</u>	<u>7,369</u>	<u>-</u>	<u>70,892</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Municipal Road 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, 2015**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	100,000	100,000	101,586	1,586
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	5	5
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>100,000</u>	<u>100,000</u>	<u>101,591</u>	<u>1,591</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>100,000</u>	<u>100,000</u>	<u>101,591</u>	<u>1,591</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(106,529)	(106,529)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(106,529)</u>	<u>(106,529)</u>
<i>Net change in fund balance</i>	100,000	100,000	(4,938)	(104,938)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>16,234</u>	<u>16,234</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>11,296</u>	<u>(88,704)</u>
Net change in fund balance (GAAP)			\$	(3,768)
Adjustments to revenue for applicable accruals and deferrals				1,170
No adjustments to expenditures				<u>-</u>
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(4,938)</u>

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Recreation 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, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	24	24
Miscellaneous	-	-	626	626
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>650</u>	<u>650</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	289,376	298,712	266,161	32,551
Health and welfare	-	-	-	-
Capital outlay	20,000	20,000	19,986	14
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>309,376</u>	<u>318,712</u>	<u>286,147</u>	<u>32,565</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(309,376)</u>	<u>(318,712)</u>	<u>(285,497)</u>	<u>33,215</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	309,376	318,712	-	(318,712)
Transfers in	-	-	289,329	289,329
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>309,376</u>	<u>318,712</u>	<u>289,329</u>	<u>(29,383)</u>
<i>Net change in fund balance</i>	-	-	3,832	3,832
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>26,030</u>	<u>26,030</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>29,862</u>	<u>29,862</u>
Net change in fund balance (GAAP)			\$	3,972
No adjustments to revenues				-
Adjustments to expenditures for applicable accruals and payments				140
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>3,832</u>

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Older Adults Division 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, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	83,100	73,977	(9,123)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	14	14
Miscellaneous	-	-	358	358
<i>Total revenues</i>	<u>-</u>	<u>83,100</u>	<u>74,349</u>	<u>(8,751)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	362,399	379,371	355,766	23,605
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>362,399</u>	<u>379,371</u>	<u>355,766</u>	<u>23,605</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(362,399)</u>	<u>(296,271)</u>	<u>(281,417)</u>	<u>14,854</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	362,399	296,271	-	(296,271)
Transfers in	-	-	272,436	272,436
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>362,399</u>	<u>296,271</u>	<u>272,436</u>	<u>(23,835)</u>
<i>Net change in fund balance</i>	-	-	(8,981)	(8,981)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>17,840</u>	<u>17,840</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>8,859</u>	<u>8,859</u>
Net change in fund balance (GAAP)			\$	(2,394)
No adjustments to revenues				-
Adjustments to expenditures for applicable accruals and payments				<u>6,587</u>
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(8,981)</u>

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Environmental 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, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	470,000	470,000	494,700	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	5,500	5,500	6,883	1,383
Miscellaneous	-	-	-	-
<i>Total revenues</i>	475,500	475,500	501,583	1,383
<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>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	475,500	475,500	501,583	1,383
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	475,500	475,500	501,583	26,083
<i>Fund balance - beginning of year</i>	-	-	4,521,041	4,521,041
<i>Fund balance - end of year</i>	\$ -	-	5,022,624	4,547,124
Net change in fund balance (GAAP)			\$	501,889
Adjustments to revenue for applicable accruals and deferrals				306
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	501,583

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Fire Equipment 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, 2015**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	452,238	571,108	571,108	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	500	500	509	9
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>452,738</u>	<u>571,608</u>	<u>571,617</u>	<u>9</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	204,663	214,663	128,045	86,618
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	325,000	733,870	-	733,870
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>529,663</u>	<u>948,533</u>	<u>128,045</u>	<u>820,488</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(76,925)</u>	<u>(376,925)</u>	<u>443,572</u>	<u>820,497</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	76,925	376,925	-	(376,925)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>76,925</u>	<u>376,925</u>	<u>-</u>	<u>(376,925)</u>
<i>Net change in fund balance</i>	-	-	443,572	443,572
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>76,925</u>	<u>76,925</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>520,497</u>	<u>520,497</u>
Net change in fund balance (GAAP)			\$	443,572
No adjustments to revenues				-
Adjustments to expenditures for applicable accruals and payments				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>443,572</u>

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



**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Sanitary Sewer Improvement 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, 2015**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	65,000	65,000	54,203	(10,797)
Investment income	-	-	12	12
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>65,000</u>	<u>65,000</u>	<u>54,215</u>	<u>(10,785)</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>65,000</u>	<u>65,000</u>	<u>54,215</u>	<u>(10,785)</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Proceeds from debt issuance	-	-	-	-
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>	65,000	65,000	54,215	119,215
<i>Fund balance - beginning of year</i>	-	-	32,828	32,828
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>87,043</u>	<u>152,043</u>
Net change in fund balance (GAAP)			\$	54,217
No adjustments to revenues				2
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>54,215</u>

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

**STATE OF NEW MEXICO**  
**CITY OF CLOVIS**  
**Ned Houk Park 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, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	82	82
Miscellaneous	-	52,538	37,656	(14,882)
<i>Total revenues</i>	<u>-</u>	<u>52,538</u>	<u>37,738</u>	<u>(14,800)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	256,976	361,812	230,832	130,980
Health and welfare	-	-	-	-
Capital outlay	-	9,762	9,761	1
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>256,976</u>	<u>371,574</u>	<u>240,593</u>	<u>130,981</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(256,976)</u>	<u>(319,036)</u>	<u>(202,855)</u>	<u>116,181</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	256,976	319,036	-	(319,036)
Transfers in	-	-	192,964	192,964
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>256,976</u>	<u>319,036</u>	<u>192,964</u>	<u>(126,072)</u>
<i>Net change in fund balance</i>	-	-	(9,891)	(9,891)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>125,971</u>	<u>125,971</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>116,080</u>	<u>116,080</u>
Net change in fund balance (GAAP)			\$	(8,835)
No adjustments to revenue				-
Adjustments to expenditures for applicable accruals and payments				<u>1,056</u>
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(9,891)</u>

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Carver 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, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	73,762	81,642	31,055	(50,587)
State capital grants	-	-	-	-
Charges for services	8,500	8,500	10,332	1,832
Fines, forfeitures & penalties	14,000	14,000	11,141	(2,859)
Licenses and fees	-	-	-	-
Investment income	-	-	19	19
Miscellaneous	100	100	295	195
<i>Total revenues</i>	<u>96,362</u>	<u>104,242</u>	<u>52,842</u>	<u>(51,400)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	858,219	888,301	776,930	111,371
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>858,219</u>	<u>888,301</u>	<u>776,930</u>	<u>111,371</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(761,857)</u>	<u>(784,059)</u>	<u>(724,088)</u>	<u>59,971</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	761,857	784,059	-	(784,059)
Transfers in	-	-	705,343	705,343
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>761,857</u>	<u>784,059</u>	<u>705,343</u>	<u>(78,716)</u>
<i>Net change in fund balance</i>	-	-	(18,745)	(18,745)
<i>Fund balance - beginning of year</i>	-	-	76,510	76,510
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>57,765</u>	<u>57,765</u>
Net change in fund balance (GAAP)			\$	(23,565)
No adjustments to revenue				1,870
Adjustments to expenditures for applicable accruals and payments				(6,690)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(18,745)</u>

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
2011 GRT Park Improvement Bonds 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, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	2,521	2,521
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	2,521	2,521
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	28,581	85,295	54,987	30,308
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	441,297	384,583	113,633	270,950
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	469,878	469,878	168,620	301,258
<i>Excess (deficiency) of revenues over expenditures</i>	(469,878)	(469,878)	(166,099)	303,779
<i>Other financing sources (uses)</i>				
Designated cash/other assets	469,878	469,878	-	(469,878)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Proceeds from issuance	-	-	-	-
<i>Total other financing sources (uses)</i>	469,878	469,878	-	(469,878)
<i>Net change in fund balance</i>	-	-	(166,099)	(166,099)
<i>Fund balance - beginning of year</i>	-	-	469,878	469,878
<i>Fund balance - end of year</i>	\$ -	-	303,779	303,779
Net change in fund balance (GAAP)			\$	(169,099)
No adjustments to revenue				-
No adjustments to expenditures				(3,000)
Net change in fund balance (non-GAAP budgetary basis)			\$	(166,099)

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

**STATE OF NEW MEXICO**  
**CITY OF CLOVIS**  
**Infrastructure Improvement 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, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	-	-	-	-
Gross receipts	\$ 470,000	470,000	505,398	35,398
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	200	200	883	683
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>470,200</u>	<u>470,200</u>	<u>506,281</u>	<u>36,081</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>470,200</u>	<u>470,200</u>	<u>506,281</u>	<u>36,081</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(422,690)	(422,690)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(422,690)</u>	<u>(422,690)</u>
<i>Net change in fund balance</i>	470,200	470,200	83,591	(386,609)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>470,096</u>	<u>470,096</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>553,687</u>	<u>83,487</u>
Net change in fund balance (GAAP)			\$	84,019
Adjustments to revenue for applicable accruals and deferrals				428
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>83,591</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Special Parks Improvement 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, 2015**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	470,000	470,000	505,398	35,398
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	500	500	343	(157)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>470,500</u>	<u>470,500</u>	<u>505,741</u>	<u>35,241</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>470,500</u>	<u>470,500</u>	<u>505,741</u>	<u>35,241</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(469,674)	(469,674)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(469,674)</u>	<u>(469,674)</u>
<i>Net change in fund balance</i>	<u>470,500</u>	<u>470,500</u>	<u>36,067</u>	<u>(434,433)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>209,289</u>	<u>209,289</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>245,356</u>	<u>(225,144)</u>
Net change in fund balance (GAAP)			\$	36,494
Adjustments to revenue for applicable accruals and deferrals				427
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>36,067</u>

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Civic Center 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, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	470,000	470,000	505,398	35,398
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	566,076	566,076	575,403	9,327
Licenses and fees	-	-	-	-
Investment income	-	-	138	138
Miscellaneous	30,000	30,000	36,761	6,761
<i>Total revenues</i>	<u>1,066,076</u>	<u>1,066,076</u>	<u>1,117,700</u>	<u>51,624</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	883,908	1,076,233	1,049,273	26,960
Health and welfare	-	-	-	-
Capital outlay	190,000	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,073,908</u>	<u>1,076,233</u>	<u>1,049,273</u>	<u>26,960</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,832)</u>	<u>(10,157)</u>	<u>68,427</u>	<u>78,584</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	7,832	10,157	-	(10,157)
Transfers in	-	-	150,000	150,000
Transfers out	-	-	(271,219)	(271,219)
<i>Total other financing sources (uses)</i>	<u>7,832</u>	<u>10,157</u>	<u>(121,219)</u>	<u>(131,376)</u>
<i>Net change in fund balance</i>	-	-	(52,792)	(52,792)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>416,753</u>	<u>416,753</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>363,961</u>	<u>363,961</u>
Net change in fund balance (GAAP)			\$	(52,774)
Adjustments to revenue for applicable accruals and deferrals				427
Adjustments to expenditures for applicable accruals and payments				(409)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(52,792)</u>

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Special Designated 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, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	18,250	18,250	41,217	22,967
Licenses and fees	208,000	208,000	257,444	49,444
Investment income	500	500	454	(46)
Miscellaneous	3,750	3,750	19,563	15,813
<i>Total revenues</i>	<u>230,500</u>	<u>230,500</u>	<u>318,678</u>	<u>88,178</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>230,500</u>	<u>230,500</u>	<u>318,678</u>	<u>88,178</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(234,514)	(234,514)
Proceeds from sale of capital assets	-	-	240	240
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(234,514)</u>	<u>(234,274)</u>
<i>Net change in fund balance</i>	230,500	230,500	84,164	(146,336)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,196,003</u>	<u>1,196,003</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>1,280,167</u>	<u>1,049,667</u>
Net change in fund balance (GAAP)			\$	84,164
No adjustments to revenue				-
Adjustments to expenditures for applicable accruals and payments				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>84,164</u>

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



**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Economic Development 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, 2015**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	950,000	950,000	989,483	39,483
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	1,800	1,800	2,750	950
Miscellaneous	-	-	52,000	52,000
<i>Total revenues</i>	<u>951,800</u>	<u>951,800</u>	<u>1,044,233</u>	<u>92,433</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	405,000	422,000	137,941	284,059
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	450,000	2,320,000	1,850,000	470,000
<i>Debt service:</i>				
Principal	-	-	(50,900)	50,900
Interest	-	-	-	-
<i>Total expenditures</i>	<u>855,000</u>	<u>2,742,000</u>	<u>1,937,041</u>	<u>804,959</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>96,800</u>	<u>(1,790,200)</u>	<u>(892,808)</u>	<u>897,392</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	1,790,200	-	(1,790,200)
Transfers in	-	-	-	-
Transfers out	-	-	(341,850)	(341,850)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,790,200</u>	<u>(341,850)</u>	<u>(2,132,050)</u>
<i>Net change in fund balance</i>	96,800	-	(1,234,658)	(1,234,658)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,262,366</u>	<u>3,262,366</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>2,027,708</u>	<u>2,027,708</u>
Net change in fund balance (GAAP)			\$	(1,284,007)
Adjustments to revenue for applicable accruals and deferrals				618
Adjustments to expenditures for applicable accruals and payments				(49,967)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(1,234,658)</u>

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Capital Outlay Gross Receipts 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, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	1,880,000	1,880,000	1,978,361	98,361
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	4,000	4,001	5,123	1,122
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,884,000</u>	<u>1,884,001</u>	<u>1,983,484</u>	<u>99,483</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	80,734	80,734	80,734	-
Interest	3,711	3,712	3,711	1
<i>Total expenditures</i>	<u>84,445</u>	<u>84,446</u>	<u>84,445</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,799,555</u>	<u>1,799,555</u>	<u>1,899,039</u>	<u>99,484</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(1,482,725)	(1,482,725)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(1,482,725)</u>	<u>(1,482,725)</u>
<i>Net change in fund balance</i>	1,799,555	1,799,555	416,314	(1,383,241)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,359,982</u>	<u>2,359,982</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>2,776,296</u>	<u>976,741</u>
Net change in fund balance (GAAP)			\$	417,658
Adjustments to revenue for applicable accruals and deferrals				1,344
Adjustments to expenditures for applicable accruals and payments				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>416,314</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Gross Receipts Tax - Water 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, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	1,665,000	1,665,000	1,792,789	127,789
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	500	500	3,754	3,254
Miscellaneous	-	-	-	-
Gain on sale of fixed asset	-	-	-	-
<i>Total revenues</i>	<u>1,665,500</u>	<u>1,665,500</u>	<u>1,796,543</u>	<u>131,043</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	1,094,025	1,094,025	1,094,025	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,094,025</u>	<u>1,094,025</u>	<u>1,094,025</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>571,475</u>	<u>571,475</u>	<u>702,518</u>	<u>131,043</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
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>	571,475	571,475	702,518	131,043
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,928,737</u>	<u>1,928,737</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>2,631,255</u>	<u>2,059,780</u>
Net change in fund balance (GAAP)				\$ 711,885
Adjustments to revenue for applicable accruals and deferrals				9,367
No adjustments to expenditures				<u>-</u>
Net change in fund balance (non-GAAP budgetary basis)				<u>\$ 702,518</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Emergency Medical Services 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, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	18,363	18,363	20,000	1,637
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>18,363</u>	<u>18,363</u>	<u>20,000</u>	<u>1,637</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	18,366	18,366	18,353	13
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>18,366</u>	<u>18,366</u>	<u>18,353</u>	<u>13</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3)</u>	<u>(3)</u>	<u>1,647</u>	<u>1,650</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	3	3	-	(3)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>3</u>	<u>3</u>	<u>-</u>	<u>(3)</u>
<i>Net change in fund balance</i>	-	-	1,647	1,647
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>1,650</u>	<u>1,650</u>
Net change in fund balance (GAAP)			\$	1,647
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>1,647</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Special Street 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, 2015**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	1,880,000	1,880,000	2,021,593	141,593
Gasoline and motor vehicle	430,000	430,000	402,563	(27,437)
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	256,500	456,500	-	(456,500)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	8,500	8,500	6,797	(1,703)
Miscellaneous	-	80,905	70,082	(10,823)
<i>Total revenues</i>	<u>2,575,000</u>	<u>2,855,905</u>	<u>2,501,035</u>	<u>(354,870)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	2,658,718	2,726,965	2,357,150	369,815
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	708,890	1,380,312	407,847	972,465
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,367,608</u>	<u>4,107,277</u>	<u>2,764,997</u>	<u>1,342,280</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(792,608)</u>	<u>(1,251,372)</u>	<u>(263,962)</u>	<u>987,410</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	792,608	1,251,372	-	(1,251,372)
Transfers in	-	-	198,466	198,466
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>792,608</u>	<u>1,251,372</u>	<u>198,466</u>	<u>(1,052,906)</u>
<i>Net change in fund balance</i>	-	-	(65,496)	(65,496)
<i>Fund balance - beginning of year</i>	-	-	1,487,153	1,487,153
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>1,421,657</u>	<u>1,421,657</u>
Net change in fund balance (GAAP)			\$	205,061
Adjustments to revenue for applicable accruals and deferrals				264,542
Adjustments to expenditures for applicable accruals and payments				<u>6,015</u>
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(65,496)</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Recycling 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, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	13,359	27,359	17,768	(9,591)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	5,000	5,000	3,698	(1,302)
<i>Total revenues</i>	18,359	32,359	21,466	(10,893)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	16,850	26,465	18,692	7,773
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	16,850	26,465	18,692	7,773
<i>Excess (deficiency) of revenues over expenditures</i>	1,509	5,894	2,774	(3,120)
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	1,509	5,894	2,774	(3,120)
<i>Fund balance - beginning of year</i>	-	-	6,650	6,650
<i>Fund balance - end of year</i>	\$ -	-	9,424	3,530
Net change in fund balance (GAAP)			\$	(2,676)
Adjustments to revenue for applicable accruals and deferrals				(5,450)
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	2,774

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
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, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	600,000	633,775	633,775	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	1,700	1,700	1,891	191
Miscellaneous	-	-	-	-
<i>Total revenues</i>	601,700	635,475	635,666	191
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	221,574	467,574	326,674	140,900
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	221,574	467,574	326,674	140,900
<i>Excess (deficiency) of revenues over expenditures</i>	380,126	167,901	308,992	141,091
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	443,642	443,642
Transfers out	-	-	(593,642)	(593,642)
<i>Total other financing sources (uses)</i>	-	-	(150,000)	(150,000)
<i>Net change in fund balance</i>	380,126	167,901	158,992	(8,909)
<i>Fund balance - beginning of year</i>	-	-	1,304,169	1,304,169
<i>Fund balance - end of year</i>	\$ -	-	1,463,161	1,295,260
Net change in fund balance (GAAP)			\$	154,798
Adjustments to revenue for applicable accruals and deferrals				(1,415)
Adjustments to expenditures for applicable accruals and payments				(2,779)
Net change in fund balance (non-GAAP budgetary basis)			\$	158,992

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Special Fire & Police 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, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	1,880,000	1,880,000	2,021,593	141,593
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	200	200	190	(10)
<i>Total revenues</i>	<u>1,880,200</u>	<u>1,880,200</u>	<u>2,021,783</u>	<u>141,583</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>1,880,200</u>	<u>1,880,200</u>	<u>2,021,783</u>	<u>141,583</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(2,037,434)	(2,037,434)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(2,037,434)</u>	<u>(2,037,434)</u>
<i>Net change in fund balance</i>	1,880,200	1,880,200	(15,651)	(1,895,851)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>488,505</u>	<u>488,505</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>472,854</u>	<u>(1,407,346)</u>
Net change in fund balance (GAAP)			\$	(13,938)
Adjustments to revenue for applicable accruals and deferrals				1,713
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(15,651)</u>

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



**STATE OF NEW MEXICO**  
**CITY OF CLOVIS**  
**Local Government 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, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	80,000	80,000	106,120	26,120
Investment income	-	-	2	2
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>80,000</u>	<u>80,000</u>	<u>106,122</u>	<u>26,122</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>80,000</u>	<u>80,000</u>	<u>106,122</u>	<u>26,122</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(79,000)	(79,000)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(79,000)</u>	<u>(79,000)</u>
<i>Net change in fund balance</i>	80,000	80,000	27,122	(52,878)
<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>27,122</u>	<u>(52,878)</u>
Net change in fund balance (GAAP)			\$	27,122
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>27,122</u>

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
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, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	60,000	60,000	60,000	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	300	300	364	64
Miscellaneous	-	-	-	-
<i>Total revenues</i>	60,300	60,300	60,364	64
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	79,461	79,461	39,752	39,709
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	79,461	79,461	39,752	39,709
<i>Excess (deficiency) of revenues over expenditures</i>	(19,161)	(19,161)	20,612	39,773
<i>Other financing sources (uses)</i>				
Designated cash/other assets	19,161	19,161	-	(19,161)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	19,161	19,161	-	(19,161)
<i>Net change in fund balance</i>	-	-	20,612	20,612
<i>Fund balance - beginning of year</i>	-	-	19,161	19,161
<i>Fund balance - end of year</i>	\$ -	-	39,773	39,773
Net change in fund balance (GAAP)			\$	20,612
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	20,612

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Clovis Area Transit System Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	733,032	733,032	507,664	(225,368)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	44,000	44,000	41,134	(2,866)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	777,032	782,745	557,958	(224,787)
<i>Expenditures:</i>				
Current:				
General government	1,220,681	1,238,502	787,702	450,800
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	1,220,681	1,238,502	787,702	450,800
<i>Excess (deficiency) of revenues over expenditures</i>	(443,649)	(455,757)	(229,744)	226,013
<i>Other financing sources (uses)</i>				
Designated cash/other assets	443,649	455,757	-	(455,757)
Transfers in	-	-	327,277	327,277
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	443,649	455,757	327,277	(128,480)
<i>Net change in fund balance</i>	-	-	97,533	97,533
<i>Fund balance - beginning of year</i>	-	-	159,171	159,171
<i>Fund balance - end of year</i>	\$ -	-	256,704	256,704
Net change in fund balance (GAAP)			\$	47,204
Adjustments to revenue for applicable accruals and deferrals				(47,318)
Adjustments to expenditures for applicable accruals and payments				(3,011)
Net change in fund balance (non-GAAP budgetary basis)			\$	97,533

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Department of Justice 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, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	7,324	26,157	7,206	(18,951)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	7,324	26,157	7,206	(18,951)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	6,167	25,000	24,291	709
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	6,167	25,000	24,291	709
<i>Excess (deficiency) of revenues over expenditures</i>	1,157	1,157	(17,085)	(18,242)
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	1,157	1,157	(17,085)	(18,242)
<i>Fund balance - beginning of year</i>	-	-	1,034	1,034
<i>Fund balance - end of year</i>	\$ -	-	(16,051)	(17,208)
Net change in fund balance (GAAP)			\$	(18,242)
Adjustments to revenue for applicable accruals and deferrals				(1,157)
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	(17,085)

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Drug Control 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, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal operating grants	92,867	264,827	90,150	(174,677)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	19	19
Miscellaneous	-	-	9,963	9,963
<i>Total revenues</i>	<u>92,867</u>	<u>264,827</u>	<u>100,132</u>	<u>(164,695)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	70,547	242,507	99,869	142,638
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>70,547</u>	<u>242,507</u>	<u>99,869</u>	<u>142,638</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>22,320</u>	<u>22,320</u>	<u>263</u>	<u>(22,057)</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
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>22,320</u>	<u>22,320</u>	<u>263</u>	<u>(22,057)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>17,832</u>	<u>17,832</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>18,095</u>	<u>(4,225)</u>
Net change in fund balance (GAAP)			\$	(17,698)
Adjustments to revenue for applicable accruals and deferrals				(16,524)
Adjustments to expenditures for applicable accruals and payments				(1,437)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>263</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Drainage Improvement 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, 2015**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	780	780
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	780	780
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	1,350,000	1,350,000	1,350,000	-
Interest	132,725	132,725	132,725	-
<i>Total expenditures</i>	1,482,725	1,482,725	1,482,725	-
<i>Excess (deficiency) of revenues over expenditures</i>	(1,482,725)	(1,482,725)	(1,481,945)	780
<i>Other financing sources (uses)</i>				
Designated cash/other assets	1,482,725	1,482,725	-	(1,482,725)
Transfers in	-	-	1,482,725	1,482,725
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	1,482,725	1,482,725	1,482,725	-
<i>Net change in fund balance</i>	-	-	780	780
<i>Fund balance - beginning of year</i>	-	-	1,105	1,105
<i>Fund balance - end of year</i>	\$ -	-	1,885	1,885
Net change in fund balance (GAAP)			\$	(8,031)
No adjustments to revenues				-
No adjustments to expenditures				(8,811)
Net change in fund balance (non-GAAP budgetary basis)			\$	780

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Landfill Cell #5 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, 2015**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	295	295
Miscellaneous	-	-	-	-
Gain on sale of fixed asset	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>295</u>	<u>295</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	460,630	460,630	460,630	-
Interest	84,062	84,062	84,062	-
<i>Total expenditures</i>	<u>544,692</u>	<u>544,692</u>	<u>544,692</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(544,692)</u>	<u>(544,692)</u>	<u>(544,397)</u>	<u>295</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	544,692	544,692	-	(544,692)
Transfers in	-	-	544,692	544,692
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>544,692</u>	<u>544,692</u>	<u>544,692</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	295	295
<i>Fund balance - beginning of year</i>	-	-	77,824	77,824
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>78,119</u>	<u>78,119</u>
Net change in fund balance (GAAP)				\$ 295
No adjustments to revenues				(544,691)
No adjustments to expenditures				544,691
Net change in fund balance (non-GAAP budgetary basis)				<u>\$ 295</u>

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

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Civic Center 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, 2015

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	300	300	255	(45)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	300	300	255	(45)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	170,000	170,000	170,000	-
Interest	94,219	94,219	94,219	-
<i>Total expenditures</i>	264,219	264,219	264,219	-
<i>Excess (deficiency) of revenues over expenditures</i>	(263,919)	(263,919)	(263,964)	(45)
<i>Other financing sources (uses)</i>				
Designated cash/other assets	263,919	263,919	-	(263,919)
Transfers in	-	-	264,219	264,219
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	263,919	263,919	264,219	300
<i>Net change in fund balance</i>	-	-	255	255
<i>Fund balance - beginning of year</i>	-	-	66,932	66,932
<i>Fund balance - end of year</i>	\$ -	-	67,187	67,187
Net change in fund balance (GAAP)			\$	(6,961)
No adjustments to revenues				-
No adjustments to expenditures				(7,216)
Net change in fund balance (non-GAAP budgetary basis)			\$	255

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



STATE OF NEW MEXICO  
CITY OF CLOVIS  
Parks & Infrastructure 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, 2015

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	250	250	499	249
Miscellaneous	-	-	-	-
<i>Total revenues</i>	250	250	499	249
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	256,000	256,000	256,000	-
Interest	213,674	213,674	213,673	1
<i>Total expenditures</i>	469,674	469,674	469,673	1
<i>Excess (deficiency) of revenues over expenditures</i>	(469,424)	(469,424)	(469,174)	250
<i>Other financing sources (uses)</i>				
Designated cash/other assets	469,424	469,424	-	(469,424)
Transfers in	-	-	469,674	469,674
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	469,424	469,424	469,674	250
<i>Net change in fund balance</i>	-	-	500	500
<i>Fund balance - beginning of year</i>	-	-	152,631	152,631
<i>Fund balance - end of year</i>	\$ -	-	153,131	153,131
Net change in fund balance (GAAP)			\$	(8,058)
No adjustments to revenues				-
No adjustments to expenditures				(8,558)
Net change in fund balance (non-GAAP budgetary basis)			\$	500

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Landfill Cell #5 Capital Projects Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	9,484	9,483	(1)
Miscellaneous	-	-	-	-
Gain on sale of fixed asset	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>9,484</u>	<u>9,483</u>	<u>(1)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	27,137	27,137	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	4,168,944	4,160,116	4,160,116	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,168,944</u>	<u>4,187,253</u>	<u>4,187,253</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(4,168,944)</u>	<u>(4,177,769)</u>	<u>(4,177,770)</u>	<u>(1)</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	4,168,944	4,177,769	-	(4,177,769)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>4,168,944</u>	<u>4,177,769</u>	<u>-</u>	<u>(4,177,769)</u>
<i>Net change in fund balance</i>	-	-	(4,177,770)	(4,177,770)
<i>Fund balance - beginning of year</i>	-	-	2,862,119	2,862,119
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(1,315,651)</u>	<u>(1,315,651)</u>
Net change in fund balance (GAAP)			\$	(2,862,119)
Adjustments to revenue for applicable accruals and deferrals				-
Adjustments to expenditures for applicable accruals and payments				<u>1,315,651</u>
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(4,177,770)</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Street Construction Capital Projects Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	137,500	(98,715)	(236,215)
State capital grants	137,502	3,337,502	77,346	(3,260,156)
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	155	155
Miscellaneous	-	-	-	-
<i>Total revenues</i>	137,502	3,475,002	(21,214)	(3,496,216)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	52,900	75,565	65,873	9,692
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	182,948	4,000,283	168,110	3,832,173
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	235,848	4,075,848	233,983	3,841,865
<i>Excess (deficiency) of revenues over expenditures</i>	(98,346)	(600,846)	(255,197)	345,649
<i>Other financing sources (uses)</i>				
Designated cash/other assets	98,346	600,846	-	(600,846)
Transfers in	-	-	640,000	640,000
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	98,346	600,846	640,000	39,154
<i>Net change in fund balance</i>	-	-	384,803	384,803
<i>Fund balance - beginning of year</i>	-	-	2,862,119	2,862,119
<i>Fund balance - end of year</i>	\$ -	-	3,246,922	3,246,922
Net change in fund balance (GAAP)			\$	518,810
Adjustments to revenue for applicable accruals and deferrals				98
Adjustments to expenditures for applicable accruals and payments				133,909
Net change in fund balance (non-GAAP budgetary basis)			\$	384,803

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Drainage Improvement Capital Projects Fund  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	470,000	470,000	505,398	35,398
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	500	500	488	(12)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>470,500</u>	<u>470,500</u>	<u>505,886</u>	<u>35,386</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	430,000	445,323	293,539	151,784
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	21,104	187,209	180,412	6,797
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>451,104</u>	<u>632,532</u>	<u>473,951</u>	<u>158,581</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>19,396</u>	<u>(162,032)</u>	<u>31,935</u>	<u>193,967</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	162,032	-	(162,032)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>162,032</u>	<u>-</u>	<u>(162,032)</u>
<i>Net change in fund balance</i>	19,396	-	31,935	31,935
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>407,650</u>	<u>407,650</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>439,585</u>	<u>439,585</u>
Net change in fund balance (GAAP)			\$	(184,016)
Adjustments to revenue for applicable accruals and deferrals				428
No adjustments to expenditures				<u>(216,379)</u>
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>31,935</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Revenues, Expenses and Changes in Net Position  
Budget (Non-GAAP Budgetary Basis) and Actual  
Solid Waste Proprietary Fund  
For the Year Ended June 30, 2015**

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 4,478,000	4,478,000	4,449,210	(28,790)
<i>Total operating revenues</i>	<u>4,478,000</u>	<u>4,478,000</u>	<u>4,449,210</u>	<u>(28,790)</u>
<i>Operating expenses:</i>				
General and administrative	334,697	344,549	332,940	11,609
Personnel services	1,921,493	1,952,260	1,757,630	194,630
Contractual services	383,590	383,590	233,725	149,865
Supplies and purchased power	503,874	565,109	357,039	208,070
Maintenance and materials	2,673,774	2,915,494	1,997,019	918,475
Utilities	47,883	47,883	16,507	31,376
Miscellaneous	-	-	-	-
<i>Total operating expenses</i>	<u>5,865,311</u>	<u>6,208,885</u>	<u>4,694,860</u>	<u>1,514,025</u>
<i>Operating income (loss)</i>	<u>(1,387,311)</u>	<u>(1,730,885)</u>	<u>(245,650)</u>	<u>1,485,235</u>
<i>Non-operating revenues (expenses):</i>				
Operating grants	-	-	-	-
Miscellaneous income	21,850	37,084	40,713	3,629
Interest income	102,500	102,500	135,622	33,122
Interest expense	-	-	-	-
Net proceeds from sale of capital assets	-	-	-	-
Gross receipts and other taxes	470,000	470,000	494,741	24,741
Landfill closure/postclosure care costs	-	-	-	-
<i>Total non-operating revenues (expenses)</i>	<u>594,350</u>	<u>609,584</u>	<u>671,076</u>	<u>61,492</u>
Capital grants	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(803,692)	(803,692)
<i>Capital grants and net transfers</i>	<u>-</u>	<u>-</u>	<u>(803,692)</u>	<u>(803,692)</u>
<i>Change in net position</i>	(792,961)	(1,121,301)	(378,266)	743,035
Designated cash/other assets	792,961	1,121,301	-	-
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,090,283</u>	<u>5,090,283</u>
<i>Total net position, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>4,712,017</u>	<u>5,833,318</u>
Net change in net position (GAAP)				\$ 2,427,197
Adjustments to revenue for charges for services, miscellaneous revenue and capital grant accruals				3,706,982
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				869,303
Depreciation and other non-cash items				<u>(1,770,822)</u>
Net change in net position (non-GAAP budgetary basis)				<u>\$ (378,266)</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Revenues, Expenses and Changes in Net Position  
Budget (Non-GAAP Budgetary Basis) and Actual  
Wastewater Proprietary Fund  
For the Year Ended June 30, 2015**

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 3,090,000	3,090,000	3,124,225	34,225
<i>Total operating revenues</i>	<u>3,090,000</u>	<u>3,090,000</u>	<u>3,124,225</u>	<u>34,225</u>
<i>Operating expenses:</i>				
General and administrative	79,000	79,000	53,589	25,411
Personnel services	867,045	893,721	751,031	142,690
Contractual services	-	-	-	-
Supplies and purchased power	191,329	231,166	158,575	72,591
Maintenance and materials	1,202,320	1,572,708	910,021	662,687
Utilities	346,162	346,162	246,245	99,917
Miscellaneous	692,122	700,064	699,570	494
<i>Total operating expenses</i>	<u>3,377,978</u>	<u>3,822,821</u>	<u>2,819,031</u>	<u>1,003,790</u>
<i>Operating income (loss)</i>	<u>(287,978)</u>	<u>(732,821)</u>	<u>305,194</u>	<u>1,038,015</u>
<i>Non-operating revenues (expenses):</i>				
Operating grants	-	-	-	-
Miscellaneous income	159,366	160,981	184,349	23,368
Interest income	83,675	83,675	97,445	13,770
Interest expense	(333,690)	(325,748)	(325,747)	1
Net proceeds from sale of capital assets	-	-	-	-
Gross receipts and other taxes	-	-	-	-
Landfill closure/postclosure care costs	-	-	-	-
Issuance of debt	-	-	-	-
<i>Total non-operating revenues (expenses)</i>	<u>(90,649)</u>	<u>(81,092)</u>	<u>(43,953)</u>	<u>37,139</u>
Capital grants	-	-	-	-
Transfers in	-	-	818,187	818,187
Transfers out	-	-	(1,266,337)	(1,266,337)
<i>Capital grants and net transfers</i>	<u>-</u>	<u>-</u>	<u>(448,150)</u>	<u>(448,150)</u>
<i>Change in net position</i>	(378,627)	(813,913)	(186,909)	627,004
Designated cash/other assets	378,627	813,913	-	-
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>25,328,985</u>	<u>-</u>
<i>Total net position, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>25,142,076</u>	<u>627,004</u>
Net change in net position (GAAP)				\$ (171,718)
Adjustments to revenue for charges for services, taxes, interest and capital grant accruals				835,786
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				1,385,572
Depreciation and other non-cash items				<u>(2,206,167)</u>
Net change in net position (non-GAAP budgetary basis)				<u>\$ (186,909)</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Revenues, Expenses and Changes in Net Position  
Budget (Non-GAAP Budgetary Basis) and Actual  
Airport Proprietary Fund  
For the Year Ended June 30, 2015**

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 118,600	118,600	137,274	18,674
<i>Total operating revenues</i>	<u>118,600</u>	<u>118,600</u>	<u>137,274</u>	<u>18,674</u>
<i>Operating expenses:</i>				
General and administrative	-	-	-	-
Personnel services	231,603	235,625	169,195	66,430
Contractual services	391,723	188,023	60,903	127,120
Supplies and purchased power	-	-	-	-
Maintenance and materials	389,742	755,802	570,034	185,768
Utilities	53,680	53,680	50,052	3,628
Miscellaneous	-	-	-	-
<i>Total operating expenses</i>	<u>1,066,748</u>	<u>1,233,130</u>	<u>850,184</u>	<u>382,946</u>
<i>Operating income (loss)</i>	<u>(948,148)</u>	<u>(1,114,530)</u>	<u>(712,910)</u>	<u>401,620</u>
<i>Non-operating revenues (expenses):</i>				
Capital grants	544,972	709,332	375,264	(334,068)
Miscellaneous income	300	300	4,082	3,782
Interest income	200	200	533	333
Interest expense	-	-	-	-
Gross receipts and other taxes	-	-	-	-
Landfill closure/postclosure care costs	-	-	-	-
<i>Total non-operating revenues (expenses)</i>	<u>545,472</u>	<u>709,832</u>	<u>379,879</u>	<u>(329,953)</u>
Transfers in	-	-	-	-
Transfers out	-	-	(201,518)	-
<i>Capital grants and net transfers</i>	<u>-</u>	<u>-</u>	<u>(201,518)</u>	<u>-</u>
<i>Change in net position</i>	(402,676)	(404,698)	(534,549)	71,667
Designated cash/other assets	402,676	404,698	-	-
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>14,292,752</u>	<u>14,292,752</u>
<i>Total net position, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>13,758,203</u>	<u>71,667</u>
Net change in net position (GAAP)				\$ (1,006,938)
Adjustments to revenue for charges for services and miscellaneous revenue accruals				76,478
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				237,731
Depreciation				<u>(786,598)</u>
Net change in net position (non-GAAP budgetary basis)				<u>\$ (534,549)</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Revenues, Expenses and Changes in Net Position  
Budget (Non-GAAP Budgetary Basis) and Actual  
Golf Course Proprietary Fund  
For the Year Ended June 30, 2015**

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 54,000	54,000	67,418	13,418
<i>Total operating revenues</i>	<u>54,000</u>	<u>54,000</u>	<u>67,418</u>	<u>13,418</u>
<i>Operating expenses:</i>				
General and administrative	-	-	-	-
Personnel services	-	-	-	-
Contractual services	-	-	-	-
Supplies and purchased power	-	-	-	-
Maintenance and materials	167,650	357,126	215,160	141,966
Utilities	70,100	70,100	60,690	9,410
Depreciation	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total operating expenses</i>	<u>237,750</u>	<u>427,226</u>	<u>275,850</u>	<u>151,376</u>
<i>Operating income (loss)</i>	<u>(183,750)</u>	<u>(373,226)</u>	<u>(208,432)</u>	<u>164,794</u>
<i>Non-operating revenues (expenses):</i>				
Operating grants	-	-	-	-
Miscellaneous income	3,000	161,809	117,240	(44,569)
Interest income	-	-	13	13
Interest expense	-	-	-	-
Gross receipts and other taxes	-	-	-	-
Landfill closure/postclosure care costs	-	-	-	-
<i>Total non-operating revenues (expenses)</i>	<u>3,000</u>	<u>161,809</u>	<u>117,253</u>	<u>(44,556)</u>
Capital grants	-	-	-	-
Transfers in	-	-	170,153	170,153
Transfers out	-	-	-	-
<i>Capital grants and net transfers</i>	<u>-</u>	<u>-</u>	<u>170,153</u>	<u>170,153</u>
<i>Change in net position</i>	<u>(180,750)</u>	<u>(211,417)</u>	<u>78,974</u>	<u>290,391</u>
Designated cash/other assets	<u>180,750</u>	<u>211,417</u>	<u>-</u>	<u>-</u>
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total net position, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>78,974</u>	<u>290,391</u>
Net change in net position (GAAP)			\$	146,862
Adjustments to revenue for charges for services and miscellaneous revenue accruals				115,390
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				5,759
Depreciation				<u>(53,261)</u>
Net change in net position (non-GAAP budgetary basis)			\$	<u>78,974</u>

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



**STATE OF NEW MEXICO  
CITY OF CLOVIS  
For the Year Ended June 30, 2015**

**INTERNAL SERVICE FUNDS**

**Workers Compensation Fund** – To account for the provision of workers compensation coverage for employees of the City of Clovis.

**Unemployment Reserve Fund** – To account for the provision of unemployment insurance coverage for employees of the City of Clovis.

**Property and Liability Self-Insurance Fund** – To account for property and liability self-insurance costs for the City.

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Combining Balance Sheet  
Internal Service Funds  
As of June 30, 2015**

	48	53	54	
	Workers Compensation	Unemployment Reserve	Property and Liability Self-Insurance Fund	Total
<i>Assets</i>				
<i>Current assets</i>				
Cash and investments	\$ 3,592,285	638,150	151,357	4,381,792
Receivables	-	-	-	-
Due from other funds	277,098	-	-	277,098
Prepays	710	-	-	710
<i>Total current assets</i>	<u>3,870,093</u>	<u>638,150</u>	<u>151,357</u>	<u>4,659,600</u>
<i>Noncurrent assets</i>				
Restricted Cash and investments	-	-	-	-
Capital assets	97,115	-	-	97,115
Less: accumulated depreciation	(71,959)	-	-	(71,959)
<i>Total noncurrent assets</i>	<u>25,156</u>	<u>-</u>	<u>-</u>	<u>25,156</u>
<i>Total Assets</i>	<u><u>3,895,249</u></u>	<u><u>638,150</u></u>	<u><u>151,357</u></u>	<u><u>4,684,756</u></u>
<i>Liabilities and Net Position</i>				
<i>Liabilities:</i>				
<i>Current liabilities</i>				
Accounts payable	15	-	-	15
Accrued payroll expenses	2,203	-	-	2,203
Accrued compensated absences	2,058	-	-	2,058
<i>Total current liabilities</i>	<u>4,276</u>	<u>-</u>	<u>-</u>	<u>4,276</u>
<i>Net Position:</i>				
Net investment in capital assets	25,156	-	-	25,156
Restricted	-	-	-	-
Unrestricted	3,865,817	638,150	151,357	4,655,324
<i>Total net position</i>	<u>3,890,973</u>	<u>638,150</u>	<u>151,357</u>	<u>4,680,480</u>
<i>Total Liabilities and Net Position</i>	<u><u>\$ 3,895,249</u></u>	<u><u>638,150</u></u>	<u><u>151,357</u></u>	<u><u>4,684,756</u></u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Revenues, Expenses and Changes in Fund Net Position  
Internal Service Funds  
For the Year Ended June 30, 2015**

	48	53	54	
	Workers Compensation	Unemployment Reserve	Property and Liability Self-Insurance Fund	Total
<i>Operating revenues:</i>				
Charges for services	\$ 531,864	-	-	531,864
<i>Total operating revenues</i>	<u>531,864</u>	<u>-</u>	<u>-</u>	<u>531,864</u>
<i>Operating expenses:</i>				
General and administrative	253,459	18,090	-	271,549
Personnel services	78,086	-	-	78,086
Depreciation	12,642	-	-	12,642
<i>Total operating expenses</i>	<u>344,187</u>	<u>18,090</u>	<u>-</u>	<u>362,277</u>
<i>Operating income (loss)</i>	<u>187,677</u>	<u>(18,090)</u>	<u>-</u>	<u>169,587</u>
<i>Non-operating revenues (expenses):</i>				
Gain/(loss) on disposal of capital assets	-	-	-	-
Interest income	12,760	643	183	13,586
Miscellaneous	4,691	70,880	-	75,571
<i>Total non-operating revenues (expenses)</i>	<u>17,451</u>	<u>71,523</u>	<u>183</u>	<u>89,157</u>
Transfers in	-	-	-	-
Transfers out	(1,900)	-	-	(1,900)
<i>Net transfers</i>	<u>(1,900)</u>	<u>-</u>	<u>-</u>	<u>(1,900)</u>
<i>Change in net position</i>	203,228	53,433	183	256,844
<i>Net position, beginning of year</i>	3,687,745	584,717	151,174	4,423,636
<i>Net position, end of year</i>	<u>\$ 3,890,973</u>	<u>638,150</u>	<u>151,357</u>	<u>4,680,480</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Internal Service Funds  
Statement of Cash Flows  
For the Year Ended June 30, 2015**

	48	53	54	
	Workers Compensation	Unemployment Reserve	Property and Liability Self-Insurance Fund	Total
Cash flows from operating activities				
Receipts from interfund services provided	\$ 254,766	-	-	254,766
Payments to suppliers and employees	(331,948)	(18,090)	-	(350,038)
Net cash provided by operating activities	(77,182)	(18,090)	-	(95,272)
Cash flows from noncapital financing activities:				
Transfers in (out)	(1,900)	-	-	(1,900)
Miscellaneous income	4,692	70,880	-	75,572
Net cash provided (used) by noncapital financing activities	2,792	70,880	-	73,672
Cash flows from capital and related financing activities:				
Acquisitions of capital assets	-	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	-	-
Cash flows from investing activities:				
Interest income	12,760	643	183	13,586
Net cash provided by investing activities	12,760	643	183	13,586
Net increase in cash and investments	\$ (61,630)	53,433	183	(8,014)
Balances-beginning of year	3,653,915	584,717	151,174	4,389,806
Balances-end of year	\$ 3,592,285	638,150	151,357	4,381,792
Reconciliation of operating income (loss) to net cash provided/(used) by operating activities:				
Operating income/(loss)	\$ 187,677	(18,090)	-	169,587
Adjustments:				
Depreciation expense	12,642	-	-	12,642
(Increase) decrease in:				
Receivables	(277,098)	-	-	(277,098)
Prepays	128	-	-	128
(Decrease) increase in:				
Accrued payroll	325	-	-	325
Compensated absences	(871)	-	-	(871)
Net cash provided by operating activities	\$ (77,182)	(18,090)	-	(95,272)
Non-cash transfer of capital assets into fund	-	-	-	-

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Revenues, Expenses and Changes in Net Position  
Budget (Non-GAAP Budgetary Basis) and Actual  
Workers Compensation Internal Service Fund  
For the Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variances</u>
	<u>Original</u>	<u>Final</u>	<u>(Non-GAAP Budgetary Basis)</u>	<u>Favorable (Unfavorable)</u>
<i>Operating revenues:</i>				
Charges for services	\$ 660,413	660,413	531,864	(128,549)
<i>Total operating revenues</i>	<u>660,413</u>	<u>660,413</u>	<u>531,864</u>	<u>(128,549)</u>
<i>Operating expenses:</i>				
General and administrative	564,750	564,750	257,083	307,667
Personnel services	78,304	78,870	78,632	238
<i>Total operating expenses</i>	<u>643,054</u>	<u>643,620</u>	<u>335,715</u>	<u>307,905</u>
<i>Operating income (loss)</i>	<u>17,359</u>	<u>16,793</u>	<u>196,149</u>	<u>179,356</u>
<i>Non-operating revenues (expenses):</i>				
Miscellaneous income	-	-	4,691	4,691
Interest income	20,000	20,000	12,760	(7,240)
<i>Total non-operating revenues (expenses)</i>	<u>20,000</u>	<u>20,000</u>	<u>17,451</u>	<u>(2,549)</u>
Transfers in	-	-	-	-
Transfers out	-	-	(1,900)	(1,900)
<i>Change in net position</i>	37,359	36,793	211,700	174,907
Designated cash/other assets	-	-	-	-
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,687,745</u>	<u>3,687,745</u>
<i>Total net position, end of year</i>	<u>\$ 37,359</u>	<u>36,793</u>	<u>3,899,445</u>	<u>3,862,652</u>
Net change in net position (GAAP)				\$ 203,228
Adjustments to revenue for charges for services, miscellaneous revenue and grant accruals				-
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				4,170
Depreciation				(12,642)
Net change in net position (non-GAAP budgetary basis)				<u>\$ 211,700</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Revenues, Expenses and Changes in Net Position  
Budget (Non-GAAP Budgetary Basis) and Actual  
Unemployment Reserve Internal Service Fund  
For the Year Ended June 30, 2015**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variances</u>
	<u>Original</u>	<u>Final</u>	<u>(Non-GAAP Budgetary Basis)</u>	<u>Favorable (Unfavorable)</u>
<i>Operating revenues:</i>				
Charges for services	\$ -	-	-	-
<i>Total operating revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Operating expenses:</i>				
General and administrative	-	-	18,090	(18,090)
<i>Total operating expenses</i>	<u>-</u>	<u>-</u>	<u>18,090</u>	<u>(18,090)</u>
<i>Operating income (loss)</i>	<u>-</u>	<u>-</u>	<u>(18,090)</u>	<u>(18,090)</u>
<i>Non-operating revenues (expenses):</i>				
Miscellaneous income	69,685	69,685	70,880	1,195
Interest income	750	750	643	(107)
<i>Total non-operating revenues (expenses)</i>	<u>70,435</u>	<u>70,435</u>	<u>71,523</u>	<u>1,088</u>
<i>Change in net position</i>	70,435	70,435	53,433	(17,002)
Designated cash/other assets	-	-	-	-
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>584,717</u>	<u>584,717</u>
<i>Total net position, end of year</i>	<u>\$ 70,435</u>	<u>70,435</u>	<u>638,150</u>	<u>567,715</u>
Net change in net position (GAAP)			\$	53,433
No adjustments to revenues				-
No adjustments to expenses				<u>-</u>
Net change in net position (non-GAAP budgetary basis)			\$	<u>53,433</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Statement of Revenues, Expenses and Changes in Net Position  
Budget (Non-GAAP Budgetary Basis) and Actual  
Property and Liability Self-Insurance Internal Service Fund  
For the Year Ended June 30, 2015**

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ -	-	-	-
<i>Total operating revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Operating expenses:</i>				
General and administrative	-	-	-	-
Personnel services	-	-	-	-
<i>Total operating expenses</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Operating income (loss)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Non-operating revenues (expenses):</i>				
Miscellaneous income	-	-	-	-
Interest income	150	150	183	33
<i>Total non-operating revenues (expenses)</i>	<u>150</u>	<u>150</u>	<u>183</u>	<u>33</u>
Transfers in	-	-	-	-
Transfers out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Change in net position</i>	150	150	183	33
Designated cash/other assets	-	-	-	-
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>151,174</u>	<u>151,174</u>
<i>Total net position, end of year</i>	<u>\$ 150</u>	<u>150</u>	<u>151,357</u>	<u>151,207</u>
Net change in net position (GAAP)				\$ 183
No adjustments to revenues				-
No adjustments to expenses				<u>-</u>
Net change in net position (non-GAAP budgetary basis)				<u>\$ 183</u>

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

**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY OF CLOVIS' PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY OF PERA FUND DIVISION;  
MUNICIPAL GENERAL DIVISION  
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN  
LAST 10 FISCAL YEARS\***

		2015
The City's proportion of the net pension liability (asset) (%)		0.13%
The City's proportionate share of the net pension liability (asset) (\$)	\$	991,516
The City's covered-employee payroll	\$	1,102,859
The City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll		90%
Plan fiduciary net position as a percentage of the total pension liability		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, the City will present information for those years for which information is available.

See Notes to Required Supplementary Information



**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY OF CLOVIS' PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY OF PERA FUND DIVISION;  
MUNICIPAL POLICE DIVISION  
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN  
LAST 10 FISCAL YEARS\***

		2015
The City's proportion of the net pension liability (asset) (%)		0.73%
The City's proportionate share of the net pension liability (asset) (\$)	\$	2,374,505
The City's covered-employee payroll	\$	1,657,838
The City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll		143%
Plan fiduciary net position as a percentage of the total pension liability		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, the City will present information for those years for which information is available.

See Notes to Required Supplementary Information

**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY OF CLOVIS' PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY OF PERA FUND DIVISION;  
MUNICIPAL FIRE DIVISION  
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN  
LAST 10 FISCAL YEARS\***

		2015
The City's proportion of the net pension liability (asset) (%)		1.29%
The City's proportionate share of the net pension liability (asset) (\$)	\$	5,396,139
The City's covered-employee payroll	\$	1,758,475
The City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll		307%
Plan fiduciary net position as a percentage of the total pension liability		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, the City will present information for those years for which information is available.

See Notes to Required Supplementary Information

**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY OF CLOVIS' CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN  
PERA FUND DIVISION; MUNICIPAL GENERAL DIVISION  
LAST 10 FISCAL YEARS\***

		2015
Contractually required contribution	\$	105,323
Contributions in relation to the contractually required contribution		105,323
Contribution deficiency (excess)	\$	-
The City's covered-employee payroll	\$	1,102,859
Contributions as a percentage of covered-employee payroll		9.55%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

See Notes to Required Supplementary Information

**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY OF CLOVIS' CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN  
PERA FUND DIVISION; MUNICIPAL POLICE DIVISION  
LAST 10 FISCAL YEARS\***

		2015
Contractually required contribution	\$	255,307
Contributions in relation to the contractually required contribution		255,307
Contribution deficiency (excess)	\$	-
The City's covered-employee payroll	\$	1,657,838
Contributions as a percentage of covered-employee payroll		15.40%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

See Notes to Required Supplementary Information

**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CITY OF CLOVIS' CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN  
PERA FUND DIVISION; MUNICIPAL FIRE DIVISION  
LAST 10 FISCAL YEARS\***

		2015
Contractually required contribution	\$	314,767
Contributions in relation to the contractually required contribution		314,767
Contribution deficiency (excess)	\$	-
The City's covered-employee payroll	\$	1,758,475
Contributions as a percentage of covered-employee payroll		17.90%

\* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for those years for which information is available.

See Notes to Required Supplementary Information

STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2015

	CFDA Number	Federal Grantors Number	Federal Expenditures
<b>U.S. Department of Transportation</b>			
Passed through NM Department of Transportation			
Formula Grants for Rural Areas	(1) 20.507		\$ 460,346
Highway Safety Cluster			
State and Community Highway Safety	20.600	14-PT-DS-023/15-PT-DS-023/15-DD-02-023	6,410
	20.608	14-AL-64-023 & 15-AL-64-023	31,738
Minimum Penalties for Repeat Offenders for Driving While Intoxicated			
<b>Total U.S. Department of Transportation</b>			<b>498,494</b>
<b>U.S. Department of Justice</b>			
Passed through NM Department of Public Safety			
Bulletproof Vest Partnership Program	16.607		1,913
Metro Task Force	16.738	13-JAG-Region V & 14-Jag-Region V	83,834
LLEGB	16.738	2013-DJ-BX-0942 & 2014-DJ-BX-1209	24,292
<b>Total U.S. Department of Justice</b>			<b>110,039</b>
<b>U.S. Department of Homeland Security</b>			
Passed through NM Department of Homeland Security			
Emergency Management Performance Grants	97.042	EMS-2012-EP-00039	14,322
Pre-Disaster Mitigation	97.047	PDMC-PL-06-NM-20	7,500
Homeland Security Grant Program	97.067		86,340
<b>Total U.S. Department of Homeland Security</b>			<b>108,162</b>
<b>Total Federal Financial Assistance</b>			<b>\$ 716,695</b>
<b>Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds</b>			
Federal grant revenue per fund financials			\$ 648,644
Add: federal revenue considered unavailable (not received within 60 days of year end)			68,051
Total			716,695
Federal Expenditures per SEFA			716,695
Difference			\$ -

(1) Denotes Major Program

See independent auditor's report.

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2015**

**Notes to Schedule of Expenditures of Federal Awards**

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant expenditure activity for the financial statements of the organization. The schedule is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

**Note 2 - Non-Cash Federal Assistance**

No non-cash federal assistance was received during the year ended June 30, 2015.

**Note 3 - Subrecipients**

The organization provided no federal awards presented above to sub-recipients during the year.

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Fund Balances  
As of June 30, 2015**

	Major Funds				
	01, 18	22	23		
	General Fund	Street Improvement	Cap Projects Landfill Cell #5	Other Non-Major Governmental Funds	Total
<b>Fund Balances:</b>					
<b>Nonspendable:</b>					
Inventory	\$ 8,923	-	-	67,514	76,437
Prepaid expenses	341,307	-	-	49,533	390,840
Subtotal nonspendable	<u>350,230</u>	<u>-</u>	<u>-</u>	<u>117,047</u>	<u>467,277</u>
<b>Restricted for:</b>					
Operate/maintain recreational facilities	-	672,370	-	300,779	973,149
Road/drainage improvements	-	-	-	3,782,719	3,782,719
Transportation services	-	-	-	245,276	245,276
Drug abuse prevention/awareness	-	-	-	134	134
Debt service reserve	-	-	-	282,663	282,663
Fire fighting efforts/equipment	-	-	-	522,147	522,147
Economic development projects	-	-	-	1,458,967	1,458,967
Law enforcement enhancement	-	-	-	66,895	66,895
Subtotal restricted	<u>-</u>	<u>672,370</u>	<u>-</u>	<u>6,659,580</u>	<u>7,331,950</u>
<b>Committed to:</b>					
Operate/maintain recreational facilities	-	-	-	272,255	272,255
Operating/administering senior citizens facility	-	-	-	9,350	9,350
Improvement of sewer distribution lines	-	-	-	87,045	87,045
Public safety efforts/equipment	-	-	-	474,567	474,567
Improvement of City property/equipment	-	-	-	2,777,640	2,777,640
Recycling efforts	-	-	-	3,974	3,974
Economic development projects	-	-	-	1,978,359	1,978,359
Road/drainage improvements	-	-	-	2,385,733	2,385,733
Environmental projects	-	-	-	5,022,930	5,022,930
Subtotal committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,011,853</u>	<u>13,011,853</u>
<b>Assigned to:</b>					
Operate/maintain recreational facilities	-	-	-	113,352	113,352
Library operations	-	-	-	44,038	44,038
Departmental improvements	-	-	-	1,280,167	1,280,167
Multi-purpose special events center	-	-	-	363,979	363,979
Subtotal assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,801,536</u>	<u>1,801,536</u>
<b>Unassigned:</b>	10,033,759	-	-	(24,134)	10,009,625
Total fund balances	<u>10,383,989</u>	<u>672,370</u>	<u>-</u>	<u>21,565,882</u>	<u>32,622,241</u>

See independent auditor's report.



**CITY OF CLOVIS**  
**Schedule of Joint Powers Agreements and Memorandums of Understanding**  
**For the Year Ended June 30, 2015**

Joint Powers Agreement	Participants	Responsible Party	Description	Beginning and Ending Dates	Total estimated project amount and amount applicable to Agency	Amount contributed by City during current FY	Audit Responsibility	Fiscal agent and responsible reporting entity
1 Older Adults Services	Curry County City of Clovis	City	Provide services for older adults program	8/4/1969 indefinite	N/A	\$ -	N/A	City of Clovis
2 Emergency Override System	Cannon AFB City of Clovis	City Cos Communication	Provide Cannon AFB an Emergency Override System	7/1/1992 thru 6/30/2002 or term of franchise agree	N/A	-	N/A	City of Clovis
3 Drug Task Force	City of Clovis Curry County City of Portales Roosevelt County Quay County City of Tucumcari any other agencies involved in Region V Task Force	City	Region V Task Force for prevention, investigation control & prosecution of drugs	7/1/1992 continues with existence of task force	Federal/state funds \$154,798 No matching required	-	City	City of Clovis
4 Ute Reservoir	City of Clovis	City	Acquisition and distribution of waters from Ute Reservoir	10/13/1987  indefinite	  Member share is 10% State share is 15% Fed share is 75%		City	City of Clovis
5 Fire Control	City of Clovis State of New Mexico	City	Control of fires in and adjacent to suburban areas	4/19/1979  indefinite	n/a	-	N/A	City of Clovis

\*Effective July 1, 2015 Eastern NM Water Utility Authority is the fiscal agent and responsible for reporting entity\*

**CITY OF CLOVIS**  
**Schedule of Joint Powers Agreements and Memorandums of Understanding**  
**For the Year Ended June 30, 2015**

Joint Powers Agreement	Participants	Responsible Party	Description	Beginning and Ending Dates	Total estimated project amount and amount applicable to Agency	Amount contributed by City during current FY	Audit Responsibility	Fiscal agent and responsible reporting entity
6 Emergency Services	City of Clovis Clovis Comm College	City	Define conditions under which emergency services are to be provided	1/27/1982  indefinite	n/a	-	N/A	City of Clovis
7 Civil Defense	City of Clovis Curry County	City	Combining of civil defense efforts	8/29/1969 to 8/29/1970 and then continuing indefinitely.	\$0.00	-	N/A	n/a
8 Street Maintenance	City of Clovis Curry County	City	Street Maintenance through own available services	1/1/1976 to 12/31/1976 then indefinite	\$0.00	-	N/A	n/a
9 DWI Prevention	City of Clovis Curry County City of Texico	City	Funds for comprehensive community programs for DWI prevention purposes/	1/14/1992 to 1/13/1993 then as long as funding is available thru state	State funding of \$10,729 No matching funds	-	City	City of Clovis
10 Self Insurance	NMSIF City of Clovis	NMSIF	Insurance services, needs and pooling	7/1/1996 until terminated	Varies	311,497	NMSIF	NMSIF
11 Services for Community	City of Clovis Curry County	City and County	Providing or receiving services from one entity to the other	7/1/1999 to 6/30/2000 Subject to annual renewal	Net amount is in favor of County for jail services	\$ 130,596	City and County	County

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
SCHEDULE OF CASH, INVESTMENTS AND PLEDGED COLLATERAL  
BY BANK AND ACCOUNT  
As of June 30, 2015**

Account Name	Account Type	New Mexico Bank and Trust	Citizen's Bank	Bank of Clovis	Western Bank	NM Self-Insurer's Fund	State of New Mexico	City of Clovis	Reconciling Items	Book Balance
<b>Cash and cash equivalents</b>										
General Fund Investment	Checking*	\$ 5,345,443	-	-	-	-	-	-	(488,259)	4,857,184
Money Market Account	Money Market*	7,570,739	-	-	-	-	-	-	-	7,570,739
Fire Account (7)	Money Market*	521,017	-	-	-	-	-	-	(518)	520,499
2012 GRT Bonds Street	Checking*	616,176	-	-	-	-	-	-	56,194	672,370
Payroll Account (18)	Checking*	30,338	-	-	-	-	-	-	(10,411)	19,927
Dept of Justice	Checking*	1,035	-	-	-	-	-	-	-	1,035
Credit Cards Account	Checking*	33,127	-	-	-	-	-	-	(32,000)	1,127
Finance Credit Card	Checking*	4,440	-	-	-	-	-	-	(3,855)	585
Zoo Credit Card	Checking*	8,779	-	-	-	-	-	-	(2,502)	6,277
Landfill Credit Card	Checking*	73,749	-	-	-	-	-	-	(70,000)	3,749
EFT Account	Checking*	1,304	-	-	-	-	-	-	205	1,509
Municipal Court	Checking*	3,420	-	-	-	-	-	-	(231)	3,189
Drug Control Fund	Checking*	1,000	-	-	-	-	-	-	-	1,000
Aquatic Center Credit Cards	Checking*	500	-	-	-	-	-	-	-	500
Series 2011 Revenue Bonds Construction	Money Market*	-	302,185	-	-	-	-	-	(15,313)	286,872
General Fund	Checking*	-	4,951,991	-	-	-	-	-	(117,257)	4,834,734
Special Streets	Checking*	-	1,069,083	-	-	-	-	-	(35,027)	1,034,056
NM Law Enforcement	Checking*	-	39,762	-	-	-	-	-	-	39,762
Lodgers' Tax	Checking*	-	-	-	232,128	-	-	-	-	232,128
Policy Deposit	Deposit	-	-	-	-	72,958	-	-	-	72,958
Petty cash	Petty Cash	-	-	-	-	-	-	7,680	-	7,680
Subtotal cash and cash equivalents		<u>14,211,067</u>	<u>6,363,021</u>	<u>-</u>	<u>232,128</u>	<u>72,958</u>	<u>-</u>	<u>7,680</u>	<u>(718,974)</u>	<u>20,167,880</u>
<b>Investments</b>										
General Fund	Repurchase	-	-	-	-	-	-	-	-	-
Certificates of deposit	CD maturity >90 days	-	-	5,941,838	-	-	-	-	-	5,941,838
State of New Mexico	LGIP Fund (POOL-4101)	-	-	-	-	-	11,891,024	-	-	11,891,024
Subtotal investments		<u>-</u>	<u>-</u>	<u>5,941,838</u>	<u>-</u>	<u>-</u>	<u>11,891,024</u>	<u>-</u>	<u>-</u>	<u>17,832,862</u>
Total amount of deposit in bank		<u>14,211,067</u>	<u>6,363,021</u>	<u>5,941,838</u>	<u>232,128</u>	<u>72,958</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FDIC coverage		<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>(232,128)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total uninsured public funds		<u>13,961,067</u>	<u>6,113,021</u>	<u>5,691,838</u>	<u>-</u>	<u>72,958</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
50% Collateral Requirement (Section 6-10-17 NMSA 1978)		<u>6,980,534</u>	<u>580,515</u>	<u>2,845,919</u>	<u>-</u>	<u>36,479</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
102% Collateral Requirement (Section 6-10-10(H) NMSA 1978)		<u>-</u>	<u>4,926,031</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total collateral requirement		<u>\$ 6,980,534</u>	<u>5,506,546</u>	<u>2,845,919</u>	<u>-</u>	<u>36,479</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Pledged security at:</b>										
New Mexico Bank & Trust 4.00% - 16415TASo Due 8/1/29		\$ 1,289,884	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 4.00% - 16145TAU5 Due 8/1/31		1,389,595	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.00% - 167736ZL4 Due 11/1/30		2,111,640	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 3.87% - 245177ANo Due 8/15/17		997,836	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.70% - 977100ACo Due 5/1/26		3,546,750	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 6.50% - 3136A7J86 Due 8/25/42		41,920	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 4.50% - 36296QTP4 Due 6/15/40		86,827	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.00% - 455057WF2 Due 2/1/28		2,008,674	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.00% - 523530Q7 Due 10/1/28		2,299,780	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 4.25% - 73342PDC9 Due 9/1/30		485,460	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 4.00% - 743482BU4 Due 12/15/23		400,824	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.00% - 67919PEE9 Due 4/1/29		840,615	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.00% - 67919PEE6 Due 4/1/30		839,452	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.00% - 790407HFo Due 10/1/31		2,954,979	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.15% - 876014GE5 Due 9/1/27		56,892	-	-	-	-	-	-	-	-
The Independent Bankers, Dallas, TX		-	-	-	-	-	-	-	-	-
GNMA II Pool #008059 1.625% - 36202J5U8 Due 10/20/22		-	62,129	-	-	-	-	-	-	-

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
SCHEDULE OF CASH, INVESTMENTS AND PLEDGED COLLATERAL  
BY BANK AND ACCOUNT  
As of June 30, 2015**

Account Name	Account Type	New Mexico Bank and Trust	Citizen's Bank	Bank of Clovis	Western Bank	NM Self-Insurer's Fund	State of New Mexico	City of Clovis	Reconciling Items	Book Balance
GNR 2012-143 BD 1.50% - 38378GVR6 Due 12/16/27		-	1,772,213	-	-	-	-	-	-	-
GNR 2010-43 NE 3.50% - 37376YVJ6 Due 5/20/38		-	2,080,836	-	-	-	-	-	-	-
GNR 2014-80 XA 1 3.00% - 38379BM47 Due 6/20/40		-	1,669,750	-	-	-	-	-	-	-
GNMA II Pool #8871 5.00% - 3620K2CS Due 3/20/34		-	-	-	59,333	-	-	-	-	-
Plains Capital Bank										
Clovis NM Muni SD #001 3.45% - 189414GL3 Due 8/01/18		-	-	418,700	-	-	-	-	-	-
Las Vegas NM City SD #2 3.00% - 51778SF2 Due 8/15/18		-	-	780,885	-	-	-	-	-	-
Dulce NM ISD #21 Assured 4.00% - 264430KK4 Due 9/01/18		-	-	110,627	-	-	-	-	-	-
Livington NM Mun Sch 3.80% - 547473CJ5 Due 10/01/18		-	-	415,136	-	-	-	-	-	-
Luna City NM Sch. Dist. 3.90% - 55034DA8 Due 8/01/19		-	-	501,490	-	-	-	-	-	-
Texico NM Muni SD #002 3.85% - 883005CF5 Due 8/01/19		-	-	263,632	-	-	-	-	-	-
Los Lunas NM SD 3.85% - 545562NH9 Due 7/15/20		-	-	565,378	-	-	-	-	-	-
Santa Fe NM Cmnty Clg 3.00% - 801901JG5 Due 8/01/20		-	-	1,062,770	-	-	-	-	-	-
Clovis NM Mun Sch Dist 3.35% - 189414HK4 Due 8/01/22		-	-	541,025	-	-	-	-	-	-
Taos NM ST-Shared 4.10% - 87601RAL4 due 6/01/23		-	-	573,492	-	-	-	-	-	-
Clovis NM Mun SD 3.55% - 189414HMO due 8/01/24		-	-	810,510	-	-	-	-	-	-
The Independent Bankers, Dallas, TX										
See NMSIF audited financials		-	-	-	-	72,958	-	-	-	-
Total collateral		19,351,128	5,584,928	6,043,645	59,333	72,958	-	-	-	-
Amount over/(under) collateralized		\$ 12,370,595	78,382	3,197,726	59,333	36,479	-	-	-	-
Total book balance		\$ 13,659,190	6,195,424	5,941,838	232,128	72,958	11,887,256	7,680		

\*denotes interest bearing account

38,000,742

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Vendor Information  
For The Year Ended June 30, 2015**

<i>RFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A</i>	<i>Brief Description of the Scope of Work</i>
RFP-140521-01	RFP	ROGERS & CO AND HYDRO GEO	QUOTE AS NEEDED AT OR BELOW RS MEANS OR GORDIAN	N/A	ROGERS & CO 2615 ISLETA BLVD. SW, ALBUQUERQUE, NEW MEXICO 87105	IN STATE	NONE	WATER WELL DRILLING
RFP-140521-01	RFP	ROGERS & CO AND HYDRO GEO	QUOTE AS NEEDED AT OR BELOW RS MEANS OR GORDIAN	N/A	HYDRO GEO PO BOX 94716, ALBUQUERQUE, NEW MEXICO 87199	IN STATE	NONE	WATER WELL DRILLING
RFP-140521-01	RFP	ROGERS & CO AND HYDRO GEO	QUOTE AS NEEDED AT OR BELOW RS MEANS OR GORDIAN	N/A	HYDRO RES 13027 COUNTY ROAD 18, UNIT C, FORT LUPTON, CO 80621	OUT OF STATE	NONE	WATER WELL DRILLING
RFP-140521-01	RFP	ROGERS & CO AND HYDRO GEO	QUOTE AS NEEDED AT OR BELOW RS MEANS OR GORDIAN	N/A	STEWART BROS PO BOX 2067, MILAN, NEW MEXICO 87021	IN STATE	NONE	WATER WELL DRILLING
RFP-15-0101-09	RFP	CLOVIS/CURRY COUNTY CHAMBER		70,000 70,000	CLOVIS/CURRY COUNTY CHAMBER 105 EAST GRAND, CLOVIS, NEW MEXICO 88101	IN STATE	NONE	BUSINESS TOURISM
RFP-15-0101-11	RFP	CLOVIS MAINSTREET		35,000 35,000	CLOVIS MAINSTREET 409 MAIN STREET, CLOVIS, NEW MEXICO 88101	IN STATE	NONE	MAIN STREET PROGRAM
RFP-15-0101-12	RFP	PROFESSIONAL HEALTH SERVICES	293.58 PER EXAM	293.58 PER EXAM	PROFESSIONAL HEALTH SERVICES 83 S EAGLE ROAD, HAVERTOWN, PA 19083	OUT OF STATE	NONE	MEDICAL EXAMS
RFP-15-0101-05	RFP	HAYS		53,000 53,000	HAYS 2710 EAST CAMELBACK RD., SUITE 210, PHOENIX ARIZONA 85016	OUT OF STATE	NONE	HEALTH INSURANCE BROKER
RFP-15-0101-05	RFP	HAYS		53,000 53,000	POMS 320 OSUNA RD. NE, ALBUQUERQUE, NEW MEXICO 87107	IN STATE	NONE	HEALTH INSURANCE BROKER
RFP-15-0101-05	RFP	HAYS		53,000 53,000	HUB 7770 JEFFERSON NE, SUITE 101, ALBUQUERQUE, NEW MEXICO 87109	IN STATE	NONE	HEALTH INSURANCE BROKER
RFP-15-0101-04	RFP	AON		80,000 80,000	AON 6501 AMERICAS PARKWAY, SUITE 650, ALBUQUERQUE, NEW MEXICO 87110	IN STATE	NONE	LIABILITY INSURANCE BROKER
RFP-05-0312-01	RFP	NO RESPONSE		0 0	NO RESPONSE	NA	NA	VET SERVICES
RFB-15-0805-01	REQUEST FOR BIDS	CJ MEAD		216,592.72 216,592.72	CJ MEAD PO BOX 952, EDGEWOOD, NEW MEXICO 87015	IN STATE	STATE PREF	AIRPORT PHASE ii WATER
RFB-15-0805-01	REQUEST FOR BIDS	CJ MEAD		216,592.72 216,592.72	MAX TEK 2201 PHOENIX AVE NE, ALBUQUERQUE, NEW MEXICO 87107	IN STATE	STATE PREF	AIRPORT PHASE ii WATER
RFB-15-0805-01	REQUEST FOR BIDS	CJ MEAD		216,592.72 216,592.72	TOTAL CONST PO BOX 72395, ALBUQUERQUE, NEW MEXICO 87195	IN STATE	STATE PREF	AIRPORT PHASE ii WATER

See independent auditor's report

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Vendor Information  
For The Year Ended June 30, 2015**

<i>RFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A</i>	<i>Brief Description of the Scope of Work</i>
RFB-15-0805-01	REQUEST FOR BIDS	CJ MEAD	216,592.72	216,592.72	DUCROSS 240 SOUTH CRAWFORD BLVD, LAS CRUSES, NEW MEXICO 88013	IN STATE	STATE PREF	AIRPORT PHASE ii WATER
RFB-15-0805-01	REQUEST FOR BIDS	CJ MEAD	216,592.72	216,592.72	ADAME CONST PO BOX 1358, LOS LUNAS, NEW MEXICO 87031	IN STATE	STATE PREF	AIRPORT PHASE ii WATER
RFB-15-0805-01	REQUEST FOR BIDS	CJ MEAD	216,592.72	216,592.72	H&O CONST PO BOX 9468, ALBUQUERQUE, NEW MEXICO 87119	IN STATE	STATE PREF	AIRPORT PHASE ii WATER
RFB-15-0805-01	REQUEST FOR BIDS	CJ MEAD	216,592.72	216,592.72	J&H CONST 516 MARTINEZ LANE NE, ALBUQUERQUE, NEW MEXICO 87107	IN STATE	STATE PREF	AIRPORT PHASE ii WATER
RFB-15-0805-01	REQUEST FOR BIDS	CJ MEAD	216,592.72	216,592.72	NEW IMAGE HCR 72 PO BOX 5, RIBERA, NEW MEXICO 87560	IN STATE	STATE PREF	AIRPORT PHASE ii WATER
RFB-15-0805-01	REQUEST FOR BIDS	CJ MEAD	216,592.72	216,592.72	AUI PO BOX 9825, ALBUQUERQUE, NEW MEXICO 87119-9825	IN STATE	STATE PREF	AIRPORT PHASE ii WATER
RFB-15-0805-01	REQUEST FOR BIDS	CJ MEAD	216,592.72	216,592.72	SMITH CO BOX 43, CABALLO, NEW MEXICO 87931	IN STATE	STATE PREF	AIRPORT PHASE ii WATER
RFB-15-0805-01	REQUEST FOR BIDS	CJ MEAD	216,592.72	216,592.72	CENTURY CLUB 8201 GOLF COURSE RD, NW, SUITE D3-295, ALBUQUERQUE, NEW MEXICO 87120	IN STATE	STATE PREF	AIRPORT PHASE ii WATER
RFB-15-0310-01	REQUEST FOR BIDS	NO RESPONSE	0.00	0.00	NO RESPONSE	NA	NA	CITY WIDE LANDSCAPING
RFB-15-0310-02	REQUEST FOR BIDS	NA	0.00	0.00	ACCENTS BY JUDY/ BID REJECTED	NA	NA	CITY WIDE MOWING
RFB-15-0123-01	REQUEST FOR BIDS	TED RICHARDSON	10.00 PER BALE/REVENUE	10.00 PER BALE	TED RICHARDSON 1610 SR 77, TEXICO, NEW MEXICO	IN STATE	NONE	AIRPORT MOWING
RFP-15-0101-02	RFP	TWO HORSE CONST	AS QUOTED AT OR BELOW RS MEANS OR GORDIAN	AS QUOTED	TWO HORSE CONST 115 NORTH PRINCE STREET, CLOVIS, NEW MEXICO 88101	IN STATE	NONE	JOB ORDER CONTRACT
RFP-15-0101-02	RFP	WWRC	AS QUOTED AT OR BELOW RS MEANS OR GORDIAN	AS QUOTED	WWRC 1716 7TH STREET, CLOVIS, NEW MEXICO 88101	IN STATE	NONE	JOB ORDER CONTRACT
RFP-15-0101-02	RFP	DAVTEK	AS QUOTED AT OR BELOW RS MEANS OR GORDIAN	AS QUOTED	DAVTEK 1314 CURRY ROAD J1, CLOVIS, NEW MEXICO 88101	IN STATE	NONE	JOB ORDER CONTRACT
RFP-15-0101-02	RFP	STOVEN	AS QUOTED AT OR BELOW RS MEANS OR GORDIAN	AS QUOTED	STOVEN 2709 VASSAR PL NE, SUITE F, ALBUQUERQUE, NEW MEXICO 87107	IN STATE	NONE	JOB ORDER CONTRACT
RFP-15-0101-02	RFP	FACILITY BUILD	AS QUOTED AT OR BELOW RS MEANS OR GORDIAN	AS QUOTED	FACILITY BUILD 5904 FLORENCE AVE NE, ALBUQUERQUE, NEW MEXICO 87113	IN STATE	NONE	JOB ORDER CONTRACT

See independent auditor's report

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Vendor Information  
For The Year Ended June 30, 2015**

<i>RFB#/RFP#</i>	<i>Type of Procurement</i>	<i>Awarded Vendor</i>	<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Name and Physical Address per the procurement documentation, of ALL Vendor(s) that responded</i>	<i>In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)</i>	<i>Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A</i>	<i>Brief Description of the Scope of Work</i>
RFP-15-0101-02	RFP	REED ROOFING	AS QUOTED AT OR BELOW RS MEANS OR GORDIAN	AS QUOTED	REED ROOFING 5821 PRINCE STREET, CLOVIS, NEW MEXICO 88101	IN STATE	NONE	JOB ORDER CONTRACT
RFP-15-0101-02	RFP	HIGH PLAINS BUILDERS	AS QUOTED AT OR BELOW RS MEANS OR GORDIAN	AS QUOTED	HIGH PLAINS BUILDERS 2212 FAIRWAY TERR., CLOVIS, NEW MEXICO 88101	IN STATE	NONE	JOB ORDER CONTRACT
RFP-15-0101-02	RFP	NICK GRIEGO & SONS	AS QUOTED AT OR BELOW RS MEANS OR GORDIAN	AS QUOTED	NICK GRIEGO & SONS 1155 KIMBERLY LANE, CLOVIS, NEW MEXICO 88101	IN STATE	NONE	JOB ORDER CONTRACT
RFP-15-0101-02	RFP	SNIDER ELECTRIC	AS QUOTED AT OR BELOW RS MEANS OR GORDIAN	AS QUOTED	SNIDER ELECTRIC 3220 AXTELL STREET, CLOVIS, NEW MEXICO 88101	IN STATE	NONE	JOB ORDER CONTRACT
RFP-15-0101-02	RFP	MOES'S PLUMBING	AS QUOTED AT OR BELOW RS MEANS OR GORDIAN	AS QUOTED	MOE'S PLUMBING 2105 EAST BRADY, CLOVIS, NEW MEXICO 88101	IN STATE	NONE	JOB ORDER CONTRACT
RFP-15-0101-02	RFP	K BARNETT & SONS	AS QUOTED AT OR BELOW RS MEANS OR GORDIAN	AS QUOTED	K BARNETT & SONS 2405 WEST 7TH STREET, CLOVIS, NEW MEXICO 88101	IN STATE	NONE	JOB ORDER CONTRACT

See independent auditor's report



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

Tim Keller  
New Mexico State Auditor  
To the City Manager and City Commission  
The City of Clovis  
Clovis, 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, the business-type activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, of the City of Clovis (City) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and the combining and individual funds and related budgetary comparisons of the City presented as supplemental information of and have issued our report thereon dated December 15, 2015.

**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.

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 deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses: 2013-001[13-01] and 2013-002[13-02].

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 did not identify any deficiencies in internal control that we consider to be significant deficiencies.

**Compliance and Other Matters**

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



**The City's Response to the Findings**

The City's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. 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 results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Hinkle + Landers, P.C.  
Albuquerque, NM 87102  
December 15, 2015

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

Mr. Tim Keller  
New Mexico State Auditor  
The City Commission  
City of Clovis  
Clovis, New Mexico

**Report on Compliance for Each Major Federal Program**

We have audited the City of Clovis, State of New Mexico's (City) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2015. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

**Opinion on Each Major Federal Program**

In our opinion, the City, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

**Report on Internal Control Over Compliance**

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Hinkle + Landers, P.C.  
Albuquerque, NM  
December 15, 2015

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2015**

**A. SUMMARY OF AUDIT RESULTS**

*Financial Statements:*

- |  |            |
|--|------------|
| 1. Type of auditor's report issued   | Unmodified |
| 1. Internal control over financial reporting:                                    |            |
| a. Material weakness identified?   | Yes        |
| b. Significant deficiencies identified not considered to be material weaknesses? | No         |
| c. Noncompliance material to the financial statements noted?                     | No         |

*Federal Awards:*

- |  |                                |                        |        |                                |  |
|--|--------------------------------|------------------------|--------|--------------------------------|--|
| 1. Internal control over major programs:   |                                |                        |        |                                |  |
| a. Material weaknesses identified?   | No                             |                        |        |                                |  |
| b. Significant deficiencies identified not considered to be material weaknesses?   | No                             |                        |        |                                |  |
| 2. Type of auditor's report issued on compliance for major programs  | Unmodified                     |                        |        |                                |  |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?  | Yes                            |                        |        |                                |  |
| 4. Identification of major programs:   |                                |                        |        |                                |  |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; width: 50%;"><u>CFDA<br/>Number</u></td> <td style="text-align: center; width: 50%;"><u>Federal Program</u></td> </tr> <tr> <td style="text-align: center;">20.509</td> <td style="text-align: center;">Formula Grants for Rural Areas</td> </tr> </table> | <u>CFDA<br/>Number</u>         | <u>Federal Program</u> | 20.509 | Formula Grants for Rural Areas |  |
| <u>CFDA<br/>Number</u>   | <u>Federal Program</u>         |                        |        |                                |  |
| 20.509   | Formula Grants for Rural Areas |                        |        |                                |  |
| 5. Dollar threshold used to distinguish between type A and type B programs:  | \$300,000                      |                        |        |                                |  |
| 6. Auditee qualified as low-risk auditee?  | No                             |                        |        |                                |  |

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2015**

<b>Finding</b>	<b>Status of Current and Prior Year Findings</b>	<b>Type of Finding*</b>
<b>Prior Year Findings</b>		
2013-001[13-01] SAS 115 MATERIAL ADJUSTMENTS BY AUDITOR	Modified	A
2013-002[13-02] CAPITAL ASSET TRACKING	Modified	A
2014-001 LACK OF CONTROLS OVER FEDERAL ACCOUNTS RECEIVABLES/REVENUES	<b>Resolved</b>	B,E

**Current Year Findings**

None

\* Legend for Type of Findings

- A. Material Weakness in Internal Control Over Financial Reporting
- B. Significant Deficiency in Internal Control Over Financial Reporting
- C. Other Matters Involving Internal Control Over Financial Reporting
- D. Material Weakness in Internal Control Over Compliance of Federal Awards
- E. Significant Deficiency in Internal Control Over Compliance of Federal Awards
- F. Instance of Noncompliance to Federal Awards
- G. Compliance with State Audit Rule

**PRIOR YEAR FINDINGS**

**2013-001[13-01] – SAS 115 MATERIAL ADJUSTMENTS BY AUDITOR - MODIFIED**

**Type of Finding: A**

**Statement of Condition**

Statement of Auditing Standards (SAS) 115 effectively states that an auditor cannot serve as a part of the internal controls of the client. While conducting the audit of the City of Clovis, it was determined that the City operates on a cash basis and does not add a 13th period to the end of their accounting cycle to transition into modified accrual (the reporting basis for the fund financials). It has been common practice at the City to rely on the auditors to make that transition for them. This is potentially acceptable if the client were to provide all of the necessary information to the auditors on any and all accruals necessary in order to satisfy that they were able to identify the necessary adjustments to take the books into modified accrual. During the audit, it was determined that while controls were in place to properly capture information for cash basis presentation, not all adjustments were identified by the City to transition into modified accrual.

Although the City's staff has made vast improvements in regards to providing all necessary adjustments, some areas still required audit adjustments. Those areas include receivables, capital assets (CIP), and the fund balance reconciliation. Below are the approximate dollar amounts of proposed audit adjustments:

- Capital assets (CIP) – (\$1,288,513)
- To reconcile fund balance – (\$2,464,655)
- Receivables – \$91,521

**Criteria**

Some of the key underlying concepts of Statement of Auditing Standards (SAS) 115 are

- The auditor cannot be part of a client's internal control. Becoming part of a client's internal control impairs the auditor's independence.

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2015**

- What the auditor does is independent of the client's internal control over financial reporting. Therefore, the auditor cannot be a compensating control for the client.
- A system of internal control over the financial reporting does not stop at the general ledger; rather it includes controls over the review of the financial statements.

Recording these adjustments is considered a significant process that the client needs to maintain.

**Effect**

Because these adjustments were made/identified by the auditor, and not by the City, it shows an internal control weakness in maintaining the general ledger at the modified accrual level and would potentially extend to the audit report. This significantly increases the potential for misstated financial statements.

**Cause**

The City's personnel and internal control procedures were not effective in identifying and correcting necessary accruals to the general ledger that would have resulted in material misstatement of the financial statements had they not been identified/corrected by the auditor.

**Recommendation**

We recommend that the City make adjustments to their general ledger in a timely manner. Asking for technical advice from the auditor or from someone else when these adjustments are needed is not considered a control deficiency as long as the staff of the City initiates/makes the adjustment and understands how and why the adjustments were made. We recommend that at year end and in the months directly after year end, the City identify and provide support for those accruals and deferrals necessary to take the books into the modified-accrual basis. This information should be provided to the auditors during the annual audit for further testing.

**Management Response**

The Budget Officer and Finance Director identified and prepared a large portion of the necessary adjusting entries. They will continue to work with the auditors in identifying the remaining entries that should be prepared by the City and the Budget Officer and Finance Director will work toward preparing all the necessary entries by the 2017 audit if not sooner. Funding has been approved to move to a new financial software package. The City will review potential software for the addition of the "13<sup>th</sup>" month option. This procurement process and implementation is expected to take 18 months to 2 years.

**2013-002[13-02] – CAPITAL ASSET TRACKING - MODIFIED**

**Type of Finding: A**

**Statement of Condition**

In the current year, the City completed the transfer of its capital asset data into a capital asset module. During that process, the City reevaluated its recorded capital assets and accumulated depreciation and determined they had been misstated in prior years. As a result, restatements (consisting of adjustments, corrections, and deletions) were necessary for both governmental \$(14,067,383) and proprietary funds\$(4,902,209).

**Criteria**

Proper internal controls dictate that the accounting records be maintained in a secure method that minimizes the potential for input errors. As the size and complexity of the operations being accounted for increase, so too must the controls in place to ensure that the accounting data is continually maintained in a secure and accurate manner.

**Effect**

The City has had several material capital asset restatements over the course of the last three audits.

**Cause**

In prior years, the City did not consider the potential risks involved with maintaining the Excel spreadsheets and felt it was an acceptable method for maintaining the asset listings.

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2015**

**Recommendation**

The City should reconcile the June 30, 2015 balances per the module to the balances per the audit. Balances that should be reconciled include:

- Capital assets by type (land, CIP, land improvements, etc.)
- Capital assets by fund
- Capital assets by distinction (governmental vs. proprietary)
- Accumulated depreciation by type (land, CIP, Land Improvements, etc.)
- Accumulated depreciation by fund
- Accumulated depreciation by distinction (governmental vs. proprietary)

The City should continue to reconcile additions, deletions, and transfers of capital assets to both the supporting documentation and the required journal entry, at least on a monthly basis.

**Management Response**

Finance Director has completed the review of the Capital Assets with each Department Head. With the assistance of the departments, it is believed that the Capital Assets is a correct reflection of the assets of the City. The Finance Director will continue reconciliations on a quarterly basis and change to monthly if increased activity in procurement merits the change. Funding has been approved for the purchase of a new financial software package. With the knowledge gained in this previous conversion, the City will be diligent in assessing the Capital Assets portion of any software considered. The procurement process and implementation is expected to take 18 months to 2 years.

**CURRENT YEAR FINDINGS**

**None**

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Exit Conference  
For the Year Ended June 30, 2015**

**A. AUDITOR PREPARED FINANCIAL STATEMENTS**

Presentation: The accompanying financial statements are the responsibility of the City and are based on information from the City's financial records. Assistance was provided by Hinkle + Landers, PC to the City in preparing the financial statements.

**B. EXIT CONFERENCE**

The contents of the report for the City of Clovis were discussed on December 15, 2015. The following individuals were in attendance.

City of Clovis Officials

Chris Bryant, Commissioner  
Larry G. Fry, City Manager  
Don Clifton, Budget Director  
LeighAnn Melancon, Finance Director

Hinkle + Landers, P.C.

Farley Vener, CPA, CFE