



# HINKLE + LANDERS

Certified Public Accountants + Business Consultants

**STATE OF NEW MEXICO  
CITY OF CLOVIS**

**FINANCIAL STATEMENTS**

**For The Year Ended June 30, 2016**



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CITY OF CLOVIS  
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For the Year Ended June 30, 2016**

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**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Official Roster  
As of June 30, 2016**

**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
Ladona Clayton	City Commissioner

**Administrative Officials**

Larry G. Fry	City Manager
Claire Burroghes	Assistant City Manager
Leigh Ann Melancon	Finance Director

## **FINANCIAL SECTION**

## 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, 2016, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the City's nonmajor governmental, 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, 2016, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2016, 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, 2016, 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 23 to the financial statements, the 2016 financial statements have been restated to correct balances in receivable and capital asset accounts. 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 Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 13, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Hinkle & Landers, P.C." in a cursive script.

Hinkle + Landers, PC  
Albuquerque, New Mexico  
December 13, 2016

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Management's Discussion and Analysis  
For the Year Ended June 30, 2016**

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, 2016. 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 \$129,501,193 (*net position*). Of this amount, \$18,490,227 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position decreased by \$1,177,810. 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 \$40,913,343, an increase of \$8,291,102 in comparison with the prior year.
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$11,313,573 or 50 percent of total general fund expenditures.
- The City of Clovis' total debt increased by \$2,929,870 (10 percent), during the current fiscal year. There was a new issue for street construction and refinancing of Civic Center bonds in fiscal year 2016. The annual principal payments decreased a portion of 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 thru 13 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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CITY OF CLOVIS  
Management's Discussion and Analysis  
For the Year Ended June 30, 2016**

**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 statements 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 113 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 \$129,501,193 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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Management's Discussion and Analysis  
For the Year Ended June 30, 2016**

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, 2016	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Current and other assets	\$ 46,064	39,562	9,437	11,680	55,501	51,242
Capital assets, net of accumulated depreciation	64,664	55,233	60,871	57,045	125,535	112,278
Deferred outflows of resources	1,338	-	-	-	1,338	-
Total assets and deferred outflows or resources	<u>112,065</u>	<u>94,795</u>	<u>70,308</u>	<u>68,725</u>	<u>182,374</u>	<u>163,520</u>
Long-term liabilities outstanding	22,914	10,476	23,662	25,171	46,576	35,647
Other Liabilities	3,927	4,573	1,954	1,634	5,881	6,207
Deferred inflows of resources	416	-	-	-	416	-
Total liabilities and deferred inflows of resources	<u>\$ 27,257</u>	<u>15,049</u>	<u>25,616</u>	<u>26,805</u>	<u>52,872</u>	<u>41,854</u>
Net position	<u>\$ 84,809</u>	<u>79,746</u>	<u>44,693</u>	<u>41,920</u>	<u>129,501</u>	<u>121,666</u>

An additional portion of the City of Clovis' net position of \$13,106,529 (10 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* \$23,882,045 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 \$2,800,451 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 \$2,257,559. Key elements of this increase are as follows:

- The total expenses for governmental activities increased by \$1,215,676, while revenues increased \$1,879,152 due mainly to increased operating grants and ICMA forfeiture.
- The gross receipts tax revenue increased \$25,587.

**Business-type activities.** Business-type activities decreased the City of Clovis' net position by \$2,519,472. Revenues decreased \$979,352 due to a decrease in grants in the Airport Fund. Expenses experienced a decrease of \$40,261.

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CITY OF CLOVIS  
Management's Discussion and Analysis  
For the Year Ended June 30, 2016**

**City of Clovis  
Comparison of Key Elements  
(In thousands)**

	Governmental Activities		Business-type Activities		Total	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
<b>Revenues</b>						
Taxes	\$ 30,118	29,842	494	491	30,612	30,333
Intergovernmental	2,825	4,935	284	492	3,109	5,427
Charges for services	2,748	2,212	8,097	7,404	10,845	9,616
Other	4,017	2,997	555	719	4,572	3,716
<b>Total revenue</b>	<b>39,709</b>	<b>39,986</b>	<b>9,430</b>	<b>9,106</b>	<b>49,139</b>	<b>49,092</b>
<b>Expenses</b>						
General government	6,294	5,909	-	-	6,294	5,909
Public safety	15,982	15,159	-	-	15,982	15,159
Public works	7,876	6,870	-	-	7,876	6,870
Culture and recreation	6,758	5,971	-	-	6,758	5,971
Health and welfare	600	941	-	-	600	941
Interest on long-term debt	448	505	-	-	448	505
Solid waste	-	-	5,859	4,935	5,859	4,935
Wastewater	-	-	4,005	3,280	4,005	3,280
Airport	-	-	1,126	1,142	1,126	1,142
Golf Course	-	-	453	363	453	363
<b>Total expenses</b>	<b>37,959</b>	<b>35,355</b>	<b>11,443</b>	<b>9,720</b>	<b>49,401</b>	<b>45,075</b>
Transfers	507	1,311	(507)	(1,311)	-	-
<b>Change in net position</b>	<b>\$ 2,258</b>	<b>5,942</b>	<b>(2,519)</b>	<b>(1,925)</b>	<b>(262)</b>	<b>4,017</b>

**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 \$40,913,343, an increase of \$8,291,102 in comparison with the prior year. Approximately 28 percent of this total amount, \$11,276,948 constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder, \$29,636,395 is non-spendable as it is for inventory and prepaid expenses, restricted, committed and assigned 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 \$11,313,573, and represents 50 percent of total general fund expenditures. The fund balance of the City of Clovis' general fund increased by \$1,255,345 during the current fiscal year.

**STATE OF NEW MEXICO  
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Management's Discussion and Analysis  
For the Year Ended June 30, 2016**

**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.

**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 \$4,673,526 less than the final budget amount (favorable variance). This was due primarily to the general government expenditure favorable variance of \$2,142,146.

**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, 2016, amounts to \$125,534,503 (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, 2016	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Land	\$ 3,285	5,008	6,190	6,256	9,475	11,264
Land improvements	2,401	510	108	116	2,508	626
Buildings and improvements	14,461	14,630	10,703	11,299	25,164	25,929
Equipment and vehicles	5,387	5,173	2,730	2,118	8,118	7,291
Infrastructure	38,180	40,507	40,269	41,495	78,449	82,002
Construction in progress	950	498	871	725	1,821	1,223
Net capital assets	<u>\$ 64,664</u>	<u>66,326</u>	<u>60,871</u>	<u>62,009</u>	<u>125,535</u>	<u>128,335</u>

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Management's Discussion and Analysis  
For the Year Ended June 30, 2016**

**Long-term debt.** At the end of the current fiscal year, the City of Clovis had total debt from outstanding bonds of \$19,552,284 and loans and notes outstanding of \$13,320,465.

**City of Clovis  
Long-term Debt  
(In thousands)**

	Governmental Activities		Business-type Activities		Total	
	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015
Revenue bonds	\$ 10,215	7,075	10,562	10,098	20,777	17,173
Notes payable	2,758	2,903	9,337	9,930	12,095	12,833
	<u>\$ 12,973</u>	<u>9,978</u>	<u>19,900</u>	<u>20,028</u>	<u>32,873</u>	<u>30,006</u>

Additional information on the City of Clovis' long-term debt can be found in Note 7 on pages 42-47 of this report.

**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, 2016**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Current assets			
Cash and investments	\$ 37,189,241	7,032,779	44,222,020
Receivables:			
Property taxes receivable	124,506	-	124,506
Intergovernmental	6,484,754	94,462	6,579,216
Other receivables	1,463,066	6,859	1,469,925
Customer receivables	-	1,514,955	1,514,955
Prepays	386,108	71,174	457,282
Inventory	70,583	66,690	137,273
Internal balances	14,544	(14,544)	-
<b>Total Current Assets</b>	<b>45,732,802</b>	<b>8,772,375</b>	<b>54,505,177</b>
Noncurrent assets			
Restricted cash and investments	319,090	-	319,090
Bond discounts, net of amortization of \$14,768	12,083	-	12,083
Capital assets	126,553,444	107,178,508	233,731,952
Less: accumulated depreciation	(61,889,817)	(46,307,633)	(108,197,450)
<b>Total Noncurrent Assets</b>	<b>64,994,800</b>	<b>60,870,875</b>	<b>125,865,675</b>
<b>Total Assets</b>	<b>110,727,602</b>	<b>69,643,250</b>	<b>180,370,852</b>
<b>Deferred Outflows of Resources</b>	<b>1,337,651</b>	<b>665,076</b>	<b>2,002,727</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 112,065,253</b>	<b>70,308,326</b>	<b>182,373,579</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, 2016**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Liabilities</b>			
Current liabilities			
Accounts payable	\$ 825,129	250,945	1,076,074
Accrued payroll expenses	646,184	77,579	723,763
Accrued compensated absences	657,061	133,018	790,079
Accrued interest	24,624	35,100	59,724
Meter and other refundable deposits	111,883	-	111,883
Current portion of bonds and notes payable	1,662,000	1,456,985	3,118,985
Total Current Liabilities	3,926,881	1,953,627	5,880,508
Noncurrent liabilities			
Accrued compensated absences	353,802	-	353,802
Meter and other refundable deposits	-	-	-
Landfill closure liability	-	4,545,523	4,545,523
Bond premium, net of amortization of \$20,792	149,134	8,654	157,788
Bonds and notes payable	11,311,000	18,442,764	29,753,764
Net pension liability	11,099,613	-	11,099,613
Total noncurrent liabilities	22,913,549	22,996,941	45,910,490
Total Liabilities	26,840,430	24,950,568	51,790,998
<b>Deferred Inflows of Resources</b>	416,312	665,076	1,081,388
<b>Net Position</b>			
Net investment in capital assets	51,541,493	40,971,126	92,512,619
Restricted for:			
Debt service	212,022	-	212,022
Capital projects and improvements	7,265,143	-	7,265,143
Other purposes	5,629,364	-	5,629,364
Unrestricted	20,160,489	3,721,556	23,882,045
Total Net Position	84,808,511	44,692,682	129,501,193
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 112,065,253	70,308,326	182,373,579

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, 2016**

<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	\$ 6,294,144	56,150	1,317,185	-	(4,920,809)	-	(4,920,809)
Public safety	15,981,902	2,484,613	873,580	-	(12,623,709)	-	(12,623,709)
Public works	7,876,039	-	-	107,248	(7,768,791)	-	(7,768,791)
Culture and recreation	6,757,991	196,631	417,756	-	(6,143,604)	-	(6,143,604)
Health and welfare	600,081	10,788	108,888	481	(479,924)	-	(479,924)
Interest on long-term debt	448,359	-	-	-	(448,359)	-	(448,359)
<i>Total governmental activities</i>	<u>37,958,516</u>	<u>2,748,182</u>	<u>2,717,409</u>	<u>107,729</u>	<u>(32,385,196)</u>	<u>-</u>	<u>(32,385,196)</u>
<b>Business-type Activities:</b>							
Solid Waste	5,858,623	4,739,322	-	-	-	(1,119,301)	(1,119,301)
Wastewater	4,005,250	3,142,767	-	-	-	(862,483)	(862,483)
Airport	1,126,002	152,034	-	284,333	-	(689,635)	(689,635)
Golf Course	452,679	63,117	-	-	-	(389,562)	(389,562)
<i>Total business-type activities</i>	<u>11,442,554</u>	<u>8,097,240</u>	<u>-</u>	<u>284,333</u>	<u>-</u>	<u>(3,060,981)</u>	<u>(3,060,981)</u>
<i>Total Primary Government</i>	<u><u>49,401,070</u></u>	<u><u>10,845,422</u></u>	<u><u>2,717,409</u></u>	<u><u>392,062</u></u>	<u><u>(32,385,196)</u></u>	<u><u>(3,060,981)</u></u>	<u><u>(35,446,177)</u></u>
<b>General Revenues:</b>							
Taxes							
Property taxes, levied for general purposes					\$ 2,017,678	-	2,017,678
Gross receipts taxes					25,835,453	493,864	26,329,317
Gasoline and motor vehicle taxes					558,216	-	558,216
Franchise taxes					997,548	-	997,548
Cigarette and lodger's taxes					709,289	-	709,289
Licenses and fees					348,751	-	348,751
Fines, forfeitures, and penalties					318,397	-	318,397
Investment income					75,152	252,792	327,944
Miscellaneous income					3,274,953	302,167	3,577,120
Gain/(loss) on sale of capital assets					4	-	4
Transfers					507,314	(507,314)	-
Total general revenues and transfers					<u>34,642,755</u>	<u>541,509</u>	<u>35,184,264</u>
Change in net position					<u>2,257,559</u>	<u>(2,519,472)</u>	<u>(261,913)</u>
Beginning net position					82,413,836	48,265,167	130,679,003
Restatement					<u>137,116</u>	<u>(1,053,013)</u>	<u>(915,897)</u>
Beginning net position as restated					<u>82,550,952</u>	<u>47,212,154</u>	<u>129,763,106</u>
Ending net position					<u><u>\$ 84,808,511</u></u>	<u><u>44,692,682</u></u>	<u><u>129,501,193</u></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, 2016**

	Major Funds				Total
	01, 18	22	24		
	General Fund	Street Improvement	Street Improvement	Other Non-Major Governmental Funds	
<i>Assets</i>					
Cash and investments	\$ 6,713,277	100,829	5,435,069	21,469,217	33,718,392
Restricted cash and investments	-	40,299	-	278,791	319,090
Receivables:					
Property taxes	124,506	-	-	-	124,506
Intergovernmental	2,873,344	-	-	3,611,410	6,484,754
Other receivables	1,183,116	-	-	279,950	1,463,066
Inventory	3,278	-	-	67,305	70,583
Prepaid insurance	322,483	-	-	63,588	386,071
Due from other funds	22,664,158	-	-	1,667	22,665,825
<i>Total assets</i>	<u>\$ 33,884,162</u>	<u>141,128</u>	<u>5,435,069</u>	<u>25,771,928</u>	<u>65,232,287</u>
<i>Liabilities and fund balances</i>					
<i>Liabilities</i>					
Accounts payable	\$ 171,654	119,194	36,037	468,254	795,139
Accrued payroll expenses	542,507	-	-	100,689	643,196
Other accrued expenses	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-
Deposits held in trust	111,883	-	-	-	111,883
Accrued interest	-	-	-	24,624	24,624
Due to other funds	21,325,964	-	-	1,325,318	22,651,282
<i>Total liabilities</i>	<u>22,152,008</u>	<u>119,194</u>	<u>36,037</u>	<u>1,918,885</u>	<u>24,226,124</u>
<i>Deferred inflows of resources</i>	<u>92,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,820</u>
<i>Total Liabilities and Deferred Inflow of Resources</i>	<u>22,244,828</u>	<u>119,194</u>	<u>36,037</u>	<u>1,918,885</u>	<u>24,318,944</u>
<i>Fund balances</i>					
Nonspendable	325,761	-	-	130,893	456,654
Restricted	-	21,934	5,399,032	6,864,307	12,285,273
Committed	-	-	-	14,878,081	14,878,081
Assigned	-	-	-	2,016,387	2,016,387
Unassigned	11,313,573	-	-	(36,625)	11,276,948
<i>Total fund balances</i>	<u>11,639,334</u>	<u>21,934</u>	<u>5,399,032</u>	<u>23,853,043</u>	<u>40,913,343</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 33,884,162</u>	<u>141,128</u>	<u>5,435,069</u>	<u>25,771,928</u>	<u>65,232,287</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, 2016**

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

Fund balances - total governmental funds	\$	40,913,343
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		64,633,308
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		92,820
Other long-term assets are not available to pay for current period expenditures and therefore, are deferred in the funds:		
Bond discounts		12,083
Bond premium		(149,134)
Restatement - net pension liability		-
Net pension related deferrals and liability		(10,178,274)
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		3,466,716
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		(657,061)
Noncurrent accrued compensated absences (less internal service fund)		(352,291)
Current bonds and notes payable		(1,662,000)
Bonds payable		(11,311,000)
Differences due to rounding		1
Net position of governmental activities	\$	<u><u>84,808,511</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, 2016**

	Major Funds			Other Non-major Governmental Funds	Total
	01, 18	22 Spec Revenue Street	24 Cap Projects		
	General Fund	Improvement	Street Improvement		
<i>Revenues:</i>					
<i>Taxes:</i>					
Property	\$ 1,924,858	-	-	-	1,924,858
Gross receipts	14,548,611	-	-	11,286,842	25,835,453
Gasoline and motor vehicle	33,880	-	-	524,336	558,216
Other	997,548	-	-	709,289	1,706,837
<i>Intergovernmental:</i>					
Federal operating grants	242,004	-	-	224,070	466,074
Federal capital grants	-	-	-	555,519	555,519
State operating grants	143,483	98,838	-	1,421,582	1,663,903
State capital grants	-	-	-	244,614	244,614
Charges for services	2,554,149	-	-	634,923	3,189,072
Fines, forfeitures, and penalties	1,436,391	-	-	10,611	1,447,002
Licenses and fees	303,968	-	-	375,018	678,986
Investment income	32,386	120	5,262	34,169	71,937
Miscellaneous	277,199	-	-	408,031	685,230
<i>Total revenues</i>	<u>22,494,477</u>	<u>98,958</u>	<u>5,262</u>	<u>16,429,004</u>	<u>39,027,701</u>
<i>Expenditures:</i>					
<i>Current:</i>					
General government	4,744,503	-	-	921,337	5,665,840
Public safety	15,005,772	-	-	540,376	15,546,148
Public works	358,209	-	136,080	3,644,418	4,138,707
Culture and recreation	2,371,619	-	-	2,738,513	5,110,132
Health and welfare	287,119	-	-	308,217	595,336
Capital outlay	47	677,449	295,407	3,225,940	4,198,843
<i>Debt service:</i>					
Principal	-	-	-	3,710,000	3,710,000
Interest	-	-	-	453,805	453,805
<i>Total expenditures</i>	<u>22,767,269</u>	<u>677,449</u>	<u>431,487</u>	<u>15,542,606</u>	<u>39,418,811</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(272,792)</u>	<u>(578,491)</u>	<u>(426,225)</u>	<u>886,398</u>	<u>(391,110)</u>
<i>Other financing sources (uses)</i>					
Transfers in/(out)	1,528,137	(71,945)	(955,036)	1,400,759	1,901,915
Proceeds from sale of capital asset	-	-	-	4	4
Proceeds from debt issuance	-	-	6,780,293	-	6,780,293
<i>Total other financing sources (uses)</i>	<u>1,528,137</u>	<u>(71,945)</u>	<u>5,825,257</u>	<u>1,400,763</u>	<u>8,682,212</u>
<i>Net change in fund balance</i>	1,255,345	(650,436)	5,399,032	2,287,161	8,291,102
<i>Beginning fund balance</i>	10,383,989	672,370	-	21,565,882	32,622,241
<i>Restatement</i>	-	-	-	-	-
<i>Beginning fund balance as restated</i>	<u>10,383,989</u>	<u>672,370</u>	<u>-</u>	<u>21,565,882</u>	<u>32,622,241</u>
<i>Ending fund balance</i>	<u>\$ 11,639,334</u>	<u>21,934</u>	<u>5,399,032</u>	<u>23,853,043</u>	<u>40,913,343</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, 2016**

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

Net change in fund balances - total governmental funds	\$	8,291,102
<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		3,283,186
Capital assets received as donations		-
Capital expenditures recorded in other expense lines		-
Capital asset transfer from proprietary fund		(30,000)
Less: CIP reclassifications		(172,141)
<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>		
		(4,880,569)
<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>		
		4
<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>		
		(1,213,764)
<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		(67,042)
<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		(1,343)
Amortization of bond premiums		11,329
Decrease in accrued interest		(40)
Change in noncurrent and current accrued compensated absences		222,400
Issuance of long-term debt		(6,780,293)
Principal payments on bonds and notes payable		3,710,000
<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>		
		(115,270)
Change in net position of governmental activities	\$	2,257,559

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, 2016**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes				
Property	\$ 1,964,254	1,964,254	1,949,897	(14,357)
Gross receipts	14,200,000	14,200,000	14,581,619	381,619
Gasoline and motor vehicle	30,000	30,000	34,187	4,187
Other	1,082,800	1,082,800	998,656	(84,144)
Intergovernmental income:				
Federal operating grants	217,735	409,245	146,103	(263,142)
Federal capital grants	-	-	-	-
State operating grants	175,154	255,014	74,930	(180,084)
State capital grants	-	-	-	-
Charges for services	2,074,000	2,074,000	2,499,756	425,756
Licenses and fees	308,250	308,250	303,968	(4,282)
Fines, forfeitures and penalties	118,000	1,505,000	1,436,391	(68,609)
Investment income	29,000	29,000	32,386	3,386
Miscellaneous	124,000	176,431	277,199	100,768
<i>Total revenues</i>	20,323,193	22,033,994	22,335,092	301,098
<i>Expenditures:</i>				
Current:				
General government	5,239,840	6,859,480	4,717,334	2,142,146
Public safety	15,324,125	16,267,364	14,943,527	1,323,837
Public Works	400,000	400,000	357,851	42,149
Culture and recreation	2,441,210	2,903,293	2,336,395	566,898
Health and welfare	411,249	420,581	286,331	134,250
Capital outlay	13,000	464,293	47	464,246
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	23,829,424	27,315,011	22,641,485	4,673,526
<i>Excess (deficiency) of revenues over expenditures</i>	(3,506,231)	(5,281,017)	(306,393)	4,974,624
<i>Other financing sources (uses)</i>				
Designated cash	3,506,231	5,281,017	-	(5,281,017)
Transfers in	-	-	3,884,881	3,884,881
Transfers out	-	-	(2,356,744)	(2,356,744)
<i>Total other financing sources (uses)</i>	3,506,231	5,281,017	1,528,137	(3,752,880)
<i>Net change in fund balance</i>	-	-	1,221,744	1,221,744
<i>Fund balance - beginning of year</i>	-	-	10,383,989	10,383,989
<i>Fund balance - end of year</i>	\$ -	-	11,605,733	11,605,733
Net change in fund balance (GAAP)				\$ 1,255,345
Adjustments to revenue for tax accruals and other miscellaneous revenue accruals				159,385
Adjustments to expenditures for accrued wages, compensated absences, insurance and function expenditures				(125,784)
Net change in fund balance (non-GAAP budgetary basis)				\$ 1,221,744

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, 2016

	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	98,838	98,838	98,838	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	50	120	70
Miscellaneous	-	-	-	-
<i>Total revenues</i>	98,838	98,888	98,958	70
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	693,909	699,313	558,255	141,058
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	693,909	699,313	558,255	141,058
<i>Excess (deficiency) of revenues over expenditures</i>	(595,071)	(600,425)	(459,297)	141,128
<i>Other financing sources (uses)</i>				
Designated cash/ other assets	595,071	600,425	-	(600,425)
Transfers in	-	-	-	-
Transfers out	-	-	(71,945)	(71,945)
Proceeds from debt issuance	-	-	-	-
<i>Total other financing sources (uses)</i>	595,071	600,425	(71,945)	(672,370)
<i>Net change in fund balance</i>	-	-	(531,242)	(531,242)
<i>Fund balance - beginning of year</i>	-	-	672,370	672,370
<i>Fund balance - end of year</i>	\$ -	-	141,128	141,128
Net change in fund balance (GAAP)			\$	(650,436)
No adjustments to revenues				-
Adjustments to expenditures for applicable accruals and payments				(119,194)
Net change in fund balance (non-GAAP budgetary basis)			\$	(531,242)

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, 2016**

	Business-Type Activities		
	Enterprise Funds		
	Major Funds		
	2	10	12
	Solid Waste	Wastewater	Airport
<i>Assets</i>			
<i>Current Assets</i>			
Cash and investments	\$ 2,242,949	4,425,441	260,015
Receivables:			
Intergovernmental	79,918	-	14,544
Other receivables	-	-	-
Customer receivables, net of allowance	880,862	634,093	-
Inventory	9,473	57,217	-
Prepays	23,507	32,525	14,324
<i>Total current assets</i>	<u>3,236,709</u>	<u>5,149,276</u>	<u>288,883</u>
<i>Noncurrent Assets</i>			
Capital assets	23,450,403	59,516,137	21,910,129
Less: accumulated depreciation	(11,066,425)	(28,368,508)	(6,715,829)
<i>Total noncurrent assets</i>	<u>12,383,978</u>	<u>31,147,629</u>	<u>15,194,300</u>
<i>Total Assets</i>	<u>15,620,687</u>	<u>36,296,905</u>	<u>15,483,183</u>
<i>Deferred Outflows of Resources</i>	-	665,076	-
<i>Total Assets and Deferred Outflows of Resources</i>	<u>\$ 15,620,687</u>	<u>36,961,981</u>	<u>15,483,183</u>
<i>Liabilities and Net Position</i>			
<i>Liabilities:</i>			
<i>Current liabilities</i>			
Accounts payable	\$ 223,137	16,762	4,893
Accrued payroll expenses	58,295	11,813	7,471
Accrued compensated absences	108,552	20,065	4,401
Accrued interest	6,013	20,397	-
Due to other funds	-	-	14,544
Current portion of bonds and notes payable	472,539	866,446	-
<i>Total current liabilities</i>	<u>868,536</u>	<u>935,483</u>	<u>31,309</u>
<i>Noncurrent Liabilities</i>			
Landfill closure	4,545,523	-	-
Bonds and notes payable	3,484,745	12,730,019	-
Bond premium, net of amortization of \$3,400	-	8,654	-
<i>Total noncurrent liabilities</i>	<u>8,030,268</u>	<u>12,738,673</u>	<u>-</u>
<i>Total liabilities</i>	<u>8,898,804</u>	<u>13,674,156</u>	<u>31,309</u>
<i>Deferred Inflows of Resources</i>	-	665,076	-
<i>Net Position:</i>			
Net investment in capital assets	8,426,694	17,551,164	15,194,300
Unrestricted	(1,704,811)	5,071,585	257,574
<i>Total Net Position</i>	<u>6,721,883</u>	<u>22,622,749</u>	<u>15,451,874</u>
<i>Total Liabilities, Deferred Inflows of Resources, and Net Position</i>	<u>\$ 15,620,687</u>	<u>36,961,981</u>	<u>15,483,183</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, 2016**

	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	\$ 104,374	7,032,779	3,470,849
Receivables:			
Intergovernmental	-	94,462	-
Other receivables	6,859	6,859	-
Customer receivables, net of allowance	-	1,514,955	-
Due from other funds	-	-	-
Inventory	-	66,690	-
Prepays	818	71,174	37
<i>Total current assets</i>	<u>112,051</u>	<u>8,786,919</u>	<u>3,470,886</u>
<i>Noncurrent Assets</i>			
Capital assets	2,301,839	107,178,508	115,376
Less: accumulated depreciation	(156,871)	(46,307,633)	(85,057)
<i>Total noncurrent assets</i>	<u>2,144,968</u>	<u>60,870,875</u>	<u>30,319</u>
<i>Total Assets</i>	<u>2,257,019</u>	<u>69,657,794</u>	<u>3,501,205</u>
<i>Deferred Outflows of Resources</i>	-	665,076	-
<i>Total Assets and Deferred Outflows of Resources</i>	<u>\$ 2,257,019</u>	<u>70,322,870</u>	<u>3,501,205</u>
<i>Liabilities and Net Position</i>			
<i>Liabilities:</i>			
<i>Current liabilities</i>			
Accounts payable	\$ 6,153	250,945	29,990
Accrued payroll expenses	-	77,579	2,988
Accrued compensated absences	-	133,018	1,511
Accrued interest	8,690	35,100	-
Due to other funds	-	14,544	-
Current portion of bonds and notes payable	118,000	1,456,985	-
<i>Total current liabilities</i>	<u>132,843</u>	<u>1,968,171</u>	<u>34,489</u>
<i>Noncurrent Liabilities</i>			
Landfill closure	-	4,545,523	-
Bonds and notes payable	2,228,000	18,442,764	-
Bond premium, net of amortization of \$3,400	-	8,654	-
<i>Total noncurrent liabilities</i>	<u>2,228,000</u>	<u>22,996,941</u>	<u>-</u>
<i>Total liabilities</i>	<u>2,360,843</u>	<u>24,965,112</u>	<u>34,489</u>
<i>Deferred Inflows of Resources</i>	-	665,076	-
<i>Net Position:</i>			
Net investment in capital assets	(201,032)	40,971,126	30,319
Unrestricted	97,208	3,721,556	3,436,397
<i>Total net position</i>	<u>(103,824)</u>	<u>44,692,682</u>	<u>3,466,716</u>
<i>Total Liabilities, Deferred Inflows or Resources, and Net Position</i>	<u>\$ 2,257,019</u>	<u>70,322,870</u>	<u>3,501,205</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, 2016**

	Business-Type Activities		
	Enterprise Funds		
	Major Funds		
	2	10	12
	Solid Waste	Wastewater	Airport
<i>Operating revenues:</i>			
Charges for services	\$ 4,739,322	3,142,767	152,034
<i>Total operating revenues</i>	<u>4,739,322</u>	<u>3,142,767</u>	<u>152,034</u>
<i>Operating expenses:</i>			
General and administrative	375,400	391,498	-
Personnel services	1,763,860	729,914	207,008
Contractual services	-	-	-
Supplies and purchased power	867,914	129,622	-
Maintenance and materials	1,171,522	411,743	167,295
Utilities	9,478	215,955	48,171
Depreciation	1,596,663	1,800,812	703,528
Miscellaneous	-	14,505	-
<i>Total operating expenses</i>	<u>5,784,837</u>	<u>3,694,049</u>	<u>1,126,002</u>
<i>Operating income (loss)</i>	<u>(1,045,515)</u>	<u>(551,282)</u>	<u>(973,968)</u>
<i>Non-operating revenues (expenses):</i>			
Gain/loss on disposal of capital assets	-	-	-
Federal nonoperating grants	-	-	172,800
State nonoperating grants	-	-	111,533
Interest income	119,533	133,022	222
Interest expense	(73,786)	(311,201)	-
Gross receipts and other taxes	493,864	-	-
Miscellaneous	81,552	179,793	7,320
<i>Total non-operating revenues (expenses)</i>	<u>621,163</u>	<u>1,614</u>	<u>291,875</u>
Transfers in	-	652,147	296,232
Transfers out	(830,822)	(1,048,923)	-
<i>Net capital grants and transfers</i>	<u>(830,822)</u>	<u>(396,776)</u>	<u>296,232</u>
<i>Change in net position</i>	<u>(1,255,174)</u>	<u>(946,444)</u>	<u>(385,861)</u>
<i>Net position, beginning of year</i>	7,517,480	25,157,267	15,762,251
<i>Restatement</i>	459,577	(1,588,074)	75,484
<i>Beginning net position, as restated</i>	<u>7,977,057</u>	<u>23,569,193</u>	<u>15,837,735</u>
<i>Net position, end of year</i>	<u>\$ 6,721,883</u>	<u>22,622,749</u>	<u>15,451,874</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, 2016**

	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	\$ 63,117	8,097,240	553,342
<i>Total operating revenues</i>	<u>63,117</u>	<u>8,097,240</u>	<u>553,342</u>
<i>Operating expenses:</i>			
General and administrative	-	766,898	351,788
Personnel services	-	2,700,782	81,622
Contractual services	-	-	-
Supplies and purchased power	-	997,536	-
Maintenance and materials	373,806	2,124,366	-
Utilities	52,012	325,616	-
Depreciation	26,861	4,127,864	13,098
Miscellaneous	-	14,505	-
<i>Total operating expenses</i>	<u>452,679</u>	<u>11,057,567</u>	<u>446,508</u>
<i>Operating income (loss)</i>	<u>(389,562)</u>	<u>(2,960,327)</u>	<u>106,834</u>
<i>Non-operating revenues (expenses):</i>			
Gain/loss on disposal of capital assets	-	-	-
Federal nonoperating grants	-	172,800	-
State nonoperating grants	-	111,533	-
Interest income	15	252,792	3,216
Interest expense	-	(384,987)	-
Gross receipts and other taxes	-	493,864	-
Miscellaneous	33,502	302,167	70,787
<i>Total non-operating revenues (expenses)</i>	<u>33,517</u>	<u>948,169</u>	<u>74,003</u>
Transfers in	424,052	1,372,431	40,299
Transfers out	-	(1,879,745)	(1,434,900)
<i>Net capital grants and transfers</i>	<u>424,052</u>	<u>(507,314)</u>	<u>(1,394,601)</u>
<i>Change in net position</i>	68,007	(2,519,472)	(1,213,764)
<i>Net position, beginning of year</i>	(171,831)	48,265,167	4,680,480
<i>Restatement</i>	-	(1,053,013)	-
<i>Beginning net position, as restated</i>	<u>(171,831)</u>	<u>47,212,154</u>	<u>4,680,480</u>
<i>Net position, end of year</i>	<u>\$ (103,824)</u>	<u>44,692,682</u>	<u>3,466,716</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, 2016**

	Business-Type Activities		
	Enterprise Funds		
	Major Funds		
	2	10	12
	Solid Waste	Wastewater	Airport
Cash flows from operating activities			
Receipts from customers and users	\$ 5,757,296	4,612,791	250,378
Receipts from interfund services provided	-	-	-
Payments to suppliers and employees	<u>(3,239,341)</u>	<u>(3,505,639)</u>	<u>(389,699)</u>
Net cash provided (used) by operating activities	<u>2,517,955</u>	<u>1,107,152</u>	<u>(139,321)</u>
Cash flows from noncapital financing activities:			
Transfers from other funds	-	652,147	296,232
Operating transfers to other funds	(830,822)	(1,048,923)	-
Payments received from note receivable	-	-	-
Tax receipts	493,864	-	-
Intergovernmental receipts	-	-	284,333
Miscellaneous income	<u>81,552</u>	<u>179,793</u>	<u>7,320</u>
Net cash provided (used) by noncapital financing activities	<u>(255,406)</u>	<u>(216,983)</u>	<u>587,885</u>
Cash flows from capital and related financing activities:			
Acquisitions and construction of capital assets	(2,098,728)	(1,038,195)	(364,106)
Loss from sale of capital assets	251,354	157,185	102,671
Principal paid on notes payable	(470,751)	(823,344)	-
Interest paid on notes payable	(73,786)	(311,201)	-
Long-term debt proceeds	<u>-</u>	<u>1,280,000</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>(2,391,911)</u>	<u>(735,555)</u>	<u>(261,435)</u>
Cash flows from investing activities:			
Interest income	<u>119,533</u>	<u>133,022</u>	<u>222</u>
Net cash provided by investing activities	<u>119,533</u>	<u>133,022</u>	<u>222</u>
Net increase/(decrease) in cash and temporary investments	<u>\$ (9,829)</u>	<u>287,636</u>	<u>187,351</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, 2016**

	Business-Type Activities		
	Enterprise Funds		
	Major Funds		
	2	10	12
	Solid Waste	Wastewater	Airport
Net increase/(decrease) in cash and cash equivalents-previous page	\$ (9,829)	287,636	187,351
Cash and investments June 30, 2015	<u>2,252,778</u>	<u>4,137,805</u>	<u>72,664</u>
Cash and investments June 30, 2016	<u><u>2,242,949</u></u>	<u><u>4,425,441</u></u>	<u><u>260,015</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (1,045,515)	(551,282)	(973,968)
Restatement	459,577	(1,588,074)	75,484
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	1,596,663	1,800,812	703,528
(Increase) decrease in:			
Accounts receivable	1,017,974	1,601,629	98,344
Inventory	2,048	(22,978)	-
Prepays	7,117	997	1,285
(Decrease) increase in:			
Accounts payable	221,811	(4,886)	(61,168)
Accrued payroll	11,017	3,899	3,329
Unearned revenue	-	(131,605)	-
Compensated absences	16,760	(515)	(699)
Accrued interest	(149)	(845)	-
Due to other funds	-	-	14,544
Estimated landfill postclosure costs	<u>230,652</u>	<u>-</u>	<u>-</u>
Net cash provided (used) by operating activities	<u><u>\$ 2,517,955</u></u>	<u><u>1,107,152</u></u>	<u><u>(139,321)</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, 2016**

	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	\$ 63,920	10,684,385	-
Receipts from interfund services provided	-	-	830,438
Payments to suppliers and employees	<u>(423,353)</u>	<u>(7,558,032)</u>	<u>(402,522)</u>
Net cash provided (used) by operating activities	<u>(359,433)</u>	<u>3,126,353</u>	<u>427,916</u>
Cash flows from noncapital financing activities:			
Transfers from other funds	424,052	1,372,431	40,299
Operating transfers to other funds	-	(1,879,745)	(1,434,900)
Payments received from note receivable	-	-	-
Tax receipts	-	493,864	-
Intergovernmental receipts	-	284,333	-
Miscellaneous income	<u>33,502</u>	<u>302,167</u>	<u>70,787</u>
Net cash provided (used) by noncapital financing activities	<u>457,554</u>	<u>573,050</u>	<u>(1,323,814)</u>
Cash flows from capital and related financing activities:			
Acquisitions and construction of capital assets	-	(3,501,029)	(18,261)
Proceeds from sale of capital assets	-	511,210	-
Principal paid on notes payable	(115,000)	(1,409,095)	-
Interest paid on notes payable	-	(384,987)	-
Long-term debt proceeds	<u>-</u>	<u>1,280,000</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>(115,000)</u>	<u>(3,503,901)</u>	<u>(18,261)</u>
Cash flows from investing activities:			
Interest income	<u>15</u>	<u>252,792</u>	<u>3,216</u>
Net cash provided by investing activities	<u>15</u>	<u>252,792</u>	<u>3,216</u>
Net increase (decrease) in cash and temporary investments	\$ <u>(16,864)</u>	<u>448,294</u>	<u>(910,943)</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, 2016**

	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	\$ (16,864)	448,294	(910,943)
Cash and investments June 30, 2015	<u>121,238</u>	<u>6,584,485</u>	<u>4,381,792</u>
Cash and investments June 30, 2016	<u>\$ 104,374</u>	<u>7,032,779</u>	<u>3,470,849</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (389,562)	(2,960,327)	106,834
Restatement	-	(1,053,013)	-
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	26,861	4,127,864	13,098
(Increase) decrease in:			
Accounts receivable	803	2,718,750	277,096
Inventory	-	(20,930)	-
Prepays	794	10,193	674
(Decrease) increase in:			
Accounts payable	1,891	157,648	29,975
Accrued payroll	-	18,245	785
Unearned revenue	-	(131,605)	-
Compensated absences	-	15,546	(546)
Accrued interest	(220)	(1,214)	-
Due to other funds	-	14,544	-
Estimated landfill postclosure costs	<u>-</u>	<u>230,652</u>	<u>-</u>
Net cash provided (used) by operating activities	<u>\$ (359,433)</u>	<u>3,126,353</u>	<u>427,916</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, 2016**

Cash and investments	\$ <u>72,999</u>
<i>Total assets</i>	\$ <u><u>72,999</u></u>
<i>Liabilities</i>	
Deposits held in trust	\$ <u>72,999</u>
<i>Total liabilities</i>	\$ <u><u>72,999</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, 2016**

**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 recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Notes to Financial Statements  
For the Year Ended June 30, 2016**

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)* – Special Revenue Fund- To account for all revenues directly related to or assigned to street improvements. This includes grants, charges for services, and other revenues.

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*Street Improvement Fund (Ordinance 1985-2012)* – Capital Project Fund - To account for the City's cost of constructing, acquiring and improving the City's storm drainage system.

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 include revenues received from state and federal sources 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. A reimbursement occurs from one fund incurring a cost, charging the appropriate benefiting fund and reducing 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 asset 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, 2016, 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 portions 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 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 the City through adoption or amendment of the budget as intended for specific purposes (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 the 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, 2016 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, 2016 is as follows:

<u>Cash and investments</u>	<u>Amount</u>
Cash and cash equivalents	
Cash on hand	\$ 7,680
Cash	21,771,615
Subtotal cash and cash equivalents	<u>21,779,295</u>
Investments	
State Treasurer's Investment Pool	16,891,023
Certificates of deposit - maturities > 90 days	5,943,792
Subtotal investments	<u>22,834,815</u>
Total cash and investments	<u>\$ 44,614,110</u>

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<b>Cash and investments by fund type</b>	<b>Amount</b>
Governmental funds	\$ 34,037,482
Internal service funds	3,470,849
Subtotal governmental activities	37,508,331
Enterprise funds	7,032,779
Fiduciary funds	72,999
Total cash and investments	\$ 44,614,109

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, 2016.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the City. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bonds 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, 2016, \$27,248,180 of the City's bank balances of \$28,248,180 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, 2016, \$-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, 2016, 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 74% and 26%, respectively, of the City's total investments. The City's investments at June 30, 2016 include the following:

Investments	Maturity	Fair Value
New MexiGROW LGIP	WAM - 60 days	\$ 16,891,023
Certificates of deposit	12 months	5,943,792
Total		\$ 22,834,815

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, 2016.

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. Per review of GASB Statement No. 79, the State Treasurer Local Government Investment Pool is exempt from GASB 79, and should continue to be measured and disclosed in accordance with existing literature.

*Credit Risk*

As of June 30, 2016, 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, 2016, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Funds		(01)	(22)	(24)	Nonmajor Funds	Total Governmental
		General Fund	Street Improvement	Cap. Project Street Improvement		
Accounts	\$	3,760,341	-	-	99,248	3,859,589
Taxes (Property, GRT, etc.)		2,755,949	-	-	1,939,637	4,695,586
Grants:						
State		137,589	-	-	1,457,776	1,595,365
Federal		104,312	-	-	114,749	219,061
Other		-	-	-	279,950	279,950
Subtotal		6,758,191	-	-	3,891,360	10,649,551
Less: Allowance for uncollectibles		(2,577,225)	-	-	-	(2,577,225)
Net receivables	\$	<u>4,180,966</u>	<u>-</u>	<u>-</u>	<u>3,891,360</u>	<u>8,072,326</u>
Proprietary Funds		(02)	(10)	(12)	(19)	Total Proprietary
		Solid Waste	Wastewater	Airport	Golf Course	
Accounts	\$	1,433,623	981,546	151	6,859	2,422,179
Taxes (Property, GRT, etc.)		79,918	-	-	-	79,918
Grants:						
State		-	-	14,544	-	14,544
Federal		-	-	-	-	-
Other		-	665,076	-	-	665,076
Subtotal		1,513,541	1,646,622	14,695	6,859	3,181,717
Less: Allowance for uncollectibles		(552,761)	(347,453)	(151)	-	(900,365)
Net receivables	\$	<u>960,780</u>	<u>1,299,169</u>	<u>14,544</u>	<u>6,859</u>	<u>2,281,352</u>

In accordance with GASB No. 63 and 65, the property tax revenues totaling \$92,820 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 an interfund receivable/payable to reflect a temporary loan between funds. The purpose of the loan was 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, 2016, 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	2,484
General Fund	01	Drug Control Fund - Non-major Spec Rev Fund	98	77,735
General Fund	01	Airport	12	14,544
General Fund	01	Street Construction	87	1,174,321
General Fund	01	Transit System	92	69,110
Carver Library	14	Special Designated	63	1,667
Payroll	18	General Fund	01	21,325,964
				<u>\$ 22,665,825</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

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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, 2016 is as follows:

	Transfers In										
	01/18	22	24	02, 20,	10, 11, 44	12	19	Non-Major	49, 50	48, 53, 54	
	General	Spec. Rev Street Improv.	Cap Proj. Street Improv.	43 Solid Waste	67, 68 Waste- water	Airport	Golf Course	Govern- mental	Fidu- ciary	Internal Service	Total
General	\$ 73,538	-	-	-	-	296,232	296,552	1,763,960	-	-	2,430,282
Street Improv.	-	-	-	-	-	-	-	71,945	-	-	71,945
Street Imp. CP	-	-	-	-	-	-	-	2,130,199	-	-	2,130,199
Solid Waste	259,000	-	-	-	-	-	-	7	-	-	259,007
Wastewater	150,000	-	-	-	190,738	-	-	1,280,000	-	-	1,620,738
Airport	-	-	-	-	-	-	-	-	-	-	-
Golf Course	-	-	-	-	-	-	-	-	-	-	-
Non-Major Governmental	3,140,981	-	375,163	-	461,409	-	127,500	4,579,794	-	40,299	8,725,146
Fiduciary	-	-	-	-	-	-	-	-	-	-	-
Internal Service	334,900	-	800,000	-	-	-	-	300,000	-	-	1,434,900
<b>Total</b>	<b>\$ 3,958,419</b>	<b>-</b>	<b>1,175,163</b>	<b>-</b>	<b>652,147</b>	<b>296,232</b>	<b>424,052</b>	<b>10,125,905</b>	<b>-</b>	<b>40,299</b>	<b>16,672,217</b>

Of the transfers in to the general fund shown above, a total of \$1,920,638 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, 2016, 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**

*Governmental Activities includes*

	Balance June 30, 2015	Additions and Transfers In	Deletions and Transfers Out	Reclass and Adjustments	Balance June 30, 2016
<i>Internal Service Funds</i>					
Capital assets not being depreciated:					
Land	\$ 5,008,082	-	-	(1,723,029)	3,285,053
Construction in progress	498,379	623,386	(172,141)	-	949,624
Total capital assets not being depreciated	<u>5,506,461</u>	<u>623,386</u>	<u>(172,141)</u>	<u>(1,723,029)</u>	<u>4,234,677</u>
Capital assets being depreciated:					
Land improvements	643,933	70,885	-	1,850,000	2,564,818
Buildings and improvements	23,085,556	423,804	-	-	23,509,360
Equipment and vehicles	20,060,197	1,640,977	(882,455)	-	20,818,719
Infrastructure	74,901,736	524,134	-	-	75,425,870
Total capital assets being depreciated	<u>118,691,422</u>	<u>2,659,800</u>	<u>(882,455)</u>	<u>1,850,000</u>	<u>122,318,767</u>
Total capital assets	<u>124,197,883</u>	<u>3,283,186</u>	<u>(1,054,596)</u>	<u>126,971</u>	<u>126,553,444</u>
Less accumulated depreciation:					
Land improvements	(133,691)	(30,580)	-	-	(164,271)
Buildings and improvements	(8,455,682)	(593,084)	-	-	(9,048,766)
Equipment and vehicles	(14,887,673)	(1,410,101)	882,455	(15,972)	(15,431,291)
Infrastructure	(34,394,804)	(2,846,804)	-	(3,881)	(37,245,489)
Total accumulated depreciation	<u>(57,871,850)</u>	<u>(4,880,569)</u>	<u>882,455</u>	<u>(19,853)</u>	<u>(61,889,817)</u>
Total capital assets net of depreciation	<u>\$ 66,326,033</u>	<u>(1,597,383)</u>	<u>(172,141)</u>	<u>107,118</u>	<u>64,663,627</u>

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**Proprietary Funds**

*Business-Type Activities*

	Balance June 30, 2015	Additions and Transfers In	Deletions and Transfers Out	Reclass and Adjustments	Balance June 30, 2016
Capital assets not being depreciated:					
Land	\$ 6,255,711	-	-	(66,133)	6,189,578
Construction in progress	724,938	912,052	(766,028)	-	870,962
Total capital assets not being depreciated	<u>6,980,649</u>	<u>912,052</u>	<u>(766,028)</u>	<u>(66,133)</u>	<u>7,060,540</u>
Capital assets being depreciated:					
Land improvements	204,640	-	-	-	204,640
Buildings and improvements	16,307,877	27,732	(5,486)	(109,125)	16,220,998
Equipment and vehicles	11,929,813	1,840,871	(208,621)	33,200	13,595,263
Infrastructure	69,379,632	766,028	-	(48,593)	70,097,067
Total capital assets being depreciated	<u>97,821,962</u>	<u>2,634,631</u>	<u>(214,107)</u>	<u>(124,518)</u>	<u>100,117,968</u>
Total capital assets	<u>104,802,611</u>	<u>3,546,683</u>	<u>(980,135)</u>	<u>(190,651)</u>	<u>107,178,508</u>
Less accumulated depreciation:					
Land improvements	(89,018)	(7,848)	-	-	(96,866)
Buildings and improvements	(5,008,494)	(515,772)	5,486	1,092	(5,517,688)
Equipment and vehicles	(9,811,593)	(1,331,591)	208,620	69,590	(10,864,974)
Infrastructure	(27,884,585)	(2,272,653)	-	329,133	(29,828,105)
Total accumulated depreciation	<u>(42,793,690)</u>	<u>(4,127,864)</u>	<u>214,106</u>	<u>399,815</u>	<u>(46,307,633)</u>
Total capital assets net of depreciation	<u>\$ 62,008,921</u>	<u>(581,181)</u>	<u>(766,029)</u>	<u>209,164</u>	<u>60,870,875</u>

Depreciation expense for the year ended June 30, 2016 was charged to the following functions and funds:

Governmental activities:

General government	\$ 235,714
Public safety	916,138
Public works	2,651,708
Culture and recreation	924,952
Health and welfare	13,673
Economic Development	125,286
Total	<u>4,867,471</u>

Internal Service Fund

Total governmental activities	<u>13,098</u>
	<u>\$ 4,880,569</u>

Business type activities:

Solid Waste	1,596,663
Wastewater	1,800,812
Airport	703,528
Golf Course	26,861
Total business-type activities	<u>\$ 4,127,864</u>

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**NOTE 7 – Long-term Debt**

Long-term liability activity for the year ended June 30, 2016, was as follows:

	Balance June 30, 2015	Additions	Retirements	Balance June 30, 2016	Due Within One Year
<b>Governmental Activities:</b>					
Gross receipts tax revenue bonds					
Series 2005	\$ 2,110,000	-	(2,110,000)	-	-
Series 2012	4,965,000	-	(340,000)	4,625,000	340,000
Series 2015	-	6,705,000	(1,115,000)	5,590,000	1,175,000
Total bonds payable	<u>7,075,000</u>	<u>6,705,000</u>	<u>(3,565,000)</u>	<u>10,215,000</u>	<u>1,515,000</u>
NMFA Notes payable					
2011 Clovis 6-A - Park	2,903,000	-	(145,000)	2,758,000	147,000
Total notes payable	<u>2,903,000</u>	<u>-</u>	<u>(145,000)</u>	<u>2,758,000</u>	<u>147,000</u>
Compensated Absences	<u>1,233,263</u>	<u>981,503</u>	<u>(1,203,903)</u>	<u>1,010,863</u>	<u>657,061</u>
Net pension liability	<u>8,762,160</u>	<u>3,286,309</u>	<u>(948,856)</u>	<u>11,099,613</u>	<u>-</u>
Governmental-activities long-term liabilities	<u>\$ 19,973,423</u>	<u>10,972,812</u>	<u>(5,862,759)</u>	<u>25,083,476</u>	<u>2,319,061</u>
	Balance			Balance	Due Within
	June 30, 2015	Additions	Retirements	June 30, 2016	One Year
<b>Business-type Activities:</b>					
Notes payable					
NM Environmental Dept.	\$ 6,065,409	-	(413,166)	5,652,243	421,429
2011 Clovis 6-B - Golf Course	2,461,000	-	(115,000)	2,346,000	118,000
2013 NM Finance Authority	1,403,781	-	(80,936)	1,322,845	81,139
2015 Water Project Fund	-	1,280,000	(38,623)	1,241,377	63,878
Total notes payable	<u>9,930,190</u>	<u>1,280,000</u>	<u>(647,725)</u>	<u>10,562,465</u>	<u>684,446</u>
Gross receipts tax revenue bonds					
Series 2010	5,670,000	-	(290,000)	5,380,000	300,000
Series 2014	4,428,035	-	(470,751)	3,957,284	472,539
Total bonds payable	<u>10,098,035</u>	<u>-</u>	<u>(760,751)</u>	<u>9,337,284</u>	<u>772,539</u>
Compensated absences	<u>117,472</u>	<u>145,085</u>	<u>(129,539)</u>	<u>133,018</u>	<u>133,018</u>
Business-type-activities long-term liabilities	<u>\$ 20,145,697</u>	<u>1,425,085</u>	<u>(1,538,015)</u>	<u>20,032,767</u>	<u>1,590,003</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, 2016 are comprised of the following:

	Sales Tax Revenue Bonds Series October 3, 2012	Sales Tax Revenue Bonds Series July 1, 2015
Original issue:	10/3/2012	7/1/2015
Principal:	\$ 9,000,000	\$ 6,705,000
Interest:	June 1 & December 1	June 1 & December 1
Rates:	2.00% to 2.50%	2.00% to 3.00%

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.

The annual requirements to amortize the 2012 Bond Issue outstanding as of June 30, 2016, including interest payments are as follows:

**2013 Gross Receipts Tax Revenue Bonds**

Fiscal Year Ending June 30,		Principal	Interest	Total Debt Service
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		440,000	67,327	507,327
2022-2026		2,200,000	200,225	2,400,225
2027-2031		405,000	10,125	415,125
	\$	4,625,000	629,776	5,254,776

The July 1, 2015 Gross Receipts Tax Refunding and Improvement Revenue Bonds, Series 2015, were issued for (i) refunding, redeeming, paying and discharging the City's outstanding Gross Receipts Tax Revenue Bonds, Series 2005, in the amount of \$2,110,000 (ii) acquiring, constructing, reconstructing, resurfacing, maintaining, repairing or otherwise improving municipal streets, and (iii) paying costs of issuance of the bonds. The Bonds are being issued pursuant to Section 7-1-6.4 NMSA 1978 providing for the disposition of tax receipts derived from the state-shared gross receipts tax. The 2015 Bonds and all payments of principal, premium, and interest thereon whether at maturity or on a redemption date shall be paid with pledged revenues 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. 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 new bonds mature June 1, 2030.

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The annual requirements to amortize the 2015 Bond Issue outstanding as of June 30, 2016, including interest payments are as follows:

**2015 Refunding and Improvement**

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2017	\$ 1,175,000	124,800	1,299,800
2018	1,185,000	101,300	1,286,300
2019	335,000	77,600	412,600
2020	340,000	70,900	410,900
2021	350,000	64,100	414,100
2022-2026	1,600,000	202,500	1,802,500
2027-2031	605,000	45,900	650,900
	<u>\$ 5,590,000</u>	<u>687,100</u>	<u>6,277,100</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, 2016, including interest payments are as follows:

**Governmental - Clovis 6-A Park**

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	162,000	85,046	247,046
2022-2026	896,000	338,846	1,234,846
2027-2031	1,091,000	146,068	1,237,068
	<u>\$ 2,758,000</u>	<u>950,792</u>	<u>3,708,792</u>

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Bonds payable for proprietary funds at June 30, 2016 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, 2016, including interest payments are as follows:

**Proprietary - Series 2010 GRT Bonds**

<u>Fiscal Year Ending June 30,</u>		<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
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		340,000	157,188	497,188
2022-2026		1,925,000	611,550	2,536,550
2027-2031		1,860,000	269,875	2,129,875
	\$	5,380,000	1,723,315	7,103,315

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, 2024.

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The annual requirements to amortize the 2014 Bond Issue outstanding as of June 30, 2016, including interest payments are as follows:

**Proprietary - GRT Revenue Bonds Series 2014**

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
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	493,904	50,787	544,691
2022-2026	<u>1,550,213</u>	<u>43,248</u>	<u>1,593,461</u>
	<u>\$ 3,957,284</u>	<u>359,634</u>	<u>4,316,918</u>

The notes payable of the City's proprietary funds as of June 30, 2016 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.	\$ 5,652,243
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.	2,346,000
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.	1,322,845
Water project loan with the NM Finance Authority dated October 23, 2015 with annual principal installments ranging from \$63,878 to \$66,814 due June 30 annually. Interest rate at 0.25%. The loan matures on June 1, 2035.	1,241,377
	<u>10,562,465</u>
Less current portion	(684,446)
Total outstanding long-term debt - proprietary funds	<u>\$ 9,878,019</u>

The annual requirements to amortize the proprietary fund loans outstanding as of June 30, 2016, including interest payments are as follows:

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Total Proprietary - Notes Payable

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2017	\$ 684,446	223,733	908,179
2018	696,236	211,661	907,897
2019	709,198	198,912	908,110
2020	722,331	185,417	907,748
2021	736,640	171,488	908,128
2022-2026	3,920,265	622,384	4,542,649
2027-2031	2,742,857	184,800	2,927,657
2031-2034	350,492	2,297	352,789
	<u>\$ 10,562,465</u>	<u>1,800,692</u>	<u>12,363,157</u>

**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, 2016, no claims activity had taken place in the fund. The only activity for the year ended June 30, 2016 consisted of interest earned from the fund's bank account.

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

*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, 2016, 2015 and 2014 were approximately \$680,010, \$675,397, and \$731,401, 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.

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**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 FY15 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 31 through 32 of the PERA FY15 annual audit report at [http://osanm.org/media/audits/366\\_Public\\_Employees\\_Retirement\\_Association\\_FY2015.pdf](http://osanm.org/media/audits/366_Public_Employees_Retirement_Association_FY2015.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 \$680,010 and employer paid member benefits that were “picked up” by the employer were \$0 for the year ended June 30, 2016.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:** The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2015. The assets of the PERA fund are held in one trust, but there are six distinct membership groups (municipal general members, municipal police members, municipal fire members, state general members, state police members and legislative members) for whom separate contribution rates are determined each year pursuant to chapter 10, Article 11 NMSA 1978. Therefore, the calculations of the net pension liability, pension expense and deferred Inflows and Outflows were performed separately for each of the membership groups: municipal general members; municipal police members; municipal fire members; state general members; state police members and legislative members. 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, 2015. Only employer contributions for the pay period end dates that fell within the period of July 1, 2014 to June 30, 2015 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2015 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.

**For PERA Fund Division; Municipal General Division,** at June 30, 2016, the City reported a liability of \$1,363,187 for its proportionate share of the net pension liability. At June 30, 2015, the City’s proportion was 0.13 percent, which was unchanged from its proportion measured as of June 30, 2014, due to the insignificance of the difference.

For the year ended June 30, 2016, the City recognized PERA Fund Division; Municipal General Division pension expense of \$124,683.

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At June 30, 2016, 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><u>Municipal General Division</u></b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	30,195
Changes of assumptions	-	531
Net difference between projected and actual earnings on pension plan investments	-	4,312
Change in proportion and differences between the City contributions and proportionate share of contributions	39,315	-
The City contributions subsequent to the measurement date	<u>124,683</u>	-
Total	<u>\$ 163,998</u>	<u>35,038</u>

\$124,683 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended <u>June 30:</u>	Amount
2017	\$ 26,811
2018	26,811
2019	26,811
2020	(82,571)
2021	(2,139)
Thereafter	-
	<u>(4,277)</u>

**For PERA Fund Division; Municipal Police Division**, at June 30, 2016, the City reported a liability of \$3,140,952 for its proportionate share of the net pension liability. At June 30, 2015, the City's proportion was 0.65 percent, which decreased from its proportion measured as of June 30, 2014, of 0.73 percent.

For the year ended June 30, 2016, the City recognized PERA Fund Division; Municipal Police Division pension expense of \$238,966. At June 30, 2016, 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><u>Municipal Police Division</u></b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 219,477	-
Changes of assumptions	-	129,948
Net difference between projected and actual earnings on pension plan investments	-	8,713
Change in proportion and differences between the City contributions and proportionate share of contributions	-	187,190
The City contributions subsequent to the measurement date	<u>238,966</u>	-
Total	<u>\$ 458,443</u>	<u>325,851</u>

\$238,966 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of



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resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	Amount
2017	\$ 70,998
2018	70,998
2019	70,998
2020	(116,798)
2021	10,178
Thereafter	-
	<u>106,374</u>

**For PERA Fund Division; Municipal Fire Division**, at June 30, 2016, the City reported a liability of \$6,595,474 for its proportionate share of the net pension liability. At June 30, 2015, the City's proportion was 1.28 percent, which decreased from its proportion measured as of June 30, 2014, of 1.29 percent.

For the year ended June 30, 2016, the City recognized PERA Fund Division; Municipal Fire Division pension expense of \$316,361. At June 30, 2016, the City reported PERA Fund Division; Municipal Fire 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	\$ 259,744	-
Changes of assumptions	139,105	-
Net difference between projected and actual earnings on pension plan investments	-	7,933
Change in proportion and differences between the City contributions and proportionate share of contributions	-	47,490
The City contributions subsequent to the measurement date	316,361	-
Total	<u>\$ 715,210</u>	<u>55,423</u>

\$316,361 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	Amount
2017	\$ (67,093)
2018	(67,093)
2019	(67,093)
2020	(144,729)
2021	2,582
Thereafter	-
	<u>(343,426)</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, 2014 for each of the membership groups. Then each PERA Fund member group pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-

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forward liabilities as of June 30, 2015. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2015 actuarial valuation.

Actuarial valuation date	June 30, 2014
Actuarial cost method	Entry age normal
Amortization method	Level 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
Mortality assumption	RP-2000 Mortality Tables (Combined table for healthy post-retirements, Employee table for active members, and Disabled table for disabled retirees before retirement age) with projection to 2018 using Scale AA.
Experience study dates	July 1, 2008 to June 30, 2013

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

<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.

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<b>PERA Fund Division - Municipal General Division</b>	<b>1% Decrease (6.75%)</b>	<b>Current Discount Rate (7.75%)</b>	<b>1% Increase (8.75%)</b>
The City's proportionate share of the net pension liability	\$ 2,320,967	\$ 1,363,187	\$ 566,859

<b>PERA Fund Division - Municipal Police Division</b>	<b>1% Decrease (6.75%)</b>	<b>Current Discount Rate (7.75%)</b>	<b>1% Increase (8.75%)</b>
The City's proportionate share of the net pension liability	\$ 5,187,092	\$ 3,140,952	\$ 1,462,423

<b>PERA Fund Division - Municipal Fire Division</b>	<b>1% Decrease (6.75%)</b>	<b>Current Discount Rate (7.75%)</b>	<b>1% Increase (8.75%)</b>
The City's proportionate share of the net pension liability	\$ 8,945,097	\$ 6,595,474	\$ 4,659,067

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

**Payables to the pension plan.** 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.

**NOTE 11 – 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, 2016, 2015, and 2014, the City's required and actual contributions totaled \$1,321,234, \$1,294,144, and \$1,320,328, respectively.

**NOTE 12 – 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.

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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.

Participating 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 \$904,588, \$859,020 and \$941,493 for the years ended June 30, 2016, 2015 and 2014, respectively.

**NOTE 13 – 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, 2016, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced

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retirement plan during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 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, 2016, 2015, and 2014 were \$258,720, \$257,771, and \$290,479, respectively, which equal the required contributions for each year.

**NOTE 14 – 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, 2016, 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 15 – Deficit Fund Balances/Net Position, 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/Net position	\$ (103,824)
Dept of Justice -96	Spec Rev/Fund balance	(1,510)
Drug Control -98	Spec Rev/Fund balance	(20,780)
Street Improvement -40	Debt Service/Fund balance	(6,417)
Civic Center -46	Debt Service/Fund balance	(7,214)
		<u>\$ (132,531)</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, 2016:

None

**NOTE 16 – 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.

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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 \$4,545,523 as of June 30, 2016, 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 \$203,652 from the prior year as a result of current engineering estimates. It is estimated that an additional \$901,756 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 84.00% 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 \$5,412,592 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, 2016. 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.

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 \$5,447,099 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 17 – 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, 2016 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, 2016 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 18–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 Ending June 30,	Amount
2017	\$ 187,020
2018	187,020
2019	187,020
2020	124,220
	<u>\$ 685,280</u>

Lease expenditures for the year ended June 30, 2016 were approximately \$429,040.

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**NOTE 19 – 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>Amount Expended at 6/30/16</u>	<u>% of Completion</u>
Bathrooms - Potter Park	Construction	\$ 55,153	19,847	35.99%
Otter Exhibit	Construction	10,000	8,746	87.46%
7th Street - Main to Norris	Professional Service	398,465	341,018	85.58%
Wilhite - Design East of Thornton	Professional Service	371,042	357,580	96.37%
14th Street - Chaparral to Schepps	Construction	412,186	14,754	3.58%
Wilhite - Norris to Prince	Professional Service	207,678	207,678	99.00%
Landfill - Bridge Design	Professional Service	265,439	85,840	32.34%
Landfill - Bridge Construction	Construction	924,420	785,121	84.93%
		<u>\$ 2,644,384</u>	<u>1,820,585</u>	

**NOTE 20 – Restricted Net Position**

The government-wide statement of net position reports \$13,106,529 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 21 – Surety Bonds**

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

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

**NOTE 22 – 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	\$ 665,076
Pension deferrals - Government-Wide	<u>1,337,651</u>
	\$ 2,002,727
<u>Deferred Inflows of Resources</u>	
Deferred note receivable revenue (Wastewater Fund) - Government-Wide	\$ 665,076
Deferred property tax revenue (General Fund) - Fund Financials	92,820
Pension deferrals - Government-Wide	<u>416,312</u>
	\$ 1,174,208

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**NOTE 23 – 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	\$ 137,116
		Total governmental activities	<u>137,116</u>
Sanitation - Major enterprise fund	02	Prior period adjustment to correct overstated receivables	(1,016,652)
		Prior period adjustment to agree depreciation expense, accumulated depreciation, and capital assets to current supporting documentation	<u>1,476,229</u>
		Total fund 2	459,577
Wastewater - Major enterprise fund	10	Prior period adjustment to correct overstated receivables	(1,122,572)
		Prior period adjustment to agree depreciation expense, accumulated depreciation, and capital assets to current supporting documentation	<u>(465,502)</u>
		Total fund 10	(1,588,074)
Airport	12	Prior period adjustment to agree depreciation expense, accumulated depreciation, and capital assets to current supporting documentation	<u>75,484</u>
		Total fund 12	75,484
		Total business-type activities	<u>(1,053,013)</u>
		Total restatements	<u>\$ (915,897)</u>

**NOTE 24 – Evaluation of Subsequent Events**

Subsequent events are events or transactions that occur after the statement of net position 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 statement of net position, 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 statement of net position but arose after the statement of net position date and before financial statements are available to be issued. The City has evaluated subsequent events through December 13, 2016, which is the date the financial statements were available to be issued.



**SUPPLEMENTAL INFORMATION**

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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, 2016**

**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.

**Street 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 street improvement tax bonds. The fund's source of revenue is a one sixteenth of one percent gross receipts tax and a one quarter gross receipts tax approved by the City of Clovis Commission for note obligation repayment.

**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.

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Nonmajor Funds  
For the Year Ended June 30, 2016**

**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.

**NONMAJOR CAPITAL PROJECTS FUND**

**GRT Improvement Revenue Bonds Series 2014 (Cell#5)**- 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, providing that the bonds will be payable and collectible from and secured by a pledge of the State-shared gross receipts tax.

**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, 2016**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
<i>Assets</i>				
Cash and investments	\$ 19,582,864	88,770	1,797,583	21,469,217
Restricted Cash and investments	131,162	147,629	-	278,791
Receivables:				
Property taxes	-	-	-	-
Intergovernmental	1,986,538	-	1,624,872	3,611,410
Other receivables	279,950	-	-	279,950
Inventory	67,305	-	-	67,305
Prepaid insurance	63,588	-	-	63,588
Due from other funds	1,667	-	-	1,667
<i>Total assets</i>	<u>22,113,074</u>	<u>236,399</u>	<u>3,422,455</u>	<u>25,771,928</u>
<i>Liabilities</i>				
Accounts payable	86,479	-	381,775	468,254
Accrued payroll expenses	100,689	-	-	100,689
Other accrued expenses	-	-	-	-
Accrued compensated absences	-	-	-	-
Accrued interest	-	24,377	247	24,624
Due to other funds	150,996	-	1,174,322	1,325,318
<i>Total liabilities</i>	<u>338,164</u>	<u>24,377</u>	<u>1,556,344</u>	<u>1,918,885</u>
<i>Deferred Inflow of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Inflow of Resources</i>	<u>338,164</u>	<u>24,377</u>	<u>1,556,344</u>	<u>1,918,885</u>
<i>Fund balances</i>				
Nonspendable	130,893	-	-	130,893
Restricted	5,594,004	225,448	1,044,855	6,864,307
Committed	14,056,825	-	821,256	14,878,081
Assigned	2,016,387	-	-	2,016,387
Unassigned	(23,199)	(13,426)	-	(36,625)
<i>Total fund balances</i>	<u>21,774,910</u>	<u>212,022</u>	<u>1,866,111</u>	<u>23,853,043</u>
<i>Total liabilities and fund balances</i>	<u>\$ 22,113,074</u>	<u>236,399</u>	<u>3,422,455</u>	<u>25,771,928</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, 2016**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	10,785,005	-	501,837	11,286,842
Gasoline and motor vehicle	524,336	-	-	524,336
Other	709,289	-	-	709,289
<i>Intergovernmental:</i>				
Federal operating grants	224,070	-	-	224,070
Federal capital grants	456,271	-	99,248	555,519
State operating grants	1,386,247	-	35,335	1,421,582
State capital grants	-	-	244,614	244,614
Charges for services	634,923	-	-	634,923
Fines, forfeitures & penalties	10,611	-	-	10,611
Licenses and fees	375,018	-	-	375,018
Investment income	29,502	3,261	1,406	34,169
Miscellaneous	408,031	-	-	408,031
<i>Total revenues</i>	<u>15,543,303</u>	<u>3,261</u>	<u>882,440</u>	<u>16,429,004</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	921,337	-	-	921,337
Public safety	540,376	-	-	540,376
Public works	3,585,839	-	58,579	3,644,418
Culture and recreation	2,738,513	-	-	2,738,513
Health and welfare	308,217	-	-	308,217
Capital outlay	1,167,474	-	2,058,466	3,225,940
<i>Debt service:</i>				
Principal	-	3,710,000	-	3,710,000
Interest	5,447	448,111	247	453,805
<i>Total expenditures</i>	<u>9,267,203</u>	<u>4,158,111</u>	<u>2,117,292</u>	<u>15,542,606</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>6,276,100</u>	<u>(4,154,850)</u>	<u>(1,234,852)</u>	<u>886,398</u>
<i>Other financing sources (uses)</i>				
Transfers in/(out)	(4,438,074)	4,091,135	1,747,698	1,400,759
Proceeds from sale of capital assets	4	-	-	4
Proceeds from debt issuance	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(4,438,070)</u>	<u>4,091,135</u>	<u>1,747,698</u>	<u>1,400,763</u>
<i>Net change in fund balances</i>	1,838,030	(63,715)	512,846	2,287,161
<i>Fund balances - beginning of year</i>	<u>19,936,880</u>	<u>275,737</u>	<u>1,353,265</u>	<u>21,565,882</u>
<i>Restatement</i>	-	-	-	-
<i>Fund balance - beginning of year, as restated</i>	<u>19,936,880</u>	<u>275,737</u>	<u>1,353,265</u>	<u>21,565,882</u>
<i>Fund balances - end of year</i>	<u>\$ 21,774,910</u>	<u>212,022</u>	<u>1,866,111</u>	<u>23,853,043</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, 2016**

	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	\$ -	23,987	19,200	5,447,099	-	118,116
Restricted Cash and investments	5,769	-	-	-	107,597	-
Receivables:						
Property taxes	-	-	-	-	-	-
Intergovernmental	9,286	-	1,192	79,912	-	-
Other receivables	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Prepaid insurance	-	3,973	5,904	-	-	-
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>15,055</u>	<u>27,960</u>	<u>26,296</u>	<u>5,527,011</u>	<u>107,597</u>	<u>118,116</u>
<i>Liabilities</i>						
Accounts payable	-	1,893	2,744	-	-	-
Accrued payroll expenses	-	7,981	7,072	-	-	-
Other accrued expenses	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>9,874</u>	<u>9,816</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Deferred Inflow of Resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities and Deferred Inflow of Resources</i>	<u>-</u>	<u>9,874</u>	<u>9,816</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>						
Nonspendable	-	3,973	5,904	-	-	-
Restricted	15,055	-	-	-	107,597	-
Committed	-	14,113	10,576	5,527,011	-	118,116
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<i>Total fund balances</i>	<u>15,055</u>	<u>18,086</u>	<u>16,480</u>	<u>5,527,011</u>	<u>107,597</u>	<u>118,116</u>
<i>Total liabilities and fund balances</i>	<u>\$ 15,055</u>	<u>27,960</u>	<u>26,296</u>	<u>5,527,011</u>	<u>107,597</u>	<u>118,116</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, 2016**

	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	\$ 216,163	54,813	187,762	327,571	196,961	413,186
Restricted Cash and investments	-	-	-	-	-	-
Receivables:						
Property taxes	-	-	-	-	-	-
Intergovernmental	-	9,655	-	81,178	81,178	81,178
Other receivables	-	-	-	-	-	-
Inventory	321	-	-	-	-	-
Prepaid insurance	2,706	9,207	-	-	-	4,772
Due from other funds	-	1,667	-	-	-	-
<i>Total assets</i>	<u>219,190</u>	<u>75,342</u>	<u>187,762</u>	<u>408,749</u>	<u>278,139</u>	<u>499,136</u>
<i>Liabilities</i>						
Accounts payable	1,661	2,039	-	-	-	21,097
Accrued payroll expenses	5,161	18,683	-	-	-	-
Other accrued expenses	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
<i>Total liabilities</i>	<u>6,822</u>	<u>20,722</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,097</u>
<i>Fund balances</i>						
Nonspendable	3,027	9,207	-	-	-	4,772
Restricted	-	-	187,762	-	-	-
Committed	-	-	-	408,749	278,139	-
Assigned	209,341	45,413	-	-	-	473,267
Unassigned	-	-	-	-	-	-
<i>Total fund balances</i>	<u>212,368</u>	<u>54,620</u>	<u>187,762</u>	<u>408,749</u>	<u>278,139</u>	<u>478,039</u>
<i>Total liabilities and fund balances</i>	<u>\$ 219,190</u>	<u>75,342</u>	<u>187,762</u>	<u>408,749</u>	<u>278,139</u>	<u>499,136</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, 2016**

	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	\$ 1,290,033	2,430,988	1,001,946	2,956,992	-	2,776,502
Restricted Cash and investments	-	-	-	-	181	-
Receivables:						
Property taxes	-	-	-	-	-	-
Intergovernmental	-	159,837	319,674	291,502	-	360,292
Other receivables	-	279,950	-	-	-	-
Inventory	-	-	-	-	-	66,984
Prepaid insurance	-	-	-	-	-	25,643
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>1,290,033</u>	<u>2,870,775</u>	<u>1,321,620</u>	<u>3,248,494</u>	<u>181</u>	<u>3,229,421</u>
<i>Liabilities</i>						
Accounts payable	-	-	-	-	-	49,024
Accrued payroll expenses	-	-	-	-	-	41,543
Due to other funds	1,667	-	-	-	-	-
<i>Total liabilities</i>	<u>1,667</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,567</u>
<i>Deferred Inflow of Resources</i>						
	-	-	-	-	-	-
<i>Total Liabilities and Deferred Inflow of Resources</i>	<u>1,667</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,567</u>
<i>Fund balances</i>						
Nonspendable	-	-	-	-	-	92,627
Restricted	-	-	-	3,248,494	181	-
Committed	-	2,870,775	1,321,620	-	-	3,046,227
Assigned	1,288,366	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<i>Total fund balances</i>	<u>1,288,366</u>	<u>2,870,775</u>	<u>1,321,620</u>	<u>3,248,494</u>	<u>181</u>	<u>3,138,854</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1,290,033</u>	<u>2,870,775</u>	<u>1,321,620</u>	<u>3,248,494</u>	<u>181</u>	<u>3,229,421</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, 2016**

	<u>76</u>	<u>77+78</u>	<u>86</u>	<u>89</u>	<u>90</u>	<u>92</u>
	<u>Recycling</u>	<u>Lodger's Tax</u>	<u>Special Fire &amp; Police</u>	<u>Local Government Corrections</u>	<u>Law Enforcement Protection</u>	<u>Clovis Area Transit System</u>
<i>Assets</i>						
Cash and investments	\$ 1,034	1,740,749	135,752	23,527	-	205,247
Restricted Cash and investments	-	-	-	-	17,615	-
Receivables:						
Property taxes	-	-	-	-	-	-
Intergovernmental	2,484	69,708	324,713	-	-	69,110
Other receivables	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Prepaid insurance	-	-	-	-	-	10,474
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>3,518</u>	<u>1,810,457</u>	<u>460,465</u>	<u>23,527</u>	<u>17,615</u>	<u>284,831</u>
<i>Liabilities</i>						
Accounts payable	-	731	-	-	-	951
Accrued payroll expenses	-	-	-	-	-	20,249
Other accrued expenses	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	-
Due to other funds	2,484	-	-	-	-	69,110
<i>Total liabilities</i>	<u>2,484</u>	<u>731</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>90,310</u>
<i>Fund balances</i>						
Nonspendable	-	-	-	-	-	10,474
Restricted	-	1,809,726	-	23,527	17,615	184,047
Committed	1,034	-	460,465	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<i>Total fund balances</i>	<u>1,034</u>	<u>1,809,726</u>	<u>460,465</u>	<u>23,527</u>	<u>17,615</u>	<u>194,521</u>
<i>Total liabilities and fund balances</i>	<u>\$ 3,518</u>	<u>1,810,457</u>	<u>460,465</u>	<u>23,527</u>	<u>17,615</u>	<u>284,831</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, 2016

	<u>96</u>	<u>98</u>	
	<u>Department of Justice</u>	<u>Drug Control</u>	<u>Total Special Revenue Funds</u>
<i>Assets</i>			
Cash and investments	\$ 1,035	14,201	19,582,864
Restricted Cash and investments	-	-	131,162
Receivables:			-
Property taxes	-	-	-
Intergovernmental	-	45,639	1,986,538
Other receivables	-	-	279,950
Inventory	-	-	67,305
Prepaid insurance	-	909	63,588
Due from other funds	-	-	1,667
<i>Total assets</i>	<u>1,035</u>	<u>60,749</u>	<u>22,113,074</u>
<i>Liabilities</i>			
Accounts payable	2,545	3,794	86,479
Accrued payroll expenses	-	-	100,689
Other accrued expenses	-	-	-
Accrued compensated absences	-	-	-
Deferred property tax revenue	-	-	-
Due to other funds	-	77,735	150,996
<i>Total liabilities</i>	<u>2,545</u>	<u>81,529</u>	<u>338,164</u>
<i>Deferred Inflow of Resources</i>	-	-	-
<i>Total Liabilities and Deferred Inflow of Resources</i>	<u>2,545</u>	<u>81,529</u>	<u>338,164</u>
<i>Fund balances</i>			
Nonspendable	-	909	130,893
Restricted	-	-	5,594,004
Committed	-	-	14,056,825
Assigned	-	-	2,016,387
Unassigned	(1,510)	(21,689)	(23,199)
<i>Total fund balances</i>	<u>(1,510)</u>	<u>(20,780)</u>	<u>21,774,910</u>
<i>Total liabilities and fund balances</i>	<u>\$ 1,035</u>	<u>60,749</u>	<u>22,113,074</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, 2016**

	40	41	42	46	47	
	Drainage Improvement	Landfill Cell #5	Street Improvement	Civic Center	Parks & Infrastructure	Total Debt Service Funds
<i>Assets</i>						
Cash and investments	\$ -	78,817	1,395	-	8,558	88,770
Restricted Cash and investments	2,393	-	-	-	145,236	147,629
Receivables:						-
Property taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
Inventory	-	-	-	-	-	-
Prepaid insurance	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
<i>Total assets</i>	<u>2,393</u>	<u>78,817</u>	<u>1,395</u>	<u>-</u>	<u>153,794</u>	<u>236,399</u>
<i>Liabilities</i>						
Accounts payable	-	-	-	-	-	-
Accrued payroll expenses	-	-	-	-	-	-
Accrued interest	8,810	-	-	7,214	8,353	24,377
Due to other funds	-	-	-	-	-	-
<i>Total liabilities</i>	<u>8,810</u>	<u>-</u>	<u>-</u>	<u>7,214</u>	<u>8,353</u>	<u>24,377</u>
<i>Fund balances</i>						
Nonspendable	-	-	-	-	-	-
Restricted	-	78,817	1,395	-	145,236	225,448
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	(6,417)	-	-	(7,214)	205	(13,426)
<i>Total fund balances</i>	<u>(6,417)</u>	<u>78,817</u>	<u>1,395</u>	<u>(7,214)</u>	<u>145,441</u>	<u>212,022</u>
<i>Total liabilities and fund balances</i>	<u>\$ 2,393</u>	<u>78,817</u>	<u>1,395</u>	<u>-</u>	<u>153,794</u>	<u>236,399</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, 2016

	23	87	88	
	<u>Landfill Cell #5</u>	<u>Street Construction</u>	<u>Drainage Improvement</u>	<u>Total Capital Project Funds</u>
<i>Assets</i>				
Cash and investments	\$ -	1,000,978	796,605	1,797,583
Restricted Cash and investments	-	-	-	-
Receivables:				
Property taxes	-	-	-	-
Intergovernmental	-	1,543,694	81,178	1,624,872
Other receivables	-	-	-	-
Inventory	-	-	-	-
Prepaid insurance	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>2,544,672</u>	<u>877,783</u>	<u>3,422,455</u>
<i>Liabilities</i>				
Accounts payable	-	325,248	56,527	381,775
Accrued payroll expenses	-	-	-	-
Accrued interest	-	247	-	247
Due to other funds	-	1,174,322	-	1,174,322
<i>Total liabilities</i>	<u>-</u>	<u>1,499,817</u>	<u>56,527</u>	<u>1,556,344</u>
<i>Fund balances</i>				
Nonspendable	-	-	-	-
Restricted	-	1,044,855	-	1,044,855
Committed	-	-	821,256	821,256
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>1,044,855</u>	<u>821,256</u>	<u>1,866,111</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>2,544,672</u>	<u>877,783</u>	<u>3,422,455</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, 2016**

	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	-	-	-	493,819	-	-
Gasoline and motor vehicle	105,173	-	-	-	-	-
Other	-	-	-	-	-	-
Intergovernmental:						
Federal operating grants	-	-	-	-	-	-
Federal capital grants	-	-	-	-	-	-
State operating grants	-	-	5,953	-	570,938	-
State capital grants	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines, forfeitures & penalties	-	-	-	-	-	-
Licenses and fees	-	-	-	-	-	31,060
Investment income	7	23	6	10,262	279	11
Miscellaneous	-	-	-	-	170	-
<i>Total revenues</i>	<u>105,180</u>	<u>23</u>	<u>5,959</u>	<u>504,081</u>	<u>571,387</u>	<u>31,071</u>
<i>Expenditures:</i>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	226,262	-
Public works	-	-	-	-	-	-
Culture and recreation	-	286,673	-	-	-	-
Health and welfare	-	-	271,015	-	-	-
Capital outlay	-	-	-	-	758,025	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>286,673</u>	<u>271,015</u>	<u>-</u>	<u>984,287</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>105,180</u>	<u>(286,650)</u>	<u>(265,056)</u>	<u>504,081</u>	<u>(412,900)</u>	<u>31,071</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	(102,591)	274,734	266,090	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-
Proceeds from debt issuance	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(102,591)</u>	<u>274,734</u>	<u>266,090</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	2,589	(11,916)	1,034	504,081	(412,900)	31,071
<i>Fund balance - beginning of year</i>	12,466	30,002	15,446	5,022,930	520,497	87,045
<i>Fund balances - end of year</i>	<u>\$ 15,055</u>	<u>18,086</u>	<u>16,480</u>	<u>5,527,011</u>	<u>107,597</u>	<u>118,116</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, 2016**

	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	-	-	-	501,837	501,837	501,837
Gasoline and motor vehicle	-	-	-	-	-	-
Other	-	-	-	-	-	-
Intergovernmental:						
Federal operating grants	-	-	-	-	-	-
Federal capital grants	-	-	-	-	-	-
State operating grants	-	69,843	-	-	-	-
State capital grants	-	-	-	-	-	-
Charges for services	-	10,493	-	-	-	539,249
Fines, forfeitures & penalties	-	10,611	-	-	-	-
Licenses and fees	-	-	-	-	-	-
Investment income	172	16	1,024	365	143	482
Miscellaneous	144,566	1,792	3,710	-	-	17,645
<i>Total revenues</i>	<u>144,738</u>	<u>92,755</u>	<u>4,734</u>	<u>502,202</u>	<u>501,980</u>	<u>1,059,213</u>
<i>Expenditures:</i>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	51,502	-	-	-
Culture and recreation	258,642	922,702	-	-	-	964,431
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	72,249	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<i>Total expenditures</i>	<u>258,642</u>	<u>922,702</u>	<u>123,751</u>	<u>-</u>	<u>-</u>	<u>964,431</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(113,904)</u>	<u>(829,947)</u>	<u>(119,017)</u>	<u>502,202</u>	<u>501,980</u>	<u>94,782</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	209,136	831,622	6,000	(647,568)	(469,624)	19,278
Proceeds from sale of capital assets	-	-	-	-	-	-
Proceeds from debt issuance	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>209,136</u>	<u>831,622</u>	<u>6,000</u>	<u>(647,568)</u>	<u>(469,624)</u>	<u>19,278</u>
<i>Net change in fund balances</i>	95,232	1,675	(113,017)	(145,366)	32,356	114,060
<i>Fund balances - beginning of year</i>	117,136	52,945	300,779	554,115	245,783	363,979
<i>Fund balances - end of year</i>	<u>\$ 212,368</u>	<u>54,620</u>	<u>187,762</u>	<u>408,749</u>	<u>278,139</u>	<u>478,039</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, 2016**

	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	-	987,728	1,975,394	1,807,857	-	2,007,348
Gasoline and motor vehicle	-	-	-	-	-	419,163
Other	-	-	-	-	-	-
<i>Intergovernmental:</i>						
Federal operating grants	-	-	-	-	-	-
Federal capital grants	-	-	-	-	-	-
State operating grants	-	350,000	-	-	18,913	200,000
State capital grants	-	-	-	-	-	-
Charges for services	74,393	-	-	-	-	-
Fines, forfeitures & penalties	-	-	-	-	-	-
Licenses and fees	238,434	-	-	-	-	-
Investment income	237	3,024	1,338	3,443	-	4,574
Miscellaneous	127,420	69,650	-	-	-	33,849
<i>Total revenues</i>	<u>440,484</u>	<u>1,410,402</u>	<u>1,976,732</u>	<u>1,811,300</u>	<u>18,913</u>	<u>2,664,934</u>
<i>Expenditures:</i>						
<i>Current:</i>						
General government	-	176,136	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	1,203,428	-	2,330,909
Culture and recreation	-	-	-	-	-	-
Health and welfare	-	-	-	-	20,382	-
Capital outlay	-	-	-	-	-	337,200
<i>Debt service:</i>						
Principal	-	-	-	-	-	-
Interest	-	-	5,447	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>176,136</u>	<u>5,447</u>	<u>1,203,428</u>	<u>20,382</u>	<u>2,668,109</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>440,484</u>	<u>1,234,266</u>	<u>1,971,285</u>	<u>607,872</u>	<u>(1,469)</u>	<u>(3,175)</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	(432,289)	(341,850)	(3,427,305)	-	-	1,449,815
Proceeds from sale of capital assets	4	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(432,285)</u>	<u>(341,850)</u>	<u>(3,427,305)</u>	<u>-</u>	<u>-</u>	<u>1,449,815</u>
<i>Net change in fund balances</i>	8,199	892,416	(1,456,020)	607,872	(1,469)	1,446,640
<i>Fund balances - beginning of year</i>	1,280,167	1,978,359	2,777,640	2,640,622	1,650	1,692,214
<i>Fund balances - end of year</i>	<u>\$ 1,288,366</u>	<u>2,870,775</u>	<u>1,321,620</u>	<u>3,248,494</u>	<u>181</u>	<u>3,138,854</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, 2016**

	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	-	-	2,007,348	-	-	-
Gasoline and motor vehicle	-	-	-	-	-	-
Other	-	709,289	-	-	-	-
Intergovernmental:						
Federal operating grants	-	-	-	-	-	-
Federal capital grants	-	-	-	-	-	456,271
State operating grants	10,000	100,000	-	-	60,600	-
State capital grants	-	-	-	-	-	-
Charges for services	-	-	-	-	-	10,788
Fines, forfeitures & penalties	-	-	-	-	-	-
Licenses and fees	-	-	-	105,524	-	-
Investment income	-	3,535	333	3	194	-
Miscellaneous	3,880	-	-	-	-	3,504
<i>Total revenues</i>	<u>13,880</u>	<u>812,824</u>	<u>2,007,681</u>	<u>105,527</u>	<u>60,794</u>	<u>470,563</u>
<i>Expenditures:</i>						
Current:						
General government	-	-	-	-	-	745,201
Public safety	-	-	-	-	82,952	-
Public works	-	-	-	-	-	-
Culture and recreation	-	306,065	-	-	-	-
Health and welfare	16,820	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
<i>Total expenditures</i>	<u>16,820</u>	<u>306,065</u>	<u>-</u>	<u>-</u>	<u>82,952</u>	<u>745,201</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,940)</u>	<u>506,759</u>	<u>2,007,681</u>	<u>105,527</u>	<u>(22,158)</u>	<u>(274,638)</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	-	(156,000)	(2,021,783)	(109,122)	-	213,383
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(156,000)</u>	<u>(2,021,783)</u>	<u>(109,122)</u>	<u>-</u>	<u>213,383</u>
<i>Net change in fund balances</i>	(2,940)	350,759	(14,102)	(3,595)	(22,158)	(61,255)
<i>Fund balances - beginning of year</i>	3,974	1,458,967	474,567	27,122	39,773	255,776
<i>Restatement</i>	-	-	-	-	-	-
<i>Fund balance - beginning of year, as restated</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>Fund balances - end of year</i>	<u>\$ 1,034</u>	<u>1,809,726</u>	<u>460,465</u>	<u>23,527</u>	<u>17,615</u>	<u>194,521</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, 2016**

	96	98	
	Dept of Justice	Drug Control	Total Special Revenue Funds
<i>Revenues:</i>			
<i>Taxes:</i>			
Property	\$ -	-	-
Gross receipts	-	-	10,785,005
Gasoline and motor vehicle	-	-	524,336
Other	-	-	709,289
<i>Intergovernmental:</i>			
Federal operating grants	34,688	189,382	224,070
Federal capital grants	-	-	456,271
State operating grants	-	-	1,386,247
State capital grants	-	-	-
Charges for services	-	-	634,923
Fines, forfeitures & penalties	-	-	10,611
Licenses and fees	-	-	375,018
Investment income	-	31	29,502
Miscellaneous	-	1,845	408,031
<i>Total revenues</i>	<u>34,688</u>	<u>191,258</u>	<u>15,543,303</u>
<i>Expenditures:</i>			
<i>Current:</i>			
General government	-	-	921,337
Public safety	18,990	212,172	540,376
Public works	-	-	3,585,839
Culture and recreation	-	-	2,738,513
Health and welfare	-	-	308,217
Capital outlay	-	-	1,167,474
<i>Debt service:</i>			
Principal	-	-	-
Interest	-	-	5,447
<i>Total expenditures</i>	<u>18,990</u>	<u>212,172</u>	<u>9,267,203</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>15,698</u>	<u>(20,914)</u>	<u>6,276,100</u>
<i>Other financing sources (uses)</i>			
Transfers in/(out)	-	-	(4,438,074)
Proceeds from sale of capital assets	-	-	4
Proceeds from debt issuance	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(4,438,070)</u>
<i>Net change in fund balances</i>	15,698	(20,914)	1,838,030
<i>Fund balances - beginning of year</i>	(17,208)	134	19,936,880
<i>Restatement</i>	-	-	-
<i>Fund balance - beginning of year, as restated</i>	<u>(17,208)</u>	<u>134</u>	<u>19,936,880</u>
<i>Fund balances - end of year</i>	<u>\$ (1,510)</u>	<u>(20,780)</u>	<u>21,774,910</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, 2016**

	40	41	42	46	47	
	Drainage Improvement	Landfill Cell #5	Street Improvement	Civic Center	Parks & Infrastructure	Total Debt Service Funds
<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	-	-	-	-	-	-
Fines, forfeitures & penalties	-	-	-	-	-	-
Licenses and fees	-	-	-	-	-	-
Investment income	509	691	1,395	12	654	3,261
Miscellaneous	-	-	-	-	-	-
<i>Total revenues</i>	<u>509</u>	<u>691</u>	<u>1,395</u>	<u>12</u>	<u>654</u>	<u>3,261</u>
<i>Expenditures:</i>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal	340,000	-	1,115,000	2,110,000	145,000	3,710,000
Interest	105,725	-	112,777	20,199	209,410	448,111
<i>Total expenditures</i>	<u>445,725</u>	<u>-</u>	<u>1,227,777</u>	<u>2,130,199</u>	<u>354,410</u>	<u>4,158,111</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(445,216)</u>	<u>691</u>	<u>(1,226,382)</u>	<u>(2,130,187)</u>	<u>(353,756)</u>	<u>(4,154,850)</u>
<i>Other financing sources (uses)</i>						
Transfers in/(out)	445,725	7	1,227,777	2,063,002	354,624	4,091,135
Proceeds from debt issuance	-	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>445,725</u>	<u>7</u>	<u>1,227,777</u>	<u>2,063,002</u>	<u>354,624</u>	<u>4,091,135</u>
<i>Net change in fund balances</i>	509	698	1,395	(67,185)	868	(63,715)
<i>Fund balances - beginning of year</i>	(6,926)	78,119	-	59,971	144,573	275,737
<i>Fund balances - end of year</i>	<u>\$ (6,417)</u>	<u>78,817</u>	<u>1,395</u>	<u>(7,214)</u>	<u>145,441</u>	<u>212,022</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, 2016**

	23	87	88	
	<u>Landfill Cell #5</u>	<u>Street Construction</u>	<u>Drainage Improvement</u>	<u>Total Capital Project Funds</u>
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	501,837	501,837
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	99,248	-	99,248
State operating grants	-	35,335	-	35,335
State capital grants	-	244,614	-	244,614
Charges for services	-	-	-	-
Fines, forfeitures & penalties	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	660	746	1,406
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>379,857</u>	<u>502,583</u>	<u>882,440</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	50,956	7,623	58,579
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	2,058,466	-	2,058,466
Debt service:				
Principal	-	-	-	-
Interest	-	247	-	247
<i>Total expenditures</i>	<u>-</u>	<u>2,109,669</u>	<u>7,623</u>	<u>2,117,292</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(1,729,812)</u>	<u>494,960</u>	<u>(1,234,852)</u>
<i>Other financing sources (uses)</i>				
Transfers in/(out)	-	1,645,036	102,662	1,747,698
Proceeds from debt issuance	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,645,036</u>	<u>102,662</u>	<u>1,747,698</u>
<i>Net change in fund balances</i>	-	(84,776)	597,622	512,846
<i>Fund balances - beginning of year</i>	-	1,129,631	223,634	1,353,265
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>1,044,855</u>	<u>821,256</u>	<u>1,866,111</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, 2016**

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<b>ASSETS</b>				
Veterinary				
Cash and cash equivalents	\$ 67,703	3,884	-	71,587
Municipal Court				
Cash and cash equivalents	<u>3,189</u>	<u>-</u>	<u>(1,777)</u>	<u>1,412</u>
<i>Total assets</i>	<u>\$ 70,892</u>	<u>3,884</u>	<u>(1,777)</u>	<u>72,999</u>
 <b>LIABILITIES</b>				
Veterinary				
Deposits held in trust for others	\$ 67,703	3,884	-	71,587
Municipal Court				
Deposits held in trust for others	<u>3,189</u>	<u>-</u>	<u>(1,777)</u>	<u>1,412</u>
<i>Total liabilities</i>	<u>\$ 70,892</u>	<u>3,884</u>	<u>(1,777)</u>	<u>72,999</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, 2016

	Budgeted Amounts		Actual	Variance
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	101,000	101,000	105,761	4,761
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	7	7
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>101,000</u>	<u>101,000</u>	<u>105,768</u>	<u>4,768</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>101,000</u>	<u>101,000</u>	<u>105,768</u>	<u>4,768</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(102,591)	(102,591)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(102,591)</u>	<u>(102,591)</u>
<i>Net change in fund balance</i>	101,000	101,000	3,177	(97,823)
<i>Fund balance - beginning of year</i>	-	-	12,466	12,466
<i>Fund balance - end of year</i>	\$ -	-	<u>15,643</u>	<u>(85,357)</u>
Net change in fund balance (GAAP)			\$	2,589
Adjustments to revenue for applicable accruals and deferrals				(588)
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>3,177</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, 2016

	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	-	-	23	23
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>23</u>	<u>23</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	286,527	307,948	284,984	22,964
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>286,527</u>	<u>307,948</u>	<u>284,984</u>	<u>22,964</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(286,527)</u>	<u>(307,948)</u>	<u>(284,961)</u>	<u>22,987</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	286,527	307,948	-	(307,948)
Transfers in	-	-	274,734	274,734
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>286,527</u>	<u>307,948</u>	<u>274,734</u>	<u>(33,214)</u>
<i>Net change in fund balance</i>	-	-	(10,227)	(10,227)
<i>Fund balance - beginning of year</i>	-	-	30,002	30,002
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>19,775</u>	<u>19,775</u>
Net change in fund balance (GAAP)			\$	(11,916)
No adjustments to revenues				-
Adjustments to expenditures for applicable accruals and payments				(1,689)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(10,227)</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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<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	9,123	9,123	4,761	(4,362)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	6	6
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>9,123</u>	<u>9,123</u>	<u>4,767</u>	<u>(4,356)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	280,826	291,569	269,087	22,482
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>280,826</u>	<u>291,569</u>	<u>269,087</u>	<u>22,482</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(271,703)</u>	<u>(282,446)</u>	<u>(264,320)</u>	<u>18,126</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	271,703	282,446	-	(282,446)
Transfers in	-	-	266,090	266,090
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>271,703</u>	<u>282,446</u>	<u>266,090</u>	<u>(16,356)</u>
<i>Net change in fund balance</i>	-	-	1,770	1,770
<i>Fund balance - beginning of year</i>	-	-	15,446	15,446
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>17,216</u>	<u>17,216</u>
Net change in fund balance (GAAP)			\$	1,034
Adjustments to revenues for applicable accruals and payments				1,193
Adjustments to expenditures for applicable accruals and payments				(1,929)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>1,770</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, 2016

	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	495,140	-
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	6,500	6,500	10,262	3,762
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>476,500</u>	<u>476,500</u>	<u>505,402</u>	<u>3,762</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>476,500</u>	<u>476,500</u>	<u>505,402</u>	<u>3,762</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>	476,500	476,500	505,402	28,902
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,022,930</u>	<u>5,022,930</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>5,528,332</u>	<u>5,051,832</u>
Net change in fund balance (GAAP)			\$	504,081
Adjustments to revenue for applicable accruals and deferrals				(1,321)
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>505,402</u>

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, 2016**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<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	452,238	570,936	570,936	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	400	400	279	(121)
Miscellaneous	-	-	170	170
<i>Total revenues</i>	452,638	571,336	571,385	49
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	200,238	327,958	226,261	101,697
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	772,897	763,875	758,024	5,851
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	973,135	1,091,833	984,285	107,548
<i>Excess (deficiency) of revenues over expenditures</i>	(520,497)	(520,497)	(412,900)	107,597
<i>Other financing sources (uses)</i>				
Designated cash/other assets	520,497	520,497	-	(520,497)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	520,497	520,497	-	(520,497)
<i>Net change in fund balance</i>	-	-	(412,900)	(412,900)
<i>Fund balance - beginning of year</i>	-	-	520,497	520,497
<i>Fund balance - end of year</i>	\$ -	-	107,597	107,597
Net change in fund balance (GAAP)			\$	(412,900)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	(412,900)

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, 2016

	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	64,000	64,000	31,060	(32,940)
Investment income	-	-	11	11
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>64,000</u>	<u>64,000</u>	<u>31,071</u>	<u>(32,929)</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>64,000</u>	<u>64,000</u>	<u>31,071</u>	<u>(32,929)</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>	64,000	64,000	31,071	95,071
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>87,045</u>	<u>87,045</u>
<i>Fund balance - end of year</i>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>118,116</u>	\$ <u>182,116</u>
Net change in fund balance (GAAP)			\$	31,071
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>31,071</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, 2016

	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	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	172	172
Miscellaneous	-	238	144,566	144,328
<i>Total revenues</i>	<u>-</u>	<u>238</u>	<u>144,738</u>	<u>144,500</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	326,179	332,417	256,386	76,031
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>326,179</u>	<u>332,417</u>	<u>256,386</u>	<u>76,031</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(326,179)</u>	<u>(332,179)</u>	<u>(111,648)</u>	<u>220,531</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	326,179	332,179	-	(332,179)
Transfers in	-	-	209,136	209,136
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>326,179</u>	<u>332,179</u>	<u>209,136</u>	<u>(123,043)</u>
<i>Net change in fund balance</i>	-	-	97,488	97,488
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>117,136</u>	<u>117,136</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>214,624</u>	<u>214,624</u>
Net change in fund balance (GAAP)			\$ 95,232	
No adjustments to revenue				-
Adjustments to expenditures for applicable accruals and payments				<u>(2,256)</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 97,488	

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, 2016

	Budgeted Amounts		Actual	Variations 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	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	114,085	121,612	62,058	(59,554)
State capital grants	-	-	-	-
Charges for services	9,800	9,800	10,493	693
Fines, forfeitures & penalties	13,000	13,000	10,611	(2,389)
Licenses and fees	-	-	-	-
Investment income	-	-	16	16
Miscellaneous	100	100	1,792	1,692
<i>Total revenues</i>	<u>136,985</u>	<u>144,512</u>	<u>84,970</u>	<u>(59,542)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	912,576	1,036,103	921,184	114,919
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>912,576</u>	<u>1,036,103</u>	<u>921,184</u>	<u>114,919</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(775,591)</u>	<u>(891,591)</u>	<u>(836,214)</u>	<u>55,377</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	775,591	891,591	-	(891,591)
Transfers in	-	-	831,622	831,622
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>775,591</u>	<u>891,591</u>	<u>831,622</u>	<u>(59,969)</u>
<i>Net change in fund balance</i>	-	-	(4,592)	(4,592)
<i>Fund balance - beginning of year</i>	-	-	52,945	52,945
<i>Fund balance - end of year</i>	\$ -	-	<u>48,353</u>	<u>48,353</u>
Net change in fund balance (GAAP)			\$	1,675
Adjustments to revenues for applicable accruals and payments				7,785
Adjustments to expenditures for applicable accruals and payments				(1,518)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(4,592)</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, 2016

	Budgeted Amounts		Actual	Variations 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	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	1,024	1,024
Miscellaneous	-	(3,710)	3,710	7,420
<i>Total revenues</i>	<u>-</u>	<u>(3,710)</u>	<u>4,734</u>	<u>8,444</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	30,308	66,072	54,502	11,570
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	273,471	247,417	72,249	175,168
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>303,779</u>	<u>313,489</u>	<u>126,751</u>	<u>186,738</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(303,779)</u>	<u>(317,199)</u>	<u>(122,017)</u>	<u>195,182</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	303,779	317,199	-	(317,199)
Transfers in	-	-	6,000	6,000
Transfers out	-	-	-	-
Proceeds from issuance	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>303,779</u>	<u>317,199</u>	<u>6,000</u>	<u>(311,199)</u>
<i>Net change in fund balance</i>	-	-	(116,017)	(116,017)
<i>Fund balance - beginning of year</i>	-	-	300,779	300,779
<i>Fund balance - end of year</i>	\$ <u>-</u>	<u>-</u>	<u>184,762</u>	<u>184,762</u>
Net change in fund balance (GAAP)			\$	(113,017)
No adjustments to revenue				-
Adjustments to expenditures for applicable accruals and deferrals				3,000
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(116,017)</u>

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, 2016

	Budgeted Amounts		Actual	Variations
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	-	-	-	-
Gross receipts	\$ 470,000	470,000	503,655	33,655
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	-	-	365	365
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>470,000</u>	<u>470,000</u>	<u>504,020</u>	<u>34,020</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>470,000</u>	<u>470,000</u>	<u>504,020</u>	<u>34,020</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(647,568)	(647,568)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(647,568)</u>	<u>(647,568)</u>
<i>Net change in fund balance</i>	470,000	470,000	(143,548)	(613,548)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>554,115</u>	<u>554,115</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>410,567</u>	<u>(59,433)</u>
Net change in fund balance (GAAP)			\$	(145,366)
Adjustments to revenue for applicable accruals and deferrals				(1,818)
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(143,548)</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, 2016

	Budgeted Amounts		Actual	Variations
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	470,000	470,000	503,655	33,655
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	750	750	143	(607)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>470,750</u>	<u>470,750</u>	<u>503,798</u>	<u>33,048</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>470,750</u>	<u>470,750</u>	<u>503,798</u>	<u>33,048</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(469,624)	(469,624)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(469,624)</u>	<u>(469,624)</u>
<i>Net change in fund balance</i>	470,750	470,750	34,174	(436,576)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>245,783</u>	<u>245,783</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>279,957</u>	<u>(190,793)</u>
Net change in fund balance (GAAP)			\$	32,356
Adjustments to revenue for applicable accruals and deferrals				(1,818)
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>34,174</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, 2016

	Budgeted Amounts		Actual	Variations
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	470,000	470,000	503,655	33,655
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	545,959	545,959	539,249	(6,710)
Licenses and fees	-	-	-	-
Investment income	-	-	482	482
Miscellaneous	-	3,552	17,645	14,093
<i>Total revenues</i>	<u>1,015,959</u>	<u>1,019,511</u>	<u>1,061,031</u>	<u>41,520</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	855,713	991,265	948,987	42,278
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>855,713</u>	<u>991,265</u>	<u>948,987</u>	<u>42,278</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>160,246</u>	<u>28,246</u>	<u>112,044</u>	<u>83,798</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	150,000	150,000
Transfers out	-	-	(130,722)	(130,722)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>19,278</u>	<u>19,278</u>
<i>Net change in fund balance</i>	160,246	28,246	131,322	103,076
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>363,979</u>	<u>363,979</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>495,301</u>	<u>467,055</u>
Net change in fund balance (GAAP)			\$	114,060
Adjustments to revenue for applicable accruals and deferrals				(1,818)
Adjustments to expenditures for applicable accruals and payments				(15,444)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>131,322</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, 2016

	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	21,750	21,750	74,393	52,643
Licenses and fees	207,000	207,000	238,435	31,435
Investment income	500	500	237	(263)
Miscellaneous	7,200	7,200	127,420	120,220
<i>Total revenues</i>	<u>236,450</u>	<u>236,450</u>	<u>440,485</u>	<u>204,035</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>236,450</u>	<u>236,450</u>	<u>440,485</u>	<u>204,035</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(432,289)	(432,289)
Proceeds from sale of capital assets	-	-	240	240
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(432,289)</u>	<u>(432,049)</u>
<i>Net change in fund balance</i>	236,450	236,450	8,196	(228,254)
<i>Fund balance - beginning of year</i>	-	-	1,280,167	1,280,167
<i>Fund balance - end of year</i>	\$ -	-	<u>1,288,363</u>	<u>1,051,913</u>
Net change in fund balance (GAAP)			\$	8,199
No adjustments to revenue				-
Adjustments to expenditures for applicable accruals and payments				3
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>8,196</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, 2016

	Budgeted Amounts		Actual	Variations
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	950,000	950,000	990,373	40,373
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	350,000	350,000
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	3,000	3,000	3,024	24
Miscellaneous	-	-	120,550	120,550
<i>Total revenues</i>	<u>953,000</u>	<u>953,000</u>	<u>1,463,947</u>	<u>510,947</u>
<i>Expenditures:</i>				
Current:				
General government	625,000	650,210	176,135	474,075
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	565,000	565,000	-	565,000
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,190,000</u>	<u>1,215,210</u>	<u>176,135</u>	<u>1,039,075</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(237,000)</u>	<u>(262,210)</u>	<u>1,287,812</u>	<u>1,550,022</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	237,000	262,210	-	(262,210)
Transfers in	-	-	-	-
Transfers out	-	-	(341,850)	(341,850)
<i>Total other financing sources (uses)</i>	<u>237,000</u>	<u>262,210</u>	<u>(341,850)</u>	<u>(604,060)</u>
<i>Net change in fund balance</i>	-	-	945,962	945,962
<i>Fund balance - beginning of year</i>	-	-	1,978,359	1,978,359
<i>Fund balance - end of year</i>	\$ -	-	<u>2,924,321</u>	<u>2,924,321</u>
Net change in fund balance (GAAP)			\$	892,416
Adjustments to revenue for applicable accruals and deferrals				(53,546)
Adjustments to expenditures for applicable accruals and payments				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>945,962</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, 2016

	Budgeted Amounts		Actual	Variations Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	1,880,000	1,880,000	1,980,632	100,632
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	4,000	1,338	(2,662)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,884,000</u>	<u>1,884,000</u>	<u>1,981,970</u>	<u>97,970</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	80,936	119,559	119,559	-
Interest	3,510	5,448	5,447	1
<i>Total expenditures</i>	<u>84,446</u>	<u>125,007</u>	<u>125,006</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,799,554</u>	<u>1,758,993</u>	<u>1,856,964</u>	<u>97,971</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	(1,450,000)	(1,450,000)
Transfers out	-	-	(1,857,746)	(1,857,746)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(3,307,746)</u>	<u>(3,307,746)</u>
<i>Net change in fund balance</i>	1,799,554	1,758,993	(1,450,782)	(3,209,775)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,777,640</u>	<u>2,777,640</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>1,326,858</u>	<u>(432,135)</u>
Net change in fund balance (GAAP)			\$	(1,456,020)
Adjustments to revenue for applicable accruals and deferrals				(5,238)
Adjustments to expenditures for applicable accruals and payments				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(1,450,782)</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, 2016**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable
				(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	1,665,000	1,665,000	1,813,279	148,279
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	3,300	3,300	3,443	143
Miscellaneous	-	-	-	-
Gain on sale of fixed asset	-	-	-	-
<i>Total revenues</i>	<u>1,668,300</u>	<u>1,668,300</u>	<u>1,816,722</u>	<u>148,422</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	1,203,428	1,203,428	1,203,428	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,203,428</u>	<u>1,203,428</u>	<u>1,203,428</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>464,872</u>	<u>464,872</u>	<u>613,294</u>	<u>148,422</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>	464,872	464,872	613,294	148,422
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,640,622</u>	<u>2,640,622</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>3,253,916</u>	<u>2,789,044</u>
Net change in fund balance (GAAP)			\$	607,872
Adjustments to revenue for applicable accruals and deferrals				(5,422)
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>613,294</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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<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	18,913	18,913	18,913	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>18,913</u>	<u>18,913</u>	<u>18,913</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	20,563	20,563	20,382	181
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>20,563</u>	<u>20,563</u>	<u>20,382</u>	<u>181</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,650)</u>	<u>(1,650)</u>	<u>(1,469)</u>	<u>181</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	1,650	1,650	-	(1,650)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,650</u>	<u>1,650</u>	<u>-</u>	<u>(1,650)</u>
<i>Net change in fund balance</i>	-	-	(1,469)	(1,469)
<i>Fund balance - beginning of year</i>	-	-	1,650	1,650
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>181</u>	<u>181</u>
Net change in fund balance (GAAP)			\$	(1,469)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(1,469)</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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	1,880,000	1,880,000	2,014,619	134,619
Gasoline and motor vehicle	430,000	430,000	421,717	(8,283)
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	456,500	456,500	456,500	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	8,000	8,000	4,574	(3,426)
Miscellaneous	-	42,183	33,849	(8,334)
<i>Total revenues</i>	<u>2,774,500</u>	<u>2,816,683</u>	<u>2,931,259</u>	<u>114,576</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	2,874,942	4,212,137	2,343,801	1,868,336
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	960,398	1,064,645	294,826	769,819
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,835,340</u>	<u>5,276,782</u>	<u>2,638,627</u>	<u>2,638,155</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,060,840)</u>	<u>(2,460,099)</u>	<u>292,632</u>	<u>2,752,731</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	1,060,840	2,460,099	-	(2,460,099)
Transfers in	-	-	1,401,513	1,401,513
Transfers out	-	-	48,302	48,302
<i>Total other financing sources (uses)</i>	<u>1,060,840</u>	<u>2,460,099</u>	<u>1,449,815</u>	<u>(1,010,284)</u>
<i>Net change in fund balance</i>	-	-	1,742,447	1,742,447
<i>Fund balance - beginning of year</i>	-	-	1,692,214	1,692,214
<i>Fund balance - end of year</i>	\$ -	-	<u>3,434,661</u>	<u>3,434,661</u>
Net change in fund balance (GAAP)			\$	1,446,640
Adjustments to revenue for applicable accruals and deferrals				(266,326)
Adjustments to expenditures for applicable accruals and payments				(29,481)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>1,742,447</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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<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	17,842	17,842	15,358	(2,484)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	6,100	6,100	3,880	(2,220)
<i>Total revenues</i>	<u>23,942</u>	<u>23,942</u>	<u>19,238</u>	<u>(4,704)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	20,000	20,000	16,819	3,181
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>20,000</u>	<u>20,000</u>	<u>16,819</u>	<u>3,181</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>3,942</u>	<u>3,942</u>	<u>2,419</u>	<u>(1,523)</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>	3,942	3,942	2,419	(1,523)
<i>Fund balance - beginning of year</i>	-	-	3,974	3,974
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>6,393</u>	<u>2,451</u>
Net change in fund balance (GAAP)			\$	(2,940)
Adjustments to revenue for applicable accruals and deferrals				(5,359)
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>2,419</u>

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, 2016

	Budgeted Amounts		Actual	Variations Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	630,000	683,934	707,048	23,114
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	100,000	100,000
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	1,300	1,300	3,535	2,235
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>631,300</u>	<u>685,234</u>	<u>810,583</u>	<u>125,349</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	288,678	451,428	309,144	142,284
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>288,678</u>	<u>451,428</u>	<u>309,144</u>	<u>142,284</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>342,622</u>	<u>233,806</u>	<u>501,439</u>	<u>267,633</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	494,934	494,934
Transfers out	-	-	(650,934)	(650,934)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(156,000)</u>	<u>(156,000)</u>
<i>Net change in fund balance</i>	342,622	233,806	345,439	111,633
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,458,967</u>	<u>1,458,967</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>1,804,406</u>	<u>1,570,600</u>
Net change in fund balance (GAAP)			\$	350,759
Adjustments to revenue for applicable accruals and deferrals				2,242
Adjustments to expenditures for applicable accruals and payments				3,078
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>345,439</u>

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, 2016

	Budgeted Amounts		Actual	Variations Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	1,880,000	1,880,000	2,014,619	134,619
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	333	133
<i>Total revenues</i>	<u>1,880,200</u>	<u>1,880,200</u>	<u>2,014,952</u>	<u>134,752</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>2,014,952</u>	<u>134,752</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(2,021,783)	(2,021,783)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(2,021,783)</u>	<u>(2,021,783)</u>
<i>Net change in fund balance</i>	1,880,200	1,880,200	(6,831)	(1,887,031)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>474,567</u>	<u>474,567</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>467,736</u>	<u>(1,412,464)</u>
Net change in fund balance (GAAP)			\$	(14,102)
Adjustments to revenue for applicable accruals and deferrals				(7,271)
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(6,831)</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, 2016

	Budgeted Amounts		Actual	Variations
	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	83,000	83,000	105,524	22,524
Investment income	-	-	3	3
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>83,000</u>	<u>83,000</u>	<u>105,527</u>	<u>22,527</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>83,000</u>	<u>83,000</u>	<u>105,527</u>	<u>22,527</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(109,122)	(109,122)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(109,122)</u>	<u>(109,122)</u>
<i>Net change in fund balance</i>	83,000	83,000	(3,595)	(86,595)
<i>Fund balance - beginning of year</i>	-	-	27,122	27,122
<i>Fund balance - end of year</i>	\$ -	-	<u>23,527</u>	<u>(59,473)</u>
Net change in fund balance (GAAP)			\$	(3,595)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(3,595)</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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<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	60,600	60,600	60,600	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	300	300	194	(106)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>60,900</u>	<u>60,900</u>	<u>60,794</u>	<u>(106)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	100,673	100,673	82,952	17,721
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>100,673</u>	<u>100,673</u>	<u>82,952</u>	<u>17,721</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(39,773)</u>	<u>(39,773)</u>	<u>(22,158)</u>	<u>17,615</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	39,773	39,773	-	(39,773)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>39,773</u>	<u>39,773</u>	<u>-</u>	<u>(39,773)</u>
<i>Net change in fund balance</i>	-	-	(22,158)	(22,158)
<i>Fund balance - beginning of year</i>	-	-	39,773	39,773
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>17,615</u>	<u>17,615</u>
Net change in fund balance (GAAP)			\$	(22,158)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(22,158)</u>

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, 2016

	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	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	699,616	699,616	422,125	(277,491)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	44,000	44,000	10,788	(33,212)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>743,616</u>	<u>743,686</u>	<u>436,417</u>	<u>(307,269)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	1,160,313	1,183,081	740,777	442,304
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,160,313</u>	<u>1,183,081</u>	<u>740,777</u>	<u>442,304</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(416,697)</u>	<u>(439,395)</u>	<u>(304,360)</u>	<u>135,035</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	416,697	439,395	-	(439,395)
Transfers in	-	-	213,383	213,383
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>416,697</u>	<u>439,395</u>	<u>213,383</u>	<u>(226,012)</u>
<i>Net change in fund balance</i>	-	-	(90,977)	(90,977)
<i>Fund balance - beginning of year</i>	-	-	255,776	255,776
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>164,799</u>	<u>164,799</u>
Net change in fund balance (GAAP)			\$	(61,255)
Adjustments to revenue for applicable accruals and deferrals				34,147
Adjustments to expenditures for applicable accruals and payments				(4,425)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(90,977)</u>

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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal operating grants	18,833	37,165	34,688	(2,477)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>18,833</u>	<u>37,165</u>	<u>34,688</u>	<u>(2,477)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	591	18,923	16,445	2,478
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>591</u>	<u>18,923</u>	<u>16,445</u>	<u>2,478</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>18,242</u>	<u>18,242</u>	<u>18,243</u>	<u>1</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>	18,242	18,242	18,243	1
<i>Fund balance - beginning of year</i>	-	-	(17,208)	(17,208)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>1,035</u>	<u>(17,207)</u>
Net change in fund balance (GAAP)			\$	15,698
No adjustments to expenditures				-
Adjustments to expenditures for applicable accruals and deferrals				(2,545)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>18,243</u>

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, 2016

	Budgeted Amounts		Actual	Variations
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal operating grants	136,190	305,654	153,420	(152,234)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	31	31
Miscellaneous	-	-	1,845	1,845
<i>Total revenues</i>	<u>136,190</u>	<u>305,654</u>	<u>155,296</u>	<u>(150,358)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	111,150	280,769	210,194	70,575
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>111,150</u>	<u>280,769</u>	<u>210,194</u>	<u>70,575</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>25,040</u>	<u>24,885</u>	<u>(54,898)</u>	<u>(79,783)</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>	25,040	24,885	(54,898)	(79,783)
<i>Fund balance - beginning of year</i>	-	-	134	134
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(54,764)</u>	<u>(79,649)</u>
Net change in fund balance (GAAP)			\$	(20,914)
Adjustments to revenue for applicable accruals and deferrals				35,962
Adjustments to expenditures for applicable accruals and payments				(1,978)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(54,898)</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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<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	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	(500)	(500)	509	1,009
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>(500)</u>	<u>(500)</u>	<u>509</u>	<u>1,009</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	340,000	340,000	340,000	-
Interest	105,725	105,725	105,725	-
<i>Total expenditures</i>	<u>445,725</u>	<u>445,725</u>	<u>445,725</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(446,225)</u>	<u>(446,225)</u>	<u>(445,216)</u>	<u>1,009</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	446,225	446,225	-	(446,225)
Transfers in	-	-	445,725	445,725
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>446,225</u>	<u>446,225</u>	<u>445,725</u>	<u>(500)</u>
<i>Net change in fund balance</i>	-	-	509	509
<i>Fund balance - beginning of year</i>	-	-	(6,926)	(6,926)
<i>Fund balance - end of year</i>	\$ -	-	<u>(6,417)</u>	<u>(6,417)</u>
Net change in fund balance (GAAP)			\$	509
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>509</u>

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, 2016**

	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	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	(200)	(200)	691	891
Miscellaneous	-	-	-	-
Gain on sale of fixed asset	-	-	-	-
<i>Total revenues</i>	<u>(200)</u>	<u>(200)</u>	<u>691</u>	<u>891</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	470,751	470,751	470,751	-
Interest	73,942	73,942	73,935	7
<i>Total expenditures</i>	<u>544,693</u>	<u>544,693</u>	<u>544,686</u>	<u>7</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(544,893)</u>	<u>(544,893)</u>	<u>(543,995)</u>	<u>898</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	544,893	544,893	-	(544,893)
Transfers in	-	-	544,693	544,693
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>544,893</u>	<u>544,893</u>	<u>544,693</u>	<u>(200)</u>
<i>Net change in fund balance</i>	-	-	698	698
<i>Fund balance - beginning of year</i>	-	-	78,119	78,119
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>78,817</u>	<u>78,817</u>
Net change in fund balance (GAAP)			\$ 698	698
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$ 698	698

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

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Street 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, 2016**

	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	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	1,395	1,395
Miscellaneous	-	-	-	-
Gain on sale of fixed asset	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>1,395</u>	<u>1,395</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	-	1,115,000	1,115,000	-
Interest	-	112,777	112,777	-
<i>Total expenditures</i>	<u>-</u>	<u>1,227,777</u>	<u>1,227,777</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(1,227,777)</u>	<u>(1,226,382)</u>	<u>1,395</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	1,227,777	-	(1,227,777)
Transfers in	-	-	1,227,777	1,227,777
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,227,777</u>	<u>1,227,777</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	1,395	1,395
<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>1,395</u>	<u>1,395</u>
Net change in fund balance (GAAP)			\$	1,395
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>1,395</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, 2016

	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	12	12	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>300</u>	<u>12</u>	<u>12</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	175,000	2,110,000	2,110,000	-
Interest	86,569	20,199	20,199	-
<i>Total expenditures</i>	<u>261,569</u>	<u>2,130,199</u>	<u>2,130,199</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(261,269)</u>	<u>(2,130,187)</u>	<u>(2,130,187)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	261,269	2,130,187	-	(2,130,187)
Transfers in	-	-	2,063,002	2,063,002
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>261,269</u>	<u>2,130,187</u>	<u>2,063,002</u>	<u>(67,185)</u>
<i>Net change in fund balance</i>	-	-	(67,185)	(67,185)
<i>Fund balance - beginning of year</i>	-	-	59,971	59,971
<i>Fund balance - end of year</i>	\$ -	-	<u>(7,214)</u>	<u>(7,214)</u>
Net change in fund balance (GAAP)			\$	(67,185)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(67,185)</u>

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, 2016

	Budgeted Amounts		Actual	Variations 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	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	300	300	655	355
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>300</u>	<u>300</u>	<u>655</u>	<u>355</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	260,000	260,000	260,000	-
Interest	209,624	209,624	209,616	8
<i>Total expenditures</i>	<u>469,624</u>	<u>469,624</u>	<u>469,616</u>	<u>8</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(469,324)</u>	<u>(469,324)</u>	<u>(468,961)</u>	<u>363</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	469,324	469,324	-	(469,324)
Transfers in	-	-	469,624	469,624
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>469,324</u>	<u>469,324</u>	<u>469,624</u>	<u>300</u>
<i>Net change in fund balance</i>	-	-	663	663
<i>Fund balance - beginning of year</i>	-	-	144,573	144,573
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>145,236</u>	<u>145,236</u>
Net change in fund balance (GAAP)			\$	868
Adjustments to revenue for applicable accruals and deferrals				(115,000)
Adjustments to expenditures for applicable accruals and payments				115,205
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>663</u>

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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(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	-	-	-	-
Miscellaneous	-	-	-	-
Gain on sale of fixed asset	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash/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>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	\$ <u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
Net change in fund balance (GAAP)			\$	5,399,032
No adjustments to revenues				-
Adjustments to expenditures for applicable accruals and payments				<u>5,399,032</u>
Net change in fund balance (non-GAAP budgetary basis)			\$	<u><u>-</u></u>

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

**STATE OF NEW MEXICO**  
**CITY OF CLOVIS**  
**Street 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, 2016**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
				Final to Actual
<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	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	5,262	5,262
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	5,262	5,262
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	136,079	136,079	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	5,689,178	259,371	5,429,807
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	5,825,257	395,450	5,429,807
<i>Excess (deficiency) of revenues over expenditures</i>	-	(5,825,257)	(390,188)	5,435,069
<i>Other financing sources (uses)</i>				
Designated cash/other assets	-	5,825,257	-	(5,825,257)
Transfers in	-	-	1,175,163	1,175,163
Transfers out	-	-	(2,130,199)	(2,130,199)
Proceeds from debt issuance	-	6,780,293	6,780,293	-
<i>Total other financing sources (uses)</i>	-	12,605,550	5,825,257	(6,780,293)
<i>Net change in fund balance</i>	-	6,780,293	5,435,069	(1,345,224)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	\$ -	-	5,435,069	(1,345,224)
Net change in fund balance (GAAP)			\$	5,399,032
No adjustments to revenues				-
Adjustments to expenditures for applicable accruals and payments				(36,037)
Net change in fund balance (non-GAAP budgetary basis)			\$	5,435,069

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, 2016

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal operating grants	-	-	-	-
Federal capital grants	(200,000)	(200,000)	-	200,000
State operating grants	(38,785)	38,785	(38,785)	(77,570)
State capital grants	3,693,250	4,153,950	80,168	(4,073,782)
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	660	660
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>3,454,465</u>	<u>3,992,735</u>	<u>42,043</u>	<u>(3,950,692)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	444,625	801,075	46,893	754,182
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	4,160,000	4,815,000	1,847,683	2,967,317
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,604,625</u>	<u>5,616,075</u>	<u>1,894,576</u>	<u>3,721,499</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,150,160)</u>	<u>(1,623,340)</u>	<u>(1,852,533)</u>	<u>(229,193)</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	1,150,160	1,623,340	-	(1,623,340)
Transfers in	-	-	467,698	467,698
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,150,160</u>	<u>1,623,340</u>	<u>467,698</u>	<u>(1,155,642)</u>
<i>Net change in fund balance</i>	-	-	(1,384,835)	(1,384,835)
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>(1,384,835)</u>	<u>(1,384,835)</u>
Net change in fund balance (GAAP)			\$	-
Adjustments to revenue for applicable accruals and deferrals				1,702,590
Adjustments to expenditures for applicable accruals and payments				(317,755)
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>(1,384,835)</u>

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, 2016

	Budgeted Amounts		Actual	Variations Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	-	-	-
Gross receipts	470,000	470,000	503,655	33,655
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	500	500	746	246
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>470,500</u>	<u>470,500</u>	<u>504,401</u>	<u>33,901</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	151,779	151,780	7,623	144,157
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	327,148	627,147	57,191	569,956
<i>Debt service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>478,927</u>	<u>778,927</u>	<u>64,814</u>	<u>714,113</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(8,427)</u>	<u>(308,427)</u>	<u>439,587</u>	<u>748,014</u>
<i>Other financing sources (uses)</i>				
Designated cash/other assets	8,427	308,427	-	(308,427)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>8,427</u>	<u>308,427</u>	<u>-</u>	<u>(308,427)</u>
<i>Net change in fund balance</i>	-	-	439,587	439,587
<i>Fund balance - beginning of year</i>	-	-	223,634	223,634
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>-</u>	<u>663,221</u>	<u>663,221</u>
Net change in fund balance (GAAP)			\$	597,622
Adjustments to revenue for applicable accruals and deferrals				(1,818)
Adjustments to expenditures for applicable accruals and payments				159,853
Net change in fund balance (non-GAAP budgetary basis)			\$	<u>439,587</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, 2016**

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 4,518,500	4,518,500	4,739,322	220,822
<i>Total operating revenues</i>	<u>4,518,500</u>	<u>4,518,500</u>	<u>4,739,322</u>	<u>220,822</u>
<i>Operating expenses:</i>				
General and administrative	431,100	414,326	373,643	40,683
Personnel services	1,895,238	1,954,713	1,736,082	218,631
Contractual services	149,866	163,487	94,823	68,664
Supplies and purchased power	476,419	490,221	332,235	157,986
Maintenance and materials	2,385,201	2,553,372	2,097,405	455,967
Utilities	47,330	47,330	9,588	37,742
Miscellaneous	-	-	-	-
<i>Total operating expenses</i>	<u>5,385,154</u>	<u>5,623,449</u>	<u>4,643,776</u>	<u>979,673</u>
<i>Operating income (loss)</i>	<u>(866,654)</u>	<u>(1,104,949)</u>	<u>95,546</u>	<u>1,200,495</u>
<i>Non-operating revenues (expenses):</i>				
Operating grants	-	-	-	-
Miscellaneous income	51,850	52,629	81,552	28,923
Interest income	73,500	73,500	119,533	46,033
Interest expense	-	-	-	-
Net proceeds from sale of capital assets	-	-	-	-
Gross receipts and other taxes	-	-	495,186	495,186
Landfill closure/postclosure care costs	-	-	-	-
<i>Total non-operating revenues (expenses)</i>	<u>125,350</u>	<u>126,129</u>	<u>696,271</u>	<u>570,142</u>
Capital grants	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(803,693)	(803,693)
<i>Capital grants and net transfers</i>	<u>-</u>	<u>-</u>	<u>(803,693)</u>	<u>(803,693)</u>
<i>Change in net position</i>	(741,304)	(978,820)	(11,876)	966,944
Designated cash/other assets	741,304	978,820	-	-
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>7,977,057</u>	<u>7,977,057</u>
<i>Total net position, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>7,965,181</u>	<u>8,944,001</u>
Net change in net position (GAAP)				\$ (1,255,174)
Adjustments to revenue for charges for services, miscellaneous revenue and capital grant accruals				(1,322)
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				354,687
Depreciation and other non-cash items				<u>(1,596,663)</u>
Net change in net position (non-GAAP budgetary basis)				<u>\$ (11,876)</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, 2016**

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 3,114,000	3,114,000	3,142,767	28,767
<i>Total operating revenues</i>	<u>3,114,000</u>	<u>3,114,000</u>	<u>3,142,767</u>	<u>28,767</u>
<i>Operating expenses:</i>				
General and administrative	79,000	74,266	43,509	30,757
Personnel services	929,853	938,753	726,529	212,224
Contractual services	-	-	-	-
Supplies and purchased power	107,500	197,861	152,343	45,518
Maintenance and materials	1,194,318	1,836,595	1,186,060	650,535
Utilities	351,162	324,462	220,842	103,620
Miscellaneous	718,166	718,166	717,671	495
<i>Total operating expenses</i>	<u>3,379,999</u>	<u>4,090,103</u>	<u>3,046,954</u>	<u>1,043,149</u>
<i>Operating income (loss)</i>	<u>(265,999)</u>	<u>(976,103)</u>	<u>95,813</u>	<u>1,071,916</u>
<i>Non-operating revenues (expenses):</i>				
Operating grants	-	-	-	-
Miscellaneous income	159,366	159,366	206,936	47,570
Interest income	84,200	84,200	105,261	21,061
Interest expense	(312,046)	(312,047)	(312,046)	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>(68,480)</u>	<u>(68,481)</u>	<u>151</u>	<u>68,632</u>
Capital grants	-	-	-	-
Transfers in	-	-	822,588	822,588
Transfers out	-	-	(630,738)	(630,738)
<i>Capital grants and net transfers</i>	<u>-</u>	<u>-</u>	<u>191,850</u>	<u>191,850</u>
<i>Change in net position</i>	(334,479)	(1,044,584)	287,814	1,332,398
Designated cash/other assets	<u>334,479</u>	<u>1,044,584</u>	<u>-</u>	<u>-</u>
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>23,569,193</u>	<u>-</u>
<i>Total net position, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>23,857,007</u>	<u>1,332,398</u>
Net change in net position (GAAP)				\$ (946,444)
Adjustments to revenue for charges for services, taxes, interest and capital grant accruals				(169,823)
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				736,377
Depreciation and other non-cash items				<u>(1,800,812)</u>
Net change in net position (non-GAAP budgetary basis)				<u>\$ 287,814</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, 2016**

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 125,500	125,500	152,034	26,534
<i>Total operating revenues</i>	<u>125,500</u>	<u>125,500</u>	<u>152,034</u>	<u>26,534</u>
<i>Operating expenses:</i>				
General and administrative	-	-	-	-
Personnel services	184,128	250,017	204,380	45,637
Contractual services	87,200	87,200	7,215	79,985
Supplies and purchased power	-	-	-	-
Maintenance and materials	350,250	592,163	406,026	186,137
Utilities	53,680	53,680	48,056	5,624
Miscellaneous	-	-	-	-
<i>Total operating expenses</i>	<u>675,258</u>	<u>983,060</u>	<u>665,677</u>	<u>317,383</u>
<i>Operating income (loss)</i>	<u>(549,758)</u>	<u>(857,560)</u>	<u>(513,643)</u>	<u>343,917</u>
<i>Non-operating revenues (expenses):</i>				
Capital grants	296,870	489,263	382,677	(106,586)
Miscellaneous income	200	200	7,320	7,120
Interest income	200	200	222	22
Interest expense	-	-	-	-
Gross receipts and other taxes	-	-	-	-
Landfill closure/postclosure care costs	-	-	-	-
<i>Total non-operating revenues (expenses)</i>	<u>297,270</u>	<u>489,663</u>	<u>390,219</u>	<u>(99,444)</u>
Transfers in	-	-	296,232	296,232
Transfers out	-	-	-	-
<i>Capital grants and net transfers</i>	<u>-</u>	<u>-</u>	<u>296,232</u>	<u>296,232</u>
<i>Change in net position</i>	(252,488)	(367,897)	172,808	540,705
Designated cash/other assets	<u>252,488</u>	<u>367,897</u>	<u>-</u>	<u>-</u>
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>15,762,251</u>	<u>15,762,251</u>
<i>Total net position, end of year</i>	<u>\$ -</u>	<u>-</u>	<u>15,935,059</u>	<u>540,705</u>
Net change in net position (GAAP)				\$ (385,861)
Adjustments to revenue for charges for services and miscellaneous revenue accruals				(98,342)
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				243,201
Depreciation				<u>(703,528)</u>
Net change in net position (non-GAAP budgetary basis)				<u>\$ 172,808</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, 2016**

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 58,100	58,100	63,920	5,820
<i>Total operating revenues</i>	<u>58,100</u>	<u>58,100</u>	<u>63,920</u>	<u>5,820</u>
<i>Operating expenses:</i>				
General and administrative	-	-	-	-
Personnel services	-	-	-	-
Contractual services	-	-	-	-
Supplies and purchased power	-	-	-	-
Maintenance and materials	386,362	425,454	373,011	52,443
Utilities	70,100	61,936	50,121	11,815
Depreciation	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total operating expenses</i>	<u>456,462</u>	<u>487,390</u>	<u>423,132</u>	<u>64,258</u>
<i>Operating income (loss)</i>	<u>(398,362)</u>	<u>(429,290)</u>	<u>(359,212)</u>	<u>70,078</u>
<i>Non-operating revenues (expenses):</i>				
Operating grants	-	-	-	-
Miscellaneous income	-	-	33,282	33,282
Interest income	-	-	15	15
Interest expense	-	-	-	-
Gross receipts and other taxes	-	-	-	-
Landfill closure/postclosure care costs	-	-	-	-
<i>Total non-operating revenues (expenses)</i>	<u>-</u>	<u>-</u>	<u>33,297</u>	<u>33,297</u>
Capital grants	-	-	-	-
Transfers in	-	-	309,052	309,052
Transfers out	-	-	-	-
<i>Capital grants and net transfers</i>	<u>-</u>	<u>-</u>	<u>309,052</u>	<u>309,052</u>
<i>Change in net position</i>	(398,362)	(429,290)	(16,863)	412,427
Designated cash/other assets	398,362	429,290	-	-
<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>(16,863)</u>	<u>412,427</u>
Net change in net position (GAAP)				\$ 68,007
Adjustments to revenue for charges for services and miscellaneous revenue accruals				114,195
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				(2,464)
Depreciation				<u>(26,861)</u>
Net change in net position (non-GAAP budgetary basis)				<u>\$ (16,863)</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, 2016**

**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, 2016**

	48	53	54	
	Workers Compensation	Unemployment Reserve	Property and Liability Self-Insurance Fund	Total
<i>Assets</i>				
<i>Current assets</i>				
Cash and investments	\$ 2,614,379	704,760	151,710	3,470,849
Receivables	-	-	-	-
Due from other funds	-	-	-	-
Prepays	37	-	-	37
<i>Total current assets</i>	<u>2,614,416</u>	<u>704,760</u>	<u>151,710</u>	<u>3,470,886</u>
<i>Noncurrent assets</i>				
Restricted Cash and investments	-	-	-	-
Capital assets	115,376	-	-	115,376
Less: accumulated depreciation	(85,057)	-	-	(85,057)
<i>Total noncurrent assets</i>	<u>30,319</u>	<u>-</u>	<u>-</u>	<u>30,319</u>
<i>Total Assets</i>	<u><u>2,644,735</u></u>	<u><u>704,760</u></u>	<u><u>151,710</u></u>	<u><u>3,501,205</u></u>
<i>Liabilities and Net Position</i>				
<i>Liabilities:</i>				
<i>Current liabilities</i>				
Accounts payable	29,990	-	-	29,990
Accrued payroll expenses	2,988	-	-	2,988
Accrued compensated absences	1,511	-	-	1,511
<i>Total current liabilities</i>	<u>34,489</u>	<u>-</u>	<u>-</u>	<u>34,489</u>
<i>Net Position:</i>				
Net investment in capital assets	30,319	-	-	30,319
Restricted	-	-	-	-
Unrestricted	2,579,927	704,760	151,710	3,436,397
<i>Total net position</i>	<u>2,610,246</u>	<u>704,760</u>	<u>151,710</u>	<u>3,466,716</u>
<i>Total Liabilities and Net Position</i>	<u><u>\$ 2,644,735</u></u>	<u><u>704,760</u></u>	<u><u>151,710</u></u>	<u><u>3,501,205</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, 2016**

	48	53	54	
	Workers Compensation	Unemployment Reserve	Property and Liability Self-Insurance Fund	Total
<i>Operating revenues:</i>				
Charges for services	\$ 553,342	-	-	553,342
<i>Total operating revenues</i>	<u>553,342</u>	<u>-</u>	<u>-</u>	<u>553,342</u>
<i>Operating expenses:</i>				
General and administrative	346,164	5,624	-	351,788
Personnel services	81,622	-	-	81,622
Depreciation	13,098	-	-	13,098
<i>Total operating expenses</i>	<u>440,884</u>	<u>5,624</u>	<u>-</u>	<u>446,508</u>
<i>Operating income (loss)</i>	<u>112,458</u>	<u>(5,624)</u>	<u>-</u>	<u>106,834</u>
<i>Non-operating revenues (expenses):</i>				
Gain/(loss) on disposal of capital assets	-	-	-	-
Interest income	1,416	1,447	353	3,216
Miscellaneous	-	70,787	-	70,787
<i>Total non-operating revenues (expenses)</i>	<u>1,416</u>	<u>72,234</u>	<u>353</u>	<u>74,003</u>
Transfers in	40,299	-	-	40,299
Transfers out	(1,434,900)	-	-	(1,434,900)
<i>Net transfers</i>	<u>(1,394,601)</u>	<u>-</u>	<u>-</u>	<u>(1,394,601)</u>
<i>Change in net position</i>	<u>(1,280,727)</u>	<u>66,610</u>	<u>353</u>	<u>(1,213,764)</u>
<i>Net position, beginning of year</i>	<u>3,890,973</u>	<u>638,150</u>	<u>151,357</u>	<u>4,680,480</u>
<i>Net position, end of year</i>	<u>\$ 2,610,246</u>	<u>704,760</u>	<u>151,710</u>	<u>3,466,716</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, 2016**

	<u>48</u>	<u>53</u>	<u>54</u>	
	Workers Compensation	Unemployment Reserve	Property and Liability Self-Insurance Fund	Total
Cash flows from operating activities				
Receipts from interfund services provided	\$ 830,438	-	-	830,438
Payments to suppliers and employees	<u>(396,898)</u>	<u>(5,624)</u>	<u>-</u>	<u>(402,522)</u>
Net cash provided by operating activities	<u>433,540</u>	<u>(5,624)</u>	<u>-</u>	<u>427,916</u>
Cash flows from noncapital financing activities:				
Transfers in (out)	(1,394,601)	-	-	(1,394,601)
Miscellaneous income	<u>-</u>	<u>70,787</u>	<u>-</u>	<u>70,787</u>
Net cash provided (used) by noncapital financing activities	<u>(1,394,601)</u>	<u>70,787</u>	<u>-</u>	<u>(1,323,814)</u>
Cash flows from capital and related financing activities:				
Acquisitions of capital assets	(18,261)	-	-	(18,261)
Net cash provided (used) by capital and related financing activities	<u>(18,261)</u>	<u>-</u>	<u>-</u>	<u>(18,261)</u>
Cash flows from investing activities:				
Interest income	1,416	1,447	353	3,216
Net cash provided by investing activities	<u>1,416</u>	<u>1,447</u>	<u>353</u>	<u>3,216</u>
Net increase in cash and investments	\$ <u>(977,906)</u>	<u>66,610</u>	<u>353</u>	<u>(910,943)</u>
Balances-beginning of year	<u>3,592,285</u>	<u>638,150</u>	<u>151,357</u>	<u>4,381,792</u>
Balances-end of year	<u>\$ 2,614,379</u>	<u>704,760</u>	<u>151,710</u>	<u>3,470,849</u>
Reconciliation of operating income (loss) to net cash provided/(used) by operating activities:				
Operating income/(loss)	\$ 112,458	(5,624)	-	106,834
Adjustments:				
Depreciation expense	13,098	-	-	13,098
(Increase) decrease in:				
Receivables	277,096	-	-	277,096
Prepays	674	-	-	674
(Decrease) increase in:				
Accounts payable	29,975	-	-	29,975
Accrued payroll	785	-	-	785
Compensated absences	(546)	-	-	(546)
Net cash provided by operating activities	<u>\$ 433,540</u>	<u>(5,624)</u>	<u>-</u>	<u>427,916</u>
Non-cash transfer of capital assets into fund	<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  
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, 2016**

	<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	\$ 676,305	676,305	553,342	(122,963)
<i>Total operating revenues</i>	<u>676,305</u>	<u>676,305</u>	<u>553,342</u>	<u>(122,963)</u>
<i>Operating expenses:</i>				
General and administrative	564,750	605,049	333,778	271,271
Personnel services	79,269	82,217	81,383	834
<i>Total operating expenses</i>	<u>644,019</u>	<u>687,266</u>	<u>415,161</u>	<u>272,105</u>
<i>Operating income (loss)</i>	<u>32,286</u>	<u>(10,961)</u>	<u>138,181</u>	<u>149,142</u>
<i>Non-operating revenues (expenses):</i>				
Miscellaneous income	-	-	-	-
Interest income	20,000	20,000	1,416	(18,584)
<i>Total non-operating revenues (expenses)</i>	<u>20,000</u>	<u>20,000</u>	<u>1,416</u>	<u>(18,584)</u>
Transfers in	-	-	40,299	40,299
Transfers out	-	-	(1,434,900)	(1,434,900)
<i>Change in net position</i>	52,286	9,039	(1,255,004)	(1,264,043)
Designated cash/other assets	-	-	-	-
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,890,973</u>	<u>3,890,973</u>
<i>Total net position, end of year</i>	<u>\$ 52,286</u>	<u>9,039</u>	<u>2,635,969</u>	<u>2,626,930</u>
Net change in net position (GAAP)				\$ (1,280,727)
Adjustments to revenue for charges for services, miscellaneous revenue and grant accruals				-
Adjustments to expenditures for accrued wages, compensated absences and operating expenses accruals				(12,625)
Depreciation				(13,098)
Net change in net position (non-GAAP budgetary basis)				<u>\$ (1,255,004)</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, 2016**

	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	-	-	5,624	(5,624)
<i>Total operating expenses</i>	<u>-</u>	<u>-</u>	<u>5,624</u>	<u>(5,624)</u>
<i>Operating income (loss)</i>	<u>-</u>	<u>-</u>	<u>(5,624)</u>	<u>(5,624)</u>
<i>Non-operating revenues (expenses):</i>				
Miscellaneous income	69,685	69,685	70,787	1,102
Interest income	750	750	1,447	697
<i>Total non-operating revenues (expenses)</i>	<u>70,435</u>	<u>70,435</u>	<u>72,234</u>	<u>1,799</u>
<i>Change in net position</i>	70,435	70,435	66,610	(3,825)
Designated cash/other assets	-	-	-	-
<i>Total net position, beginning of year</i>	<u>-</u>	<u>-</u>	<u>638,150</u>	<u>638,150</u>
<i>Total net position, end of year</i>	<u>\$ 70,435</u>	<u>70,435</u>	<u>704,760</u>	<u>634,325</u>
Net change in net position (GAAP)				\$ 66,610
No adjustments to revenues				-
No adjustments to expenses				<u>-</u>
Net change in net position (non-GAAP budgetary basis)				<u>\$ 66,610</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, 2016**

	Budget Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ -	-	-	-
<i>Total operating revenues</i>	-	-	-	-
<i>Operating expenses:</i>				
General and administrative	-	-	-	-
Personnel services	-	-	-	-
<i>Total operating expenses</i>	-	-	-	-
<i>Operating income (loss)</i>	-	-	-	-
<i>Non-operating revenues (expenses):</i>				
Miscellaneous income	-	-	-	-
Interest income	150	150	353	203
<i>Total non-operating revenues (expenses)</i>	150	150	353	203
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Change in net position</i>	150	150	353	203
Designated cash/other assets	-	-	-	-
<i>Total net position, beginning of year</i>	-	-	151,357	151,357
<i>Total net position, end of year</i>	\$ 150	150	151,710	151,560
Net change in net position (GAAP)				\$ 353
No adjustments to revenues				-
No adjustments to expenses				-
Net change in net position (non-GAAP budgetary basis)				\$ 353

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

## **SUPPORTING SCHEDULES**

**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\***

	<b>2016</b>		<b>2015</b>	
	Measurement Date as of			
	June 30, 2015		June 30, 2014	
The City's proportion of the net pension liability (asset) (%)	0.13%		0.13%	
The City's proportionate share of the net pension liability (asset) (\$)	\$	1,363,187	991,516	
The City's covered-employee payroll	\$	1,102,859	1,146,456	
The City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	124%		86%	
Plan fiduciary net position as a percentage of the total pension liability	76.99%		81.29%	

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

**Notes to Required 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 FY15 audit available at <http://www.nmpera.org/assets/uploads/downloads/gasb-67-supplemental-reports/NM-PERA-Employer-Allocation-Report-FINAL-2015.pdf>.

**Changes in assumptions:**

The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2015 report is available at <http://www.nmpera.org/assets/uploads/downloads/retirement-fund-valuation-reports/6-30-2015-PERA-Valuation-Report-FINAL.pdf>.

**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\***

	<u>2016</u>	<u>2015</u>
	Measurement Date as of	
	<u>June 30, 2015</u>	<u>June 30, 2014</u>
The City's proportion of the net pension liability (asset) (%)	0.65%	0.73%
The City's proportionate share of the net pension liability (asset) (\$)	\$ 3,140,952	2,374,505
The City's covered-employee payroll	\$ 1,657,838	1,544,617
The City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	189%	154%
Plan fiduciary net position as a percentage of the total pension liability	76.99%	81.29%

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

**Notes to Required Supplementary Information**

**Changes of benefit terms:**

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**Changes in assumptions:**

The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2015 report is available at <http://www.nmpera.org/assets/uploads/downloads/retirement-fund-valuation-reports/6-30-2015-PERA-Valuation-Report-FINAL.pdf>.

**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\***

	<u>2016</u>	<u>2015</u>
	<u>Measurement Date as of</u>	
	<u>June 30, 2015</u>	<u>June 30, 2014</u>
The City's proportion of the net pension liability (asset) (%)	1.28%	1.29%
The City's proportionate share of the net pension liability (asset) (\$)	\$ 6,595,474	5,396,139
The City's covered-employee payroll	\$ 1,758,475	1,610,783
The City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	375%	335%
Plan fiduciary net position as a percentage of the total pension liability	76.99%	81.29%

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

**Notes to Required 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 FY15 audit available at <http://www.nmpera.org/assets/uploads/downloads/gasb-67-supplemental-reports/NM-PERA-Employer-Allocation-Report-FINAL-2015.pdf>.

**Changes in assumptions:**

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**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\***

	<b>2016</b>	<b>2015</b>
Contractually required contribution	\$ 124,683	105,323
Contributions in relation to the contractually required contribution	124,683	105,323
Contribution deficiency (excess)	\$ -	-
The City's covered-employee payroll	\$ 1,305,581	1,102,859
Contributions as a percentage of covered-employee payroll	9.55%	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.

**Notes to Required 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 FY15 audit available at <http://www.nmpera.org/assets/uploads/downloads/gasb-67-supplemental-reports/NM-PERA-Employer-Allocation-Report-FINAL-2015.pdf>.

**Changes in assumptions:**

The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2015 report is available at <http://www.nmpera.org/assets/uploads/downloads/retirement-fund-valuation-reports/6-30-2015-PERA-Valuation-Report-FINAL.pdf>.



**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\***

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 238,966	255,307
Contributions in relation to the contractually required contribution	<u>238,966</u>	<u>255,307</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>
The City's covered-employee payroll	\$ 1,551,727	1,657,838
Contributions as a percentage of covered-employee payroll	15.40%	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.

**Notes to Required 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 FY15 audit available at <http://www.nmpera.org/assets/uploads/downloads/gasb-67-supplemental-reports/NM-PERA-Employer-Allocation-Report-FINAL-2015.pdf>.

**Changes in assumptions:**

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**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\***

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 316,361	314,767
Contributions in relation to the contractually required contribution	<u>316,361</u>	<u>314,767</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>
The City's covered-employee payroll	\$ 1,767,380	1,758,475
Contributions as a percentage of covered-employee payroll	17.90%	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.

**Notes to Required 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 FY15 audit available at <http://www.nmpera.org/assets/uploads/downloads/gasb-67-supplemental-reports/NM-PERA-Employer-Allocation-Report-FINAL-2015.pdf>.

**Changes in assumptions:**

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**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2016**

	CFDA Number	Federal Grantors Number	Federal Expenditures
<b>U.S. Department of Transportation</b>			
Passed through NM Department of Transportation			
FAA	20.106		\$ 172,800
Formula Grants for Rural Areas	(1) 20.509		456,271
FHWA	20.205		99,248
Highway Safety Cluster			
State and Community Highway Safety	20.600	14-PT-DS-023/15-PT-DS-023/15-DD-02-023	8,064
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	14-AL-64-023 & 15-AL-64-023	30,617
<b>Total U.S. Department of Transportation</b>			<b>767,000</b>
<b>U.S. Department of Justice</b>			
Passed through NM Department of Public Safety			
Bulletproof Vest Partnership Program	16.607		930
Metro Task Force	16.738	14-JAG-Region V & 15-Jag-Region V	179,172
LLEGB	16.738	2014-DJ-BX-0942 & 2015-DJ-BX-1209	16,445
<b>Total U.S. Department of Justice</b>			<b>196,547</b>
<b>U.S Department of Agriculture</b>			
Energy, Minerals & Natural Resources	10.664		<b>13,214</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	66,917
Pre-Disaster Mitigation	97.047	PDMC-PL-06-NM-20	15,000
Homeland Security Grant Program	97.067		77,278
<b>Total U.S. Department of Homeland Security</b>			<b>159,195</b>
<b>Total Federal Financial Assistance</b>			<b>\$ 1,135,956</b>
<b>Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds</b>			
Federal grant revenue per fund financials			\$ 1,194,393
Less: federal revenue considered unavailable (not received within 60 days of year end) in prior year recorded in current year			(58,437)
Total			1,135,956
Federal Expenditures per SEFA			1,135,956
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, 2016**

**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 activity of the City of Clovis, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

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

No non-cash federal assistance was received during the year ended June 30, 2016.

**Note 3 - Subrecipients**

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

**Note 4 - Cost Rate**

The City of Clovis did not use the 10% de minimis indirect cost rate

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Fund Balances  
As of June 30, 2016**

	Major Funds				
	01, 18	22	24		
	General Fund	Street Improvement	Street Improvement	Other Non-Major Governmental Funds	Total
<b>Fund Balances:</b>					
<b>Nonspendable:</b>					
Inventory	\$ 3,278	-	-	67,305	70,583
Prepaid expenses	322,483	-	-	63,588	386,071
Subtotal nonspendable	<u>325,761</u>	<u>-</u>	<u>-</u>	<u>130,893</u>	<u>456,654</u>
<b>Restricted for:</b>					
Operate/maintain recreational facilities	-	21,934	-	187,762	209,696
Road/drainage improvements	-	-	5,399,032	4,308,404	9,707,436
Transportation services	-	-	-	184,047	184,047
Drug abuse prevention/awareness	-	-	-	-	-
Debt service reserve	-	-	-	225,448	225,448
Fire fighting efforts/equipment	-	-	-	107,778	107,778
Economic development projects	-	-	-	1,809,726	1,809,726
Law enforcement enhancement	-	-	-	41,142	41,142
Subtotal restricted	<u>-</u>	<u>21,934</u>	<u>5,399,032</u>	<u>6,864,307</u>	<u>12,285,273</u>
<b>Committed to:</b>					
Operate/maintain recreational facilities	-	-	-	292,252	292,252
Operating/administering senior citizens facility	-	-	-	10,576	10,576
Improvement of sewer distribution lines	-	-	-	118,116	118,116
Public safety efforts/equipment	-	-	-	460,465	460,465
Improvement of City property/equipment	-	-	-	1,321,620	1,321,620
Recycling efforts	-	-	-	1,034	1,034
Economic development projects	-	-	-	2,870,775	2,870,775
Road/drainage improvements	-	-	-	4,276,232	4,276,232
Environmental projects	-	-	-	5,527,011	5,527,011
Subtotal committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,878,081</u>	<u>14,878,081</u>
<b>Assigned to:</b>					
Operate/maintain recreational facilities	-	-	-	209,341	209,341
Library operations	-	-	-	45,413	45,413
Departmental improvements	-	-	-	1,288,366	1,288,366
Multi-purpose special events center	-	-	-	473,267	473,267
Subtotal assigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,016,387</u>	<u>2,016,387</u>
<b>Unassigned:</b>	11,313,573	-	-	(36,625)	11,276,948
Total fund balances	<u>11,639,334</u>	<u>21,934</u>	<u>5,399,032</u>	<u>23,853,043</u>	<u>40,913,343</u>

See independent auditor's report.

**CITY OF CLOVIS**  
**Schedule of Joint Powers and Memorandums of Understanding Agreements**  
**For the Year Ended June 30, 2016**

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	Joint Powers Agreement	Participants
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	Older Adults Services	Curry County 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	Emergency Override System	Cannon AFB 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	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
4 Ute Reservoir	City of Clovis	City	Acquisition and	10/13/1987			City	City of Clovis	Ute Reservoir	City of Clovis
	Curry County City of Portales Village of Grady Town of Elida City of Texico City of Melrose		distribution of waters from Ute Reservoir	indefinite	Member share is 10% State share is 15% Fed share is 75%		City	*Effective July 1, 2015 Eastern NM Water Utility Authority is the fiscal agent and responsible for reporting entity* City of Clovis		Curry County City of Portales Village of Grady Town of Elida City of Texico City of Melrose
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	Fire Control	City of Clovis State of New Mexico

**CITY OF CLOVIS**  
**Schedule of Joint Powers and Memorandums of Understanding Agreements**  
**For the Year Ended June 30, 2016**

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	Joint Powers Agreement	Participants
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	Emergency Services	City of Clovis Clovis Comm College
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	Civil Defense	City of Clovis Curry County
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	Street Maintenance	City of Clovis Curry County
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	DWI Prevention	City of Clovis Curry County City of Texico
10 Self Insurance	NMSIF City of Clovis	NMSIF	Insurance services, needs and pooling	7/1/1996 until terminated	Varies	219,091	NMSIF	NMSIF	Self Insurance	NMSIF City of Clovis
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	\$ 130,000	City and County	County	Services for Community	City of Clovis Curry County

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
SCHEDULE OF CASH, INVESTMENTS AND PLEDGED COLLATERAL  
BY BANK AND ACCOUNT  
As of June 30, 2016**

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*	\$ 7,783,107	-	-	-	-	-	-	(3,659,777)	4,123,330
Money Market Account	Money Market*	3,072,586	-	-	-	-	-	-	-	3,072,586
Fire Account (7)	Checking*	154,802	-	-	-	-	-	-	(47,205)	107,597
2012 GRT Bonds Street	Checking*	100,829	-	-	-	-	-	-	-	100,829
Payroll Account (18)	Checking*	70,572	-	-	-	-	-	-	(5,223)	65,349
Dept of Justice	Checking*	1,035	-	-	-	-	-	-	-	1,035
Credit Cards Account	Checking*	16,984	-	-	-	-	-	-	-	16,984
Finance Credit Card	Checking*	2,178	-	-	-	-	-	-	(1,614)	564
Zoo Credit Card	Checking*	10,475	-	-	-	-	-	-	(4,196)	6,279
Landfill Credit Card	Checking*	35,777	-	-	-	-	-	-	(16,000)	19,777
EFT Account	Checking*	1,291	-	-	-	-	-	-	220	1,511
Municipal Court	Checking*	4,044	-	-	-	-	-	-	(2,632)	1,412
Drug Control Fund	Checking*	1,000	-	-	-	-	-	-	-	1,000
Aquatic Center Credit Cards	Checking*	7,070	-	-	-	-	-	-	(191)	6,879
Animal Shelter	Checking*	5,729	-	-	-	-	-	-	(3,229)	2,500
Series 2011 Revenue Bonds Construction	Money Market*	-	194,345	-	-	-	-	-	(12,583)	181,762
General Fund	Checking*	-	394,729	-	-	-	-	-	2,860,947	3,255,676
Special Streets	Checking*	-	1,327,546	-	-	-	-	-	-	1,327,546
NM Law Enforcement	Checking*	-	34,056	-	-	-	-	-	(16,453)	17,603
2015 Street Improvement Bonds	Checking*	-	-	4,258,967	-	-	-	-	375,163	4,634,130
Lodgers' Tax	Checking*	-	-	-	244,543	-	-	-	-	244,543
Money Market Investment Account	Money Market*	-	-	-	4,509,765	-	-	-	-	4,509,765
Policy Deposit	Deposit	-	-	-	-	72,958	-	-	-	72,958
Petty cash	Petty Cash	-	-	-	-	-	-	7,680	-	7,680
Subtotal cash and cash equivalents		11,267,479	1,950,676	4,258,967	4,754,308	72,958	-	7,680	(532,773)	21,779,295
<b>Investments</b>										
General Fund	Repurchase	-	-	-	-	-	-	-	-	-
Certificates of deposit	CD maturity >90 days	-	-	5,943,792	-	-	-	-	-	5,943,792
State of New Mexico	LGIP Fund (POOL-4101)	-	-	-	-	-	16,891,023	-	-	16,891,023
Subtotal investments		-	-	5,943,792	-	-	16,891,023	-	-	22,834,815
<b>Total amount of deposit in bank</b>										
FDIC coverage		(250,000)	(250,000)	(250,000)	(250,000)	-	-	-	-	-
Total uninsured public funds		11,017,479	1,700,676	9,952,759	4,504,308	72,958	-	-	-	-
<b>50% Collateral Requirement</b>										
(Section 6-10-17 NMSA 1978)		5,508,740	652,974	4,976,380	2,252,154	36,479	-	-	-	-
<b>102% Collateral Requirement</b>										
(Section 6-10-10(H) NMSA 1978)		-	277,624	-	-	-	-	-	-	-
Total collateral requirement		\$ 5,508,740	930,597	4,976,380	2,252,154	36,479	-	-	-	-
<b>Pledged security at:</b>										
New Mexico Bank & Trust 4.00% - 16415TAS0 Due 8/1/29		\$ 1,377,318	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 4.00% - 16145TAU5 Due 8/1/31		1,479,016	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.00% - 167736ZL4 Due 11/1/30		2,284,260	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 4.00% - 400424KD8 Due 11/1/26		968,116	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.00% - 488764XD8 Due 2/1/33		1,200,270	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 6.50% - 3136A7J86 Due 8/25/42		31,992	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 4.50% - 36296QTP4 Due 6/15/40		79,193	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.00% - 455057WF2 Due 2/1/28		1,998,702	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 4.50% - 508842PH3 Due 1/1/31		960,832	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 4.25% - 73342PDC9 Due 9/1/30		492,782	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 4.00% - 743482BU4 Due 12/15/23		411,551	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.00% - 67919PEE9 Due 4/1/29		832,268	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.00% - 67919PEF6 Due 4/1/30		831,623	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 4.50% - 512714DR4 Due 12/1/30		1,202,270	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.15% - 876014GE5 Due 9/1/27		59,317	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.00% - 920284GEO Due 7/15/29		3,753,390	-	-	-	-	-	-	-	-
New Mexico Bank & Trust 5.70% - 977100ACO Due 5/1/29		3,695,100	-	-	-	-	-	-	-	-
The Independent Bankers, Dallas, TX		-	-	-	-	-	-	-	-	-
GNMA II Pool #008059 1.625% - 36202J5U8 Due 10/20/22		-	624,319	-	-	-	-	-	-	-



**STATE OF NEW MEXICO  
CITY OF CLOVIS  
SCHEDULE OF CASH, INVESTMENTS AND PLEDGED COLLATERAL  
BY BANK AND ACCOUNT  
As of June 30, 2016**

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		-	1,460,064	-	-	-	-	-	-	-
GNR 2010-43 NE 3.50% - 37376YWJ6 Due 5/20/38		-	1,425,558	-	-	-	-	-	-	-
GNR 2014-80 XA 1 3.00% - 38379BM47 Due 6/20/40		-	2,523,438	-	-	-	-	-	-	-
GNMA II Pool #8871 5.00% - 3620K2CS Due 3/20/34		-	4,231,615	-	-	-	-	-	-	-
78309 3.00% - 313625AJ4 Due 9/20/20		-	-	-	6,083	-	-	-	-	-
8871 2.50% - 36202K2CB Due 8/15/20		-	-	-	39,490	-	-	-	-	-
1393000056 3.00% - 312MMQ48 Due 2/15/27		-	-	-	796,597	-	-	-	-	-
LOC - Line of credit		-	-	-	2,000,000	-	-	-	-	-
1393000029 3.50% - 31412QHM4 Due 4/20/38		-	-	-	678,682	-	-	-	-	-
SBAP 2016-200 2.00% 83162CXS7 Due 9/1/20		-	-	-	1,513,200	-	-	-	-	-
Plains Capital Bank										
SAN JUAN ISD#22-BLDG NM 17 3.15% - 798359HP3 8/1/17		-	-	410,136	-	-	-	-	-	-
TEXICO SD#2NM17 3.55% - 883005CDO 8/1/17		-	-	205,946	-	-	-	-	-	-
LAS VEGAS SD2-ANM17 2.13% - 51778FCN7 8/15/17		-	-	254,063	-	-	-	-	-	-
CLOVIS SD 1-BLDG NM18 3.45% - 189414GL3 8/1/18		-	-	411,284	-	-	-	-	-	-
TEXICO SD#2 NM18 3.70% - 883005CE8 8/1/18		-	-	237,119	-	-	-	-	-	-
LOVINGTON MUN SD BLDG NM 3.80% - 547473CJ5 10/1/18		-	-	403,400	-	-	-	-	-	-
TEXICO SD#2 NM19 3.85% - 883005CF5 8/1/19		-	-	258,205	-	-	-	-	-	-
TEXICO SD#2 NM20 4.00% - 883005CG3 8/1/20		-	-	351,604	-	-	-	-	-	-
DONA ANA NM20 4.00% - 257579CG3 9/1/20		-	-	301,525	-	-	-	-	-	-
TORRANCE ETC CNTYS NM20 2.50% - 257579CS9 9/1/20		-	-	342,505	-	-	-	-	-	-
FNR 2012-117 DC 3.00% - 3136A8M56 1/25/38		-	-	1,234,691	-	-	-	-	-	-
FHR 4223 CD 2.00% - 3137B3KE7 11/15/39		-	-	793,834	-	-	-	-	-	-
See NMSIF audited financials		-	-	-	-	72,958	-	-	-	-
Total collateral		<u>21,657,930</u>	<u>10,264,994</u>	<u>5,204,312</u>	<u>5,034,052</u>	<u>72,958</u>	-	-	-	-
Amount over/(under) collateralized	\$	<u>16,149,191</u>	<u>9,334,397</u>	<u>227,933</u>	<u>2,781,898</u>	<u>36,479</u>	-	-	-	-
Total book balance	\$	<u>7,527,632</u>	<u>4,782,587</u>	<u>5,943,792</u>	<u>4,754,308</u>	<u>72,958</u>	<u>16,891,023</u>	<u>7,680</u>	-	-

\*denotes interest bearing account

44,614,110

**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Vendor Information  
For The Year Ended June 30, 2016**

Agency Number	Agency Name	Agency Type	RFP#/RFP#	Type of Procurement	Vendor Name	Did Vendor Win Contract?	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Physical address of vendor (City, State)	Did the Vendor provide documentation of eligibility for in-state preference?	Did the Vendor provide documentation of eligibility for veterans' preference?	Brief Description of the Scope of Work	If the procurement is attributable to a Component Unit, Name of Component Unit
6038	City of Clovis	Municipalities	RFP-16-1002-01	Competitive (RFP or RFB)	James Duncan & Associates	Winner	\$100,000		Chicago, IL	No	No	Zoning & Subdivision Regulations	
6038	City of Clovis	Municipalities	RFP-16-1002-01	Competitive (RFP or RFB)	Consensus Planning	Loser			Albuquerque, NM	No	No	Zoning & Subdivision Regulations	
6038	City of Clovis	Municipalities	RFP-16-1002-01	Competitive (RFP or RFB)	Full Compliance Constulting	Loser			Albuquerque, NM	No	No	Zoning & Subdivision Regulations	
6038	City of Clovis	Municipalities	RFP-16-1003-01	Competitive (RFP or RFB)	Roger Grah	Winner	\$40,000		Clovis, NM	No	No	Drug Task Coordinator	
6038	City of Clovis	Municipalities	RFP-16-1003-01	Competitive (RFP or RFB)	James Schoeffel	Loser			Clovis, NM	No	No	Drug Task Coordinator	
6038	City of Clovis	Municipalities	RFP-16-1118-01	Competitive (RFP or RFB)	Real Golf	Winner	\$200,000		Clovis, NM	No	No	Golf Course Management Services	
6038	City of Clovis	Municipalities	RFP-16-1118-01	Competitive (RFP or RFB)	Landscapes Unlimited LLC	Loser			Lincoln, NE	No	No	Golf Course Management Services	
6038	City of Clovis	Municipalities	RFP-16-1123-01	Competitive (RFP or RFB)	Modrall, Sperling, Roehl, Harris & Sisk, PA	Winner	As Needed		Albuquerque, NM	No	No	Bond Counsel Services	
6038	City of Clovis	Municipalities	RFP-16-1123-02	Competitive (RFP or RFB)	RBC Capital Markets	Winner	As Needed		Albuquerque, NM	No	No	Financial Advising Services	
6038	City of Clovis	Municipalities	RFP-16-1123-02	Competitive (RFP or RFB)	George K Baum & Co	Loser			Kansas City, MO			Financial Advising Services	
6038	City of Clovis	Municipalities	RFP-16-1123-03	Competitive (RFP or RFB)	KSA	Winner	As Needed		San Angelo, TX	No	No	Airport Engineering Services	
6038	City of Clovis	Municipalities	RFP-16-1123-03	Competitive (RFP or RFB)	WH Pacific	Loser			Albuquerque, NM	No	No	Airport Engineering Services	
6038	City of Clovis	Municipalities	RFP-16-1123-03	Competitive (RFP or RFB)	Delta	Loser			Albuquerque, NM	No	No	Airport Engineering Services	
6038	City of Clovis	Municipalities	RFP-16-1123-03	Competitive (RFP or RFB)	Molzen, Corbin	Loser			Albuquerque, NM	No	No	Airport Engineering Services	
6038	City of Clovis	Municipalities	RFP-16-1123-03	Competitive (RFP or RFB)	Wilson & Co	Loser			Albuquerque, NM	No	No	Airport Engineering Services	
6038	City of Clovis	Municipalities	ITB-16-0202-01	Competitive (RFP or RFB)	Pool Pro	Winner	\$108,120		Edgewood, NM	No	No	Replaster Indoor Pool	
6038	City of Clovis	Municipalities	ITB-16-0202-01	Competitive (RFP or RFB)	WWRC, Inc	Loser			Clovis, NM	Yes	No	Replaster Indoor Pool	
6038	City of Clovis	Municipalities	ITB-16-0579-01	Competitive (RFP or RFB)	Dedicated Construction	Winner	NTE \$65,000	\$147,000	Clovis, NM	No	No	Mowing contract for City properties	
6038	City of Clovis	Municipalities	ITB-16-0701-01	Competitive (RFP or RFB)	Boundtree Medical	Winner	\$83,132		Dublin, OH	No	No	EMS Medical Supplies	
6038	City of Clovis	Municipalities	ITB-16-0701-01	Competitive (RFP or RFB)	Moore Medical	Loser			Farmington, CT	No	No	EMS Medical Supplies	
6038	City of Clovis	Municipalities	ITB-16-0701-01	Competitive (RFP or RFB)	Henry Schein, Inc	Loser			Irmo, SC	No	No	EMS Medical Supplies	
6038	City of Clovis	Municipalities	ITB-16-0701-01	Competitive (RFP or RFB)	Life Assist, Inc	Loser			Rancho Cordova, CA	No	No	EMS Medical Supplies	
6038	City of Clovis	Municipalities	ITB-16-0701-01	Competitive (RFP or RFB)	MidWest Medical Supply	Loser			Earth City, MO	No	No	EMS Medical Supplies	
6038	City of Clovis	Municipalities	ITB-16-1023-01	Competitive (RFP or RFB)	Nick's Landscape Solutions	Winner	\$65,975		Clovis, NM	No	No	Synthetic Turf Putting Greens	
6038	City of Clovis	Municipalities	ITB-16-1023-01	Competitive (RFP or RFB)	Mountain West	Loser			Peralta, NM	No	No	Synthetic Turf Putting Greens	
6038	City of Clovis	Municipalities	ITB-16-1023-01	Competitive (RFP or RFB)	Lone Mountain	Loser			Bosque Farms, NM	Yes	No	Synthetic Turf Putting Greens	
6038	City of Clovis	Municipalities	ITB-16-1209-01	Competitive (RFP or RFB)	K. Barnett & Sons	Winner	\$5,359,245		Clovis, NM	No	No	Wilhite Road Construction	
6038	City of Clovis	Municipalities	ITB-16-1209-01	Competitive (RFP or RFB)	J & H Services	Loser			Albuquerque, NM	No	No	Wilhite Road Construction	
6038	City of Clovis	Municipalities		Sole Source	Engineering America, Inc	Winner	\$67,917		Oakdale, MN	No	No	Digester for Wastewater Plant	

**COMPLIANCE SECTION**

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

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, 2016, 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 13, 2016.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be material weaknesses: 2013-001 and 2013-002.

**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 13, 2016

**FEDERAL FINANCIAL ASSISTANCE**



**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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 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, 2016. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the 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, 2016.

**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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Hinkle + Landers, P.C.  
Albuquerque, NM  
December 13, 2016



**STATE OF NEW MEXICO  
CITY OF CLOVIS  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2016**

**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 2 CFR section 200.516(a)?  | No                             |                        |        |                                |  |
| 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:  | \$750,000                      |                        |        |                                |  |
| 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, 2016**

<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
<b>Current Year Findings</b>		
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. Non-compliance with State Audit Rule, NM State Statutes, NMAC, or other entity compliance

**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 capital assets and the fund balance reconciliation. Below are the approximate dollar amounts of proposed audit adjustments:

- Capital assets – \$172,754
- To reconcile fund balance – (\$11,403,139)

**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.
- 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.

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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 Finance Director identified and prepared a large portion of the necessary adjusting entries. The Finance Director will continue to work with the auditors in identifying the remaining entries that should be prepared by the City. The Finance Director will work toward preparing all the necessary entries by the 2018 audit if not sooner and seek opportunities for additional training. Funding has been approved to move to a new financial software package. The City will review potential software for the addition of the "13th" month option. There are plans for a demonstration in early 2017, with the procurement process and implementation expected to take 18 months to 2 years.

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

**Type of Finding: A**

**Statement of Condition**

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 \$137,116 (net) and proprietary funds \$1,806,211 (net).

It should be noted that vast improvements have been made in regards to tracking capital assets. The majority of the restatement stemmed from the miscalculation of depreciation expense in prior years and management is aware of the problem and is working to correct the issue.

**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 four 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.

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**Recommendation**

The City should reconcile the June 30, 2016 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**

Through the three year process conducted by the Finance Director, deficiencies have been identified in the Capital Asset program. The Finance Director will continue to work with the programmer to upgrade the process of depreciation calculations. 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 with a first demonstration of software scheduled for early 2017.

**CURRENT YEAR FINDINGS**

**None**

**STATE OF NEW MEXICO  
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Exit Conference  
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**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 13, 2016. The following individuals were in attendance.

City of Clovis Officials

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

Hinkle + Landers, P.C.

Farley Vener, CPA, CFE, CGMA  
Maclen Enriquez, CPA