



# HINKLE + LANDERS

Certified Public Accountants + Business Consultants

## **VILLAGE OF CORRALES**

### **INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS**

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



**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
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For The Year Ended June 30, 2016**

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**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Official Roster  
For The Year Ended June 30, 2016**

**Mayor and Council Members**

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Scott Kominiak	Mayor
David Dornburg	Councilor
Patricia S. Clauser	Councilor
Ennio Garcia-Miera	Councilor
Jim Fahey	Councilor
Philip Gasteyer	Councilor
George Wright	Councilor

**Administrative Officials**

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John Avila	Village Administrator
Terri Gray	Finance Officer

## **INDEPENDENT AUDITOR'S REPORT**

Mr. Tim Keller,  
New Mexico State Auditor and  
Scott Kominiak, Mayor,  
Village Council of  
Village of Corrales

### **Report on Financial Statements**

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, 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, business-type activities, each major fund and the aggregate remaining fund information of the Village as of June 30, 2016, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund and fiduciary fund of the Village as of June 30, 2016, and the respective changes in financial position and the respective budgetary comparisons for the major capital project fund, major debt service fund, the proprietary fund, 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 15 to the financial statements, the beginning 2016 net position has been restated due to misstatements and to the business-type fund being created from the General Fund. Our opinion is not modified with respect to this matter.

**Other Matters**

**Required Supplementary Information**

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

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 Village'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 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 other schedule listed as “other supplemental information (audited)” in the table of contents, required by 2.2.2 NMAC, is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the additional schedule is fairly stated, in all material respects in relation to the basic financial statements as a whole.

The other schedule listed as “other supplemental information (unaudited)” in the table of contents, is the responsibility of management and has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, and 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 5, 2016 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.



Hinkle + Landers PC  
Albuquerque, New Mexico  
December 5, 2016

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**Statement of Net Position**  
**As of June 30, 2016**

<b>Assets</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Current assets			
Cash and cash equivalents	\$ 7,156,944	133,627	7,290,571
Receivables (net of allowance for uncollectibles)	450,422	3,281	453,703
Other assets	13,664	-	13,664
Total current assets	<u>7,621,030</u>	<u>136,908</u>	<u>7,757,938</u>
Noncurrent assets			
Restricted cash	55,274	-	55,274
Capital assets not being depreciated	6,431,479	-	6,431,479
Capital assets being depreciated, net	13,966,074	-	13,966,074
Total noncurrent assets	<u>20,452,827</u>	<u>-</u>	<u>20,452,827</u>
Deferred outflows of resources			
Pension deferral	766,147	-	766,147
Total deferred outflows of resources	<u>766,147</u>	<u>-</u>	<u>766,147</u>
Total assets and deferred outflows of resources	<u>\$ 28,840,004</u>	<u>136,908</u>	<u>28,976,912</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable	\$ 128,326	18,817	147,143
Accrued payroll liabilities	102,411	-	102,411
Accrued interest payable	32,540	-	32,540
Unearned revenue	141,767	-	141,767
Compensated absences	84,019	-	84,019
Bonds and notes payable, current portion	376,033	-	376,033
Total current liabilities	<u>865,096</u>	<u>18,817</u>	<u>883,913</u>
Noncurrent liabilities			
Bonds and notes payable, less current portion	3,926,639	-	3,926,639
Net pension liability	2,869,404	-	2,869,404
Total noncurrent liabilities	<u>6,796,043</u>	<u>-</u>	<u>6,796,043</u>
Total liabilities	<u>7,661,139</u>	<u>18,817</u>	<u>7,679,956</u>
Deferred inflows of resources			
Pension deferral	65,318	-	65,318
Total deferred inflows of resources	<u>65,318</u>	<u>-</u>	<u>65,318</u>
<b>Net position</b>			
Net investment in capital assets	16,062,341	-	16,062,341
Restricted for capital projects	995,248	-	995,248
Restricted for debt services	1,164,715	-	1,164,715
Restricted for other purposes	997,950	-	997,950
Unrestricted	1,893,293	118,091	2,011,384
Total net position	<u>21,113,547</u>	<u>118,091</u>	<u>21,231,638</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 28,840,004</u>	<u>136,908</u>	<u>28,976,912</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Statement of Activities  
For the Year Ended June 30, 2016**

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Net (Expense) Revenue and Change 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>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Primary government</b>							
Governmental activities:							
General government	\$ 2,535,653	3,910	185,154	-	(2,346,589)	-	(2,346,589)
Public safety	2,156,240	1,405	727,202	26,823	(1,400,810)	-	(1,400,810)
Public works	1,161,040	57,276	643,920	121,477	(338,367)	-	(338,367)
Culture and recreation	699,976	95,068	58,656	100,000	(446,252)	-	(446,252)
Interest on long-term debt	163,714	-	-	-	(163,714)	-	(163,714)
Total governmental activities	<u>6,716,623</u>	<u>157,659</u>	<u>1,614,932</u>	<u>248,300</u>	<u>(4,695,732)</u>	<u>-</u>	<u>(4,695,732)</u>
Business-type activities:							
Wastewater	<u>80,642</u>	<u>43,738</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(36,904)</u>	<u>(36,904)</u>
Total business-type activities	<u>80,642</u>	<u>43,738</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(36,904)</u>	<u>(36,904)</u>
Total primary government	<u>\$ 6,797,265</u>	<u>201,397</u>	<u>1,614,932</u>	<u>248,300</u>	<u>(4,695,732)</u>	<u>(36,904)</u>	<u>(4,732,636)</u>
<b>General Revenues and Special Items</b>							
Taxes:							
Property					1,804,999	-	1,804,999
Gross receipts					2,552,367	-	2,552,367
Gas					5,163	-	5,163
Franchise					322,983	-	322,983
Lodger's					4,554	-	4,554
Licenses and permits					232,700	-	232,700
Fines and forfeitures					104,171	-	104,171
Investment income					4,289	-	4,289
Miscellaneous					35,180	-	35,180
Operating transfers, net					(40,000)	40,000	-
Total general revenues and transfers					<u>5,026,406</u>	<u>40,000</u>	<u>5,066,406</u>
Change in net position					330,674	3,096	333,770
Net position, beginning					21,289,640	-	21,289,640
Restatements					(506,767)	114,995	(391,772)
Net position, beginning restated					<u>20,782,873</u>	<u>114,995</u>	<u>20,897,868</u>
Net position, ending					<u>\$ 21,113,547</u>	<u>118,091</u>	<u>21,231,638</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Balance Sheet - Governmental Funds  
As of June 30, 2016**

	<b>Major Funds</b>				<b>Total Governmental Funds</b>
	<b>General Fund</b>	<b>Capital Project Funds 313 Waste Water Project</b>	<b>Debt Service 328 Capital Bonding</b>	<b>Nonmajor Governmental Funds</b>	
<b>Assets</b>					
Cash and investments	\$ 3,871,131	267,706	946,052	2,072,055	7,156,944
Accounts receivable (net of allowance for uncollectibles)	169,477	9,781	-	271,164	450,422
Due from other funds	280,816	192,400	-	200,897	674,113
Cash - restricted	-	-	-	55,274	55,274
Prepaid expenses	13,664	-	-	-	13,664
Total assets	<u>\$ 4,335,088</u>	<u>469,887</u>	<u>946,052</u>	<u>2,599,390</u>	<u>8,350,417</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	75,936	-	-	52,390	128,326
Accrued liabilities	102,411	-	-	-	102,411
Unearned revenue	-	-	-	141,767	141,767
Due to other funds	20,000	416,899	-	237,214	674,113
Total liabilities	<u>198,347</u>	<u>416,899</u>	<u>-</u>	<u>431,371</u>	<u>1,046,617</u>
<b>Deferred inflows of resources</b>					
Property taxes	69,486	-	-	9,146	78,632
<b>Fund balances</b>					
Restricted for:					
Special revenue	-	-	-	997,950	997,950
Capital projects	-	52,988	-	942,260	995,248
Debt service	-	-	946,052	218,663	1,164,715
Unassigned-petty cash	250	-	-	-	250
Unassigned	4,067,005	-	-	-	4,067,005
Total fund balances	<u>4,067,255</u>	<u>52,988</u>	<u>946,052</u>	<u>2,158,873</u>	<u>7,225,168</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,335,088</u>	<u>469,887</u>	<u>946,052</u>	<u>2,599,390</u>	<u>8,350,417</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Reconciliation of the Balance Sheet to the Statement of Net Position  
As of June 30, 2016**

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

Total fund balances for governmental funds	\$	7,225,168
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Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Government capital assets		34,592,003
Accumulated depreciation		(14,194,450)

Long term liabilities, including loans payable, are not due and payable in the current period and therefore are not reported in the funds.

Bonds and notes payable		(3,926,639)
Net pension related deferrals and liability		(2,168,575)

Other current liabilities (bonds payable) are not available to pay for current period expenditures and therefore are deferred in the funds:

Bonds and notes payable		(376,033)
Interest accrued		(32,540)
Compensated absences		(84,019)

A portion of property taxes receivable are not available to pay for current period expenditures and, therefore, are deferred in the funds.

		78,632
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Net position of governmental activities	\$	21,113,547
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**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended June 30, 2016**

	<b>Major Funds</b>				
	<b>General Fund</b>	<b>Capital Project Fund 313 Waste Water Project</b>	<b>Debt Service 328 Capital Bonding</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>Revenues</b>					
Taxes:					
Property	\$ 1,513,211	-	-	213,155	1,726,366
Gross receipts	2,552,367	-	-	-	2,552,367
Gas	-	-	-	5,163	5,163
Franchise	322,983	-	-	-	322,983
Lodgers'	-	-	-	4,554	4,554
Licenses and permits	232,700	-	-	-	232,700
Intergovernmental:					
Federal operating grants	-	-	-	593,206	593,206
State operating grants	290,457	-	-	752,030	1,042,487
State capital grants	-	121,477	-	26,823	148,300
Local match	-	-	-	79,239	79,239
Charges for services	157,569	-	-	90	157,659
Fines and forfeitures	61,202	-	-	42,969	104,171
Investment income	2,091	-	1,226	970	4,287
Miscellaneous	12,887	-	-	22,298	35,185
Total revenues	<u>5,145,467</u>	<u>121,477</u>	<u>1,226</u>	<u>1,740,497</u>	<u>7,008,667</u>
<b>Expenditures</b>					
Current:					
General government	1,451,704	-	-	52,144	1,503,848
Public safety	1,674,155	-	-	223,136	1,897,291
Public works	522,423	6,730	-	664,532	1,193,685
Culture and recreation	511,984	-	-	69,706	581,690
Debt service:					
Principal	-	-	135,000	235,181	370,181
Interest	-	-	106,693	59,561	166,254
Capital outlay	<u>331,623</u>	<u>107,281</u>	<u>-</u>	<u>143,490</u>	<u>582,394</u>
Total expenditures	<u>4,491,889</u>	<u>114,011</u>	<u>241,693</u>	<u>1,447,750</u>	<u>6,295,343</u>
Excess (deficiency) of revenues over (under) expenditures	653,578	7,466	(240,467)	292,747	713,324
<b>Other financing sources (uses)</b>					
Transfers in	220,000	-	-	615,726	835,726
Transfers (out)	<u>(813,176)</u>	<u>-</u>	<u>279,843</u>	<u>(342,393)</u>	<u>(875,726)</u>
Total other financing sources (uses)	<u>(593,176)</u>	<u>-</u>	<u>279,843</u>	<u>273,333</u>	<u>(40,000)</u>
Net change in fund balances	60,402	7,466	39,376	566,080	673,324
Fund balance, beginning of year	4,121,848	45,522	906,676	1,984,565	7,058,611
Restatement	<u>(114,995)</u>	<u>-</u>	<u>-</u>	<u>(391,772)</u>	<u>(506,767)</u>
Fund balance, beginning of year as restated	<u>4,006,853</u>	<u>45,522</u>	<u>906,676</u>	<u>1,592,793</u>	<u>6,551,844</u>
Fund balances, end of year	<u>\$ 4,067,255</u>	<u>52,988</u>	<u>946,052</u>	<u>2,158,873</u>	<u>7,225,168</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance  
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	\$	673,324
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and are reported as depreciation expense. This is the amount by which capital outlay exceeded the depreciation expense.</p>		
Capital outlay		568,084
<p>Depreciation expense on capital assets, excluding internal service fleet fund, 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>		
		(1,035,020)
<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>		
Principal retirements		370,181
Interest accrued		(32,540)
Net change in compensated absences		(5,381)
<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		(220,780)
<p>Other reclassifications are necessary to recognize net deferred inflows of property tax revenues and other adjustments.</p>		
		12,806
Change in net position of governmental activities	\$	330,674

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE — BUDGET AND ACTUAL  
General Fund  
For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Favorable (Unfavorable)</b>
<b>Revenues</b>				
Taxes:				
Gross receipts	\$ 2,442,226	2,442,226	2,552,367	110,141
Property	1,450,456	1,450,456	1,513,211	62,755
Franchise	285,000	285,000	322,983	37,983
Licenses and permits	227,500	227,500	227,270	(230)
State grants	546,399	331,553	290,457	(41,096)
Charges for services	128,500	128,500	157,569	29,069
Fines and forfeitures	50,000	50,000	61,327	11,327
Interest on investments	1,000	1,000	2,091	1,091
Miscellaneous	23,500	23,611	12,883	(10,728)
Total revenues	\$ 5,154,581	4,939,846	5,140,158	200,312
<b>Expenditures</b>				
Current				
General government	1,649,786	1,650,578	1,446,655	203,923
Public safety	1,896,504	1,919,962	1,677,907	242,055
Culture and recreation	495,345	665,802	513,281	152,521
Public works	514,555	508,837	443,184	65,653
Capital outlay	146,399	451,399	331,623	119,776
Total expenditures	4,702,589	5,196,578	4,412,650	783,928
Revenues over/(under) expenditures before other financing sources/(uses)	451,992	(256,732)	727,508	984,240
<b>Other financing sources (uses):</b>				
Transfers in	-	(220,000)	(220,000)	-
Transfers (out)	-	820,026	813,176	(6,850)
Total other financing sources (uses)	-	600,026	593,176	(6,850)
Net change in fund balance	\$ 451,992	343,294	1,320,684	
Prior year cash balance	\$ 3,888,985	3,888,985	3,888,985	

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in fund balance (Budget Basis)	\$	1,320,684
To adjust applicable revenue accruals and deferrals		(1,181,043)
To adjust applicable expenditure accruals		(79,239)
Change in fund balance (GAAP basis)	\$	60,402

The accompanying notes are integral to these financial statements



**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Statement of Net Position  
Proprietary Funds  
As of June 30, 2016**

		<b>503 <u>Wastewater</u></b>
<b>Assets</b>		
<b>Current assets</b>		
Cash and investments	\$	133,627
Accounts receivable (net of allowance for uncollectibles)		<u>3,281</u>
Total current assets		<u>136,908</u>
Total assets	\$	<u><u>136,908</u></u>
 <b>Liabilities and Net Position</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable		<u>18,817</u>
Total liabilities		<u>18,817</u>
 <b>Net position</b>		
Unassigned		<u>118,091</u>
Total net position		<u>118,091</u>
Total liabilities and net position	\$	<u><u>136,908</u></u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2016**

	<b>503</b>
	<b><u>Wastewater</u></b>
<b>Operating revenues</b>	
Charges for services	\$ 43,738
Total operating revenues	<u>43,738</u>
<b>Operating expenditures</b>	
Personnel services	7,020
Contractual services	39,836
Supplies and equipment	29,863
Miscellaneous	3,923
Depreciation expense	-
Total operating expenditures	<u>80,642</u>
Operating income (loss)	(36,904)
Income (loss) before capital grants and transfers	(36,904)
<b>Other capital grants and transfers</b>	
Transfers in	<u>40,000</u>
Net capital grants and transfers	<u>40,000</u>
Change in net position	3,096
Beginning net position	-
Restatement	<u>114,995</u>
Beginning net position, as restated	<u>114,995</u>
Net position, end of the year	<u>\$ 118,091</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2016**

		<b>503 Wastewater</b>
<b>Cash flows from operating activities:</b>		
Receipts from customers and users	\$	40,458
Payments to employees		(7,020)
Payments to suppliers		(56,802)
Other receipts/(payments)		-
Net cash provided (used) by operating activities		<u>(23,364)</u>
<b>Cash flows from noncapital financing activities:</b>		
Transfers from other funds		40,000
Transfers to other funds		-
Net cash provided (used) by noncapital financing activities		<u>40,000</u>
<b>Cash flows from capital and related financing activities:</b>		
Purchase of capital assets		-
Net cash provided (used) by capital and related financing activities		<u>-</u>
<b>Cash flows from investing activities:</b>		
Investment income		-
Net cash provided (used) by investing activities		<u>-</u>
Net increase (decrease) in cash and cash equivalents		16,636
Balances - beginning of year		<u>116,991</u>
Balances - end of year	\$	<u><u>133,627</u></u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2016**

**503  
Wastewater**

**Reconciliation of operating income (loss) to net cash provided  
(used) by operating activities:**

Operating income (loss)			
<b>Adjustments to reconcile operating income to net cash provided (used) by operating activities:</b>			
Depreciation expense	\$	(36,904)	-
(Increase) decrease in:			
Accounts receivable		(3,280)	
(Decrease) increase in:			
Accounts payable		16,820	
Due from/to other funds		-	-
Net cash provided (used) by operating activities	\$	<u>(23,364)</u>	

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**Statement of Fiduciary Assets and Liabilities**  
**Agency Fund**  
**For the Year Ended June 30, 2016**

**Assets**

Cash	\$ <u>763</u>
Total assets	<u><u>763</u></u>

**Liabilities**

Deposits payable	<u>763</u>
Total liabilities	\$ <u><u>763</u></u>

The accompanying notes are integral to these financial statements

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

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

The Village of Corrales (Village) was incorporated under the provisions of the Municipal Code of the State of New Mexico (Sec. 14-2-1 et-Seq. 1971 Comp). The Village operates under a mayor-council form of government. There are 6 council members plus the mayor, all of whom are elected at large.

This summary of significant accounting policies of the Village is presented to assist in the understanding of the Village's financial statements. The financial statements and notes are the representation of the Village's management who is responsible for their integrity and objectivity. The financial statements of the Village 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 more significant of the government's accounting policies are described below.

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GAAP.

The basis (but not the only) criteria 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, or whether the activity is conducted within the geographic boundaries of the government and is generally available to 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. Based upon the application of these criteria, the Village has no component units.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. The effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenue* includes 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 revenue are reported instead as *general revenue*.

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

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

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

**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 fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Sales, franchise, lodgers, gas, cigarette and other similar taxes are recognized when the underlying exchange transaction takes place. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if 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.

Revenues, expenses, gains, losses, assets, deferred outflows, liabilities, deferred inflows, resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes, franchise taxes, sales taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenue of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Village.

The fund financial statements provide information about the Village's funds, including its fiduciary funds. Separate statements for each fund category (governmental, proprietary, and fiduciary) are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

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

The Village reports the following major governmental funds:

- *General Fund*—This is the primary operating fund of the Village. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- *Waste Water Project (313) (Capital Projects Fund)*—This fund accounts for the grant and loan funds used for the construction of the sewer system in the Village.
- *Capital Bonding (328) (Debt Service Fund)*— to account for monies for payment of principal and interest related to capital bond.

The Village reports the following major business-type fund:

- *Wastewater Fund (503)* – This fund accounts for fees generated from charges for the operation of water waste.

Additionally, the Village reports the following fund type:

- *Fiduciary fund* – This fund accounts for resources held for others in a custodial capacity by the Village in an Agency Fund. The Village’s Agency Fund holds bond monies on behalf of the Administrative Office of the Courts and the Judicial Education Center.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the Village’s policy to use restricted resources first, then unrestricted resources—committed, assigned, and unassigned—in this order as needed.

**Cash and Cash Equivalents**

Cash and cash equivalents include amounts in demand deposits, certificates of deposit and investments with a maturity date within three months of the date acquired by the Village.

**Capital Assets**

Capital assets, which include property, plant, equipment, and improvements, are reported in the government-wide financial statements. The Village defines capital assets 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. Donated capital assets are recorded at estimated fair market value at the date of donation. Infrastructure, consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, are recorded at historical cost.



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

For depreciation purposes, the Village has identified the following classes of assets and estimated useful lives. The straight-line method is used for depreciation.

<u>Categories</u>	<u>Estimated Useful Lives</u>
Buildings and building improvements	40 years
Land improvements	20 yeas
Infrastructure	20 years
Equipment and machinery	3-20 years
Fire protection equipment	15 years
Furniture and fixtures	15 years
Vehicles	5-10 years
Software	3 years
Library books	5 years

**Receivables**

Accounts receivable at consist of receivables from grantors and various taxes and other receivables.

**Compensated Absences**

Compensated absences are accrued in the statement of net position. As of June 30, 2016, those liabilities were approximately \$77,554.

The maximum number of accrued annual vacation hours, which may be carried forward to any new calendar year is 160 hours.

Employees may receive one day's pay for each three days of sick leave when accrued sick leave is in excess of 240 hours. An employee who has accumulated over 240 hours of sick leave may choose each year in December or at times designated by the Village Administrator to receive payment for sick leave hours in excess of 240 hours at a rate of one day's pay for two days' sick leave. All other sick leave is to be forfeited upon termination of the employee. Upon termination, separation or dismissal, the employee shall be paid all accrued annual vacation leave at the pay rate last held.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In accordance with U.S. GAAP, an accrual for compensated absences is reflected in the accompanying financial statements. Accumulation of vacation leave has been recorded as a liability in the basic financial statements.

**Long-term Obligations**

The long-term obligations are reported in the government-wide financial statements as long-term debt if it is due in more than one year. In the fund level financial statements, long-term debt is recognized as a liability of a governmental fund when due. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund.

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

**Fund Balance**

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form such as prepaid items or inventories; or (b) are legally or contractually required to be maintained intact.

The spendable portion of fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned:

- **Restricted Fund Balance**

This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

- **Committed Fund Balance**

These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Village Council – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Village Council removes the specified use restriction by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

- **Assigned Fund Balance**

This classification reflects the amounts constrained by the Village’s “intent” to be used for specific purposes, but are neither restricted nor committed. The Village Council has the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.

- **Unassigned Fund Balance**

This fund balance is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

**Net Position**

Net position represents the difference between assets, deferred outflows, liabilities, and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Village or through external restrictions imposed by creditors or regulations of other governments. When both restricted and unrestricted net position is available for expenses, unrestricted funds are applied first.

**Use of Estimates**

In preparing financial statements in conformity with generally accepted accounting principles in the United States of America, management makes estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows and disclosures of

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

contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and/or the balance sheet for 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. The Village has the following deferred outflows of resources during fiscal year 2016, on the government-wide financials, related to the recording of the net pension liability:

**Deferred Outflows of Resources - GW**

Pension deferrals	\$ <u>766,147</u>
Total deferred outflows of resources	\$ <u><u>766,147</u></u>

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/fund balance that applied to a future period and so will not be recognized until then. The Village has the following deferred inflows of resources during fiscal year 2016 on the fund financials, related to property tax receivables that were not available to the Village in 60 days after year-end:

**Deferred Inflows of Resources - Fund Financials**

Property tax revenue	\$ <u>78,632</u>
Total deferred inflows of resources	\$ <u><u>78,632</u></u>

The Village has the following deferred inflows of resources during fiscal year 2016 on the government-wide financials, related to the recording of the net pension liability:

**Deferred Inflows of Resources - GW**

Pension deferrals	\$ <u>65,318</u>
Total deferred inflows of resources	\$ <u><u>65,318</u></u>

**Budgets and Budgetary Accounting**

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

1. Prior to June 1, the Village Governing Body adopts a proposed operating budget for the fiscal year commencing July 1. The operating budgets include proposed expenditures and the means of financing them based on previous years' history. The budget is legally enacted through passage of an ordinance.

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

2. The Village Finance Officer is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any funds must be approved by the Village Council and New Mexico Department of Finance, Division of Local Governments. The original budget that was adopted in July was amended during the fiscal year in a legally permissible manner.
3. Formal budgetary integration is employed as a management control device during the year for the general fund and special revenue funds.
4. Encumbrances are not reported in the budgets or financial statements.
5. The level of classifications detail in which expenditures or expenses may not legally exceed appropriations for each budget in fund total, which may include budgeted cash, and investments as reserves. Appropriations usually lapse at year-end unless intended for multi-year use.
6. The Village adopts budgets for each individual fund.
7. DFA render their final budget approval no later than September 1 of the budget year in question.
8. During the course of the fiscal year, the Village prepares monthly budget reports. Under New Mexico State law, each year's budget appropriation legally lapses at year-end.
9. *Budgetary Compliance* – Budgetary control is required to be maintained at the individual fund level.
10. Actual fund revenues may be either over or under the budgeted amounts; however, the variance is required to be reasonable, particularly in the case of over-budgeted revenues. Major over-budgeted revenues require a budget amendment as soon as the extent of the shortage is reasonably ascertainable.
11. *Budget Amendments*–Budget increases and decreases can only be accomplished by Council resolution, followed by DFA approval. Similarly, budget transfers must follow the same procedure.
12. *Budgetary Basis* – State law prescribes that the Village's budget be prepared on the basis of cash receipts and cash expenditures. Therefore, budgetary comparisons shown in exhibits are prepared on a cash basis to compare actual revenues and expenditures with a cash basis budget as amended.
13. 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.
14. 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

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

(deficiency) of revenues and other sources of financial resources for the year ended June 30, 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 2 – EVALUATION OF SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the statement of net position/balance sheet date but before the financial statements are issued. The Village 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/balance sheet, including the estimates inherent in the process of preparing the financial statements. The Village'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/balance sheet but arose after the statement of net position/balance sheet date and before financial statements are available to be issued. The Village has evaluated subsequent events through December 5, 2016, which is the date the financial statements were available to be issued.

**NOTE 3 – CASH AND CASH EQUIVALENTS AND INVESTMENTS**

The Village invests its funds in accordance with state statutes which require that financial institutions pledge collateral consisting of approved federal or state securities whose market value is equal to at least 50% of the deposits in excess of FDIC insurance coverage. In accordance with state statutes, the Village may have deposits only in financial institutions, federal direct obligations, or the New Mexico State Treasurer's Local Government Investment Pool.

<u>Wells Fargo Bank</u>	<u>Type</u>	<u>Per Bank 2016</u>	<u>Deposits In Transit</u>	<u>Outstanding Checks</u>	<u>Per Books 2016</u>
General	Checking	\$ 5,226,399	45,496	(95,765)	5,176,130
Payroll	Checking	-	1,259	(7,367)	(6,108)
Farmland	Checking	18,028	65	-	18,093
Impact fee	Checking	89,110	-	(36,879)	52,231
Bosque	Checking	44,549	-	(8,204)	36,345
Court Bond	Checking	1,527	-	(764)	763
Savings	Savings	772,423	-	-	772,423
Total cash in banks		<u>\$ 6,152,036</u>	<u>46,820</u>	<u>(148,979)</u>	<u>6,049,877</u>
Plus:					
Cash on Hand				\$	550
Funds Held by New Mexico Finance Authority					
Loan Funds					873,992
Loan reserve accounts					74,180
Loan debt service accounts					12,808
State Treasurer's Office - Investment pool					<u>335,201</u>
Total cash and cash equivalents per books					<u>7,346,608</u>
As reported in the financial statements:					
Cash					7,290,571
Restricted cash					55,274
Agency fund					<u>763</u>
Total cash and investments				\$	<u>7,346,608</u>

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

**Pledged Collateral at Banks**

		<b>Wells Fargo</b>
Deposits	\$	6,152,036
Less FDIC Coverage		(250,000)
Total uninsured public funds		<u>5,902,036</u>
Collateral requirement (50% of uninsured funds)		2,951,018
<b>Collateral pledged: Wells Fargo Bank, N.A.</b>		
<u>Description</u>	<u>CUSIP</u>	
FNMA FNMS 3.500% 03/01/41	31374CNU6	182,900
FNMA FNMS 3.000% 05/01/42	31417BZL4	7,279,253
Pledged collateral held by the pledging bank's trust department or agent, not in the Village's name		7,462,153
Pledged collateral Over (under) collateralized		<u>7,462,153</u> \$ <u><u>4,511,135</u></u>

**Investments**

**Reserve Contingency Funds**

All funds in the reserve contingencies fund were reinvested, the reserve contingency fund is not rated and is considered a non-performing asset.

**State Treasurer Local Government Investment Pool**

The Village invests excess cash in the State Treasurer Local Government Investment Pool (LGIP). As of June 30, 2016, the Village has the following invested in the LGIP:

<u>Financial Institution</u>	<u>Cost Basis</u>	<u>Market</u>	<u>Risk Rating</u>	
State of NM Local Government Investment Pool (LGIP)	\$ 335,201	335,201	AAAm	[44] day WAM (R); [77] day WAM (F)

New Mexico State Statutes authorize the creation of the short-term investment fund in the New Mexico State Treasury. The Statutes authorize the State Treasurer to pool monies received from local public bodies for investment purposes with public monies under control. The purpose of the local short-term fund is to provide a voluntary investment alternative for local political subdivisions to realize the maximum return consistent with safe and prudent management. The local short-term investment fund, along with other public monies in the State Treasurer's investment account, is invested in repurchase agreements secured at 102% by U.S. Government Securities. The State Treasurer has the responsibility to pledge collaterals at 102% of investment balances for the Village. All investing is performed in accordance with State Statutes and the Village's investment policy. Per review of GASB Statement No. 72, the State Treasurer Local

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

Government Investment Pool is exempt from GASB 72, and should continue to be measured and disclosed in accordance with existing literature.

The investments are valued at fair value based on quoted market prices as of the valuation date. The State Treasurer Local Government Investment Pool is not SEC registered. Section 67-10-10 I, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment fund in securities that are issued by the United States government, or by its departments or agencies and are either direct obligations of the United States, or are backed by the full faith and credit of the United States government, or are agencies sponsored by the United States government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. 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 local government investment pool is voluntary.

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.

State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Village has no investment policy that would further limit its investment choices. As of June 30, 2016, the Village's investment in the New MexiGROW Local Government Investment Pool (LGIP) was rated AAAM by Standard & Poor's. The independent auditor's report, together with the financial statements, the accompanying notes to the financial statements, and the independent auditor's report on compliance and internal controls are available from New Mexico State Treasurer, 2019 Galisteo Street, Bldg K, Santa Fe, New Mexico 87504, upon written request.

*Credit Risk LGIP* – With respect to credit risk, the LGIP, is rated AAAM by Standard & Poor's. Therefore, the LGIP reports AAAM for credit risk. Public funds are not required to disclose custodial credit risk for external investment pools. Therefore, the LGIP is exempt from this requirement.

*Concentration of Risk* – GASB Statement No. 40 defines concentration of credit risk as investments of more than 5% in any one issuer. External investment pools, such as LGIP, are excluded from the requirement of disclosing concentration of credit risk. Therefore, the LGIP is exempt from this disclosure.

*Foreign Currency Risk* – GASB Statement No. 40 defines interest rate risk that interest rate variation may adversely affect the fair value of an investment. The Village is not exposed to the risk that exchange rates will adversely affect the fair value of an investment as none of the investments pools or certificates of deposit are dominated in a foreign currency.

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**NOTE 4 – RECEIVABLES**

Receivables as of June 30, 2016 for the Village’s individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<b>General</b>	<b>Waste Water Project</b>	<b>Capital Bonding</b>	<b>Non- major</b>	<b>Total</b>
Receivables:					
Accounts	\$ -	-	-	534	534
Property taxes	99,832	-	-	13,152	112,984
Franchise taxes	41,785	-	-	-	41,785
Grants	12,710	9,781	-	257,478	279,969
Fines and fees	42,294	-	-	-	42,294
Business license	12,428	-	-	-	12,428
Gross receivables	209,049	9,781	-	271,164	489,994
Less: allowance for uncollectibles	(39,572)	-	-	-	(39,572)
Total accounts receivable, net	\$ 169,477	9,781	-	271,164	450,422

The receivables of the general, non-major, debt service, and capital project funds are composed primarily of earned taxes and federal and state revenues or reimbursements. These receivables are primarily from governmental agencies and an allowance for doubtful accounts is maintained only for those receivables deemed to be uncollectible.

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**NOTE 5 – CAPITAL ASSETS**

Capital asset activity for the year ended, June 30, 2016 is as follows:

	<u>2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Relcass</u>	<u>2016</u>
Capital assets not being depreciated:					
Land	\$ 6,078,353	-	-	-	6,078,353
Water rights	230,621	-	-	-	230,621
Construction in progress	306,606	356,600	-	(540,701)	122,505
Total capital assets not being depreciated	<u>6,615,580</u>	<u>356,600</u>	<u>-</u>	<u>(540,701)</u>	<u>6,431,479</u>
Capital assets being depreciated:					
Buildings and building improvements	5,505,129	7,113	-	-	5,512,242
Equipment and machinery	1,490,825	155,947	-	-	1,646,772
Furniture and fixtures	1,021,276	-	-	-	1,021,276
Library books	122,607	-	-	-	122,607
Vehicles	2,296,796	48,424	-	-	2,345,220
Infrastructure	16,971,706	-	-	540,701	17,512,407
Total capital assets being depreciated	<u>27,408,339</u>	<u>211,484</u>	<u>-</u>	<u>540,701</u>	<u>28,160,524</u>
Less accumulated depreciation for					
Buildings and building improvements	(2,294,681)	(156,086)	-	-	(2,450,767)
Equipment and machinery	(1,207,627)	(73,930)	-	-	(1,281,557)
Furniture and fixtures	(747,989)	(32,158)	-	-	(780,147)
Library books	(72,264)	(24,522)	-	-	(96,786)
Vehicles	(1,570,011)	(156,163)	-	-	(1,726,174)
Infrastructure	(7,266,858)	(592,161)	-	-	(7,859,019)
Total accumulated depreciation	<u>(13,159,430)</u>	<u>(1,035,020)</u>	<u>-</u>	<u>-</u>	<u>(14,194,450)</u>
Total capital assets being depreciated, net	<u>14,248,909</u>	<u>(823,536)</u>	<u>-</u>	<u>540,701</u>	<u>13,966,074</u>
Capital assets, net	<u>\$ 20,864,489</u>	<u>(466,936)</u>	<u>-</u>	<u>-</u>	<u>20,397,553</u>

Depreciation was charged to functions/programs of the primary government for the year ended June 30, 2016 as follows:

Governmental Activities:	
General government	\$ 372,607
Public safety	258,755
Public works	320,856
Culture and recreation	82,802
Total	<u>\$ 1,035,020</u>

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**NOTE 6 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

The outstanding balances between funds results mainly from the time lags between the dates the (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The Interfund receivables and payables at June 30, 2016 were as follows:

	<b>Due From Other Funds</b>	<b>Due to Other Funds</b>
General Fund	\$ 280,816	20,000
WasteWater Project	192,400	416,899
Nonmajor Funds	200,897	237,214
Total	<u>\$ 674,113</u>	<u>674,113</u>

Transfers and payments within the reporting entity are substantially for the purpose of subsidizing operating functions. All transfers made during the year were considered routine and were consistent with the general characteristics of the Village's transfers. The following schedule details the net interfund transfers made by the Village during the year ended:

	<b>Transfers In</b>	<b>Transfers Out</b>
General Fund	\$ 220,000	813,176
Capital Bonding	-	(279,843)
Wastewater	40,000	-
Nonmajor Funds	615,726	342,393
Total	<u>\$ 875,726</u>	<u>875,726</u>

**NOTE 7 – LONG-TERM DEBT**

Long-term liability activity for the year ended was as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Amount Due Within One Year</b>
General obligation bonds \$	3,835,000	-	(330,000)	3,505,000	335,000
Notes payable	837,853	-	(40,181)	797,672	41,033
Compensated absences	78,638	102,408	(97,027)	84,019	84,019
Net pension liability	1,627,386	1,455,991	(213,973)	2,869,404	-
Total	<u>\$ 6,378,877</u>	<u>1,558,399</u>	<u>(681,181)</u>	<u>7,256,095</u>	<u>460,052</u>

The general obligation bonds series 2005 were issued on August 31, 2004 for \$1,700,000. The interest rates range from 2.71% to 4.17%. Portions of the bonds will mature on August 1st of each year commencing August 1, 2006, and ending no later than August 1, 2018 in amounts to be determined by the Village. The semi-annual payments vary from \$31,440 to \$266,427 and are due on the 1<sup>st</sup> of August and February of each year.

On June 1, 2007, the Village borrowed \$1,035,000 from the New Mexico Finance Authority for equipment and road improvements. The loan bears interest at 3.9606% and is payable in

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installment payments through May 2027. Pledged revenues for the payment of this loan are state-shared gross receipts taxes.

The general obligation bonds series 2008 were issued on August 31, 2008 for \$800,000. The interest rates range from 3.5% to 4.25%. Portions of the bonds will mature on August 1 of each year commencing on August 1, 2009, and ending no later than August 1, 2017 in amounts to be determined by the Village. The semi-annual payments vary from \$1,594 to \$214,609 and are due on the 1st of August and February of each year. The bonds are payable from ad valorem taxes levied on all taxable property within the Village.

On May 13, 2011, the Village borrowed \$993,178 from the New Mexico Finance Authority for designing, acquiring, improving, equipping and constructing various capital improvement projects, including but not limited to right-of-way and property acquisition, as well as costs associated with the design and construction of roadway infrastructure within the Village. The loan bears interest at 4.176% and is payable in installment payments beginning May 2013 continuing through May 2031. Revenues pledged for payment of this loan are from the distributions of state shared gross receipts tax revenue.

In 2013, the Village entered into an interim loan agreement with the New Mexico Environment Department (NMED). The loan of \$540,000 was approved by NMED to pay for the costs to plan, acquire and construct a wastewater facility, at the interest rate of 3% per annum during construction. This loan is part of a grant loan subsidy which is being funded from a federal grant to NMED from the Environmental Protection Agency.

The construction of the project is required to be completed in three years. The first annual installment on the loan will be due within one year of project completion and annually thereafter. Annual payments will be \$36,296 for 20 years. The Village has pledged the municipal environmental services gross receipts tax and the state-shared gross receipts tax as collected. Anticipated completion date of the project is during the fiscal year ending June 30, 2014.

Accrued compensated absences are generally liquidated by the General Fund. Notes payable have been liquidated within the fund in which their corresponding payments have been expensed. The bonds are liquidated within the debt service fund.

Annual debt service requirements for bonds and notes are as follows:

June 30,	<b>Bonds</b>		<b>Notes</b>	
	Principal	Interest	Principal	Interest
2017	\$ 335,000	121,068	41,033	32,725
2018	345,000	110,459	42,047	31,711
2019	270,000	101,028	43,237	30,521
2020	145,000	94,293	44,590	29,168
2021-2025	800,000	403,213	248,992	119,797
2026-2030	945,000	256,050	307,396	61,394
2031-2035	665,000	56,490	70,377	3,378
Total	\$ <u>3,505,000</u>	<u>1,142,601</u>	<u>797,672</u>	<u>308,694</u>

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**NOTE 8 – DEFERRED COMPENSATION PLAN**

The Village's 457 deferred compensation plan was established on July 1 1993. The 457 plan contribution from employees was \$36,290 for the year ended. The plan assets for the 457 plan are held at ICMA-RC Services, LLC.

**NOTE 9 – RETIREMENT PLANS**

**Plan Description**

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

**Funding Policy**

Plan members are required to contribute between 7% and 8% of their gross salary depending on classification. The Village is required to contribute between 7% and 11% of the gross covered salary depending on classification. The contribution requirements of plan members and the Village are established under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of legislature. The Village's contributions to PERA for the years ending, June 30, 2016, 2015, and 2014, were \$235,258, \$185,236, and \$164,887, respectively, which equal the amount of the required contributions for each fiscal year.

**401(k) Plan**

The Village started a 401(k) plan on July 1, 2005. The 401(k) plan is held at ICMA-RC Services, LLC. In 2007, an increase was allowed for the Village contribution (7%-9%) of the participant compensation. Employees can contribute up to 7% of their compensation to the 401(k) plan. The employees who chose to continue participating in the 401(k) plan gave up the opportunity to participate in the PERA. The 401(k) contribution for the year ended was as followed:

	<b><u>2016</u></b>
Employee Contribution	\$ 4,298
Employer Contribution	<u>4,086</u>
Total	<u><u>\$ 8,384</u></u>

**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

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contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information about the Pension Plan**

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

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

**Benefits provided.** For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2015 available 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)

**Contributions.** The contribution requirements of defined benefit plan members and the Village are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY15 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 31 and 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 Village are: Municipal General Division, Municipal Police Division, and Municipal Fire Division. Statutorily required contributions to the pension plan from the Village were \$235,258 and employer paid member benefits that were “picked up” by the employer were \$0.00 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

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

**For PERA Fund Division; Municipal General Division**, at June 30, 2016, the Village reported a liability of \$986,960 for its proportionate share of the net pension liability. At June 30, 2015, the Village's proportion was 0.10 percent, which changed from its proportion measured as of June 30, 2014 of 0.08 percent, and increase of 0.02 percent.

For the year ended June 30, 2016, the Village recognized PERA Fund Division; Municipal General Division pension expense of \$90,748. At June 30, 2016, the Village 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	\$ -	21,863
Changes of assumptions	-	384
Net difference between projected and actual earnings on pension plan investments	-	3,122
Change in proportion and differences between the Village contributions and proportionate share of contributions	110,797	-
The Village contributions subsequent to the measurement date	90,748	-
Total	<u>\$ 201,545</u>	<u>25,369</u>

\$90,748 reported as deferred outflows of resources related to pensions resulting from the Village 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.

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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	\$ (52)
2018	(52)
2019	(52)
2020	(79,247)
2021	(6,025)
Thereafter	-
	<u>(85,428)</u>

**For PERA Fund Division; Municipal Police Division**, at June 30, 2016, the Village reported a liability of \$877,562 for its proportionate share of the net pension liability. June 30, 2015, the Village's proportion was 0.18 percent, which changed from its proportion measured as of June 30, 2014 of 0.14 percent, and increase of 0.04 percent.

For the year ended June 30, 2016, the Village recognized PERA Fund Division; Municipal Police Division pension expense of \$86,433. At June 30, 2016, the Village reported PERA Fund Division; Municipal Police Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

<b>Municipal Police Division</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 61,320	-
Changes of assumptions	-	36,308
Net difference between projected and actual earnings on pension plan investments	-	2,432
Change in proportion and differences between the Village contributions and proportionate share of contributions	102,308	-
The Village contributions subsequent to the measurement date	86,433	-
Total	<u>\$ 250,061</u>	<u>38,740</u>

\$86,433 reported as deferred outflows of resources related to pensions resulting from the Village 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.

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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	\$ (16,714)
2018	(16,714)
2019	(16,714)
2020	(69,182)
2021	(5,564)
Thereafter	-
	(124,888)

**For PERA Fund Division; Municipal Fire Division**, at June 30, 2016, the Village reported a liability of \$1,004,882 for its proportionate share of the net pension liability. At June 30, 2015, the Village's proportion was 0.19 percent, which changed from its proportion measured as of June 30, 2014 of 0.13 percent, and increase of 0.06 percent.

For the year ended June 30, 2016, the Village recognized PERA Fund Division; Municipal Fire Division pension expense of \$58,077. At June 30, 2016, the Village 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	\$ 39,574	-
Changes of assumptions	21,194	-
Net difference between projected and actual earnings on pension plan investments	-	1,209
Change in proportion and differences between the Village contributions and proportionate share of contributions	195,696	-
The Village contributions subsequent to the measurement date	58,077	-
Total	\$ 314,541	1,209

\$58,077 reported as deferred outflows of resources related to pensions resulting from the Village 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.



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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	\$ (58,197)
2018	(58,197)
2019	(58,197)
2020	(70,025)
2021	(10,639)
Thereafter	-
	(255,255)

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

Actuarial valuation date	June 30, 2014
Actuarial cost method	Entry age normal
Amortization method	Level 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.

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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 Village's proportionate share of the net pension liability to changes in the discount rate.** The following tables show the sensitivity of the net pension liability to changes in the discount rate. In particular, the tables present the Village's net pension liability in each Page 7 PERA Fund Division that the Village participates in, under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

<u>PERA Fund Division - Municipal General Division</u>	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
The Village's proportionate share of the net pension liability	\$ 1,680,401	\$ 986,960	\$ 410,411

<u>PERA Fund Division - Municipal Police Division</u>	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
The Village's proportionate share of the net pension liability	\$ 1,449,241	\$ 877,562	\$ 408,592

<u>PERA Fund Division - Municipal Fire Division</u>	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
The Village's proportionate share of the net pension liability	\$ 1,362,869	\$ 1,004,882	\$ 709,852

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

**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 – RISK MANAGEMENT**

The Village of Corrales is insured through the New Mexico Self Insurer's Fund. Coverage provided includes all-peril on buildings and contents; crime coverage; general liability; civil rights and personal injury; motor vehicle and fleet property damage and liability; and statutory workman's compensation coverage. The crime coverage portion of this insurance includes employee fidelity/faithful performance coverage up to \$50,000 each occurrence. Claims have not exceeded coverage in each of the past three years.

**NOTE 12 – JOINT POWERS AGREEMENTS**

A Joint Powers Agreement was entered into by and between the City of Rio Rancho, the County of Sandoval, the Town of Bernalillo, the Pueblo of Santa Ana and the Village of Corrales, as of July 1, 2003, to establish and provide a centralized enhanced 911 communication system and thereby improve public emergency medical service, fire, rescue and law enforcement services to their citizens. The term of the Agreement is indefinite unless terminated by any party upon delivery of a written notice. The City of Rio Rancho acts as the fiscal agent and is responsible for the operation and audit of its records. The Village shall pay a pro rata share of the approved total annual budget. The Village's pro rata share is 4.8946%. The Village is responsible for the maintenance of their own 911 equipment. The Village of Corrales contributed \$128,402 for the current year. Revenues and expenditures are reported to DFA.

A Joint Powers Agreement among the Village, Sandoval County, and the EMNRD for Wildland Fire Protection and Suppression was entered on April 2, 2013. There were no payments made under this agreement for the fiscal year ending 2016. Revenues and expenditures are reported to DFA.

A Joint Powers Agreement between the Village and the Southern Sandoval County Arroyo Flood Control Authority (SSCAFCA) for the design and construction of drainage improvements in the Salce Park area of the Village was entered into on October 4, 2010. Under the agreement, the Village is responsible for the design and construction of the drainage improvements, SSCAFCA will reimburse the Village for costs in an amount not to exceed \$400,000. The agreement is in effect until all projects have been completed and reimbursement has been made, or until two years from the effective date.

**NOTE 13 – MEMORANDUM OF AGREEMENT**

A Memorandum of Agreement (MOA) between the Village and the County of Sandoval for the Comprehensive Community DWI Prevention Program was effective on May 6, 2011. The parties agree to combine funds and resources derived from any funding under the Comprehensive Community DWI Prevention Program with the common goal of reducing the frequency of alcohol-related traffic accidents.

**STATE OF NEW MEXICO  
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For the Year Ended June 30, 2016**

A Memorandum of Agreement (MOA) between the Village and the New Mexico Department of Transportation was entered into on March 15, 2011. The MOA is to authorize and encumber \$25,000 in Safe Routes to School (SRTS) Phase 2 noninfrastructure funds for the Village to implement and develop a SRTS education and encouragement program.

**NOTE 14 – COMMITMENTS AND CONTINGENCIES**

The Village had no significant commitments outstanding as of June 30, 2016.

**NOTE 15 – RESTATEMENTS**

Restatements were made as followings:

<u>Fund Description</u>	<u>Fund</u>	<u>Purpose/Reason</u>	<u>Amount</u>
General Fund	multiple	Restatement due to reclassification of Fund 503 to Proprietary Fund, which was previously held under the General Fund.	\$ (114,995)
FEMA 4148	236	To record revenue received in FY15 as deferred revenue, since received prior to spending.	(300,023)
FEMA 4152	237	To record revenue received in FY15 as deferred revenue, since received prior to spending.	<u>(91,749)</u>
		Total governmental activities	\$ <u><u>(506,767)</u></u>
Sewer	503	Restatement due to reclassification of Fund 503 to Proprietary Fund, which was previously held under the General Fund.	\$ 114,995
		Total business-type activities	\$ <u><u>114,995</u></u>

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Non-major Governmental Funds  
For the Year Ended June 30, 2016**

**NON-MAJOR SPECIAL REVENUE FUNDS**

**Local Government Corrections Fund (201)** – authorized by State Statute Chapter 35, Section 14- 11, is used to account for the proceeds collected from a correction fee of \$10, charged to persons violating an ordinance relating to the operation of a motor vehicle. Expenditures are restricted to constructing, operating and maintaining a municipal jail or restricted for paying the costs of housing municipal prisoners in a county jail.

**Court AOC (202)** – authorized by State Statute Chapter 34, Section 9-12, is used to account for municipal court automation funds to purchase, maintain and operate a court automation system in the Village’s courts.

**Emergency Medical Service (EMS) Fund (206)** – authorized by State Statute Chapter 178, Laws of 1978, is used to account for all rescue operations within the fire department. Financing is provided by a state grant and is subsidized by the General Fund.

**FEMA 4168 Fund (236)** – accounts for funds for the FEMA 4168 funding.

**FEMA 4152 Fund (237)** – accounts for funds for the FEMA 4152 funding.

**Fire Wildlands Fund (207)** – accounts for reimbursement of funds received from State Forestry when the Village fire department deploys units to assist in fires in the State of New Mexico.

**Fire Protection Fund (209)** – authorized by State Statute Chapter 48, Section 2, Laws of 1963, is used to account for the operations of the Fire Department. Financing is provided by the State Fire Allotment, emergency medical services, interest on investments and miscellaneous revenues.

**Law Enforcement Protection Fund (211)** – authorized by State Statute Chapter 289, Laws of 1983, is used to account for the purchase of vehicles, radios, and equipment for the police department. Financing is provided by a grant from the State of New Mexico.

**Traffic Safety Fund (212/235)** – used to account for the traffic safety fee collected under the New Mexico Uniform Traffic Ordinance, Section 12. The fees are expended for traffic safety related equipment.

**Library Fund (213/302)** – authorized by State Statute Chapter 3, Section 1914, is used to account for money received from private and corporate foundations, individuals and other governments in an effort to implement beneficial cooperative projects for Bernalillo, Rio Rancho, and Corrales Libraries.

**Lodger’s Tax Fund (214)** – accounts for revenues and expenditures per the Lodgers’ Tax Ordinance 500 of the Village. Funds are restricted to the economic development of the Village.

**Economic Development (215)** – authorized by the Village Council for the Wine & Quilt Festival and Corrales Mainstreet.

**Municipal Streets Fund (216)** – to account for a 1 cent gasoline tax which is used for repairing and the construction of roads. Also included in this fund is revenue from the State Department of

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**Non-major Governmental Funds**  
**For the Year Ended June 30, 2016**

Transportation under a municipal arterial project agreement. Authority 7-1-6.9 ANSD 7-1-6.27 NMSA 1978.

**Recreation Fund (217)** – authorized by State Statute (7-12-15) is used to account for operations and maintenance of the parks and other recreation type activities. Financing is provided by a cigarette tax, grants, interest on investments and miscellaneous revenues.

**Safe Routes to School (220)** – to account for grants to create a master plan for safe routes to school for children.

**Recycling Grant (223)** – authorized by NMSA 1978, Sections 74-13-17 and 74-13-19. This is a grant to abate illegal dumping sites, for processing, transporting and recycling of all recyclable materials and scrap tires.

**Fire Donation (224)** – to account for donations received for fire purchases.

**Keep New Mexico Beautiful (225)** – account for state funding to control litter in local governments and to establish a youth employment program to aid in litter control and beautification projects.

**Police Special Fund (226)** – used to account for assets seized during Task Force investigations under applicable Federal Statutes pursuant to the Attorney General’s Guidelines of Seized and Forfeited Property, authorized by a Memorandum of Understanding with the Drug Enforcement Administration (DEA).

**Mid-Rio Grande Valley (231)** – to account for the MOU with the MRGVTF for Federal funds used for narcotics investigations.

**YCC Grant (232)** – used to account for grants to plan, design, establish, and manage a Youth Conservation Corps Project in accordance with the NMYCC Act.

**Fire Protection (234)** – to account for state funding to support various fire related projects.

**Public Safety Communication Equip Fund (321)** – to account for legislative funding to purchase various equipment related to public safety.

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**Non-major Governmental Funds**  
**For the Year Ended June 30, 2016**

**NON-MAJOR CAPITAL PROJECTS FUNDS**

**Far Northwest Sector (316/319)** – This fund accounts for the legislative appropriation and debt proceeds to be used to create a lighted access road from the Village to Rio Rancho at the intersection of Northern Blvd and Highway 528.

**Farmland Preservation (305)** – to account for the funding received under the Cooperative Agreement authorized by the Commodity Credit Charter Act, 15 U.S.C. 714 et seq.; Title II, Subtitle F, Section 2503 of the Farm and Security and Rural Investment Act of 2002 (Public Law 107-171), and Title VII, Section 714 of the Agricultural, Rural Development, Food and Drug Administration, and related Agencies Appropriation Act of 2001 (Public Law 106-387). Funds are to be used to acquire agricultural conversion easements so that such areas are protected from conversion to nonagricultural uses.

**Fire Truck Capital (309)** – an authorized fund by the Village of internal financing to acquire a new fire truck in September 2013 for the Village fire department.

**Loma Larga (311)** – to account for legislative appropriations used to construct Loma Larga.

**Residential Roads and Drainage (323)** – to account for the legislative appropriation to be used to create a lighted access road from the Village of Corrales to the City of Rio Rancho at the intersection of Northern Blvd and Highway 528.

**Road Co-op (304)** – This fund accounts for state funding to do Co-op projects. Village will pay 25% and the state pays 75%. The Village's Council approves road projects to be completed for the fiscal year. Gasoline tax is reported in this fund to supplement the road projects.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Non-major Governmental Funds  
For the Year Ended June 30, 2016**

**NON-MAJOR DEBT SERVICE FUNDS**

**General Obligations (401)** – to accumulate monies for the payment of principal and interest on revenue bonds secured by pledges of revenues from property taxes.



**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Combining Balance Sheet  
As of June 30, 2016**

	<b>201</b>	<b>202</b>	<b>206</b>	<b>236</b>	<b>237</b>	<b>207</b>	<b>209</b>	<b>211</b>
	<b>Corrections</b>	<b>Court AOC</b>	<b>EMS</b>	<b>FEMA 4148</b>	<b>FEMA 4152</b>	<b>Fire Wildlands</b>	<b>Fire Protection</b>	<b>Law Enforcement Protection</b>
<b>Assets</b>								
Cash and investments	\$ 350,326	-	13,220	-	-	21,350	125,526	297
Receivables	-	6,959	-	135,019	35,465	-	-	-
Due from other funds	-	-	-	79,737	219	-	8,098	40
Cash - restricted	-	-	-	-	-	-	-	-
Total assets	\$ <u>350,326</u>	<u>6,959</u>	<u>13,220</u>	<u>214,756</u>	<u>35,684</u>	<u>21,350</u>	<u>133,624</u>	<u>337</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	2,882	1,264	-	2,162	-	-	27,143	-
Accrued liabilities	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	113,614	28,153	-	-	-
Due to other funds	617	3,318	-	98,980	7,531	2,332	-	40
Total liabilities	3,499	4,582	-	214,756	35,684	2,332	27,143	40
<b>Deferred inflows of resources</b>								
Property taxes	-	-	-	-	-	-	-	-
<b>Fund balances</b>								
Nonspendable	-	-	-	-	-	-	-	-
<b>Restricted for:</b>								
Special revenue	346,827	2,377	13,220	-	-	19,018	106,481	297
Capital projects	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	346,827	2,377	13,220	-	-	19,018	106,481	297
Total liabilities, deferred inflows of resources and fund balances	\$ <u>350,326</u>	<u>6,959</u>	<u>13,220</u>	<u>214,756</u>	<u>35,684</u>	<u>21,350</u>	<u>133,624</u>	<u>337</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Combining Balance Sheet  
As of June 30, 2016**

	<b>212/235</b>	<b>213/302</b>	<b>214</b>	<b>215</b>	<b>216</b>	<b>217</b>	<b>220</b>
	<b>Traffic Safety</b>	<b>Library</b>	<b>Lodger's Tax</b>	<b>Economic Development</b>	<b>Municipal Street</b>	<b>Recreation</b>	<b>Safe Routes to School</b>
<b>Assets</b>							
Cash and investments	\$ 19,272	74,665	6,081	13,161	5	3,770	7,762
Receivables	1,644	3,959	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Cash - restricted	-	-	-	-	-	-	-
Total assets	<u>\$ 20,916</u>	<u>78,624</u>	<u>6,081</u>	<u>13,161</u>	<u>5</u>	<u>3,770</u>	<u>7,762</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable	-	1,182	-	-	-	-	-
Accrued liabilities	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Due to other funds	5,200	-	-	9,994	-	-	3,508
Total liabilities	<u>5,200</u>	<u>1,182</u>	<u>-</u>	<u>9,994</u>	<u>-</u>	<u>-</u>	<u>3,508</u>
<b>Deferred inflows of resources</b>							
Property taxes	-	-	-	-	-	-	-
<b>Fund balances</b>							
Nonspendable	-	-	-	-	-	-	-
<b>Restricted for:</b>							
Special revenue	15,716	77,442	6,081	3,167	5	3,770	4,254
Capital projects	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>15,716</u>	<u>77,442</u>	<u>6,081</u>	<u>3,167</u>	<u>5</u>	<u>3,770</u>	<u>4,254</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 20,916</u>	<u>78,624</u>	<u>6,081</u>	<u>13,161</u>	<u>5</u>	<u>3,770</u>	<u>7,762</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Combining Balance Sheet  
As of June 30, 2016**

	<b>223</b>	<b>224</b>	<b>225</b>	<b>226</b>	<b>231</b>	<b>232</b>	<b>234</b>
	<b>Recycling Grant</b>	<b>Fire Donation</b>	<b>Keep New Mexico Beautiful</b>	<b>Police Special</b>	<b>Mid-Rio Grande Valley</b>	<b>YCC Grant</b>	<b>Fire Protection Grant</b>
<b>Assets</b>							
Cash and investments	\$ 1,831	2,402	-	239,741	45,990	26,476	84,463
Receivables	-	-	-	24,373	-	47,609	-
Due from other funds	-	-	-	-	-	166	-
Cash - restricted	-	-	-	-	-	-	-
Total assets	<u>\$ 1,831</u>	<u>2,402</u>	<u>-</u>	<u>264,114</u>	<u>45,990</u>	<u>74,251</u>	<u>84,463</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable	-	-	-	125	-	-	1,175
Accrued liabilities	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Due to other funds	1,731	226	-	710	26,036	43,942	-
Total liabilities	<u>1,731</u>	<u>226</u>	<u>-</u>	<u>835</u>	<u>26,036</u>	<u>43,942</u>	<u>1,175</u>
<b>Deferred inflows of resources</b>							
Property taxes	-	-	-	-	-	-	-
<b>Fund balances</b>							
Nonspendable	-	-	-	-	-	-	-
<b>Restricted for:</b>							
Special revenue	100	2,176	-	263,279	19,954	30,309	83,288
Capital projects	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>100</u>	<u>2,176</u>	<u>-</u>	<u>263,279</u>	<u>19,954</u>	<u>30,309</u>	<u>83,288</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,831</u>	<u>2,402</u>	<u>-</u>	<u>264,114</u>	<u>45,990</u>	<u>74,251</u>	<u>84,463</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Combining Balance Sheet  
As of June 30, 2016**

	<b>321 Public Safety Communication Equipment</b>	<b>Special Revenue Total</b>	<b>316/319 Far North- West Sector</b>	<b>305 Farmland Preservation</b>	<b>309 Fire Truck Capital</b>	<b>311 Loma Larga</b>
<b>Assets</b>						
Cash and investments	\$ -	1,036,338	-	47,078	172,161	-
Receivables	2,450	257,478	-	-	-	-
Due from other funds	189	88,449	16,502	30,093	-	65,853
Cash - restricted	-	-	55,274	-	-	-
Total assets	<u>\$ 2,639</u>	<u>1,382,265</u>	<u>71,776</u>	<u>77,171</u>	<u>172,161</u>	<u>65,853</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	-	35,933	-	-	-	-
Accrued liabilities	-	-	-	-	-	-
Unearned revenue	-	141,767	-	-	-	-
Due to other funds	2,450	206,615	19,702	-	-	7,499
Total liabilities	<u>2,450</u>	<u>384,315</u>	<u>19,702</u>	<u>-</u>	<u>-</u>	<u>7,499</u>
<b>Deferred inflows of resources</b>						
Property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>						
Nonspendable	-	-	-	-	-	-
Restricted for:						
Special revenue	189	997,950	-	-	-	-
Capital projects	-	-	52,074	77,171	172,161	58,354
Debt service	-	-	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>189</u>	<u>997,950</u>	<u>52,074</u>	<u>77,171</u>	<u>172,161</u>	<u>58,354</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 2,639</u>	<u>1,382,265</u>	<u>71,776</u>	<u>77,171</u>	<u>172,161</u>	<u>65,853</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Combining Balance Sheet  
As of June 30, 2015**

	<b>323 Residential Roads and Drainage</b>	<b>304 Road Co-op</b>	<b>Capital Projects Total</b>	<b>401 Debt Service General Obligations</b>	<b>Debt Service Total</b>	<b>Nonmajor Governmental Funds Total</b>
<b>Assets</b>						
Cash and investments	\$ 323,025	278,796	821,060	214,657	214,657	2,072,055
Receivables	-	534	534	13,152	13,152	271,164
Due from other funds	-	-	112,448	-	-	200,897
Cash - restricted	-	-	55,274	-	-	55,274
Total assets	<u>\$ 323,025</u>	<u>279,330</u>	<u>989,316</u>	<u>227,809</u>	<u>227,809</u>	<u>2,599,390</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	16,457	-	16,457	-	-	52,390
Accrued liabilities	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	141,767
Due to other funds	-	3,398	30,599	-	-	237,214
Total liabilities	<u>16,457</u>	<u>3,398</u>	<u>47,056</u>	<u>-</u>	<u>-</u>	<u>431,371</u>
<b>Deferred inflows of resources</b>						
Property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,146</u>	<u>9,146</u>	<u>9,146</u>
<b>Fund balances</b>						
Nonspendable	-	-	-	-	-	-
Restricted for:						
Special revenue	-	-	-	-	-	997,950
Capital projects	306,568	275,932	942,260	-	-	942,260
Debt service	-	-	-	218,663	218,663	218,663
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>306,568</u>	<u>275,932</u>	<u>942,260</u>	<u>218,663</u>	<u>218,663</u>	<u>2,158,873</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 323,025</u>	<u>279,330</u>	<u>989,316</u>	<u>227,809</u>	<u>227,809</u>	<u>2,599,390</u>

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Combined - Revenue, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2016**

	<b>201</b>	<b>202</b>	<b>206</b>	<b>236</b>	<b>237</b>	<b>207</b>	<b>209</b>	<b>211</b>
	<b>Corrections</b>	<b>Court AOC</b>	<b>EMS</b>	<b>FEMA 4148</b>	<b>FEMA 4152</b>	<b>Fire Wildlands</b>	<b>Fire Protection</b>	<b>Law Enforcement Protection</b>
<b>Revenues</b>								
Taxes:								
Property	\$ -	-	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-	-
Lodgers'	-	-	-	-	-	-	-	-
Intergovernmental:								
Federal operating grants	-	-	-	302,241	116,309	-	-	-
State operating grants	-	-	8,701	19,187	-	-	245,238	27,200
State capital grants	-	-	-	-	-	-	-	-
Local match	-	-	-	79,239	-	-	-	-
Charges for services	-	-	-	-	-	-	-	-
Fines and forfeitures	42,969	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-	-
Miscellaneous	-	8,722	-	-	-	-	-	-
Total revenues	\$ 42,969	8,722	8,701	400,667	116,309	-	245,238	27,200
<b>Expenditures</b>								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	31,712	6,316	7,612	-	-	(285)	133,166	3,140
Public works	-	-	-	400,667	116,309	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Debt service:								
Principal retirement	-	-	-	-	-	-	-	-
Interest and debt issuance costs	-	-	-	-	-	-	-	-
Capital outlay	-	2,407	-	-	-	-	-	24,051
Total expenditures	\$ 31,712	8,723	7,612	400,667	116,309	(285)	133,166	27,191
Revenues over (under) expenditures before other financing sources (uses)	11,257	(1)	1,089	-	-	285	112,072	9
<b>Other financing sources (uses)</b>								
Transfers in (out)	-	-	-	-	-	-	(57,387)	-
Total other financing sources (uses)	-	-	-	-	-	-	(57,387)	-
Net changes in fund balances	11,257	(1)	1,089	-	-	285	54,685	9
Fund balances, beginning of year	335,570	2,378	12,131	300,023	91,749	18,733	51,796	288
Restatement	-	-	-	(300,023)	(91,749)	-	-	-
Fund balance, beginning of year, as restated	335,570	2,378	12,131	-	-	18,733	51,796	288
Fund balances, end of year	\$ 346,827	2,377	13,220	-	-	19,018	106,481	297

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**Combined - Revenue, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2016**

	<b>212/235</b>	<b>213/302</b>	<b>214</b>	<b>215</b>	<b>216</b>	<b>217</b>	<b>220</b>
	<b>Traffic</b>	<b>Library</b>	<b>Lodger's</b>	<b>Economic</b>	<b>Municipal</b>	<b>Recreation</b>	<b>Safe</b>
	<b>Safety</b>		<b>Tax</b>	<b>Development</b>	<b>Street</b>		<b>Routes to</b>
							<b>School</b>
<b>Revenues</b>							
Taxes:							
Property	\$ -	-	-	-	-	-	-
Gas	-	-	-	-	5,163	-	-
Lodgers'	-	-	4,554	-	-	-	-
Intergovernmental:							
Federal operating grants	11,516	-	-	-	-	-	-
State operating grants	6,150	58,656	-	-	-	-	-
State capital grants	-	-	-	-	-	-	-
Local match	-	-	-	-	-	-	-
Charges for services	90	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-
Miscellaneous	-	2,040	-	-	-	-	-
Total revenues	\$ 17,756	60,696	4,554	-	5,163	-	-
<b>Expenditures</b>							
Current:							
General government	-	-	-	50,000	-	-	-
Public safety	17,654	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Culture and recreation	-	66,858	3,348	-	-	(500)	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Total expenditures	\$ 17,654	66,858	3,348	50,000	-	(500)	-
Revenues over (under) expenditures before other financing sources (uses)	102	(6,162)	1,206	(50,000)	5,163	500	-
<b>Other financing sources (uses)</b>							
Transfers in (out)	-	-	-	45,000	(5,163)	-	-
Total other financing sources (uses)	-	-	-	45,000	(5,163)	-	-
Net changes in fund balances	102	(6,162)	1,206	(5,000)	-	500	-
Fund balances, beginning of year	15,614	83,604	4,875	8,167	5	3,270	4,254
Restatement	-	-	-	-	-	-	-
Fund balance, beginning of year, as restated	15,614	83,604	4,875	8,167	5	3,270	4,254
Fund balances, end of year	\$ 15,716	77,442	6,081	3,167	5	3,770	4,254

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Combined - Revenue, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2016**

	<b>223</b>	<b>224</b>	<b>225</b>	<b>226</b>	<b>231</b>	<b>232</b>	<b>234</b>
	<b>Recycling Grant</b>	<b>Fire Donation</b>	<b>Keep New Mexico Beautiful</b>	<b>Police Special</b>	<b>Mid-Rio Grande Valley</b>	<b>YCC Grant</b>	<b>Fire Protection Grant</b>
<b>Revenues</b>							
Taxes:							
Property	\$ -	-	-	-	-	-	-
Gas	-	-	-	-	-	-	-
Lodgers'	-	-	-	-	-	-	-
Intergovernmental:							
Federal operating grants	-	-	-	(153)	-	-	10,000
State operating grants	-	-	-	-	-	151,898	-
State capital grants	-	-	-	24,373	-	-	-
Local match	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Interest income	-	-	-	-	-	-	-
Miscellaneous	-	1,500	-	10,036	-	-	-
Total revenues	\$ -	1,500	-	34,256	-	151,898	10,000
<b>Expenditures</b>							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	10,345	-	-	11,026
Public works	-	-	-	-	-	139,180	-
Culture and recreation	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital outlay	-	-	-	24,374	-	-	11,593
Total expenditures	\$ -	-	-	34,719	-	139,180	22,619
Revenues over (under) expenditures before other financing sources (uses)	-	1,500	-	(463)	-	12,718	(12,619)
<b>Other financing sources (uses)</b>							
Transfers in (out)	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net changes in fund balances	-	1,500	-	(463)	-	12,718	(12,619)
Fund balances, beginning of year	100	676	-	263,742	19,954	17,591	95,907
Restatement	-	-	-	-	-	-	-
Fund balance, beginning of year, as restated	100	676	-	263,742	19,954	17,591	95,907
Fund balances, end of year	\$ 100	2,176	-	263,279	19,954	30,309	83,288

The accompanying notes are integral to these financial statements



**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**Combined - Revenue, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2016**

	<b>321</b>	<b>Special</b>	<b>316/319</b>	<b>305</b>	<b>309</b>	<b>311</b>
	<b>Public Safety</b>	<b>Revenue</b>	<b>Far North-</b>	<b>Farmland</b>	<b>Fire</b>	<b>Loma</b>
	<b>Communication</b>	<b>Total</b>	<b>West</b>	<b>Preservation</b>	<b>Truck</b>	<b>Larga</b>
	<b>Equipment</b>		<b>Sector</b>		<b>Capital</b>	
<b>Revenues</b>						
Taxes:						
Property	\$ -	-	-	-	-	-
Gas	-	5,163	-	-	-	-
Lodgers'	-	4,554	-	-	-	-
Intergovernmental:						
Federal operating grants	-	439,913	-	-	-	-
State operating grants	-	517,030	-	-	-	-
State capital grants	2,450	26,823	-	-	-	-
Local match	-	79,239	-	-	-	-
Charges for services	-	90	-	-	-	-
Fines and forfeitures	-	42,969	-	-	-	-
Interest income	-	-	930	40	-	-
Miscellaneous	-	22,298	-	-	-	-
Total revenues	\$ 2,450	1,138,079	930	40	-	-
<b>Expenditures</b>						
Current:						
General government	-	50,000	-	-	-	-
Public safety	2,450	223,136	-	-	-	-
Public works	-	656,156	80	-	-	-
Culture and recreation	-	69,706	-	-	-	-
Debt service:						
Principal	-	-	40,181	-	-	-
Interest	-	-	33,577	-	-	-
Capital outlay	-	62,425	4,023	-	-	-
Total expenditures	\$ 2,450	1,061,423	77,861	-	-	-
Revenues over (under) expenditures before other financing sources (uses)	-	76,656	(76,931)	40	-	-
<b>Other financing sources (uses)</b>						
Transfers in (out)	-	(17,550)	75,000	-	57,387	-
Total other financing sources (uses)	-	(17,550)	75,000	-	57,387	-
Net changes in fund balances	-	59,106	(1,931)	40	57,387	-
Fund balances, beginning of year	189	1,330,616	54,005	77,131	114,774	58,354
Restatement	-	(391,772)	-	-	-	-
Fund balance, beginning of year, as restated	189	938,844	54,005	77,131	114,774	58,354
Fund balances, end of year	\$ 189	997,950	52,074	77,171	172,161	58,354

The accompanying notes are integral to these financial statements

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**Combined - Revenue, Expenditures, and Changes in Fund Balances**  
**For the Year Ended June 30, 2016**

	<b>323</b>	<b>304</b>	<b>Capital</b>	<b>401</b>	<b>Debt</b>	<b>Nonmajor</b>
	<b>Residential</b>	<b>Road</b>	<b>Projects</b>	<b>Debt Service</b>	<b>Service</b>	<b>Governmental</b>
	<b>Roads and</b>	<b>Co-op</b>	<b>Total</b>	<b>General</b>	<b>Total</b>	<b>Funds</b>
	<b>Drainage</b>			<b>Obligations</b>		<b>Total</b>
<b>Revenues</b>						
Taxes:						
Property	\$ -	-	-	213,155	213,155	213,155
Gas	-	-	-	-	-	5,163
Lodgers'	-	-	-	-	-	4,554
Intergovernmental:						
Federal operating grants	-	153,293	153,293	-	-	593,206
State operating grants	235,000	-	235,000	-	-	752,030
State capital grants	-	-	-	-	-	26,823
Local match	-	-	-	-	-	79,239
Charges for services	-	-	-	-	-	90
Fines and forfeitures	-	-	-	-	-	42,969
Interest income	-	-	970	-	-	970
Miscellaneous	-	-	-	-	-	22,298
Total revenues	\$ <u>235,000</u>	<u>153,293</u>	<u>389,263</u>	<u>213,155</u>	<u>213,155</u>	<u>1,740,497</u>
<b>Expenditures</b>						
Current						
General government	-	-	-	2,144	2,144	52,144
Public safety	-	-	-	-	-	223,136
Public works	-	8,296	8,376	-	-	664,532
Culture and recreation	-	-	-	-	-	69,706
Debt service:						
Principal	-	-	40,181	195,000	195,000	235,181
Interest	-	-	33,577	25,984	25,984	59,561
Capital outlay	73,643	3,399	81,065	-	-	143,490
Total expenditures	\$ <u>73,643</u>	<u>11,695</u>	<u>163,199</u>	<u>223,128</u>	<u>223,128</u>	<u>1,447,750</u>
Revenues over (under) expenditures before other financing sources (uses)	<u>161,357</u>	<u>141,598</u>	<u>226,064</u>	<u>(9,973)</u>	<u>(9,973)</u>	<u>292,747</u>
<b>Other financing sources (uses)</b>						
Transfers in (out)	78,333	80,163	290,883	-	-	273,333
Total other financing sources (uses)	<u>78,333</u>	<u>80,163</u>	<u>290,883</u>	<u>-</u>	<u>-</u>	<u>273,333</u>
Net changes in fund balances	239,690	221,761	516,947	(9,973)	(9,973)	566,080
Fund balances, beginning of year	66,878	54,171	425,313	228,636	228,636	1,984,565
Restatement	-	-	-	-	-	(391,772)
Fund balance, beginning of year, as restated	<u>66,878</u>	<u>54,171</u>	<u>425,313</u>	<u>228,636</u>	<u>228,636</u>	<u>1,592,793</u>
Fund balances, end of year	\$ <u><u>306,568</u></u>	<u><u>275,932</u></u>	<u><u>942,260</u></u>	<u><u>218,663</u></u>	<u><u>218,663</u></u>	<u><u>2,158,873</u></u>

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**201 - Correction Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	35,000	35,000	42,984	7,984
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	35,000	35,000	42,984	7,984
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	35,000	185,000	31,712	153,288
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	35,000	185,000	31,712	153,288
Revenues over/(under) expenditures before other financing sources/(uses)	-	(150,000)	11,272	161,272
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	(150,000)	11,272	
Prior year cash balance	\$ <u>338,417</u>	<u>338,417</u>	<u>338,417</u>	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ 11,272	
To adjust applicable revenue accruals and deferrals			(15)	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ 11,257	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**202 - Court AOC Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	14,000	14,000	8,722	(5,278)
Total revenues	14,000	14,000	8,722	(5,278)
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	7,000	7,000	6,316	684
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	7,000	7,000	2,407	4,593
Total expenditures	14,000	14,000	8,723	5,277
Revenues over/(under) expenditures before other financing sources/(uses)	-	-	(1)	(1)
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	(1)	
Prior year cash balance	\$ -	-	-	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ (1)	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ (1)	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**206 - EMS Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	10,628	8,701	8,701	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	10,628	8,701	8,701	-
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	10,628	10,628	7,612	3,016
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	10,628	10,628	7,612	3,016
Revenues over/(under) expenditures before other financing sources/(uses)	-	(1,927)	1,089	3,016
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	(1,927)	1,089	
Prior year cash balance	\$ 12,888	12,888	12,888	

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in fund balance (Budget Basis)	\$	1,089
To adjust applicable revenue accruals and deferrals		-
To adjust applicable expenditure accruals		-
Change in fund balance (GAAP basis)	\$	1,089

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**236 - FEMA 4168**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	330,845	-	(330,845)
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	330,845	-	(330,845)
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	400,667	(400,667)
Culture and recreation	-	-	-	-
Capital outlay	290,239	593,409	-	593,409
Total expenditures	290,239	593,409	400,667	192,742
Revenues over/(under) expenditures before other financing sources/(uses)	(290,239)	(262,564)	(400,667)	(138,103)
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ (290,239)	(262,564)	(400,667)	
Prior year cash balance	\$ 300,023	300,023	300,023	

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in fund balance (Budget Basis)	\$ (400,667)
To adjust applicable revenue accruals and deferrals	400,667
To adjust applicable expenditure accruals	-
Change in fund balance (GAAP basis)	\$ -

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**237 - FEMA 4152**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	58,860	130,612	17,248	(113,364)
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	58,860	130,612	17,248	(113,364)
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	7,434	116,309	(108,875)
Culture and recreation	-	-	-	-
Capital outlay	114,537	234,532	-	234,532
Total expenditures	114,537	241,966	116,309	125,657
Revenues over/(under) expenditures before other financing sources/(uses)	(55,677)	(111,354)	(99,061)	12,293
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ (55,677)	(111,354)	(99,061)	
Prior year cash balance	\$ 91,749	91,749	91,749	

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in fund balance (Budget Basis)	\$	(99,061)
To adjust applicable revenue accruals and deferrals		99,061
To adjust applicable expenditure accruals		-
Change in fund balance (GAAP basis)	\$	-

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**207 - Fire Wildlands Fund**  
**For the Year Ended June 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	285	-	(285)
Total revenues	<u>-</u>	<u>285</u>	<u>-</u>	<u>(285)</u>
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	21,000	(285)	21,285
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>21,000</u>	<u>(285)</u>	<u>21,285</u>
Revenues over/(under) expenditures before other financing sources/(uses)	-	(20,715)	285	21,000
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ <u>-</u>	<u>(20,715)</u>	<u>285</u>	
Prior year cash balance	\$ <u>21,065</u>	<u>21,065</u>	<u>21,065</u>	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ 285	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			<u>-</u>	
Change in fund balance (GAAP basis)			<u>\$ 285</u>	

The accompanying notes are integral to these financial statements



**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**209 - Fire Protection Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	210,267	245,238	245,238	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	210,267	245,238	245,238	-
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	152,880	213,445	133,166	80,279
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	152,880	213,445	133,166	80,279
Revenues over/(under) expenditures before other financing sources/(uses)	57,387	31,793	112,072	80,279
<b>Other financing sources (uses):</b>				
Transfers in (out)	(57,387)	(57,387)	(57,387)	-
Total other financing sources (uses)	(57,387)	(57,387)	(57,387)	-
Net change in fund balance	\$ -	(25,594)	54,685	
Prior year cash balance	\$ 44,623	44,623	44,623	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ 54,685	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ 54,685	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**211 - Law Enforcement Protection Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	27,200	27,200	27,200	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	27,200	27,200	27,200	-
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	3,140	(3,140)
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	27,200	27,200	24,051	3,149
Total expenditures	27,200	27,200	27,191	9
Revenues over/(under) expenditures before other financing sources/(uses)	-	-	9	9
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	9	
Prior year cash balance	\$ 288	288	288	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ 9	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ 9	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**212/235 - Traffic Safety Fund**  
**For the Year Ended June 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	9,240	23,632	11,516	(12,116)
State grants	5,000	5,000	6,150	1,150
Charges for services	-	-	90	90
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>14,240</u>	<u>28,632</u>	<u>17,756</u>	<u>(10,876)</u>
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	14,240	14,240	17,654	(3,414)
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>14,240</u>	<u>14,240</u>	<u>17,654</u>	<u>(3,414)</u>
Revenues over/(under) expenditures before other financing sources/(uses)	-	14,392	102	(14,290)
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ <u>-</u>	<u>14,392</u>	<u>102</u>	
Prior year cash balance	\$ <u>18,145</u>	<u>18,145</u>	<u>18,145</u>	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ 102	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			<u>\$ 102</u>	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**213/302 - Library Fund**  
**For the Year Ended June 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	31,038	197,524	60,364	(137,160)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	2,040	2,040
Total revenues	<u>31,038</u>	<u>197,524</u>	<u>62,404</u>	<u>(135,120)</u>
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	6,027	-	6,027
Public works	-	-	-	-
Culture and recreation	34,538	139,038	67,890	71,148
Capital outlay	<u>389</u>	<u>56,889</u>	<u>-</u>	<u>56,889</u>
Total expenditures	<u>34,927</u>	<u>201,954</u>	<u>67,890</u>	<u>134,064</u>
Revenues over/(under) expenditures before other financing sources/(uses)	(3,889)	(4,430)	(5,486)	(1,056)
<b>Other financing sources (uses):</b>				
Transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (3,889)</u>	<u>(4,430)</u>	<u>(5,486)</u>	
Prior year cash balance	<u>\$ 51,656</u>	<u>51,656</u>	<u>51,656</u>	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ (5,486)	
To adjust applicable revenue accruals and deferrals			(1,708)	
To adjust applicable expenditure accruals			<u>1,032</u>	
Change in fund balance (GAAP basis)			<u>\$ (6,162)</u>	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**214 - Lodgers' Tax Fund**  
**For the Year Ended June 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Lodgers' Tax	5,000	5,000	4,554	(446)
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>4,554</u>	<u>(446)</u>
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	5,000	5,000	3,348	1,652
Capital outlay	-	-	-	-
Total expenditures	<u>5,000</u>	<u>5,000</u>	<u>3,348</u>	<u>1,652</u>
Revenues over/(under) expenditures before other financing sources/(uses)	-	-	1,206	1,206
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>1,206</u>	
Prior year cash balance	<u>\$ 4,875</u>	<u>4,875</u>	<u>4,875</u>	

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in fund balance (Budget Basis)	\$ 1,206
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	<u>-</u>
Change in fund balance (GAAP basis)	<u>\$ 1,206</u>

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**215 - Economic Development Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<b>Expenditures</b>				
Current				
General government	-	50,000	50,000	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	50,000	50,000	-
Revenues over/(under) expenditures before other financing sources/(uses)	-	(50,000)	(50,000)	-
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	45,000	45,000	-
Total other financing sources (uses)	-	45,000	45,000	-
Net change in fund balance	\$ -	(5,000)	(5,000)	
Prior year cash balance	\$ 18,161	18,161	18,161	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ (5,000)	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ (5,000)	

The accompanying notes are integral to these financial statements

**Village of Corrales**  
**VILLAGE OF CORRALES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**216 - Municipal Street Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Gas	5,000	8,000	5,163	(2,837)
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	5,000	8,000	5,163	(2,837)
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Revenues over/(under) expenditures before other financing sources/(uses)	5,000	8,000	5,163	(2,837)
<b>Other financing sources (uses):</b>				
Transfers in (out)	(5,000)	(8,000)	(5,163)	(2,837)
Total other financing sources (uses)	(5,000)	(8,000)	(5,163)	(2,837)
Net change in fund balance	\$ -	-	-	
Prior year cash balance	\$ 5	5	5	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ -	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**217 - Recreation Fund**  
**For the Year Ended June 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	(500)	500
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>(500)</u>	<u>500</u>
Revenues over/(under) expenditures before other financing sources/(uses)	-	-	500	500
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ <u>-</u>	<u>-</u>	<u>500</u>	
Prior year cash balance	\$ <u>3,270</u>	<u>3,270</u>	<u>3,270</u>	

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in fund balance (Budget Basis)	\$ 500
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	<u>-</u>
Change in fund balance (GAAP basis)	<u>\$ 500</u>

The accompanying notes are integral to these financial statements



**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**220 - Safe Routes to School Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Revenues over/(under) expenditures before other financing sources/(uses)	-	-	-	-
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	-	
Prior year cash balance	\$ 7,762	7,762	7,762	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ -	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**223 - Recycling Grant Fund**  
**For the Year Ended June 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over/(under) expenditures before other financing sources/(uses)	-	-	-	-
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ <u>-</u>	<u>-</u>	<u>-</u>	
Prior year cash balance	\$ <u>1,831</u>	<u>1,831</u>	<u>1,831</u>	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			<u>-</u>	
Change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**224 - Fire Donation Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	2,910	2,910	1,500	(1,410)
Total revenues	2,910	2,910	1,500	(1,410)
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	2,910	2,910	-	2,910
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	2,910	2,910	-	2,910
Revenues over/(under) expenditures before other financing sources/(uses)	-	-	1,500	1,500
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	1,500	
Prior year cash balance	\$ 902	902	902	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ 1,500	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ 1,500	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**225 - Keep New Mexico Beautiful Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Revenues over/(under) expenditures				
before other financing sources/(uses)	-	-	-	-
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	-	
Prior year cash balance	\$ -	-	-	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ -	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**226 - Police Special Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	5,000	5,000	(153)	(5,153)
State grants	-	25,000	24,373	(627)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	8,500	8,500	10,036	1,536
Total revenues	13,500	38,500	34,256	(4,244)
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	12,500	13,500	10,345	3,155
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	58,000	83,000	24,373	58,627
Total expenditures	70,500	96,500	34,718	61,782
Revenues over/(under) expenditures before other financing sources/(uses)	(57,000)	(58,000)	(462)	57,538
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ (57,000)	(58,000)	(462)	
Prior year cash balance	\$ 265,327	265,327	265,327	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ (462)	
To adjust applicable revenue accruals and deferrals			(1)	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ (463)	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**231 - Middle Rio Grande Valley Task Force**  
**For the Year Ended June 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over/(under) expenditures before other financing sources/(uses)	-	-	-	-
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ <u>-</u>	<u>-</u>	<u>-</u>	
Prior year cash balance	\$ <u>45,990</u>	<u>45,990</u>	<u>45,990</u>	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			<u>-</u>	
Change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**232 - YCC Grant Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	143,526	143,526	154,598	11,072
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	143,526	143,526	154,598	11,072
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	143,556	143,526	139,180	4,346
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	143,556	143,526	139,180	4,346
Revenues over/(under) expenditures before other financing sources/(uses)	(30)	-	15,418	15,418
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ (30)	-	15,418	
Prior year cash balance	\$ 31,950	31,950	31,950	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ 15,418	
To adjust applicable revenue accruals and deferrals			(2,700)	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ 12,718	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**234 - Fire Protection Grant Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	10,000	10,000	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	10,000	10,000	-
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	16,000	11,026	4,974
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	89,978	11,593	78,385
Total expenditures	-	105,978	22,619	83,359
Revenues over/(under) expenditures before other financing sources/(uses)	-	(95,978)	(12,619)	83,359
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	(95,978)	(12,619)	
Prior year cash balance	\$ 95,977	95,977	95,977	

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in fund balance (Budget Basis)	\$ (12,619)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	-
Change in fund balance (GAAP basis)	\$ (12,619)

The accompanying notes are integral to these financial statements



**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**321 - Public Safety Communication Equipment Fund**  
**For the Year Ended June 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	40,271	40,271	2,450	(37,821)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>40,271</u>	<u>40,271</u>	<u>2,450</u>	<u>(37,821)</u>
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	2,450	(2,450)
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	<u>40,271</u>	<u>40,271</u>	-	<u>40,271</u>
Total expenditures	<u>40,271</u>	<u>40,271</u>	<u>2,450</u>	<u>37,821</u>
Revenues over/(under) expenditures before other financing sources/(uses)	-	-	-	-
<b>Other financing sources (uses):</b>				
Transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>-</u>	
Prior year cash balance	<u>\$ 189</u>	<u>189</u>	<u>189</u>	

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in fund balance (Budget Basis)	\$ -
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	<u>-</u>
Change in fund balance (GAAP basis)	<u>\$ -</u>

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**313 - Waste Water Project Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
State grants	50,000	164,011	121,477	(42,534)
Total revenues	50,000	164,011	121,477	(42,534)
<b>Expenditures</b>				
Current				
Public works	-	-	6,729	(6,729)
Capital outlay	50,000	164,011	107,281	56,730
Principal Retirement	-	-	-	-
Interest and debt issuance costs	-	-	-	-
Total expenditures	50,000	164,011	114,010	50,001
Revenues over/(under) expenditures before other financing sources/(uses)	-	-	7,467	7,467
<b>Other financing sources (uses):</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	\$ -	-	7,467	
Prior year cash balance	\$ 270,020	270,020	270,020	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ 7,467	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			(1)	
Change in fund balance (GAAP basis)			\$ 7,466	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**316/319 - Far Northwest Sector Fund**  
**For the Year Ended June 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest on investments	-	-	930	930
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>930</u>	<u>930</u>
<b>Expenditures</b>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	80	(80)
Culture and recreation	-	-	-	-
Capital outlay	-	-	4,023	(4,023)
Principal retirement	39,475	40,181	40,181	-
Interest and debt issuance costs	<u>33,577</u>	<u>33,577</u>	<u>33,577</u>	<u>-</u>
Total expenditures	<u>73,052</u>	<u>73,758</u>	<u>77,861</u>	<u>(4,103)</u>
Revenues over/(under) expenditures before other financing sources/(uses)	<u>(73,052)</u>	<u>(73,758)</u>	<u>(76,931)</u>	<u>(3,173)</u>
<b>Other financing sources (uses):</b>				
Transfers in (out)	<u>-</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Net change in fund balance	<u>\$ (73,052)</u>	<u>1,242</u>	<u>(1,931)</u>	
Prior year cash balance	<u>\$ 57,204</u>	<u>57,204</u>	<u>57,204</u>	

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in fund balance (Budget Basis)	\$ (1,931)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	<u>-</u>
Change in fund balance (GAAP basis)	<u>\$ (1,931)</u>

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**305 - Farmland Preservation Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest income	-	-	40	40
Miscellaneous	-	-	-	-
Total revenues	-	-	40	40
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Revenues over (under) expenditures before other financing sources (uses)	-	-	40	40
<b>Other financing sources (uses)</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balances	\$ -	-	40	
Prior year cash balance	\$ 47,038	47,038	47,038	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ 40	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ 40	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**309 - Fire Truck Capital Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Principal retirement	57,387	57,387	-	57,387
Interest and debt issuance costs	-	-	-	-
Total expenditures	57,387	57,387	-	57,387
Revenues over (under) expenditures before other financing sources (uses)	(57,387)	(57,387)	-	(57,387)
<b>Other financing sources (uses)</b>				
Transfers in (out)	-	57,387	57,387	-
Total other financing sources (uses)	-	57,387	57,387	-
Net changes in fund balances	\$ (57,387)	-	57,387	
Prior year cash balance	\$ 114,774	114,774	114,774	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ 57,387	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ 57,387	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**311 - Loma Larga**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	-	-	-
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	-	-	-	-
Revenues over (under) expenditures before other financing sources (uses)	-	-	-	-
<b>Other financing sources (uses)</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balances	\$ -	-	-	
Prior year cash balance	\$ -	-	-	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ -	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE — BUDGET AND ACTUAL**  
**323 - Residential Roads and Drainage**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	235,000	235,000	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	235,000	235,000	-
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital outlay	-	313,333	73,643	239,690
Total expenditures	-	313,333	73,643	239,690
Revenues over (under) expenditures before other financing sources (uses)	-	(78,333)	161,357	(239,690)
<b>Other financing sources (uses)</b>				
Transfers in (out)	-	78,333	78,333	-
Total other financing sources (uses)	-	78,333	78,333	-
Net changes in fund balances	\$ -	-	239,690	
Prior year cash balance	\$ 67,932	67,932	67,932	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ 239,690	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ 239,690	

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**304 - Road Co-op Fund**  
**For the Year Ended June 30, 2016**

	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance Favorable (Unfavorable)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Intergovernmental:				
Federal grants	-	153,293	153,293	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	153,293	153,293	-
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	20,000	8,296	11,704
Culture and recreation	-	-	-	-
Capital outlay	-	184,391	3,399	180,992
Total expenditures	-	204,391	11,695	192,696
Revenues over (under) expenditures before other financing sources (uses)	-	(51,098)	141,598	(192,696)
<b>Other financing sources (uses)</b>				
Transfers in (out)	-	83,000	80,163	2,837
Total other financing sources (uses)	-	83,000	80,163	2,837
Net changes in fund balances	\$ -	31,902	221,761	
Prior year cash balance	\$ 57,035	57,035	57,035	
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in fund balance (Budget Basis)			\$ 221,761	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in fund balance (GAAP basis)			\$ 221,761	

The accompanying notes are integral to these financial statements



**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**401 - Debt Service General Obligations Fund**  
**For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Taxes:				
Property	\$ 219,484	223,284	213,155	(10,129)
Intergovernmental:				
Federal grants	-	-	-	-
State grants	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	\$ 219,484	223,284	213,155	(10,129)
<b>Expenditures</b>				
Current:				
General government	2,300	2,300	2,144	156
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Debt service:				
Principal retirement	195,000	195,000	195,000	-
Interest and debt issuance costs	25,984	25,984	25,984	-
Capital outlay	-	-	-	-
Total expenditures	\$ 223,284	223,284	223,128	156
Revenues over (under) expenditures before other financing sources (uses)	(3,800)	-	(9,973)	(10,285)
<b>Other financing sources (uses)</b>				
Transfers in (out)	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net changes in fund balances	\$ (3,800)	-	(9,973)	
Prior year cash balance	\$ 223,371	223,371	223,371	

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in fund balance (Budget Basis)	\$ (9,973)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	-
Change in fund balance (GAAP basis)	\$ (9,973)

The accompanying notes are integral to these financial statements

**VILLAGE OF CORRALES**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**328 - Capital Bonding Fund**  
**For the Year Ended June 30, 2016**

	Budgeted Amounts		Actual Amounts	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Taxes:				
Property	\$ -	-	-	-
Interest income	-	-	1,227	1,227
Total revenues	-	-	1,227	1,227
<b>Expenditures</b>				
Debt service:				
Principal retirement	-	135,000	135,000	-
Interest and debt issuance costs	-	106,693	106,693	-
Capital outlay	-	-	-	-
Total expenditures	-	241,693	241,693	-
Revenues over (under) expenditures before other financing sources (uses)	-	(241,693)	(240,466)	1,227
<b>Other financing sources (uses)</b>				
Transfers in (out)	-	292,993	279,843	13,150
Total other financing sources (uses)	-	292,993	279,843	13,150
Net changes in fund balances	-	51,300	39,377	
Prior year cash balance	\$ 906,676	906,676	906,676	

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in fund balance (Budget Basis)	\$	39,377
To adjust applicable revenue accruals and deferrals		-
To adjust applicable expenditure accruals		(1)
Change in fund balance (GAAP basis)	\$	39,376

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE — BUDGET AND ACTUAL  
503 - Sewer Fund  
For the Year Ended June 30, 2016**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable (Unfavorable)</u>
<b>Operating revenues</b>				
Charges for services	\$ -	38,000	43,738	5,738
Total operating revenues	-	38,000	43,738	5,738
<b>Operating expenditures</b>				
Personnel services	-	7,710	7,020	690
Contractual services	-	24,290	39,836	(15,546)
Supplies and equipment	40,000	73,000	29,863	43,137
Miscellaneous	-	4,999	3,923	1,076
Total operating expenditures	<u>40,000</u>	<u>109,999</u>	<u>80,642</u>	<u>29,357</u>
Operating income (loss)	(40,000)	(71,999)	(36,904)	(23,619)
<b>Non-operating revenues (expenses)</b>				
Miscellaneous income	-	-	-	-
Total non-operating revenues (expenses)	-	-	-	-
Income (loss) before capital grants and transfers	(40,000)	(71,999)	(36,904)	(23,619)
<b>Other capital grants and transfers</b>				
Transfers in	-	40,000	40,000	-
Transfers (out)	-	-	-	-
Net capital grants and transfers	<u>-</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Change in net position	(40,000)	(31,999)	3,096	(23,619)
Total net position, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net position, end of year	<u>\$ (40,000)</u>	<u>(31,999)</u>	<u>3,096</u>	<u>(23,619)</u>

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in fund balance (Budget Basis)	\$ 3,096
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	<u>-</u>
Change in fund balance (GAAP basis)	<u>\$ 3,096</u>

**STATE OF NEW MEXICO**  
**VILLAGE OF CORRALES**  
**SCHEDULE OF CHANGES IN ASSET AND LIABILITIES**  
**AGENCY FUNDS**  
**For the Year Ended June 30, 2016**

	<b>Balance June 30, 2015</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2016</b>
<b>Assets</b>				
Cash	\$ -	763	-	763
Total assets	\$ -	763	-	763
<b>Liabilities</b>				
Deposits payable	\$ -	763	-	763
Total liabilities	\$ -	763	-	763

The accompanying notes are integral to these financial statements

**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF VILLAGE OF CORRALES' 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	June 30, 2015	June 30, 2014
The Village's proportion of the net pension liability (asset) (%)	0.10%		0.08%	
The Village's proportionate share of the net pension liability (asset) (\$)	\$ 986,960		610,044	
The Village's covered-employee payroll	\$ 729,173		829,800	
The Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	135%		74%	
Plan fiduciary net position as a percentage of the total pension liability	76.99%		81.29%	

\*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Village 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 of 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 VILLAGE OF CORRALES' PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY OF PERA FUND DIVISION;  
MUNICIPAL POLICE 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 Village's proportion of the net pension liability (asset) (%)	0.18%		0.14%	
The Village's proportionate share of the net pension liability (asset) (\$)	\$	877,562	460,949	
The Village's covered-employee payroll	\$	438,864	503,400	
The Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	200%		92%	
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 Village will present information for those years for which information is available.

**Notes to Required Supplementary Information:**

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**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF VILLAGE OF CORRALES' PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY OF PERA FUND DIVISION;  
MUNICIPAL FIRE 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 Village's proportion of the net pension liability (asset) (%)	0.19%		0.13%	
The Village's proportionate share of the net pension liability (asset) (\$)	\$	1,004,882	556,393	
The Village's covered-employee payroll	\$	268,240	285,727	
The Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	375%		195%	
Plan fiduciary net position as a percentage of the total pension liability	76.99%		81.29%	

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**Notes to Required Supplementary Information:**

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**SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF VILLAGE OF CORRALES' 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	\$ 90,748	69,636
Contributions in relation to the contractually required contribution	90,748	69,636
Contribution deficiency (excess)	\$ -	-
The Village's covered-employee payroll	\$ 950,241	729,173
Contributions as a percentage of covered-employee payroll	9.55%	9.55%

\*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 Village 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 of 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 VILLAGE OF CORRALES' CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN  
PERA FUND DIVISION; MUNICIPAL POLICE DIVISION  
LAST 10 FISCAL YEARS\***

	<b>2016</b>	<b>2015</b>
Contractually required contribution	\$ 86,433	67,585
Contributions in relation to the contractually required contribution	86,433	67,585
Contribution deficiency (excess)	\$ -	-
The Village's covered-employee payroll	\$ 561,253	438,864
Contributions as a percentage of covered-employee payroll	15.40%	15.40%

\*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 Village 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 of 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 VILLAGE OF CORRALES' CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN  
PERA FUND DIVISION; MUNICIPAL FIRE DIVISION  
LAST 10 FISCAL YEARS\***

	<b>2016</b>	<b>2015</b>
Contractually required contribution	\$ 58,077	48,015
Contributions in relation to the contractually required contribution	58,077	48,015
Contribution deficiency (excess)	\$ -	-
The Village's covered-employee payroll	\$ 324,453	268,240
Contributions as a percentage of covered-employee payroll	17.90%	17.90%

\*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 Village 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 of 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>.

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
SCHEDULE OF SPECIAL, DEFICIENCY, SPECIFIC,  
AND CAPITAL OUTLAY APPROPRIATIONS  
As of June 30, 2016**

<b>Description/Project</b>	<b>SHARE Fund #</b>	<b>Agreement Date</b>	<b>Reversion Date</b>	<b>Original Appropriation Award (\$)</b>	<b>Expenditures as of June 30, 2015</b>	<b>Current Year Expenditures</b>	<b>Remaining Balance as of June 30, 2016</b>
15-0841 Fire department	89200	10/25/2015	6/30/2018	200,000	\$ -	-	200,000
15-0842 Police department	89200	11/4/2015	6/30/2018	25,000	-	24,373	627
15-0843 Salce Park	89200	10/28/2015	6/30/2019	13,000	-	-	13,000
15-0844 Emergency communications	89200	10/28/2015	6/30/2018	50,000	-	-	50,000
13-1758 Public safety	89200	9/5/2013	6/30/2017	150,000	139,772	-	10,228
14-2096 Regional communications	89200	9/23/2014	6/30/2018	50,000	46,216	-	3,784
14-1690 Fire department	89200	11/19/2014	6/30/2018	50,000	42,539	7,461	-
14-1984 Casa San Ysidro museum	89200	9/9/2014	6/30/2018	100,000	-	100,000	-
14-1985 La Entrada Park	89200	9/9/2014	6/30/2018	75,000	71,021	3,959	20
					\$ <u>299,548</u>	<u>135,793</u>	<u>277,659</u>

STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT)  
FOR THE YEAR ENDED JUNE 30, 2016

Prepared by: Terri L. Gray, CFO  
Date: 12/2/16

#	RFB#/RFP# / State-Wide Price Agreement #	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Name and Physical Address of ALL Vendor(s) that responded	In-State/ Out-of State Vendor (Y or N) (Based on Statutory Definition)	Was the vendor in-state and chose Veteran's preference (Y or N)	Brief Description of the Scope of Work
1	15-011	RFB	Albuquerque Asphalt	\$164,814.00	\$20,787.76	Albuquerque Asphalt 202 94th St SW Albuquerque, NM 87121 CBKN 45 Yeerba Manza Bernalillo, NM 87004 U.C.I (Universal Constructors) 3825 Academy Parkway North, Albuquerque, NM 87197 TLC 5000 Edith NE Albuquerque, NM 87107 RL Leeder 1225 S. St. Franis Suite F Santa Fe, NM 87505	Yes Yes Yes Yes Yes	No No No No No	Roads and Drainage Repair
2	16-001	RFB	Randy Sena Construction	\$123,131.81	N/A	Randy Sena Construction Inc 6811 Huseman PL SW Albuquerque, NM 87121 Franklin's Earthmoving Inc. 700 Industrial Ave NE Albuquerque, NM 87107 Star Paving Co. 3109 Love Rd SW Albuquerque, NM 87121 U.C.I (Universal Constructors) 3825 Academy Parkway North, Albuquerque, NM 87197 Aztec Grading Inc. 6919 Acoma SE Albuquerque, NM 87108 Megastructure 2923 Trellis Dr NW Albuquerque, NM 87107	Yes Yes Yes Yes Yes Yes	No No No No No No	Road Repair and Culvert Placement
3	15-009	RFP	CBKN Dirtworks	\$101,359.56	N/A	CBKN 45 Yeerba Manza Bernalillo, NM 87004 Megastructure 2923 Trellis Dr NW Albuquerque, NM 87107 Mike Pittman Inc. 4788 N. Florida Ave. Alamagordo, NM 88310 Kimo Constructors 3681 Hwy 47 Bosque Farms, NM 87068	Yes Yes Yes Yes	No No No No	Culvert Cleaning
4	15-002	RFB	Ditch Wich of NM Inc. Frank's Supply Co. Inc.	\$79,400.00 \$29,925.86	N/A N/A	Ditch Witch of NM Inc. 2520 Comanche Rd. NE Albuquerque, NM 87107 Frank's Supply Co. Inc. 3311 Stanford Dr. NE Albuquerque, NM 87107	Yes Yes	No No	Waste Water Equipment



**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***

Mr. Tim Keller,  
New Mexico State Auditor  
Scott Kominiak, Mayor,  
Village Council of  
Village of Corrales

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 comparison of the general fund of the Village of Corrales (Village) as of and for the year ended and the related notes to the financial statements, which collectively comprise the Village’s basic financial statements, and the combining and individual finds and related budgetary comparisons of the Village presented as supplemental information of and have issued our report thereon dated December 5, 2016.

**Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However material weaknesses may exist that were not identified.

December 5, 2016

**Independent Auditor's Report On Internal Control Over  
Financial Reporting And On Compliance And Other Matters  
On Based On An Audit Of Financial Statements Performed In  
Accordance With *Government Auditing Standards*,  
continued**

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**Compliance and Other Matters**

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

**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.*

Hinkle + Landers, P.C.  
Albuquerque, NM  
December 5, 2016

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Schedule of Findings and Responses  
For the Year Ended June 30, 2016**

<b>Reference #</b>	<b>Finding</b>	<b>Status of Prior / Current Year Findings</b>	<b>Type of Finding*</b>
<b>PRIOR YEAR</b>			
<b>None</b>			
<b>CURRENT YEAR</b>			
<b>None</b>			

\* Legend for Type of Findings

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

**STATE OF NEW MEXICO  
VILLAGE OF CORRALES  
Exit Conference  
For the Year Ended June 30, 2016**

**PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Village as of June 30, 2016, were substantially prepared by Hinkle + Landers, PC; however, the financial statements are the responsibility of management.

**EXIT CONFERENCE**

The contents of the report for Village of Corrales were discussed on December 5, 2016. The following individuals were in attendance.

**Village of Corrales Officials**

Scott Kominiak  
John Avila  
Terri Gray  
John Jennings

Mayor  
Village Administrator  
Finance Officer  
Contract CPA

**Auditors**

Farley Vener, CPA, CFE, CGMA  
Katelyn Constantin

President & Managing Shareholder  
Audit Manager